

**ROARING FORK TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING AGENDA**

REGULAR TIME: 8:30 a.m. – 11:30 a.m., Thursday, November 8, 2007
REGULAR LOCATION: *Carbondale Town Hall, 511 Colorado, Carbondale 81623*
(This agenda is subject to change prior to the meeting)

	Agenda Item	Policy	Purpose	Est. Time
1.	Roll Call:		Determine Quorum	8:30 a.m.
2.	Approval of Minutes: A. October 11, 2007, <i>page 3</i>		Approve	8:32 a.m.
3.	Public Comment: Regarding items not on the Agenda (up to one hour will be allotted if necessary, however, comments limited to three minutes per person)		Public Input	8:35 a.m.
4.	Items Added to Agenda – Board Member Comments:	4.3.3.c	Agenda Additions	8:40 a.m.
5.	Presentations:			
	A. BRT Project Development & Implementation Update – Kristin Kenyon, Director of Planning, <i>page 9</i>	1.2	Update/ Direction	8:45 a.m.
	B. Resolution 2007 – 20: A Resolution Authorizing and Approving a Site Lease and a Lease Purchase Agreement for Certain Property and, in Connection Therewith, Certain Related Documents and Transactions, <i>page 10</i>	4.2.5	Adopt	9:15 a.m.
	C. Resolution 2007-21: Declaring RFTA's Intent to Reimburse Itself with Proceeds of a Future Taxable or Tax-Exempt Lease Purchase Financing for Certain Capital Expenditures to be Undertaken by RFTA - Dan Blankenship, CEO, & John Tangen, Controller, <i>page 15</i>	4.2.5	Adopt	9:25 a.m.
6.	Public Hearing:			
	A. Resolutions 2007 – 22 & 23: Adopting 2008 Budget and Appropriating Sums of Money for the 2008 Budget Year - John Tangen, Controller <i>page 19</i>	4.2.55	Adopt	9:30 a.m.
7.	Ends Monitoring Report:			
	A. Ends Monitoring Report 1.0: Residents and Visitors Utilize an Environmentally Friendly, Safe, Efficient, Convenient, and Economical Public Transit and Trails System – Dan Blankenship, CEO, <i>page 20</i>	1.0	Concur	10:30 a.m.
(This Agenda is Continued on Next Page)				

	Agenda Item	Policy	Purpose	Est. Time
8.	Monitoring CEO Performance:			10:40 a.m.
	A. Internal Monitoring Report 2.5: Financial Planning and Budgeting – Dan Blankenship, CEO, <i>page 26</i>	2.5	Concur	
9.	Board Governance Process:			
	A. Annual CEO Compensation Review, <i>page 29</i>	3.2.3	Review	10:45 a.m.
10.	Issues to be Considered at Next Meeting		Meeting Planning	10:50 a.m.
	A. BRT Implementation Plan Follow-up			
	B. 2008 Board Retreat Planning			
	C. Ends Monitoring Report 1.1			
	D. Monitoring CEO Performance: Internal Monitoring Report 2.3			
	E. General Counsel Recruitment Follow-up			
	F. Other: To Be Determined at November Meeting			
11.	Next Meeting: 8:30 a.m. – 12:00 p.m., Thurs., January 10, 2008, Carbondale Town Hall? Is this OK?		Meeting Planning	10:55 a.m.
12.	Information/ Updates			11:00 a.m.
	A. CEO Report - Dan Blankenship, CEO, <i>page 30</i>	2.8.6.c	FYI / Direction	
13.	Executive Session: Contract Negotiations & Personnel Matters		Exec. Session	11:05 a.m.
14.	Adjournment:		Adjourn	11:30 a.m.

**ROARING FORK TRANSPORTATION AUTHORITY
BOARD MEETING MINUTES
October 11, 2007**

BOARD MEMBERS PRESENT: Dorothea Farris, Pitkin County; Sara Fisher, Eagle County;
Gary Tennenbaum, Town of Basalt; Ed Cortez, Town of Carbondale

VOTING ALTERNATES PRESENT: Joe O'Donnell, City of Glenwood; Dwayne Romero, City of Aspen; John Wilkinson, Town of Snowmass Village

STAFF PRESENT: Dan Blankenship, CEO; Kristin Kenyon, Director of Planning; Kent Blackmer, Co-Director of Operations; Mike Hermes, Director Properties & Trails; John Tangen, Controller; Kenny Osier, Director of Maintenance; Phil Schultz, Director of IT; Andy Hermes, IT; Dawn Chase, Creative IT; Sylvia Cranmer, Communications Manager; Linda Forgacs, Benefits Manager; Angelica Kincade, Carbondale Office Assistant; Marianne Prioleau, Safety & Training Manager; Donna Rubin, Secretary to the Board.

GUESTS PRESENT: Sabrina Harris, City of Glenwood Springs; John Hoffmann, Carbondale Trails Committee; John Krueger, City of Aspen; Brent Gardner Smith, Aspen Daily News; Dave Sturges, Public

The meeting was called to order at 8:40 a.m.

1. **APPROVAL OF MINUTES:**

- John Tangen made mention that in the September 13, 2007 minutes on page 4, PRESENTATIONS, paragraph three "The Management Letter from McMahan & Associates included two recommendations." Although this is what was said by Paul Backes, in actuality there was one recommendation (ability of one RFTA employee to set up a vendor and process invoices – correction), and one reminder (RFTA filing the proper amount of debt disclosure to the SEC regarding the 2005 Certificates of Participation).
- John Wilkinson requested that in future minutes the alternates who are present and voting in place of an absent Board Member be listed as Voting Alternate.

John Wilkinson moved to approve the September 13, 2007 minutes and Ed Cortez seconded the motion. The minutes were approved unanimously.

2. **PUBLIC COMMENT:** John Hoffman, Carbondale Trails Committee thanked the Board and RFTA for the new Rio Grande trail.

3. **ITEMS ADDED TO AGENDA - BOARD COMMENTS:** Gary Tennenbaum said that there seems to be more bus riders with bikes than the allowed four bikes per bus and this is causing a problem. Various solution ideas were brought forth in the discussion including putting a trailer behind the bus to hold bikes, and also using an older bus to carry bikes.

Carbondale Hwy 133 Park & Ride:

- Express Service - Ed Cortez said he appreciates the wonderful new Carbondale Park & Ride, but has heard comments from the public that there is no Express Bus Service beginning at that location to Aspen. Ed expressed the need for the express service. Dan

Blankenship said that RFTA is in the process of finding new service solutions through the Bus Rapid Transit Plan. Dorothea Farris suggested that RFTA look at an Express Bus service originating at the Carbondale Hwy 133 Park & Ride to Aspen.

- Left turn signal – Ed Cortez also commented on the need for a left-turn signal at the entrance into the Carbondale Hwy 133 Park & Ride. He related a near-miss incident when he was on his bicycle leaving the Park & Ride Open House and was almost hit by an automobile. Kent Blackmer said that they are working on a solution to this problem.
- Sara Fisher thanked RFTA for sending Jason White and Ralph Trapani to speak to her Board about the Bus Rapid Transit Plan.

4. **PRESENTATIONS:**

- A. **“Draft” - 2008 Budget Overview:** John Tangen presented a “Draft” 2008 Preliminary Budget. He began by saying that after a preliminary operating budget is developed, RFTA Finance will cost out our service contracts, allowing them (RFTA Finance) to identify revenue and give them the best estimate of sales tax and wage & fringe benefit expenses to create a balanced budget.

John then gave a slide presentation by addressing the Fund Balance Multi-Year Trend Analysis. The presentation timeline was from year 2004 through year 2008. It included the Beginning Fund Balance, Revenues, Expenditures, Reserves Contribution, and the Ending Fund Balance. From this data, John pointed out that RFTA has come a long way since 2004.

John Tangen continued the budget presentation with the following points:

- Ending Fund Balance from 2002 through 2008
- 07/08 Revenue Comparison: Sales Tax; Fees; Service Contracts; Grants; Fares; Other Governmental Contributions; Misc.; Other Income
- Other Total Revenue Comparison
- 07/08 Program Expenditure Comparison: Transit; Trails & Corridor; Capital; Debt Service; Addition to Reserves; Total
- Department Expenditure Comparison: Transit Maintenance; Transit Operations; Administration; Facilities; Board of Directors; Trails & Corridor Management; Total
- Wage & Fringe Benefit Expenditure by Department
- Capital Expenditure Budget by Type: Other Transit Capital; Facilities Improvements; Equipment; Trails

Board Comments and Questions addressed to John Tangen: John Wilkinson requested information about the Aspen SkiCo service contract negotiations. John Tangen responded that for this draft presentation he did not include an increase for the service contract allocation. A discussion followed about the Aspen SkiCo service contract negotiations. Dan Blankenship explained that the plan is to reduce the ASC fleet by two buses for 2008 due to lack of ridership demand for those vehicles. Additionally, the new bus lanes may improve the efficiency of the skier shuttle service and further reduce the need for skier shuttle vehicles in the future. John Wilkinson said that he thinks this issue deserves an agenda item in the future. Dorothea Farris suggested continuing with the rest of the budget and then revisiting this topic.

John Tangen continued with the Budget Overview answering questions the Board asked concerning:

- Proposed Employee Compensation Increase Percentages of 7% for hard to recruit employees and 5% for other employees.
- An Employee Benefit Increase of approximately 8%.
- Maintenance Fuel Cost Increases with a cost of \$2.65 being budgeted.
- Board of Director Costs: John Wilkinson requested that this be more defined to show clearly the cost of the General Counsel and Administrative Assistant cost vs. the actual cost of the Board of Directors. John Tangen said he would revise this item to clarify it better.
- Ed Cortez requested a breakdown between Travel & Training on the Operating Expenditure Comparison.
- Trails Construction - \$800,000 per year was forecasted through years 2008 – 2010. Mike Hermes has been successful in obtaining grants and contributions from the Garfield County Commissioners which have enabled the trail to be expedited. If the trail is completed in 2008, it will save RFTA approximately \$900k to \$1.3 million, depending upon whether other grants are received in 2008. Dan Blankenship discussed trail construction revenue vs. expenditures, and said that if the shortfall in 2008 trail funding of approximately \$900,000 could be funded with reserves, additional transit capital items could be added to the budget. Dan also indicated that 2007 trail construction carryover and other grants and contributions that won't be known until mid-2008, could reduce the amount of reserve required. The Board indicated that it would be willing to use reserve funds to complete the trail in 2008, so that additional capital projects could be added to the budget.
- Trail Maintenance - Mike Hermes said that the final leg of the trail is nearing completion and construction costs will drop off. However, ongoing maintenance costs will increase. John Tangen reminded the Board that the weed maintenance program also will continue from year-to-year.
- The possibility of connecting the trails through the Canyon from Glenwood Springs to New Castle was mentioned. Dorothea Farris said this could be another 10-year project!
- A discussion followed regarding the difference between an equipment wish list vs. a list of equipment that is actually needed. Gary Tennenbaum said he would definitely vote for funding of the needs regarding maintenance of the trail. Comments were then added regarding the various spots on the trail where horse riders want to have access to public lands from the trail. Dorothea Farris said it is important to consider this and make it available.
- Dan said there is a good chance that RFTA will get about \$5.9 million (between now and 2010) from State of Colorado Senate Bill 1 (10% for Transit) funds to purchase 11 over-the-road vehicles which each have 54 seats. He said the public will really like these vehicles as they are very comfortable.
- Other future sources of funding might be Federal Transit Administration (FTA) Small or Very Small Starts funding for the BRT. Dan also mentioned that RFTA, the Town of Basalt, and some developers hope to form a partnership to build a BRT station in a key location at Willets along with a safe access crossing.
- Dan discussed the need to upgrade the Aspen Maintenance Facility and said that we will receive a FTA Section 5311 capital grant from CDOT in 2008 for lifts, however, Mike Hermes believes we need a better plan before undertaking major upgrades. Additional FTA Section 5309 capital funding may come from the annual Colorado Transit Collision lobbying process.

Budget Overview – Board Direction: Dorothea Farris said that there was full Board support to go forth as this report was presented. A discussion followed regarding a proposed 5% increase in the cost of zone passes, monthly passes, and punch passes. Ed Cortez expressed that he is not in favor of a bus increase making mention of the hardship it would cause on the average commuters who live down valley and work up valley. Dan Blankenship discussed the philosophy the Board has adopted regarding fare increases. Dan said that RFTA staff believes it would be better to increase the pass cost in small increments rather than go four or five years between increases and then implement a major fare increase. Dorothea Farris pointed out that a majority of the up valley workers are given a punch pass from their employer as a benefit. Dorothea also mentioned the need for a whole new electronic system for passes.

5-minute break: The Board Meeting was reconvened at 11:00 am.

- B. Resolution 2007-18 – Authorizing a \$2.1 million loan from the RFTA General Fund to purchase the Meyers parker House Apartments with such loan to be reimbursed from the proceeds of a Purchase, Lease To, Lease Back – Structured Agreement:** Dan Blankenship explained to the Board that due to State of Colorado law, the Meyers Parker House loan has changed a bit. CitiMortgage is now requiring that RFTA to purchase the apartments and hold the title. RFTA would then lease the property back to CitiMortgage and it would lease it back to us. Joe O'Donnell asked if there is a chance that this real estate deal might fall through. Dan Blankenship said if for some reason CitiMortgage financing did fall through, RFTA could do a COP (Certificate of Participation) issuance or go back to the market with a Request for Proposals because there are other banking institutions that have offered to finance this property for RFTA. Dan said that our preference is to make the deal with CitiMortgage because of the 4.53% interest rate that has been offered and also to expedite the fund balance reimbursement. John Wilkinson pointed out that we are now talking about a \$0% down and John Tangen **confirmed**.

John Wilkinson moved to approve Resolution 2007-18 and Joe O'Donnell seconded the motion. The motion was approved unanimously.

- C. Contract to Purchase New Castle Real Estate:** Dan Blankenship said that the New Castle land purchase for the Park & Ride is scheduled to close on November 5, 2007. An appraisal of the property is forthcoming. If the appraisal comes in significantly less than the asking price of \$320,000, Dan will bring this Real Estate purchase back to the Board. If the appraised price is only slightly lower than the asking price, the Board authorized Dan to negotiate the best deal he can.
- D. Authorization for CEO to Execute Aspen Skiing Company Transit Service Agreement:** Dan Blankenship explained the previous agreement with Aspen SkiCo saying that the only thing that has changed in the new agreement, as far as the cost allocation methodology that is used is concerned, is that lease fees for two vehicles will be eliminated because the vehicles are not being utilized. John Wilkinson questioned whether this reduction was prudent given new demand from Snowmass Base Village and other factors that might require increased service, not a decrease. Dan explained that the agreement with Aspen SkiCo will be open for discussion on a yearly basis, and that there is flexibility to adjust service levels if necessary. Additionally, when the new bus lanes come on line, even fewer buses may be needed to carry the same number of passengers due to the significant time savings that will be achieved. Ed Cortez asked why a 5-year contract is being used. Dan reviewed the amount of work that the contract requires and said that it would be too tedious and there

would be too much uncertainty to re-negotiate it on a yearly basis. Dan said that he will attempt to include language in the 5-year contract stating that yearly adjustments in service levels are allowed based on passenger demand.

Joe O'Donnell moved to authorize the authorization for the CEO to execute the Aspen Skiing Company Transit Service Agreement with the amendment that yearly service adjustments are allowed and Dwayne Romero seconded the motion. The motion was approved unanimously.

5. **BUDGET HEARING:**

A. **Resolution 2007-19 Supplemental Budget Appropriation :** **Gary Tennenbaum moved to approve Resolution 2007-19, and Dwayne Romero seconded the motion. The motion was approved unanimously.**

6. **MONITORING CEO PERFORMANCE:**

A. **Internal Monitoring Report 2.3: Financial Conditions and Activities:** John Wilkinson commented that although Pinnacol Assurance is a good provider of Workers Compensation insurance, staff needs to monitor its costs because there are other providers that may be less expensive. Marianne Scott-Pringleau state that she would have a meeting with Pinnacol that very afternoon to discuss cost-reduction measures, and that HR will certainly monitor costs of coverage.

Dwayne Romero moved to concur with the Internal Monitoring Report 2.3, and John Wilkinson seconded. All were in favor.

Dan Blankenship clarified that John Tangen was notified by the Department of Unclaimed Revenue that RFTA will need to go back to 2001 and report any unpaid payroll and accounts payable liabilities and any accounts receivable amounts that were not received. This will involve Pitkin County because it handled RFTA's finances until 2006. John Tangen has filed an extension and will get this file submitted.

Gary Tennenbaum moved to concur with the Internal Monitoring Report 2.3 and Dwayne Romero seconded. All were in favor.

7. **BOARD GENERAL COUNCIL RELATIONSHIP:**

A. **Direct Inspection Report 2.0 – General Counsel:** Note: This report would normally be due at this time, however, it is being deferred until a General Counsel is brought on staff.

8. **ITEMS TO BE CONSIDERED AT NEXT MEETING:** Dorothea Farris made noted that the Budget discussion should be added to the November 8, 2007 Issues to be considered.

9. **NEXT MEETING:** Next meeting is Thursday, November 8, 2007

10. **INFORMATION UPDATES:**

CEO Report: Dorothea Farris suggested that RFTA enter a float at the Winterskol Parade - perhaps using a hybrid bus. Dan Blankenship said that he had considered entering RFTA

buses in local parades after going to a Rifle County Fair parade recently and staff will consider Dorothea's suggestion.

John Wilkinson related a recent experience of rafting down the river and seeing a significant human presence on the river rafting and fishing with Herons present. John's point was well made that if these people are allowed to use the river with the Herons present then the trail usage should not be prohibited.

11. **ADJOURNMENT:** The October 11, 2007 RFTA Board Meeting was adjourned at 12:45 p.m.

Respectfully Submitted,

Donna Rubin, Secretary to the Board

RFTA Board of Directors Meeting
“PRESENTATIONS” AGENDA SUMMARY ITEM # 5. A.

Meeting Date:	November 8, 2007
Agenda Item:	Bus Rapid Transit Project Development
POLICY #:	4.2.5: Board Job Products
Action Requested:	The Board will be updated regarding work accomplished so far and about future tasks and activities that are planned.
Presented By:	Kristin Kenyon, Director of Planning
Core Issues:	<ul style="list-style-type: none"> • Staff has summarized the comments received from the open houses and other outreach activities and will present this summary at the Board meeting. We have collected feedback from the Stakeholders Committee, staff and elected officials, passengers and the public on BRT service plans. In addition to this feedback, we will be presenting the initial technical results on the performance of operational concepts. • The Project Development consulting team has considered the feedback and the initial technical results in making an initial recommendation on the BRT operating concept. At this time, the team is recommending to proceed with refining the Combined Core concept, along with undertaking additional work. This service plan will be the foundation for subsequent work on station concepts and transit priority application. • An abbreviated version of the presentation provided at the October 17th Stakeholder Committee will be made at the Board meeting that summarizes the results mentioned above. • Presentations and meetings with staff and elected officials throughout the region are ongoing. Please e-mail kkenyon@rfta.com for any requests for presentations or meetings. <u>Upcoming presentations:</u> EOTC –Thursday, November 15th, Silt Trustees – Tuesday, November 13th Basalt City Council – Tuesday, Nov. 27th Glenwood Springs City Council – Thursday, December 6th
Background Info:	See Core Issues
Policy Implications:	By hiring a BRT Project Development Team, RFTA is taking steps to implement the vision crafted in cooperation with NCTF, “By 2017, our region will significantly reduce dependence on oil through a resource efficient, climate friendly, multimodal transportation system with a regional express line unimpeded by traffic and weather, competitive with the private vehicle in terms of convenience, travel time and quality.”
Fiscal Implications:	Funding for the BRT Project Development effort now totals \$650,000. By hiring this team, RFTA is positioning itself to receive federal funds to implement BRT and, potentially, to submit a project financing proposal to voters in 2008 or later. However, the project must be tightly managed to ensure that available resources for the effort are used wisely and efficiently and produce the maximum return on investment.
Options:	Review and discuss the BRT update.
Staff Recommend:	See options.
Backup Memo?	No.

**RFTA BOARD OF DIRECTORS MEETING
“PRESENTATIONS” AGENDA SUMMARY ITEM # 5. B.**

Meeting Date:	November 8, 2007
Agenda Item:	Resolution 2007 – 20: A Resolution Authorizing and Approving a Site Lease and a Lease Purchase Agreement for Certain Property and, in Connection Therewith, Certain Related Documents and Transactions
POLICY #:	4.2.5: The Board will approve RFTA’s annual operating budget.
Action Requested:	Adopt Resolution 2007-20
Presented By:	Dan Blankenship, CEO and John Tangen, Controller
Core Issues:	<ul style="list-style-type: none"> • Closing on the CitiCapital Lease To/Lease Back financing transaction has experienced a setback. • The asbestos inspection report on the Parker House Apartments revealed the presence of relatively small amounts of asbestos in some of the apartments. • Normally, this would not present a problem, however, CitiCapital is concerned that there might be a potential to disturb the asbestos when remediation on mold sites is performed. • Therefore, CitiCapital has stipulated that in order to obtain financing, RFTA first must have the mold remediation performed by a licensed environmental contractor. • CitiCapital has demonstrated a willingness to work with RFTA by granting several extensions of the closing date and locking the 4.53% interest rate. The current closing date is November 16th. • While it is not likely that RFTA can conclude the remediation work prior to November 16th, staff is requesting that the Board authorize it to execute all required CitiCapital lease documents just in case. • If staff cannot obtain a commitment from CitiCapital to lock the interest rate at 4.53% until remediation is completed and closing occurs, whenever that might be, RFTA will have the option of issuing another RFP for financing services. • Another appraisal may be required inasmuch as the appraised value should increase as a result of any improvements RFTA makes. Any appraised value above the \$2.1 million purchase prices can be used to increase the lease proceeds to help reimburse RFTA for the cost of improvements.
Background Info:	See above.
Policy Implications:	Section 43-4-605 (g) of the Rural Transportation Authority Act grant the Transportation Authority the power to purchase, trade, exchange, acquire, buy, sell, lease, lease with an option to purchase, dispose of, and encumber real or personal property and any interest therein, including easements and rights-of-way. Although no specific Board Governance policy addresses property acquisitions, this power is thought to be included in Board Job Products Policy 4.2.5: The Board will approve RFTA’s annual operating budget.
Fiscal Implications:	The annual lease expense for this property is estimated to be approximately \$160,000, or \$13,350 per month. Legal and other closing costs connected with the Financing transaction are expected to be approximately \$25,000 - \$30,000.
Options:	Adopt or not adopt resolution 2007-20.
Staff Recommendation	Adopt Resolution 2007-20.
Backup Memo?	Yes, see attached Resolution 2007-20 on the following page. Site Lease and Lease documents can be obtained by contacting Donna Rubin (drubin@rfta.com) .

STATE OF COLORADO)
) ss.
 ROARING FORK TRANSPORTATION AUTHORITY)

I, the Secretary of the Board of Directors of the Roaring Fork Transportation Authority (“RFTA”) in the State of Colorado, hereby certify that:

1. Attached is a true and correct copy of a resolution (the “Resolution”) adopted by the Board of Directors (the “Board”) of RFTA at a regular meeting held on November 8, 2007.
2. The meeting was open to the public and notice of such meeting was made available to the public in writing or pursuant to electronic notice no less than seven business days prior to the holding of the meeting, which notice included the time and agenda of such meeting.
3. Notice of such meeting was delivered in writing to each Director and Alternate Director of RFTA and to the governing body of each Member of RFTA at least 48 hours prior to such meeting.
4. The Resolution was duly moved, seconded and adopted by the affirmative vote of at least two-thirds of the Directors then in office who were eligible to vote thereon voting, as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>	<u>Abstaining</u>
Dorothea Farris	—	—	—	—
Gary Tennenbaum	—	—	—	—
J.E. DeVilbiss	—	—	—	—
Ed Cortez	—	—	—	—
Sara Fisher	—	—	—	—
Bruce Christensen	—	—	—	—
Frank Breslin	—	—	—	—
Arnold Mordkin	—	—	—	—

5. The meeting at which the Resolution was adopted was noticed, and all proceedings relating to the Resolution were conducted, in accordance with the Roaring Fork Transportation Authority Intergovernmental Agreement, as amended to the date of such meeting, all applicable rules, regulations, resolutions and procedures of RFTA, and all applicable laws.
 WITNESS my hand as of this 8th day of November, 2007.

By: _____
 Secretary

**moved adoption
of the following Resolution:**

ROARING FORK TRANSPORTATION AUTHORITY

RESOLUTION 2007 – 20

A RESOLUTION AUTHORIZING AND APPROVING A SITE LEASE AND A LEASE
PURCHASE AGREEMENT FOR CERTAIN PROPERTY AND, IN CONNECTION
THEREWITH, CERTAIN RELATED DOCUMENTS AND TRANSACTIONS.

W I T N E S S E T H :

WHEREAS, the Roaring Fork Transportation Authority (“RFTA”) is a body corporate and political subdivision of the State of Colorado (the “State”) created pursuant to the provisions of Section 43-4-601, et seq., Colorado Revised Statutes, as amended (the “Rural Transportation Authority Law”) and the Roaring Fork Transportation Authority Intergovernmental Agreement dated as of September 12, 2000, as amended (as so amended, the “IGA”); and

WHEREAS, the Board of Directors of RFTA (the “Board”) is the governing body of RFTA; and

WHEREAS, the Board is authorized, under Section 43-4-605(g), Colorado Revised Statutes, as amended, and Section 6.01 of the IGA to lease certain RFTA property (as further defined in the Lease, defined herein, the “Site Leased Property”) to CitiCapital Municipal Finance (“CitiCapital”) ; and

WHEREAS, the Board desires to lease the Site Leased Property to CitiCapital pursuant to a Site Lease between RFTA, as lessor, and CitiCapital, as lessee (the “Site Lease”); and

WHEREAS, the Board is authorized, under Section 43-4-605(g), Colorado Revised Statutes, as amended, and Section 6.01 of the IGA to lease from CitiCapital, with an option to purchase the same, CitiCapital’s interest in the Site Leased Property and certain improvements to be constructed thereon and therein by RFTA pursuant to the Lease (the Site Leased Property and such improvements are referred to herein collectively as the “Leased Property,” as such term is further defined in the Lease); and

WHEREAS, the Board desires to lease the Leased Property from CitiCapital pursuant to a Lease Purchase Agreement dated as of the date of the Site Lease between CitiCapital, as lessor, and RFTA, as lessee (the “Lease”); and

WHEREAS, the Lease shall expire on December 31 of any District fiscal year (a “Fiscal Year”) if RFTA has, on such date, failed, for any reason, to appropriate sufficient amounts authorized and directed to be used to pay all Base Rentals (as defined in the Lease) scheduled to be paid and all Additional Rentals (as defined in the Lease) estimated to be payable in the next ensuing Fiscal Year, and in certain other circumstances set forth in the Lease, and shall not constitute a mandatory charge or requirement against RFTA in any ensuing budget year unless RFTA decides to renew the Lease by appropriating the necessary such amounts; and

WHEREAS, the Board has previously adopted its Resolution No. 2007-16 relating to such matters at its meeting held on September 13, 2007; and

WHEREAS, in furtherance of the accomplishment of the objectives of Resolution No. 2007-16 and in order to implement the transactions described above, the Board desires (a) to authorize and

approve the execution and delivery by RFTA of, and the performance by RFTA of its obligations under, the Site Lease, the Lease and certain other documents described herein; and (b) to authorize, approve, ratify, make findings and take other actions with respect to the foregoing and related matters.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Roaring Fork Transportation Authority (in the State of Colorado) that:

Section 1. The Board hereby: (a) approves the Site Lease and the Lease, copies of which have been made available to the Board; (b) authorizes the Chair of the Board, the Secretary of the Board, the Chief Executive Officer of RFTA and all other appropriate officers and employees of RFTA to execute and deliver, and to affix the seal of RFTA to, the Site Lease and the Lease, in the respective forms made available to the Board, with such changes therein, not inconsistent herewith, as are approved by the persons executing the same (whose signature thereon shall constitute conclusive evidence of such approval), provided that (i) the lump sum rental payment payable by CitiCapital to RFTA pursuant to the Site Lease shall be not less than \$2,000,000 and not more than \$2,500,000, and (ii) the annual amount of Base Rentals payable by RFTA to CitiCapital pursuant to the Lease shall not exceed \$200,000 in any Fiscal Year; and (c) authorizes and directs the performance by RFTA of its obligations under the Site Lease and the Lease in the respective forms in which they are executed and delivered.

Section 2. The Board hereby adopts, as if set forth in full herein, all the representations, covenants, agreements, findings, determinations and statements of or by RFTA set forth in the Site Lease and the Lease and hereby further finds and determines that the transactions contemplated by the Site Lease and the Lease comprise an Authorized Transportation Project for purposes of the IGA.

Section 3. The officers, employees and agents of RFTA are authorized and directed to take all action necessary or appropriate to carry out the provisions of this resolution and the documents referred to herein and to carry out the transactions described herein or in such documents, including, without limitation, the execution and delivery of such certificates as may reasonably be required by CitiCapital, relating to, among other matters, the tenure and identity of the officials of RFTA and the Board, the absence of litigation, pending or threatened, and expectations and covenants relating to the exclusion from gross income for federal income tax purposes of the portion of Base Rentals which is designated in the Lease as interest.

Section 4. All actions previously taken by the Board and the officers, employees and agents of RFTA which are directed toward the transactions described herein or in the documents referred to herein and which are not inconsistent herewith are hereby ratified, approved and confirmed.

Section 5. All bylaws, orders, resolutions, and other instruments, or parts thereof, that are in conflict with this resolution are hereby repealed, but only to the extent of such conflict. This repealer shall not be construed to revive any bylaw, order, resolution, or other instrument, or part thereof, heretofore repealed.

Section 6. If any section, paragraph, clause or provision of this resolution or any of the documents referred to herein (other than provisions as to the payment of Base Rentals and Additional Rentals by RFTA during the Lease Term (as defined in the Lease), including the requirement that the obligations of RFTA to pay Base Rentals and Additional Rentals under the Lease are conditioned upon the prior appropriation by RFTA of amounts for such purposes in accordance with the requirements of the laws of the State, provisions for the quiet enjoyment of the Leased Property by RFTA during the Lease Term and provisions for the transfer of the Leased Property to RFTA or its designee) shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 7. This resolution shall be in full force and effect upon its passage and adoption.

ADOPTED AND APPROVED on the date set forth in the certification attached hereto.

[SEAL]

ROARING FORK TRANSPORTATION AUTHORITY

By: _____
Chair, Board of Directors

Attest:

By _____
Secretary, Board of Directors

**RFTA BOARD OF DIRECTORS MEETING
“PRESENTATIONS” AGENDA SUMMARY ITEM # 5. C.**

Meeting Date:	November 8, 2007
Agenda Item:	Resolution 2007-21: Declaring RFTA’s Intent to Reimburse Itself with Proceeds of a Future Taxable or Tax-Exempt Lease Purchase Financing for Certain Capital Expenditures to be Undertaken by RFTA.
POLICY #:	4.2.5: The Board will approve RFTA’s annual operating budget.
Action Requested:	Adopt Resolution 2007-21
Presented By:	Dan Blankenship, CEO and John Tangen, Controller
Core Issues:	<ul style="list-style-type: none"> • At the October 11th meeting, the RFTA Board adopted Resolution 2007 – 18: Authorizing a \$2.1 million loan from the General Fund to Purchase the Meyers Parker House Apartments with such Loan to be Reimbursed from the Proceeds of a Purchase, Lease To, Lease Back, Structured Agreement. • Staff’s initial understanding was that renovation expenses could not be included in the Lease proceeds, however, Bond Counsel subsequently opined that doing so is appropriate. • Resolution 2007 – 18 capped the lease proceeds reimbursement of the General Fund at \$2.1 million. • Resolution 2007 – 21 increases the lease proceeds reimbursement of the General Fund to a maximum of \$2.5 million. Although this ceiling is higher than the \$2.1 million purchase price and the estimated \$350,000 in renovation costs, staff recommends adding a \$50,000 cushion.
Background Info:	See above.
Policy Implications:	Section 43-4-605 (g) of the Rural Transportation Authority Act grant the Transportation Authority the power to purchase, trade, exchange, acquire, buy, sell, lease, lease with an option to purchase, dispose of, and encumber real or personal property and any interest therein, including easements and rights-of-way. Although no specific Board Governance policy addresses property acquisitions, this power is thought to be included in Board Job Products Policy 4.2.5: The Board will approve RFTA’s annual operating budget.
Fiscal Implications:	The annual lease expense for this property is estimated to be approximately \$160,000, or \$13,350 per month. Legal and other closing costs connected with the Financing transaction are expected to be approximately \$25,000 - \$30,000.
Options:	Adopt or not adopt resolution 2007-21.
Staff Recommendation	Adopt Resolution 2007-21.
Backup Memo?	Yes, see attached Resolution2007-21 on the following page.

STATE OF COLORADO)
) ss.
 ROARING FORK TRANSPORTATION AUTHORITY)

I, the Secretary of the Board of Directors of the Roaring Fork Transportation Authority in the State of Colorado, hereby certify that:

1. Attached is a true and correct copy of a resolution (the "Resolution") adopted by the Board of Directors (the "Board") of RFTA at a meeting held on November 8, 2007.
2. Notice of such meeting was made available to the public in writing or pursuant to electronic notice no less than seven business days prior to the holding of the meeting, which notice included the time and agenda of such meeting.
3. The Resolution was duly moved, seconded and adopted by the affirmative vote of a majority of the members of the Board at such meeting as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>	<u>Abstaining</u>
Dorothea Farris	___	___	___	___
Gary Tennenbaum	___	___	___	___
J.E. DeVilbiss	___	___	___	___
Ed Cortez	___	___	___	___
Sara Fisher	___	___	___	___
Bruce Christensen	___	___	___	___
Frank Breslin	___	___	___	___
Arnold Mordkin	___	___	___	___

4. The meeting at which the Resolution was adopted was noticed, and all proceedings relating to the Resolution were conducted, in accordance with the organizational instruments of RFTA, all applicable rules, regulations, resolutions and procedures of RFTA, and all applicable laws.
 WITNESS my hand as of this 8th day of November, 2007.

By _____
 Secretary

_____ moved adoption
of the following Resolution:

ROARING FORK TRANSPORTATION AUTHORITY

RESOLUTION 2007 – 21

A RESOLUTION OF THE ROARING FORK TRANSPORTATION AUTHORITY (IN THE STATE OF COLORADO) DECLARING ITS OFFICIAL INTENT TO REIMBURSE ITSELF WITH THE PROCEEDS OF A FUTURE TAXABLE OR TAX-EXEMPT LEASE PURCHASE FINANCING FOR CERTAIN CAPITAL EXPENDITURES TO BE UNDERTAKEN BY RFTA; IDENTIFYING SAID CAPITAL EXPENDITURES AND THE FUNDS TO BE USED FOR SUCH PAYMENT; MAKING A SUPPLEMENTAL APPROPRIATION THEREFOR; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

W I T N E S S E T H :

WHEREAS, the Roaring Fork Transportation Authority (“RFTA”), located in the State of Colorado (the “State”), is a body corporate and political subdivision of the State created pursuant to the provisions of Section 43-4-601, et seq., C.R.S. (the “Rural Transportation Authority Law”); and

WHEREAS, the Board of Directors of RFTA (the “Board”) is the governing body of RFTA; and

WHEREAS, the Board has determined that it is in the best interest of RFTA to make certain capital expenditures on the Project defined in this Resolution; and

WHEREAS, RFTA currently intends and reasonably expects to participate in a taxable or tax-exempt lease purchase financing to finance such capital expenditures, including an amount not to exceed \$2,500,000 for reimbursing RFTA for those capital expenditures for the Project that are incurred during the period from the date that is 60 days prior to the date hereof through the date of such financing; provided that such financing shall occur within 18 months of the date of the first such capital expenditure, or the placing in service of the Project, as hereinafter defined, whichever is later (but in no event more than 3 years after the date of the first such expenditure of such moneys); and

WHEREAS, the Board hereby desires to declare its official intent, pursuant to 26 C.F.R. §1.150-2, to reimburse RFTA for such capital expenditures with the proceeds of RFTA’s future taxable or tax-exempt financing;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ROARING FORK TRANSPORTATION AUTHORITY (IN THE STATE OF COLORADO) THAT:

Section 8. Declaration of Official Intent. RFTA shall, presently intends and reasonably expects to finance expenditures relating to the acquisition and potential renovation of certain apartment buildings to be used for employee housing (the “Project”) with moneys currently contained in RFTA’s General Fund. Such moneys, in the amount set forth in Section 3 hereof, are hereby appropriated for such purpose as a supplemental appropriation.

Section 9. Dates of Capital Expenditures. All of the capital expenditures made with respect to the Project that are covered by this Resolution were made not earlier than 60 days prior to the date of this Resolution.

Section 10. Lease Purchase Financing. RFTA presently intends and reasonably expects to: (a) participate in a taxable or tax-exempt lease purchase financing within 18 months of (i) the date of the first expenditure of moneys on the Project that is covered by this Resolution or (ii) the date upon which the Project is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date of the first such expenditure of such

moneys); and (b) allocate an amount of not to exceed \$2,500,000 of the proceeds of such financing to reimburse RFTA for such expenditures on the Project.

Section 11. Confirmation of Prior Acts. All prior acts and doings of the officials, agents and employees of RFTA which are in conformity with the purpose and intent of this Resolution, and in furtherance of the Project, shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 12. Repeal of Inconsistent Resolutions. All other resolutions of the Board, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the extent of such inconsistency.

Section 13. Effective Date of Resolution. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED at a regular meeting held this 8th day of November, 2007.

[SEAL]

ROARING FORK TRANSPORTATION AUTHORITY

Chairperson, Board of Directors

Attest:

By _____
Secretary, Board of Directors

RFTA Board of Directors Meeting
“PUBLIC HEARING” AGENDA SUMMARY ITEM # 6. A.

Meeting Date:	November 8, 2007
Agenda Item:	Resolutions 2007 – 22 & 2007 - 23: Adopting 2008 Budget and Appropriating Sums of Money for the 2008 Budget Year
POLICY #:	4.2.5: Board Job Products
Action Requested:	Adopt 2008 RFTA Budget Resolutions 2007 – 22 & 2007 - 23.
Presented By:	John Tangen, Controller
Core Issues:	The budget document will be forwarded to the Board on Monday, November 5, 2007. Staff will provide an overview of the budget assumptions at the meeting and answer any questions the Board might have. Hard copies of the budget documents also will be available at the meeting.
Background Info:	See Core Issues
Policy Implications:	Board Financial Condition and Activities policy 2.3.11 states, “The CEO shall not fail to exercise adequate internal controls over disbursements to avoid unauthorized payments or material dissipation of assets.
Fiscal Implications:	Staff recommends using up to \$1.168 million of the \$1.19 million rail salvage revenue in order to purchase new buses, complete the corridor survey, and upgrade infrastructure at the Aspen Bus Maintenance facility.
Options:	Adopt or revise and adopt “Draft” Final 2008 RFTA Budget and provide staff with direction.
Staff Recommend:	Adopt Budget Resolutions 2007 – 22 & 2007 - 23
Backup Memo?	No. The budget will be forwarded to the Board on 11/5/07.

RFTA Board of Directors Meeting
“ENDS MONITORING REPORT” AGENDA SUMMARY ITEM # 7.A.

Meeting Date:	November 8, 2007
Agenda Item:	Ends Monitoring Report 1.0: Residents and Visitors Utilize an Environmentally Friendly, Safe, Efficient, Convenient, and Economical Public Transit and Trails System
POLICY #	1.0: <i>Residents and Visitors Utilize an Environmentally Friendly, Safe, Efficient, Convenient, and Economical Public Transit and Trails System</i>
Action Requested:	Review the Ends monitoring report, concur or not with the CEO’s certification regarding compliance/non-compliance.
Presented By:	Dan Blankenship, CEO
Core Issues:	<ul style="list-style-type: none"> • The 2007 schedule for Ends Monitoring requires the CEO to submit a Global End 1.0 monitoring report to the Board in November.
Background Info:	See above.
Policy Implications:	Board Monitoring CEO Performance Policy 3.4 states, “The Board will systematically and rigorously monitor CEO job performance to determine the extent to which Ends are being achieved and whether operational activities are within boundaries established in Management Limitations policies.”
External Relations Implications:	Public perceptions regarding the effectiveness of RFTA are affected by the extent to which Board Ends are achieved.
Fiscal Implications:	None.
Options:	The Board can concur or not with the CEO’s monitoring report.
Staff Recommends:	Review the attached report, concur or not concur with the CEO’s certification of compliance.
Backup Memo?	Yes, see the attached monitoring report for Global End 1.0.

MONITORING REPORT FOR GLOBAL END 1.0

Global Ends Statement:

RFTA's purpose is that Residents and Visitors Utilize an Environmentally Friendly, Safe, Efficient, Convenient, and Economical Public Transit and Trails System

Following are major tasks completed in 2007 that have contributed to the achievement of Global End Statement 1.0 in 2007:

Utilization by Residents & Visitors:

- Year-to-date through September 2007:
 - City of Aspen ridership is up 1.82% or 15,133 passenger trips excluding the MAA service (or it is up .4%, or a reduction of 11,633 passenger trips when including MAA shuttle)
 - Highway 82 Corridor Commuter ridership is up 14.9% or 203,273 passenger trips
 - Grand Hogback ridership is up 17.7% or 8,289 passenger trips
 - Aspen Skiing Company ridership is down 6% or 28,607 passenger trips
 - Ride Glenwood Springs ridership is up 32.6% or 89,991
 - System-wide ridership is up 9.9% or 316,513 passenger trips
 - System-wide ridership in 2007 is on pace to reach 4.4 million, the highest ridership total ever!

Environmentally Friendliness Measures:

RFTA continues to move towards being one of the cleanest, greenest, transit fleets in the western United States:

Transit:

- RFTA added 16 new low-floor clean-diesel buses to its fleet, replacing 16 obsolete and maintenance intensive vehicles.
- RFTA added 4 new low-floor diesel-electric hybrid buses to its fleet using \$1.68 million in Alternative Parks and Public Lands grant funds, a \$420,000 local match contribution from the EOTC, and \$100,000 of RFTA funds.
- RFTA is operating its buses on a 20% blend of bio-diesel further reducing harmful emissions and dependence on non-renewable energy sources.
- RFTA is operating its gasoline fleet on a 10% blend of ethanol reducing dependence on non-renewable energy sources.
- RFTA received a \$1.3 million FTA Alternative Transportation in Park and Public Lands grant to

purchase 2 hybrid low-floor buses in 2008.

- RFTA's received word from CDOT that its \$5.986 million Senate Bill 1 (10% for Transit) grant request for 11 over-the-road buses should receive funding between 2009 and 2010. These vehicles, if funding is received, will be equipped with the latest and cleanest diesel emissions' technology.

Trails:

RFTA's Trail program is developing in an environmentally sensitive way and it is facilitating non-motorized and health-promoting travel throughout the Roaring Fork Valley, as follows:

- RFTA constructed approximately 5 miles of scenic, paved, trail from 23rd Street in Glenwood Springs up valley to CMC Turnoff/County Road 154.
- RFTA applied for and received a \$200k State Trails grant that was used to help construct the 23rd Street to County Road 154 segment of the Rio Grande Trail.
- RFTA commissioned a Wildlife Monitoring Plan for the Rock Bottom Ranch section of the Rio Grande Trail in order to monitor the trail's impact on wildlife and habitat.
- RFTA is installing vegetation to help screen the Rock Bottom Ranch section of the Rio Grande Trail from Heron rookeries.
- RFTA is developing 2008 plans for the 5-mile long CMC turnoff to Carbondale Highway 133 trail construction project. This \$1.925 million project will be partially funded with a \$350k contribution from Garfield County.
- RFTA completed the annual trash and weed removal projects in the Rio Grande corridor.
- RFTA seal-coated the Emma and Carbondale segments of the Rio Grande Trail
- RFTA will wrap up the corridor survey by the end of 2007. The survey will be downloaded into RFTA's GIS system and it will be used to efficiently manage and monitor the corridor and its ten Conservation Covenant Areas.
- The Covenant Enforcement Committee will meet in November 2007 to review progress towards complying with GOCO conservation covenants placed on the corridor and to review the Wildlife Monitoring Plan for the Rock Bottom Ranch segment of the Trail.

Facilities:

RFTA Maintenance and Office Facilities are being upgraded to create a better working environment for its passengers and employees, as follows:

- RFTA chip-sealed the El Jebel park & ride lot passenger load area and graded the parking lot.

- RFTA completed construction of the Carbondale park & ride facility.
- RFTA seal-coated the Basalt and Old Snowmass park & ride facilities.
- RFTA installed temporary bus shelters at the CMC/CR 154 bus stops.
- RFTA installed new ADA accessible doors at Rubey Park.
- RFTA replaced the steam bay lift at the Aspen Maintenance Facility (AMF).
- RFTA replaced the compressor system at the AMF.
- RFTA refurbished the battery storage room at the AMF
- Before year end, RFTA will abandon the AMF septic system and connect to the Sanitation District waste water system.
- RFTA remodeled the Carbondale Maintenance Facility (CMF) to accommodate the Finance Department.
- RFTA also created a staff conference room at the CMF.
- RFTA replaced defective pavement in the Glenwood Maintenance Facility bus storage area.
- RFTA will be undertaking a planning process in 2008 to develop plans for office space and employee housing at the CMF. This could be RFTA's first joint development project.

Safety Measures:

Transit:

- RFTA retained a Safety and Training Manager who is assessing, finalizing, and implementing RFTA's Safety and Training policies, procedures and programs.
- RFTA continued its "late night" security program to enhance the safety of late night bus passengers and RFTA employees.
- RFTA continued its Americans with Disabilities Act training for Operations personnel. Extensive training on the operation of wheelchair lifts and securement devices is designed to ensure the safety of passengers who use wheelchairs.
- RFTA worked in cooperation with the EOTC, the City of Aspen, the Aspen Skiing Company, and ESPN to develop a more robust transit plan and crowd management program for X-Game events in 2007 that minimized inconvenience for participants and unwanted behavior. RFTA safely transported nearly 47,000 passengers, system-wide, on one day during the X-games!
- RFTA, CDOT, and the Town of Basalt worked together to install a traffic signal at Original road that will improve safe pedestrian access to bus stops (although Basalt is paying for it).

- RFTA will install fencing adjacent to the Carbondale park and ride facility to encourage people to cross Highway 133 at the newly installed traffic signal.
- Through July 2007, RFTA experienced 19 fewer traffic accidents than during the same period in 2006, an 18% reduction.

Trails:

- RFTA is working with CDOT to install a traffic signal at Highway 82 at Buffalo Valley to help improve the safety of motorists and trail users.
- RFTA installed fencing on the 23rd Street to County Road 154 section of the trail to prevent trail users from riding their bicycles off of steep embankments.
- RFTA installed access control signage in the corridor between 23rd Street and County Road 154 to alert trail users and motorists approaching intersections.

Efficiency Measures:

- Last Thanksgiving, RFTA reconfigured its Highway 82 corridor bus routes and driver shifts, eliminating the Carbondale maintenance facility as a bus storage location. This reduced the number of buses being maintained in Aspen and enabled the Glenwood Springs maintenance facility to be more efficiently utilized. It also allowed for a more efficient deployment of Maintenance personnel. Savings in bus deadhead miles and hours are being reinvested in revenue service improvements, i.e. expanded half-hour services.
- RFTA, with \$550,000 in contributions from the EOTC, Garfield County, Eagle County, and CDOT, retained a BRT Project Development and Implementation Team to advance its BRT project. To date, the Project Team has developed BRT service conceptual plans and conducted a substantial amount of public outreach. The BRT system is being designed to be competitive with auto travel by employing Intelligent Transportation System (ITS) technology, queue by-pass lanes, signal priority technology, electronic payment systems, low-floor buses, and limited-stop services.
- As part of the BRT Project Development and Implementation effort, in 2008 RFTA will work with upper valley jurisdictions to develop a more efficient and convenient Aspen/Brush Creek Intercept Lot/Snowmass service plan.
- RFTA Planning Department applied for and received \$455,000 in Parks and Public Lands Grant funding for ITS components that will be purchased in 2008 or 2009.
- RFTA received permission from CDOT to use accel and decel lanes on Highway 133 in Carbondale for queue-bypass lanes for buses during peak congestion periods in the outbound direction.
- RFTA is working in partnership with the City of Aspen, Pitkin County, the Town of Snowmass Village, and CDOT on the design of dedicated bus lanes from the Airport Business Center to the Maroon Creek Roundabout (in the up valley direction) and from the Roundabout to Buttermilk in the down valley direction. The bus lanes are slated for completion by the Fall of 2008 thanks to funding provided by the EOTC.

- RFTA IT Department installed a distributed file system that will make all files automatically backed up to off-site location while making all files available at each facility locally.
- RFTA Finance Department will bring payroll in-house in 2008.

CONVENIENCE MEASURES:

- RFTA maintained ½ -hour frequency service from Glenwood Springs to El Jebel over major portions of the day. In 2008 RFTA will add one midday direct limited-stop express bus round-trip from Aspen to Glenwood Springs. It is anticipated that the travel time will be slightly over 60 minutes in each direction.
- RFTA added one westbound and two eastbound trips to the Grand Hogback service thanks, in part, to \$248,000 in funding provided by Garfield County. In 2008 one additional round trip during the a.m. will be added. Garfield County has committed \$260,000 in funding for the Grand Hogback bus service.
- RFTA renewed a 5-year \$12 million agreement to continue free and convenient skier shuttle services between Aspen Skiing Company mountains.

ECONOMY MEASURES:

- RFTA continues to experience a significant surge in ridership inasmuch as fuel prices have topped \$3 per gallon. This appears to be the tipping point at which some people, who normally drive themselves, begin to use transit in order to save money. Although transit, in most cases, is a less expensive mode of travel when all factors are taken into consideration, many people will continue to drive their own automobiles until they feel the pinch from the gas pumps.

Compliance with Global End 1.0: I am reporting **compliance**.

RFTA Board of Directors Meeting
“MONITORING CEO PERFORMANCE” AGENDA SUMMARY ITEM # 8.A.

Meeting Date:	November 8, 2007
Agenda Item:	Internal Monitoring Report: Financial Planning & Budgeting – Policy 2.5
POLICY #	2.5 – Financial Planning & Budgeting
Action Requested:	Review the monitoring report, concur or not with the CEO’s certification regarding compliance/non-compliance.
Presented By:	Dan Blankenship, CEO
Core Issues:	<ul style="list-style-type: none"> • The 2007 schedule for monitoring CEO performance requires the CEO to submit a monitoring report to the Board regarding Financial Planning & Budgeting – Policy 2.5, in February, May, August, and November. • No significant changes from the last report. All the provisions of this policy are in compliance
Background Info:	See above.
Policy Implications:	The activities of the CEO are governed by Management Limitation policies adopted by the RFTA Board of Directors on July 16, 2003. According to Board-Management Delegation policy 3.4, the CEO must provide a monitoring report regarding the Financial Planning & Budgeting (Policy 2.5) for RFTA Board of Director meeting scheduled in November 2007 .
External Relations Implications:	N/A
Fiscal Implications:	None.
Options:	The Board can concur or not with the CEO’s monitoring report.
Staff Recommends:	Review the attached report, concur or not concur with the CEO’s certification of compliance.
Backup Memo?	Yes, see the attached 2.5 - Financial Planning & Budgeting monitoring report.

TO: Board of Directors, Roaring Fork Transportation Authority

FROM: Chief Executive Officer

SUBJECT: INTERNAL MONITORING REPORT – MANAGEMENT LIMITATIONS

Quarterly Monitoring on Policy 2.5: *FINANCIAL PLANNING & BUDGETING*

I hereby present my monitoring report on your Management Limitations policy 2.5, “Financial Planning & Budgeting,” in accordance with the monitoring schedule set forth in Board Policy 3.4. I certify that the information contained in this report is true. ***Unless otherwise stated, the interpretations are unchanged from the last report and, for the sake of brevity, are being omitted.***

Signed: Dan Blankenship, CEO

Date: November 8, 2007

**FINANCIAL PLANNING AND BUDGETING (Policy 2.5)
Compliance/Non-Compliance Summary Report**

Policy #	Feb. 07	May 07	Sept. 07	Nov. 07
Policy #2.5.1	Compliance	Compliance	Compliance	Compliance
Policy #2.5.2	Compliance	Compliance	Compliance	Compliance
Policy #2.5.3	Compliance	Compliance	Compliance	Compliance
Policy #2.5.4	Compliance	Compliance	Compliance	Compliance
Policy #2.5.5	Compliance	Compliance	Compliance	Compliance
Policy #2.5.6	Compliance	Compliance	Compliance	Compliance

POLICY PROVISION # 2.5.1: *“The CEO shall not allow budgeting that risks incurring those situations or conditions described as unacceptable in the “Financial Conditions and Activities” policy.”*

No change from last report.

REPORT FOR POLICY PROVISION 2.5.1: (11/08/07) I am reporting **compliance**

POLICY PROVISION #2.5.2: *“The CEO shall not allow budgeting that omits credible projection of revenues and expenses, separation of capital (including replacement & depreciation) and operational items, cash flow projections, and disclosure of planning assumptions.”*

REPORT FOR POLICY PROVISION 2.5.2: (11/08/07) The 2008 budget has been prepared according to my interpretation of policy provision # 2.5.2.

Compliance: I am reporting **compliance**.

POLICY PROVISION # 2.5.3: *“The CEO shall not allow budgeting that plans the expenditure in any fiscal year of more funds than are conservatively projected to be received.”*

REPORT FOR POLICY PROVISION 2.5.3: (11/08/07) The 2007 budget was prepared, according to my interpretation of policy provision # 2.5.2, using conservative, yet realistic, revenue projections; however, the budget does assume the use of \$1.168 million of prior year proceeds from rail salvage that the Board has authorized the CEO to use for discretionary projects. In 2007, these projects are the purchase of new buses, the completion of the Carbondale park & ride facility, the completion of the corridor boundary survey, and critically needed infrastructure upgrades at the Aspen Bus Maintenance facility. As previously indicated, the 2007 fare box revenue projections might be high; however, as of September 2007 actual fares are \$168,947 more than budgeted.

The 2008 budget contemplates the completion of the Rio Grande Trail two years ahead of the Board’s 2010 goal. To expedite completion, approximately \$800,000 of fund balance is being used, however, early completion will save approximately \$900k - \$1.3 million in forecasted trail construction expenses in 2009 and 2010.

Compliance: I am reporting **compliance**.

POLICY PROVISION # 2.5.4: *“The CEO shall not allow budgeting that fails to provide resources to complete the Rio Grande Trail and develop the infrastructure to manage and maintain it.”*

REPORT FOR POLICY PROVISION 2.5.4: (11/08/07) In 2008, \$2.4 million in direct and indirect costs has been budgeted for Trail and Corridor Management, surveying, and trail construction. This amount represents approximately 8.6% of total 2008 RFTA revenue.

Compliance: I am reporting **compliance**.

POLICY PROVISION # 2.5.5: *“The CEO shall not allow budgeting that fails to allocate at least 5% of budgeted General Fund Operating Reserves to Designated Operating Reserves, until Designated Operating Reserves reach a threshold of 5% of budgeted General Fund Operating Revenues or an average of two months of budgeted General Fund Operating Expenditures, whichever is larger. Annually, the Capital transit and Capital Facilities Reserves must each be increased by \$100,000 and the Trails Capital Reserves must be increased by \$75,000.*

REPORT FOR POLICY PROVISION 2.5.5: (11/08/07) The Board adopted the above Policy at the June 2007 meeting. The Finance Department has adjusted operating reserves to \$3,513,000 which is an average of two months of budgeted General Fund Operating Expenditures.

Compliance: I am reporting **compliance**.

POLICY PROVISION # 2.5.6: *“The CEO shall not allow budgeting that fails to provide less for Board activities during the year than is set forth in the Governance Investment policy”*

REPORT FOR POLICY PROVISION 2.5.6: (11/08/07) In 2008, adequate amounts for Board governance activities have been included in the budget.

Compliance: I am reporting **compliance**.

BOARD OF DIRECTORS
“BOARD GOVERNANCE PROCESS” AGENDA ITEM SUMMARY # 9.A

Meeting Date:	November 8, 2007
Agenda Item:	CEO Compensation Review
POLICY #:	4.3.6, & 3.2.3
Action Requested:	Establish CEO compensation for 2008.
Presented By:	Billy Bryant, Director of HR and Risk Management
Core Issues:	<ul style="list-style-type: none"> • The RFTA Board establishes CEO compensation each year. • The CEO underwent fairly extensive performance reviews in 2005 and 2006. Board reviews, Management Team reviews, and local government manager peer reviews were conducted. In 2005, frontline employees were also surveyed. • A CEO compensation subcommittee headed by Chair Dorothea Farris was formed and has been charged with making a recommendation to the Board.
Background Info:	See above.
Policy Implications:	<p>Board Agenda Planning Policy 4.3.6 states, “CEO remuneration will be decided during the month of September, to be effective January 1, after a review of monitoring reports received during the year.</p> <p>Accountability of the CEO policy 3.2.3 states, “The Board will view CEO performance as identical to organization performance, so that organization accomplishment of Board stated Ends and compliance with Management Limitations would be deemed successful performance by the CEO.</p>
External Relations Implications:	N/A
Fiscal Implications:	Ultimately, the Board determines any changes in CEO compensation which would normally take effect on January 1 st each year.
Options:	<ul style="list-style-type: none"> ○ Establish CEO compensation for 2008.
Staff Recommendation	See Options.
Backup Memo?	No.



**RFTA BOARD OF DIRECTORS MEETING
INFORMATION/UPDATES AGENDA SUMMARY ITEM # 12.A**

CEO REPORT

FYI

TO: RFTA Board of Directors
FROM: Dan Blankenship, CEO
DATE: November 8, 2007

Incident involving safety: On the morning of November 26,th a loaded commuter bus traveling up valley near Aspen Village lost the curbside rear dual tires and rims. There were no injuries and no major damage to the vehicle was incurred, however, this could have been a very serious accident. A preliminary investigation conducted by the Director of Maintenance could not conclusively determine the human and/or mechanical factors that contributed to this incident, although the Maintenance and Operations Directors have already taken steps to re-communicate procedures to their personnel that are designed to prevent such incidents from occurring. Additionally, the vehicle has been “red tagged” until any potential mechanical factors can be entirely ruled out or the appropriate repairs have been made.

Marianne Scott-Prioleau, Manager of Safety and Training, is reviewing maintenance records and procedures, pre-trip inspection procedures, and unsafe condition reporting procedures. She also will be interviewing personnel directly involved, as well as their Department Heads and Supervisors. When her review has been completed, she will provide the CEO with a written report of her findings along with recommendations for corrective actions.

Governors Blue Ribbon Transportation Finance Panel: The Governor’s Transportation Finance panel is winding up its work and has formulated some preliminary recommendations. The panel believes that the level of additional annual funding sought for transportation should be in the \$1 billion + range. If this threshold can be achieved, rural and urban transit systems would each be allocated a pot of \$36 million per year. Inter-regional (or Front Range/I-70 corridor passenger rail) would be allocated a pot of \$100 million + per year, depending upon the amount of funding obtained. Presently, potential revenue sources are a vehicle maintenance fee, a visitor fee, increases in fuel taxes, increases in sales taxes, and increases in income taxes.

Reclassification of Controller Position: When John Tangen, Controller, was retained, my intention also was to continue to contract for CFO services just as we had during 2006 after RFTA’s previous Director of Finance resigned. However, due to John’s expertise, hard work, and dedication, it has not been necessary to avail myself of CFO consulting services in 2007, which has saved RFTA approximately \$60,000. During John’s brief tenure at RFTA, he has streamlined the Finance Department’s accounting procedures, garnered a GFOA High-Quality Budget Document award, overseen RFTA’s retirement program activities, received a clean audit for 2006, and prepared the 2008 budget, among other things too numerous to mention. In essence, John has been performing all of the duties of a Director of Finance albeit without the title. In fairness to John, and in recognition of his hard work and achievements, I plan to revise his job description and reclassify him as the Finance Director.

2007 – 2012 Aspen Skiing Company (ASC) Transit Service Agreement has been Executed: The 5-year renewal of the skier shuttle agreement was signed on Thursday, November 1, 2007. The agreement, which includes flexibility to adjust service levels, by mutual agreement, based upon actual demand, is estimated to generate approximately \$12 million in revenue. The services, which are available free to the public, are an incredible asset for residents and visitors and, due to their convenience, help to remove thousands of cars from upper valley roadways on a daily basis during the ski season. The services also help to conserve energy and reduce carbon emissions while freeing up limited parking spaces for those who must drive. RFTA appreciates ASC's commitment to its guests and the community and its willingness to partner whenever possible to improve the quality and efficiency of transit services.

Human Resources/ Risk Management Update – Billy Bryant, Director of Human Resources and Risk Management

General Counsel Recruitment Effort: Staff is developing a “draft” General Counsel job description for review by the Board prior to advertising the position.

Planning Update – Kristin Kenyon, Director of Planning

More Grant \$\$\$\$\$: RFTA has been awarded a \$1.3 M grant from the Federal Transit Administration through the 2007 Alternative Transportation in Parks and Public Lands (ATPPL) Program. These funds will be used to purchase two hybrid electric low-floor buses and advance ITS technology to make transit within Maroon Bells, Snowmass Wilderness Area and White River National Forest more environmentally and user friendly. For the second year in a row, RFTA receives one of the largest grants under this program. It is a major coup for which we thank our partners at the Forest Service and Federal Transit Administration for their support! *(CEO note: Kristin Kenyon and Jason White from the RFTA Planning Department deserve most of the credit for developing this successful grant application.)*

RFTA has received a 2007 grant from CDOT Headquarters for \$30,000. These 5304 Planning funds will be used to supplement the project development effort for BRT cost estimates.

Winter Season Routing Changes:

Carbondale routing update: RFTA staff and consultants are working with CDOT to examine the timing issues of the new traffic signal at the park and ride and determine if a green left turn arrow may be provided. In the meantime, a few changes will be made in the nearer term to address the concerns drivers expressed regarding serving the new park and ride. Starting with the Winter season (Thanksgiving), both up valley and down valley routes will serve the park and ride on the inbound leg, thereby eliminating the need for buses to turn left into the park and ride. Additionally, staff is working with CDOT to determine if a temporary outbound stop can be located in the vicinity of Village.

RFTA Operations staff is working on kicking off a pilot Super Express bus for Winter Season. It will be a hybrid express run that will serve only park and rides. Currently it is slated to make one down valley run (departing Rubey Park at 9:00 am) and one up valley run (departing Glenwood park and ride at 2:45 pm). Also, an additional round-trip will be added to the Hogback in the morning.

Communications and Marketing Department Update

- Staff will be leading the U.S. Forest Service Regional Recreational Directors on a tour of the Maroon Bells to demonstrate our partnership and discuss the recent ATPPL grant award. If you would like to join us, we will be departing from Rubey Park at 1:15 pm on Monday, Nov 5th for the tour.
- Reciprocal customer service training is underway with Ski Co. Ski Co reps attended our Fall Drivers Training program to contribute to the discussion on customer service. In return, RFTA staff will be attending the Ski Co employees training sessions with the focus on encouraging mutual respect and awareness of RFTA drivers.
- The Ambassador training program for Glenwood Springs Middle School student will soon be kicking off again. Interested students will participate in a “train the trainer” program focusing on bus riding procedures and respectful behavior towards drivers, buses and facilities. This program proved to be very successful last school year.
- Staff has evaluated the four proposals received from firms to assist with branding and marketing of the BRT project. Two teams have been shortlisted, with follow up questions/interviews to be conducted in the next two weeks.

FACILITIES, TRAIL AND CORRIDOR UPDATE: *Mike Hermes, Director of Trails/Facilities*

Facilities and bus stop maintenance

Facilities

AMF: The project to abandon the septic system at the AMF and connect the shop floor drains and bus wash drains to the sanitary sewer has begun and is about 75% complete. We are waiting on a final inspection by the County in order to backfill the trench, repave the street and complete this project. We should be 100% by the end of November.

Bus stops & park and rides

El Jebel Park and ride

- The re-grading and chip sealing of the bus pull through at the El Jebel Park and ride was completed and the pull through is much improved. This repair should last several years and prevent potholes from developing in the pull through.
- The parking area at the El Jebel was also graded to improve the drainage in the parking lots and to get rid of all the potholes.

Trail and Corridor

- The paperwork is complete for the \$1.2 million in State and Federal grants used to construct the Buffalo Valley section of the Rio Grande trail. Staff has a final meeting with the staff at CDO on October 30th to review all of the paperwork and submit it for payment.

- Staff has completed our 2008 State trails grant application for the Cattle Creek section of trail. Once again we will be asking for the maximum amount, \$200,000 and are hopeful we will be successful.
- With the funds remaining in the 2007 trail construction budget, staff intends to begin work on the Cattle Creek section of the Rio Grande trail. This section begins at Highway 133 in Carbondale and terminates at the CMC/CR 154 intersection. Our first priority will be to grade the railbed and place the road base between the new Carbondale Park and ride and the Satank Bridge. Along this section we will also construct several spur trails to connect the neighborhoods on either side of the rail corridor to the Rio Grande trail to give the residents of these neighborhoods easier access to the new park and ride and downtown Carbondale. Once this section is complete, staff will continue construction as long as the weather and funds permit.
- The number of trail users on the Rio Grande trail between Carbondale and Basalt continues to exceed staff's expectations. During the summer cycling season, June 1st through October 15, staff recorded the following trail user numbers representing the gross number of people passing a particular point.
 - County Road 100 and Main Street Carbondale
 - 46,284 total
 - 314 average per day
 - Catherine Store Bridge
 - 37,689 total
 - 256 average per day
 - Rock Bottom Ranch
 - 30,774 total
 - 209 average per day
- **The Covenant Enforcement Commission (C.E.C.)** meeting is scheduled for November 29th. All of the members of last year's commission will be attend this year's meeting and staff anticipates a significant amount of public interest and input at this meeting. Staff will be running print ads to announce the day, time and place of the meeting and inviting the public.

The Conservation Area Assessment prepared by Tom Newland and the Wildlife Monitoring Report prepared by Jonathan Lowsky will be available on the RFTA website prior to the meeting. Hard copies of these reports will also be mailed to commission members prior to the meeting.

At the January Board meeting, staff will present any recommendations the commission has regarding the enforcement of the covenants within the conservation areas and present any recommendations the CEC has to modify the wildlife management plan. The Board may accept, reject or modify these recommendations and, after a 30 public comment period they will become final at the February Board meeting.