

Regional Transportation District



**Memorandum**

**To:** Board of Directors/RTD Staff  
**From:** Paula Perdue, Executive Manager to the Board of Directors  
**Date:** April 13, 2010  
**Subject:** Minutes of the Special Board Meeting held on Tuesday, April 13, 2010 at 5:32 p.m.

**Special Board Meeting**

Chair Kemp called the meeting to order at 5:32 p.m.

**I. Roll Call**

Thirteen (13) Board members were present for roll call. Director Brohl arrived late and Director Martinez was absent.

**II. Public Participation: Comments on Putting FasTracks on 2010 Ballot**

Chair Kemp opened up public participation by sharing the RTD Board planned to make a decision about going to the ballot in 2010 on FasTracks; however, before we do this, we want to hear from our constituents, stakeholders and members of the regional community on this issue. He began by reading aloud two letters that had been received from elected officials:

- Letter from Honorable Mayor Murphy, Lakewood, and also Chair of the Metro Mayors Caucus—a summation from this letter states that in his opinion, 2010 is not the year to seek the tax increase for FasTracks. A copy of this complete letter is available with the special Board meeting minutes in the Board office.
- Letter from City of Arvada, William A. Ray Jr, Deputy City Manager—This letter also states that while supporting the full build out of FasTracks, the City of Arvada does not believe 2010 is the year to ask for a tax increase. A copy of this complete letter is available with the special Board meeting minutes in the Board office.

Chair Kemp then opened the meeting up for public comments.

Ira Schreiber representing Colorail stated they are 100% behind FasTracks and had done a yeomen's job in 2004 to help get it passed. However, this is not the time; the planets are not aligned. RTD needs to defer to a more appropriate time.

Gene Putnam, Transportation Manager for the City of Thornton, stated that the City

of Thornton wants to see FasTracks finished and especially before the projected 2042 year if no sales tax increase. He urged the Board to make a decision one way or the other so that collectively we can work together to educate the public and get FasTracks done. The Board needs to be definitive on a date-if not 2010, then when?

John Huggins representing the Coalition for Smart Transit referenced the resolution adopted by this committee that stated conditions for a FasTracks funding increase (a copy available in the special Board meeting minutes located in the Board office). He referenced specifically the three identified on the resolution that called for:

- The Coalition would have to be confident based on additional polling and focus group information that it is an appropriate time for RTD to have an election on FasTracks funding.
- The Coalition would have to be confident in the community's ability to raise the funds needed for such a campaign.
- RTD would have to have secured, or the Coalition would have to be very confident in RTD's ability to secure the expected federal funding for RTD's Eagle Project; and the Coalition would have to be convinced that RTD had exhaustively pursued all other potential sources of funding before asking the voters for a funding increase.

Based on the fact that these three conditions have not been met, the Coalition does not support going to the ballot in 2010.

Chair Kemp recognized and acknowledged John Huggins as a friend of transit who works tirelessly behind the scenes.

Jack McCroskey, former Board member, shared his perspective that until RTD cleans up their act, they should not consider going to the voters. He expressed that FasTracks was doomed from the beginning.

Miller Hudson, 2001 Executive Director of I-70 Corridor, shared some similar experiences in working with focus groups to determine the timing for getting voters to approve their project. He stated that the voters know it is needed; it is just not economically feasible to do right now so he says no to the 2010 ballot.

Kathleen Osher, Transit Alliance Executive Director, stated that the Alliance supports realistic and expeditious completion of FasTracks. She stated the Board could benefit from lessons learned in the 2004 election and stated they have over 300 graduates who are poised to help the community understand the benefits of transit. They can be a voice when the right proposal and time are determined.

Helen Bushnell from Lakewood expressed concerns about if a tax increase can pass. She raised the question is RTD using current funds in the most efficient way possible. She sees problems that the current Board does not appear too concerned about. She stated if you cannot fix bus, you cannot fix rail.

State Representative Jim Kerr indicated that as a member of the Legislature, they will

be watching the progress of RTD to fix some of the problems identified in the state audit findings. In light of the former General Manager compensation and other mishaps, RTD is facing a dilemma about improving its public image. He believes the issues of transparency will be resolved. Relative to the question is now the time to go to the ballot, he thinks RTD is on the right path. The region definitely needs some form of transit system. RTD needs to take this time to regroup but not go to the ballot in 2010.

Adam Gardner stated he was not a fan of FasTracks in its present form. It needs an overhaul of its major policies and the opinion polls should not play a role in the decision to go to the ballot. However, putting FasTracks on the ballot in 2010 provides a third option for the voters to reject and demand changes/cleanup before any approval for funds. RTD needs to redesign FasTracks to be economically feasible.

Dan Burkin who identified himself as the taxpayer who pays the freight and calls the shot, referenced an article in *The Denver Daily News* of a statement made by Chair Kemp about being diligent and now wanting to hear from the taxpayers. He stated the Chair had it wrong. The taxpayers should be heard first. He also stated that the RTD current record and how we have handled things do not give him confidence that going out for a tax increase will solve the matter. He is looking for date certain when RTD will present the exact amount they are asking, and stick to this. He pays the freight, he calls the shot.

**III. Recommendation from CAC Committee**

Melvin Bush, a member of the Citizen's Advisory Committee and former co-chair, shared that the committee had held a special meeting earlier in the day to discuss the issue of whether RTD should go to the ballot in 2010. While the committee did not come up with a consensus, the committee does support the Board fully on going out for a tax increase. They were just split between which year to go. He also noted there are lots of stakeholders committed to moving forward such as the TOD investors and others concerned about jobs in the community. It is a matter of economics. If it is not done this year, it will cost an additional \$100 million every year. FasTracks will reinvigorate the community by bringing jobs and increasing revenue and sales. The CAC supports the Board in their decision for moving forward. A copy of the letter from the CAC Committee is available with the special board minutes located in the Board office.

**IV. Recommended Action: Resolution on FasTracks for 2010 Ballot**

Chair Kemp requested Maria Garcia Berry, CRL Consultant, to provide an abbreviated synopsis of her finding from a survey. Maria provided a risk analysis from these findings;

- In the last polling of March 2010, public transit and transportation congestion appeared at the bottom list of concerns from the voters, specifically public transit at 6% and congestion at 3%. This raises the question if people consider public transit a necessity or luxury.
- Approximately 56% of the voters believe the economy will improve a little over the next year but overall there is measured optimism.

- Approximately 49% of those polled indicate they are having some difficulty keeping up with their bills.
- From a good news perspective, 61% expressed familiarity with FasTracks. Overall 77% feels good about FasTracks and do not have any buyer's remorse. FasTracks is the right decision for this region.
- Relative to the test for going to the ballot, 50% is for and 48% against. This is a small margin considering the margin of error and the difference between these numbers in 2004.
- Approximately 64% do not feel the vote would pass if RTD went to the ballot in 2010.

A copy of the presentation is included with the special board meeting minutes located in the Board office.

**Resolution to go to ballot on FasTracks in 2010**

**Motion:** Director McMullen made the motion to approve the resolution to go to the ballot in 2010.

Director Pulliam seconded the motion.

**Discussion:** Director O'Boyle says the emotional side of him says go to the ballot in 2010. However, his brain tells him this is not a smart move so he will be voting no to this resolution.

Director McMullen concurs but says FasTracks has so much working for it now—West Corridor, hopefully the East corridor to DIA, Denver Union Station, and a host of other activities and construction all focusing around jobs and stimulating this economy. He too will vote no.

Director Tayer shared there are lots of attractive reasons for going to the voters in 2010. He cited the need to stimulate the economy, and the perspective for significant cost savings. However, these are challenging times for our economy and constituents—this is not the right time for the voters.

**Vote on**

**Motion:** The vote failed with 14 electronic votes against going to the ballot in 2010.

Chair Kemp declared this action **FAILED Unanimously**.

Chair Kemp stated he would entertain another motion to prepare for future FasTracks ballot plans. Director Tayer shared his resolution for a commitment to path forward which gives the considerations for going to the ballot in 2011 or some date in the future. He acknowledged the hard work of reviewers of this resolution such as Marla Lien, General Counsel, Directors Busck, Christopher and Chair Kemp. He also

acknowledged the last minute edits by Director O'Boyle on the redlined copy that the Board members were given. Director O'Boyle emphasized that the Board will work on and bring to the taxpayers and constituents the most successful campaign for FasTracks at the appropriate time.

**Motion:** Director Tayer made the motion to approve the resolution titled Future FasTracks Ballot Question, Commitment to Path Forward.

Director Busck seconded the motion.

Director Christopher requested a reading aloud of the section of the resolution beginning with "Now therefore be it resolved..." Director Tayer read it aloud.

**Discussion:** Director Busck thanked everyone who had come to provide public comments and who has worked hard on this issue. It is not an easy decision for the Board to decide not to go in 2010. The people in his District simply cannot afford to go right now. This is a ballot issue. The Board is tasked that even if they don't go to the ballot now, they need to keep their fingers on the pulse of the community and be ready to go when appropriate. They will take a hard look at 2011 or whenever to make that decision.

Director Christopher thanked Director Tayer for his leadership in putting this alternative resolution together. RTD has only one bite of the apple to do it right. The Board should pay attention to the polling results and place this on the ballot when it is more conducive and has a chance to be successful.

**Vote on  
Motion:**

The vote passed with 14 electronic votes for and 0 against. Director Martinez was absent.

Chair Kemp declared this action **PASSED Unanimously.**

The approved copy of this resolution is included with these minutes.

**V. Adjournment**

The meeting adjourned at 6:35 p.m. to the Financial Administration and Audit Committee.

Prepared by:



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Paula Perdue, Executive Manager of the RTD Board of Directors

**Regional Transportation District  
Resolution No. 004, Series of 2010  
Future FasTracks Ballot Question  
Commitment to Path Forward**

- WHEREAS,** The voters of the Denver Metropolitan Region approved the FasTracks transit investment program in November of 2004 directing the Regional Transportation District (RTD) to build five new rail lines, three rail extensions and a bus-rapid-transit system; and,
- WHEREAS,** The 2004 FasTracks transit investment program was originally funded by a 0.4 percent sales and use tax, along with certain assumptions regarding federal financial support; and,
- WHEREAS,** An unparalleled national recession has severely reduced anticipated revenue from the original FasTracks sales and use tax projections and is the primary cause of an insurmountable funding deficit for full build-out of the FasTracks transit network; and,
- WHEREAS,** Recent polling finds that 77 percent of voters across the Denver Metropolitan Region support the goals of the FasTracks transit investment program; and,
- WHEREAS,** The FasTracks transit investment program will be a valuable source of job creation, generating upwards of 10,000 jobs each year during the peak construction period; and,
- WHEREAS,** The FasTracks transit investment program will provide critical economic stimulus to the Denver Metropolitan Region, as every dollar RTD spends on transit investments generates another four dollars in economic activity; and,
- WHEREAS,** The sooner that RTD can secure full construction funding, the lower the cost will be to complete the FasTracks transit network; and,
- WHEREAS,** Completion of the FasTracks transit network will provide the Denver Metropolitan Region with a transit system that will be the envy of the United States, improving living conditions and serving as a catalyst for business investment.

**NOW, THEREFORE, BE IT RESOLVED THAT,**

The RTD Board of Directors, after extensive dialogue with elected officials, key stakeholders and the general public, do not intend to place a question on the 2010 election ballot requesting a sales and use tax increase to complete the FasTracks transit investment program;

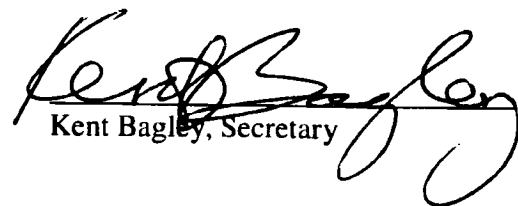
The RTD Board of Directors wants to prepare for a potential decision to place a question on the ballot, at some later date, asking voters of the Denver Metropolitan Region to support a sales and use tax to complete the FasTracks transit investment program; and,

The RTD Board of Directors intends to take all steps necessary to prepare for the final decision regarding whether to place a sales and use tax question for the FasTracks investment program on the ballot at some year in the future, including:

- Preparing all currently unfunded FasTracks corridors for construction procurement;
- Continuing to pursue all possible external funding as a means of reducing the current FasTracks funding gap;
- Continuing to assess and seek Board approval for efficiencies that will reduce the cost of the FasTracks transit investments;
- Continuing to consult with the FasTracks stakeholders regarding potential ballot language for a future sales and use tax question; and,
- Creating a firm timeline for completing all tasks and public outreach necessary to prepare for a ballot initiative in any one of the next few years.

Passed and adopted by the Board of Directors of the Regional Transportation District on the 13<sup>th</sup> day of April, 2010.

  
Lee Kemp, Chair

  
Kent Bagley, Secretary