


**Presentation to the
Joint Senate and House Transportation
Committees**

Phil Washington, RTD General Manager

March 25, 2010



Today's Agenda

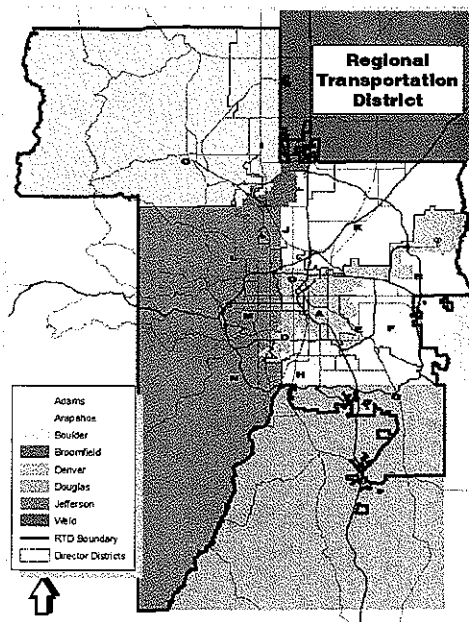
- Overview of RTD
- Impact of Recession - 2009
- RTD 2010 Adopted Budget
- Cost Recovery
- Contracted Bus Service
- FasTracks

Mission Statement

To meet our constituents' present and future public transit needs by offering safe, clean, reliable, courteous, accessible, and cost-effective service throughout the District.

Service Area

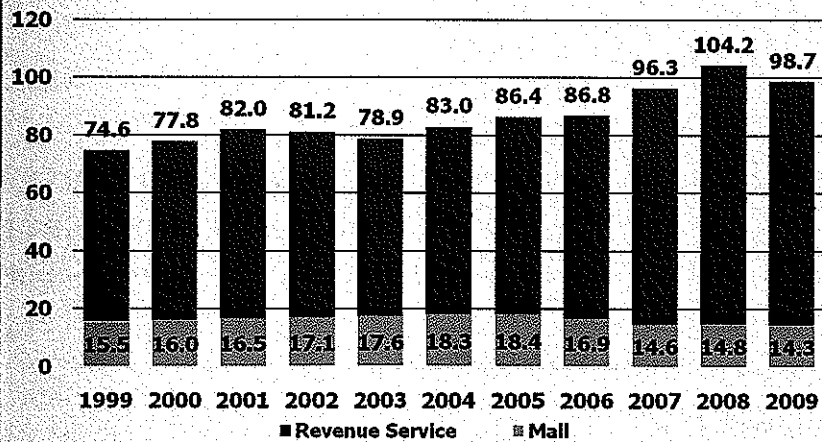
- 8 counties
- 40 municipalities
- 2,348 square miles
- 2.8 million people
(approximately 57% of Colorado population)



Scope

- 1,050 total buses
 - 612 RTD-operated buses
 - 438 contractor operated buses
- 830 peak period buses
- 359 paratransit vehicles
 - 325 access-a-Ride
 - 34 call-n-Ride
- 125 light rail vehicles
- 150 routes
- 74 park-n-Rides
- 2,466 budgeted employees
 - 664 salaried staff
 - 1,802 represented employees
- 6 operating facilities

Annual Total Boardings – 1999-2009 (millions)



Impact of Recession on 2009 Sales and Use Tax (Thousands)

	Base System	FasTracks	Total
2008 Sales and Use Tax Collections	\$ 247,695	\$ 165,130	\$ 412,824
2009 Year-end Sales and Use Tax	222,843	148,562	\$ 371,405
2009 Sales and Use Tax (Decrease)	\$ (24,851)	\$ (16,568)	\$ (41,419)
Percentage Decrease	-10.0%	-10.0%	-10.0%

2009 Management of Recession's Impact

- **Effective management of grants for improved cash flow**
 - Including American Recovery and Reinvestment Act funding
- **Cost Containment**
 - Service adjustments (approximately -2.25%)
 - 2009 & 2010 Salary freeze and limited hiring
 - Favorable outcome on 2009-2011 labor contract
 - Deferral of non-mission-critical projects
 - Aggressive control of all contract costs
 - Multiple departmental budget reductions
- **Temporary suspension of 3.3% Sales Tax Vendor Allowance**

FY 2010 Adopted Budget Summary
(Millions of Dollars)

Revenues & Sources	
Fares	\$ 93.5
Sales & Use Tax	388.8
Federal Assistance	297.7
Investment Income	16.0
Debt Issuance	281.7
Reserves & Other Income	<u>560.9</u>
Total Revenues & Sources	\$1,638.6
Expenditures & Outlays	
Current Operating	\$ 391.8
Interest	73.1
Current Capital and Principal Payments	488.0
Capital Carryforward	677.1
Transit Development and Change in Reserves	<u>8.6</u>
Total Expenditures and Outlays	\$1,638.6

FY 2010 Adopted Budget
Operating, Administrative & Interest Expenditures
(Thousands of Dollars)

Operating and Administrative Expenditures	\$391,782
Interest Expense	<u>\$73,057</u>
Total Operating, Administrative And Interest Expenditures	\$464,839



Cost Recovery Ratio (SB 154 of 1989)

Revenues:

- Farebox Revenues (exclusive of ADA)
- Advertising Revenues
- Federal Operating Grants
- Federal Formula Bus Grants
- Other Operating Revenues
- Investment Income

Costs:

- Operating and Administrative Costs
- Depreciation on Bus Operations Assets
- Excluding: ADA Costs
Rapid Transit Planning
Interest Payments on Rapid Transit Assets



Cost Recovery Ratio (SB 154 of 1989)

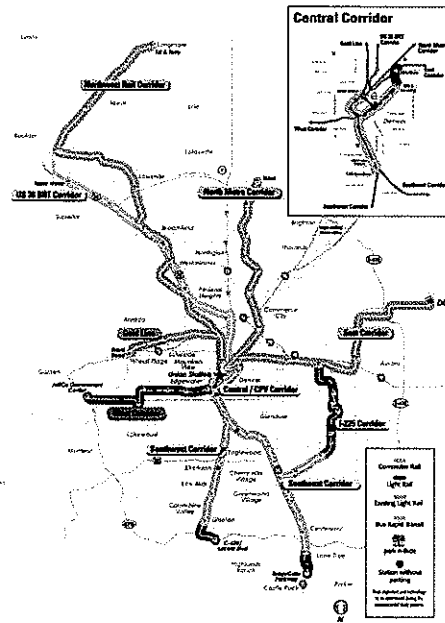
Year	Actual	Statutory Requirement
2005	40.5%	30.0%
2006	41.8%	30.0%
2007	52.8%	30.0%
2008	48.9%	30.0%
2009 (Unaudited)	49.4%	30.0%
2010 (Budget)	54.5%	30.0%

Contracted Bus Service Summary

- 57.04% of all RTD bus services operated by private contractors as of August 2009
- Contracted services include:
 - Fixed route – 47.2% contracted
 - access-a-Ride – 100% contracted
 - call-n-Ride – 100% contracted

The RTD FasTracks Plan

- 122 miles of new light rail and commuter rail
- 18 miles of Bus Rapid Transit (BRT) service
- 31 new park-n-Rides; over 21,000 new spaces
- Enhanced Bus Network & Transit Hubs (FastConnects)
- Redevelopment of Denver Union Station





FasTracks Construction Progress

- **47 miles of new rail lines will be under contract or in construction by the end of this year**
- **West Corridor**
 - Full construction
- **Denver Union Station**
 - Construction underway
- **U.S. 36 BRT Corridor**
 - Construction of bus improvements complete this spring



FasTracks Progress

- **Environmental processes completed**
 - East Corridor
 - Gold Line
 - I-225 Corridor
 - US 36 BRT
 - Southwest/Southeast Corridor Extensions
 - Central Corridor
- **Environmental processes wrapping up**
 - North Metro
 - Northwest Rail
- **FasTracks projects on-track to be construction ready by end of 2010**

RID

Federal Funding News

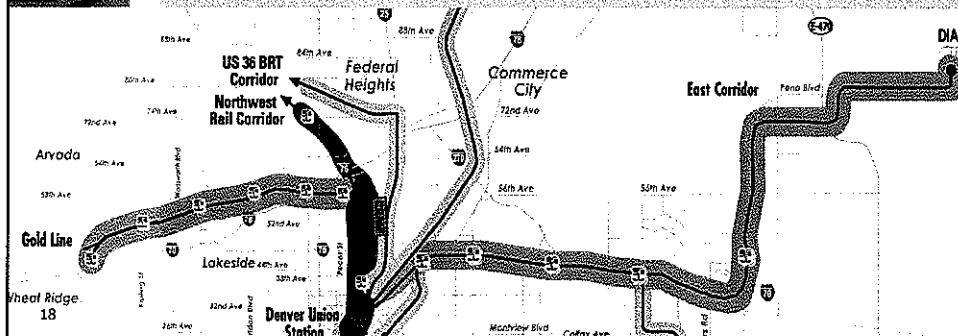
- On Friday, Feb. 5, FTA Administrator Peter Rogoff announced \$120 million included in the President's 2011 Budget
 - \$40 million for East Corridor
 - \$40 million for Gold Line
 - \$40 million for West Corridor
- \$304 million in federal loans complete DUS financial plan

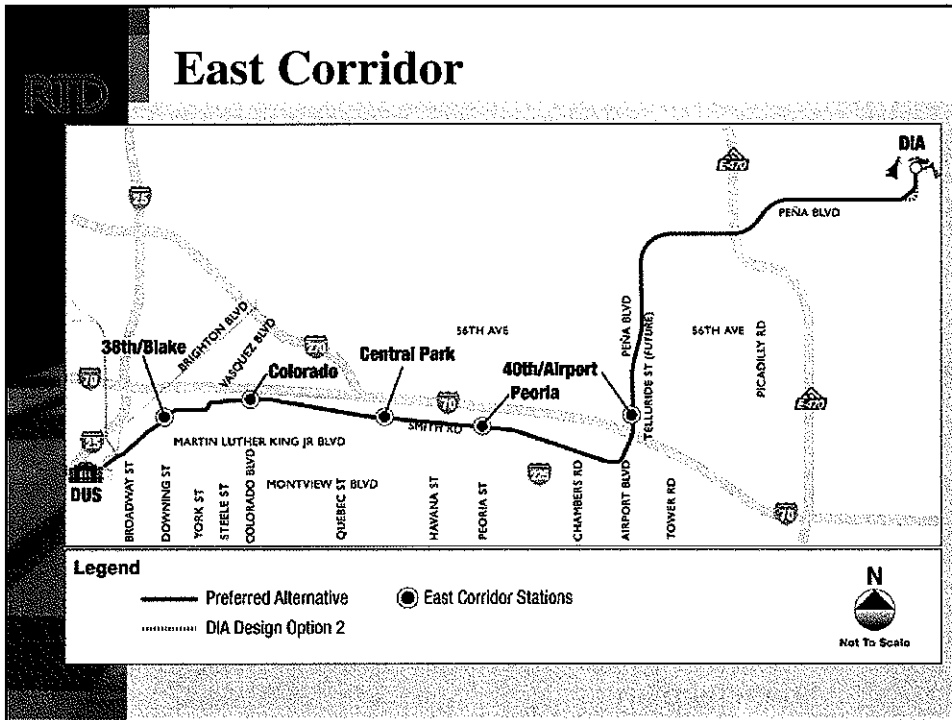


RID

Eagle P3 Project

- Includes East Corridor, Gold Line, Commuter Rail Maintenance Facility and a portion of Northwest Rail (from DUS to 71st Ave./Lowell)
- Concession agreement to Design-Build-Finance-Operate-Maintain for ~46 years
- Construction to begin: August 2010





Eagle P3 Project

- **Project Funding - \$2.3 Billion**
 - Includes \$1 billion in federal funds
- **Phase I**
 - Property acquisition begins
 - East Corridor
 - Maintenance facility and control center
 - Electric Multiple Unit (EMU) vehicles
 - Electrical systems at Denver Union Station
- **Phase II (once federal funding is granted)**
 - Gold Line
 - Short segment of Northwest Rail to Westminster

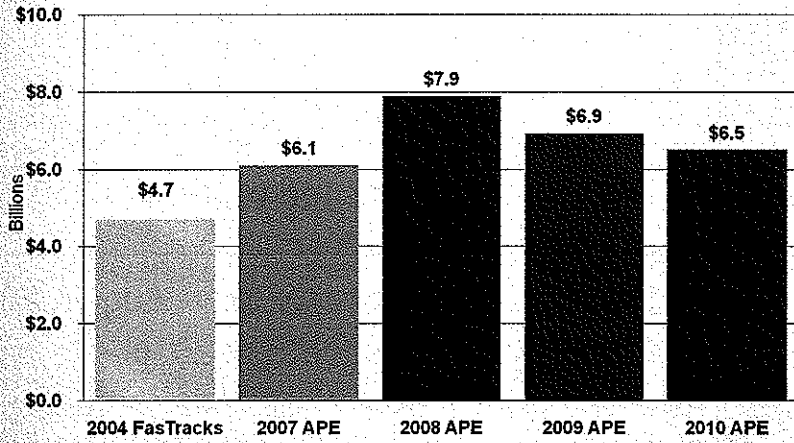
Eagle P3 Project Status

- Two active teams fully engaged in preparing proposals
 - Denver Transit Partners
 - Mountain-air Transit Partners
- RTD Board selects team – June 2010
- Contract award – July 2010
- Begin construction on East – August 2010
- Completed – no later than 2016

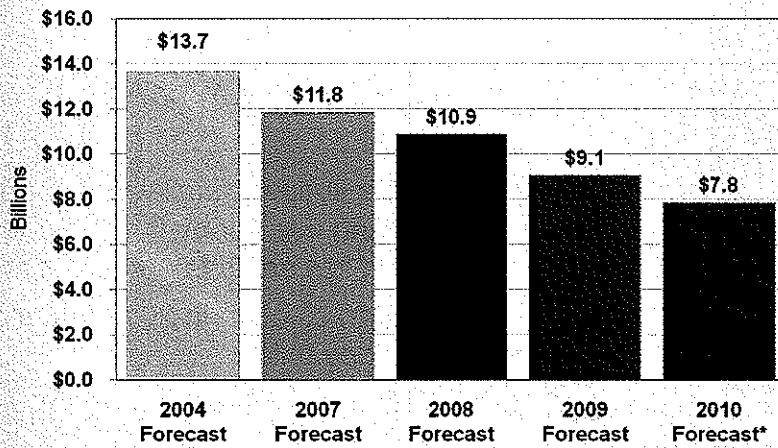
2010 Program Evaluation Analyses

- The capital funding gap by 2017 for the FasTracks program is \$2.4 billion
- The full FasTracks program can be completed by:
 - **2017**: Assuming a successful election in 2010 that increases sales and use tax by 0.4% (under the high, medium and low sales tax growth scenarios)
 - **2019**: Assuming an election in 2012 that increases sales and use tax by 0.4%
 - **2042**: Assuming no additional revenues

Capital Cost Summary (YOE)



Sales and Use Tax Forecasts (2005 – 2035)



* Medium sales and use tax growth scenario of 3.7%

RTD

Construction Ready Task Force

- **RTD is developing a plan to have the entire FasTracks program ready for construction**
 - Take advantage of favorable bidding environment
 - Potentially reduce costs by lowering inflation impacts
 - Ability to break ground immediately as funding comes in

RTD

FasTracks Benefits

- Stimulates the economy
 - Every \$1 invested translates into \$4 injected into local economy
- 10,000 construction-related jobs at height of construction
- Provides opportunities for livable, sustainable communities & affordable housing
- Contributes to use of renewable energy
- Provides multi-modal solutions (rail and bus transit, bicycle and pedestrian improvements)



Next Steps

- ❑ Continue to work with Metro Mayors Caucus Task Force and Coalition for Smart Transit – Ongoing
- ❑ Seek feedback from region's elected officials and civic leaders – February/March 2010
- ❑ CST to complete research/polling based on 2010 APE findings – March 2010
- ❑ Complete analysis of private sector's capacity to support campaign – March 2010
- ❑ Complete analysis of likelihood a campaign would be successful – March/April 2010
- ❑ RTD Board determines whether to pursue sales tax increase in 2010 – April 2010
- ❑ Award Eagle Project – July 2010

Questions?