

**Regional Transportation District**  
1600 Blake Street  
Denver, CO 80202-1399  
303/299-2303



**Board of Directors**

**A G E N D A**  
**STUDY SESSION**  
**Tuesday, June 29, 2010**  
**5:30PM**

**Study Session**

<b><u>Time</u></b>	<b><u>Agenda Item</u></b>
<b>5:30</b>	<b>Call to Order</b>
<b>5:30</b>	<b>Transit Alliance (Kathleen Osher)</b>
<b>6:00</b>	<b>Update P3 Financial Plan on Public Activity Bonds (PAB)—Dee Wisner/Goldman Sacks</b>
<b>7:00</b>	<b>Review of top 4 Priorities from Board Advance (Phil Washington)</b>
<b>7:15</b>	<b>Other Matters</b>
<b>7:15</b>	<b>Adjourn to Special Board Meeting</b>

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**Memorandum**



**To:** All Board Members/Staff  
**From:** Paula Perdue, Executive Manager to the Board  
**Date:** June 29, 2010  
**Subject:** Minutes of the Study Session Meeting held on Tuesday June 29, 2010 at 5:30 p.m. in Rooms T & D

**Board Members**

**Present:** Chair Kemp; Directors Bagley, Brohl, Busck, Cohen, Daly, James, McMullen, Malpiede, Pulliam, Tayer and Tobiassen.

**Board Members**

**Absent:** Directors Christopher, Martinez, O'Boyle

**Staff Present:** Bruce Abel, Jenny Barket, Rick Clarke, Carol Duecker, David Genova, Mike Gil, Terry Howerter, Marla Lien, Caitlin Magee, Anthony Menendez, Paula Perdue, Carla Perez, Scott Reed, Teresa Sedmak, John Shonsey, Henry Stoppelcamp, John Tarbert, Lisa Trujillo, Bill Van Meter, Phil Washington,

**Others Present:** Loraine Anderson, Ed Bush (CRMCA), Gloria Holliday, Kathleen Osher (Transit Alliance), Nick Moller (JP Morgan), Tim Romer (Goldman Sachs), Dee Wisor (Sherman & Howard)

\* \* \*

**Call to Order:** Chair Kemp called the Study Session meeting to order at 5:39 p.m.

**I. Transit Alliance**

Kathleen Osher made a presentation on the Transit Alliance, sharing its history and focus in three primary areas: Education, experience and outreach. The Citizen's Academy which is a part of the educational component of the Transit Alliance, has graduated over 300 transit advocates, including three who are current Board members and 3 who are current city councilwomen. The focus is on finding the right people with a passion for transit to help promote its benefits. The Transit Alliance is also a promoter of the ten toe experience which is a mobility effort to get people out walking, biking and using the transit system. The grassroots and grasstops outreach targets social events to create excitement while educating on uses for transit.

Several Board members complimented Kathleen and the Transit Alliance for their efforts in educating and informing the public and for the sustainability of this program. Director Tayer inquired what is their funding strategy going

forward. Kathleen responded that while they are still heavily dependent on the public sector, they are also starting to see great opportunity in the private sector.

Director Bagley noted there are several opportunities out there with colleges, universities, students, et al, to find a way to include these users of transportation to further spread the work. He encouraged the Transit Alliance to tap into these potential sources. Director Daly noted the value of the candidate briefings that are facilitated by the Transit Alliance and asked if they intend to do so this year. Kathleen responded yes, probably late October.

Chair Kemp wrapped up the discussion by stating the Transit Alliance is doing an outstanding job. One of the opportunities that he is discussing with Kathleen is to provide the name of graduates/advocates in each respective district so the Directors can add to their distribution list and outreach to these graduates in their district.

For a copy of the Transit Alliance presentation, please refer to the study session minutes located in the Board office.

## **II. Update P3 Financial Plan on Public Activity Bonds (PAB)**

Terry Howerter, CFO, introduced the financial team of Dee Wisor, Tim Romer (Goldman Sachs) and Nick (JP Morgan) who would provide an overview of the public activity bonds. The public activity bonds were components of each of the P3 concessionaire proposals which will require some action by the Board members to approve in a resolution and associated documents.

Tim Romer explained at a high level that PABs permit the use of tax exempt bonds to facilitate private infrastructure investments. RTD will act as the government conduit but would not be liable for the bonds. This is a proven technique that has been used in toll roads, airport facilities and other infrastructure projects.

Dee Wisor reviewed RTD's role in the Eagle P3 PABs structure and identified the documents and timeline for the Board approval. The Board will be asked to conduct a TEFRA hearing and approve the PAB documents in a special Board meeting on July 13<sup>th</sup>.

Director Bagley asked what was a typical interest rate they are seeing right now. Tim Romer responded it depends on the credit rating but somewhere between the mid to high 6's.

Director Tayer wanted to know how much of the 1.3B authorization has been used for the P3. Tim responded less than ½.

Director Brohl wanted to understand what was the role the private investors would plan in this process and what happens if they do not like the rates. Tim Romer responded the alignment of interest is key. Equity investors want as low a rate as possible. In the long run, the service payments would increase or decrease depending on the rates.

For a copy of the Private activity bond presentation, please refer to the study session minutes located in the Board office.

**III. Top 4 Priorities from Board Advance Planning Session 4/17/10**

General Manager Phil Washington presented the 4 top priorities that came from the Board-staff advance planning session in April. He provided the tactical plan for implementation which will drive the budget for 2011.

1. **FasTracks Funding**— Staff will actively pursue opportunities for new funding sources and options to help fill the funding gap. They will identify any specific actions to obtain additional funding including the pursuit of several smaller grants.

**2010:**

- In 2010, they will be pursuing the Tiger II grant in a joint application with CDOT for the I-225 segment from Parker Road to Iliff. The Tiger II has a potential \$700M for the country. One of the strategies of staff is to be construction ready so we can be nimble and quick when such opportunities arise. This grant application is due late July/August.
- Pursuing \$16M for Downtown Circulators
- Provide updated FasTracks financial plan including possible options for the potential \$300M

**2011:**

- We are on course for the Full Funding Grant Agreement which is targeted in spring/summer of 2011. We will continue in conversation with FTA on the importance of this full funding grant agreement.
  - Identify new corridors for FTA new start criteria (unfunded corridors)
2. **Equity and Efficiency in Service Delivery (Service Distribution Policies)**
    - Continue to provide Board with service standards
    - Provide information detail on ridership
    - Facilitate a study session in fall of 2010 to educate, solicit Board input and discuss changes.

Director Tayer requested that the issue discussed under item 2 should be more appropriately referred to as service distribution policies.

**3. Marketing and Advertising**

- Continue to save by using advertising trades with publications. Scott Reed estimates potential \$1.2M value of these trades.
- Completing the Faces of RTD campaign
- Launch benefits of transit advertising campaign (i.e. job, environment, congestion, etc)
- Complete 3<sup>rd</sup> party marketing and community assessment
- Increase Facebook and Twitters exposures
- Implement Workforce initiatives and benefits are key-emphasis the economic benefit of a full build out.

**4. State of Good Repair (Capital Investment Standards)**

- Dave Genova will head up looking at the lifecycle of assets. This is big with FTA with a focus on how are you going to take care of what you have. There are various phases of this project beginning with research, outlining program phases, establishing a state of good repair policy group and implementation targeted for the last of 2010 or the first of 2011.

**Questions/comments from Directors:**

Director Busck asked if this will increase special dollars. General Manager Washington indicated it would not. Director Busck validated that during the service change process, there would be an opportunity to educate and obtain Board input. He also asked if the marketing assessment would involve an outreach to stakeholders and constituents to see what is it they would like to see. He stated that at the end of the day, our efforts must focus on the core business and looking at ways we can become the number 1 agency.

Director Tobiassen wanted to know how does the EE versus EA impact funding. General Manager Washington indicated we will perform analysis on upgrading and benefits. Director Tobiassen inquired if we can apply for grants without the proper designation. Bill Van Meter, AGM Planning responded we can apply but we cannot spend until the proper designation has been obtained. There would be a cost and time impact.

Director Bagley wanted to know when the Board will receive a draft of what was presented. General Manager Washington indicated next week.

Director Daly asked for an explanation of advertising trades. Scott Reed provided this explanation.

Director McMullen asked at what point do we begin looking at a second PPP. General Manager Washington responded that unofficially we have already begun but he would not anticipate this discussion until we have wrapped up the negotiations for the Eagle P3, perhaps late October or November. Staff is continuously looking for innovative solutions that could be P3 or some other solution.

**VI. Other Matters**

There were no other matters.

**VII. Adjournment**

The Study Session adjourned at 6:45 p.m.