

Regional Transportation Authorities: Best Practices Report



March 31, 2026

COLORADO
Department of Transportation



Acronyms

BRT	Bus Rapid Transit
ADA	Americans with Disabilities Act
ARTA	Roaring Fork Transportation Authority
BRRTA	Baptist Road Regional Transportation Authority
C.R.S.	Colorado Revised Statutes
CASTA	Colorado Association of Transit Agencies
CCR	Colorado Code of Regulations
CDOT	Colorado Department of Transportation
CTE	Colorado Transportation Enterprise
CTIO	Colorado Transportation Investment Office
DIA	Denver International Airport
DOLA	Colorado Department of Local Affairs
DOT	Department of Transportation
DRCOG	Denver Regional Council of Governments
EPA	U.S. Environmental Protection Agency
EVTA	Eagle Valley Transportation Authority
FTA	Federal Transit Administration
IGA	Intergovernmental Agreement
JOA	Joint Operating Agreement
MMT	Mountain Metropolitan Transit
NECALG	Northeast Colorado Area Local Governments
PPRTA	Pikes Peak Rural Transportation Authority
RFTA	Roaring Fork Transportation Authority
RTA	Regional Transportation Authority
RTD	Regional Transportation District
SMART	San Miguel Authority for Regional Transportation
SPVRTA	South Platte Valley Regional Transportation Authority
SST	Steamboat Springs Transit
TABOR	Taxpayer's Bill of Rights
TPO	Transportation Planning Organization

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Executive Summary

Regional Transportation Authorities (RTAs) are organizations that plan, finance, implement, and operate regional transportation systems. RTAs were authorized by Colorado statute in 1997 and the first RTA, Roaring Fork Transportation Authority (RFTA), officially formed in 2000. Today, RFTA is the largest rural transit authority in the United States and is among a diverse set of eight RTAs operating across Colorado.

In 2025, the Colorado Senate authorized the Transit Reform Bill (Senate Bill 25-161) to strengthen transit funding and services across the state. In compliance with that bill the Colorado Department of Transportation (CDOT) developed this report to lay the groundwork for future RTA expansion. This report provides RTA best practices that are built on legislative review, local and national research, case studies, and interviews with RTA staff.

Key Findings

RTA formation requires a clear vision and committed champions.

Interviews with RTA leaders in Colorado, as well as state and national research, revealed that formation often hinged on leaders who capitalized on moments of political will or private funding to spearhead the effort. These leaders clearly identify transportation issues, provide bureaucratic navigation, and direct attention toward the transportation issues that RTAs can address. Furthermore, these leaders play an important role in shaping public opinion.

The impetus for RTA formation varies.

While RTAs typically form to increase potential funding for delivery of services and projects, there is no consistent stimulus for RTA formation. Some communities used RTAs as a tool to launch new services and projects from scratch, while other communities used RTAs to grow existing regional transit services that outgrew singular municipal or county operations. While consolidating existing transit services may be a partial motivation, it was not found to be a primary driver for RTA formation (new increased funding and a forum for regional transportation cooperation were).

Voters have direct control over RTA formation and funding.

Colorado RTA legislation gives voters control over RTA formation and taxation. RTAs have been successful at the ballot when they invest in public outreach, research, and polling. For an RTA to be successful, public outreach and ballot language should clearly communicate project priorities and direct benefits to voters, while allowing flexibility and adaptability for RTA operations post-formation. If voters do not understand RTA impacts, the ballot measure is unlikely to pass.

Financing can be tailored by jurisdiction and structured to maximize funds for transit.

RTAs have access to a diverse set of funding mechanisms and early decisions on potential mechanisms can have long-term impacts on revenue prospects. Most Colorado RTAs establish funding mechanisms and “de-Bruce” through initial ballot language. De-Brucing refers to the

process of removing revenue limits for RTAs that are in place due to Colorado Taxpayer's Bill of Rights (TABOR).

Furthermore, the application of tax mechanisms and rates appropriate for each of the RTA member communities may make residents more likely to vote in favor of RTA membership. Property and sales tax rates, the most common RTA funding mechanisms, can be tailored to consider the interests of each jurisdiction's tax base in relation to the larger RTA district. For example, a mountain town with a strong tourist tax base may have a higher sales tax rate than a small, rural community with a resident-only tax base.

The board provides transparent visioning that prioritizes regional over local interests.

All RTA powers are exercised through a board established in the initial intergovernmental agreement (IGA). Interviews and case studies reveal that collaborative visioning among member jurisdictions should center on tangible outcomes that ensure RTA success. Successful boards understand the RTA is a regional effort to support regionally beneficial projects and services, not a taxing mechanism to support individual jurisdictions' priorities.

RTAs may struggle ahead of ballot initiative and just after formation.

Research into RTA formation showed that communities struggled most with finding resources, both technical and financial, for RTA formation and ballot preparation. Recently formed RTAs highlighted the need for more help conducting feasibility analyses, planning for ballot initiatives, and navigating the legal and statutory steps required ahead of an RTA vote. Additionally, RTAs need more financial support to stand up the agency in the first year or two, when voter expectations are high, but financial resources and organizational structure may lag.

RTAs have been successful in Colorado and nationally in increasing transit impact.

Throughout the case studies herein, RTAs were found to increase transit funding, build higher service levels, and bolster ridership. RTAs have clearly been a successful tool throughout the state and nationally for developing more robust public transit networks.

There is no singular approach to RTA formation and development.

It is hard to identify singular best practices, as RTAs vary widely in their approach to planning, formation, implementation, and operations. There is no one best model for where an RTA will work best, which funding mechanism is most appropriate, what services should be funded, how transportation services and projects will be implemented, and how an RTA should evolve over time. The main takeaway is that each community and set of communities considering an RTA must determine what is right for them, given unique circumstances and local needs.

RTAs are not always the right tool and exist on a continuum of regional cooperation.

In many cases, RTAs resulted from years of evolution and growth of regional services and project needs through tools such as cooperative agreements, resource sharing, and collaboration outside of the RTA framework. In some cases, RTAs may not be the right tool long-term (for example, in rural areas with lower RTA revenue generation potential and

challenging voter dynamics). Local communities should explore all options for regional transit development in addition to a possible RTA.

Recommendations

Based on research detailed herein, the legislature, state (CDOT), local communities, and supporting organizations can take action to strengthen RTA formation and long-term success statewide.

For the State Legislature

- Create a standing RTA coordination forum.
- Continue to explore how RTAs support desired land use.
- Update legislation, as necessary.

For the State (CDOT)

- Clarify and formalize the state's role in RTA development.
- Fund early-stage planning and initial formation.
- Provide technical assistance and practical toolkits.
- Strengthen grant competitiveness and delivery capacity.
- Align funding formulas and grant structures with different regional contexts.
- Develop a shared performance and data framework.
- Support long-term capacity building.

For Prospective and New RTAs

- Consider incremental regional cooperation opportunities first, before (or possibly instead of) pursuit of RTA formation.
- Apply best practices and the decision framework herein as a formation roadmap.
- Seek mentoring from existing RTAs.

For Supporting Organizations

- Provide peer-learning opportunities.
- Promote shared resources and templates.
- Continue to build understanding of effective regional transit strategies.

Chapter 1: Introduction

Report Purpose

On May 13, 2025, Governor Polis signed [Senate Bill 25-161](#), the Transit Reform bill, into law. The bill includes action items for studying, planning, reporting, and coordinating more transit services throughout the state. Although a significant focus of the bill revolves around the requirements for the Regional Transportation District (RTD), Section 5 of the bill requires the Colorado Transportation Commission, which directs the Colorado Department of Transportation (CDOT), to “develop and publish best practices and technical assistance materials concerning the creation of regional transportation authorities... to increase funding for transit and to provide additional transit services within the state” on or before March 31, 2026. This report fulfills that requirement and is intended to serve as a resource to support both the creation of new regional transportation authorities in Colorado and the evolution of existing ones.

Regional Transportation Authorities (RTAs) are organizations enabled by Colorado state statute (Title 43, Article 4, Part 6) that can plan, finance, implement, and operate a regional transportation system within a defined boundary. There are currently eight RTAs in Colorado, with the most recent one being approved by the voters in the Yampa Valley during the November 2025 election. RTAs vary in size, location, function, and services, but most provide (or fund) some level of transit service. RTAs are aligned with SB25-161’s goals to increase funding and provide additional transit services.

In assessing RTA best practices, this report addresses:

- How Colorado RTAs have helped increase transit funding, services, and ridership.
- What national research tells us about RTA and regional transit best practices.
- How new RTAs should structure their formation, funding, ballot, governance, and coordination processes to be set up for success.
- What strategies may help to increase new RTA formation.
- What support can be given to existing RTAs to evolve and improve.

Report Overview

This report is organized into the following chapters:

- **Chapter 1: Introduction** details the reasons communities form RTAs, how RTAs have evolved over time, and the key elements communities must consider prior to establishing an RTA. The chapter concludes with an overview of this report’s research approach.
- **Chapter 2: Enabling Legislation** describes the current enabling legislation and formation process, as well as special considerations affecting Colorado RTAs.
- **Chapter 3: RTAs in Colorado** presents detailed case studies of new, existing, and emerging RTAs.

- **Chapter 4: National RTA Research** details the findings of the literature review, peer state legislation, and detailed case studies of RTAs and other regional cooperation examples.
- **Chapter 5: Analysis and Identified Best Practices** exhibits the results of the thematic analysis, key factors to establishing RTAs, and topic-specific considerations.
- **Chapter 6: RTA Decision Framework and Recommendations** presents a decision-making framework for communities considering pursuing an RTA effort, as well as recommendations to better support RTA formation and development.

RTA Overview

An RTA is formed with the approval of a majority of voters within a clearly defined geographic boundary (district). The authority is effectively an agreement between at least two governmental entities that forms a third governmental entity to administer a designated transportation system and/or deliver transportation services. These systems and services can include transit, bicycle, pedestrian, roadway, airport ground transportation, air service, and rail.

Purposes and Benefits of RTAs

RTAs can be established to address a variety of needs and challenges. The most common motivations for RTA creation include one or more of the following:

- Transportation demand (either in terms of expanded geographical coverage or increased extent of service) outgrows the capacity of existing resources to deliver it, especially with respect to funding.
- More formal and/or expanded coordination is needed across services, providers, and government entities to provide a more cohesive regional network and better aligned services.
- Existing transit providers who focus on local services struggle to create or continue regional services for political, logistical, or financial reasons.
- Large capital projects require local match funding mechanisms that currently don't exist.
- Establishing dedicated financial resources would help an area better meet transportation need.

The benefits RTA-delivered systems and services can provide cover a wide range of transportation, financial/economic, and political considerations. A brief description of these potential benefits is provided in **Table 1**.

Table 1: Benefits of RTAs

Transportation	Financial/Economic	Political
<ul style="list-style-type: none"> ● Improve transit options for getting to work, school, and activities ● Enhance transportation connectivity ● Reduce traffic, parking, and environmental pressures ● Improve and safer roadway conditions ● More regional recreational and commuter access ● Improve pedestrian and bicycle access ● Funding for capital projects ● Support for expanded commercial air service, typically through minimum revenue guarantees. 	<ul style="list-style-type: none"> ● New sustainable funding sources for transportation ● Access to more grant funding opportunities at the federal and state level ● Support for transit-oriented development by funding and delivering the transit service needed to make higher-density housing near transit viable and attractive ● Resource efficiency through shared facilities, vehicles, equipment, and maintenance 	<ul style="list-style-type: none"> ● Improve regional transportation coordination ● Long-term alignment on a regional transportation vision ● Cooperative decision-making framework ● Shared community representation on regional transportation issues

History and Evolution of RTAs in Colorado

The Colorado RTA law was adopted in 1997, although regional transportation coordination existed before the law. Since its adoption, nine RTAs have formed statewide and eight remain in operation today. While the existing RTAs vary in their organizational structure and the activities they pursue, they all share a common purpose of improving regional coordination and delivering regional transportation solutions.

Most of Colorado’s RTAs have stayed closely aligned with their original purposes, but a few have evolved as travel patterns, modes, and community priorities have changed. In most of these cases, changes in investment priorities have required returning to voters for continued or increased funding. Where RTAs have demonstrated progress and accountability, these follow-up ballot measures have been passed. A prominent example is the Roaring Fork Transportation Authority (RFTA), which has returned to the ballot multiple times and has grown into a large, mature organization serving the Roaring Fork and Colorado River Valleys.

Key RTA Considerations

The existing Colorado RTAs vary considerably in size, purpose, services provided, communities served, local economic drivers, operating models, and funding strategies. Most Colorado RTAs have historically formed in rural resort communities where transit services support tourism-fueled economies and solve related transportation challenges linked to affordable housing. A smaller number of RTAs, however, focus on funding roadway and multimodal improvements in more diversified economic bases (such as military, industrial, logistics, or other general regional employment centers). Additionally, one RTA also focuses on providing transit in a rural, non-resort setting.

Despite the wide variations in the role and settings of Colorado's RTA, there are four key considerations that are common to the development and administration of all of them which can serve as a structure for documenting and assessing best practices:

- **Formation:** The processes through which communities develop their vision, mission, and rationale for pursuing an RTA at the ballot box. Formation considerations also include identifying key partners and champions of the effort, geographic scope, and the committees through which they will coordinate.
- **Funding & Financing Strategies:** The approaches used to evaluate potential funding sources, financing tools, and long-term sustainability. These considerations include understanding how these strategies align with the community context, how revenues can match the proposed activities, and how to clearly communicate financial impacts to voters.
- **Governance:** The organizational structure of the RTA, including clarity of roles, responsibilities, and necessary partnerships. This also includes planning for the transition period between voter approval and commencement of services.
- **Services & Activities:** The types of projects and programs the RTA intends to deliver, and the ways through which they are implemented and evaluated. This consideration includes determining the best-fit operating model, ongoing assessment of services against the vision and goals, and public communication methods.

Research Approach

To evaluate the best practices in RTA formation and operations, CDOT conducted research in three areas:

- Existing Colorado RTAs and Associated Enabling Legislation
- Comparative Peer Examples of Enabling Legislation and Regional Transit Agencies
- National Literature Review

By exploring existing documentation, conducting investigative interviews, and reviewing relevant regional transportation literature, the project team explored different scales of magnitude, operating models, and local environments. The findings from research in each of

these areas were then incorporated into an analysis that identified general RTA best practices and assessed their applicability in Colorado.

Chapter 2: Enabling Legislation

This chapter details how RTAs in Colorado form and operate, informed by a series of profiles on existing RTAs in the state. The purpose of this chapter is to document Colorado RTA legislation and identify common themes.

Formation

In Colorado, an RTA is an independent organization, enabled by Colorado state statute, formed with clearly defined geographic boundaries (district) and governed by a board of elected officials representing each member community. Under Colorado law (Colorado Statutes 43-4 Part 6), municipalities, counties, and special districts can form a single, independent regional authority with governmental and funding powers to address transportation needs within a specific geographic region.

RTA formation may be initiated by either an intergovernmental agreement (IGA) between government entities or Transportation Planning Organization (TPO) resolution. **Figure 1** illustrates the Colorado RTA formation process via IGA or TPO resolution.

Figure 1: Colorado RTA Formation Process



According to Colorado law, the RTA formation process includes:

- 1. IGA or TPO Resolution:** To initiate RTA formation, two or more governmental entities can enter into an IGA, which defines the terms, members, functions, and boundaries of the potential RTA. A TPO can also self-designate as an RTA through the formal adoption of a resolution. Additional details are provided in the following section.
- 2. Public Hearings:** Prior to the actual adoption of a TPO resolution or IGA contract, at least two public hearings must be held in each member jurisdiction with at least ten days' advance notice.
- 3. State and Affected Entity Review:** The RTA members must then submit the IGA to CDOT and any other affected entities, such as existing transit agencies, neighboring municipalities, highway authorities, and/or existing RTAs. The IGA or resolution is not valid until the state and local agency reviews are complete, confirming the RTA does not present any conflicts. If any reviewing entities identify safety, operational, service, or other authority conflicts, then the IGA must be revised to address identified issues, or a new IGA must be made to address affected entities. Additionally, although the statute does not require formal approval from Metropolitan Planning Organizations (MPOs) or Transportation Planning Regions (TPRs), coordination with these regional planning entities may help long-term funding and project

implementation alignment. Finally, at this point in the process, a TPO is legally empowered to act as an RTA (although without taxation authority), whereas non-TPO governmental entities that have entered an IGA must go to the voters to legally be considered an RTA.

4. **Voter Approval:** An IGA is not valid until a simple majority (more than 50 percent) of the voters in each jurisdiction within the boundaries of the proposed authority area approve a ballot measure. The vote may be put forth during a general or special election cycle. Additionally, regardless of how the RTA is formed (IGA or resolution), voter approval is also required to impose sales taxes, lodging taxes, registration fees, or property taxes, as well as to issue bonds.
5. **Official Formation:** Once approved by voters, an RTA must be recognized by the Colorado Department of Local Affairs (DOLA), specifically its Division of Local Government, which is responsible for issuing the formal certificate that establishes the RTA and formalizes the existence of the RTA as an organized multi-governmental agency. RTAs can then finance, build, operate, and maintain regional transportation systems and levy voter-approved taxes and fees within the bounds of the ballot language and IGA.

Appendix A describes the RTA roadmaps and includes a summarized list of formation steps, as well as pre- and post-formation considerations for easy reference.

RTA Contract & Resolution Requirements

Intergovernmental Agreement

The IGA for forming an RTA must include the following elements and information:

- **Members:** The name of the authority and all member jurisdictions.
- **Regional Transportation Systems:** The purpose of the authority and a description of the transportation systems the authority will provide to member jurisdictions.
- **Contractual Terms:** How long the IGA lasts and how it may be ended or amended. The contract cannot end while bonds are outstanding.
- **Assets:** How assets will be handled if the authority dissolves.
- **Powers:** Any limits on the authority's powers.
- **Directors:** A board of at least five directors with each member jurisdiction represented by at least one director, all of which shall be elected officials from the members. The contract must also specify the qualifications for directors, how they are appointed and replaced, and whether directors will receive compensation.
- **Voting:** The voting requirements for board action; except that, unless provided otherwise in the contract, a board majority constitutes a quorum and is necessary for board action.
- **Officers:** Any officers of the authority, such as an Executive Director, how those officers are appointed, and their duties and responsibilities.

A more detailed review of IGA requirements is provided in **Appendix B**.

TPO Resolution

A TPO initiates RTA formation by adopting a resolution, not by forming a new entity. The required information for the resolution is thus less than that of an IGA because it is an existing entity. This option is authorized in C.R.S. § 43-4-622 and serves the same functional role as an RTA formation IGA.

A TPO RTA resolution must define services and boundaries, go through public hearings and agency reviews, receive state certification, and, if taxes or debt are proposed, go to the voters for approval. At a minimum, the resolution must clearly state:

- **Boundaries:** The geographic boundaries where the TPO will exercise RTA powers.
- **Services:** Which regional transportation systems the TPO intends to provide.

Funding

Colorado RTAs have several mechanisms available through which operation and capital transportation activities may be funded. The exercise of any funding power must be approved by voters within the RTA. State and federal grants may also fund projects or operations.

Funding Mechanisms

Under Colorado Revised Statutes, many local funding mechanisms are available to RTAs, as shown in **Table 2**.

Table 2: Colorado RTA Funding Mechanisms

Funding Mechanism	Provisions	Statutory Citation
Sales or Use Tax	RTAs may levy a sales or use tax, or both, of not more than 2 percent upon every transaction with respect to which a sales or use tax is levied by the state. If a member of the RTA is located within more than one authority, the total sales and/or use tax may not exceed two percent. The RTA may levy a sales or use tax at differing rates in designated parts of the authority. However, if the authority includes territory within the RTAs boundaries, the rate of tax must be levied in such a way that the rate of tax within the territory of any single member of the combination is uniform.	Section 43-4-605 (1)(j)(I), C.R.S.

Funding Mechanism	Provisions	Statutory Citation
Annual Motor Vehicle Registration Fee	RTAs may impose an annual motor vehicle registration fee of not more than \$10 for each motor vehicle registered within any or all portions of the RTA boundaries. If a motor vehicle is registered in a county that is a member of more than one RTA, the total motor vehicle registration fees for that vehicle may not exceed \$10.	Section 43-4-605 (1)(i), C.R.S.
Bonds	Pursuant to a resolution of its board, an RTA may issue bonds for any of its corporate purposes.	Section 43-4-609, C.R.S.
Visitor Benefit Tax	RTAs may levy a visitor benefit tax on those purchasing overnight rooms or accommodations within the RTA's boundaries. The visitor benefit tax may not exceed 2 percent of the price of the overnight room or accommodation. Further, at least 75 percent of the revenue derived from the tax must be used by the RTA to finance, construct, operate, and maintain the RTA's regional transportation system and to provide incentives to overnight visitors to use public transportation. No more than one-third of the RTA's total revenues may be derived from this tax.	Section 43-4-605 (1)(i.5), C.R.S.
Mill Levy	RTAs may impose a uniform mill levy of up to five mills on all taxable property within the territory of the authority. Imposing such a levy does not affect the power of an authority to establish Local Improvement Districts (LIDs) and impose special assessments.	Section 43-4-605 (1)(j.5)(l), C.R.S.
Regional Transportation Activity Enterprises	RTAs may establish one or more enterprises. The enterprise must be owned by the entire authority and may not be combined with another enterprise owned by a separate RTA. Enterprises may issue or reissue revenue bonds, and contract with other governmental or private entities for loans and grants related to the enterprise's functions.	Section 43-4-606, C.R.S.

Funding Mechanism	Provisions	Statutory Citation
Annual Motor Vehicle Registration Fee	RTAs may impose an annual motor vehicle registration fee of not more than \$10 for each motor vehicle registered within any or all portions of the RTA boundaries. If a motor vehicle is registered in a county that is a member of more than one RTA, the total motor vehicle registration fees for that vehicle may not exceed \$10.	Section 43-4-605 (1)(i), C.R.S.
Bonds	Pursuant to a resolution of its board, an RTA may issue bonds for any of its corporate purposes.	Section 43-4-609, C.R.S.
Visitor Benefit Tax	RTAs may levy a visitor benefit tax on those purchasing overnight rooms or accommodations within the RTA's boundaries. The visitor benefit tax may not exceed 2 percent of the price of the overnight room or accommodation. Further, at least 75 percent of the revenue derived from the tax must be used by the RTA to finance, construct, operate, and maintain the RTA's regional transportation system and to provide incentives to overnight visitors to use public transportation. No more than one-third of the RTA's total revenues may be derived from this tax.	Section 43-4-605 (1)(i.5), C.R.S.
Mill Levy	RTAs may impose a uniform mill levy of up to five mills on all taxable property within the territory of the authority. Imposing such a levy does not affect the power of an authority to establish Local Improvement Districts (LIDs) and impose special assessments.	Section 43-4-605 (1)(j.5)(l), C.R.S.

Source: Colorado Legislative Council Staff Memos dated 12/30/2025 and 9/14/2017, as well as Colorado statute review.

TABOR & De-Brucing

Approved in 1992, the Taxpayer’s Bill of Rights (TABOR) is Article X Section 20 of the Colorado Constitution. It generally limits the amount of revenue that can be retained and spent by governmental entities. These limits are typically tied to the previous fiscal year’s limits, inflation rate, and population growth. It also requires voter approval for tax increases or financing measures. As governmental entities, RTAs are subject to TABOR by default.

However, some governmental entities, including RTAs, can ask voters to authorize the agency to be “de-Bruced”. De-Brucing, a term coined in reference to the author of TABOR, allows

governmental entities to exempt themselves from the revenue cap and requirement to return excess revenues.

Most RTAs in Colorado are currently de-Bruced and have done this through their initial ballot language. In other words, communities who have formed an RTA have typically asked the voters to establish the RTA taxation/financing mechanism and to not require excess revenues to be capped and returned to voters. TABOR still requires RTAs to return to voters when asking for changes to the taxation/financing mechanisms or rates. Additionally, the TABOR status of an RTA's member jurisdictions does not directly impact the TABOR status of the RTA because they are separate taxation districts.

An RTA may face several challenges if not de-Bruced, including service planning issues when demand exceeds available revenues; capital project limitations that require voter approval for debt issuance and future revenue pledges; constraints on fare and certain grant revenue collection; and the need to return to voters to de-Bruce if it was not included in the founding ballot measure.

Note: Although not related to TABOR, the RTA law does not allow "stacking" of a Visitor Benefit Tax in excess of a combined 2 percent. This means that if a member jurisdiction collects an existing Visitor Benefit Tax, the RTA may not collect a new Visitor Benefit Tax of more than 2 percent total, in combination with what the jurisdiction already collects.

Grants

RTAs can also pursue federal and state grant funding for capital projects or operations such as transit grants, multimodal planning funds, or clean transportation grants. Although the scale of these grants varies and may not be consistent, they can reduce the local financial burden. Examples of potential grant opportunities for Colorado RTAs include, but are not limited to:

- **Federal Transit Administration (FTA): 5310, 5311 and 5339 Rural Area Formula Grants:** Communities in rural areas under 50,000 in population may apply to fund operations, capital projects, planning activities, or administrative costs.
- **Colorado State Bill 17-267:** This bill established CDOT funding for multimodal and transit projects. The funds can be used for large capital projects, transit improvements, and highway or multimodal infrastructure. This funding source originally had \$2 billion in bonds available, but has now used up all of those funds
- **Colorado Multimodal Transportation and Mitigation Options Fund (MMOF):** The MMOF is a state fund that supports transportation projects that reduce traffic congestion and improve safety and mobility. RTAs may use these state funds as a local match for federal grants.
- **Colorado Senate Bill 09-108 - Funding Advancements for Surface Transportation and Economic Recovery Act of 2009 (FASTER):** The bill established transportation funds through vehicle registration fees and car rental fees, some of which are available for transit projects.

- **Clean Transit Enterprise (CTE):** An independent, government-owned business within CDOT that provides planning and capital grants to support transit agency transition to zero emission vehicles (e.g., battery electric buses) through SB21-260 funding. The CTE also provides formula grants to support service expansion and discretionary grants to incentivize creation of RTAs or support multimodal projects, through funding from SB24-230.

An RTA can also contract with any other governmental or private source of funding for loans and grants related to regional transportation activity enterprise functions.

Governance

Board of Directors

All RTA powers are exercised through decisions by a board of directors. The board must determine how it will operate and adopt policies that provide meaningful opportunities for public input. Though some responsibilities may be delegated to staff, the board is responsible for key decisions, including but not limited to the approval of land purchases, decisions to use eminent domain, budget development, determining service priorities, setting fee policies, and the pursuance and defense of lawsuits. Unless otherwise stated, a majority of the board forms a quorum, and a majority vote is required for the board to act.

Powers

An RTA may exercise the following powers, enabled by Enabled by CRS §§ 43-4-601, Part 6:

- Finance, build, operate, and maintain transportation systems inside its boundaries
- Exist indefinitely unless the contract says otherwise
- Sue and be sued
- Enter into contracts and agreements
- Set and change fees, tolls, and charges for using transportation facilities it builds or operates
- Pledge revenues to repay bonds
- Buy, sell, lease, exchange, or encumber property
- Acquire easements and rights-of-way
- Accept donated property or gifts under terms approved by the board

Boundaries

RTA boundaries are established within the IGA and typically follow existing political boundaries. An RTA may not build or operate transportation systems outside of its boundaries without applicable city or county consent. Furthermore, an RTA may not alter state highways or interstates unless allowed by an IGA with CDOT.

Key Takeaways

- **Colorado emphasizes the voter:** Colorado legislation provides direct voter control, especially on formation of an RTA and collection of revenue. Ballot measures are required to form, tax, and de-Bruce.
- **The formation process is important to understand:** The process to form an RTA is highly prescriptive and statutorily defined, including IGA development/approval or TPO resolution. Furthermore, if not de-Bruced during formation, TABOR will constrain an RTA's revenue growth.
- **The size of an RTA can vary widely:** An RTA can be formed by two or more public entities (e.g. towns/cities, counties, school districts, metro districts, etc.) without limitation on the number of members. For example, the South Platte Valley RTA (SPVRTA) has two members and the Roaring Fork Transportation Authority (RFTA) has eight members.
- **Local sales and property taxes are important funding mechanisms:** Although there are many financing sources, local sales tax and property tax are most viable and typical.

Chapter 3: RTAs in Colorado

Informed by research and interviews with RTA leaders throughout the state, this chapter reviews the RTAs in Colorado and describes how they function. This section also summarizes key attributes of Colorado RTAs and documents the lessons learned.

Overview

Table 3 summarizes the RTAs that currently operate in Colorado, highlighting the year of formation, member jurisdictions and service structure (how transit and/or transportation services are delivered, either by the agency with agency employees or with a third-party contractor, or for funding projects and services only). **Figure 2** is a map of each RTA and the corresponding member jurisdictions. This list, map, and subsequent agency case studies within this chapter illustrate the variety of ways in which RTAs across Colorado have been formed and structured.

There are eight current RTAs operating in Colorado, including the newly formed Yampa Valley RTA. However, in total nine RTAs have been formed in Colorado with only one RTA having been dissolved, the Baptist Road RTA (BRRTA). BRRTA was formed for parts of the Town of Monument to construct the I-25 interchange at Baptist Road and related projects. Once these projects were complete, the RTA dissolved.

Figure 2: Colorado RTA Entities

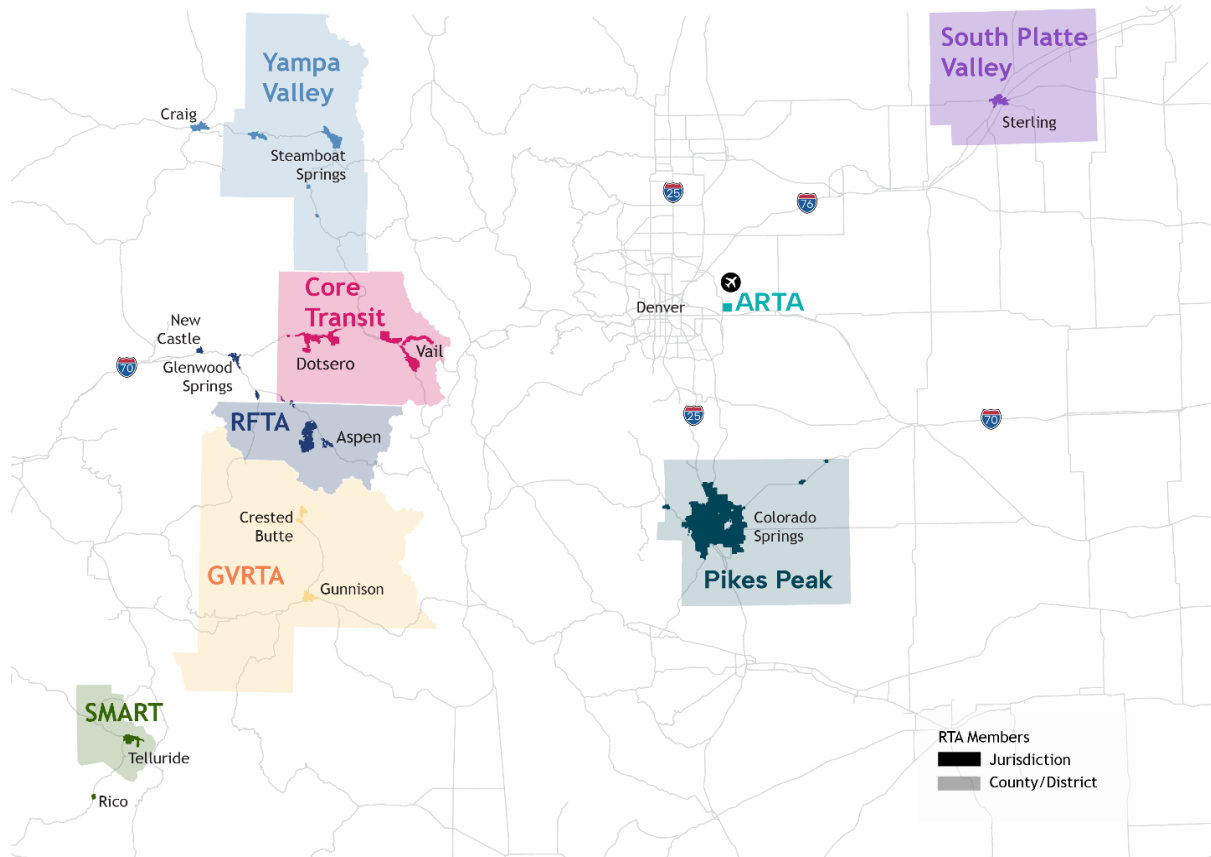


Table 3: Existing Colorado RTAs

RTA	Formed	Member Jurisdictions	Services Funded	Taxation Mechanism
Roaring Fork Transportation Authority (RFTA)	1983 (2000)*	Aspen, Snowmass, Basalt, Carbondale, Glenwood Springs, New Castle, Pitkin County, and a portion of Eagle County	Regional and local bus, bus rapid transit, Rio Grande Trail, paratransit, skier shuttles, support for bike share, and multimodal programs	0.4% -1.0% sales tax, varied by community in the IGA; 2.65 mill levy property tax
Gunnison Valley RTA (GVRTA)	2002	City of Gunnison, Crested Butte, Mount Crested Butte, and unincorporated Gunnison County	Regional bus, support for air service, senior bus	1% sales tax
Pikes Peak Rural Transportation Authority (PPRTA)	2004	Colorado Springs, El Paso County, Manitou Springs, Green Mountain Falls, Ramah, and Calhan	Mountain Metro Transit in Colorado Springs (10% of total RTA revenue)	1% sales tax (0.45% ongoing for maintenance/transit; 0.55% for capital projects, renewed every ten years)
San Miguel Authority for Regional Transportation (SMART)	2016	Telluride, Mountain Village, and Telluride R-1 School District	Regional and local bus, gondola, support for trails for commuting, vanpools, paratransit	0.25% sales tax; 0.75 mill levy on properties; Real Estate Transfer Assessment
Aerotropolis RTA (ARTA)	2017	Adams County, Aurora, and the Aerotropolis Area Coordinating Metropolitan District (AACMD)	Roadway projects	Sales and property taxes
Core Transit	2022	Avon, Eagle, Minturn, Red Cliff, Vail, Beaver Creek Metro District, and unincorporated Eagle County	Regional and intercounty bus service	0.5% sales tax; 0.5% county-wide transportation sales tax

RTA	Formed	Member Jurisdictions	Services Funded	Taxation Mechanism
Yampa Valley RTA	2025	Craig, Steamboat Springs, Routt County, Hayden, Oak Creek, and Yampa	None**	None; RTA ballot measure was for formation only
South Platte Valley RTA (SPVRTA)	Unknown	Sterling and Logan County	Regional and local bus service	0.1% sales tax

* Originally created in 1983 as the Roaring Fork Transit Agency, it was later restructured to become an RTA, merging with the Roaring Fork Railroad Holding Authority (RFRHA) in 2001.

**Assumed to take over the regional bus route from Craig to Steamboat in the future.

Colorado Case Studies

RTAs across the state vary widely in structure, funding mechanisms, service types, and regional priorities, reflecting Colorado's diverse geography and travel demands. To demonstrate the varying scale and history of successful RTA systems, this report describes how four of the eight RTAs are formed, governed, and implemented in practice. This section summarizes research and interviews with each RTA to document lessons learned, best practices, and other relevant considerations.

Although RFTA has been a particularly successful RTA and is now the largest rural transit agency in the U.S, it is not included as a case study. This is because RFTA's long operating history and scale make it less comparable to early-stage formation for newer or emerging RTAs. This report emphasizes lessons learned and best practices that are most relevant to communities considering RTA formation today.

Gunnison Valley Regional Transportation Authority

Formation

The Gunnison Valley Transportation Authority (GVRTA) was originally established in 2002 by voters in the City of Gunnison, Town of Crested Butte, Town of Mt. Crested Butte, and most of unincorporated Gunnison County (specifically along Highway 135). GVRTA initially was formed to fund air service in the short-term with a sunset provision that provided voters with a sense of accountability. Beginning in 2007, GVRTA expanded to include transit service. Today, GVRTA provides a fare-free commuter bus route, support for air service, and senior transportation services. In 2008, GVRTA returned to the ballot to reauthorize the sales tax with another sunset provision.

Funding

GVRTA is primarily funded by sales taxes and grants but also receives state and federal funds to pay for operations and capital needs. According to the original IGA, the RTA can additionally use bonds, impact fees, and member contributions as funding mechanisms, although these have generally not been utilized. In November 2015, the RTA went to the ballot to increase the sales tax to 1 percent to fund senior transportation services and eliminate the sunset provision. Prior to the election, the RTA spent about nine months engaging with the public through professional polling activities, surveying, and other community outreach methods. The ballot initiative passed with 52 percent approval.

Governance and Organization

The GVRTA Board is comprised of eight directors. Each of the four member jurisdictions is represented by two directors. Upon RTA formation, the County Manager was staffed to run transit operations. The first Executive Director was hired in 2004. A private contractor delivers all transit service operations and maintenance.

Service & Activities

GVRTA provides a fare free commuter service along the Highway 135 corridor between Gunnison, Crested Butte, and Mt. Crested Butte; senior bus service in Gunnison and Crested Butte; and support for air service through minimum revenue guarantees. Minimum revenue guarantees are a contract between local entities and airlines, to guarantee a minimum revenue amount for the airlines, typically used for launching new routes or infrequent routes. Future projects will focus on increasing commuter bus frequency and the construction of a new transfer center/station.

Lessons Learned

- **Understanding public opinion ahead of any ballot initiative is important:** Consider a consulting firm to conduct polling and understand public perception.
- **A sunset provision can provide voters with a sense of accountability:** But it creates the requirement for one or more future ballot initiatives. In 2008, GVRTA went to the voters to reauthorize the RTA and approve a sales tax. The measure included a sunset to provide the RTA with another opportunity to demonstrate their value to voters.
- **Focusing on delivering results helps earn public trust and demonstrate value:** Beyond the 2008 voter reauthorization, GVRTA also successfully returned to the ballot in 2015 to remove the sunset instituted at formation. The passage is attributed to success of the RTA in delivering on the goals they set out to accomplish with the first ballot, and how they were able to effectively communicate those accomplishments to the voters in promoting the passage of the second ballot.

San Miguel Authority for Regional Transportation

Formation

The San Miguel Authority for Regional Transportation (SMART) was formed by the Town of Telluride, the Town of Mountain Village, and the R-1 School District area of San Miguel County in November 2016. SMART was expanded to include the Town of Rico in November of 2019. SMART non-members include Nucla, Naturita, and Norwood - SMART connects the Telluride area to these communities with transit service that has historically existed to connect affordable housing locales to tourism-centered jobs.

RTA formation offered SMART members a collaborative approach to funding which eliminated local jurisdictional duplication of efforts funding services and competing for grants. As a single jurisdiction did not want to operate or manage regional services, an RTA offered a tool for cooperation and representation. The SMART RTA ballot language was specific enough to demonstrate what voters could expect but broad enough to provide the RTA flexibility to accomplish goals. For example, SMART ballot language outlined specific funding scenarios to demonstrate how funding would be used and included multiple funding sources.

SMART has discussed that they are open to expanding its RTA membership to communities who currently receive transit services but are not members yet. However, many of the

smaller jurisdictions are hesitant to join because of the additional taxes it would impose on its residents.

Funding

SMART worked to understand potential RTA funding mechanisms through consideration and testing of several funding scenarios before going to ballot. SMART considered different tax rate scenarios for increasing sales tax, property tax, and lodging tax to account for varying jurisdiction priorities and taxation preferences.

SMART's original funding established during formation in 2016 was a 0.25 percent sales tax and 0.75 mill levy on properties for the Town of Telluride, Mountain Village, and eastern San Miguel County (excluding the towns of Ophir and Sawpit). SMART also receives funding through a grandfathered Real Estate Transfer Assessment (RETA), which is a one-time fee imposed on the sale or transfer of property ownership. Funds generated from RETA are inconsistent, so SMART saves those funds in a capital reserve fund.

In 2023, the SMART Board of Directors decided to accept responsibility for the funding and operations of the gondola between Telluride and Mountain Village beginning in 2028, currently operated by the Town of Mountain Village. In 2024, SMART pursued gondola funding through a new ballot initiative, which passed and raised sales tax by 0.82 percent to 1.07 percent and increased the mill levy by 1.336 to 2.086. The RTA chose to focus on a mill levy increase first by framing the property tax increase very simply - residents will pay \$100 more in property tax per \$1 million of property valuation. This allowed the taxpayers to understand exactly how their property taxes would increase. The 2025 ballot question also included a visitors benefit tax of 1.25 percent which passed and is the first time an RTA in Colorado has used this mechanism. A separate successful 2025 ballot initiative in Mountain Village included a new 5 percent lift ticket tax to fund the replacement of the gondola and maintain the new one.

Governance

Once originally formed, SMART leveraged existing Telluride staff resources to quickly get the RTA set-up and running. Today, the board has eight directors and three staff members. The board is composed of two members from each of the four jurisdictions (Telluride, Mountain Village, San Miguel County, and Town of Rico). SMART employs an Executive Director, an Operations Manager, and a Business and Communications Manager, and all other transit service delivery responsibilities are contracted out.

Service & Activities

SMART primarily focuses on providing regional and local transit operations within San Miguel County, Telluride, and Mountain Village with its transit routes stretching from Nucla and Naturita to the east, Rico to the south, and Montrose to the north. SMART also has authority over "trails for commuting" which are transportation-related improvements to bicycle and

pedestrian facilities. As mentioned, SMART is currently taking over responsibilities for the gondola between Telluride and Mountain Village.

Lessons Learned

- **De-Bruce the RTA upon formation:** SMART, like most Colorado RTAs, de-Bruced through the initial ballot language. This allowed voters to establish the RTA taxation/financing mechanism and remove limits to the revenues raised through these mechanisms.
- **Develop a track record of quality service and transparency:** SMART has widespread support from the community because of their record of good service, transparency, and communication. The first SMART operating plan laid out practical goals to achieve in a timely manner, which provided the foundation for more funds.
- **Assemble board members that can separate their local interests from the regional focus of an RTA:** SMART board members focus on the RTA goals and avoid getting fixated on the interests of their individual jurisdiction. These members are invested in the overall success of SMART, which has contributed to a record of exclusively unanimous board votes.
- **Evolve incrementally and opportunistically:** SMART is much different today than when it first formed, but the evolution has been steady with step-by-step growth and natural expansion as opportunities have been identified.

Core Transit

Formation

In November 2022, voters in Eagle County, Avon, Eagle, Minturn, Red Cliff, Vail, and the Beaver Creek Metro District approved the creation of the Eagle Valley Transportation Authority (EVTA), now called Core Transit (Gypsum voters also considered the measure but did not pass it). The measure included 0.5 percent sales tax which was in addition to the existing 0.5 percent sales tax that had been in place since 1996 to support ECO Transit, an agency that was operated by Eagle County and transitioned into Core Transit over 18 months following voter approval.

Core Transit was born out of a coordinated effort led by local business leaders who came together starting in 2019 to discuss the economic impact of insufficient public transit, specifically for commuters and airport travelers. Eagle County business leaders and elected officials were also inspired by the success of RFTA in building partnerships, growing services, and increasing funding for and use of regional transit. Additionally, the County that operated ECO Transit no longer wanted responsibility for operating regional service and associated decision-making.

The most significant challenge to formation was crafting ballot language. The prospective RTA conducted two rounds of formal polling with outreach to community leaders. The first round of polling aimed to identify the highest priorities for the RTA. The second round of polling contextualized the 0.5 percent sales tax for voters and communicated the benefits of the RTA

(fare free transit service, support for air service, environmental benefits, and enhanced regional connections).

Funding

Core Transit is primarily funded through two dedicated sales taxes, which account for approximately 98 percent of its revenue. The RTA formation committee considered a variety of taxes available to fund RTAs, but ultimately decided the sales tax option was the simplest, most effective, and most likely to be supported by voters. Remaining funding comes from fare revenue collected in Gypsum and Leadville (non-member jurisdictions), and a combination of state and federal grants. Gypsum contributes funding to Core Transit via the original 0.5 percent sales tax but declined to join the RTA or levy the new 0.5 percent sales tax that came from the 2022 ballot question.

Governance

Core Transit is governed by a board of seven with one representative each from the member jurisdictions. There was discussion about weighted voting based on the amount of member revenue generated, but it was ultimately decided that each representative receive one vote with equal weighting. As the system continues to expand and evolve, the board will navigate how to balance different local priorities in service of regional effectiveness.

Service & Activities

Core Transit operates commuter bus routes throughout Eagle County along 1-70, Highway 6, and Highway 24 to Minturn and Leadville. Service is also provided for non-RTA members Gypsum and Leadville as part of the continuation of service from ECO Transit and the original sales tax. Routes within RTA boundaries are fare-free, whereas riders in Gypsum and Leadville are charged a fare. Core Transit funding, services, and ridership have grown exponentially over the last three years since formation. The RTA now serves nearly 1.9 million annual riders compared to 2019 ridership of 1 million.

Lessons Learned

- **Clearly and publicly communicate the benefits:** Advertise the direct benefits to the voter, such as a fare-free transit system.
- **Frame RTA discussions as regional connections:** Emphasize that RTAs are regional authorities supporting regional transit needs, not a taxing mechanism to support individual jurisdictions' local priorities.
- **Take advantage of strong political will:** Local political leaders viewed the RTA as their legacy and were personally invested in seeing it through. These leaders, in combination with champions from the business community, kept the process moving and kept key people engaged.
- **Remain focused on the highest priority items likely to receive voter support:** Focus on what needs to be addressed to pass the measure, not on providing everything to everyone.

Doing so requires intentionally discussing trade-offs to define a focused, achievable set of priorities.

- **Document early agreements:** Handshake agreements are critical but need to be documented early to reduce misunderstandings and misinterpretations.
- **Plan to quickly shift from ballot to implementation:** Develop a day-after plan to begin implementing after the ballot measure passes. Start-up resources from private entities can enable a prospective RTA to parallel the political process with early planning stages. This allows a new RTA to demonstrate value to voters on day one.

Pikes Peak Rural Transportation Authority

Formation

The Pikes Peak Rural Transportation Authority (PPRTA) is a collaborative effort among six regional governments to improve and maintain roads and support public transit. Established by voters in November of 2004, the members of PPRTA are the cities of Colorado Springs and Manitou Springs, unincorporated El Paso County, and the towns of Green Mountain Falls, Ramah and Calhan.

PPRTA formation efforts, led by the local chamber of commerce, started with a 2002 study that revealed many roads and bridge deficiencies. Initially, Colorado Springs and El Paso County went to all seven local municipalities to join the RTA, but only the City of Manitou Springs and the Town of Green Mountain Falls opted to join and craft the original IGA. The Towns of Ramah and Calhan later went to the ballot and voters approved of joining the RTA. The City of Fountain attempted to join in 2023, but voters did not approve of the measure. City of Fountain staff and council are in talks to go back to the voters on the ballot to ask to join in 2027.

Funding

PPRTA is primarily funded by a 1 percent sales tax across El Paso County, but the municipalities of Calhan, Fountain, Monument, and Palmer Lake are excluded from it. Four revenue sources received voter approval during initial formation, including a \$10 vehicle registration fee and a 2 percent hotel/motel tax.

The capital budget, which is 55 percent of PPRTA funding, has a ten-year sunset that has been consistently reapproved by voters. Maintenance comprises 35 percent of the PPRTA budget, and the capital and maintenance budgets are allocated to member jurisdictions proportionate to population. Ten percent of PPRTA funding goes towards Mountain Metropolitan Transit (Mountain Metro or MMT), which is a division of the City of Colorado Springs.

Because only 10 percent of PPRTA's funding goes towards funding MMT, the suburban members get back 90 percent of what they put in through capital projects and maintenance projects, which are distributed according to population. While the sales tax is even across all member jurisdictions (1 percent), the distribution of funds back to jurisdictions is not always equal. The capital and maintenance project funding is based on the jurisdiction's retail base

and population. Each jurisdiction handles their own bidding and selection process for capital projects with PPRTA as a third-party to the selected contract, which means PPRTA has liability during contractual disputes.

Governance

PPRTA is governed by a board of ten directors. Colorado Springs and El Paso County each have three directors and City of Manitou Springs, Town of Green Mountain Falls, Town of Ramah, and Town of Calhan, each have one director. Although there are ten directors on the board, the RTA voting comprises only nine votes in weighted format. Colorado Springs and El Paso County each have three votes and the remaining three votes are split amongst the four other jurisdictions. The IGA states that any new jurisdiction that joins the RTA will share three votes, while Colorado Springs and El Paso County will maintain three votes each. This was a change to the original IGA in response to the addition of the Town of Ramah to ensure that the larger jurisdictions had representation comparable to their populations. Overall, the board members work together well in a cohesive group, with fewer than ten votes that were not unanimous amongst the board over the last 20 years.

Services & Activities

PPRTA does not provide transportation services, instead acting as a conduit to fund transportation projects. The 10 percent of funding for Mountain Metro helps support its fixed-route service, Americans with Disabilities Act (ADA) complementary paratransit service, fuel, maintenance, and administrative costs.

Lessons Learned

- **Consider whether roadway projects may pair well with transit on the ballot:** PPRTA has consistently passed ballot measures by large margins because the RTA's operations are tied to roadway projects. PPRTA believes the original ballot would not have passed if roadways improvements had not been included.
- **Communicate RTA priorities with clear ballot language:** Voters were clear on what projects they were voting on and how they would be prioritized.
- **Consider weighted voting:** When larger urban communities and smaller suburban or rural communities are all members, weighted voting may help address funding and voting party concerns.

Emerging RTAs

Yampa Valley Regional Transportation Authority

In November 2025, voters overwhelmingly approved the formation of the Yampa Valley Regional Transportation Authority. Member jurisdictions are Routt County, Town of Yampa, the Town of Oak Creek, the Town of Hayden, the City of Steamboat Springs, and the City of Craig.

The ballot measure did not include a funding mechanism and was for the formation of the RTA only. Steamboat Ski & Resort Corporation has committed to contributing \$1 million annually over the next 20 years to support RTA start-up and to provide matching funds for additional grants. Long-term operational funding through a tax measure will likely be determined by voters in the future.

Steamboat Springs Transit (SST) currently serves as the local and regional bus provider in the area. SST will continue to operate within Steamboat while the U.S. 40 service provided by SST will transition to the RTA. One of the newly formed RTA goals is to increase the number and frequency of buses on Highway 40 between Craig and Steamboat Springs, establish a new circulator bus route within Craig, and expand bus service to areas such as Oak Creek, Yampa, and South Routt County, and unincorporated areas along Highway 40.

Future tax measures could also be utilized to support Mountain Rail, a future intercity passenger rail service. The State believes that there is opportunity for local service in the Yampa Valley, should local governments and the Yampa Valley RTA support delivering the service. The local passenger rail service pattern in Yampa Valley is subject to local funding as the State of Colorado does not provide local transit or rail service, only regional and statewide transportation solutions. While the Mountain Rail Near-Term Service Development Plan (SDP) evaluated three round trips, actual frequency of the Yampa Valley Local service could vary and would be determined by local governments at implementation.

Summit County

According to multiple news articles in the *Summit Daily* in 2025, Summit County and other partners began to consider forming a new RTA in August of 2025 to serve the Summit County area and nearby communities such as Kremmling and Fairplay. Initial discussions explored benefits, funding mechanisms, RTA success examples, and process for formation. However, study of a possible RTA was paused in fall of 2025 after “the Board of County Commissioners received a recommendation from county staff to ‘not proceed with a regional transportation authority at this time,’” according to the October 12, 2025, *Summit Daily* article. The article noted that costs the county would have to incur was part of the decision to pause exploration of an RTA. Additionally, the article stated that consideration of an RTA was only on hold for now and may be explored again in the future.

Other Areas of Colorado

Based on review of various transportation plans and discussions with existing and emerging RTAs in Colorado, RTAs have been discussed and considered informally within recent years in various parts of Colorado including the north Front Range, Grand County, Boulder County, and southwestern Colorado. It is possible that with more technical and financial support the formation of new RTAs in the state could be accelerated.

Other Examples

Baptist Road RTA

Out of the nine RTAs created in Colorado, the one RTA that has been dissolved is the Baptist Road RTA (BRRTA). BRRTA was formed in 1999 for parts of the Town of Monument and unincorporated El Paso County and levied a 1 percent sales and use tax from 2006 to 2016. This tax helped fund the \$21.5 million bond issued in 2007 to construct the I-25 interchange at Baptist Road and related projects on both sides of the interstate. Once these projects were complete and bonds paid down, the RTA dissolved at the end of 2016.

The BRRTA example demonstrates an alternative approach to RTA development: using the RTA structure as a time-limited, purpose-driven organization with a defined scope and clear sunset. In doing so, the RTA was able to deliver on a specific voter-approved promise and to end the associated tax once the project was complete. This approach is well-suited for discrete capital programs where accountability is a community priority.

Aerotropolis RTA

The Aerotropolis Regional Transportation Authority (ARTA) encompasses roughly 3,000 acres south of Denver International Airport (DEN), just northeast of the E-470 and I-70 interchange. ARTA was formed in 2018 between Adams County, the City of Aurora, and the Aerotropolis Area Coordinating Metropolitan District (AACMD) to support growth and development within the district by developing critical regional transportation infrastructure and financing regional transportation improvements needed to improve access across Aurora and Adams County, including additional connections from Interstate 70 to DEN, new interchanges on E-470, and extensions of several critical arteries throughout the district.

When ARTA was first formed, there was little development within the RTA boundary, but it has grown significantly in recent years with over 20,000 housing units planned at full build-out. ARTA has only funded roadway projects to date through property and sales tax that are used to pay down bonds issued for capital projects. ARTA has no agency staff but instead develops, manages, and carries out projects through external contracts. ARTA is an example of an RTA facilitating new development in a relatively undeveloped area by funding transportation infrastructure such as new roads, interchanges, intersections, roadway widening, and roadway realignment. ARTA credits its success to transparency, cooperation, clear goals, public education, and delivery of quality projects.

Mountain Express

Mountain Express is a transit agency serving Crested Butte and Mt. Crested Butte in south central Colorado that was established under a joint powers agreement (JPA), not an RTA IGA. Under the Mountain Express JPA, an intergovernmental agency was formed between the two towns with two board members each per town plus one at-large board member. Mountain Express is funded by the two towns through a 0.95 percent sales tax, as well as a portion of the ski resort lift admissions tax.

The advantages of this arrangement include relatively quick and easy establishment (no ballot measure required), more oversight and decision-making power for the two towns, more flexibility in how to fund (each town can increase or decrease its funding of Mountain Express without voter approval), and ability to plan transit services holistically in a way that provides the best services to meet the needs, regardless of where that need is. Some disadvantages include less agency control of funding (town councils make funding decisions, not Mountain Express board), no ability to directly tax, limited organizational autonomy, and potential funding variability (towns have minimum defined contribution but not required to give more).

South Platte Valley Regional Transportation Authority

The South Platte Valley Regional Transportation Authority (SPVRTA) collects sales tax from the City of Sterling and provides funding for the Northeast Colorado Association of Local Governments (NECALG). SPVRTA funds the Prairie Express fixed route bus service in Sterling, operated by NECALG. Prairie Express operates two fixed routes, connecting major employers, medical facilities, retail centers, and educational institutions within the City of Sterling and surrounding areas.

Key Takeaways

Key takeaways highlighting lessons from the Colorado RTAs case studies show that while each RTA reflects its unique regional priorities and constraints, common themes emerge around the importance of elements like public opinion, clear ballot language, and project prioritization. These takeaways can inform future RTA planning and implementation.

Formation

- **Find leaders to champion the effort:** Take advantage of the momentum of political will and find the leaders who will champion the effort. RTAs report that this helped with keeping the RTA formation process moving and consistent attention on the issue.
- **Remain disciplined during negotiations:** Prospective RTAs should focus on what needs to be addressed to pass the measure, not on providing everything to everyone. The early conversations will require making some tough trade-offs. Handshake agreements are critical but need to be documented early to reduce misunderstandings and misinterpretations.
- **Understand public opinion before going to the ballot:** The Colorado RTA process centers on the will of voters. If voters do not understand the benefits of an RTA, then the ballot measure is unlikely to pass. Consider hiring experts to conduct polling and understand public perception before going to the ballot. For example, the inclusion of roadway projects may capture the attention of voters who may not use transit.
- **Communicate RTA priorities and benefits with clear ballot language:** Successful ballot measures provide plain language on what projects the public is voting on and how they would be prioritized. Additionally, a sunset on RTA measures can provide voters with a sense of accountability.

Funding

- **Consider de-Bruicing the RTA upon formation:** Most Colorado RTAs de-Bruice through the initial ballot language. This allows voters to establish the RTA taxation/financing mechanism and remove limits to the revenues made off these mechanisms. However, in some contexts, TABOR obligations may also be seen as a tool for public accountability.
- **Focus funds on delivering against activities outlined in the ballot to establish public trust and demonstrate immediate value:** RTAs have fiscal success when they stay focused on making investments in alignment with their promises. This additionally allows the future passing of funding mechanisms on the ballot when they accomplish what they said they would and clearly communicate the value of that funding to voters.

Governance

- **Assemble board members that can separate their local interests from the regional focus of an RTA:** Board members should be able to focus on the goals of the RTA and avoid getting fixated on the interests of their individual jurisdiction. These members are invested in the overall success of the RTA and frame RTAs as a regional effort, rather than a taxing mechanism to support individual jurisdictions' local priorities.

Services & Activities

- **Plan to quickly shift from ballot to implementation.** Develop a day-after plan to begin implementing after the ballot measure passes. Start-up resources from private entities can enable a prospective RTA to parallel the political process with early planning stages. This allows a new RTA to demonstrate value to voters on day one, while also keeping focused on the long-term goals.

Chapter 4: National RTA Research

Although Colorado’s RTAs are bound by Colorado law, there are national examples and resources helpful to informing development of new RTAs and continued evolution of regional transit. This section describes literature review findings, provides a review of peer state legislation and frameworks, and includes case studies of similar transportation entities in peer states.

Literature Review

The literature review was conducted to identify applicable RTA best practices and lessons learned. The review focuses on governance, funding, service coordination, and state technical assistance relevant to rural, small-urban, and mountain contexts in Colorado.

Sources were selected to represent:

- National best-practice guidance for rural regional mobility and consolidation (National Cooperative Highway Research Program (NCHRP) 861; NCHRP 20-65 Task 69)
- Governance and organizational model frameworks (Transit Cooperative Research Program (TCRP) J-11/Task 10)
- Early-stage feasibility evaluation of RTA formation (La Crosse, Wisconsin RTA Feasibility Study RFP)
- Evaluation of a mature statewide RTA system and reform efforts (Massachusetts, 2019 and 2021 studies)

Source Summaries

NCHRP Report 861 (2017): Best Practices in Rural Regional Mobility

NCHRP 861 defines “rural regional mobility” as scheduled, general-public service that crosses jurisdictional boundaries and fills the middle ground between local rural transit and intercity bus. Rather than prescribing a specific governance model, the report focuses on enabling conditions and lessons learned across different regional approaches. It emphasizes that coordinated service delivery, using tools such as joint scheduling, branding, and interagency agreements, can achieve regional mobility without requiring formal consolidation. The report also highlights the enabling role of state DOTs through supportive policies, flexible funding rules, pilot program support, and capacity-building. Services designed for multiple trip purposes (e.g., medical, education, employment, general) are noted as more resilient over time. Local champions and sustained state support consistently emerge as success factors.

NCHRP 20-65 Task 69 (2017): Guidebook for Consolidation of Rural Public Transportation Services

This guidebook examines consolidation as one end of a broader integration continuum, alongside coordination and partnership strategies. It emphasizes that consolidation is typically

more complex and slower to implement than coordination and most effective when state-supported but initiated and led locally. Common motivations include improving efficiency, service quality, and cross-boundary travel options. Documented benefits range from expanded capacity and improved compliance to stronger performance tracking. However, the guidebook also flags risks such as concerns about local control, political resistance, staff disruption, and potential loss of service identity. It underscores the importance of a staged approach that starts with feasibility assessments and stakeholder roadmaps to evaluate legal, operational, and financial implications before restructuring. Local leadership and stakeholder consensus are noted as critical to success.

La Crosse Area, WI (2025-2026): RTA Feasibility Study RFP

The La Crosse RFP provides an example of a small-urban and rural region exploring the formation of an RTA. It outlines a study process to evaluate whether an RTA would be legally authorized, financially sustainable, operationally feasible, and politically supported. Governance reform is framed as a hypothesis to assess rather than a foregone conclusion. The RFP structures the study around four feasibility dimensions: legal authority, governance and representation, funding viability, and service integration. It embeds robust stakeholder engagement and decision-maker input as key evaluation elements. The RFP also calls for scenario-based analysis, including near- and long-term pathways, to help determine whether a formal RTA, a coordinated overlay, or enhanced partnerships would best suit the region's needs.

Massachusetts Regional Transit Reform Studies (2019; 2021)

These studies reflect efforts to modernize and strengthen Massachusetts' mature RTA system. They emphasize that predictable, stable operating funding is foundational and that the structure and timing of funding can impact agency performance as much as the funding level itself. The reports also call for context-sensitive performance metrics that reflect the value of service in rural or low-density areas, where traditional measures such as farebox recovery (the share of costs covered by passenger fares) may understate the full public benefit of providing essential transportation services. The reports also call for context-sensitive performance metrics that reflect the value of service in rural or low-density areas, where traditional measures such as farebox recovery (the share of costs covered by passenger fares) may understate the full public benefit of providing essential transportation services. Both studies highlight the importance of ongoing state technical assistance, planning capacity, and support for innovation (e.g., microtransit, demand-response). Coordination tools such as MOUs, joint frameworks, and interagency working groups are presented as means to improve statewide transit connectivity without mandating consolidation. The reports further suggest that local funding mechanisms (e.g., tax referenda) require enabling legislation and technical support to be successful and equitable.

TCRP J-11/Task 10 (2011): Regional Organizational Models for Public Transportation

This study offers a framework for understanding transit governance options across five common models: state agency, general-purpose authority or district, special-purpose regional authority, municipal operation, and joint powers/intergovernmental agreements. It argues that governance reforms are context-dependent and often evolve over time. A central insight is that governance and funding must be aligned; the primary barrier to expanded service is often not geography but the absence of scalable, durable funding across the service area. The report promotes incremental steps such as shared branding, fare integration, and formal coordination agreements (sometimes referred to as "overlay" models) as practical interim strategies. It also highlights that local leadership, representation concerns, and state legal frameworks fundamentally shape what governance structures are possible or politically viable.

Key Takeaways

Collectively, the literature strongly aligns with Colorado's mix of urban, rural, and mountain contexts and its current emphasis on improving cross-county connectivity. Several themes are directly applicable for policymakers and communities considering RTAs or regional transit solutions:

- **Regionalization is a spectrum, not a binary choice:** The literature supports a "spectrum" approach, where communities can pursue coordination, overlays, or formal authorities depending on local readiness and legal/funding conditions. This can meaningfully improve regional mobility without requiring immediate consolidation.
- **No single governance and funding model fits all regions:** Governance and funding models must match local statutory authority, political culture, institutional history, and funding capacity. Because governance and finance are closely linked, structural changes, such as consolidation to form an RTA, are most sustainable when the funding model is revised along with the governance model to align with the scope of consolidated regional service responsibilities.
- **Predictable operating funding is foundational:** Unstable funding constrains service span and innovation; funding approach and structure can be as consequential as funding level.
- **State enablement and technical assistance can be critical:** Across sources, state policy recognition, flexible funding rules, structured technical assistance, and coordination frameworks reduce barriers for regions with limited institutional capacity to pursue regional transit governance or coordination. Specifically, feasibility studies, roadmaps, and structured implementation support are repeatedly cited as enabling conditions—especially for smaller communities.
- **Use feasibility studies as decision-support tools:** Strong feasibility frameworks test legal, financial, operational, and political readiness without assuming the outcome. Such studies can help leaders assess whether to pursue an RTA, an overlay coordination structure, or other regionalization strategies.
- **Design regional services for multiple markets:** Services that support diverse trip purposes (work, education, medical, general trips) are more resilient over time.

- **Adopt context-sensitive performance measures:** Metrics should reflect access, connectivity, and service purpose (particularly for long-distance, low-density routes), rather than relying primarily on farebox recovery or raw ridership.
- **Stakeholder engagement is essential:** Concerns about losing locally branded or community-prioritized services should be addressed through sustained engagement to build political and community support.
- **Sustained leadership matters:** Local champions plus continued state support consistently appear as decisive success factors.
- **Incremental coordination can deliver value:** Fare/schedule alignment, shared branding, coordinated information, and interagency agreements are repeatedly identified as effective early steps, especially where consolidation is politically challenging.

Peer State RTA Legislation, Frameworks, etc.

Four states were chosen as peer states due to their similar, yet unique approaches to coordinating regional transportation efforts: California, Idaho, Washington, and Oregon. This section provides a comparative summary and analysis of each state’s enabling legislation, focusing on elements including:

- **Legal frameworks**, including statutes that authorize the creation, structure, and operation of RTAs or similar regional transit entities.
- **Governance models**, including board composition, representation, appointment methods, and the scope of organizational powers (e.g., operating transit services, owning assets, entering contracts, and coordinating across jurisdictions).
- **Revenue and financing authorities**, such as taxing authority (where permitted), bonding capacity, debt limitations, fare-setting authority, and access to state or federal funding.
- **Formation and approval requirements**, including voter approval processes, eligible jurisdictions, petition or ordinance requirements, and any state-level oversight.
- **Statutory limitations and safeguards**, including required audits, reporting obligations, accountability measures, and any unique provisions or constraints embedded in state law.

The analysis offers a structured comparison of how each peer state enables regional transit governance and finance.

Basic Enabling Elements

Enabling elements include how transit authorities are authorized and formed. The four peer states are compared in **Table 4**.

Table 4: Basic Enabling Elements Matrix

Category	California	Idaho	Washington	Oregon
Enabling	Local Transportation	Regional Public Transportation	Regional Transit Authorities	Mass Transit Districts;

Category	California	Idaho	Washington	Oregon
Legislation	Authority & Improvement Act; optional Joint Powers Authority	Authority (RPTA)		Transportation Districts
Formation Requirements	Counties/cities may form by ordinance; no voter approval required unless imposing taxes	Cities or counties initiate process, but formation of RPTA requires voter approval; ballot must list all cities/counties included	Counties ≥400k may form an RTA by resolution; voter approval required for all taxes	District created by ordinance or petition followed by formation election
Voting Requirement to Form	Formation by ordinance; voter approval required for taxes	Yes, simple majority required	None (voter approval only for revenue measures)	Generally, voter approval to form a district
Boundary Requirements	Very flexible; JPAs allow multi-county	County-wide authorities must include entire counties; regional authorities may include precincts; resolutions required from all members	Must include urban growth areas; boundaries are county-based	Must align with statutory district boundaries; may cross counties for transportation districts

Enabling Elements Key Takeaways

- **States differ most in formation thresholds and voter involvement:** California and Washington allow regional transit entities to form by ordinance or resolution, while Idaho and Oregon generally require voter approval to establish an authority (with limited statutory exceptions).
- **Idaho’s formation process is more restrictive than peers:** Idaho requires both governing-body resolutions and a voter-approved formation election, and limits each county to a single RPTA, reducing flexibility compared to California’s Joint Power Authority (JPA) model or Oregon’s multiple district types.

- **Flexibility in setting RTA boundaries differs:** California offers the greatest boundary flexibility through JPAs, while Washington and Oregon impose clearer geographic constraints tied to counties, urban growth areas, or statutory district definitions. In fact, Washington only allows large urban adjacent counties to form an RTA.

Board Structure & Governance

As most RTAs or transit organizations are governed by a board, **Table 5** compares the types, structures, powers, and limits.

Table 5: Board Structure & Governance Matrix

Category	California	Idaho	Washington	Oregon
Board Type	Mostly elected officials from counties/cities; JPAs vary widely	Statutorily defined mix of county commissioners, highway district reps, and city reps	Appointed board of elected officials; appointed by county executives and confirmed by county councils	Governor-appointed boards OR locally elected boards
Term Lengths	Typically 2-4 years	Determined by member jurisdictions	Board members serve staggered 4-year terms	4-year terms; transportation district board members elected to 4-year terms
Membership Limits	Determined locally	Minimum structure required by statute; board may modify with 2/3 vote	Statutory population-based formula	7-member boards by statute; mass transit districts use subdistricts; transport districts elect 7 at-large members
Representation Structure	Often population-weighted or	Based on county, city size, and	Proportional to county population; includes local elected officials	Mass transit districts: Subdistrict representation based on

Category	California	Idaho	Washington	Oregon
	jurisdiction-based	highway district representation	from each county and transit boards	geography and population
Voting Powers	Defined by ordinance/JPA agreement; may include population-weighted voting	Board adopts fares, budgets, contracts, resolutions	Approves tax proposals, adopts budgets; major actions require 2/3 vote	Boards adopt payroll tax, set strategic direction, approve budgets

Board Structure & Governance Key Takeaways

- **All four states rely on elected officials for governance, but appointment methods vary:** Boards are composed of elected officials in all states, though California and Oregon allow greater structural variation, while Idaho and Washington prescribe board composition in statute. Boards in Oregon, however, are governor-appointed or locally elected.
- **Idaho emphasizes jurisdictional representation over population weighting:** Idaho’s required mix of counties, cities, and highway districts contrasts with Washington’s population-based allocation and California’s optional weighted voting models.
- **Decision-making authority is strongest where taxing power exists:** Washington and Oregon boards hold significant authority over budgets and revenue measures, while Idaho boards focus more narrowly on fares, contracts, and service delivery.

Funding Authority

Legislation in the peer states provides guidance on the ways in which funding is authorized and sought out. The differences are shown in **Table 6**.

Table 6: Funding Authority Matrix

Category	California	Idaho	Washington	Oregon
General Taxing Authority	Yes - local transportation sales tax with voter approval	No general taxing authority	Yes - multiple regional taxes authorized	Yes - payroll/income taxes; property taxes

Category	California	Idaho	Washington	Oregon
Types of Taxes Authorized	Transactions & use tax; countywide transportation taxes	None under RPTA statute (limited resort-city taxes outside RPTA law)	Sales & use tax, Motor Vehicle Excise Tax (MVET), property tax, rental-car tax, employer tax, parking tax	Employer payroll or net-income; property taxes; no fuel-tax use for transit
Voter Approval Threshold	Supermajority for special transportation taxes	Simple majority to form RPTA; no tax authority to approve	Simple majority for transit taxes	Payroll tax by board action; property taxes and General Obligation (GO) require voter approval
Bonding Authority	Yes - revenue bonds backed by voter-approved taxes	Yes - revenue bonds, but no taxing authority	Yes - bonds supported by regional tax revenues	Yes - general obligation and revenue bonds (voter approval)
Reliance on Federal Funding	Moderate - supplements strong local sales-tax base	High - federal grants fund most capital and a large share of operations	Moderate - complements substantial local tax revenues	Moderate - federal funds supplement payroll/property taxes and state programs
Funding Stability	High - long-term sales taxes enable predictable revenues	Low - dependent on voluntary local support and grants	High - diversified tax toolbox supports long-range capital programs	Moderate-high - payroll tax provides stability; constitutional limits restrict options

Funding Authority Key Takeaways

- **Dedicated taxing authority is the clearest point of divergence:** California, Washington, and Oregon authorize dedicated taxes for transit, while Idaho RPTAs lack any general taxing authority under statute.
- **Revenue diversity can improve funding stability:** Washington’s multi-tax framework and Oregon’s payroll tax provide long-term fiscal stability, whereas Idaho’s reliance on voluntary local contributions and federal funds creates higher risk. Washington has the most similar tax mechanisms to Colorado.

- **Voter thresholds can affect ballot success:** Higher voter thresholds can significantly affect feasibility, particularly in California, while Washington’s simple-majority standard lowers barriers for revenue measures.

Authorized Activities & Service Scope

The activities and services RTAs in peer states are authorized to provide and the way they are implemented differs from state to state, as indicated in **Table 7**.

Table 7: Authorized Activities Matrix

Category	California	Idaho	Washington	Oregon
Primary Functional Scope	Multimodal transportation funding and, in some cases, operations	Public transit services only	Regional high-capacity transit systems	Mass transit systems
Transit Services Authorized	Bus, rail, paratransit, demand-response	Fixed-route bus, ADA paratransit, demand-response, vanpools, carpools, event shuttles	Rail, express bus, bus rapid transit, ferries	Bus, light rail, commuter rail, paratransit
Roadway & Highway Role	May fund roadway and highway projects	No authority over roads or highways	May build transit facilities in rights-of-way but not roadways	No authority over highways; coordination only
Aviation Role	May fund airport access projects indirectly through plans; no direct aviation authority	None (coordination only, e.g., airport bus routes)	None (except transit access facilities)	None
Capital Facilities Authorized	Transit centers, rail infrastructure, road improvements, bike/ped facilities	Transit centers, bus stops, maintenance and support facilities	Rail lines, stations, busways, terminals, parking facilities	Rail infrastructure, bus facilities, terminals, parking

Category	California	Idaho	Washington	Oregon
Operating Model	Varies: funding-only agencies to fully integrated operators	Direct operation or contracted service delivery	Direct regional operator	Direct operation in metros; contracted service in rural districts

Authorized Activities & Service Scope Key Takeaways

- **Idaho RPTAs are statutorily limited to transit services only:** Unlike other states, Idaho authorities have no authority to fund or manage roadway, highway, or aviation infrastructure beyond coordination.
- **California authorizes the broadest multimodal role:** California entities may fund transit, roadways, and active transportation, reflecting a more integrated transportation approach.
- **Operational responsibility aligns with funding authority:** States with stable, dedicated revenue sources (Washington and Oregon metros) support direct operation of large systems, while Idaho and some California agencies rely more heavily on contracted service delivery.

Case Studies

Overview

Agencies were selected for case study development to provide context relevant to Colorado, particularly with respect to voter approval requirements, revenue limitations, and governance constraints similar to those imposed by TABOR. A two-fold approach was used to develop case studies, combining interviews with targeted desktop research.

Interviews were conducted with staff and leadership from the following agencies:

- **Merced County Association of Governments (MCAG):** Merced County, California
- **Ventura County Transportation Commission (VCTC):** Ventura County, California
- **Valley Regional Transit (VRT):** Boise/Treasure Valley, Idaho

Two additional agencies were examined through desktop research to supplement the interview findings and broaden the range of institutional and geographic contexts:

- **Pierce Transit:** Pierce County, Washington
- **Tillamook County Transportation District (TCTD):** Tillamook County, Oregon

The individual case study summaries below illustrate a range of institutional models, funding approaches, and governance structures. **Table 8** provides a comparison of the five agencies to

support cross-agency comparison and highlight key contextual differences, formation pathways, and core lessons.

Table 8: Key Characteristics from Case Studies

Agency	Context	How It Was Formed	Funding Model	Primary Role
MCAG / YARTS (CA)	Rural, multi-county, tourism-driven	Joint Powers Agreements (no voter approval)	Grants + partner contributions	Regional coordination of intercounty service
Valley Regional Transit (ID)	Growing bi-county metro	Voter-approved RTAs merged regionally	Annual local contributions + grants	Regional transit authority
Ventura County Transportation Commission (CA)	County in multi-county rail corridors	Created by state statute	Cost-sharing + state/federal rail funds (commuter and inter-city)	Rail governance and coordination
Pierce Transit (WA)	Urban/suburban countywide	Voter-approved sales tax	Dedicated local sales tax (capped)	Direct transit operator
Tillamook County Transportation District (OR)	Rural, tourism-based	County-created district + voter-approved property tax	Small tax base + grants	Rural transit provider and connector

Merced County Association of Governments (MCAG) / Yosemite Area Regional Transportation System (YARTS) – California

Overview

The Merced County Association of Governments (MCAG) is a countywide Joint Powers Authority formed in 1967 to provide regional transportation planning and administrative coordination for Merced County jurisdictions. MCAG does not operate transit directly, but serves as the administrative lead with operating contract oversight for the Yosemite Area Regional Transportation System (YARTS), YARTS, a multi-county interregional bus network established in 1999 through a joint powers agreement without taxing authority and did not require voter approval. Launched in 2000 following multi-agency planning in the 1990s, YARTS connects rural communities and gateway towns to Yosemite National Park, supporting

resident mobility and seasonal employment while helping manage congestion, air quality, and parking impacts associated with high visitation.

Funding

MCAG and YARTS have no independent taxing authority and rely on a combination of grants, allocations, partner contributions, and contractual revenues that must be renewed on an ongoing basis. The absence of dedicated operating revenue limits long-term capital planning and requires frequent reassessment of service levels.

Governance and Operating Model

MCAG provides centralized planning, grant administration, and compliance oversight, while transit operations are delivered through contracted providers and partner agencies. Sustaining multi-county service requires ongoing coordination among jurisdictions with differing priorities and fiscal capacities.

Valley Regional Transit (VRT) – Idaho

Overview

Valley Regional Transit (VRT) is a bi-county regional public transportation authority serving Idaho's Treasure Valley, including Ada and Canyon counties. The authority was formed following voter approval in both counties in 1998 and a subsequent merger into a single regional entity in 1999. VRT provides fixed-route and intercounty transit services across a rapidly growing metropolitan region and functions as the area's primary transit authority, balancing urban, suburban, and intercounty travel needs.

Funding

VRT operates without a single, dedicated operating tax and relies on annually negotiated city and county contributions, federal transit assistance, fare revenue, and auxiliary sources such as advertising and partnerships. The lack of predictable, long-term operating revenue limits service expansion and makes it difficult for service levels to keep pace with rapid population growth.

Governance and Operating Model

VRT is governed by a large representative board with 29 seats for participating jurisdictions and supported by a smaller executive board focused on budget, operations, and legislative issues. The agency uses a hybrid model that combines regional governance and public asset ownership with contracted operations and partnership-based service delivery.

Ventura County Transportation Commission (VCTC) – California (Rail governance case)

Overview

The Ventura County Transportation Commission (VCTC) is a county transportation commission created by state law to coordinate transportation planning, funding, and policy for Ventura County. VCTC manages and oversees regional bus service, supports regional transit coordination, and supports passenger rail. Although VCTC does not operate rail service directly, it plays a vital role in regional rail outcomes by representing the county in multi-agency joint powers authorities and corridor governance structures for both commuter and inter-city passenger rail. VCTC participates in the governance of regional rail through organizations such as the Southern California Regional Rail Authority (Metrolink) and the LOSSAN Rail Corridor Agency, which manages the state-supported Pacific Surfliner corridor. Through these roles, VCTC manages Ventura County's rail funding commitments and participates in regional decision-making affecting service levels and costs.

Funding

Rail funding is shaped primarily by regional cost-sharing formulas for commuter rail, state-supported corridor programs for inter-city passenger rail, and federal funding flows. VCTC contributes to commuter rail through its share of regional operating and capital funding commitments, while state-supported intercity passenger rail is primarily funded by the State of California with regional agencies participating in corridor governance and specific capital or program partnerships. The interviewee noted that cost allocation formulas can require remaining partners to absorb higher costs when one agency reduces its subsidy, while rising operating costs and ridership uncertainty further increase fiscal pressure. The interviewee also described state-supported corridors as more stable than purely member-funded models.

Governance and Operating Model

VCTC contributes to rail outcomes through governance, negotiation, and coordination rather than direct operation. Coordination with state-supported intercity passenger rail occurs primarily through VCTC's participation in LOSSAN corridor governance and related intergovernmental agreements. Through this structure, VCTC works with state agencies, rail operators, and other corridor partners to coordinate service planning, funding commitments, and regional priorities. The core Pacific Surfliner service is funded by the State of California and operated by Amtrak under the LOSSAN governance structure, while regional partners such as VCTC may contribute funding through cooperative agreements to support specific capital projects, service enhancements, or pilot programs within their jurisdictions. With limited staff capacity, the agency's effectiveness depends on maintaining interagency relationships, managing cost-sharing agreements, and participating in corridor-level decision-making processes. The interviewee noted that when new commuter rail services or service expansions are considered, regional partners may fund or subsidize service operated by an existing rail

operator rather than operating service directly, with VCTC participating as a funding and governance partner.

Pierce Transit – Washington

Overview

Pierce Transit is a countywide public transportation authority serving much of Pierce County, Washington, including Tacoma and surrounding communities. The agency was formed in 1979 following voter approval of a countywide sales tax and later received voter authorization to increase that tax in 2002. Pierce Transit provides fixed-route bus service, paratransit, vanpools, microtransit, and regional express bus service operated under contract for Sound Transit.

Funding

Pierce Transit is part of a Public Transportation Benefit Area (PTBA) under Washington law, which authorizes a local sales tax of up to 0.9 percent with voter approval. Pierce Transit's primary operating revenue comes from this sales tax, which provides structural stability but fluctuates with economic cycles and is capped by statute. Additional revenue is generated through contracted regional express service, fares, and targeted state and federal programs, though service expansion continues to depend on local fiscal capacity and competitive grants.

Governance and Operating Model

Pierce Transit is governed by a board of elected officials representing jurisdictions across the county, supported by standing committees and a chief executive officer responsible for operations. The agency balances local accountability with regional obligations, particularly those associated with contracted express service and shared facilities.

Tillamook County Transportation District (TCTD) – Oregon

Overview

The Tillamook County Transportation District (TCTD), known as “The Wave,” is a rural transit district serving a tourism-driven coastal county in Oregon. The district was established by county action in 1997 under Oregon special district law and secured a local property tax through voter approval in 1998 after an initial unsuccessful ballot attempt. TCTD provides deviated fixed-route service, demand-response transportation, intercity connections, and partner-supported services tailored to low-density rural travel needs.

Funding

TCTD relies on a modest local property tax levy supplemented by state and federal grants and variable revenues, including contracts and timber receipts—revenue generated from the sale

of timber harvested on federal lands. While voter approval provided a stable local base, the limited tax revenue generation of a rural county constrains expansion and increases reliance on grants and other unpredictable revenue sources.

Governance and Operating Model

TCTD is governed by an elected district board and managed by a general manager responsible for planning, operations, and administration. The service model emphasizes flexibility and partnerships to extend connectivity, share resources, and address the challenges of serving dispersed rural populations.

Key Takeaways

Funding

Across all case studies, funding limitations, not governance structure, were the most consistent constraint on long-term service sustainability. The cases illustrate the limits of grant-dependent funding models and highlight the importance of predictable, dedicated, ongoing operating revenue for regional transit systems (Table 9).

Table 9: Funding Lessons Learned

Issue	Observed Impact	Transferable Insight for Colorado
No dedicated operating revenue	Annual uncertainty; staff time diverted to grants writing; limited service growth	Pair RTA formation with voter-approved, dedicated operating revenue
Grant dependence	Service levels tied to grant cycles; disadvantage vs. large metros	Use grants for startup and capital, not core operations
Member contributions not indexed	Inflation erodes purchasing power; burden shifts to largest members	Include automatic escalators or indexed contribution formulas
Limited rural tax base	High cost per rider; constrained expansion despite voter approval	Guarantee minimum funding for basic rural service, even with low ridership.
Revenue volatility	Economic cycles disrupt service and staffing	Build reserves, smoothing policies, and multi-year financial planning into RTA design

Issue	Observed Impact	Transferable Insight for Colorado
Misaligned classifications	Medium/small regions compete with major metros	Align state funding categories or create non-metro set-asides

Governance and Structure

Governance challenges across the case studies were less about board size or representation and more about alignment between authority, responsibility, and resources. Agencies with clear roles, simple decision-making structures, and early planning for assets and funding were better positioned to adapt over time (**Table 10**).

Table 10: Governance and Structure Lessons Learned

Issue	Observed Impact	Transferable Insight for Colorado
Large or complex boards	Slower decisions; diluted transit focus	Keep governance simple with a clear transit mission
Authority-responsibility mismatch	Agencies accountable without fiscal control	Align revenue authority with service responsibility
Deferred asset planning	Later service cuts; costly transitions	Decide fleet ownership and capital strategy at formation
Ballot language misalignment	Reduced flexibility or weakened trust	Use clear project categories rather than fixed lists
Startup funding gap	Early instability; reliance on legacy systems	Secure 12-24 months of bridge funding
Local-regional funding tension	Regional services underfunded	Use explicit cost-sharing tied to regional benefits
Limited state role clarity	Innovation stalled across agencies	Define state responsibilities for regional transit support
Accountability demands	Higher administrative burden	Pair accountability structures with sustained engagement
Rural access underfunded	Essential services operate at minimal levels	Explicitly fund essential access, not just ridership
Limited service flexibility	Ridership gains without new funding	Build operational flexibility into RTA authority

Rail Governance and Funding

Given Colorado’s continued exploration of potential inter-city passenger rail opportunities (most prominently through Mountain Rail and Front Range Passenger Rail efforts), the rail-focused case study highlights how multi-jurisdictional services introduce additional governance and funding complexity. This discussion draws from interview insights from VCTC, which participates in regional rail governance through Metrolink commuter rail and the LOSSAN intercity rail corridor (Pacific Surfliner).

Interview findings indicate that rail outcomes are strongly influenced by cost-sharing design, state participation, and the durability of interagency agreements, rather than by whether a local agency directly operates rail service. Summarized lessons learned are displayed in **Table 11**.

Table 11: Rail Governance and Funding Lessons Learned

Issue	Observed Impact	Transferable Insight for Colorado
Long-term fiscal commitment	Hard to exit services	Treat rail as a long-term regional investment, including cost-stabilization mechanisms in rail agreements
State role and staffing variability	Member-funded corridors face conflict and outcomes depend on relationships	State participation and institutional continuity improve rail stability
Governance without operation	Small staff size still shapes outcomes	Direct operation is not required for effective rail governance
Misaligned authority	Slow decisions; unclear accountability	Align who pays, governs, and is accountable

Chapter 5: Analysis and Identified Best Practices

This chapter compiles research from Colorado’s enabling legislation, Colorado RTA case studies, national literature review, and national RTA case studies. The research team utilized an analytical framework to identify trends and best practices.

Analytical Framework

To drive consistency and reduce bias, the research team created a typology of topic areas and RTA characteristics to organize findings and compare RTA approaches, as detailed in **Table 12**.

Table 12: Analytical Framework Evaluation Categories and Metrics

Evaluation Category	Metrics
Overview	Travel market served, jurisdictional make up
History and Formation	Formation requirements, formation purposes, relationships with existing transit agencies
Funding	Types of funding sources the IGA allows vs. the ones the RTA pursues
Services and Activities	Types of services/activities the IGA allows vs. the ones the RTA pursues
Organization	Contents of strategic plan, board structure, voting splits between members, voting requirements, organizational role of RTA, funding and implementation partners, role of state, staff roles and responsibilities
Lessons Learned	Elements which RTA staff describe as successful vs. challenging
SB161 Assessment	Level of success in increasing funding and services since RTA formation

For each metric, the team documented whether it is required by law, included in their IGA, or implemented voluntarily by the RTA. Because of the importance of local context, many metrics combine quantitative and qualitative measurements. The framework was primarily used to identify patterns and variations across RTAs, rather than to score or rank the RTAs.

Best Practices

Based on the analytical framework, the best practices are organized into four operational categories: formation, funding & financing strategies, governance, and service & activities. These best practices are intentionally presented as universally applicable practices, designed to be relevant across different RTA contexts, while recognizing that the specific implementation tools and approaches may differ from one community to another.

Formation

When communities undergo RTA development, they must consider the reasons for their formation in intentional vision and mission development and how to best ensure formation through a successful ballot initiative development. These discussions are typically facilitated through formation and technical committees.

Establish Formation and Technical Committees with Champions

Although not required by law, a formation committee and a technical committee (or one that can cover both) can provide a forum for negotiating the IGA, service plan, or other administrative documents. These committees are typically made up of elected officials from the future member jurisdictions, technical staff, and other community partners. Having champions from each of the future member jurisdictions is often indicative of likely formation success because these individuals make time to work through difficult issues and lead regional conversations to ensure success at the ballot and as the organization develops post-formation.

Develop Relatable and Accountable Vision and Mission Statements

RTAs who have a clearly stated vision and mission that defines the direction for their transportation activities and states the benefits to member communities are seemingly more likely to succeed with voters. This clarity comes from both a statement of goals and a follow-through with goal-aligned, community-driven projects/activities. Although not legislatively required, including the formation purposes within the IGA document can be a helpful accountability step.

In the formation process, crafting vision and mission statements for the future organization means identifying a single (or select few) guiding principles. These statements are typically tangible and relatable, including the overarching services the RTA will provide and for what community purpose. The vision and mission may evolve over time but always connect back to specific community needs. Sample missions from the case study RTAs are displayed in **Table 13**.

Table 13: Examples of RTA Missions

Case Study RTA	Current Vision/Mission
GVRTA	The mission of the Gunnison Valley Transportation Authority (RTA) is to provide and improve air transportation to and from the Gunnison-Crested Butte Regional Airport on a year-round basis, to

Case Study RTA	Current Vision/Mission
	provide a long term and energy efficient public transit system between the north and south ends of the Highway 135 corridor, and to provide senior and human services transportation in Gunnison County.
SMART	The San Miguel Authority for Regional Transportation strives to deliver safe and reliable transit services and to consistently advocate and promote the use of multi-modal transit systems.
Core Transit	Core Transit will provide everyone in our community with user-friendly transportation solutions that are safe, rewarding, and reliable.
PPRTA	The Pikes Peak Rural Transportation Authority is a collaborative effort among six regional governments to improve and maintain roads and support public transit.

As resources are typically constrained, especially at the initial stages of post-ballot formation, the vision and mission can keep the RTA focused on fulfilling the promises made to voters. Even as resources increase, vision and mission statements guide RTA decision making. Successful RTAs typically remain focused on these values unless they go through an intentional evaluation of the vision and mission, typically to build on the previous vision and mission.

Craft a Context-Sensitive Ballot Initiative through Public Outreach

A successful ballot initiative starts long before voters choose to be for or against an RTA. To be successful at the ballot, communities have invested in comprehensive public outreach, statistically significant polling, and careful ballot language structuring. Using these strategies, a formation committee will better grasp the community’s needs and project preferences, political perceptions, financial willingness, and feasible funding mechanisms that will garner voter support. Understanding the following questions leads to greater potential for successful RTA formation.

- **Community Needs and Project Specificity:** Which transportation improvements have the most impact on the daily lives of the region’s residents?

Proposed transportation improvements must resonate with voters. Even when the vision of the RTA may be limited in scope, the services must either directly improve the way people interact with the transportation network or it must impact people they know - their family, friends, neighbors, coworkers, customers, etc. Some communities may consider explicitly spelling out the projects or project categories they will pursue on the ballot or within the IGA, while others will have an IGA appendix with a specific service plan. Either way, the public should be aware and informed of specifics like the new bus routes, frequency of routes, number of roadways miles to improve, number of intersections improved, etc. Notably, these details help the community understand what

they are being asked to support, while allowing flexibility so as to not limit adaptability. Using project categories with clear outcomes rather than fixed project lists can strike the right balance of public clarity with organizational flexibility.

- **Political Perceptions:** What would entice the public to vote for establishing a new governmental entity?

The public's trust in governmental agencies can vary widely depending on the community. Because an RTA establishes another governmental entity, formation committees must understand what organizational measures must be in place for the public to trust that the RTA will manage its duties responsibly. These may include oversight committees, community advisory committees, or transparent performance reporting.

- **Financial Willingness and Feasible Funding Mechanisms:** Which funding and financing mechanisms are the public most likely to support?

Especially with growing concerns over the rising cost of living, the public must know that their dollars will be used to directly improve their lives. This often comes with an educational element on how the RTA plans to leverage local tax funds for additional funding such as through federal, state, and other regional grant opportunities. The mechanisms may also need to be tailored to communities within the proposed boundaries. Some RTAs have been successful at convincing smaller communities to buy into an RTA when their taxation rate will be lower than their partner member jurisdictions.

Funding & Financing Strategies

A diverse yet targeted set of revenue sources tailored to the community's context is key to fiscal sustainability. This includes aligning grant opportunities with appropriate transportation investments, as well as clearly communicating how taxation mechanisms will personally impact consumers' wallets. Similarly, it may be appropriate to tailor taxation or sunseting mechanisms in a way that aligns with resources, transportation priorities, and political perceptions. Finally, long-term financial policies can ensure strategic creation of reserve funds.

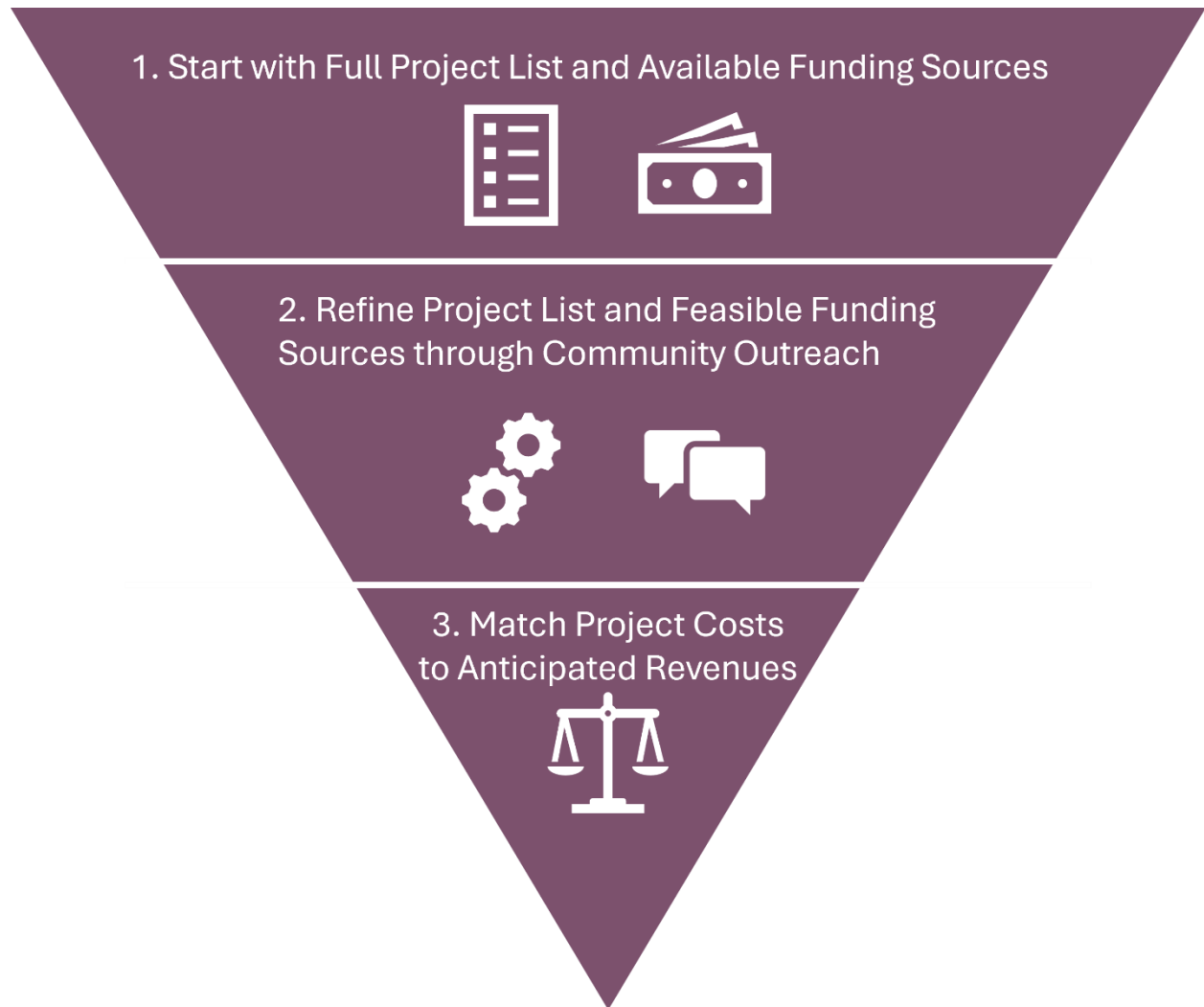
Match Project Costs to Anticipated Revenues

In alignment with publicly communicating the service promises an RTA makes, communities should identify a feasible project list matched to anticipated revenues, as shown in **Figure 3** and described below.

1. Start with all possible projects and associated costs aligned with the established RTA vision and mission. Projects should have a spectrum of possible investment scenarios and associated effectiveness (less frequent buses will generally have lower costs but also lower ridership) so that communities can understand the tradeoffs of the investments. Communities should then also identify the maximum revenues that could be collected in the future member jurisdictions.
2. Refine the project list and feasible funding sources through community outreach. Community polling can help refine the types of projects and associated funding sources and rates the community is willing to support.

3. Narrow the project list to a point where the highest priority projects can be funded with likely anticipated revenues. Once communities identify project priorities and anticipated revenues, balancing the project list to the anticipated revenues can ensure long-term sustainability and public transparency.

Figure 3: Match Project Costs to Anticipated Revenues



Align Grant Funding

Grants are a crucial RTA funding source and can expand the scale and pace of transportation investments. However, grants (specifically federal and state grants) vary in predictability, competitiveness, and duration, so RTAs should consider grant opportunities carefully in alignment with investment needs. Grants also often require match funding from the local community, which may limit an RTA's ability to participate in those grant programs. The match requirements vary largely, but typical federal grants require a 50% local match for operating costs and 20% local match for capital costs; these match requirements differ greatly at the state and regional level.

Discretionary or competitive grants are often tied to policy objectives and are not always evergreen, which makes them better suited for start-up activities, capital investments, or pilot programs, rather than for sustaining core services. These grants may also be the most available to communities looking to fund formation efforts or their initial services before being eligible to pursue formula funding.

Formula funding (e.g., FTA 5311 or CTE SB230 Formula funding), on the other hand, is typically more predictable and can be incorporated into multi-year financial plans. While these grants can still be unpredictable long-term, formula funding may be more appropriate to supplement ongoing operations or capital programs when paired with the stability of local revenue sources. As mentioned previously, new RTAs may not be immediately eligible for formula funding, so they may need to first use discretionary grants and then transition to formula funding.

By aligning grant opportunities with the appropriate needs, RTAs can leverage external funding sources effectively while maintaining service stability and public trust.

Communicate Personal Impact on Consumers' Wallets

Depending on the RTA and the context, project costs and associated revenue needs can range from tens of thousands of dollars to millions of dollars. As necessary as these costs are from a planning and economic perspective, the numbers are not typically relatable to voters. As such, it is important to put costs and revenues into personal impact terms, such as “a 1 percent sales tax will cost you \$1 on a \$100 shopping trip, not including groceries or utilities” or “1 mill on taxable property will cost you \$100 annually on your \$500,000 home.” This relatable communication can help build trust and show the true cost of improving regional transportation.

Tailor Taxation Strategies to Community Context

As important as it is to match project costs to potential revenues, there is also a need to match potential revenues to the community context. As described in the formation section, some RTAs have been successful at convincing smaller communities to buy into an RTA when their taxation rate will be lower than their partner member jurisdictions. This can be especially effective in mountain resort regions where one or two municipalities have a tourist-based tax base, but other municipalities in the RTA boundary have a more local tax base. To both offset the local cost burden and strategically generate buy-in from the smaller communities, it may make sense to have different tax rates (specifically sales tax) in the different communities.

Including a sunset provision may be needed in communities where need for high government accountability and aversion to new permanent taxes exist. Although not required by law, some RTAs have either historically or currently included a sunset provision that causes a taxation mechanism to expire on a set date, unless voters approve its continuation. This can help a ballot measure pass by assuring voters the tax mechanism will not continue in perpetuity without voter reauthorization. It can also reinforce accountability over time, since continued funding depends on the RTA demonstrating performance and delivering on its

commitments. However, sunset provisions come with increased risk and uncertainty since RTAs cannot plan long-term and require more administrative work to go back to the ballot to continue operations.

Plan for Long-Term Financial Success with Reserves

Because RTA revenues and expenses fluctuate with economic cycles and policy changes, RTAs should establish financial reserve policies. These policies define how much funding the RTA sets aside to manage financial risks and plan for long-term needs, and it clarifies under what conditions the reserves can be used. Through multi-year financial forecasting, RTAs can define target reserve levels for operating stability, capital replacement, and contingencies. These reserves can help RTAs maintain consistent service levels during downturns, manage timing gaps between revenues and expenditures, and avoid abrupt staffing or service cuts that undermine public trust. Formal reserve policies also support disciplined decision-making by clarifying when funds are used for ongoing operations versus expanding operations.

Governance

A governance plan for organizational structure provides clear roles and responsibilities for RTA members and partners as soon as voters approve the RTA, establishes key organizational partnerships, and accounts for the administrative functions and expenses.

Set Clear Roles and Responsibilities

Like the other key considerations and best practices, future members should spend time ahead of formation to define how the organization will function. While many governance elements are required by law to be addressed in the IGA, success from day one depends on clear decision-making roles and responsibilities in the following categories.

- **Operating and Service Delivery Model:** Who delivers services/projects (RTA as operator vs. turn-key contractor vs. funder/administrator) and who owns day-to-day performance.
- **Delegation and Approval Thresholds:** Roles for each board member, what decisions/signatures are delegated to officers/board committees/staff/agents, what requires board action, and clear spending/contract/change-order thresholds.
- **Financial Stewardship:** Who serves as fiscal agent/treasurer, manages cash/reserves, produces financial reporting/audits, and owns grant administration/compliance.
- **Procurement and Contracting Roles:** Who runs procurements and contract management, what procurement rules apply, and how contractor performance (if applicable) is managed.
- **Program Accountability:** How the RTA sets standards, tracks performance, reports publicly, enforces remedies/escalation when performance or delivery falls short, and the role of community advisory groups.
- **Risk and Change Management:** How liability/insurance/indemnification is allocated and how the RTA coordinates decision-making with member jurisdictions and key external partners, including dispute resolution and formal amendments to plans/agreements/IGA.

Establish Key Organizational Partnerships

In alignment with roles and responsibilities discussed above, establishing organizational partnerships facilitates service delivery, infrastructure access, funding eligibility, and public accountability. These partnerships can vary widely in purpose, so establishing organized relationships and defined forums for interaction helps accelerate implementation and supports long-term credibility with voters. A comprehensive but non-exhaustive list of key partnerships is described in **Table 14**.

Table 14: Key Partnerships

Partners	Key Functions
Federal Agencies	Discretionary and formula funding, service standards, and technical assistance materials.
State Agencies	State funding programs, alignment with statewide plans, approvals/coordination for state facilities, and technical assistance materials.
Regional Agencies	Planning/programming alignment, project prioritization, and integration across jurisdictions and services.
County Agencies	Enable tax collection interfaces (where relevant), unincorporated area coordination, roadway coordination, administrative support.
Local Agencies	Service integration, capital infrastructure siting, permitting, operations coordination, and public communications.
Business Communities	Key for workforce mobility needs, pass programs, last-mile solutions, sponsorships, political support, and marketing support.
Community and Social Organizations	Connect the RTA to local initiatives and populations, such as schools, senior centers, community resource centers, advocacy organizations
Recreation Districts and Tourism Entities	Align visitor mobility, event peaks, special transportation networks, parking management, and marketing.
Regional and National Associations	Peer learning, templates/toolkits, training, procurement practices, vendor access, and policy awareness.

Account for Administrative Functions and Expenses

Overhead expenses are often overlooked in newer RTAs, yet they are critical to successfully standing up the organization. New RTAs are typically under pressure to demonstrate visible service or project delivery quickly, but success depends on foundational administrative functions. Underfunding these functions can slow implementation, increase risk, and decrease public trust. Administrative capacity enables the RTA to execute contracts, procure vehicles,

start services on schedule, comply with grant requirements, manage financial resources, maintain insurance and delegate liability, track and report performance, and keep decision-making efficient. These tasks do not need to be performed by RTA board members nor in-house staff, especially in the early years, but the RTA should clearly define how they will be delivered (e.g., through contracted support, shared services, or another partnership agreement). Administrative capacity helps the RTA scale service delivery without compliance failures, contract delays, or governance bottlenecks and should not be viewed as an optional overhead expense.

Services & Activities

RTA services and activities are the visible way a community perceives success. In thinking about how to best deliver its services RTAs should consider the operating model that best fits their context, a routine evaluation of the organization and the performance of its activities, and a proactive communication effort of its progress.

Determine Operating Model

A foundational best practice for RTAs is determining the best-suited operating model. It shapes how quickly the authority can launch transportation programs, projects, and services; how much control the organization has over service quality and customer experience; what administrative capacity it needs; and where operational and financial risk sits. RTAs generally choose between three models: 1) agency-implemented operations where the RTA directly manages implementation, 2) turn-key contracted operations where the RTA sets standards and a provider delivers under contract, or 3) a fund administrator/grantor approach where the RTA primarily collects and allocates revenue to member agencies and partners. The most successful approach is not universal. Rather, the best practice is selecting the model that matches the RTA's mission and local capacity, then clearly documenting decision responsibilities and accountability/performance measures. The different operating models are described in **Table 15**.

Table 15: Operating Model Comparison

Operating Model	Current Colorado RTAs	Advantages	Tradeoffs	Best Fit Context
Agency-Implemented (RTA-operated)	RFTA, Core Transit	Highest control over service design and standards, consistent brand and policies, easier to adapt quickly	Highest overhead costs, higher liability exposure, slower to start from scratch	Need strong control over delivery outcomes (often in transit operations), no existing provider who can scale, market needs frequent adjustments, or complex capital program that needs centralized management
Turn-Key Operator (Contracted Operations)	GVRTA, SMART	Faster launch, scalable, keeps the RTA lean, can shift day-to-day operations to the operator	Less direct control, risk of misaligned goals, requires strong contract management	Need early wins, have capable local operators and implementors, RTA wants to focus on planning and oversight
Fund Administrator/ Grantor	PPRTA, ARTA, SPVRTA	Lowest overhead, leverages existing providers, preserves local implementation capacity	Harder to ensure consistency/integration, weaker direct control, risk of weaker outcomes without accountability	Strong existing providers, goal is funding and coordination, often capital-heavy or multimodal investments are the largest priority.

Routinely Evaluate Organization Roles, Activities, and Performance

As RTAs establish their activities and refine organizational roles, they will identify opportunities to adapt and improve. This may include taking over existing services, creating new programs, shifting between operating models, or formalizing new partnerships. Best practice in this evaluation space is recognizing that RTAs are not static organizations and should plan for evolution, renewal, or additions/removals of programs or funding mechanisms. Because these changes can impact costs, risks, organizational roles, and public expectations, a best practice is to routinely evaluate whether the RTA’s roles and activities remain aligned with its adopted vision, mission, and funding commitments. Through formal processes, including performance measuring, financial audits, and community-driven processes for updating plans or agreements, RTAs can ensure new investments are strategic, accountable, and sustainable as community needs evolve.

To inform potential changes, RTAs should set reasonable goals and track performance measures across multiple categories such as compliance, financial sustainability, budgeting and grant success, service outcomes, employee satisfaction, and customer satisfaction.

Proactively Communicate Progress of RTA Activities

Since RTAs depend on voter approval and ongoing public trust, proactively communicating progress and how taxpayer funds are used is a best practice. Routine communication helps residents see the connection between what they approved at the ballot, what the RTA is delivering, and what outcomes those investments are producing. This is especially important as RTAs add partnerships, adjust projects, or add services. Transparent reporting also reduces confusion, limits misinformation, and builds credibility ahead of future ballot measures, revenue changes, or other major activity decisions. Some tools and best practices in communicating include:

- **Public Accountability Dashboard.** A public-facing reporting system that ties ballot commitments, specific projects/services delivered, dollars spent, and quantifiable outcomes with clear status, timeline, and plain-language budget summaries.
- **Predictable Information Distribution.** A consistent reporting schedule shared across different media channels (website, email, social media, partner sites) so that transparency seems inherent and not reactive. RTAs can often leverage their partner communications for shared messaging so that member jurisdictions, operators, and partner agencies can communicate consistent information.
- **Transparency on Changes.** Short, standardized communications when scope, cost, timelines, service plans change can maintain public trust.

Summary

The best practices described throughout this chapter cover the four topic areas of Formation, Funding & Financing Strategies, Governance, and Services & Activities. Each best practice is summarized in **Table 16**.

Table 16: RTA Best Practices

Formation	Funding & Financing Strategies	Governance	Services & Activities
<ul style="list-style-type: none"> ● Establish Formation and Technical Committees with Champions ● Develop Relatable and Accountable Vision and 	<ul style="list-style-type: none"> ● Match Project Costs to Anticipated Revenues ● Align Grant Funding ● Communicate Personal Impact 	<ul style="list-style-type: none"> ● Set Clear Roles and Responsibilities ● Establish Key Organizational Partnerships ● Account for Administrative 	<ul style="list-style-type: none"> ● Determine Operating Model ● Routinely Evaluate Organization Roles and Activities ● Proactively Communicate

Formation	Funding & Financing Strategies	Governance	Services & Activities
<p>Mission Statements</p> <ul style="list-style-type: none"> • Craft a Context-Sensitive Ballot Initiative through Public Outreach 	<p>on Consumers' Wallets</p> <ul style="list-style-type: none"> • Tailor Taxation Strategies to Community Context • Plan for Long-Term Financial Success with Reserves 	<p>Functions and Expenses</p>	<p>Progress of RTA Activities</p>

Chapter 6: RTA Decision Framework and Recommendations

Decision Framework

To consider whether an RTA is an appropriate tool, there are a series of questions with associated implications that should be explored before moving ahead with a more formalized approach. These questions can be grouped into five categories:

- Define the Need
- Define the People & Members
- Define the Services & Activities
- Define the Funding
- Test Feasibility

Define the Need

What problem(s) is the future RTA trying to solve?

Knowing why pursuing an RTA can be a regional solution and establishing a clear purpose is critical. As previously mentioned, having a clear vision and purpose that is ambitious, yet achievable and focused, supports successful formation. Trying to do too much or too little can create barriers to successful RTA establishment.

What benefits could an RTA provide to member jurisdictions and their citizens?

Related to purpose clarity, communities considering an RTA should be able to articulate clear benefits and outcomes for potential members and their constituents who will ultimately vote for or against the RTA's creation. These benefits should be crafted so that all potential member jurisdictions can see value for them in the projects and services an RTA would deliver.

Define the People & Members

Who should be part of a possible RTA and why?

Typically, RTAs are formed by two or more entities that share common transportation problems within a defined area. Being able to build an RTA within an easy-to-understand geographic area with shared goals usually results in better cooperation. RTA members and associated boundaries usually fall along existing political, geographical, or travel-shed (e.g., one or more roadway corridors) boundaries, which helps align members and voters.

Are possible member jurisdictions willing to support the formation effort with financial resources, staff time, or in other ways?

Each potential member jurisdiction should be prepared to support the RTA formation effort with people, funding, and/or in-kind contributions. RTA formation usually requires hiring of experts to plan and support the steps associated with successful passage of a ballot measure. Additionally, elected officials and municipal staff time is required for months or years ahead of RTA formation.

Are there champions willing to lead, support, and coordinate an RTA formation effort?

As previously mentioned, finding at least one champion (and ideally one per potential member jurisdiction) is necessary to move RTA formation forward. Without champions, RTA formation may not be possible.

Define the Services and Activities

What projects, transportation modes, and services would an RTA provide?

Identifying transportation challenges and associated project or modal solutions helps center the discussion on priorities that will most resonate with local constituents. These potential projects and services may be to solve long-standing challenges such as traffic, safety, tourism impacts, workforce mobility, or access to critical services; or they may be more opportunistic based on a potential grant, an existing transit operator wanting to stop operating a service, or a new mandate.

How does this fit with existing transit services and providers?

In many examples of new RTA formation in Colorado, there are existing transit services and associated providers. Coordination with these existing providers is important to RTA success. Potential members should explore the benefits and considerations to existing service providers if a new RTA were to be pursued. In some cases, a new RTA might assume some existing regional services, while the existing agency focuses more on local services. In other cases, an existing provider might be assumed into the new RTA under a transition plan.

Define the Funding

What funding mechanisms might be appropriate to support possible projects or services?

Typically, RTA formation includes voter approval of a funding mechanism such as a sales or property tax. It is important to explore which mechanisms and associated taxation rates may be appropriate for each potential member based on voter sentiment, and historic support or rejection of other non-transportation taxation measures. Once possible mechanisms and rates are determined, anticipated revenue should be aligned with estimated service and project costs to define what an RTA could realistically deliver.

Test Feasibility

What is the likelihood of success with voters? How can we understand that better?

Since RTA formation depends on voter approval, it is essential to evaluate voter sentiment through focus groups, polling, and survey. This research will help gauge the likelihood of voter support for RTA formation and taxation measures under various scenarios. If voter sentiment is unsupportive, it may not be prudent to proceed.

Can tax revenue support potential services?

If potential revenue generation is overly constrained, such as in rural areas with a limited tax base, an RTA may not be viable even with voter support. Most RTAs in Colorado have formed in areas with robust tax bases that can generate enough revenue to support delivery of impactful transportation services and projects. If RTA formation is unlikely to generate enough revenue to support envisioned services, communities may need to consider other avenues for building new transportation options. These may include heavier reliance on state and federal grants with low match requirements.

What other resources or partnerships may be needed?

Potential member jurisdictions should understand early on what additional resources or partnerships may be necessary. This includes local, regional, and state partnerships and resources. In many cases, potential RTA members will coordinate with communities that may not ultimately be a part of the RTA, but may still receive services or benefits from an RTA. These non-members can still support RTA formation through education and coordination. Organizations such as CDOT and Colorado Association of Transit Agencies (CASTA) can also provide helpful resources.

Recommendations for Supporting RTA Formation

Even with best practices for RTA formation and a decision framework in place, communities may still find it daunting to move from exploration to implementation. Based on the research, the following recommendations are offered across four levels of influence (legislative, state (CDOT), RTA-led, and supporting organizations) to strengthen RTA formation and long-term success statewide.

State Legislature

- **Create a standing RTA coordination forum:** Establish a formal venue (like a standing committee or a “Day at the Capitol”) where RTAs can collaborate on shared priorities, monitor proposed legislation, and advance targeted statutory updates. Examples from recent legislative changes include clarifying tax implications affecting RTA projects or adjusting statutory limits such as the sales and use tax limit.

- **Continue to explore how an RTA can help support desired land use changes:** Statewide efforts to increase affordable housing are linked to strong public transportation options, many of which are or could be delivered by RTAs.
- **Update legislation as necessary:** As circumstances change, the state’s RTA enabling statute may need to evolve to better support RTA creation and expansion. This may include refining eligible uses under one or more state transit funding programs.

State (CDOT)

- **Continue to expand the state’s role in RTA development:** As the CTE stands up the RTA support portion of the SB230 Discretionary Program, CDOT will have opportunities to better define the types and magnitude of support it can provide emerging RTAs and define a path for new RTAs to graduate to other funding programs.
- **Fund early-stage planning and initial formation:** Explore opportunities to provide dedicated resources for feasibility and service planning; governance and funding analysis; and formation readiness.
- **Provide technical assistance and practical toolkits:** Offer templates, best-practice guides (e.g., this study), decision frameworks, and access to technical experts who can advise on governance design, funding strategy, operating models, and implementation steps.
- **Strengthen grant competitiveness and delivery capacity:** While maintaining objectivity in grant award processes, support RTAs with grant strategy development, application assistance, compliance readiness, and organizational capacity-building to improve long-term success in competitive programs.
- **Align funding formulas and grant structures with different regional contexts:** Ensure state funding programs, and administration of federal programs, recognize baseline access needs and higher per-unit costs in rural and mountain contexts. Consider context-sensitive funding categories or set-asides so smaller or emerging RTAs can compete equitably.
- **Develop a shared performance and data framework:** Establish standardized (but scalable) performance reporting expectations and data tools that allow RTAs to benchmark outcomes, improve transparency, and strengthen grant competitiveness.
- **Support long-term capacity building:** Encourage shared-service models, regional technical assistance, or workforce development initiatives that help smaller or newer RTAs access expertise in grant writing, financial management, project delivery, and compliance.

Prospective and New RTAs

- **Apply best practices and the decision framework as a formation roadmap:** Use the recommended practices herein to guide formation, funding & financing, governance, and services & activities.

- **Seek support from existing RTAs:** The existing RTAs throughout the state have proven to be a willing resource with a wealth of knowledge and experience. Many newer RTAs have cited support from existing RTAs as a key to success.

Supporting Organizations (such as CASTA, Regional and National Transit Associations, National Research Institutes)

- **Provide peer-learning opportunities:** Convene regular forums for RTAs and prospective RTAs to share tools, lessons learned, governance approaches, contracting models, performance reporting practices, and grant strategies.
- **Promote shared resources and templates:** Facilitate the development of model IGAs, reporting dashboards, financial policy templates, and other operational guides to increase awareness and learning across different regions.
- **Continue to build understanding of effective regional transit strategies.** While much research has been done, there is a continuous need to assess how best to increase regional transit, whether it be through RTAs or other mechanisms. This is especially important with significant recent changes to travel patterns and transit funding. Most research predates the COVID-19 pandemic and may have less applicability to current conditions.

Appendix A - RTA Formation Roadmap

Based on research, interviews, and identification of best practices, the three phases for development of an RTA are: preparation, formation, and post formation.

Pre-Formation 2-3 years ahead of ballot initiative	Formation 0-18 months ahead of ballot	Post Formation 0-12 months after ballot initiative passes
<ul style="list-style-type: none"> • Identify potential RTA members • Designate leaders from each jurisdiction • Create formation and technical committees • Explore electoral feasibility • Develop and define possible RTA services • Perform polling and public outreach to understand public needs and opinions about possible funding mechanisms 	<ul style="list-style-type: none"> • Negotiate and develop IGA with future members • Hold at least two public hearings for info and comments in each RTA proposed member jurisdiction • Execute the IGA (each jurisdiction signs on) • Submit IGA to CDOT and adjacent counties/ municipalities for review and comment period • Follow referred measures process for ballot initiative • Coordinate election matters and processes including coordination of members • Perform public outreach, education, and advocacy (performed by non-governmental entity) • Plan for post formation including development of an implementation plan 	<ul style="list-style-type: none"> • Submit IGA for certification by Colorado Division of Local Affairs (DOLA) • Convene the RTA Board; adopt by-laws • Finalize implementation plan • Hire/contract executive, administrative, other staff • Plan for ongoing operations and maintenance • Transition services, responsibilities (if applicable) • Develop long-term funding sources • Begin providing services and/or delivering projects

Appendix B - RTA Intergovernmental Agreement Requirements

The Intergovernmental Agreement (IGA) establishes an RTA and must contain, per statute:

1. Name, purpose, and systems to be provided
 - a. The name and broad purpose of the RTA.
 - b. The services or systems to be provided (an RTA can include any property, transportation, administrative and maintenance facilities, service areas, improvement or system designed to be compatible with established state and local transportation plans that transports people within a region by auto, truck, bus, rail, air or gondola).
2. Board of Directors
 - a. The establishment and organization of the board of directors, including the number of directors, which must be at least five, all of which shall be elected officials from the members (with at least one elected official from each member).
 - b. The manner of the appointment, the qualifications, and the compensation, if any, of the directors and the procedure for filling vacancies on the board.
 - c. The officers of the authority, the manner of their appointment, and their duties.
 - d. The voting requirements for action by the board if other than a majority of the directors of the board by a quorum.
3. Assets
 - a. The provisions for the distribution, disposition, or division of the assets of the authority.
4. Boundary
 - a. The boundaries of the RTA, which is limited to the boundaries of each member of the combination and may not include territory within the boundaries of any municipality or unincorporated area of any county that is not a member of the combination without consent of the governing body.
5. Term
 - a. The term of the IGA, which may be definite or until rescinded or terminated, but cannot be rescinded or terminated while the RTA has bonds outstanding.
6. Amendment
 - a. The provisions for amendment of the contract.
7. Limitations
 - a. The limitations, if any, on the powers granted by statute that may be exercised by the authority.
8. Addition or deletion of IGA members
 - a. The conditions required when adding or deleting parties to the contract.