

Memorandum



To: All Board Members/Staff

From: Paula Perdue, Executive Manager to the Board

Date: March 30, 2010

Subject: Minutes of the Study Session Meeting held on Tuesday March 30, 2010 at 5:30 p.m. in Rooms T & D

Board

Members Present: Chair Kemp; Directors Bagley, Brohl, Busck, Christopher, Cohen, Daly, James, McMullen, Malpiede, Martinez, O'Boyle, Pulliam, Tayer and Tobiassen.

Staff Present: Bruce Abel, Rolf Asphaug, Joe Berdaus, Rick Clarke, Jane Donovan, Carol Duecker, Sherry Ellebracht, David Genova, Mike Gil, Bill Holmes, Terry Howerter, Marla Lien, Caitlin Magee, Tony McCaulay, Robert Merriman, Jerry Nery, Paula Perdue, Scott Reed, Cal Shankster, John Shonsey, Bill Sirois, Stan Szabelak, John Tarbert, Pauletta Tonilas, Lisa Trujillo, Mike Turner, Bill Van Meter, Phil Washington, Susan Wood

Others Present: Bob Wilson (GLAC), Brian Middleton, Julie Skeen, Maria Garcia-Berry (CRL), Roger Sherman (CRL), Lisa Nery, Eric Sonderman (SE2), Illana Poley (SE2), Randy Harrison (MOVE Colorado), Chris Cramor (Commerce City), Sharon Terranova (DRCOG), Bill Mosher (DUS), Ben Kelley (Kenney Group)

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Call to Order: Chair Kemp called the Study Session meeting to order at 5:31 p.m.

I. DUSPA Update

Director Bagley spoke about his recent appointment to the DUSPA Board. He indicated that DUSPA will also need to take action to make him an official member of the Board. Marla Lien indicated they will need a letter from RTD which she would get Chair Kemp to sign tonight and DUSPA should get on Wednesday. Director Bagley explained his role as a RTD Board liaison to the DUSPA Board while indicating his reliance on the expertise of the staff to support him on various financial and business aspects of this relationship.

He introduced Bill Mosher with DUSPA who will be providing a monthly update. Bill Mosher made a presentation on DUSPA which spoke to the financing status, challenges and opportunities. Marla Lien corrected the slide

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on loan repayment sources that showed lease payment structure utilizing FasTracks DUS bond proceeds. He talked about the current design status which shows them at approximately 15% behind on the public realm, landscape architecture. However, they have identified steps that will allow them to catch up on this aspect of the project. He also identified the milestones in the project and projected year of availability. He identified the DUS construction activity in the 1st 60 days and pointed out some of the critical issues in financing, Amtrak relocation, 18th street right of way and the coordination with USNC Plans for a wing building. He plans to keep the Board advised on a regular basis.

For a copy of this presentation, please refer to the Study Session minutes located in the Board office.

Several Directors asked questions or expressed concerns:

- Director Tayer expressed a concern on the impact of the construction on transportation access for riders from Boulder transferring from bus to rail being able to make their connections. He expressed concerns the distance was too far for this transfer now making it difficult for them to make this transfer. Mike Gil, RTD Bus operations responded to this comment and explained why the decision was made to move this stop to 19th street. Director Tayer still requested a re-look for a better stop and egress that is convenient for the riders needing to make this transfer.
- Director Malpiede, a new Director, requested a sheet of the various acronyms being used. She inquired about the plan of action for the businesses and community along Wewatta who were affected by the construction. Bill Mosher responded their PI team headed by Roger Sherman of CRL are performing public outreach with several entities and are working to maintain good communications with the community.
- Director McMullen inquired what PNRS was. Marla Lien explained it was the process whereby authorization to execute TIFA loan agreement fulfillment of certain federal requirements affecting the operational maintenance of site and operations would be performed by RTD. She indicated plans to bring before the Board in April. Director Brohl expressed concern over how do we make sure RTD's role and legal responsibilities are limited to operations and not to other obligations. Marla Lien responded they are working on the 4th re-write of this agreement which includes language to this affect.
- Director Pulliam expressed this does not address the access between the main line and DUS where the moving sidewalks have been eliminated.

II. Communications Update

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Scott Reed, Assistant General Manager, indicated this was one of the updates that the senior leadership team will be bringing before the Board. He then had members of his newly restructured team to talk about their organization:

- Bill Holmes, Internal Auditing—spoke on the basic functions of the audit department and that they complete about 20 audits per year. The audit has always worked with the Board on the audit issues but in light of the state audit recommendations, they will be taking a more expanded role with the Board. The Financial Administration committee will be renamed Financial/Administration and Audit Committee.

Director Pulliam raised the issue of reporting structure for the internal auditor. Scott Reed indicated that the auditors were basically ok with the functional role of the internal auditors but wanted to see a more formalized reporting structure that will show a dotted line relationship to the Board including the Board review of his performance.

- Tony McCaulay, Marketing—identified some of the functions and highlights of his department. Director Busck requested a 30 minute conversation with Tony to explain the criteria they used for establishing their ROI for marketing. Director Cohen shared some ideas he has around special events and joint marketing. Director Brohl shared having seen one of the wrapped LRT vehicles and how cool it looked amongst the stark contrast of the rest of the cars. Director James inquired about opportunities to expand RTD's image in the community. Tony responded we have different programs out now with the intent of doing this such as the new Faces of RTD campaign, Westwood and Denver Post media exchanges and in the next couple of month's plans to roll out ads on the benefits of RTD.

Director Christopher indicated that he wants to see a cost analysis showing the human resources invested in new media and what we get in exchange (ROI)—i.e. how much staff time are we putting into new media and what does it take to maintain these programs.

Director Tobiassen talked of his RTD Twitter and Facebook experiences. RTD has approximately 600 fans on Facebook. He feels these are potential tools for RTD to use. Facebook has surveys which could be used for surveying of our service. He wanted to know what triggered a fare study. Tony McCaulay responded we track where we are and compare where we are in relation to 10 other transit agencies.

- Joe Berdaus, Customer Information Center—explained their function and talked about an upcoming project to integrate MYStop into the state 511 system. Several of the Directors commented on the benefits of MyStop to them.

Director Tobiassen inquired about when all the stops on Aurora would be a

part of MyStop.

- Pauletta Tonilas, FasTracks PI—spoke to the internal and external functions of this department and the latest venture into social media networks. As expected several of their efforts focus around developing communications plan and key messages for FasTracks.
- Sherry Ellebracht, Government Relations—the basic function consists of liaison roles with the Colorado General Assembly, Congressional liaison, lobbyists and other elected officials.
- Public Affairs—Manages various media requests, coordination and serves as official spokespersons for RTD.

For more information on the communications organization, please refer to a copy of the presentation that is included with the study session minutes in the Board office.

III. Discussion of FasTracks Vote

Maria Garcia Berry introduced members of her team who had led the focus groups and performed the polling of voters. She shared they had selected a sample from Jeffco because it has the highest ratio of voters (approximately 26%) and a diverse population. This activity was sponsored through the Coalition for Smart Transit, an independent organization.

Eric Sonderman and Illana Poley from SE2 facilitated the presentation from the focus groups. This was an abbreviated focus group of eight women and seven men that took place over a snowy night in Denver. This could have affected attendance.

The key takeaway from these focus groups is RTD is not on their radar screen, people are more focused around the economy and its impact on jobs, etc., and many of them do not know what FasTracks is about. FasTracks is defined more around construction when people can see actual work occurring than any of the other public information efforts. The dominant issue is economy and jobs.

Ben Kelly with the Kenney Group discussed the methodology and what it means. The survey they performed built on the survey from November 2007, January 2009 and April 2009 and was balanced to reflect gender and party registration with a $\pm 4.9\%$ margin of error.

Synopses of some of the key findings reveal:

- 50% of the people felt RTD is moving in the right direction which is down from a previous poll.
- In 2007 transportation issues ranked high whereas in 2010, unemployment and loss of jobs (economy) was the most dominant factor.
- FasTracks lacks a true name identifier with these voters.
- People are not overly optimistic that the economy will improve one year from now or even more long term. In general the responses are more

guarded than optimistic.

- In 2010, 78% are saying that FasTracks was a good idea. No real change when asked how good a job RTD is doing with FasTracks.
- The underlying theme is there is an increasing lack of confidence in government in general to solve issues.
- When asked the question about completing FasTracks, voters are split down the middle on which path to take-whether to increase taxes or complete FasTracks later.
- Denver, Boulder, and Arapahoe County shows the greatest support for FasTracks tax increase but overall the map does not show any geographical district with greater than 55% in favor, a low number in comparison. The decision to favor or not favor a tax is also affected by priorities for other taxes that may be on the ballot.
- The good news summary: voters want a regional system. 77% is positive with 78% thinking this is a good idea.
- Bad news: Voters are more focused on economy and jobs than traffic or transportation issues. 40% of respondents attribute RTD problems to RTD management. Completing RTD FasTracks is simply not a high priority compared to other public service and funding needs. If a vote was taken now, 2/3 say it will fail.

Extensive discussion from Board members followed these presentations with a concern around is this a good time to go to the ballot or what work RTD may need to do to re-educate and revitalize the perceptions of FasTracks. Maria Garcia Berry commented that from a public information perspective, there is a need to talk the language that the voters understand.

Phil Washington, General Manager, asked for some clear direction from the Board on if he should instruct his staff to begin drafting ballot language. This generated an excessive amount of healthy discussion on the pros and cons of going forward for the 2010 ballot. Some of the Directors felt they could give the General Manager an indicator now while others felt they needed more time to digest this information and other associated indicators.

Director Christopher made a compelling argument that it is necessary in the spirit of transparency, process and protocol that a special meeting is held two weeks from today (April 13) for an opportunity to obtain public comments and to formalize the Board position on going to the ballot in 2010.

Chair Kemp felt it was important to obtain a formal position from the Metro Mayors Caucus as well and requested Maria Garcia Berry to see about getting the Board a few minutes on the agenda to discuss this issue. The Board also wanted to hear from the CAC committee. Director O'Boyle expressed that the real question should be "Can we conduct a successful campaign in 2010?"

After some discussion over which date to have this meeting and some of the Board members indicating they would be absent on April 20, 2010, it was

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decided that a special Board meeting to obtain public comments and vote on whether to go to the ballot in 2010 would be held on April 13, 2010.

V. Other Matters

The other two items on the agenda, review of station addition policy was postponed to the FasTracks/P&D committee meeting on April 6, 2010 and the parliamentary briefing has been delayed until a more conducive time is available for this training.

VI. Adjournment

The Study Session adjourned at 8:50 p.m.