

# AGENDA

**RTD Accountability Committee  
Finance Subcommittee  
Wednesday, November 18, 2020  
11:00 a.m. - 12:00 p.m.  
**VIDEO/WEB CONFERENCE**  
Denver, CO**

1. Call to Order
2. November 4, 2020 Meeting Summary (2 minutes)  
(Attachment A)
3. RTD Revenue Forecast, September 2020 (5 minutes)  
(Attachment B)
4. Update on Peer Agency Comparisons (10 minutes)
5. Proposed Legislative Changes (20 minutes)  
(Attachment C)
6. RTD Accountability Committee, Subcommittee Focus Areas (20 minutes)  
(Attachment D)
7. Member Comment/Other Matters (3 minutes)
8. Next Meeting: December 2, 2020
9. Adjournment

**PLEASE NOTE:** Finance Subcommittee members are encouraged to review the [RTD Finishing FasTracks Report](#) prior to the November 18 meeting.



MEETING SUMMARY  
RTD ACCOUNTABILITY COMMITTEE-Finance Subcommittee  
Wednesday, November 4, 2020  
Note: Meeting held virtually via GoToMeeting

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**MEMBERS PRESENT:**

Rutt Bridges  
Dan Blankenship  
Krystin Trustman  
Rebecca White  
Lynn Guissinger  
Elise Jones  
Troy Whitmore

Others Present: Ron Papsdorf, Matthew Helfant, Natalie Shishido, Brian Metzger, Heather McKillop, Mellanie Snyder, Melanie Choquette, Barbara McManus, Luke Palmisano, Jordan Sanchez, Shelley Cook, Kathleen Bracke, Nicole Carey, Alex Hyde-Wright, George Gerstle, Elizabeth Rees, Margaret O'Keefe.

Call to Order

Rutt Bridges called the meeting to order at 11 a.m.

October 21, 2020 Meeting Summary

The meeting summary was accepted.

**DISCUSSION ITEMS**

CDOT Financial Dashboard

Brian Metzger, CDOT, discussed CDOT's project tracking dashboard. It is built on the Power Bi Gov platform. There are some system issues that CDOT had to deal with but can publish different components for internal and external consumption.

Mr. Bridges asked about the amount of training that was required. Mr. Metzger responded that stated that not much training is really necessary for consumers of the dashboard information. The backend of the system is built a lot like excel. However, managing the dashboard and keeping information up to date is more work.

Heather McKillop, RTD CFO, stated that RTD is moving to Power Bi. The biggest issue is that RTD does not have SAP (CDOT's financial system), so bringing financial information into Power Bi is cumbersome.

Update on RTD COVID Immunization Support

Rutt Bridges reported that he has a meeting set up with RTD staff to further discuss the concept. He is also working on getting a meeting set up with the Governor's Office and CDPHE. He will report back to the subcommittee.

Peer Agency Comparisons

Ron Papsdorf introduced Natalie Shishido. Ms. Shishido described the process for identifying peer agencies and her work to review potential agencies for benchmarking RTD.

Mr. Bridges observed that MARTA seems like a good comparison based on the numbers.

Ms. Shishido also indicated that ridership is really an outcome or performance measure.

Mr. Blankenship said the information is very interesting and that it is important to evaluate efficiency measures such as cost/hour, cost/mile, passengers/hour and passengers/mile, etc. These should all be broken down by mode.

#### FasTracks Unfinished Corridors Report

Ron Papsdorf provided an overview of RTD's 2019 FasTracks Unfinished Corridors Report. It included a description of the unfinished corridors, estimated capital costs to complete them, and a series of options.

Mr. Bridges observed that tax increases and additional bonding are challenging now.

Ms. Jones noted that there isn't enough trust for voters to tax themselves twice right now. She also asked about any relationship to Front Range Passenger Rail.

Mr. Papsdorf responded that there have been some conversations that if Front Range Passenger Rail moves forward and depending on its ultimate alignment, there may be ways to leverage other services such as Flat Iron Flyer and future State Highway 119 Bus Rapid Transit to provide similar or equivalent service to Northwest Rail.

#### Summary and Discussion of Needed Legislative Actions

Rutt Bridges presented potential legislative changes to address long-term sustainability for RTD. The three key areas related to farebox recovery ration, development at transfer facilities, and restrictions on charging for parking at RTD facilities.

Lynn Guissinger stated that she also felt that contracted service language in the statutes was also an opportunity.

Troy Whitmore asked what the up to 58% contracted services meant.

Elise Jones stated that the statute provision originally started as a 28% floor, then changed to a 58% ceiling.

Rebecca White stated that looking back at the priorities for the subcommittee, the list hits the items identified so far.

### **ADMINISTRATIVE ITEMS**

#### Member Comment/Other Matters

There were no other comments.

The next meeting will take place on November 18, 2020.

The meeting adjourned at 12:05 p.m.

**ATTACH B**

To: Members of the RTD Accountability Committee Finance Subcommittee

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

Meeting Date	Agenda Category	Agenda Item #
November 18, 2020	Discussion	3

#### SUBJECT

RTD Revenue Forecast, September 2020

#### SUMMARY

The Business Research Division, Leeds School of Business, University of Colorado prepares economic and sales and Use Tax revenue forecasts for RTD. The September 2020 forecast indicates that in the short term:

- The impact of the COVID-19 pandemic on the economy (specifically, retail sales), causes a projected reduction in revenue by 5.8% in 2020 before growing 5.5% in 2021 (but growing from a smaller revenue base)
- Despite strong January and February RTD revenue growth, revenue declined in March, and is projected to remain below peak beyond the short-term forecast (2021), regaining revenue above the prior peak in 2022
- The mean forecast for 2021 is \$655 million, bound by a lower bound of \$595.2 million and an upper bound of \$713.4 million

For the medium-term outlook, the report indicates that:

- While year-over-year revenue growth is projected to return in Q1 2021, it is projected that RTD revenue will not fully recover until 2022
- Under the baseline scenario, RTD total tax revenues are projected to grow by 29.1% between 2019 and 2026, reaching \$851.2 million by the end of the medium-term horizon

In the long term, after estimated revenue growth of 5% for the decade ending in 2020 (in current, nominal dollars), nominal revenue projections for the next three decades average 4% (2021–2030), 3.4% (2031–2040), and 2.4% (2041–2050); the 30-year average is 3.3% (2021–2050). The BRD long-term forecasting model incorporates population growth and shifts in the age distribution of the population as key factors influencing the rate of growth in output, employment, and sales.

#### ATTACHMENT

Link: [RTD Forecast Model](#) - Short, Medium, and Long-Term Econometric Forecasts of RTD Sales and Use Tax Revenues: September 2020 Update

#### ADDITIONAL INFORMATION

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

**ATTACH C**

## Potential Legislative Changes to RTD Statutes

When the Governor and the Legislature established the RTD Accountability Committee (RTD AC), we were tasked with providing recommendations for improvement to the operations of and statutes related to RTD. Key among the Committee's assignments was examining how RTD can better serve its riders, expand ridership and achieve financial stability and growth while still meeting its core mission. Since then, the emergence of the COVID-19 pandemic has resulted in a 60% reduction in ridership and a major decline in current and projected sales and use tax revenue, further exacerbating RTD's unsustainable financial situation.

As the RTD AC explores potential recommendations for improvement, we have determined that some of the suggestions we may want to propose for RTD would be blocked by the language of Colorado statutes (Title 32, Article 9) first put in place when RTD was founded over 50 years ago and amended periodically thereafter.

In particular, 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. Nonetheless, if the Denver metro area is to have the world-class transit system it deserves, we will collectively need to pursue a whole range of improvements that maximize flexibility and innovation at RTD.

### **1. 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 non-sales 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 as a way to restore ridership lost in the COVID-19 pandemic, expand ridership beyond pre-pandemic levels or improve the equity of mobility services.

One of the specific charges to the RTD AC was "A review of the district's plans for how to expand ridership." RTD's systemwide ridership had already been declining in recent years when the COVID-19 crisis resulted in a dramatic reduction in ridership on existing routes and the complete elimination of some other service as well. Recovery and expansion of ridership will necessitate flexibility to consider some "out of the box" measures to regain lost riders and attract new riders. Additionally, equity considerations for transit-reliant populations, especially low-income households, is a major focus for the RTD AC; ensuring transit affordability through an analysis of fare levels will also be a critical component of our work.

There are many potential examples of how maximum fare flexibility could be beneficial. RTD could offer a free month transit pass to people in the District who are immunized against COVID-19 as a way to simultaneously defeat the virus and rebuild pandemic-impacted ridership. Other transit agencies around the country, and several local governments in the RTD service area, are experimenting with low-fare or fare-free transit to attract new riders or bring former customers back. RTD needs the flexibility to explore options around fares and incentive programs to recover from the damage done by COVID-19 and to expand ridership beyond pre-COVID-19 levels. A \$6B rail system that carries a quarter of the passengers it carried in 2019 is a poor return on taxpayers' investment. This must be rectified.

The goal of mass transit should be to provide the most rides for the most people at the lowest total cost. Farebox recovery ratios fail to tell the whole story. A better and simpler measure of return on investment is the system's operating cost divided by total ridership. RTD needs to focus on delivering the greatest value for our infrastructure investment. The more people we carry on mass transit, the less we will suffer from congestion and the less we will pollute our air.



In addition to providing operating costs and ridership, RTD will also be required to provide estimated total carbon emissions and carbon emissions divided by ridership as measures of the environmental impact of services provided.

Proposed edits:

**CRS 32-9-119.7 ~~Farebox recovery ratios — plans~~ Cost efficiency of transit services provided – Maximizing ridership**

*(1) The general assembly hereby finds and declares that surface transportation in the Denver metropolitan area is a major problem confronting not only the citizens of the metropolitan area but also the citizens of the entire state of Colorado. The general assembly further finds that, although mass transportation is one component of an effective surface transportation system, the allocation of resources to mass transportation must be made in light of all surface transportation needs. The general assembly further finds that the district should be organized efficiently, economically, and on a demand-responsive basis and that the district should consider least-cost alternatives in discharging its responsibilities. ~~The general assembly further finds that the farebox recovery ratio of the district must be improved so that resources once allocated for mass transportation can be made available for other surface transportation needs.~~*

*(2) For the purposes of this section, “operating costs” means all expenditures, including depreciation, except for those incurred in long-term planning and development of mass transportation and rapid transit infrastructures and those costs incurred as a result of providing transportation service mandated by the federal “Americans with Disabilities Act of 1990”, 42 U.S.C. sec. 12101 through 12213. ~~and “revenues collected” means all non-sales tax revenue generated through the operation and maintenance of the mass transit system, except for those revenues generated as a result of providing transportation service mandated by the federal “Americans with Disabilities Act of 1990”.~~*

*(3) The district shall provide in its financial reporting operating cost, ridership, and operating costs divided by ridership as measures of the cost efficiency of services provided. ~~take whatever measures it deems necessary to ensure that the following percentages of its operating costs are funded by revenues collected, as follows:~~*

*~~(a) For the fiscal year 1990, twenty seven and one half percent;~~*

*~~(b) For the fiscal year 1991, twenty eight and one half percent;~~*

*~~(c) For the fiscal year 1992, twenty nine and one half percent;~~*

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

*(4) The district shall provide in its financial reporting estimated total carbon emissions based on fuel consumption of transit vehicles divided by ridership as measures of the environmental impact of services provided.*

**2. 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 Transit-Oriented Development (TOD) on RTD properties and allow RTD to derive more revenue from the use of its properties.

Specifically, 32-9-119.8(4) contains overly broad language that invites litigation from surrounding businesses “reasonably near a transfer facility.” Furthermore, 32-9-119.8(5) may prevent RTD’s ability to encourage development of affordable, 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 requirement puts the development of transit-focused residences at a significant financial disadvantage and makes no sense for residents who rely on transit for mobility rather than personal vehicles.

Proposed edits:

*(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.*

(5) Any development of any portion of a transfer facility made available by the district for the provision of retail or commercial goods or services or for the provision of residential uses or other uses shall be subject to all applicable local zoning ordinances, except for parking requirements, which will be established by RTD. RTD may also at its option charge fees for parking at district parking facilities.

### **3. 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. 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. Removing this restriction would provide RTD with the ability to generate some revenues from parking if it so desired – although it would

be important to not depress ridership by charging too much – and/or to use parking revenues to decrease fares, which could yield equity benefits and enhance ridership. 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, and vulnerable populations cheaper parking or parking spots closer to the platform.

Proposed edit: We recommend deletion of the entire section 32-9-119.9. Note that RTD’s option to charge fees for parking is now established in 32-9-119.8(5), but otherwise, management of RTD parking facilities is left to RTD.

#### **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.

Ideally, RTD would use qualified service providers to provide transit service when that is the most cost-effective option, assuming quality of service and safety are assured. Expanding this provision to include non-profit and local government service providers could be beneficial by increasing the pool of alternative cost-effective providers.

Proposed edit<sup>s</sup>:

*(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 up to fifty-eight percent of the district's vehicular service is provided by qualified private businesses, non-profit organizations, or local governments, 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) (I) Subject to the requirements of the "Federal Transit Act", as amended, the district may request proposals from private providers to provide 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, non-profit organizations, or local governments, 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, non-profit organizations, or local governments, in accordance with this section.

**ATTACH D**

To: Members of the RTD Accountability Committee Finance Subcommittee

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

Meeting Date	Agenda Category	Agenda Item #
November 18, 2020	Discussion	6

**SUBJECT**

Finance Subcommittee Strategic Priorities

**SUMMARY**

Discussion of the status of specific RTD Accountability Committee goals relevant to the Finance Subcommittee. In particular, the subcommittee chair wishes to discuss:

- a. A thorough review of the use of CARES Act and other pandemic-related stimulus funds to support RTD's mission
- b. Review of recent state audits and other financial-related documents, including with respect to staff management, retention, and hiring
- c. A review of the district's short-term and long-term prioritization of resources to maximize the district's limited dollars for the benefit of taxpayers
- d. A review of the district's plans for how to expand ridership
- e. A determination of the long-range financial stability of the agency
- f. How the agency can achieve stability and growth while still meeting its core mission.
- g. Issue of bus lines subsidizing FasTracks rail lines? How much of the 6/10 cents has been diverted to FasTracks?
- h. Regional equity & the finances of finishing FasTracks or providing equivalent mobility to unfinished corridors: Are FasTracks monies (and base funds?) generally being spent equitably relative to the counties where they were generated? Get accurate info from RTD regarding expenditures to date.
- i. Can/Should RTD Accountability Committee make recommendations (e.g., to the legislature and Governor) on the broader transportation pricing context, e.g., Uber, Lyft, parking fees?
- j. Review and recommend potential changes to RTD statutes
- k. Are there other federal and/or state funding sources that can contribute to help provide transportation services to low income populations (e.g., no or low fares for low income users) rather than RTD shouldering all of the cost?
- l. Are there potential solutions that might provide equivalent or better mobility on unfinished corridors?
- m. Are there suggestions to how RTD might better manage the COVID crisis and accelerate the recovery of ridership?

**PREVIOUS DISCUSSIONS/ACTIONS**

[October 21, 2020](#)

**ATTACHMENTS**

1. RTD Accountability Committee Proposal
2. Draft RTD Accountability Committee: Initial Subcommittee Focus Areas

**ADDITIONAL INFORMATION**

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

### ***RTD Accountability Committee Proposal***

The Regional Transportation District (RTD) board, in collaboration with the Governor of Colorado and the Transportation chairs of the General Assembly, will create the RTD Accountability Committee (the “Committee”). The Committee will be fully independent from RTD.

The Committee’s mission is to provide feedback and a set of recommendations for improvement to the operations of and statutes related to RTD, to the board and staff of the RTD, the Governor, the General Assembly, and the public. The Committee will be appointed by July 15, 2020 and will hold its first meeting by July 31, 2020 and will continue for one year. If the Committee decides additional work is needed, the Committee may continue its work for a second year, or may recommend other action to continue this work.

Pending additional arrangements, the Committee will be hosted by an independent agency. The Committee will be staffed with resources provided by RTD. Using resources, the Committee may contract with services of a third-party consultant with expertise in transit authority operations.

RTD, the Governor’s office, and the leadership of the General Assembly will jointly announce and commit to the process through a joint press release and/or press conference.

The Committee may issue a preliminary report by December 31 of 2020, and shall issue a report with recommendations no later than July 1, 2021. It shall submit the report to the Governor, the chairs of the transportation committees in the Senate and House of Representatives and the RTD Board of Directors. The Committee will hold one or more public hearings on the report and will consider public comment and adopt these recommendations as appropriate.

The District shall make each report issued by the Committee available to the public on its website. The RTD Board shall, within 45 days of issuance of the report, either adopt the recommendations or issue a report stating its reasons for not adopting specific recommendations.

The Committee will consist of eleven members. Appointing authorities may receive suggested names and input for the committee from RTD, DRCOG, Metro Mayors, community organizations and members of the public; however, it is essential that the committee is perceived as independent, and free to do its work without interference. The Governor will appoint five members of the Committee and the transportation chairs of the House and Senate will appoint six members of the Committee. The Committee composition should reflect the diverse political views and partisan makeup of RTD’s service area. The RTD board chair will appoint two ex officio members from the RTD board.

The table below shows the recommended expertise for the board, although the goal is to appoint qualified, respected community members; actual members’ expertise may vary.



## Accountability Committee Makeup (11 members)

Members
Four Local Government Representatives within District
At least one member with economic development expertise
At least one member with expertise on issues facing transit riders with disabilities
At least one member with human resources expertise, preferably for transit agencies
At least one member with transit services expertise or multi-modal expertise
At least one member with transportation equity expertise
At least one member with financial planning and management expertise
At least one member with urban planning expertise

The Governor will make the following appointments:

- 1 member with financial planning expertise
- 1 member with transportation equity expertise
- 1 member with urban planning expertise
- 1 member with economic development expertise
- 1 member who represents a local government served by RTD

The chairs of the House and Senate transportation committees will make the following appointments:

- 1 member with expertise on issues facing transit riders with disabilities
- 1 member with human resources expertise, preferably for transit agencies
- 1 member with transit services or multi-modal expertise
- 3 members who represent a local government served by RTD

### **Committee Scope and Organization:**

The parties will enter into an interagency agreement or letter agreement that allocates up to \$200,000 for staffing and resources such as consulting for the committee. The committee will endeavor to use existing resources when possible. If \$200,000 is determined by the committee to be inadequate to fulfill the work, the committee and RTD will work in good faith to find other potential funding sources.

The Committee shall elect a Chair and Vice-Chair at their first meeting, and shall meet as often as necessary to complete its tasks.

The Committee shall perform a comprehensive review of the District, taking into account the perspectives of the staff, board, employees and the public. The District will provide the Committee access to board members, employees, consultants and documents.

The work of the committee should include a review of at least the following:

- A review of recent financials from the district, including any recent audits and a thorough review of the agency's use of CARES Act stimulus funds;
- The structure of RTD governance and executive leadership
- A review of the district's short-term and long-term prioritization of resources to maximize the district's limited dollars for the benefit of taxpayers;
- How RTD can better serve all riders including those with disabilities, how it can better serve transit-dependent populations, a review of the district's plans for how to expand ridership, how the district is addressing coverage gaps, how the district is prioritizing route planning, and how the district is serving its entire service area;
- 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.

In issuing its report and recommendations, the Committee may consider but is not limited to including the following topics:

1. District's partnerships with local governments;
2. Use of CARES Act and other pandemic-related funds to support RTD's mission;
3. ADA compliance and accessibility of District services and facilities, including paratransit;
4. Equity in services provided to the District, analyzed in terms of geography, social equity, fare structures, and needs of transit-dependent populations;
5. Organizational assessment (financial health, human resources, work culture, management and governance of the District);
6. Services provided by the District, plans and criteria for expansions or reductions in service;
7. Review of current state audit, including with respect to staff management, retention, and hiring;

8. District's efforts to address the state's climate change goals.
9. District's role in fostering economic development

## **RTD Accountability Committee: Initial Subcommittee Focus Areas**

The Committee's mission is to provide feedback and a set of recommendations for improvement to the operations of and statutes related to RTD, to the board and staff of the RTD, the Governor, the General Assembly, and the public.

### **Core Problems at RTD the Committee Needs to Address**

- Assuring financial stability by addressing insufficient revenues, an unsustainable financial model, high debt load and operating within available resources and available contingency plans
- Rebuilding trust and transparency with constituents
- Increasing ridership to address both post-COVID-19 losses and pre-COVID-19 declines
- Ensuring appropriate levels of service, especially for transit-reliant and vulnerable populations
- Strengthening partnerships with local governments, other transit agencies, non-profits and other entities such as Districts and Regional Transportation Authorities (RTA's)
- Addressing unfinished FasTracks corridors
- Encouraging RTD to innovate and anticipate new dynamics and trends
- Refocusing RTD on serving core mission: serving transit markets well
- Addressing work force challenges, such as operator shortages, compensation, hours, etc.

The subcommittees will focus their initial inquiry and development of recommendations in the following areas:

### **Governance Subcommittee**

1. Explore and develop an alternative governance structure and deployment of transit services proposals that follow a regional/subregional model and partnership with local governments, with the following potential characteristics:
  - Use of community-based transit planning
  - A regional/local division of RTD funding and routes, with RTD focusing on regional routes and local governments focusing on local transit networks that meet regionally established criteria and can be competitively contracted out. Consideration of the disparities in amount of local funding governments from high income and low-income areas could supply should be included.
  - The ability/requirement for locals to match a portion of RTD funds to leverage additional local funding. Match requirement could be lower for counties with higher low income/vulnerable populations to address equity concerns.
  - A DRCOG Subregional TIP Forum-type process and structure with RTA's, counties, cities or other regional jurisdictions serving as subregions
  - Adherence to consistent performance criteria throughout RTD's service area, e.g., MetroVision goals
2. Explore how to enable partnerships with other transit agencies and nonprofits to provide for better service outside and inside RTD boundaries, e.g., using the HOP in Boulder as a local model and the Fort Collins/Transfort Flex as an inter-regional model.
  - This model can be useful for providing service to low ridership areas such as Evergreen
3. Assess whether the size and structure of RTD's service area is appropriate relative to its ability to provide transit service.
4. Assess whether the RTD Board would be more effective with a different size or structure, e.g, elected vs. appointed, number of districts, at-large vs. districts, representation at both the regional and subregional scale (e.g., DRCOG subregional forums, LA Metro, etc.).
  - Consider the addition of select community/organization representatives connected with key transit user groups, ex-officio members such as a representative of CDOT, DRCOG, the state legislature, governor's office, or others

### **Operations Subcommittee**

1. Assess and make recommendations on how RTD fares and pass programs can be improved to increase equity, ridership, affordability and ease of access.
  - Make eco passes available to riders outside of their employment
  - Consider an expansion of mobile ticketing
  - Consider allowing for rear loading of buses
2. Make recommendations on how RTD can enhance service delivery to transit-reliant, vulnerable populations (i.e., older adults, communities of color, people with disabilities, low income, zero car households) through different models of service delivery (e.g., contracting out to local providers, use of Lyft/Uber/TNCs, vanpool support, etc.) and reflecting changing travel trends post-COVID-19.
  - Consider changes in service provision that focuses on higher density areas rather than entire eight county area
  - Look at first and last mile deficiencies
3. Focus on proactive, community-based transit service planning and operations (e.g., work with locals to develop options for service changes, integrate transit routes and stop/stations with local land use plans, seek out partnership opportunities, etc.). Strengthen and formalize coordination between RTD and cities and counties with development review review/approval of projects and design of transit service for key developments.
4. Undertake an overall organizational assessment (human resources, work culture, management and governance of the District; organizational and Board structure).
5. Emphasize social/environmental justice and equity analysis to influence transit services provided, and how needed changes are determined.

### **Finance Subcommittee**

1. Review and make recommended changes to RTD to achieve a more sustainable financial model, including review of investment policies/guiding principles, debt, regional/subregional funding allocation, and statutes that limit opportunities for revenue generation, cost savings and increased ridership, including provisions that:
  - Require RTD to raise a certain amount through fares (this is a barrier to lower cost service).
  - Limit RTD's ability to develop anything but parking lots on its properties (e.g., rather than affordable housing and key services at TOD sites that can generate transit riders and potentially revenue).
  - Limit RTD from charging for parking. Examine how changes in parking policies and pricing could increase revenues, TOD and ridership.
  - Affect RTD's ability to contract for cheaper service delivery.
2. Review FasTracks spending and make recommendations on how to achieve an equitable resolution for the unfinished FasTracks Corridors. This will include answering the following questions:
  - How have FasTracks and base operating monies been generated and spent to date across the RTD service area?
  - How much of base funding has been diverted to FasTracks projects?
  - What is the cost of finishing FasTracks?
  - How can unfinished corridors be served in a cost effective and cost efficient manner (e.g., project completion, equivalent mobility, financial, etc.)?
3. Make recommendations on how to improve financial transparency to build back public trust and demonstrate RTD accountability to the voters and policy makers, such as the development of a public, online dashboard to show how RTD money is generated and spent, similar to CDOT's dashboard regarding SB 267 funds.
4. Examine partnership opportunities (i.e., with CDOT, local governments, human services agencies, non-profits, private sector, etc.) to enhance mobility services, allow RTD to focus on delivering the types of service(s) they can do most effectively/efficiently, and leverage RTD funding and/or decrease costs of service.