



DATE: November 19, 2015
TO: Transportation Commission
FROM: Mark Imhoff, Director - Division of Transit & Rail
SUBJECT: SB 228/SB 1 Transit Funds Conceptual Utilization Plan

Purpose

The purpose of this memo and workshop is to seek general acceptance and guidance on the concept for the proposed utilization of the combined FY2016 SB 228 and remaining SB 1 dedicated transit funds.

Action

No action is required. The Transit & Intermodal Committee, at their October meeting, agreed to move forward with the SB228/SB1 Conceptual Plan. General acceptance from the full Transportation Commission is sought for the Conceptual Plan, and agreement to spend the winter refining the overall approach, cost estimates, and implementation schedule.

Background

Senate Bill 228 (SB 228) provides for approximately \$200M in new revenue coming to CDOT, with at least 10% (approximately \$20M) dedicated to transit. In addition, the Division of Accounting and Finance (DAF) has identified \$12M of old Senate Bill 1 (SB 1) transit funds that remain unobligated due to project withdrawal and project savings. Both programs are specified to be used for TC approved strategic projects with statewide or regional significance. Staff from several divisions and regions within CDOT went through an exercise last fall to generate a comprehensive list of potential SB 228 projects; this list included transit projects that totaled in excess of \$300M.

In February 2015 the TC adopted PD 14 to guide future allocation of resources and investment decisions. For System Performance, the transit objectives are to increase rural transit ridership (Transit Utilization), and to increase the miles of regional and interregional service (Transit Connectivity). Bustang is CDOT's first attempt to provide regional connectivity by connecting the six largest transit agencies over 230 miles in the I-25 and I-70 corridors. The Statewide Transit Plan was adopted by the TC this past spring, and one of the priority needs of rural communities across the state is for better rural to urban transit connections for essential services; i.e. medical, business, shopping, pleasure, connection to the intercity and interregional transit network, airports, etc. In response to that input, a performance measure was adopted within the Statewide Transit Plan that charges DTR with working to improve the percentage of Colorado's rural population served by public transit.

In addition, the Intercity and Regional Transit Network Study was completed in 2014 and identified an extensive statewide network of rural regional needs and priorities. These efforts all had significant public and stakeholder outreach, which culminated into the Statewide Transit Plan. An Informational Item was provided to the Transportation Commission last November outlining the concept of CDOT operated &/or contracted Rural Regional bus service.

Details

SB 228 and SB 1 funds are not continuing long term, so are not appropriate for operating purposes. They should be utilized only for capital investments. CDOT receives approximately \$1.6M/year in FTA Section 5311(f) funds with guidance from FTA to support three national objectives. First is to provide dedicated rural connections to the national intercity transit network, support services to meet the intercity travel needs of rural residents and to



support the infrastructure of the intercity bus network including national commercial bus operators, such as Greyhound. Figure 1 depicts the network of intercity bus routes currently funded by or subsidized by 5311(f) funds. These routes are proposed by others through a competitive process for individual routes. CDOT, utilizing the 5311(f) funds, contracts to public and private providers to operate the service. The current practice has benefits, but it is not coordinated into a state network, includes amortized capital in the reimbursed operating costs, and is not branded as an integrated product. The annual FASTER Transit Statewide program also includes up to \$1.0M/year available for rural regional transit operations, of which approximately \$550K/year are currently utilized.

From the Intercity and Regional Bus Network Study, a rural regional bus network has been developed by identifying high priority routes that provide rural to urban connections (see Figure 2). To better compliment and integrate interregional and rural regional routes into a statewide system, it includes an expansion of the Bustang service to Grand Junction, Greeley and Pueblo; also shown in Figure 2. This proposed operating plan has been developed as a sustainable service plan to utilize the combined 5311(f) and unallocated FASTER Statewide Transit operating funds. This proposal would rely on SB 228 and SB 1 funds to provide the capital needs, i.e. buses and Park & Rides. Smaller buses, sized to rural demand levels, would be procured and utilized for the rural regional and Bustang expansion. This proposal optimizes the usage of limited operating funds by leveraging other available sources of capital funding. Similar to Bustang, the rural regional system would be managed by CDOT through packages of operating contracts. With renewed packages of contracts bid in 2017, the revised network of services would begin in 2018.

A final piece of this integrated statewide plan is to further expand the current Bustang Park & Ride facilities, and provide the ability for Bustang service expansion as needed with additional buses. The Bustang annual budget would cover the operating costs, and rely on SB 228 funds for capital needs (buses and Park & Rides). Consideration could be given to additional stops and Park & Rides on the current routes for Castle Rock, SE Weld County and Idaho Springs; pending further policy discussion from the T&I Committee and the TC.

A consultant has been procured to assist in the SB 228/SB 1 program development. The established criteria will be used to focus the Conceptual Plan development and refinement to projects needed for the rural regional system, Bustang expansion, and other strategic transit projects with statewide or regional significance. The consultant will work with DTR and CDOT Regions to generate project cost estimates and an implementation schedule.

Criteria/Rationale for project order and inclusion - Last November staff presented the TC a comprehensive list of both highway and transit projects meeting the criteria established for SB 228 project eligibility: (1) strategic in nature with state/regional significance, (2) standalone project without significant existing funding, and (3) ready to go/begin construction within 5 years. Further evaluation criteria included mobility and economic development measures. SB 1 had similar and consistent eligibility criteria. Refining and scaling the comprehensive transit project list into an implementable program to utilize the available SB 228 funds (\$20M) and the remaining SB 1 funds (\$12M) was undertaken. This process constrained the eligibility criteria to include the priorities and goals of the Statewide Transit Plan and Policy Directive 14. In addition, each CDOT Engineering Region was given the opportunity to propose transit projects that met the broader SB 228 criteria, and were ready for implementation.

Table 1 identifies the draft list of projects for the Conceptual Plan. Detailed cost estimates have not been developed for all the projects in Table 1, and will not be developed until the Conceptual Plan comes closer to finalization over the winter with stakeholder input. Once finalized, projects would be implemented in the order of priority until the available funds are exhausted.

It is proposed that projects would be prioritized in an order that first addresses any outstanding capital needs impacting the effective and efficient provision of the current Bustang system; examples include improvements to the Harmony Road Park & Ride in Fort Collins and the Woodmen Road Park & Ride in Colorado Springs. The next priority category are projects that provide the necessary infrastructure to support the early steps of developing the statewide bus network. CDOT has limited operating resources, but needs to begin the acquisition and development of infrastructure to support the proposed services that can feasibly be provided at this time. Examples are bus



purchases and the development of new Park & Rides to support new or expanded routes in the statewide bus network, possibly including park & rides in Pueblo, Telluride, and other locations.

Table 1

Strategic Transit Capital Plan from SB 1 & SB 228 Sources (\$ Millions)	
Bustang and Rural/Regional PnR needs	\$12.75
Bustang and Rural/Regional rolling stock needs	\$10.00
Other Strategic Transit Projects	<u>\$9.25</u>
	\$32.00
Identified PnR Needs Beyond	<u>\$5.70</u>
	\$37.70

STAC Input - The concept of the Rural/Regional bus network was presented to the STAC at their September 25, 2015 meeting. The general tone of the conversation was positive and supportive. STAC did ask very constructive questions regarding priorities/timing of individual projects, and what kind of metrics would be used to assess those priorities as well as overall system performance. Members would also like to see information on what other State's experience has been in developing this type of network. STAC also requested further information on proposed service metrics (revenue service hours, for instance) and performance metrics that would be used to set project/route priorities as well as all overall system performance. Given approval by T&I and the Transportation Committee to do so, DTR intends to refine this work over the winter and subsequently report back to the STAC and the T&I Committee on all of these points at future meetings.

The T&I Committee reviewed the Conceptual Plan at their October meeting and is recommending the TC also approve for finalization of the Concept over the winter months.

Benefits

The transit plan outlined above implements elements of the Statewide Transit / Transportation Plans, further develops the Bustang interregional bus system, and expands the CDOT transit service area to include rural connections to urban centers. It delivers a truly statewide transit system, and furthers the Commission mission of providing the best multimodal system. Other benefits include:

- Utilizing the SB 228 10% for transit and the remaining SB 1 transit funds for strategic capital investments with statewide significance and covering all regions of the state. These projects meet SB228 list criteria in the areas of being strategic, stand-alone, ready-to-go projects with high mobility and economic benefit potential.
- These projects also work to fulfilling the PD 14 investment goal of connecting communities with interregional and regional transit service; including increased revenue miles of service.
- Fulfilling one of the priority goals from the Statewide Transit Plan; providing rural to urban center transit connections for essential services.
- Optimizing the designated rural regional operating funds for a sustainable service plan.
- Compliments and integrates with the Bustang service network.
- Provides for Park & Ride and additional buses (as needed) for the Bustang system.

Next Steps

- Engage the consulting firm to assist with refining service plans and cost estimates.
- With TC concurrence in November; begin MPO, TPR and public outreach to refine the plan.
- Finalize the plan over the winter; seek TC approval of the plan in the spring 2016.
- Procure buses and contract operators; summer 2016 - Fall 2017.
- Begin the revised network of services in 2018.

Attachments



Figure 1: Current Intercity & Regional Bus Network
 Figure 2: Conceptual Rural Regional Bus Network

Figure 1: Current Intercity Bus Network

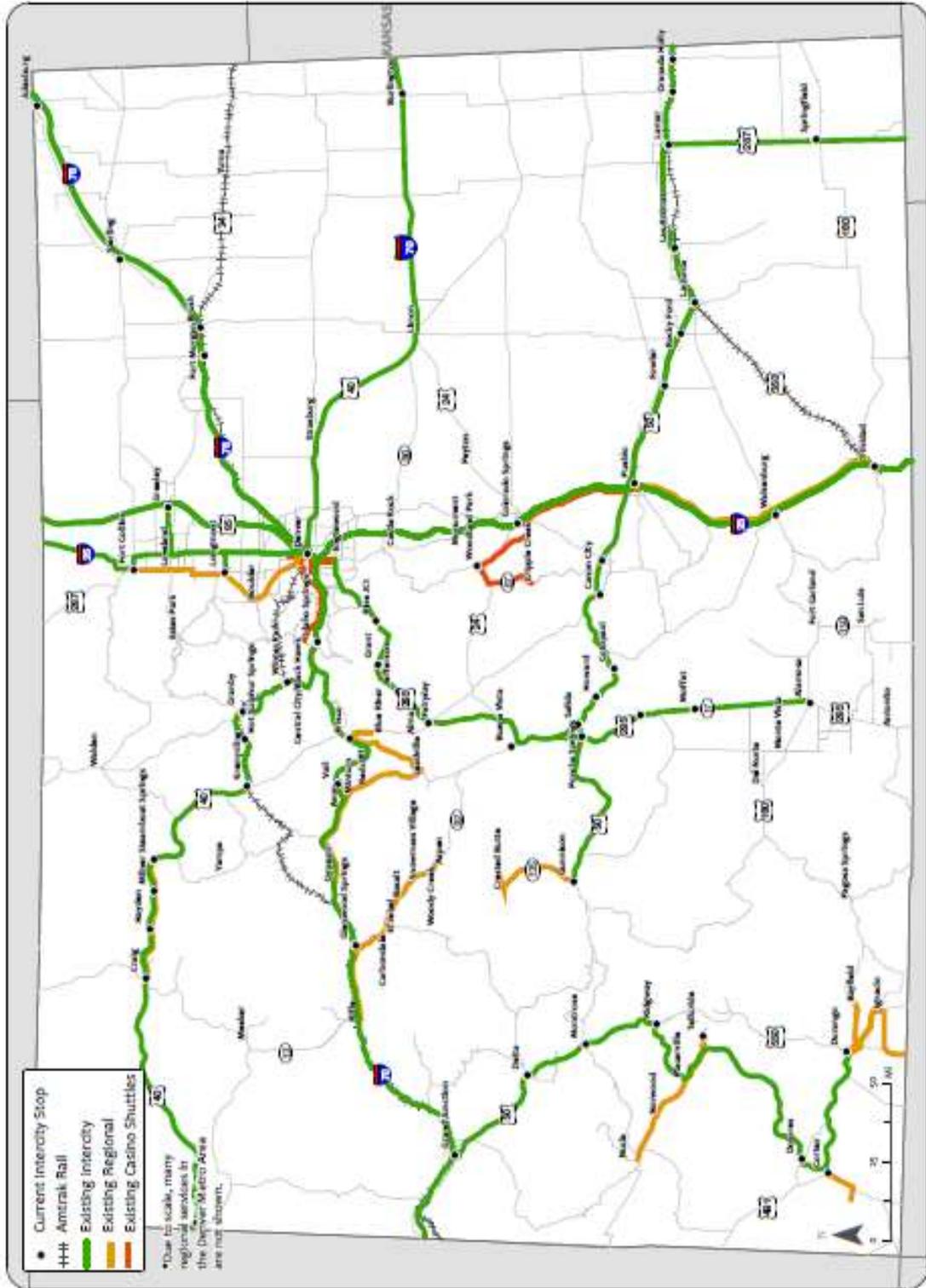
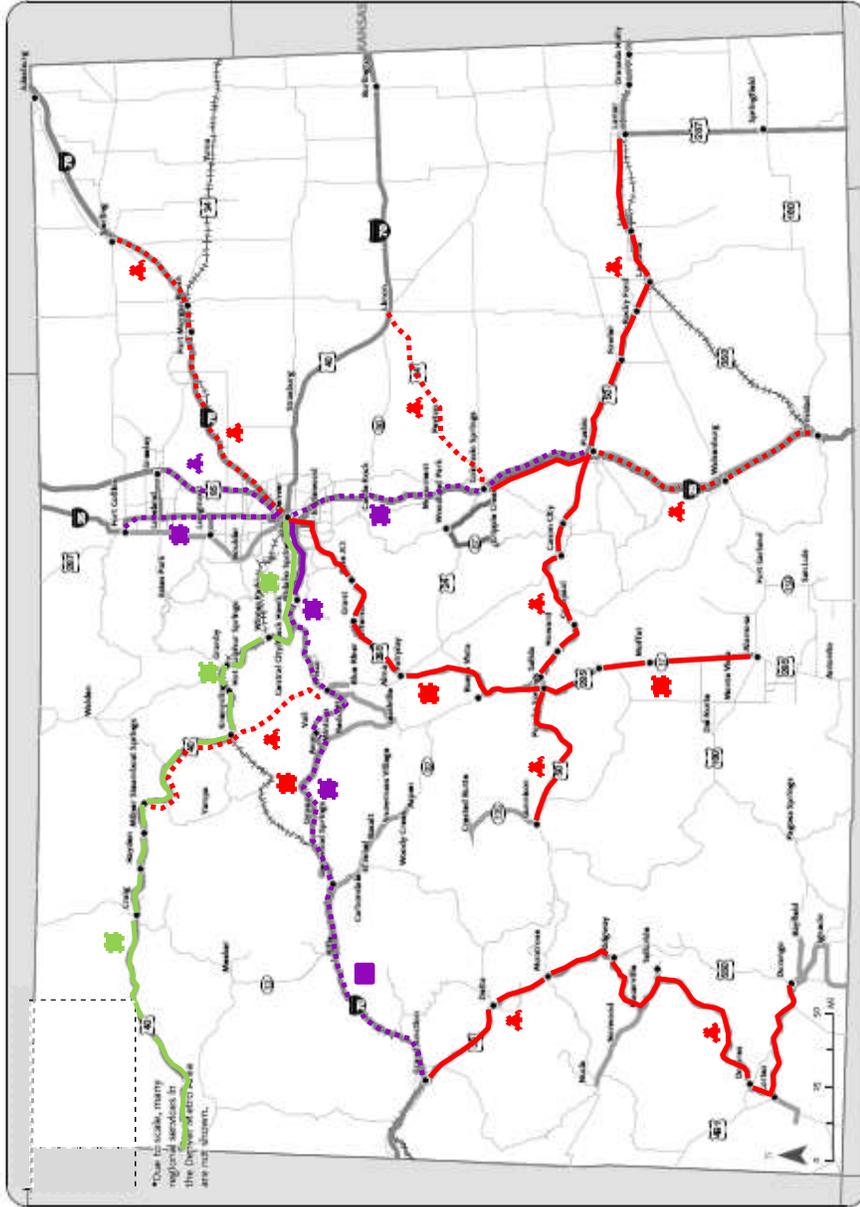


Figure 2: Conceptual Rural Regional Bus Network



LEGEND

- ⋯ Primary Corridors
- ⋯ Bustang Expansion
- ⋯ Bustang
- - - Add'l High Priority Coverage Routes
- Interstate & State Highways
- Connecting Transit Services
- ★ 50-seat over-the-road coach
- ★ 30-seat over-the-road coach

