

MEETING NOTICE

The next meeting of the Gunnison Valley Transportation Authority (RTA) will be:

June 11, 2010 at 8:00 a.m.
in the Council Room
in the Crested Butte Town Hall
508 Maroon Ave, Crested Butte, CO.

For copies of the agenda and minutes of previous meetings, please call Scott Truex at 970-275-0111.

Two or more County Commissioners may be in attendance at this meeting.

AGENDA
GUNNISON VALLEY TRANSPORTATION AUTHORITY
June 11, 2010
8:00 A.M. – CRESTED BUTTE COUNCIL CHAMBERS

- 8:00 A. INTRODUCTION
8:01 B. APPROVAL OF THE MAY 14, 2010 MINUTES
8:03 C. EXECUTIVE DIRECTOR'S FINANCIAL REPORT
8:08 D. CORRESPONDENCE
GENERAL RTA ISSUES
8:10 E-1. OLD BUSINESS
 1) Discussion of marketing air service program

8:30 F-1. NEW BUSINESS
 1) Presentation from the Red Lady Coalition
 2) Set date for board retreat in August
 3) Report from Tourism Association
 4) Comments from Citizen Advisory Committee

AIR SERVICE ISSUES
9:15 E-2. OLD BUSINESS
 1) 2010-2011 Air service program - discussion

 F-2. NEW BUSINESS
 1) Continental Airlines startup costs – request from CBMR

GROUND TRANSPORTATION ISSUES
9:45 E-3. OLD BUSINESS
 1) Gunnison – CB service update

9:50 F-3. NEW BUSINESS
 1) Bus # 84 – Mechanical Issues – Discussion
 2) Possible award of contract to purchase diesel particulate filter cleaning system
 3) Discussion regarding possibly charging passengers to ride the bus next winter

10:20 G. COMMENTS FROM BOARD MEMBERS
10:25 H. PUBLIC COMMENT PERIOD
10:30 I. ADJOURNMENT

Next Meeting –July 9th, 8:00 a.m. in Gunnison

All times are approximate – the meeting may move more quickly or more slowly than indicated.

GUNNISON VALLEY TRANSPORTATION AUTHORITY
May 14, 2010 Meeting Minutes

Scott Truex, Executive Director
Kent Myers, Airplanners LLC
Jim Starr, Gunnison County
Paula Swenson, Gunnison County
Jonathan Houck, City of Gunnison
Bill Nesbitt, City of Gunnison
Leah Williams, Town of Crested Butte
Roland Mason, Town of Crested Butte
William Buck, Town of Mt. Crested Butte
Chris Morgan, Town of Mt. Crested Butte

Several other community members were present in the audience including representatives from The Town of Mount Crested Butte, Crested Butte Mountain Resort, the Tourism Association, the Crested Butte/Mt. Crested Butte Chamber of Commerce, and the RTA Citizens Advisory Committee

A. INTRODUCTION : Jonathan Houck called the meeting to order at 8 a.m.

B. APPROVAL OF THE APRIL 9 AND APRIL 27, 2010 MINUTES – William Buck moved to approve the April 9 and April 27 special meeting minutes. Paula Swenson seconded and approval was unanimous.

C. EXECUTIVE DIRECTOR'S FINANCIAL REPORT- Scott Truex reported that February revenues were down 8.5 percent, and March numbers have not come in yet. The 2010 revised budget predicted a 10 percent decline in revenue for February. Scott reported that CBMR had delivered a check for their share of the airline MRGs, and the RTA's line of credit had been processed so it would be possible to begin paying the MRGs by next week. Scott also reported that bids for the new DPF filter cleaner would be arriving and the board will be awarding a contract for the cleaner at the next meeting. He noted that this equipment is being paid for by a stimulus grant and no local match will be required.

D. CORRESPONDENCE – There was no correspondence.

GENERAL RTA ISSUES

E-1. OLD BUSINESS

1) Airport Update – Jonathan reported that airport manager John DeVore was out of town. Scott said John had sent an email prior to the meeting basically saying things were going smoothly at the airport. Jim Starr reported that the bathrooms were currently getting remodeled. Bill Nesbitt asked about the issue of handicap access to the second floor and the need for a lift. Paula said that issue was on the airport's radar.

2) Funding partners – Report from Citizens’ Advisory Committee meeting – Scott said there was not a large turnout for the meeting. He said there was not much input regarding the tax issue, but the general consensus was it would not pass this year. Jonathan said he has not heard anything different from the city of Gunnison. Leah said she did hear from the meeting that the RTA needs to make a palatable story to educate the public about the need for a tax issue. Scott said he and Jane Chaney have been working on a list FAQ which can be sent to the newspapers and posted on the website as a first effort to better inform people about the RTA.

Richard Bond said Jeff Moffett was in support of a well funded study of tourism’s impact on the economy. Richard also said Red Lady Coalition member Bill Ronai had created a good presentation about tourism’s impact on the economy. Scott said a thorough study would be expensive. The recent Housing Needs assessment cost \$80,000. Scott suggested if the RTA already has a gut feeling for what the impact of tourism on the economy is and that if the goal of the study is to sell a tax, then it might be better to tell the story of what the RTA means to the individual voter. Scott said they could use some general numbers and previously collected data, but \$80,000 is a big amount of money. Scott said he would invite Bill Ronai to the next meeting. Jonathan agreed that if there was an opportunity to use reliable information already available then the RTA should use it.

3) Tax rate discussion – Jonathan said the tax rate discussion had been covered on the previous agenda item. In summary he said it was not the time to ask for a tax increase, but it was a good time to start the pre-work

F-1. NEW BUSINESS

1) Adoption of RTA Transit Policies and Procedures and Adoption of RTA Substance Abuse Policy – Scott said the RTA needed to have its own transit policies as the recipient of the CDOT operating grant. He said the new policies would not replace similar policies that Mountain Express may have developed, but they would be a minimum level for such policies. Jim Starr asked to confirm that the new written policies clearly stated they were the minimums, and Scott said that he would make sure the Mountain Express understood that point. Bill Nesbitt moved to allow Jonathan to sign the new policies. Paula Swenson Seconded and approval was unanimous.

2) Report from Tourism Association – Jane Chaney reported that LMD tax collections for the 1st quarter of 2010 were down 35 percent. She said there was a chance the LMD board might want to pull advertisements depending on incoming revenue. Jane said the TA was going to work with CBMR to take hard look at upcoming ads to make sure they are not wasting any money. Jane reported that Rob Strickland was moving on and she was currently interviewing for a replacement. William Buck asked Jane to tell Rob thanks for the hard work and the rest of the board agreed.

3) Comments from Citizen Advisory Committee – There were no comments.

AIR SERVICE ISSUES

E-2. OLD BUSINESS

1) 2009-2010 Air service final financial reports – Kent provided a packet to board members. He said the RTA had receive an invoice from Delta and that both American

and United had submitted financial reports showing that the maximum guarantee will be required. He said the big surprise for the season was American taking a loss of \$787,000, which included a \$47,000 surcharge for fuel and that April had not yet been factored into that number. He said none of the other figures were unexpected. United reported a \$360,000 loss and the guarantee was \$225,000.

2)2010-2011 Air service program – discussion – Kent reported that he has been working to find a flight schedule out of Texas on American Airlines that provided a comparable number of seats to the RTA’s current arrangement but through two hubs instead of one. Kent said he liked the idea, but it came at a cost. The additional frequency would make it more convenient and allow additional flights to connecting cities, but they would be using smaller aircraft and fares could go up. Jeff Moffett agreed with Kent, but said fares would likely go up regardless of their desired flight program. Ken Stone stressed the importance of developing a local’s fare program with the different airlines.

Kent said the schedule for next winter would include two RJs a day on American Airlines from Dallas. Also, on three different weekends there would be a third flight to accommodate large group bookings. Kent said the 757 was off the table for Dallas.

Kent said the SLC flight on Delta had not performed very well and would not be in the program next winter. For a \$250,000 cap Delta offered to fly a 757 to Atlanta on Saturdays only. Kent said that was not a very good deal and the RTA should drop Delta. He admitted that the RTA had put a lot of time and effort into getting the flights and the Gunnison / Crested Butte brand had great strength in Atlanta, but the program just wasn’t working.

Kent said United Express would have its usual flights to Denver, but there is no MRG or contract. They would work on scheduling later.

United also offered a Saturday only flight out of Chicago, for eight weeks, for a \$100,000 MRG. Kent did not recommend it.

Kent said Continental would fly a 737 daily out of Houston which would be reduced to four days a week in January and early February. There would be a startup cost for the Continental program. Continental and United could also merge soon. Jim Starr asked if the RTA needed legal language in the contract that would ensure the schedule would remain if the companies did merge. Kent agreed that was a good idea and would discuss it with Rod Landwehr.

Jonathan asked if the CBMR representatives felt comfortable with the flight program. Ken Stone said they had been working hard on it and it was the best it was going to be. Kent agreed. Bill Nesbitt asked about the separation of contracts this year. Scott explained that CBMR would have a separate contract with each airline, and then the RTA and CBMR would have a contract together.

Scott requested permission for the board chairman to sign the three contracts after consulting with Rod Landwehr. Jim Starr moved to approve that permission with the understanding that the RTA would not spend more than \$325,000 total. Paula Swenson seconded and approval was unanimous. Jonathan said the board would discuss the startup cost on Continental later. Kent said he would have a figure by next week. Bill Nesbitt asked if airlines ever agreed to defer part of a startup cost, such as paying half up front and half later. Kent said no. Jonathan asked when that would need to be paid, and Kent said December. Daren Cole then presented the RTA with a commemorative check for their share of the MRG’s last winter.

GROUND TRANSPORTATION ISSUES

E-3. OLD BUSINESS

1) Gunnison – CB service update – Scott reported that total ridership was up 23 passengers during the first 4 months of the year. Also during that time about 14 percent of the riders have been getting on or off at CB South.

F-3. NEW BUSINESS

1) Board retreat - Scott said Margo Levy would be available to facilitate a board retreat until early June. Jonathan supported having a retreat soon since there were new board members and some pressing issues to tackle, such as embarking on a public educational campaign and future ballot issue. Scott said he would work with the board and Margo to schedule the retreat.

G. COMMENTS FROM BOARD MEMBERS – There were no comments from the board.

H. PUBLIC COMMENT PERIOD – There were no comments from the public.

I. ADJOURNMENT - Paula moved to adjourn and William seconded. The meeting was adjourned at 10 a.m.

Gunnison Valley Transportation Authority						
Financial Report - April, 2010						
	2010	% vs	2010		2010	
Revenues	Actual	Budget	Budget	Revisions	Revised Budget	
Starting Fund Balance 1/1	\$ 322,206.87		\$ 320,000	\$ 2,207	\$ 322,207	
Jan	\$ 70,451.86	-18.2%	\$ 86,100	\$ (15,648)	\$ 70,452	actual
Feb	\$ 75,382.08	-7.3%	\$ 81,300	\$ (5,918)	\$ 75,382	actual
Mar	\$ 97,711.02	4.1%	\$ 93,900	\$ 3,811	\$ 97,711	actual
April	\$ 42,690.35	-17.6%	\$ 51,800	\$ (9,110)	\$ 42,690	actual
May			\$ 59,800	\$ (5,980)	\$ 53,820	-10% vs 2009
June			\$ 95,000	\$ (9,500)	\$ 85,500	-10% vs 2009
July			\$ 120,000	\$ (10,700)	\$ 109,300	-10% vs 2009
Aug			\$ 109,200	\$ (10,920)	\$ 98,280	-10% vs 2009
Sept			\$ 90,200	\$ (4,020)	\$ 86,180	-10% vs 2009
Oct			\$ 68,000	\$ (9,500)	\$ 58,500	-10% vs 2009
Nov			\$ 57,000	\$ (8,800)	\$ 48,200	-10% vs 2009
Dec			\$ 107,000	\$ (19,500)	\$ 87,500	-10% vs 2009
Year-to-date Revenues	\$ 286,235.31	-8.6%	\$ 313,100	\$ (26,865)	\$ 286,235	
Full Year - Tax Revenues	\$ 286,235.31		\$ 1,019,300		\$ 913,515	
Other Revenues						
Line of Credit			\$ 250,000		\$ 250,000	
RTA Tax - Clerk	\$ 1,800.67		\$ 5,000		\$ 5,000	
Denver Bus Partners	\$ 28,750.00		\$ 31,500	\$ (2,750)	\$ 28,750	
Operating Grant			\$ 132,000		\$ 132,000	
Capital Grant			\$ 389,754	\$ (317,754)	\$ 72,000	DPF Grant
Donations	\$ 6,061.65		\$ -	\$ 17,000	\$ 17,000	Sat & CB South
Park & Ride Partners	\$ 16,496.37		\$ -	\$ 16,496	\$ 16,496	
Interest Revenue	\$ 1,202.02		\$ 7,555		\$ 7,555	
Total Revenue	\$ 340,546.02		\$ 1,835,109		\$1,442,316	
Expenses						
Postage	\$ 25.30		\$ 100		\$ 100	
Photocopies			\$ 1,000		\$ 1,000	
Professional Services - Truex	\$ 28,000.00		\$ 67,200		\$ 67,200	
Professional Services - Airplanners	\$ 29,597.54		\$ 72,000		\$ 72,000	
Professional Services - Landwehr	\$ 1,155.00		\$ 10,800		\$ 10,800	
Professional Services - Park & Ride	\$ 7,455.99		\$ -	\$ 8,000	\$ 8,000	
Professional Services - Levy	\$ 325.00		\$ -	\$ 1,000	\$ 1,000	
Professional Services - Dawson	\$ 390.00		\$ -	\$ 1,200	\$ 1,200	
Audit Cost			\$ 2,318		\$ 2,318	
Revenue Collection Fee	\$ 2,120.00		\$ 15,000		\$ 15,000	
Airline Guarantees			\$ 600,000		\$ 600,000	
Fees	\$ 8.11		\$ 150		\$ 150	
Bank Fees	\$ 1,561.00		\$ 1,550	\$ 11	\$ 1,561	
Donations			\$ 500		\$ 500	
Ground Transportation	\$ 148,458.20		\$ 302,200	\$ 15,500	\$ 317,700	Sat & CB South
Denver Bus Service			\$ 45,500	\$ (2,750)	\$ 42,750	
Advertising	\$ 3,597.85		\$ 5,000	\$ 3,000	\$ 8,000	Local Flight ads
Travel & Transportation	\$ 93.00		\$ 1,200		\$ 1,200	
D&O Insurance	\$ 3,238.00		\$ 3,500		\$ 3,500	
Meals & Lodging	\$ 140.00		\$ 3,500		\$ 3,500	
Dues & Meetings	\$ 3,229.25		\$ 4,000		\$ 4,000	
Repair & Maintenance - Vehicles	\$ 4,534.27		\$ 40,000	\$ 400	\$ 40,400	
Fuel	\$ 28,876.89		\$ 62,300	\$ 700	\$ 63,000	
Equip & Furn under \$1,000	\$ 64.94		\$ -	\$ 65	\$ 65	
Capital Costs			\$ 389,754	\$ (317,754)	\$ 72,000	DPF Grant
Interest			\$ 5,000		\$ 5,000	
Treasurer's Fees	\$ 3,608.16		\$ 16,000		\$ 16,000	
Transfer to General Fund	\$ 8,752.00		\$ 26,256		\$ 26,256	
Principle Payments			\$ 250,000		\$ 250,000	
Total Expenses	\$ 275,230.50		\$ 1,924,828		\$1,634,200	
Revenues Over (Under) Expenses	\$ 65,315.52		\$ (89,719)		\$ (191,884)	
Balance Remaining	\$ 387,522.39		\$ 230,281		\$ 130,323	
CBMR Payment - not posted	\$ 625,000.00					
Airline Payments due	\$ (1,225,000.00)					
Net Balance Remaining	\$ (212,477.61)					
Report shows posted revenues through April & expenditures through March						
Report prepared by Scott Truex with information from the County Finance department on June 7, 2010						

Ridership on the RTA Gunnison - Crested Butte Route										Riders	
						Riders	Riders	Riders	Bus Trips	per trip	Total
Year	Month	Riders	Bus Trips	Miles	Days	per trip	per day	Last Year	Last Year	Last Year	Riders Change
2010	January	15,050	644	21,888	31	23.37	485.5	15,829	684	23.14	(779)
2010	February	13,446	574	18,368	28	23.43	480.2	13,060	622	21.00	386
2010	March	12,853	630	20,160	31	20.40	414.6	12,434	682	18.23	419
2010	April	3,951	238	7,616	30	16.60	131.7	3,954	260	15.21	(3)
2010	May	2,206	186	5,952	31	11.86	71.2	2,029	222	9.14	177
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Total		47,506	2,272	73,984	151	20.91	314.6	47,306	2,470	19.15	200

April - November, 2010 Ridership including CB South Stops													
		Total	Riders	Riders	Total	Riders	Riders	Riders	Riders		Total	CB South	
Month	# of days	Northbound Riders	Off in CB South	On in CB South	Southbound Riders	On in Mt. CB	On in C.B.	Off in CB South	On in CB South		Riders	Riders	%
April	26	1,062	58	72	981	324	588	90	69		2,043	289	14.15%
May	31	1,213	72	113	993	276	645	101	72		2,206	358	16.23%
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Total	57	2,275	130	185	1,974	600	1,233	191	141		4,249	647	15.23%
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Daily Averages													
		Average	Riders	Riders	Average	Riders	Riders	Riders	Riders		Average	CB South	
		Northbound	Off in	On in	Southbound	On in	On in	Off in	On in		Riders	Riders	
		Riders	CB South	CB South	Riders	Mt. CB	C.B.	CB South	CB South		Riders	Riders	
	April	40.8	2.2	2.8	37.7	12.5	22.6	3.5	2.7		78.6	11.1	
	May	39.1	2.3	3.6	32.0	8.9	20.8	3.3	2.3		71.2	11.5	

Mechanical Issues - #84

We had another problem with bus #84. The engine is once again “dusted”. I have discussed this briefly with the mechanics and with Colorado West/BlueBird. The Mechanics will be discussing the issue with Cummins and hopefully going to their facility in Grand Junction to examine the issue this week. The warranty was extended until July 11th, so if this is covered, we are okay. However, this is the same issue as last time and it was deemed not to be covered by the warranty then. I will have an update for you at the meeting.

Analysis of price of Diesel Particulate Filter Cleaning System – Installed with training

Item	MHC Kenworth Quote	FSX Equipment, Inc. Quote	In-House Estimate
DPF Cleaning Equipment	\$46,656.37	Included below	\$50,000
Air Compressor	\$8,907.79	Included below	\$12,000
Installation of Equipment	\$8,160.20	Included below	\$8,000
Training	\$1,000.00	Included below	\$2,000
Total	\$64,724.36	\$69,623.78	\$72,000

Note that the FSX Equipment, Inc. quote was not broken out by component.

Note that the total quote from MHC Kenworth is \$4,899.42 (or 7%) less than the competitive quote from FSX Equipment, Inc. The Air Compressor came in less than originally expected due to the realization during the request for clarifications part of the process that a 15 hp compressor would be sufficient (as opposed to the originally specified 30 hp compressor.) The in-house estimate for training included travel for the trainer - which could have been from out of state. MHC Kenworth is located in Grand Junction so presumably travel costs were less than estimated. Since both quotes were within the in house estimate and consisted of similar equipment, the RTA staff recommendation is to choose the MHC Kenworth quote and this price is considered to be fair and reasonable.

Discussion regarding possibly charging passengers to ride the bus next winter:

We need to start the discussion regarding whether or not we want to charge for riding the bus next winter. I will attempt to come up with some analysis to help with the discussion. I don't expect a decision during this meeting, but I would like a read from the board as to if this is the direction we expect to move.