

# MEETING NOTICE

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

July 9, 2010 at 8:00 a.m.  
in the Commissioners Room  
in the Gunnison County Courthouse  
200 E. Virginia Ave., Gunnison, 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  
**July 9, 2010**  
8:00 A.M. – GUNNISON COUNTY COURTHOUSE

- 8:00 A. INTRODUCTION  
8:01 B. APPROVAL OF THE JUNE 11, 2010 MINUTES  
8:03 C. EXECUTIVE DIRECTOR'S FINANCIAL REPORT  
8:08 D. CORRESPONDENCE  
**GENERAL RTA ISSUES**  
8:10 E-1. OLD BUSINESS  
    1) Airport update – John Devore  
    2) Discussion of marketing air service program  
  
8:30 F-1. NEW BUSINESS  
    1) Report from Tourism Association  
    2) Comments from Citizen Advisory Committee  
  
**AIR SERVICE ISSUES**  
8:40 E-2. OLD BUSINESS  
    1) 2010-2011 air service program - discussion  
  
    F-2. NEW BUSINESS  
    1)  
  
**GROUND TRANSPORTATION ISSUES**  
8:50 E-3. OLD BUSINESS  
    1) Gunnison – CB service update  
    2) Bus # 84 – mechanical issues – update  
    3) Discussion regarding possibly charging passengers to ride the bus next winter  
  
9:10 F-3. NEW BUSINESS  
    1) RFP for public transit services – discussion and board approval  
    2) Appoint selection committee for RFP process  
  
9:15 G. COMMENTS FROM BOARD MEMBERS  
9:20 H. PUBLIC COMMENT PERIOD  
9:25 I. ADJOURNMENT

Next Meeting –August 13<sup>th</sup>, 8:00 a.m. in Crested Butte – Followed by a Board Retreat  
All times are approximate – the meeting may move more quickly or more slowly than indicated.

GUNNISON VALLEY TRANSPORTATION AUTHORITY  
**June 11, 2010 Meeting Minutes**

Scott Truex, Executive Director  
Kent Myers, Airplanners LLC  
Jim Starr, Gunnison County  
Jonathan Houck, City of Gunnison  
Bill Nesbitt, City of Gunnison  
Leah Williams, Town of Crested Butte  
Roland Mason, Town of 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 MAY 14, 2010 MINUTES – Jim Starr moved to approve the May 14 meeting minutes with some minor changes suggested by Jane Chaney. Roland Mason seconded and approval was unanimous.

C. EXECUTIVE DIRECTOR’S FINANCIAL REPORT- Scott Truex reported that March revenues were 4% above budget but that a one-time payer of \$7,000 was included in that number. April revenues were below budget by 17%. Scott reported that the first reimbursement from the operating grant should be received in June and that the entire grant should be received by September. He clarified that the revenue line ‘donations’ includes the money received from the county and municipalities for the Saturday night service and the revenues from CB South for the deviation into the subdivision during the spring, summer, and fall. The Airline Guarantees will show up in the reports in about two months. Scott also noted that the year-end fund balance is projected to be about \$130,000 and that the American Eagle contract will now include quarterly payments, so the first payment will be due in mid-February, 2011.

D. CORRESPONDENCE – Scott reported that he and Jonathan Houck had received correspondence from Woody Sherwood regarding off season flight schedules, overhead costs, declining revenues, and changing the markets served by airlines. These issues and more will be discussed at the retreat in August.

**GENERAL RTA ISSUES**

**E-1. OLD BUSINESS**

- 1) Discussion of marketing air service program – Jeff Moffett discussed the need for coordination of all of the partners in the valley and the need to work with Revenue Management at the airlines. Jonathan Houck stated that he wants to be

sure that the role of the RTA in the marketing function is understood by the group. Kent Myers brought up his ideas which he had forwarded to Jeff regarding low cost community involvement in marketing the area and some new ideas which we could bring in from outside the valley. Kent suggested a targeted email program which could offer people a cash incentive to fly into GUC. He stated that this would require a very good database and that data base management is time intensive and expensive. Kent has sent a long list of ideas to CBMR and Jeff and Kent will follow up on them. Kent re-emphasized the value of a good database and discussed the concept that CBMR is still small enough to “get personal” with their clients. Jim Starr asked about the FAQ regarding the RTA that Scott and Jane are working on. Scott said that a first draft is complete and that he would get them to Jane for her comments. David Leinsdorf noted that prices for flights into MTJ this summer are cheaper than into GUC. Jonathan discussed the importance of developing a year-round strategy for the air program. David suggested that we should consider using MTJ as an airport for the valley because of better scheduling, weather, and altitude. Jane thought that the RTA’s role should be as a catalyst for ensuring cooperative marketing of the valley.

#### F-1. NEW BUSINESS

- 1) Presentation from the Red Lady Coalition – Richard Bond and John Norton were in attendance representing the Red Lady Coalition. Richard began the presentation by giving a brief history of the coalition and asked what would be the effect of a mine in the valley. He presented the first phase results of the economic analysis and discussed “what is driving this economy and what is the demand for our product?” The first phase of the study found that 34 percent of the countywide GRP was generated by amenity driven businesses. Richard reported there were 11,500 full time or part time jobs in 2008, and 40 percent of those were in amenity driven businesses. Currently summer and fall activities have more economic value than the winter season. Richard said per capita spending and employee wages are weaker in Gunnison County compared to other amenity-based economies. Thus there is room to grow the economy and increase the value of jobs and businesses.

Richard explained that the first phase of the study encompassed all of Gunnison County. He said that future phases would attempt to narrow the subject area down to the valley corridor between Gunnison and Mt. Crested Butte and to eliminate outlying mining or ranching activity. He expects that the amenity base would then grow above 50 percent. Future phases will also look for additional facts meant to illustrate the change from an industrial oriented economy to highly amenity-based economy

Bill Nesbitt asked if all of the ranches accounted for in the study were deemed agricultural. He said many ranches in the area could be considered “sport ranches”, where people get land, some livestock and a truck to enjoy the ranching lifestyle, but without really producing an agricultural product. Nesbitt said there were 53 active ranches when he first moved to Gunnison and now there are 17. John Norton said it was a good point they had not considered. Richard said all

ranches were currently considered agricultural, but in future phases if they could clearly define certain ranches as amenity driven they would change it.

- 2) Set date for board retreat in August - Jonathan asked the board whether it would be possible to hold the board retreat following the regular meeting on August 13. The board agreed that would be okay. Scott said facilitator Margo Levy would contact each board member to ask what their important issues were, and then she along with Jonathan and Scott would draft an agenda.
- 3) Report from Tourism Association - Jane Chaney introduced Erica Kelleher who is taking Rob Strickland's position as webmaster and marketing coordinator for the TA. Jane said Erica has a strong background in website development and management, as well as in hotel sales and operations. Her first day was May 19 and Jane said the TA hasn't skipped a beat. Jane said requests for information through the website, phone calls and visitors centers were up 9.6 percent to date. The TA recently hosted tourism officials from France, Canada, and the state of Colorado. She said a German tourism group would be visiting soon, and the managing editor of American Cowboy would be visiting during Cattlemen Days.
- 4) Comments from Citizen Advisory Committee – There were no comments

## **AIR SERVICE ISSUES**

### **E-2. OLD BUSINESS**

- 1) 2010-2011 Air service program - Kent Myers reported that the United and American Airlines flights were loaded into the booking system. Kent noted that the AA flights through DFW connect with 60 cities with less than a three-hour layover. 18 of CBMR's top 20 market cities are served by these connections. Kent said he is still trying to get the Continental contract locked down. Kent said there were a lot of moving parts to the deal. In addition to airline startup costs at the terminal, Continental was asking for a letter of credit on the MRG. Kent said Continental has also been inquisitive of the RTA's operation and revenue sources, and requested copies of bylaws and meeting minutes. However Kent said the letter of credit was still up in the air and he felt it could be resolved soon. Chris Morgan asked if flights could be loaded in the system before the contract is signed, but Kent said no.

### **F-2. NEW BUSINESS**

- 1) Continental Airlines startup costs – request from CBMR – Kent noted that Continental's need for startup costs for was unfortunate, since they were merging with United and United already has a terminal established. Jane Chaney asked what the main elements of the startup costs were. Kent said the cost went to installing computer systems and cables, as well as carpentry and signage to bring the ticket area up to Continental's standard. Jane asked if they could just slap a

Continental sign on an existing ticket desk until it became United. Scott said the merger was not complete and there was still a chance it may not go through. Kent said the two companies were aiming to have the merger complete by mid-December.

Jonathan said the reality is the RTA does not have the money for the startup costs, and it did not make sense to ask the county or municipalities for money, since everyone's budgets were already tight. Jim Starr, speaking as a member of the RTA, suggested approaching the county to ask for money from the airport budget since it is a separate enterprise. He said he could see a benefit to the airport with another airline coming in.

Kent said the airport was required to treat all airlines equally, and diverting some of the budget toward a specific airline could be seen as favoritism. Kent said it was a fine line they were considering and that the airport would have to write a check to one of the Chambers or CBMR. Jeff Moffett noted that in one way or another, the community as a whole has paid for each airline startup. Jonathan asked if it was a realistic approach to take, and Kent said it could be done as long as the board realized a third party would have to handle the money.

Jeff said CBMR would be comfortable working with the Chambers to ask the county for the money. Jim said there might be room on the BOCC's June 15 agenda, and if not they could hold a special meeting following a work session on the 22<sup>nd</sup>. Jim also suggested the RTA should come up with an estimate of the increased revenue the airport could see if a new airline was running flights with a 60 percent or higher load factor. Richard Bond said he would contact Tammy Smith at the Gunnison Chamber, and work with Jeff to get on the county agenda.

## **GROUND TRANSPORTATION ISSUES**

### **E-3. OLD BUSINESS**

- 1) Gunnison – CB service update - Scott provided the most recent ridership numbers which were in the board packet. May was up a little bit, and with fewer trips per day it meant there were more passengers per bus. About 15 percent of passengers are getting on or off at CB South.

### **F-3. NEW BUSINESS**

- 1) Bus # 84 – Mechanical Issues – Scott reported that Bus #84 had a “dusted engine”, meaning dust and debris made it into the air intake, ruining the engine. He said the last time it happened it was not fully covered under the warranty. At that time the RTA paid 2/3 the cost of a replacement engine and Cummins paid the other 1/3 and extended the warranty. Scott said he had talked with Colorado West and they felt Cummins should be responsible. Mountain Express mechanics would possibly meet with Cummins technicians in Grand Junction to look into the problem. Chris Morgan asked if Scott felt the dusting problem was an issue specific to this particular bus and Scott said yes. Scott said he would do his best to resolve the issue. Currently only one bus is being used for summer service.

- 2) Possible award of contract to purchase diesel particulate filter cleaning system – Scott recommended awarding the contract to MHC Kenworth and provided information on their bid. Bill Nesbitt moved to award the contract to MHC Kenworth and Jim Starr seconded. Approval was unanimous.
  
- 3) Discussion regarding possibly charging passengers to ride the bus next winter – Jonathan said the reduction in service next winter will create an issue of greater demand than capacity and the RTA needed to consider charging a fare. However, Jonathan warned that there are some costs associated with collecting fares, so a \$2 fare would not translate 100 percent into operating revenue. Scott said that during the bidding process 2 years ago, Mountain Express and Alpine Express had been asked to calculate costs and revenue for charging a fare or not charging a fare. The difference was a savings of \$20 to \$25 per round trip, for an estimated yearly savings of \$20,000. Bill Nesbitt asked to clarify that the purpose of the fare was to reduce ridership, not generate additional revenue. Scott said yes, and asked Chris Larsen if he could see running 6 trips a day without charging a fare. Chris said no, unless they wanted to leave people behind. Jonathan said they could make a decision at the meeting, or wait until the board retreat to discuss it. Bill Nesbitt asked Scott if he recommend making a decision today. Scott said they would have to make a decision eventually. Bill made a motion to charge a \$2 fare for winter bus service. Jim Starr seconded. Jim also warned that the RTA had advertised and promoted the bus as a free transportation system, so if they added a fare they would need to educate people why it was happening. Jonathan said he was not inclined to vote for it since they had not discussed what the right price is or how it would affect the service contract. Bill and Jim voted in favor, while Chris, Jonathan, Roland and Leah voted against it. Leah then made a motion to have the issue put on the next meeting agenda. Roland seconded and approval of the agenda item was unanimous

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

H. PUBLIC COMMENT PERIOD – Jeff Moffett said he wanted to echo Richard Bond’s comments about the need to invest in the local amenity economy and help it grow.

I. ADJOURNMENT - Bill Nesbitt moved to adjourn the meeting and Chris Morgan seconded. Approval was unanimous and the meeting was adjourned at 10:30.

| <b>Gunnison Valley Transportation Authority</b> |                 |               |               |                  |                       |                  |
|-------------------------------------------------|-----------------|---------------|---------------|------------------|-----------------------|------------------|
| <b>Financial Report - May, 2010</b>             |                 |               |               |                  |                       |                  |
|                                                 | <b>2010</b>     | <b>% vs</b>   | <b>2010</b>   |                  | <b>2010</b>           |                  |
| <b>Revenues</b>                                 | <b>Actual</b>   | <b>Budget</b> | <b>Budget</b> | <b>Revisions</b> | <b>Revised Budget</b> |                  |
| 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                                             | \$ 98,721.00    | 5.1%          | \$ 93,900     | \$ 4,821         | \$ 98,721             | 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                           | \$ 287,245.29   | -8.3%         | \$ 313,100    | \$ (25,855)      | \$ 287,245            |                  |
| Full Year - Tax Revenues                        | \$ 287,245.29   |               | \$ 1,019,300  |                  | \$ 914,525            |                  |
| <b>Other Revenues</b>                           |                 |               |               |                  |                       |                  |
| Line of Credit                                  |                 |               | \$ 250,000    |                  | \$ 250,000            |                  |
| RTA Tax - Clerk                                 | \$ 2,026.05     |               | \$ 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                                       | \$ 10,237.65    |               | \$ -          | \$ 17,000        | \$ 17,000             | Sat & CB South   |
| Park & Ride Partners                            | \$ 16,496.37    |               | \$ -          | \$ 16,496        | \$ 16,496             |                  |
| Interest Revenue                                | \$ 1,961.96     |               | \$ 7,555      |                  | \$ 7,555              |                  |
| Total Revenue                                   | \$ 346,717.32   |               | \$ 1,835,109  |                  | \$ 1,443,326          |                  |
| <b>Expenses</b>                                 |                 |               |               |                  |                       |                  |
| Postage                                         | \$ 67.03        |               | \$ 100        |                  | \$ 100                |                  |
| Photocopies                                     |                 |               | \$ 1,000      |                  | \$ 1,000              |                  |
| Professional Services - Truex                   | \$ 33,600.00    |               | \$ 67,200     |                  | \$ 67,200             |                  |
| Professional Services - Airplanners             | \$ 35,736.54    |               | \$ 72,000     |                  | \$ 72,000             |                  |
| Professional Services - Landwehr                | \$ 1,605.00     |               | \$ 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                  | \$ 465.00       |               | \$ -          | \$ 1,200         | \$ 1,200              |                  |
| Audit Cost                                      |                 |               | \$ 2,318      |                  | \$ 2,318              |                  |
| Revenue Collection Fee                          | \$ 3,180.00     |               | \$ 15,000     |                  | \$ 15,000             |                  |
| Airline Guarantees                              | \$ 375,000.00   |               | \$ 600,000    |                  | \$ 600,000            |                  |
| Fees                                            | \$ 8.11         |               | \$ 150        |                  | \$ 150                |                  |
| Bank Fees                                       | \$ 1,561.00     |               | \$ 1,550      | \$ 11            | \$ 1,561              |                  |
| Donations                                       |                 |               | \$ 500        |                  | \$ 500                |                  |
| Ground Transportation                           | \$ 162,702.70   |               | \$ 302,200    | \$ 15,500        | \$ 317,700            | Sat & CB South   |
| Denver Bus Service                              |                 |               | \$ 45,500     | \$ (2,750)       | \$ 42,750             |                  |
| Advertising                                     | \$ 4,021.68     |               | \$ 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                                 | \$ 210.06       |               | \$ 3,500      |                  | \$ 3,500              |                  |
| Dues & Meetings                                 | \$ 3,229.25     |               | \$ 4,000      |                  | \$ 4,000              |                  |
| Repair & Maintenance - Vehicles                 | \$ 10,566.70    |               | \$ 40,000     | \$ 400           | \$ 40,400             |                  |
| Fuel                                            | \$ 31,524.16    |               | \$ 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                                | \$ 10,877.03    |               | \$ 16,000     |                  | \$ 16,000             |                  |
| Transfer to General Fund                        | \$ 10,940.00    |               | \$ 26,256     |                  | \$ 26,256             |                  |
| Principle Payments                              |                 |               | \$ 250,000    |                  | \$ 250,000            |                  |
| Total Expenses                                  | \$ 696,471.19   |               | \$ 1,924,828  |                  | \$ 1,634,200          |                  |
| Revenues Over (Under) Expenses                  | \$ (349,753.87) |               | \$ (89,719)   |                  | \$ (190,874)          |                  |
| Balance Remaining                               | \$ (27,547.00)  |               | \$ 230,281    |                  | \$ 131,333            |                  |
| Operating Grant - not posted                    | \$ 94,529.00    |               |               |                  |                       |                  |
| Line of Credit - not posted                     | \$ 250,000.00   |               |               |                  |                       |                  |
| Airline Payment - not posted                    | \$ (225,000.00) |               |               |                  |                       |                  |
| Net Balance - Remaining                         | \$ 91,982.00    |               |               |                  |                       |                  |

Report shows posted revenues through April & expenditures through May

Report prepared by Scott Truex with information from the County Finance department on June 28, 2010

| Ridership on the RTA Gunnison - Crested Butte Route |          |               |              |               |            |                 |                |                  |                     |                           | Riders              | Total |
|-----------------------------------------------------|----------|---------------|--------------|---------------|------------|-----------------|----------------|------------------|---------------------|---------------------------|---------------------|-------|
| Year                                                | Month    | Riders        | Bus Trips    | Miles         | Days       | Riders per trip | Riders per day | Riders Last Year | Bus Trips Last Year | Riders per trip Last Year | Total 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                 |       |
| 2010                                                | June     | 3,311         | 180          | 5,760         | 30         | 18.39           | 110.4          | 3,037            | 360                 | 8.44                      | 274                 |       |
| <b>Total</b>                                        |          | <b>50,817</b> | <b>2,452</b> | <b>79,744</b> | <b>181</b> | <b>20.72</b>    | <b>280.8</b>   | <b>50,343</b>    | <b>2,830</b>        | <b>17.79</b>              | <b>474</b>          |       |

| April - November, 2010 Ridership including CB South Stops |           |                    |               |              |                    |              |              |               |              |                |                 |                 |   |
|-----------------------------------------------------------|-----------|--------------------|---------------|--------------|--------------------|--------------|--------------|---------------|--------------|----------------|-----------------|-----------------|---|
| Month                                                     | # of days | Total              |               |              | Total              |              |              | Riders        |              |                | Total Riders    | CB South Riders | % |
|                                                           |           | Northbound         | Riders Off in | Riders On in | Southbound         | Riders On in | Riders On in | Riders Off in | Riders On in |                |                 |                 |   |
|                                                           |           | Riders             | CB South      | CB South     | Riders             | Mt. CB       | C.B.         | CB South      | CB South     |                |                 |                 |   |
| 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%          |   |
| June                                                      | 30        | 1,843              | 83            | 220          | 1,468              | 483          | 869          | 151           | 116          | 3,311          | 570             | 17.22%          |   |
| <b>Total</b>                                              |           | <b>4,118</b>       | <b>213</b>    | <b>405</b>   | <b>3,442</b>       | <b>1,083</b> | <b>2,102</b> | <b>342</b>    | <b>257</b>   | <b>7,560</b>   | <b>1,217</b>    | <b>16.10%</b>   |   |
| Daily Averages                                            |           |                    |               |              |                    |              |              |               |              |                |                 |                 |   |
|                                                           |           | Average Northbound | Riders Off in | Riders On in | Average Southbound | Riders On in | Riders On in | Riders Off in | Riders On in | Average Riders | CB South 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            |                 |   |
|                                                           | June      | 61.4               | 2.8           | 7.3          | 48.9               | 16.1         | 29.0         | 5.0           | 3.9          | 110.4          | 19.0            |                 |   |

Recommendation regarding charging a fare on the winter buses:

Due to the fact that we will be running only 60% of the schedule we ran last year and that we had some buses that were over-full last year, I recommend that we charge a fare this winter. I believe that this is necessary in order to reduce the number of people trying to get on the buses and that it will also reduce our net loss on the transit program.

The service has been very successful and we should all be proud of the transit system we have created. Part of the reason for our success has been the fact that the service has been free. I recommend that we commit to returning to free service as soon as we are able to provide a winter schedule of ten or more round trips daily.

I believe that a \$2.00 fare will suffice to solve our problem and it is my recommendation that we implement this fare for the winter season only. The fare of \$2.00 has been charged in the past and was accepted by the majority of riders. Below, I have included a comparison of other commuter transit fares in the area. This fare would put us in the low end of fares and it shouldn't cause too much of a burden on our passengers. The true cost of providing the service is much higher than \$2.00 and the fare is justified due to the reduction in RTA revenues.

Due to the fact that the purpose of charging a fare has to do with the "peak demand" of the winter season, I recommend that we do not charge a fare during the other seasons. We will never cover our costs with fares, and our goal is to maximize ridership, therefore, I am not proposing a permanent implementation of fares... just a temporary fare to deal with a temporary situation.

Scott Truex

Comparisons of commuter bus fares in similar areas:

|                             |        |
|-----------------------------|--------|
| Norwood – Telluride         | \$2.00 |
| Milner – Steamboat          | \$3.50 |
| Snowmass – Aspen            | \$3.00 |
| Carbondale – Aspen          | \$5.00 |
| Boulder's Hop, Skip, & Jump | \$2.00 |