



STUDY SESSION MEMORANDUM

TO: Members of City Council

FROM: Matthew Appelbaum, Mayor
Tracy Winfree, Director of Public Works for Transportation
Carl Castillo, Policy Advisor

DATE: August 1, 2013

SUBJECT: Study Session – August 13, 2013
Update and Request for Feedback on Regional Transportation
Matters

I. PURPOSE

City of Boulder representatives have been involved in a variety of discussions over the past months relating to the following transportation topics:

1. A possible 2014 statewide ballot measure to fund transportation needs;
2. New funding available from the Colorado Department of Transportation's *Responsible Acceleration of Maintenance and Partnerships* (RAMP) program, and;
3. Implementation options for FasTracks in the Northwest Denver Region.

Boulder has been and expects to continue to be involved in these discussions with a variety of regional entities, including:

1. The Denver Regional Council of Governments (DRCOG);
2. The Metro Mayors Caucus (MMC) and its transportation-related committees:
 - a. The Metropolitan Transportation District (MTD) composed of members from the MMC and the MACC (Metro Area County Commissioners);
 - b. MPACT64 composed of members from the Metro Mayors Caucus, Progressive 15, Action 22, and Club 20, thus representing all 64 Colorado counties, plus more recently many additional business, environmental, and governmental groups, and;
 - c. The FasTracks Task Force (FTTF), composed of members from the MMC.
3. The U.S. 36 Mayors and Commissioners Coalition (US36 MCC);
4. The Northwest Area Mobility Study (NAMS);
5. Colorado Municipal League (CML);

6. The Colorado Department of Transportation (CDOT) and its affiliate, the High Performance Transportation Enterprise (HPTE - focuses on innovative means of financing projects);
7. The Regional Transportation District (RTD);
8. Neighboring local governments, and;
9. The city's state legislative delegation.

The purpose of this study session item is to provide council with a high level update on these discussions and to seek feedback and support on the positions (described in Section IV, below) that the city has or plans to communicate as it participates in these discussions.

II. QUESTIONS FOR COUNCIL:

1. Are there any questions about the discussions taking place?
2. Are there any comments or concerns about the positions the city has or plans to communicate as it participates in these discussions?

III. BACKGROUND

1. **2014 Transportation Ballot Measure**

The Metro Mayors Caucus has been involved in discussions about a possible statewide measure to raise funds for Colorado transportation needs. The projected annual funding gap to meet the state's transportation needs is described in the below chart.

Annual Funding Gap			
After RAMP/TRANS Bond Debt Retirement			
Annual Funding			
		RAMP	TRANS
		Retirement	
Transportation Category	Annual Gap*	2013-2017	2018-2022
Maintain the System	\$157	\$150	\$167
Rural Road Safety/Reliability	\$100	\$0	\$0
Congestion Relief/Mobility	\$500	\$150	\$0
Inter-Regional Transit	\$15	\$0	\$0
TOTAL	\$772	\$300	\$167
*TBD Colorado		Deficit	Deficit
All \$ in millions		\$432	\$605

While plans are subject to change, certain parameters are beginning to receive agreement. A statewide measure would be placed on the 2014 ballot, presumably as a citizen initiative. It would take the form of an additional .7 percent state sales tax connected with a 15-year sunset date. It is estimated this would yield \$600 million per year. Two-thirds of this new revenue would go to roadway projects and one-third would go to transit projects across the state.

Transit funds would be distributed by population to the region’s respective transit providers. Accordingly, in the case of the Denver region, RTD would receive about 60 percent of the transit funds, approximately \$120 million per year. Where other transit agencies exist they would also receive proportional funding, and CDOT would retain a portion of transit funds for intercity bus service.

The road funds would be allocated so that CDOT would receive 60 percent of the revenue (which would equal about \$250 million per year), and local governments would receive 40 percent of the road revenue (55% to counties, 45% to municipalities). It is important to note that localities could spend their shares as they determine, with revenues not limited to roadway projects. The distribution formula for how funds would be allocated among individual local governments has not yet been determined.

The resulting allocation of the .7 percent sales tax is described in the below chart, along with the allocation of alternative taxes that were earlier considered.

Option	Description	10 YR AVG	CDOT Annual	CITY/CTY Annual	TRANSIT Annual
Gas Tax	10¢ not indexed	\$264	\$158	\$106	NA
	15¢ not indexed	\$396	\$238	\$158	NA
	10¢ indexed	\$386	\$232	\$154	NA
	15¢ indexed	\$538	\$323	\$215	NA
Apply Sales Tax to Gas*	2.9% @ \$3/gallon	\$215	\$129	\$86	NA
	2.9% @ \$4/gallon	\$286	\$172	\$114	NA
General Statewide Sales Tax*	.5¢	\$432	\$173	\$115	\$144
	.7¢	\$605	\$242	\$161	\$202
	1¢	\$864	\$347	\$232	\$285

* State sales tax does not currently include a local share, allocation reflects possible 60/40 split

**State Sales tax does not currently include a local share, allocation reflects proposed 1/3 off the top for transit with 60/40 split on remainder

The ballot issue would clearly list the highway projects that would be funded by CDOT. The current assumption is that there would be two lists: an “A” list of projects whose completion would be “certain,” and a “B” list of projects that might be built if revenues allow. CDOT is compiling an initial project list in collaboration with regional transportation districts across the state. Local governments might also provide projects lists that would be constructed with the local share-back, but those would not be specified in the ballot issue.

There are a few groups that have been guiding this effort and which have become the de facto decision makers to date. MPACT64, is taking the overall lead in decisions about the statewide funding measure, including how much to raise through taxes, the taxing mechanism and the categories and regions it would get divvied up into.

The MTD was originally created to focus on the possible creation of a special taxing district to fund Denver regional transportation needs. While a district is no longer being actively pursued, the MTD continues to meet with a new focus on identifying what regional road projects would be funded by new statewide transportation funding. On July 17th, the MTD developed an initial list of potential projects that could be used for the purpose of polling the public, expected to begin in August. Projects that made it on that list of interest to the city include: US 36 Corridor; Boulder Diagonal Highway multi modal and safety; bidirectional managed lanes (Denver Union Station to US36), SH93 (which

needs further definition and which necessarily may conflict with Jefferson Parkway initiatives), and the NAMS study recommendations.

A third group, the MCC's FasTracks Task Force, was originally created to focus on a possible second FasTracks vote and to provide oversight over implementation of the existing FasTracks commitments. The FTTF has been repurposed to focus on identifying how the transit funds from a statewide transportation tax would be used in the Denver region.

Finally, CML has played a role in attempting to influence the amount of the proposed sales tax, and in representing the broader interests of cities and towns across Colorado.

FasTracks Implementation for Northwest Region

RTD has two outstanding FasTracks commitments to fulfill for the northwest part of the region: the multimodal improvements for U.S. 36, and the completion of the Northwest Rail from Denver to Longmont. Concerning the former, while implementation issues are still being worked out, the basic road capital improvements for the corridor are already under contract, partially under construction and expected to be completed by the end of 2015. Construction of the Northwest Rail, in contrast, is nowhere near completion. Absent a new source of funding, RTD does not expect to have funding available for the \$1.1 billion project until 2042 at the very earliest. Efforts to address this major challenge have involved exploring possibilities for rail segmentation/phasing as well as interim and complementary mobility options involving arterial bus rapid transit (BRT). To date, there is no consensus on whether arterial BRT could be considered a possible replacement for rail. The US36 MCC and the NAMS have been the primary venues for these discussions.

a. Current Implementation of the US 36 BRT

Currently under construction or funded are one managed lane in each direction from Table Mesa Park-n-Ride to Pecos. These lanes will prioritize BRT first, HOV second and make any remaining capacity available at varying rates to drivers of single occupancy vehicles. BRT local service will be able to use highway shoulders during the peak hours.

This project involves reconstruction of aging infrastructure (the original highway was completed in 1952) and a bikeway the length of the corridor. Phase 1 of the project (Pecos to 88th Street) is under construction and scheduled for a Dec. 2014 completion. Construction for Phase 2 of the project (88th Street to Table Mesa) is expected to begin before the end of 2013 with a scheduled completion date of Dec. 2015. Opening Day for BRT is planned for January 1, 2016.

Outstanding issues include assuring branding unique to the US 36 BRT service, to which RTD has recently agreed. Perhaps the most important remaining decision for US 36 BRT is vehicle selection. RTD had assumed that its regular over-the-road coach would be used for BRT. The US 36 MCC is working with RTD to select a vehicle that creates a new transit product for BRT – one that has the functions of “rapid” transit – easy boarding and alighting (low floor), board and alight multiple doors, easy and fast access for bicyclists, high-speed for highway application and comfortable seating for longer trips. Incorporating travel demand management (TDM) strategies is also important. TDM was a part of the adopted Record of Decision in the environmental clearance of the project. Staff and elected officials continue to work to assure a meaningful investment in TDM which will support Eco Pass expansion, carpooling and vanpooling, marketing and other efforts that make the most of the multi-modal capital investment

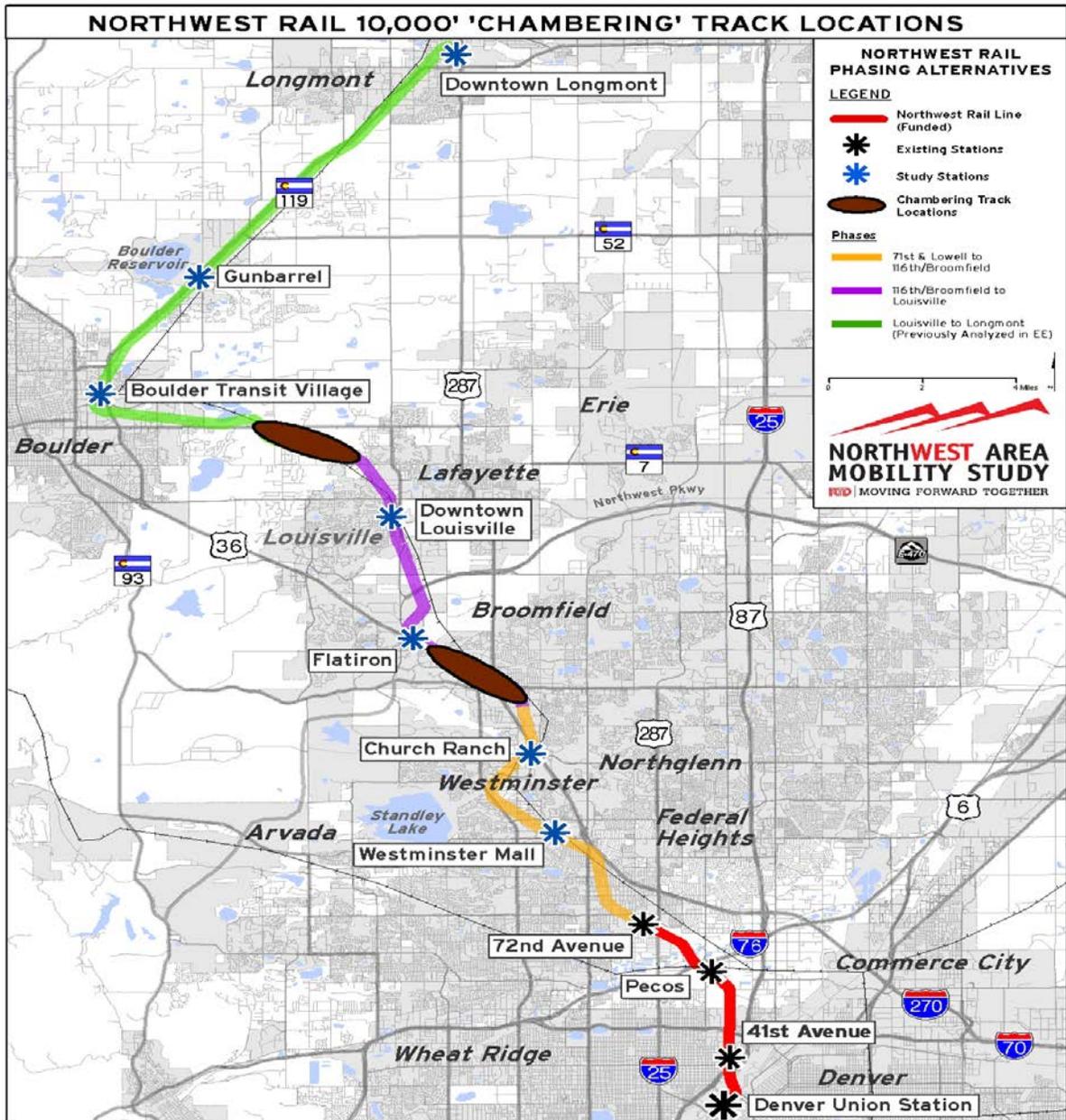
b. Rail Segmenting Options

Given the current lack of funding to build the entire Northwest Rail line until at least 2042, the NAMS is looking at the feasibility of segmenting rail to provide incremental service - building up to a logical/feasible endpoint station. The starting point is 71st Avenue and Lowell (as part of the Eagle P3 project constructing the East/Airport

Corridor, Gold Line to Arvada, the NW Rail is being constructed to 71st Avenue and Lowell in Westminster).

A constraint identified in segmenting the rail is a requirement by BNSF for 10,000' of siding (chambering) to accommodate freight trains when commuter rail needs to use the shared track. BNSF wants the storage track to be west of any station end point. With this new information, the NAMS has found that the logical phasing from an engineering perspective would be from: 71st and Lowell to Broomfield 116th station in Original Broomfield; Broomfield/116th to Louisville; Louisville to Longmont.

The map below illustrates these proposed segments along with the chambering track locations.



It is important to note that chambering is not easily accommodated to facilitate a rail segment ending at the Boulder Junction/Transit Village Station at 30th and Pearl. The NAMS project team is exploring other possible chambering options to determine if the Boulder Junction/Transit Village could serve as an end-of-line station for phased construction, although the feasibility of these options is not certain.

The recommended operations for trains running on the Northwest Rail are 30 minutes peak, 1 hour off-peak. It appears there is an engineering constraint that dictates that frequencies cannot be any better than every 30 minutes.

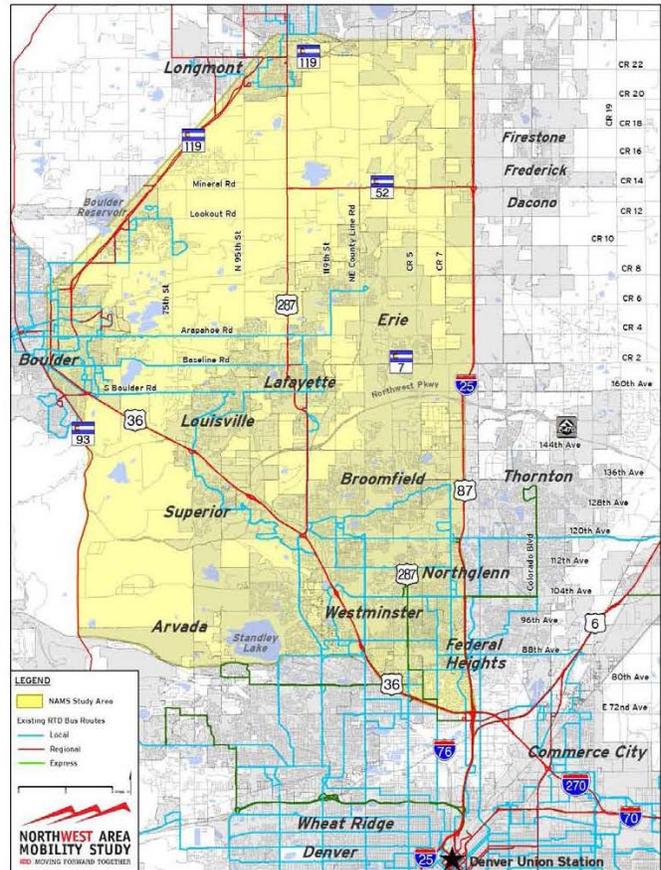
The NAMS plans to reach consensus on phasing options by the end of July to test through the DRCOG model and to develop concept-level cost estimates. Costs for construction by segment and ridership should be available in September 2013.

c. Arterial BRT Network

The NAMS is seeking to determine the best candidate-corridors for bus rapid transit service improvements. The study is also considering other bus-based service improvements that, while not BRT, would still create regional connectivity and improved mobility. One question being asked: what is the greatest bang for the buck to improve mobility in the NW area? The following map depicts existing routes in the northwest area.

Existing RTD Routes in NW area

- 120
- 112
- 104
- 92
- JUMP
- 225
- DASH
- 228
- STMP
- L/LX/LNX /LSX
- 76
- 51
- 31
- SKIP
- BOUND
- BOLT/J
- 206
- 128



As shown, 23 routes are part of the existing network. However, not every bus can become arterial BRT. Candidate corridors with the most interest from jurisdictions are SH 119 between Boulder and Longmont, SH 287 from Longmont to US 36, SH 7 Erie to Boulder, and possibly SH 42 through Louisville.

The NAMS is to finalize candidate BRT routes and an overall bus network, then make modeling and definition/cost of BRT infrastructure (e.g. shoulder running, dedicated lane, queue jumps, "stations") available by September.

d. *North Metro Rail to Longmont*

A FasTracks North Metro Rail Line from Denver Union Station to 162nd/SH 7, parallel to I-25 on the east side, is planned. RTD has funding to complete the rail to 72nd by 2018, and has advertised an RFP to complete the entire project. The NAMS is looking at options to extend this commuter rail line all the way to Longmont (within/proximate to the I-25 on the west side). This extension would require a vote since it was not in the FasTracks plan. Alternatively, it would require use of some other funding.

e. *North I-25 Reverse Commute*

The NAMS is also reviewing options to address current travel pattern needs for people traveling both directions on North I-25 and US 36. The existing reversible lane ends at Pecos where the new bidirectional US 36 Express Lanes will begin. The NAMS is looking at options including interim bus-on-shoulders solution and longer-term options such as widening existing North I-25 HOT lane to accommodate three lanes (reversible middle lanes), keeping existing reversible lanes and adding one buffer separated lane on each side of barrier, widening existing reversible to four lanes (two southbound/two northbound), and using alternate routes (Pecos/I-70).

The outcome of this task would be used to begin advocating for the interim solution and asking for more detailed design work, cost development and future funding requests for the longer term solutions.

2. RAMP Funding

Under the leadership of Don Hunt, CDOT's Executive Director, a new budgeting approach at CDOT is freeing existing dollars to be invested in the next three to four years. Initial funding statewide in 2014 is \$300 million with future years to be determined by the Transportation Commission. CDOT has established a process by which local governments and state planning regions could submit project applications for this funding. Projects require a minimum 20% local match and must be completed by the end of 2017. It is unclear how much RAMP money will go toward local projects with regional benefit and how much will be devoted to larger statewide projects such as I-25, I-70, C-470, etc.

The project selection process was developed, opened and closed quickly over the last several months. After an initial CDOT screening process the city submitted four projects for possible funding:

a. Intersection safety improvements at Highway 36 and Violet

- b. Extension of the Diagonal reconstruction project east of 30th Street
- c. Replacement of deteriorating, non-ADA-compliant pedestrian bridges over Foothills Parkway
- d. Transit capital improvements along east Arapahoe

CDOT and HPTTE will evaluate and rank projects and the CDOT Commission will make the final project selections by mid-September.

IV. PRESUMED CITY POSITIONS – Subject to council feedback and support, tacit or otherwise, the city anticipates advocating for the following positions:

1. 2014 Transportation Measure

a. Lower Proposed Amount of New State Sales Tax

A new statewide .07 sales tax would decrease the remaining availability for cities to increase their local sales taxes for their own local needs. Boulder shares this concern and has advocated for decreasing the amount of the sales tax and perhaps offsetting it with another new state tax, such as an increased tax on diesel fuel used by truckers. While other jurisdictions are also concerned about the tax rate, it has been very difficult to find replacement sources of revenue once increases to the gas tax were taken off the table due to dismal polling results. Even a diesel fuel tax on trucks, while generally supported for equity purposes, seems unlikely to raise enough to reduce the sales tax rate.

b. Find Alternative to HUTF Formula to Distribute New Local Funds for Municipalities

As mentioned above, the formula for distributing the local government share of new transportation funds has not been determined. The typical formula for distribution is the one used by the Highway Users Trust Fund (HUTF). However, that calculation rewards governments that have more cars and lane miles. Boulder began some time ago to argue that it should instead be distributed through another method, one that perhaps takes population into greater account. This gained support with the MMC members and is now part of the working proposal. In addition, Boulder more recently argued that the county/city split of 55%/45% was not appropriate for sales taxes; this too has gained support.

While the Denver metro area seems to support these new approaches, the rest of the state much prefers the HUTF formula. Further, the non-metro area would like the initial split between Denver metro and everyone else to use the HUTF formula, which greatly benefits the non-metro area. The Denver area accounts for less than 60% of sales taxes and will receive less than 40% of the statewide revenues shared back to localities using this approach.

As a result, the current working proposal has a somewhat complicated distribution formula. The statewide share-back will use the HUTF formula to determine Denver metro's share. Outside of the metro area, HUTF will be used to further share the revenues. Within Denver metro, counties and cities will split the regional revenue 50/50, and then the cities will use population to divide up the city pot. Under this formula,

Boulder would receive less than \$2 million per year. While not perfect – since sales taxes are the revenue source one could reasonably argue for the distribution formula to be based on total mobility – this would represent a significant improvement over the usual HUTF formula. The below chart reflects how the local funds would be allocated among certain cities in the metro area.

City	HUTF 2013 Est. CML	Pop/Sales Tax .7 (67/33)	Projected % increase
Arvada	3,783,027.00	2,091,353.00	55%
Bennett	66,127.00	45,761.00	69%
Boulder	2,392,406.00	1,932,200.00	81%
Bow Mar	32,411.00	17,034.00	53%
Broomfield	1,765,502.00	1,113,046.00	63%
Cherry Hills Village	239,512.00	118,267.00	49%
Denver	24,103,912.00	12,060,192.00	50%
Edgewater	104,582.00	101,175.00	97%
Lakewood	4,648,226.00	2,805,272.00	60%
Thornton	3,299,568.00	2,366,677.00	72%

c. Support NAMS Recommendation as Best Investment for Northwest Region

The city anticipates supporting the NAMS recommendation of the best investment for the northwest region and to advocate for funding to support that recommendation. Timing is a challenge since the overall study will not be completed until the first quarter of 2014. However, the consulting team is working toward a September interim report that could provide sufficient information to allow the US36 MCC members to try to reach consensus, and also to better inform the FTTF process. Boulder has been ensuring that BRT on US36 and other potential corridors is fully considered, and that ridership and costs per ride are evaluated. Further, while Boulder is withholding judgment until more data is available, the city would not support any rail solution that was not fully funded to reach Boulder.

d. New Capacity Projects Must be Managed Lanes

MTD’s current list of potential projects includes managed, general purpose and auxiliary lanes for North I-25. The city opposes the inclusion of any new capacity projects that are not managed lanes.

2. The Northwest Rail

a. Funding

It is estimated that completion of the Northwest Rail would cost RTD \$1.1 billion or more, an amount that RTD currently says would not be available until 2042 at the earliest. One option to secure this funding earlier is to dedicate the bulk, if not all, of the Denver region’s share of any transit funds for the first ten years from a new statewide transportation sales tax. While the region is unlikely to support this allocation, it could support a large percentage (\$800 million to \$900 million) to be spent on the region’s one

rail line that currently has no funding allocated toward it. The city will determine how to best advocate for this funding after ridership information, expected by September from the NAMS, becomes available.

b. Rail Segmentation

Boulder has and will continue to advocate that not serving a high ridership area such as Boulder would make no sense and that engineering solutions need to be developed with BNSF to have a segment that includes Boulder, especially if Longmont is served by North Metro Rail.

3. RAMP Funding

Boulder will logically support its RAMP applications. Furthermore, it will oppose RAMP funding for projects that are inconsistent with DRCOG's Regional Transportation Plan (RTP). In that regard, it is important to note that the Jefferson Parkway project has had three project applications submitted for this public funding. This despite the fact that the Jefferson Parkway was added to the RTP based on the commitment that it would be funded privately and would not seek public funding that could go to other regional and local transportation projects. In keeping with the commitments made in the intergovernmental agreement between it, Boulder County and Jefferson County (the "IGA"), the city will remain neutral on construction of the Jefferson Parkway. It will not, however, remain neutral on proposals to use RAMP funding to connect the Jefferson Parkway to the Northwest Parkway or to C-470 via SH93. Moreover, consistent with the terms of the IGA, it will also oppose any state or federal funds (including loans) being directed for the construction of the Jefferson Parkway.

V. CONCLUSION / NEXT STEPS

With council's support, the city's representatives will continue to participate in the above regional transportation discussions and to advocate for the described positions. Council's representatives to these efforts will also periodically continue to update council and seek additional feedback as necessary.