



COLORADO
Department of Transportation
Division of Transit & Rail

5311 Distribution “Blue Skies” Scenario

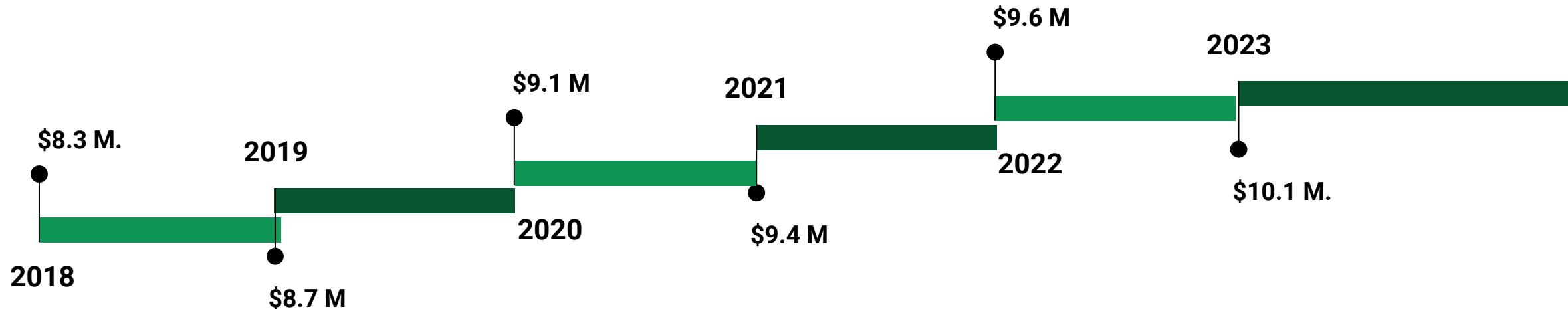
Jan 2022



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Background on 5311 Operating 1+5 Year Formula:

- 2016, two year effort on 5311 A+O funds redistribution methodology
- In March 2018, TRAC recommended and TC approved the distribution methodology (a formula approach) and a transition plan.
- We are now in year 5 of the transition plan.

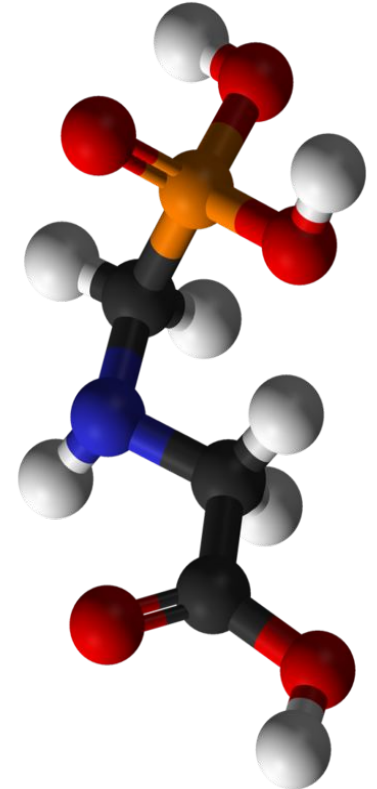




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Why a baseline funding level:

- Baseline funding provides certainty for next 5 years
- Allows for expansion services
- Allows for new agencies
- Allows funding to improve State of Good Repair
- Improves efficiency in call for projects (Operating/Admin) requires agency update and certification of programs, rather than formal application.





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Blue Skies Scenario:

- Agencies expecting an increase in funding as a result of the original methodology
 - Receive the full anticipated amount
- Agencies expecting a decrease in funding as a result of the original methodology
 - Remain at 2022 funding levels
- Funding available for service enhancement and expansion (application required)
- Funding available for new agencies (application required)
- Funding available for rolling stock replacement and expansion (application required)



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Interviews:

Staff interviewed agencies anticipating significant increases and/or decreases in 2023 funding as a result of the existing formula methodology:

- La Junta
- Bent County
- All Points Transit
- Breckenridge
- Snowmass
- Durango

What we heard:

- COVID took a hit but ridership is recovering quickly.
- Stimulus funding has allowed agencies to maintain service, in some cases replacing 5311 funding.
- Agencies hope that emergency funds will be extended into 2023.
- Agencies are hesitant to turn down funding, but in some cases acknowledged that money is still on the table because of stimulus funding.



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Five-Year 5311 Fiscal Analysis:

- 20% increase in 5311 apportionment, and 2% annual increase future years.
- Roll forward \$6M State Admin funds from CARES Act (use these funds to cover State Admin for next 5 years)
- Reserve \$7M from 2022 regular 5311 funds and spread \$1.4 M/year for the next five years capital needs. (State of Good Repair)
- **The plan is sustainable :**
 - Establishes baseline funding, with 2% annual increase for next 5 years
 - Additional funds available to accommodate new agencies and service expansions
 - Sufficient funds to improve state of good repair and fund vehicle expansion



Thoughts & Feedback



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Next Steps:

- Take to the Transportation Commission for a workshop in February/March 2022.
- Seek Transportation Commission approval in March/April 2022.
- Release the 2023 Call for Projects in late April/early May.
- Execute 5311 Operating contracts prior to January 1, 2023.
- Begin evaluation of baseline funding levels, 2024.





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