

Gunnison Valley Transit Working Group Meeting #3

Date: January 22, 2014

Time: 1:00 PM – 3:00 PM

Location: Region 10 Office
300 North Cascade, Suite 1
Montrose, CO

Meeting Goals:

Review financial scenarios and finalize development of strategies for the region

Agenda

- 1) Welcome and Introductions (5 minutes)
- 2) Schedule Update (5 minutes)
- 3) Review and Finalize Recommended Strategies (45 minutes)
- 4) Financial Scenarios (45 Minutes)
- 5) Key Concepts Covered in Coordinated Regional Plan (10 minutes)

CDOT Project Manager: Tracey MacDonald tracey.macdonald@state.co.us
Work: 303-757-9753

CDOT Regional Lead: David Krutsinger david.krutsinger@state.co.us
Work: 303-757-9008

Lead TPR Planner: Steven Marfitano steven.marfitano@fhueng.com
Work: 303-721-1440

Project Web Site: <http://coloradotransportationmatters.com/other-cdot-plans/transit/>

Conference Call # 1-800-882-3610
Participant Code: 4584777#

		2013				2014					
		SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Statewide Transit Plan Development	Statewide Steering Committee Meetings		●				●	●		●	
	Statewide Needs Analysis		■								
	Financial Analysis and Investment Needs	■	■								
	Statewide Policies and Strategies		■								
	Performance Measures	■	■								
	Draft Final Report Development						■				
	Agency Consultation - State/Federal						■				
	CDOT - 30 Day Review of Draft Final Report							■			
	Update Draft Report								■		
	SSC and Public Review of Draft Final Report								■		
	Prepare Final Report									■	
	Submit Final Report/ TC Adoption										■
Final Report Spanish Translation										■	
Regional Coordinated Transit Plan Development	Transit Working Group (TWG) Meetings		■			■					
	Local Plan/Statewide Open Houses		■								
	Vision and Goals Development	■									
	Financial Analysis and Investment Needs	■									
	Projects, Strategies & Prioritization	■									
	Needs Assessment/ Gap Analysis		■								
	Development of Draft Final Reports		■								
	CDOT Review of Draft Final Reports						■				
	Update Draft Reports						■				
	TWG and Public Review of Draft Final Reports							■			
Prepare Final Reports								■			
Integration with Statewide Transportation Plan									■		



Draft Gunnison Valley Recommended Strategies

Gunnison Valley Vision: To provide a convenient, reliable, and efficient transit network to serve residents and visitors throughout the region.

Goal	High Priority Strategy	Cost (operations, capital, administrative)	Common Funding Sources	Champion Partners	Timeframe
Preserve, maintain, and enhance existing services.	Continue operation of existing transit services 35 buses, 35 vans/ cutaways \$300K 12 yr/\$40K 5 yr	See Financial Discussion	Op FTA 5310, FTA 5311, FTA 5337, Agency Revenues, Local Government, Gunnison RTA, Local HUTF Cap FTA 5310, FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP	All existing agencies	1-6 years
	Implement asset management program to report to FTA the condition of the system and progress toward meeting performance targets set by FTA and CDOT	TBD	Ad FTA 5304, FTA 5326, FTA 5337, FASTER	Region 10 <i>All existing agencies</i>	1-6 years
Provide additional general public transit service within and between communities.	New Gunnison-Montrose general public transit service - 2 round trips, 5 days per week	Op \$150,000/yr Cap \$50,000	Op FTA 5311, Agency Revenues, Local Government, Gunnison RTA, Local HUTF, Corporate Sponsorship/ Contract Services Cap FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP, Public-Private Partnership	Gunnison RTA <i>All Points Transit</i> <i>City of Montrose</i>	1-6 years
	New Montrose-Delta general public transit service - 2 round trips, 5 days per week	Op \$80,000/yr Cap \$50,000	Op FTA 5311, Agency Revenues, Local Government, Local HUTF, Corporate Sponsorship/ Contract Services Cap FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP, Public-Private Partnership	All Points Transit <i>Delta</i> <i>City of Montrose</i>	7-12 years

Gunnison Valley



Transportation Planning Region

Goal	High Priority Strategy	Cost (operations, capital, administrative)	Common Funding Sources	Champion Partners	Timeframe
con't) Provide additional general public transit service within and between communities.	New Montrose-Telluride general public transit service - 2 round trips, 5 days per week	Op \$150,000/yr Cap \$50,000	Op FTA 5311, Agency Revenues, Local Government, Local HUTF, Corporate Sponsorship/ Contract Services Cap FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP, Public-Private Partnership	Telluride Mountain Village, San Miguel County	13-20 years
	Additional Delta-North Fork general public transit service - 5 days per week, 8 hrs per day	Op \$150,000/yr Cap \$50,000	Op FTA 5311, Agency Revenues, Local Government, Local HUTF, Corporate Sponsorship/ Contract Services Cap FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP, Public-Private Partnership	Delta County All Points Transit	7-12 years
	Additional Gunnison County county-wide transit service - Demand responsive, 5 days per week, 8 hrs per day	Op \$150,000/yr Cap \$50,000	Op FTA 5310, FTA 5311, Agency Revenues, Local Government, Gunnison RTA, Local HUTF, Corporate Sponsorship/ Contract Services, Medicaid, TANF, CSBG/CDBG, OAA Title III Cap FTA 5310, FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP, Public-Private Partnership, TANF, CSBG/CDBG, OAA Title III	Gunnison County	7-12 years
	Additional City of Montrose human services transportation - Demand responsive, 5 days per week, 8 hrs per day	Op \$150,000/yr Cap \$50,000	Op FTA 5310, FTA 5311, Agency Revenues, Local Government, Local HUTF, Corporate, Medicaid, TANF, CSBG/CDBG, OAA Title III, Sponsorship/ Contract Services Cap FTA 5310, FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP, Public-Private Partnership, TANF, CSBG/CDBG, OAA Title III	City of Montrose All Points Transit	7-12 years

Gunnison Valley



Transportation Planning Region

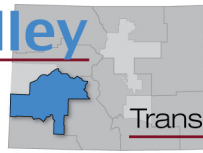
Goal	High Priority Strategy	Cost (operations, capital, administrative)	Common Funding Sources	Champion Partners	Timeframe
con't) Provide additional general public transit service within and between communities.	New Hinsdale County human services transportation - Demand responsive, 3 days per week, 8 hrs per day	Op \$90,000/yr Cap \$50,000	Op FTA 5310, FTA 5311, Agency Revenues, Local Government, Local HUTF, Corporate, Sponsorship/ Contract Services, Medicaid, TANF, CSBG/CDBG, OAA Title III Cap FTA 5310, FTA 5311, FTA 5339, FASTER, Local HUTF, FHWA TAP/STP, Public-Private Partnership, TANF, CSBG/CDBG, OAA Title III	Hinsdale County	7-12 years
Improve Transportation Options	Develop single-resource rider information pamphlet and web site		Op Private/In-kind Contributions, Corporate Sponsorship Ad CDOT, CSBG/CDBG, OAA Title III, Other Federal	Future Region 10 Mobility Manager	1-6 years
Promote Transit	Market availability and benefits of transit		Op Advertising, Private/In-kind Contributions, Local/Regional Government Ad CDOT	Future Region 10 Mobility Manager	1-6 years
Increase transit funding through public and private mechanisms	Pursue stable dedicated funding source, e.g., regional RTA, statewide sales tax	TBD	Op Private Contributions, Contract Services Cap Public-Private Partnerships Ad FTA 5304, Region 10	Region 10	1-6 years

Gunnison Valley



Transportation Planning Region

Goal	High Priority Strategy	Cost (operations, capital, administrative)	Common Funding Sources	Champion Partners	Timeframe
Integrate public and human transit services	Implement centralized call center	Cap \$250,000	Cap FTA 5311, FASTER	Future Region 10 Mobility Manager	7-12 years
	Hire Region 10 Mobility Manager <ul style="list-style-type: none"> - Encourage active and regular participation in coordinating council activities - Develop joint decision making process - Implement travel training program inclusive of all regional services 	Ad \$70,000/yr	Ad FTA 5311, FTA 5337, FTA 5339, FTA Veterans Transportation and Community Living Initiative, RTAP	Region 10	1-6 years
TOTAL COST FOR NEW PROGRAMS (Does not include Existing Services, Asset Management, or RTA Development)		Op/Ad \$990,000/yr Cap \$600,000			

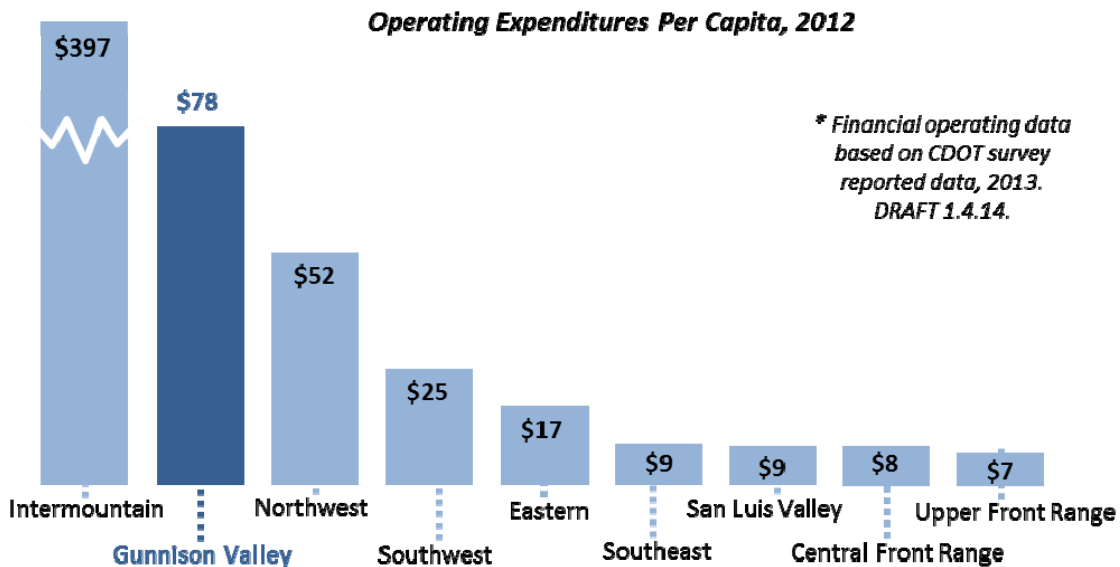


Gunnison Valley Financial Resources and Anticipated Revenues

The 2040 revenue and operating expense projections presented here are intended to estimate the general range of future revenues and magnitude of future resource needs. While any forecast is subject to uncertainty, these estimates may help guide regional actions and may indicate the need for future coordination, collaboration, and alternative revenue strategies. These sketch-level planning estimates are intended to foster dialogue among regional partners, not to determine local decision-making or prioritization.

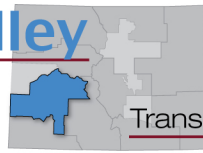
Statewide Current and Future Operating Expenditures

Per capita operating expenditures provide an approximate indicator of current and future resource needs. The figure below illustrates the various levels of transit service provided in each of Colorado's planning regions measured by per capita expenditures. Each region varies considerably in sources of transit revenues, scale and type of operations, system utilization and ridership, full-time resident population, and population of seasonal visitors.

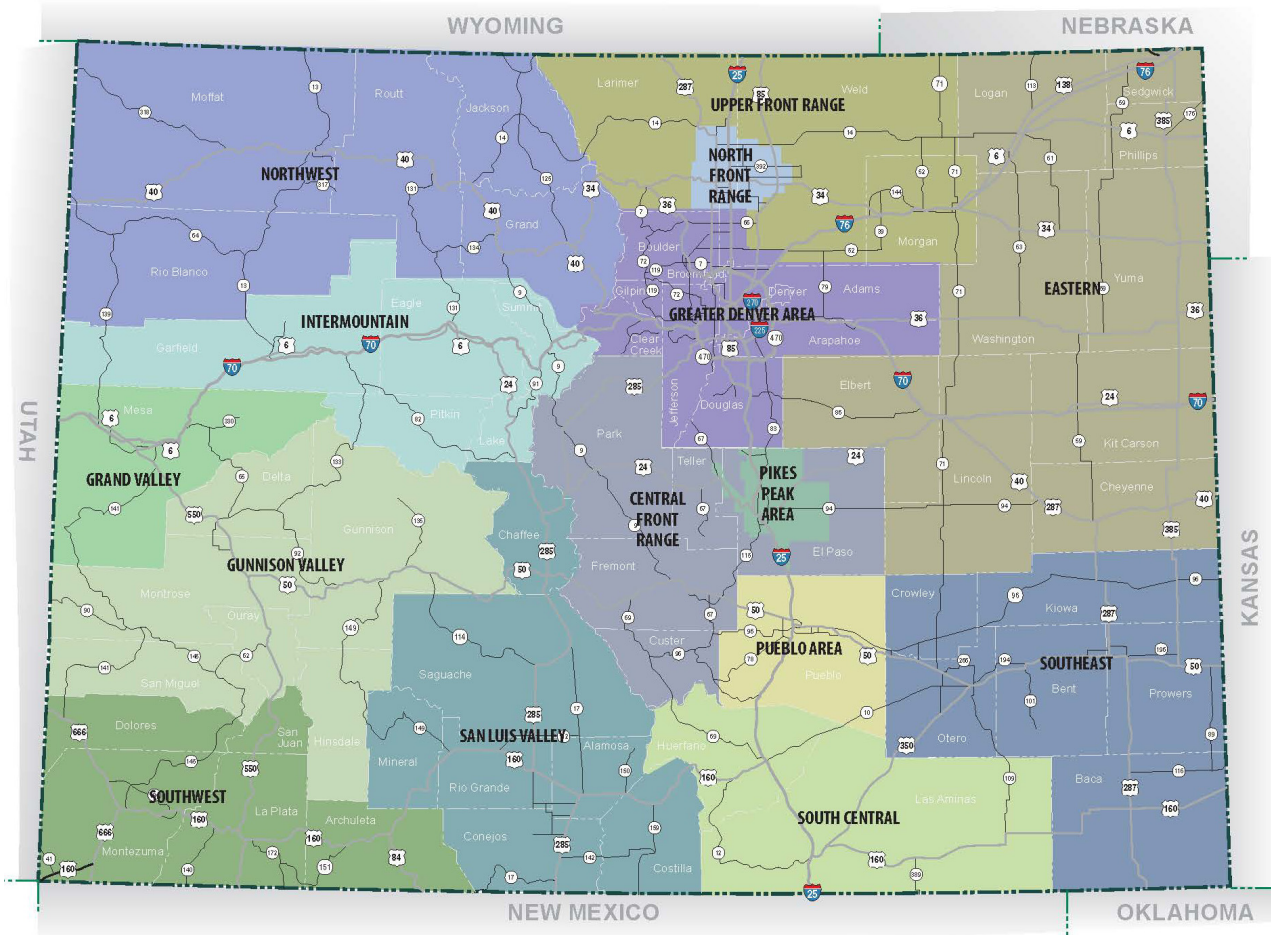


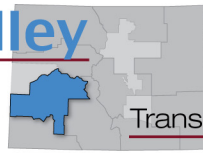
Gunnison Valley Operating Expenditures

- ▶ Between 2008 and 2012, the average annual percent change in operating revenues for service providers in the region ranged from -2.2% to +22%. Annual change in total operating expenses is similar with some providers pursuing cost savings and reducing service while others expanded service or pursued additional revenues.
- ▶ The region's full-time resident population is expected to grow 1.8% annually between 2012 and 2040 and reach 171,806 by 2040. Visitor and seasonal resident population is likely to grow more rapidly.
- ▶ Approximately \$7.7 million annually, or \$78 per capita, is expended to support critical transit and transportation services in the Gunnison Valley TPR.
- ▶ To provide the same level of service (as measured by per capita expenditures) in 2040 as today – the region will require approximately \$13.3 million in operating funds.



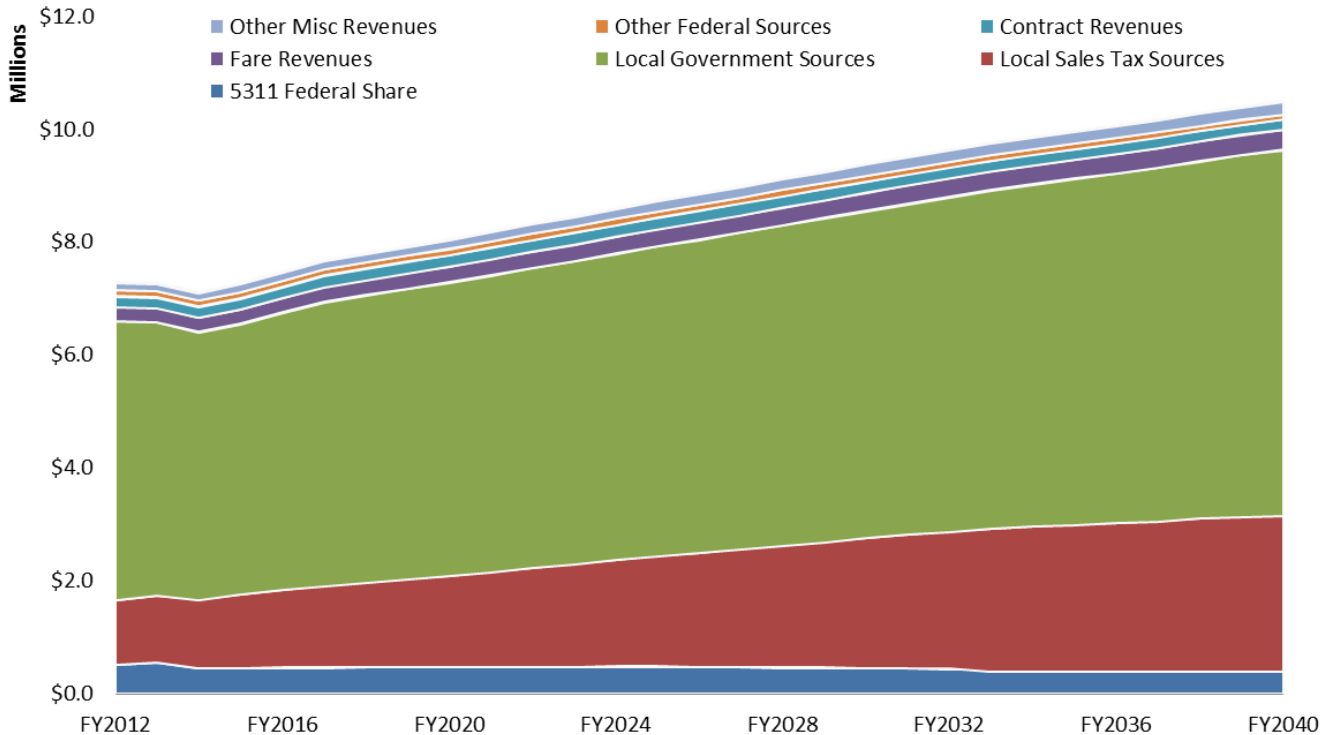
PLANNING REGIONS



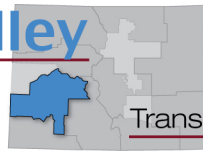


Gunnison Valley Future Revenues

Projections of future revenues are based on historical trends and current Federal and state population and regional economic growth rates. By 2040, the Gunnison Valley TPR could expect to see transit revenues for operating and administration purposes reach an estimated \$10.5 million dollars.



- ▶ Federal Transit Administration (FTA) revenues are dependent on fuel tax revenues which are expected to grow more slowly from 2020 through 2040. FTA awards provide a significant portion of transit service funding in the region today, including continuing operating support through FTA 5311 rural funds. Future FTA funding levels are estimated by CDOT per Congressional Budget Office forecasts.
- ▶ Local sales tax sources provide an important source of revenue in the region. Growth in sales tax revenue is expected to slow in the future as consumer spending shifts from durable goods to non-taxable services such as healthcare.
- ▶ Local government sources include local matching funds for grant awards, general fund transfers, and dedicated local revenue streams. These sources are highly variable and depend on the fiscal health and economy of local municipalities. The region as a whole has experienced slow growth in local government revenues with the recession, particularly the Town of Mountain Village, which accounts for the majority of local funds in the region. Over the past decade, local property tax revenues have grown at a compound annual average rate of 1.1%. Local property taxes make up a substantial portion of total regional revenues but can be highly volatile. Economic growth factors driving property tax assessment in the region could push this forecast much higher or even lower in the future.



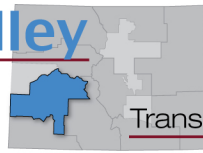
- ▶ Funding from fare and donation revenues is also variable and linked to personal income growth, system ridership, and policy changes. Based on historic trends, growth in fare revenues are anticipated to remain steady and then slow over the long-term.
- ▶ Contract revenues include relatively stable sources such as payments through Title III of the Older Americans Act (OAA) and certain health payments. Other contract revenues are highly variable including private contracts to provide services as well as contracted payments through the Medicaid program. Revenues from Medicaid have grown quickly in the region – as much as 20 to 30 percent year over year. Medicaid case loads and payments are expected to continue to grow in the near-term, but begin to slow in the long-term with changes in the population demographics within the region. Sequestration or other changes in Federal programs will impact the revenues available through Medicaid, OAA, Community Service Block Grants (CSBG), and other programs.
- ▶ Other revenues, including Temporary Assistance for Needy Families/Workforce Investment Act (TANF/WIA), Head Start, other FTA grant programs, and agency-derived sources such as investments and contracts are important but relatively small sources of revenues and not directly included in this forecast.

Gunnison Valley Financial Projections

Based on best available information and known trends, it is currently forecast that transit expenses in the Gunnison Valley region will outstrip the growth in transit revenues by 0.6% per year. In terms of potential projects and strategies, this may mean either the region will have to be more selective about service expansion or that finding new funding sources may have to become a higher priority to address this funding gap.

Future operating expenses represent only the resources necessary to maintain transit services at current levels on a per-capita basis. Potential future funding shortfalls or surplus amounts indicate what resources might be available or needed to improve or expand service over existing levels. Revenue forecasts are highly variable and could come in higher or lower than expected. Alternative revenue sources or growth in current revenue streams will be necessary to continue to fund improvements or to meet the growing needs of elderly, veterans, low-income, and transit dependent populations.

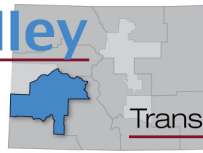
Gunnison Valley	2020	2030	2040	2020 - 2040 Annual Growth
Estimated Population	117,193	147,149	171,806	1.9% / yr
Estimated Operating Expenses	\$9,126,090	\$11,458,846	\$13,379,010	1.9% / yr
Estimated Operating Revenues	\$8,024,117	\$9,362,161	\$10,474,597	1.3% / yr
<i>Potential Funding (Gap) / Surplus</i>	<i>(-\$1,101,973)</i>	<i>(-\$2,096,686)</i>	<i>(-\$2,904,413)</i>	<i>-0.6%</i>



Gunnison Valley Future Revenue Options

A variety of funding mechanisms are employed by local governments across the country to provide additional revenue for transit and transportation service operation. The table below presents estimates of the potential funds that could be generated in the Gunnison Valley TPR through different assessments or fees.

Mechanism	Revenue Source	2012 Revenue Base	Revenue Potential
0.25% sales tax	Net Taxable Sales	\$1,156,160,000	\$2,890,400
1.0 mill levy	Assessed Property Value	\$2,339,892,000	\$2,339,892
2.0 mill levy	Assessed Oil and Gas Property Value	\$213,936,610	\$427,873
\$15 annual fee	Total Housing Units	55,855	\$837,825
2% fee equivalent	Local Tourism Tax Receipts	\$16,071,000	\$321,420
15% flex transfer	Local Highway Users Tax Fund	\$12,603,834	\$1,890,575



REGIONAL COORDINATED TRANSIT AND HUMAN SERVICES PLAN

KEY CONCEPTS

Introduction

This chapter describes why the plan was developed, the process used to develop the plan and the planning requirements fulfilled by this plan.

Regional Overview

This chapter describes the region's activity centers, key demographics and travel patterns. It includes existing data on populations that are often associated with transit demand in a community (people over age 65, low income people and households without vehicles). Other data is included on veterans, race, ethnicity, persons with disabilities, and English proficiency to paint a comprehensive picture of the region's need for transit.

Existing Transit Provider and Human Service Agencies

This chapter summarizes the key features of the region's public and private transit providers as well as the human service agencies in the region. Data is provided on provider's service areas, types of service, eligibility, and ridership.

Current and Potential Funding

This chapter describes the variety of transit funding sources at various levels of government. This section also describes the challenges faced by transit and human service transportation providers with various funding sources.

Key Findings, Transit Needs and Service Gaps

This chapter describes key findings from the review of the region's demographic profile and activity centers that illustrate the existing and future unmet transit needs.

Financial Scenarios and Recommended Strategies

This chapter summarizes the anticipated funding through 2040 as well as the funding needed through 2040 based on population growth. This section also lists the recommended strategies for meeting the region's transit vision and goals.

SCHEDULE: Draft Regional Coordinated Transit Plan to region for review March 2014
Final Regional Coordinated Transit Plan to region May 2014