City of Santa Fe

Agenda

SPECIAL MEETING OF
THE GOVERNING BODY
AUGUST 28, 2017
4:00 P.M.
CITY COUNCIL CHAMBERS

CITY CLERK'S OFFICE
DATE 8/25/17 TIME 9:15 AM
SERVED BY [illegible]
RECEIVED BY Carmelina Sanders

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. Presentation and Discussion of the North Central Regional Transit District/City of Santa Fe Transit System Consolidation Study. (Keith Wilson and Transportation Management & Design, Inc.)

5. ADJOURN

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6521.

SUMMARY INDEX
SPECIAL MEETING OF THE
GOVERNING BODY
August 28, 2017

ITEM	ACTION	PAGE #
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	2
PRESENTATION AND DISCUSSION OF THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT/CITY OF SANTA FE TRANSIT SYSTEM CONSOLIDATION STUDY	Information/Discussion	3-23
ADJOURN		23

MINUTES OF THE
SPECIAL MEETING OF THE
GOVERNING BODY
Santa Fe, New Mexico
August 28, 2017

AFTERNOON SESSION

1. CALL TO ORDER AND ROLL CALL

A special meeting of the Governing Body of the City of Santa Fe, New Mexico, was called to order by Mayor Javier M. Gonzales, on Monday, August 29, 2017, at approximately 5:00 p.m., in the City Hall Council Chambers. Roll Call indicated the presence of a quorum, as follows:

Members Present
Mayor Javier M. Gonzales
Councilor Signe I. Lindell, Mayor Pro-Tem
Councilor Carmichael A. Dominguez
Councilor Mike Harris
Councilor Peter N. Ives
Councilor Joseph M. Maestas
Councilor Christopher M. Rivera
Councilor Ronald S. Trujillo
Councilor Renee D. Villarreal

Others Attending
Brian K. Snyder, City Manager
Marcos Martinez, Assistant City Attorney
Melissa Byers, Assistant City Clerk
Melessia Helberg, Council Stenographer

3. APPROVAL OF AGENDA

MOTION: Councilor Ives moved, seconded by Councilor Rivera, to approve the agenda, as presented.

VOTE: The motion was approved on a voice vote with Mayor Gonzales and Councilors Dominguez, Harris, Ives, Lindell, Maestas, Rivera, Trujillo and Villarreal voting in favor of the motion and none voting against.

4. PRESENTATION AND DISCUSSION OF THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT/CITY OF SANTA FE TRANSIT SYSTEM CONSOLIDATION STUDY. (KEITH WILSON AND TRANSPORTATION MANAGEMENT AND DESIGN, INC.)

A packet of information, including a copy of a power point presentation *Transit System Consolidation Analysis*, a *Press Release*, a *Transit Consolidation Study Fact Sheet, Task 2 Report, and a Task 3 Report*, is incorporated herewith to these minutes as Exhibit "1."

Keith Wilson, Transit Division, said in April 2016, the City Council adopted Resolution 2016-29, which approved moving forward with a study of potential consolidation between the North Central RTD and the City of Santa Fe Transit Division, noting the North Central RTD received FTA funding toward the City. The City and the NCRTD split the 20% required match for the funds – $120,000 FTA funds, and $15,000 each from the City and the NCRTD. He said a scope of work was developed, and staff of both entities reviewed the RFP's and unanimously chose Transportation Management and Design, Inc., with their subs. The Study kicked off last year, and the consultant worked hard to put together the analysis to be presented this evening.

Former Councilor Rosemary Romero said she is a subconsultant and part of the Transportation Management & Design, TMD team. She said the Study was presented to the RTD this morning. Two public meetings will be held, one following this meeting tonight at the Santa Fe Community Convention Center, in the Ortiz Room, 6:30 p.m. to 8:00 focused on Districts 1 and 2, and one tomorrow night at Genoveva Chavez Community Center, 5:30 to 7:30 p.m.. She noted the public is encouraged to attend these meetings and she expects good attendance for both meetings. She said the study is broken into two sections, each section will be presented, and then they will stand for questions and answers for each of the sections. She said there will be an opportunity at the end for more questions.

Norman Silverman, and Thomas del Sorbo, Transportation Management & Design ("TMD", presented information via power point. Please Exhibit "1," for specifics of this presentation.

The Governing Body commented and asked questions as follows:

- Councilor Dominguez said he has a lot of questions, but thinks he will wait until the ending, noting most of his questions are philosophical and not on the details.

- Councilor Lindell asked, what would prevent the regional opportunities from occurring without consolidation.

  Mr. Silverman said because they are run totally, separately, with different unions, scheduling protocols, different fare structures. The services are different, noting the NCRTD might offer 3-4 trips a day, and a Santa Fe route paralleling or overlapping it might offer service every 30-50 minutes.

- Councilor Harris said, regarding the Service Integration Constraints, they don't list 2 unions, which is a real constraint he thinks should have been listed. He encouraged Mr. Silverman to move quickly through the presentation, because the Governing Body got full reports on Tasks 2 and 3 from Mr. Wilson. They also received the power point. He said our time is better served if he will hit the high points, and then they can ask questions.

  Mr. Silverman said they will speak to the labor issue as well.

- Councilor Lindell asked, regarding Paratransit, if a cost estimate has been generated within the NCRTD service territory in integrating with the City.

  Mr. Silverman said no they haven't quantified the savings because he thinks we will discuss that later on – finance, labor rates, labor constraints.

- Councilor Rivera said the City currently adds paratransit services and it's pretty busy, and asked how integration would impact how the City provides paratransit services.

  Mr. Silverman said you have NCRTD and City vehicles available in both instances to provide a paratransit trip. So there will be better opportunities, a bigger pool of labor and available vehicles, which, hopefully, would reduce the cost somewhat. However, that has not been quantified, but there is an opportunity for some savings.

- Councilor Rivera said then it would be a savings instead of balancing out.

  Mr. Silverman said, "I said it's a savings, a net potential savings."

- Councilor Rivera asked the amount of the savings.

  Mr. Silverman said, "I said we have not quantified that savings, because the detail is well beyond the scope of the preliminary study and would require an understanding of an acceptance of the different wage rates, settling all of that in consolidation. When we talk to labor, you'll understand a little more about that."

- Councilor Dominguez said he is confused, saying it hasn't been quantified yet, but Mr. Silverman is confident enough to say that there will be savings, and Mr. Silverman said yes.

- Councilor Harris said the Report says, regarding Santa Fe Trails, *"The budget of comprehensive service evaluation effort should start later this year."* He asked the reason the City wouldn't do this first before taking further steps toward consolidation.

  Mr. Silverman said, "You will have the City of Santa Fe, the question.

- Councilor Harris said, "I think you're looking at the City of Santa Fe."

  Mr. Silverman said he can't comment on the timing of the two studies, because he wasn't involved in that process.

- Councilor Lindell said on packet page 33, it talks about the sunset in 2023, and asked what is required to remove the sunset.

  Mr. Del Sorbo said it is a Legislative process. There will be a vote in the 4 counties.

  Peter Dwyer, Attorney, North Central Regional Transit District ("NCRTD"), said they already have initiated the process. They have two sets of Ordinances, the first they hope to get to the Santa Fe County Commission and 3 other counties in the next few months, asking them to change dates. Right now, it can be done only late in the process in 2022 and therefore. They are trying to move the dates to have an election on the sunset at the 2018 General Election. There are a second set of substantive ordinances amending the sunset provision, which will be, hopefully, on the General Election ballot in November 2018. However, they wanted to do advance work to see what the constituents think, how they feel about that and they want to hire consultants and really assess it before putting it to a vote. So the earliest case scenario would 2018.

Mr. Dwyer continued, saying it is very unlikely they would do it at a special election because of the cost. So it would be either 2020 or 2022 after that. He said the RTD Board in its strategic planning has decided it wants that "3 bites at the apple." If the GRT for the NCRTD were to sunset, we would have to dissolve as an organization because that is the majority of its funding.

- Councilor Lindell said in Scenario 3, we would need an increase from 1/8 cent to 1/3 cent.

  Mr. Dwyer said yes. He said, "In Scenario 3, what we would really be talking about is it comes in 1/16 ¢increments, and up to 8/16 ¢ is allowed under the GRT laws for regional transit. Right now, that is 1/8 ¢, so that is 2/16 ¢, and we would be talking about doing probably 5/16 ¢. However, the 5/16 ¢ scenario would increase regional taxes throughout the 4 County regions, Santa Fe, Taos, Los Alamos and Rio Arriba, and it would generate the additional revenue they showed you on the screen. It is enough revenue to fund "our long term strategic plans, but to cushion the blow to the City of Santa Fe."

- Councilor Lindell asked if it didn't pass in any one of the 4 counties what would happen, and Mr. Dwyer said it is a region-wide vote

- Councilor Lindell said then it is a consolidation of the 4 counties.

  Mr. Dwyer said, "Right. So 51% of the total 235,000 people would do it, although when the RTD imposed the tax initially, it did pass by majority in all 4 counties, which made things a lot better."

- Councilor Lindell said there have been news articles about a non-profit winning a contract for Los Alamos, and asked if he knows anything about that.

  Mr. Dwyer said Mr. Mortillaro can answer that question much better, noting he is the former County Manager for Los Alamos and this acquisition.

- Councilor Lindell would like to know the impacts would be on service levels.

  Tony Mortillaro, Executive Director, NCRTD, said they looked at that issue in the event that Los Alamos National Laboratories went non-profit and what the impact would be to our tax collections there. And they estimated they would lose about lose $1 million annually. He said it is important to keep mind that, if they lost $1 million, it will affect everyone. It will affect how much money comes to Santa Fe Trails, to the Rail Runner, to Los Alamos Transit, and the Board would have to look how it would redistribute those revenues based on service needs in the NCRTD.

- Councilor Lindell asked how realistic is that that fleet replacement costs would be covered by 80% from FTA funding.

  Mr. Mortillaro said that is what the current formula is and in this Study, they utilize that possible projection, but basically they have to go on a year-by-year basis, noting there isn't clarity or long range commitment to funding transit or even transportation issues throughout the nation. And it is an issue that still is being discussed in Congress. He said the F.A.S.T. Act is providing roughly an extra $1 million annually to the State over the next 5 years. He said there are 47 transit agencies in the State, and if they each got an equal share it would be about $20,000 apiece. He said most transit agencies use the 8/20 in its planning and long range projections, but you can't take it as a given in any one year, noting it is a competitive process.

- Councilor Harris said the transfers out from the region-wide GRT is shown at $4.6 million, and documented that $2.2 million goes to the Rail Runner, $1.362 million to Atomic City Transit and $953,000 goes to Santa Fe Trails. He asked how the split is determined, and the reason the City of Santa Fe gets a far smaller amount than anybody else.

  Mr. Dwyer said, "I have been with the organization forever, and worked on its founding when I was in Los Alamos, so I know the whole history, but I'm going to try to keep it succinct for you, because it is a long history. Fundamentally, what happened was that the Regional Transit Tax was being proposed at a time when the City of Santa Fe and Santa Fe County also had taxes that they wanted to impose, and there was contentiousness over the subject of whether or not the RTD should move forward with its tax because it was competing with other taxes. As a consequence of that, certain agreements were made. One of the agreements was that a certain portion of the taxes within ½ of all the taxes generated in Santa Fe County go to the Rail Runner, because the Rail Runner was going to impose a competing tax, so that tax was never imposed, but at the price of taking a chunk of the GRT that was for regional transit in Santa Fe County and just directly sending that to the Rail Runner."

  Mr. Dwyer continued, "And then the other portions of tax, there were arguments and discussions about how to fairly allocate a regional tax on a regional basis. And it became quite difficult for the Board. The Board had a lot of trouble at that time, but in the end, there was a decision to figure out what was truly regional and to allocate the tax across the regional entities based on some kind of fair share process, but it wasn't a direct, dollar-for-dollar, this much comes out of Santa Fe County, so that much must go into Santa Fe County, this much comes in from etc., etc. So Atomic City and Santa Fe Trails both got big allocations as a Board process through the NCRTD Board is what happened. And so that's been resolved for several years now. Our Board has 14 members – 4 counties, 6

Pueblos, 4 municipalities, and it's been running quite well. There hasn't been a lot of contention since that time."

- Councilor Harris said so it's fixed for now, and it isn't an annual adjustment.

  Mr. Dwyer said it is set as policy.

- Councilor Harris said, under Scenario 3 which he thinks is the only one close to being viable to eliminate the Municipal GRT and Lodgers' Tax, is noted as approximately $167 million through 2035, and offset by $265 million through the new regional GRT. He asked how much of the $265 million is generated by economic activities within the City of Santa Fe. He said he wants to know if we would end up with more or less than the $167 million anticipated in the current tax structure.

  Mr. Mortillaro said he would have to have the consultant speak to the later question. In terms of GRT tax generation by County, $4.2 million from Santa Fe County, $1.4 million from Los Alamos County. He said with LANB's spending decreasing, it's dropped quite a bit. He said Rio Arriba County generates about $500,000, and Taos close to $900,000.

- Councilor Harris said to be specific, what he is most interested in is the County Act Tax Rate versus the City Tax Rate. He said action was taken recently, and another is proposed, that affects the City's GRT rate. He asked, within the Santa Fe County number Mr. Mortillaro cites, how much is generated by City of Santa Fe economic activities, versus the County.

  Mr. Mortillaro said they didn't track that information, they just tract the number overall from the County.

- Councilor Dominguez said he is on the same wave-length as Councilor Harris. He noted Slide #33 says that the Regional Transit including Santa Fe Trails, receives approximately $1 million. He asked of that $1 million received from the regional rate, how much is generated from economic development. He said the ratios don't make sense to him.

  Mr. Del Sorbo said the City is getting $1 million of the $4.6 millions, and the other goes to the Rail Runner and to Los Alamos Transit.

- Councilor Dominguez said there is a total revenue into the RTD of $12.4 million.

Mr. Del Sorbo said that includes things like federal grants. He said if you go back to the pie chart you can see the different categories. It is most federal operating and capital grants, and some of it is from the cash balance.

- Councilor Dominguez asked, in any of the scenarios, if they considered the federal grants received by the City of Santa Fe.

  Mr. Del Sorbo said, "They are incorporated in for a consolidated agency based on Santa Fe Trails providing an estimate of a proposed set of capital projects through 2035. For instance, every year, the plan has 2 buses being replaced at $900,000. So the Santa Fe Trails Capital Plan was rolled out, but as Tony said, and you at the podium, it is a year-to-year battle to guarantee. He said 80-20 has been the conventional split for most of the funding, with 20% being the local match. He said when you do a scenario, you have to start somewhere in terms of your assumption."

- Councilor Dominguez asked, in all 3 scenarios, if they considered federal grant for the City of Santa Fe in its revenue.

  Mr. Del Sorbo said yes.

- Councilor Dominguez said in one of the scenarios, you talk about losing some Lodgers' Tax.

  Mr. Del Sorbo said yes, starting with Scenario 2, commenting in the study it is valued about $300,000 annually.

- Councilor Dominguez said if he is hearing correctly, the residents of this City would be at the mercy of other counties, the Board and such, of some of these things happening by Ordinance at these other counties.

  Mr. Dwyer said, "The City yes, in the sense that the Ordinances are passed at the county level and they have to be identical ordinances from all 4 counties, so the City wouldn't really be involved in that, really it's a District-wide election. It would be the 235,000 or 255,000, whatever it is, people in the north who make a decision for the Region. So it really is at that scale. But if you're talking about representation and control, we have weighted voting at the Board level so that Councilor Maestas is the Vice-Chair of the Board, but he also represents 6 or 7 voting units, which is the largest single voting unit from a member. So, politically, the Board is already controlled largely by Santa Fe, City and County, because of demographics."

- Councilor Dominguez asked what it would take to change that.

  Mr. Dwyer said,"You have to change what is called the Intergovernmental Agreement, which you or may not have seen come through your desk as members get added on. Basically, every member gets one vote for the purpose of being a quorum, and then weighted votes based on the census data for their influence of their vote. So it's kind of a mixed voting scenario. And there is an Intergovernmental Contract between all 14 entities which you, the counties and the other cities and the pueblos all sign."

- Councilor Dominguez asked what about the actual sunset.

  Mr. Dwyer said, "The sunset itself is a voter decision."

- Councilor Dominguez asked, "What voters."

  Mr. Dwyer said, "It is the voters in the whole region. And so, like I said earlier it is 51% of everybody in the 4 counties. We were lucky the first time it came through, because it got a majority in each of the 4 counties, so county felt like its constituents disagreed with it, but it conceivable that it wouldn't be that way."

- Councilor Dominguez said, "I guess my point is the City of Santa Fe residents would be, and I hate to use the term 'at the mercy of,' but we wold be at the mercy of those voters."

  Mr. Dwyer said, "Sort of excepted of course since you have the population, they would probably make the decision really."

- Councilor Dominguez said, "We can look at population and voter turnout, a favorite subject of mine."

  Mr. Dwyer said, "Right. I actually have the results from the previous election, and I could compile them..."

- Councilor Dominguez said, "But those are two different things."

  Mr. Dwyer said, "It's just I don't know how many of the 255,000 voting are in Santa Fe County, but I'm guessing it's 120,000 to 130,000, so almost half of the votes are coming from here. The City is not 120,000 or 130,000, but I'm talking of the total region."

- Councilor Dominguez said, "So, my point is that there are really a lot of variables that contribute to really determining our own scenario."

Mr. Dwyer said, "Absolutely. I think the consultants can talk about those other variables that are in play for both you and us alike. You have identified some of them, such as the fluctuation in the GRT. I know you have that issue, we do too. The taxability of the Lab, the availability of federal funds to pay for both of our capital programs at an 80-20 rate. Those are all day-to-day, year-to-year variables that we have to live with. As far as the GRT itself goes, our Board's strategic plan is to first confront and address the sunset issue. That was never put to a vote by the voters. It was just something that was included in the language of the Ordinances at the request of the bodies at the time. Because, keep in mind that when the tax was passed, the NCRTD was a 4-5 person operation, so there was no proven track record to demonstrate to the taxpayers that would actually result in some good use of their tax dollars. Now we have a track record. I think it's a good one, and a history, and I think we probably will be able to persuade the voters that we provide an essential service and that we will continue to exist, but really, that is up to them."

- Councilor Dominguez said he didn't quite understand the remark that Rio Arriba generates $500,000, and asked the source of that revenue. He said, "It's really the question that Councilor Harris asked, but I didn't get all of the information. Where did that...."

  Mr. Mortillaro said, "Those are the unit tax receipts we receive from those counties, so that's what comes in from, that is collected, paid to DFA and then that is what is transferred to our District from each of those counties."

- Councilor Dominguez asked if that is separate from the 1/8 GRT.

  Mr. Mortillaro said, "That is our 1/8 GRT. That's what it generates from each of those counties.

- Councilor Dominguez said, "But it says 60% of these receipts are distributed to other Regional Transit providers, including Santa Fe Trails, which receives approximately $1 million."

  Mr. Mortillaro said, "So, out of the $7 million plus that we collect annually, $4.6 million of it goes to those 3 entities. It's about 60% of the tax. Yes. The revenues that we receive go out for what we call Regional Services. And the only services that, for example Santa Fe Trails or Los Alamos County can fund with that money are those that are deemed to be regional in nature. So that is why, when you pass your Resolution that comes to the RTD Board, you have specific routes that indicate where you are utilizing those funds, because those routes are deemed to be regional in nature. It meets the definition that we all agreed to, in terms of what could be eligible for that funding."

- Councilor Rivera said someone said that if any of the 4 counties did not agree to sunset, then the NCRTD would cease to exist, but then he heard...

  Mr. Dwyer said, "Not if any of the four counties didn't agree. Let me go back and try to say what our strategic plan is. We have a Board which consists of you and others, and they set a strategic plan for how to deal with this. We are in the process of executing that, we've been doing it for about 9 months now I'd say, and we're still working with the counties on it right now. And the plan is to allow an election to remove the sunset 3 times. So we'll have a shot in 2018, 2020 and 2022. If, after 3 strikes, we're out... keep in mind that we've already merged with Taos, so we run the Taos Chile Line. We've already merged with Espanola, so we run the Espanola system. Then there is going to have to be some kind of provision made for reallocation of the resources that the NCRTD presently has to resume local operations. It would go back to a local operation at some level, and all the regional services would cease to exist.

  Mr. Dwyer continued, "I'm optimistic that's not going to happen, but it does require work on our part as a staff to go forward in 2018, educate the public, as to – do you like this service, do you want to retain it or not, and then see if, at an election in 2018, 2020 or 2022, they will keep this tax in place. Now please keep in mind, I do want to be clear, you are beneficiaries of that tax. When we talk about giving money to Santa Fe Trails, that is just a straight cash transfer from us that Keith uses for his operational money. So if that tax goes away, it's really bad for you as well, because right now it is 1/12th of your operating costs."

  Mr. Dwyer continued, "So, we're pretty optimistic that everybody is going to want to keep that tax in place, and it's not asking for a new tax. It's just simply asking to remove the sunset provision. But, I do want to make sure we understand. We provide other services to Santa Fe County and Santa Fe City beyond the cash transfer. The cash transfer was the brokered deal, but we are a Regional Transit District and we provide service all the way to Edgewood, and we get people in from out of town into Santa Fe. We do services for special events here, all kinds of things in Santa Fe. So there's more to it than just a cash transfer."

- Councilor Rivera asked, "If Los Alamos decided to privatize then, they wouldn't be included in the mix. They wouldn't be included in the vote."

  Mr. Dwyer said, "Oh yes, they would be included in the vote and the next stage. They're just one of the four counties. They have to impose the same tax as everybody else, or remove the sunset on the same tax as everybody else. And we've met with your City

Attorney, your City Manager. We met with each of the counties. We've met with everybody to try to let them know what our plan is, so we don't interfere with other people, because we're aware of the other tax issues that are out there."

Mr. Dwyer continued, "Tony does annual updates to each of our members, including you. So I think we've been kind of open about what our plans and our process are. But it remains to be seen. It is a risk. There is a risk that the voters in the District as a whole will not want to continue the 'Blue Bus Service,' and if that's what they want, that's what would happen."

- Councilor Rivera said, if we were to integrate, clearly we would be contributing a significant amount of money to the NCRTD, and asked Mr. Dwyer if our mix and the make-up of the Board would change at all.

  Mr. Dwyer said it probably would not, but that is an issue for the Board, not for him. He said, "I assume that, coming out of this meeting, we're really asking you to do what you're doing now, which is ask questions, see whether it's even something that is viable that we didn't consider. And then, those kinds of hard issues about what would it mean, what it would look like, if we went forward. The consultant I think has said a couple times, they aren't getting to that level of detail of okay, here' the consolidation plan of every of detail for you. What we would like to know at this point, is what would be the issues, the problems and if it is worth pursuing. So I don't know if it's worth pursuing."

  Mr. Dwyer continued, "I don't know what our Board is going to say. They met this morning. They have some kind of tenor or an amendment, and perhaps Councilor Maestas can share his perspective on that because he was at the meeting. But they're not going to decide until October what they are going to recommend. And, of course, it's entirely contingent on what you recommend. And I imagine our staffs will have to put together packets and materials after we hear from the public tonight and tomorrow night, what they think, making some kind of recommendation – it's worth pursuing, or it's not worth pursuing at all, here's how you could save some money or, there is no money to be saved. I don't know what that will be. We're not there yet."

- Councilor Rivera said a lot of his decision would hinge on the makeup of the Board and the mix of Santa Fe in the voting power on the Board. He said he has heard there may be a plan to convert the buses so that they are all the same. He asked if that would consider the fact that Santa Fe is trying to reduce its carbon footprint, and if that would factor into it. Or, is NCRTD then in charge and would make up its mind or a decision based on whatever they wanted to do.

Mr. Silverman said, "I think I addressed that issue in my presentation. I said in the short term, the near term, the likelihood of the fleet uniformity is not there, because the markets are very different, the cost of changing fuel systems for NCRTD to match the CNG investment in an SFT would be extreme. And also, propulsion technology is changing. Electrical propulsion is becoming more and more of a possibility in the next 8-10 year period. We're saying that fleet uniformity is not a short term goal of consolidation. Okay."

- Councilor Rivera asked if it could be in the long term.

  Mr. Silverman said, "It could be. It's something to look at. It depends on what happens. It may be that CNG isn't the way to go down the road long-term. It's possible. It may be that it is, but right now the hybrid electric is another option. Straight diesel propulsion or gasoline propulsion is also an option, but in the near term, it's not an issue that should be on the table for a potential consolidation."

- Councilor Rivera asked who would have the authority to make the final decision.

- Mr. Mortillaro said the RTD has a sustainable plan and such, and in that plan, we are looking at CNG and LPG as ultimate fuel systems, again, in terms of reducing our carbon footprint and becoming carbon neutral to the extent we can. So we are evaluating those right now. But one of the long term things we do also want to look at is electric propulsion, and what have you. He said, as the consultant has indicated, we are not likely to be making a wholesale change in our fleet and how it's powered in the near term future. It is under consideration, but it's going to take some time. There are places where we can't get CNG. We go to Chama, we service Chama, Dulce, we can't get CNG up there. We could probably do LPG. It just depends. Our service area is so expansive, that it limits the type of fuel we can use in some of our vehicles. And our routes are so long, and some of these vehicles have limited mileage in terms of how many miles they can travel on a single tank of fuel of a certain kind.

- Councilor Rivera said he read in the Study that there are no fare boxes for most of the RTD, but there are fare boxes in Santa Fe. He asked if that will continue to be the case, or if it would change.

  Mr. Silverman said what we are saying, is that if you want to optimize the service integration, having a common fare would be a goal. It is not a requirement of consolidation. It would be important if you want to get maximum efficiency and enhanced service down the road. To do that on the NCRTD side would require its implementation of the modern fare collection system, which they presently do not have. In the presentation there is an estimated cost for that. That too could be... the initial capital costs could be covered by

federal funding. It's a very normal eligible item in federal funding in the past, but it's not a significant revenue enhancer. It's more for consistent policy so that the two organization can merge their resources and get efficiency as they grow and expand in the future."

- Councilor Maestas said he is the City-appointed representative on the RTD Board. He thinks we should take pride in agreeing to do this study, and looking at merits, efficiencies and benefits to consolidation. This is the second time he has heard this presentation.

- Councilor Maestas continued, saying we should have had a status quo scenario, so the Governing Body can see the true condition of the RTD. He said the RTD is burning through its reserve, and expected to be in deficit in 2023, independent of a consolidation. He asked if that means a higher GRT is inevitable with or without consolidation.

  Mr. Del Sorbo said it's possible. He said there are other revenue options to consider, but it is hard to see how they can close the deficit on the expense, so there would have to be some new revenue streams, whether a GRT or something else. He thinks there could be a revisiting of the allocations to the other transit providers as one step. He said effectively, that is a significant chunk of the GRTs that come in. He said the leading candidate would be a GRT increase if it is a stable situation. He said there would be no ability to fund any of the longer range strategic initiatives, what you will be doing is "coming up above water again."

- Councilor Maestas said he agrees with Councilor Harris that Scenario #3 is the only one in which he is interested. He said one of his ulterior motives in sponsoring this whole effort, the Resolution, was that we potentially could rededicate those revenues currently going to Public Transit – Lodgers' Tax, GRTs, noting one of his underlying objectives and his hope is that the subsidy no longer would be required under a consolidation scenario.

- Councilor Maestas continued, referring to Slide #42, saying the current RTD GRT sunsets in 2023. He said a previous version of this study recommended for Scenario #3 that a higher GRT should be effective in 2021. However, this slide presentation says it should take effect by FY 2019. However, we just heard that isn't workable, and it's not going to be a special election, and likely will be on the 2018, 2020 or 2022 ballot for the election.

- Councilor Maestas continued, saying this recommendation isn't workable from election timing standpoint. He asked the reason the financial analysis recommended a higher GRT.

Mr. Silverman said it actually was bundling the things – it was bundling a consolidation in that time period and with the elimination of the MGRT in the City and the increase offset of that. He said if the timing is later, it shifts some of the assumptions to the right, i.e., going toward 2035. He said at some point, you make a projection based on what you think might be relevant,

Mr. Silverman continued, saying they were looking in Scenario #3, and one of the objectives with which they were tasked, was to fund the long range initiatives, in addition to any kind of solvency issue that is out there too, and that was the level that would accomplish it. If we deferred it, obviously, you just put off the phasing of those initiatives, and the timing just shifts.

- Councilor Maestas said it is important to point out that Scenario #3 fully funds the NCRTD's long range plan initiatives, which is $100 million of long range plan recommendations. However, Santa Fe Transit only has a 10-year capital plan at $10 million, but we apparently have not identified any needs beyond 10 years. He asked Mr. Wilson to clarify the reason we do not have a long range plan beyond 10 years. He said that could temper the revenue projections on Scenario #3.

  Mr. Wilson said he believes the 10 year projection was talking about our capital needs. He said in part of the latter stages of the study, we sat and scoped out what we thought, based on what we know now, our capital needs would be through 2035. He said the $10 million is for the first 10 years, basically $900,000 a year for *[inaudible]* places. He said as stated the other night, we have no plan for service changes or expansion in the future. The MPO did a Transit Master Plan two years ago, and came up with recommendations showing medium/long term recommendations. Those are in the plan right now. However, $100,000 was programmed last FY to do this study to take the next steps of looking out our system comprehensively to see how we can improve it. That didn't happen last year because of the transition, but it is in the budget this year and "what we are working toward. A longer range plan similar to what the NCRTD has now where can lay out how we can improve and expand the system in the future and come up with the fiscal projections."

  Mr. Wilson said the "10 year thing," was just basically the next 10 years of our capital, what we expect to spend on capital. He said there is no expansion in the numbers.

- Councilor Maestas asked if that is based on our ridership projects, because we have topped out apparently, but there is no potential for our ridership to....

Mr. Wilson said it is based on that we haven't actually done the detailed analysis to see what expansion, if any warranted, based on capital needs going forward based on what we know right now.

- Councilor Maestas said he thinks we need to identify our needs up to 2035 which coincides with what the RTD has identified and would fund under Scenario #3, to the tune of $100 million. He said we can talk about other issues.

- Councilor Maestas continued, "I do want to state, on the governance side, the steady governance, but hopefully, my expectation would be under a consolidation that we still would have a Transit Advisory Board. That way our constituents can approach *[inaudible]*, and if they have any concerns with service they can be heard, and considered, and there could be a direct link to the Board from the Transit Advisory Board. So I think there are some mechanisms we can have to ensure that there still are redundant mechanisms for local feedback and changes that our public wants, even if it is under an RTD type consolidation."

- Mayor Gonzales thanked both organizations for everything – professionalism, level of service – given the level of resources. It is good to be in this position where both organizations are doing at least somewhat well, and we were able to have this conversation. He understands the importance of a study to determine if there are more effective, efficient ways of delivering service. He asked in the Transit environment, how do we assess the needs of the people who depend on the service. He said in the City, we struggle with transit routes that the ones in place are being utilizing and serving an existing need – connecting people to work, health care, or existing need in the household --that is done as conveniently as possible. How do we make sure to think about this as being smarter, better, more efficient and our eye is constantly on the ball in terms of public transit providing a true service/need for those who can't afford regular transportation and need a reliable/affordable system that connects them to various activities in life.

  Mr. Mortillaro said he can only speak for, and share what they have done over the years to answer these questions. They do a short range service plan update, looking out only 5 years, noting it was last updated in 2014. They hired consultants to do the work, but ended up holding 16 public meetings in the service area to ask the constituency their needs, and would they utilize the system, and how often. He said they go out and ask these questions, and the consultants work that into either the current services and suggest adjustments. If the funding isn't available, then we put in the short range service plan. The Board expects we will work, over the years, to putting those services in place.

Mr. Mortillaro continued, saying they review their services every year, and will be going to the Board in September with the review of the routes, and what adjustments need to be made and why. He said in some cases, they have reduced services because there is no ridership. They reallocate those funds to those areas where ridership and demand is growing, or there is an increased need. He said the Chama route and ridership has grown to 5 days a week.

- Mayor Gonzales said his point is that, through this process, as part of his consideration, he believes there has to be a parallel or almost a service level assessment done in front of this so we ensure that even while pursuing better/more efficient/smarter strategies, that we understand what services we are trying to meet for the public. It may result in something that actually may be more costly. However, right now, it seems at this point there are good studies based on developing permanent revenue streams, that we are managing labor contracts, that the existing service routes aren't affected. He said a lot of that good analysis is in this study. He is interested about the 16 public hearings. He thinks it is important to go into the community to understand employment needs, etc., and wants these to be part of this consideration so we make decisions in alignment primarily with the needs of the citizens in public transportation. This would be helpful to him as part of this type of review. He said making decisions like this before evaluating our service needs doesn't makes the most sense to him as Mayor.

  Mr. Mortillaro said the City has $100,000 set aside for a service area study, but that is specific to Santa Fe. They will be updating their service plan in FY2019, and perhaps this is an opportunity to put our resources together and take a large look from a broader service area.

Mayor Gonzales departed the meeting

- Councilor Harris said he thinks the comprehensive service evaluation which is underway for our particular needs should come first.

- Councilor Harris continued, asking Mr. Wilson if he agrees that Scenario #3 is the only one that really makes sense and the one we need to talk about. It is the only one that funds the long range, strategic plan RTD has in place. He said the City doesn't go that far out, and Mr. Mortillaro spoke to capital needs for equipment. He said he would like to confirm that the Southside Transit Center is designed and construction is funded.

  Mr. Wilson said they are in the process of finalizing the design for the Southside, and the majority of what they are waiting on are the finalized cost estimates. However, the vast majority of the Southside is funded.

- Councilor Harris asked the status of the Downtown Transit Center.

- Mr. Wilson said the funding is available.

- Councilor Harris said we are doing an upgrade to the CNG facility, but Mr. Wilson described an enterprise solution to get the work done.

  Mr. Wilson said tomorrow is the deadline for the RFP submittals. The RFP was structured so we wouldn't have up front capital costs, and we would pay them back.

- Councilor Harris said these 3 projects, to him, identify much of what a long range strategic plan would have to incorporate – to major transit centers, and the first step to upgrade our CNG facility, which are identified, designed and funded to a certain level, noting we haven't gotten bids yet.

- Councilor Harris said he has one closing comment, and read a sentence from the first paragraph of Task #3A, the Financial Analysis of Consolidate Options, "*The most likely critical consideration and evaluation of the decision to consolidate, would be the ability for these currently independent transit agencies to have a financial sustainable environment over the short and long term.*" He said he has come to the conclusion that right now, it's not appropriate to take the next steps to consolidate. He believes we have a lot of work to do, and Santa Fe Trails is financially sustainable, short and long term. He appreciates the difficulties ahead for the RTD and believes it is working hard to address those. The answer he gave to himself is what he just said. He just doesn't think this is the time to do it now.

- Councilor Dominguez said some of the question he asked were about the current financial overview in Slide #33, and the $1 million and the 1/8 ¢ for the County. He said the real question is where does the remainder of the $2.8 million go – overhead or what. He said one thing coming up and we haven't talked a lot about it is the Rail Runner. He said there is a balloon payment coming for that. He apologized because he said he got confused with the way it was worded in that particular bullet.

  Mr. Mortillaro said the State of New Mexico has the responsibility for the debt service on the Rail Runner. He said it is operated by the Rio Metro RTD. He said in terms of the remaining funds, they provide services in all 4 counties, including Santa Fe County. Any funds remaining after the $4.6 million is paid goes to fund all those services directly.

- Councilor Dominguez asked when he says services, what does that mean.

Mr. Mortillaro said it means the other routes specific to Santa Fe County – Eldorado, Madrid, 599, Turquoise, Mountain Trail, La Cienega.

- Councilor Dominguez asked if it pays for routes in the region – Taos, Rio Arriba.

  Mr. Mortillaro said the county whose revenues don't pay for the services they receive is Rio Arriba, and it gets a threefold increase. He said keep in mind there are also federal funds that comes in to provide services as well. He said Los Alamos County continues to make a contribution to the RTD. Initially, it was making contributions equal to $1.1 million annually, after 5 years that decreased, but it still contributes $350,000 to the RTD for services.

  Mr. Mortillaro continued, saying one more thing he wants to correct, is that the RTD is not in an economic deficit position.

- Councilor Dominguez thanked staff and everyone involved in putting the study together. He thinks the RTD is a fine organization with a fine staff which works hard to provide its services.

- Councilor Dominguez continued, saying his initial concerns still exist, one of which is governance, and something he requested when the Resolution was approved back then – was what does the governance look like, what are our options. He said so much of what happens or could happen under any scenario really depends on governance – how much of a reserve the Board will mandate, removal of the sunset, increasing the portion of the GRT or whatever the case may be. He really didn't see a lot in the Study about governance. He said so much of what shakes out really could sway what voters decide to do in other parts of the region. It could sway the outcome of the sunset. He said there are a lot of variables that contribute to that. He said if we want to be a one-stop shop, and provide the level of service desired by residents of the City, it may sway what other voters in the region have to say about that.

- Councilor Dominguez continued, saying we really didn't have a discussion about the services. He said he feels the same as Councilor Harris. He isn't necessarily inclined to have City staff continue to work on something that he doesn't know really benefits the City. He thinks this is something that could benefit the NCRTD, but not necessarily the City's transit system. He said perhaps we would have to look at Scenario #3 even more closely. He still has the same reservations – governance, level of service and how we see transportation. He asked if our community sees transportation as an essential service, then what does that mean. The reality is people depend on transportation to get to work, the workforce. He asked if we want to see it as essential as every other department in the City, such as the Police Department, whatever the case. People depend on transit to get to the

doctor, to school. The question for him is how this community sees transit. He said, from our perspective, the City should work at getting its transit level of service right, before we even start talking about regionalization.

- Councilor Rivera said he also agrees with Councilor Harris and Councilor Dominguez, noting one of his main concerns is governance, the other is about the employee transition. He said after reading the Study, it seems to be muddier than he thought.

- Councilor Rivera said, regarding Labor Considerations for Potential Consolidation with current pension, health plan, contributions, the leave/benefit due our employees equals to a monetary amount, and asked how much that is, and how much would be transferred to RTD if we were to consolidate.

  Mr. Wilson said they did a quick calculation two days ago, based on a snapshot of balances for the 123 employees, it is roughly about $750,000 – the liability of all leave balances for all staff in the Transit Division.

- Councilor Rivera said it seems our pay rates are considerably higher at the mid and max points. He is concerned that some of our current employees who have been representing this City well for many years would then go over and have to become part of the Teamsters Local #42, and potentially take cuts in pay. He asked if that is a fair assessment, or if it is too early to tell.

  Mr. Del Sorbo said, "There is absolutely no provision for any cut in pay. What was assumed is effectively the salary structure exists today and projections are inflated over time. It was a consideration that needed to be pointed out because of the difference, and definitely clearly going to be a negotiating point. Our experience in past negotiations are that the dependence is for one side to look for the better portion of the other side kind of situation, but there is no pay cut in any of this analysis."

- Councilor Rivera said he presumes the Teamsters Local then would try to negotiate up to the higher wages of what would be coming over from this City.

  Mr. Del Sorbo said, "There were so many variable provisions that could be negotiated in the things, it's had to say what would be the priorities of all sides."

- Councilor Rivera asked if there is any language in the current union contract that prohibits privatization or looking outside the current bargaining unit to provide these services – is there anything like that in the AFSCME contract.

Brian Snyder, City Manager, said he is unaware of any specific language. He said he can look into it.

Nick Schiavo, Director, Public Works Department, said there is language about privatization, but in this case, he doesn't know how that would play out. It wouldn't be privatization, it would be the employees being shifted to a new organization.

- Councilor Rivera asked Mr. Schiavo, in his opinion, if he would think consolidation would be something with which the City should proceed and if it is a benefit to the City. He asked if we are in a good position and probably should stay where we are. He said, "I'm putting you on the spot, so if you don't want to answer, feel free to do that."

  Mr. Schiavo said we are working with RTD and thinks there are things that we could do better. He said, "If it's okay, I won't answer your last question on that one."

- Councilor Ives asked Mr. Wilson, in terms of the Study the City proposes to do in connection with our transit system, to describe what the results are intended to be.

  Mr. Wilson said, "I haven't scoped this out or given it too much thought, because I've been kind of busy for the past year. But what I envision, because the starting point of the MPO is a Transit Master Plan that kind of fleshed out, preliminarily, a bunch of ideas of how service could be improved or changed, and stuff like that. So, I envision at the end of that process, we may have a new service plan. So some of the routes as you see them now may not exist, or they may be changed, or different schedules. As part of the MPO Plan there was a lot of public outreach, a lot of surveying. Things we heard, just trying to recollect, were more frequent service on weekends to specific areas, or service later into the evenings and stuff. I envision we will be looking at all the information that was collated as part of that process, seeing what we can do within the fiscal constraints to make a better system and also potentially come forward, if we got X dollars more, we could do this. And then maybe give you a menu of options of options of different gradations of improving service."

- Councilor Ives asked Mr. Wilson to speak to the timing on that.

  Mr. Wilson said his plate is full right now, trying to get the Downtown, Southside and various other projects done, saying they were looking at the Fall initially, but they are backlogged on those projects. He thinks it probably will be at least the end of this year or early next year before they go out for RFP under that scenario. So he is thinking they are 12-18 months from a completion of that Study to be realistic.

- Councilor Ives said he was a proponent of taking a look, but he is unsure he was fully cognizant that we were proposing to do a similar study within the City's own system that would post-date this study. He said part of the presumption stated in doing this study is that service would remain the same, but at some level, we are talking about evaluating whether we need to change the service in the first instance, and the process is underway. He said it makes it a little difficult to look at this against the context of our reassessment of the delivery of service across Santa Fe on all of those points you've just mentioned.

- Councilor Ives continued, saying there is a part of him that thinks he has a better understanding of how we can improve our own service before looking at consolidation "and this has some sense to it, which is why I'm asking the question about the timing and those types of things. Because, again if services are to remain the same, or at least that's the analysis, but we think we're going to be changing that service, that raises a few of the issues that folks have talked about here tonight."

  Former Councilor Romero said we are at the end of our time, with a 6:30 p.m. public meeting to follow. She said she asked the Governing Body to keep an open mind, that they were tasked to create these scenarios, and there is plenty of room for discussion. She said one of the better things that will happen out of this is looking at what are some of the best management practices. She said all the NCRTD does is transit as an agency. She said there are a lot of things to learn from each other around labor, efficiencies, some of the outreach, reiterating, "Let's keep in mind some of the best practices as you *[inaudible]* perhaps."

  Former Councilor Romero continued, saying, "The next steps are to reaffirm that our role is to summarize the comments from the Governing Body and the public meetings. We are recording these similar to what your have in Court Reportings. We've got Charmaine Clair doing this for us at the public meeting. So they will be verbatim. They won't be summarized in that sense. They will be verbatim so that we don't lose again. So we'll take those comments from the public meetings and what we've heard here, and from the RTD Board. The consultant team will complete Task 4 with a final report, taking into account the comments that were made, and then we will present it to the RTD and the City of Santa Fe."

  Former Councilor Romero continued, "The final step will be up to you again. It's in your hands as decision-makers, as policy-makers, to determine the feasibility of consolidation and associated implementation strategies. And those are whatever you choose them to be. I know that Tony announced at their Board that they will be looking at next steps at their October 13th meeting. So they've gotten direction that they need to do some work. We've got to get the information to you, it's a tight timeline, but that's what they're looking at. Tony

did I get that right. All right. So we are off to the next two public meetings, with deep appreciation for the really good questions. In the outreach I have done, governance certainly was one of the issues, but I think that's part of the negotiations that have occurred. There are things that are set in stone. I think the City is very well represented on the RTD Board. So as a former Chair, and Board member of the RTD, I am really pleased to see that it's absolutely solvent. It's come a long way to be what it was meant to be, which was a regional effort. So kudos to all of you for the hard work you're doing and your time and energy. So we hopefully will see you at a public meeting."

- Councilor Villarreal asked how tonight's meeting, and tomorrow night's meeting, were advertised.

  Former Councilor Romero said the outreach was focused, from her part, on all of the Boards and Commissions the City has that are interested in transit issues, meeting with all of the decision-makers on both boards, as well as staff. Outreach also included other organizations, and she has produced that list, which includes Chainbreakers, but she was unsuccessful with Somos un Pueblos, but she is confident they will be attending the meetings. It was at a much higher level than at the grassroots, and said she believes there will be a lot of feedback from the meetings.

- Councilor Villarreal said then those are targeted outreach, including the Mayor's Committee on Disability, and Former Councilor Romero said the Mayor's Committee had its own meeting as well as the Transit Committee, along with the Tourism group, the Lodger's Tax Board – She met with all boards and commission with an interest in Transit or on GRTs.

5. ADJOURN

There was no further business to come before the Governing Body, and upon completion of the Agenda, the meeting was adjourned at approximately 6:15 p.m.

Approved by:

Mayor Javier M. Gonzales

ATTESTED TO:

Yolanda Y. Vigil, City Clerk

Respectfully submitted:

Melessia Helberg, Council Stenographer

POWER POINT

EXHIBIT "I"

Consolidation Analysis Team

- Transportation Management & Design (TMD) with Felsburg, Holt & Ullevig (FHU) and Rosemary Romero Consulting (RRC) conducted a preliminary management study of the opportunities and constraints, advantages and disadvantages of a contemplated consolidation of the North Central Regional Transit District (NCRTD) and Santa Fe Trails (SFT) as part of an enlarged NCRTD regional agency.

Transit System Consolidation Analysis

NORTH CENTRAL REGIONAL TRANSIT DISTRICT
AND CITY OF SANTA FE

August 2017

TMD
TRANSPORTATION MANAGEMENT & DESIGN, INC.

FELSBURG HOLT & ULLEVIG

ROSEMARY ROMERO CONSULTING

2

Project Overview

Subject of Today's Report

Task 1: Study Consensus-Building and Presentations

Task 2: Evaluation of Current Operations

Task 3: Development & Evaluation of Proposed Consolidation Options

Task 4: Final Report to Include Presentation/Outreach Input

Task 3 Overview

Task 3: Development & Evaluation of Proposed Consolidation Options

- 3A: Financial Analysis
- 3B: Physical Assets Analysis
- 3C: Labor Force Alternatives
- 3D: Fixed Route and Paratransit Analysis of Consolidation Option Alternatives
- 3E: Summary Report of Comparisons

Project Overview

- Project Goal
  - Provide information to policy makers in their consideration of whether to move forward with consolidation.
- Study Characteristics
  - Not a service design study; all existing services are assumed to be unchanged in orientation or schedule.
  - The study is an analysis of the benefits, shortcomings, and associated changes to support a potential consolidation .

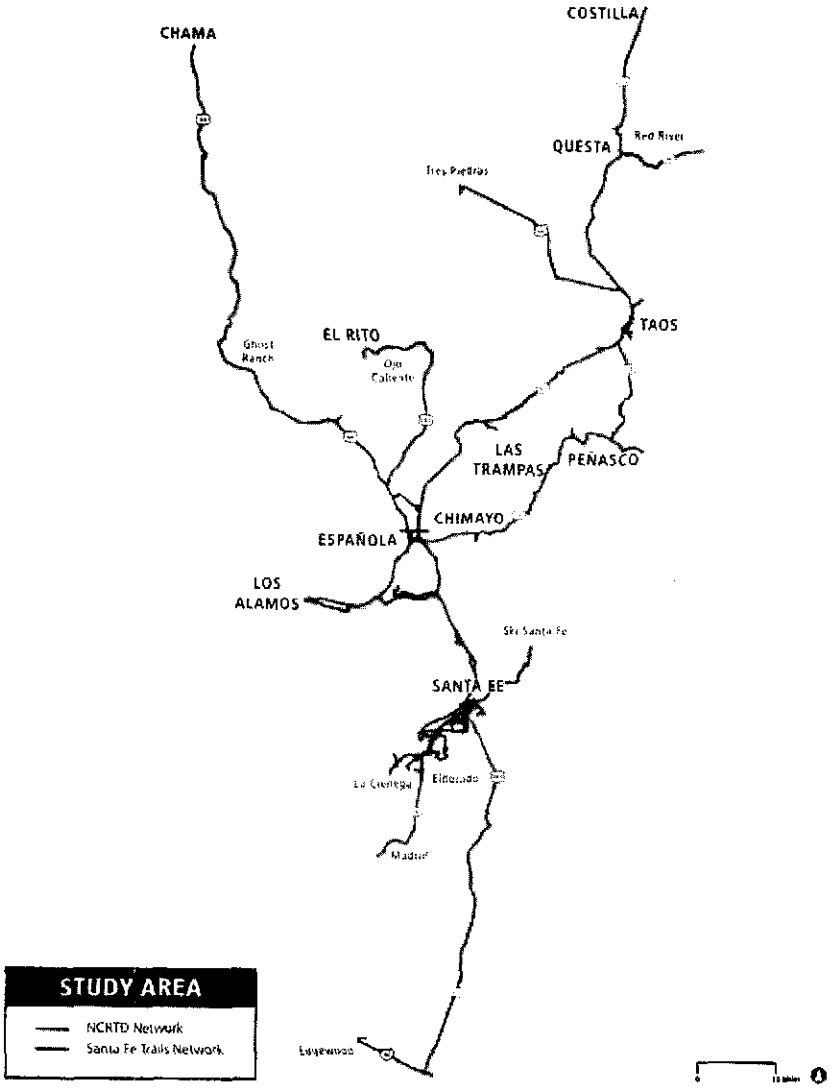
Presentation Overview

- *Fixed Route and Paratransit Analysis of Consolidation Option Alternatives*
- *Physical Assets Analysis of Consolidation Options*
- *Financial Analysis of Consolidation Options*
- *Labor Force Alternatives*

Fixed Route and Paratransit Analysis of Consolidation Option Alternatives (Task 3D)

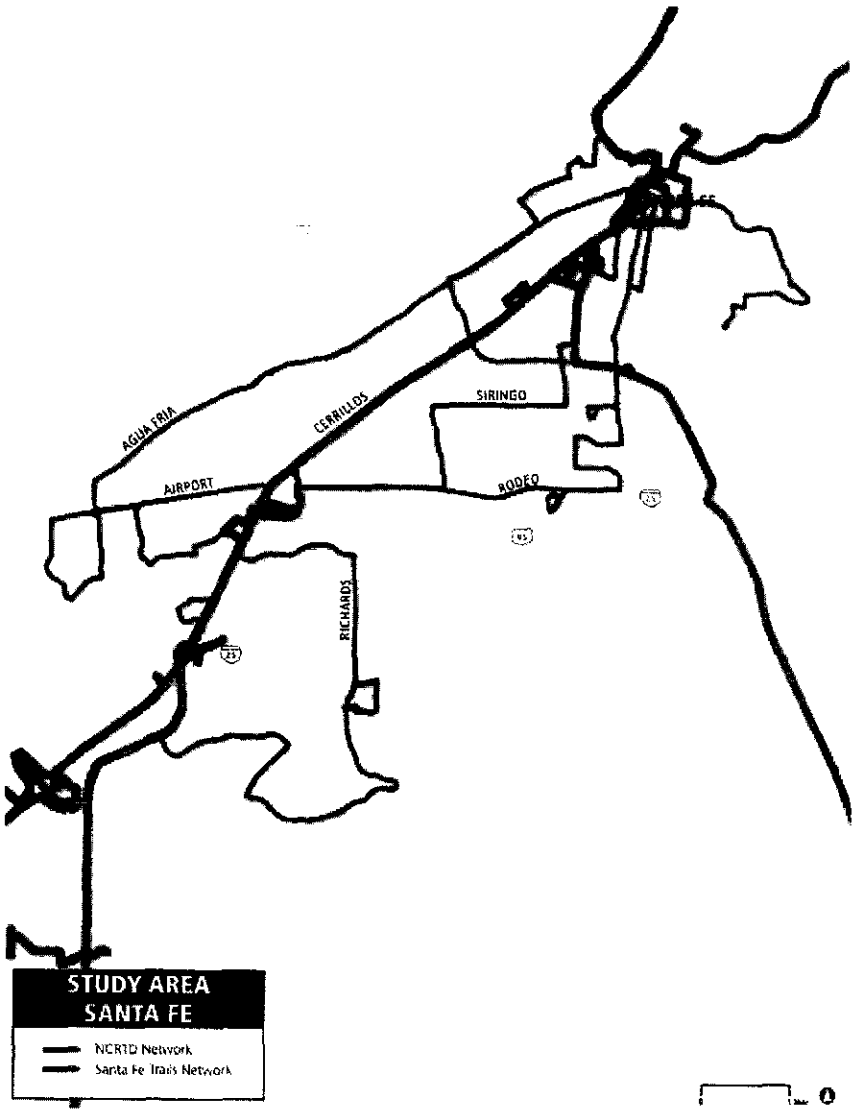
NCRTD Service Area

- NCRTD currently operates in the four counties of Los Alamos, Taos, Rio Arriba, and Santa Fe.
- Serves a very large geographic area encompassing more than 10,000 square miles with a total population of 235,000.
- NCRTD regional services connect distant parts of the large service area via relatively long trip lengths.



Santa Fe Trails Service Area

- SFT operates within the City of Santa Fe and a small portion of Santa Fe County.
- SFT covers 52.5 square miles and serves a population of 83,200. The service area is much denser than NCRTD.
- SFT provides small area urban transit along a fixed route network with complimentary paratransit service throughout its entire territory.



NCRTD Network Overview

NCRTD operates a fleet of 24 fixed and "flexed" routes in addition to demand responsive paratransit service. Complimentary paratransit service on each is offered in conformance with ADA regulations.

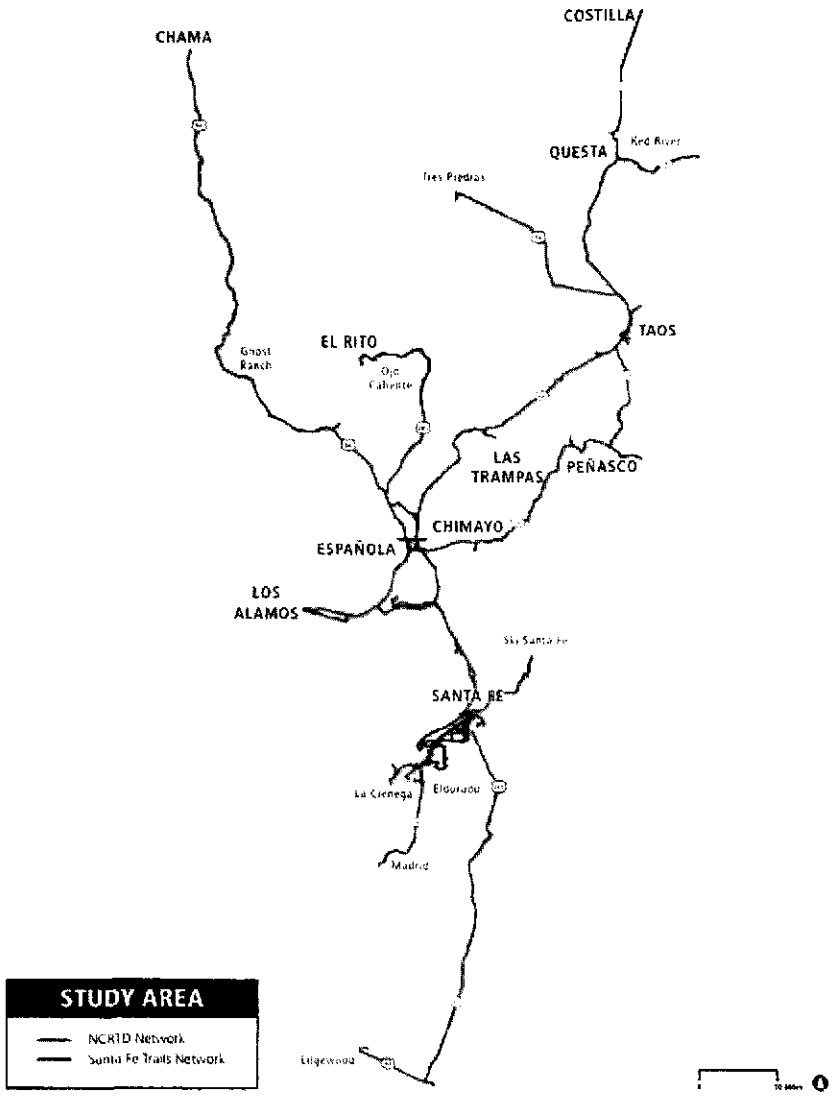
9 fixed routes operate within Santa Fe, offering regional connectivity.

22 routes operate fare free, one premium route operates daily with a fare, and one premium route operates on weekends.

Service is trip based defined by limited frequency and span, as well as long trip length.

NCRTD Network Overview

- NCRTD provides more frequent local service in areas of Taos and Espanola where it is the sole service provider.
- In Santa Fe and Los Alamos, where there are other local service providers, NCRTD provides longer distance regional connections with infrequent trip based service.



Santa Fe Trails Network Overview

SFT operates 10 fixed routes, 2 pick-up shuttle routes, and paratransit. All but two routes operate Monday through Saturday; more than half operate daily, all with scheduled frequency throughout each service day.

Consistent with urban service territory, SFT provides much more frequent service with longer span of service than NCRTD.

SFT has a base adult fare of $1.00 per trip on fixed route service. SFT charges $2.00 for eligible paratransit trips and $5.00 for senior use of paratransit. Pick-up shuttles are fare-free.

NCRTD Network Overview – Route Listing

Route	*Service Type*	*Regions Served*
100 Riverside	Local	Ohkay Owingeh Pueblo and Española
110 Westside/ Crosstown	Local	Española
150 Chimayo	Regional/Rural	Las Trampas, Truchas, Cordova, Chimayo, La Puebla, Santa Cruz, and Española
160 Santa Clara	Pueblo/Local/Regional Hybrid	Santa Clara Pueblo, Chamita, Ohkay Owingeh Pueblo, Española, Cities of Gold Park & Ride, and Santa Fe
180 El Rito	Regional/Rural	El Rito, Ojo Caliente, and Española
190 Chama	Regional/Rural	Chama, Tierra Amarilla, Canjilon, Ghost Ranch, Abiquiu, and Española
200 Santa Fe	Regional/Rural	Santa Fe, Tesuque, Pojoaque, and Española
220 Tesuque	Pueblo/Local/Regional Hybrid	Santa Fe, Tesuque, Pojoaque, and Española
230 San Ildefonso	Pueblo Feeder Service	San Ildefonso, El Rancho, Jaconita, and Pojoaque
255 Mountain Trail	Regional/Rural	Santa Fe, Santa Fe National Forest, and Ski Santa Fe
260 La Cienega	Regional/Rural	La Cienega, La Cieneguilla and Santa Fe
270 Turquoise Trail	Regional/Rural	Santa Fe, Turquoise Trail, Los Cerrillos, Madrid

NCRTD Network Overview – Route Listing

Route	*Service Type*	*Regions Served*
280 Eldorado	Regional/Rural	Santa Fe, Eldorado, Galisteo, Stanley, Moriarty, and Edgewood
290 Edgewood	Regional/Rural	Santa Fe, Eldorado, Galisteo, Stanley, Moriarty, and Edgewood
300 Taos	Regional/Rural	Taos, Pilar, Dixon, Velarde, Alcalde, and Española
305 Taos Express	Regional/Rural	Taos, Española and Santa Fe
310 Red River	Regional/Rural	Questa and Red River
320 Questa	Regional/Rural	Costilla, Cerro, Questa and Taos
330 Peñasco	Regional/Rural	Taos, Las Trampas, Chamisal, Picuris Pueblo, Peñasco, (and Sipapu Ski Resort - seasonal)
340 Chile Line Red	Local	Taos
341 TSV Green	Regional/Rural	Taos, El Prado, Arroyo Seco, Valdez, and Taos Ski Valley
350 UNM Taos	Local	Taos
360 Tres Piedras	Regional/Rural	Tres Piedras, El Prado, and Taos
400 Los Alamos	Regional/Rural	Los Alamos, Pojoaque, Santa Clara Pueblo, San Ildefonso, and Española

Santa Fe Trails Routes

Route	Service Type	Key Corridors	Fare	Frequency (min.) (AM/PM)	Span (Weekday)	Span (Saturday)	Span (Sunday)
1	Local	Agua Fria	$1.00	30; 60	5:56 AM—9:58 PM	8:11 AM—7:53 PM	8:30 AM—6:08 PM
2	Local	Cerrillos Road	$1.00	15; 30	5:30 AM—10:16 PM	8:15 AM—8:10 PM	8:30 AM—6:46 PM
4	Local	Southside	$1.00	30; 60	5:41 AM—10:30 PM	8:03 AM—7:20 PM	9:00 AM—6:18 PM
5	Local	Crosstown	$1.00	60	6:26 AM—7:51 PM	9:20 AM—5:15 PM	—
6	Local	Rodeo Road	$1.00	60	5:41 AM—8:02 PM	9:11 AM—7:03 PM	—
21	Local	Santa Fe Community College	$1.00	60	7:30 AM—10:04 PM	—	—
22	Local	HSD/Rancho Viejo	$1.00	60	7:09 AM—6:24 PM	—	—
24	Local	Country Club	$1.00	35; 70	5:57 AM—9:30 PM	8:18 AM—6:48 PM	8:18 AM—5:38PM
26	Local	Santa Fe Place	$1.00	70	8:05 AM—7:05 PM	8:38 AM—6:28 PM	8:38 AM—5:18 PM
M	Local	Museum Hill	$1.00	60	6:50 AM—8:04 PM	10:20 AM—6:04 PM	10:15 AM—5:59 PM
Santa Fe Pick Up Routes							
Historic District shuttle	Downtown circulator	Downtown	Free	10	6:30 AM—5:30 PM	8:30AM—5:30 PM	10:00AM—5:30 PM
Museum shuttle	Downtown circulator	Museum Hill	Free	30	10:00 AM—5:30 PM	10:00AM—5:30 PM	10:00AM—5:30 PM

NCRTD Fleet Operation and Maintenance

Fleet Size

- 53 in-service vehicles and 11 non-revenue vehicles.
- Revenue vehicles vary in size from 3-passenger vans to small buses that can seat 40 passengers, but most vehicles seat 12-14 passengers.

Fueling

- Almost all vehicles are gasoline fueled and fueling is done off-site with contracted vendors.

Maintenance and Facilities

- Two current dispatching facilities
  - Jim West Facility in Española capable of storage, dispatching, and light maintenance only.
  - Taos Facility in Taos capable of storage, dispatching, light and some medium level maintenance.
- Most medium duty and heavy duty maintenance is currently outsourced. NCRTD has a future goal to transfer maintenance to an in-house effort pending a planned significant addition to the Jim West Facility.

SFT Fleet Operation and Maintenance

Fleet Size

- 34 mid-size buses, 18 paratransit vehicles, 16 non-revenue vehicles.

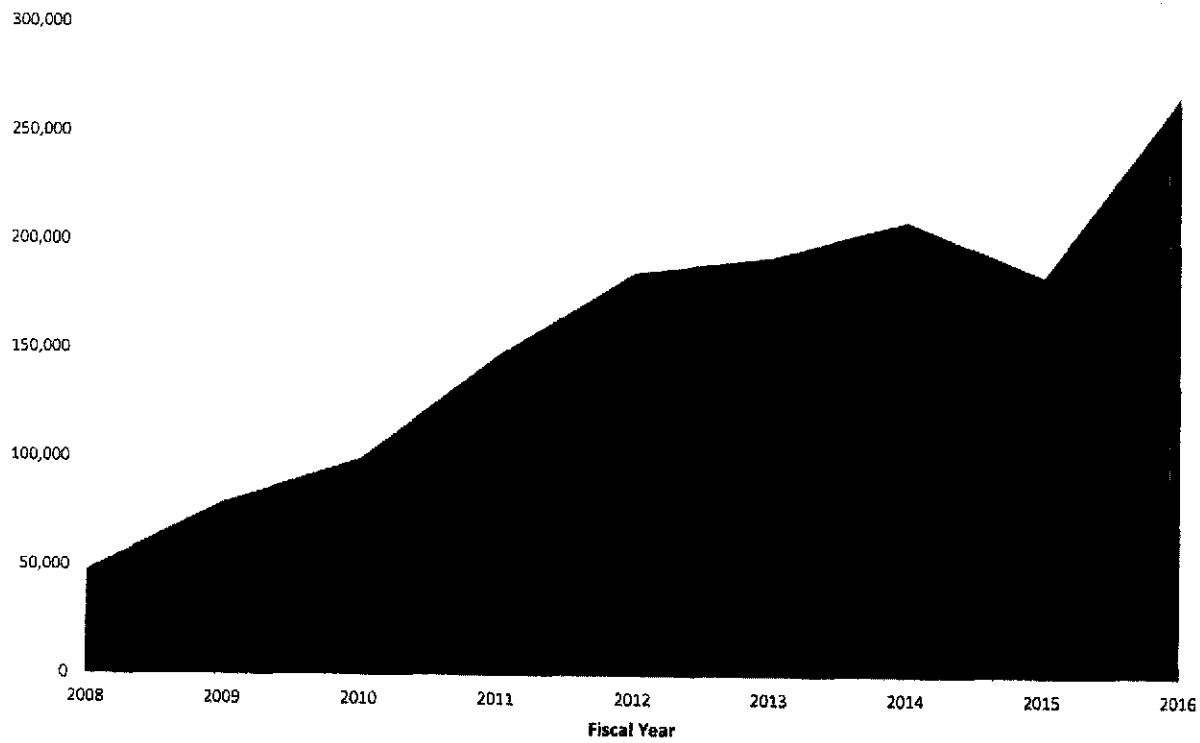
Fueling

- CNG fueled at central Santa Fe maintenance facility. SFT has a contract with Clean Energy to fuel its CNG vehicles on-site and is pursuing efforts to modernize and upgrade the current slow fill capability.

Maintenance and Facilities

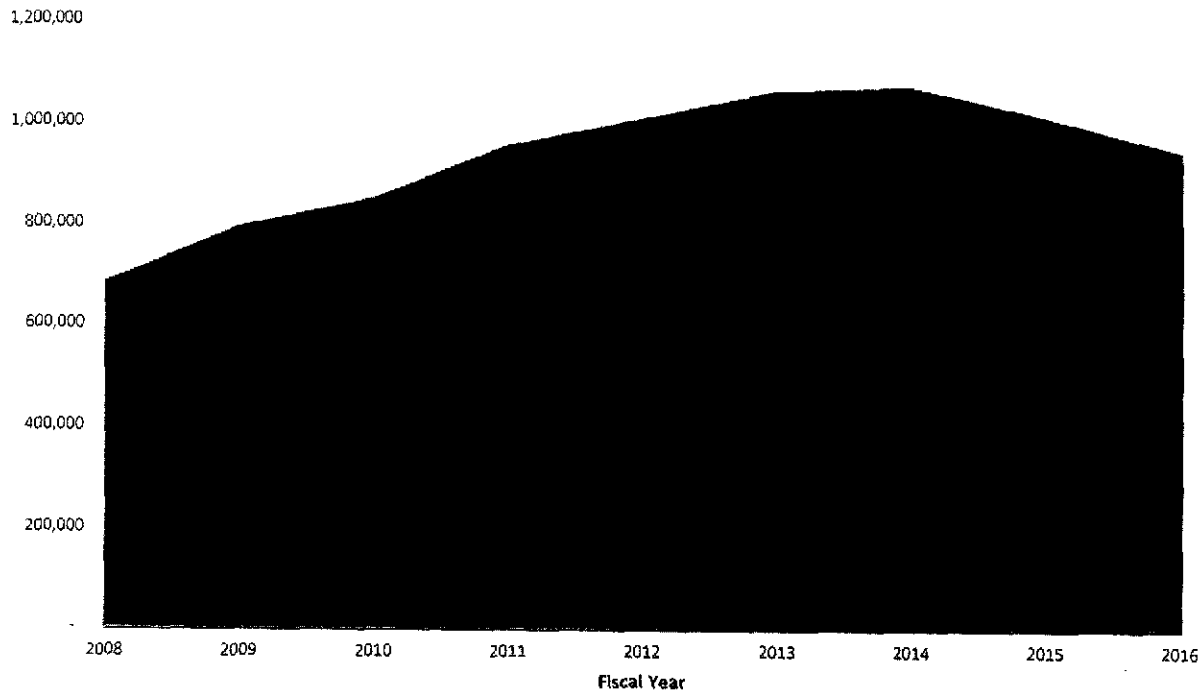
- SFT maintenance facility handles light, medium, heavy duty maintenance, although some unit rebuilds are outsourced.

NCRTD Historic Ridership



- NCRTD ridership has grown significantly since its inception in 2007 and the subsequent consolidations with Los Valles Transit and Taos Chile Line.
- In 2016, annual ridership was 268,000.

Santa Fe Trails Historic Ridership



- SFT ridership grew from 2007 through 2014 with an annual peak of 1,065,000 annual passengers.
- Since then there has been a decline in ridership, with 2016 annual ridership of 937,000.

[redacted]

Service Integration Constraints

- **Limited opportunities for fixed route service integration**
  - Large disparity in frequency and span.
  - Difference in fare structure precludes service integration within common service territory.
- **Changes required for future opportunities**
  - NCRTD increases service frequency and span to closer match SFT's operating characteristics.
  - Common fare structure.

Service Integration Opportunities

- **Service enhancement**
  - As part of its Long Range Strategic Plan (LRSP) and a potential consolidation, NCRTD could implement selected opportunities for service enhancement that would make service integration viable.
- **Regional integration opportunities**
  - Scheduled connections between local and regional services to facilitate improved public mobility.
  - Ability to dispatch and maintain small group of vehicles from the current SFT facility to reduce operating cost and enhance reliability.
  - Communication of region-wide transit schedules on a single information platform.

Service Integration Opportunities

Improvements to regular planning efforts

- NCRTD utilizes two full time employees dedicated in part to service planning.
- SFT does not currently employ a dedicated planner, and the network has not been changed in recent years. The agency has budgeted a comprehensive service evaluation effort to start later this year.
- In a consolidation, service planning and associated timely service adjustments would become routine. A preliminary assessment of headcount needs for a consolidated agency recommends an additional planner to supplement this vital function.
- Consolidation and resultant larger system would provide a greater impetus for the acquisition of modern scheduling software.

Paratransit Integration Opportunities

Opportunity for integrated paratransit service

- Overlapping service territory provides some potential for efficiencies in this high cost service.
- Unlike fixed route, since it is geographically based and demand responsive, consolidation provides an initial opportunity for integrated paratransit service.
- Both agencies employ full time call center systems, application processes, and reservation systems.

Existing constraints

- As with fixed route service, paratransit service optimization requires a common paratransit fare.
- With a consolidation, opportunity for efficiency exists but requires reconciliation of current difference in processes for handling service requests and dispatching.

[redacted]

Physical Assets Analysis of Consolidation Options (Task 3B)

[redacted]

Fleet

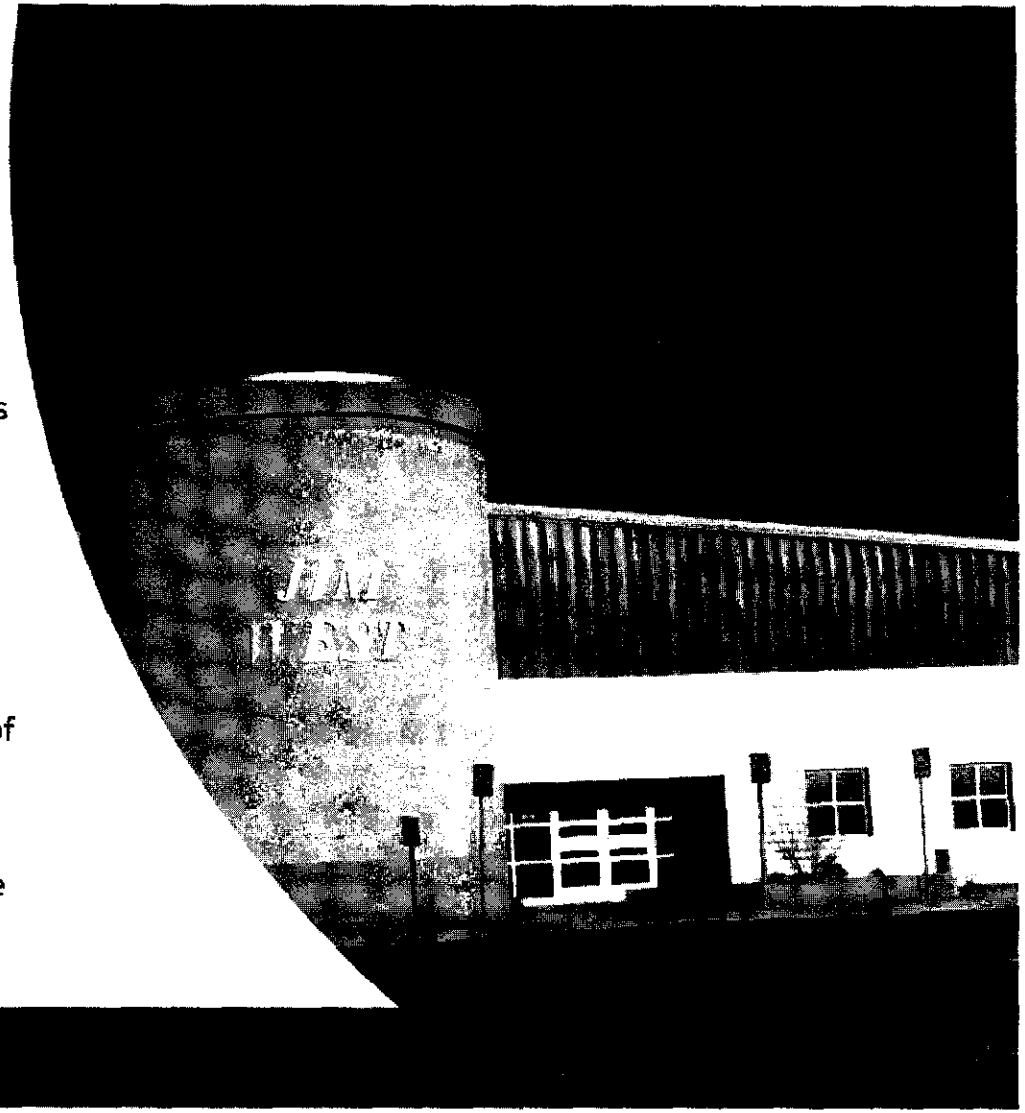
- Fleet sizes are currently comparable, but different in nature.
  - NCRTD operates cut-away buses and vans, fueled by gasoline.
  - SFT operates mid-sized transit buses fueled by compressed natural gas (CNG).
  - Service needs of two current separate operations are vastly different, requiring different types of vehicles.
  - Fleet uniformity in terms of vehicle size and propulsion, in the event of consolidation, not likely. This could be a longer term objective.

Fleet

- Fleet replacement/expansion
  - As identified for NCRTD, approximately $6 million over a 10-year period for current fixed-route service.
  - As identified for SFT, approximately $9 million over a 10-year period for current fixed-route service.
  - NCRTD LRSP identifies approximately $10 million for additional fleet purchases to support service enhancement strategies by 2035.
  - SFT has not identified any fleet expansion through 2035.

Maintenance Facilities

- NCRTD Facility Capacity
  - NCRTD facility in Espanola is only capable of vehicle storage and light duty maintenance, thus requiring maintenance activities to be outsourced.
  - NCRTD plans to upgrade its Espanola facility in FY2021 to handle all levels of maintenance and have most maintenance brought in-house.
  - The Taos facility provides light and some medium-duty maintenance.
- SFT Facility Capacity
  - SFT facility is full service and currently capable of all levels of maintenance.
- Consolidated Opportunities
  - Consideration of optimized and incremental expanded use of SFT's Santa Fe facility to handle a portion of current NCRTD services in Santa Fe.



Capital Plan Overview

- NCRTD's LRSP Plan, currently unfunded, includes associated incremental opportunities for service expansion.
- SFT has no provisions for fleet growth at present.
- Consistent with City of Santa Fe Capital Budget Process, SFT Capital Plan is currently only funded on one-year basis, and specific grant funding for future years is uncertain in key investment categories.

Both agencies' investments include

Replacement vehicles

Maintenance facility upgrades

Bus stop enhancements

Vehicle Technologies and Communications

Vehicle Location and Real Time Information

- Both agencies currently have this technology but on separate platforms, Avail for NCRTD and RouteMatch for SFT. SFT is in process of switching to TransLoc. In the event of consolidation, a common platform should be pursued, but would not be initially required.

Fare Collection

- NCRTD currently does not collect fares, except in a limited number of situations. If under a potential consolidation, a decision was made to charge fares on current free fare elements, NCRTD would have to procure and install a modern fare collection system. This is estimated to cost $640,000, 80% of which would be eligible for federal funding. This is potentially a future issue, dependent upon fare collection capability being established at the upgraded Espanola facility, and would not be required upon initial consolidation.
- Revenues raised from imposition of fares for existing fare-free NCRTD routes would be offset by current New Mexico DOT policy, which deducts awarded Section 5311 federal funding equivalent to the level of fare revenue generated.

[redacted]

Financial Analysis of Consolidation Options (Task 3A)

[redacted]

Current Budget Profile FY2017*

	NCRTD	Santa Fe Trails
Revenues		
Total Revenues	$12.4	$13.2
GRT Transfers Out	$(4.6)	---
Net Revenues	$7.8	$13.2
Expenses		
Operating Expenses	$5.4	$9.7
Capital Expenses	$2.4	$3.4
Total Expenses	$7.8	$13.1
Surplus/(Deficit)	0	$0.1

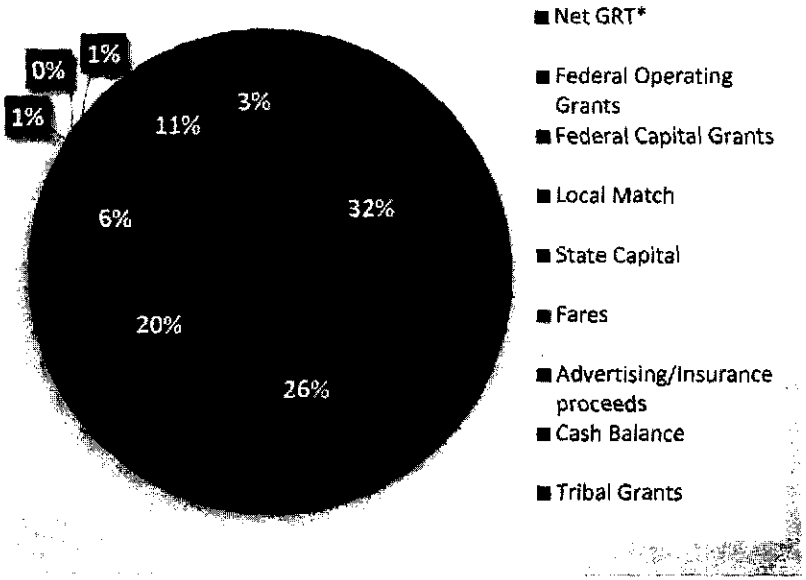
*($ in millions)

Current Financial Overview

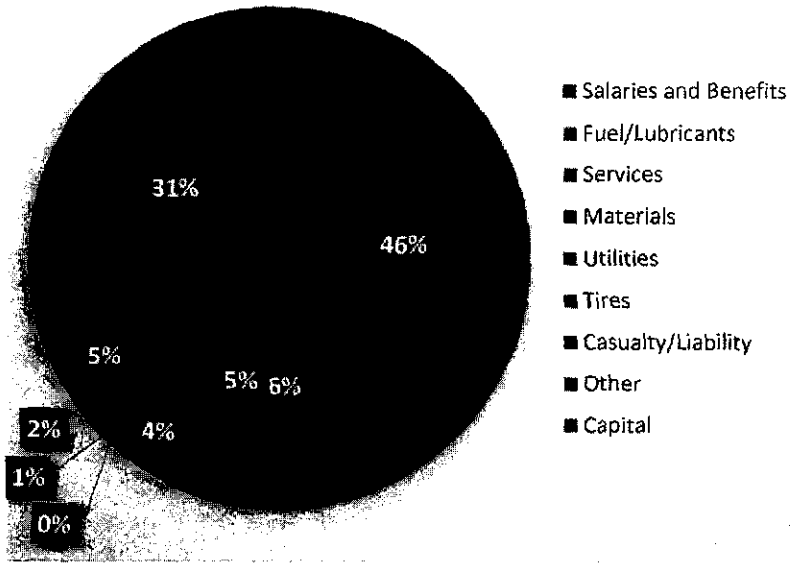
- As a separate entity, Santa Fe Trails (SFT) is projected to have sufficient operating surpluses to support service levels and daily operations through 2022.
- A separate ¼ cent Municipal Gross Receipts Tax (MGRT) levy for Santa Fe transit operations generates over $7 million per year, and a 2016 local ordinance guaranteed SFT a minimum of 89% of revenues from this ¼ cent levy, enhancing sustainability for this revenue stream.
- The 1/8 cent County Regional Gross Receipts Tax (GRT) generates over $7 million in gross annual revenues for NCRTD, but 60% of these receipts are distributed to other regional transit providers, including SFT which receives approximately $1 million from this transfer of funds.
- The NCRTD GRT is the primary source of NCRTD revenues, and will sunset in 2023 unless action is taken and voters in the four county region approve the removal of the sunset provision.
- NCRTD relies on drawdowns from cash reserve balances to sustain a balanced budget, and projects to fall below the existing 25% Board reserve requirement by 2020.

NCRTD Revenues and Expenses FY2017

Revenues



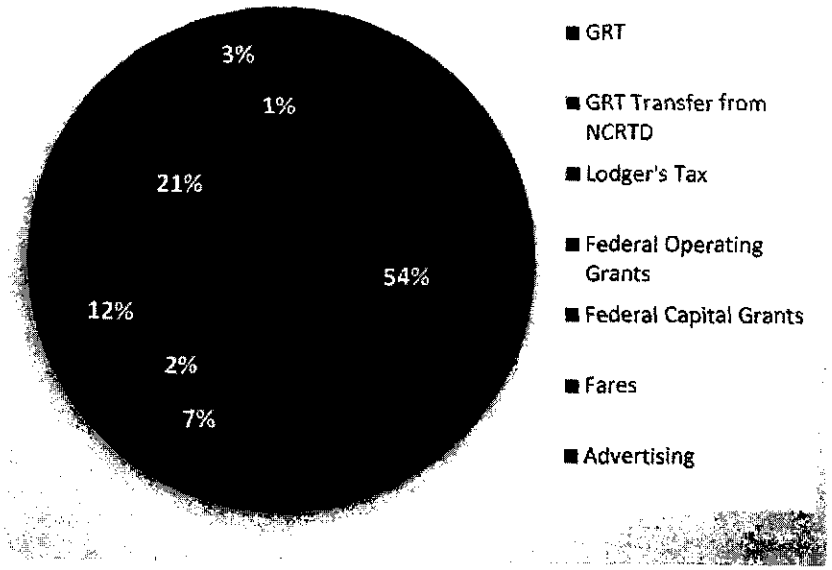
Expenses



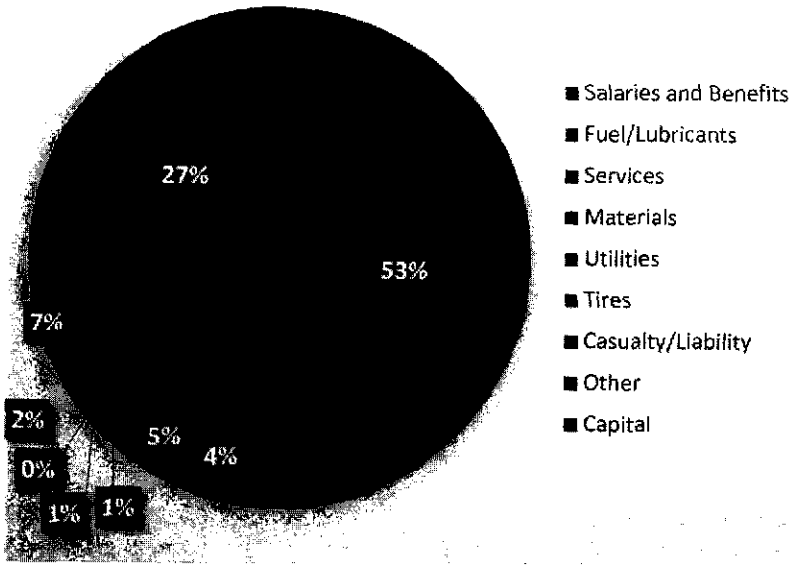
*Net GRT=$7.095 million received by NCRTD and reduced by $4.587 for transfers to Rail Runner, Atomic City Transit, and Santa Fe Trails

Santa Fe Trails Revenues and Expenses FY2017

Revenues



Expenses



Analysis of Options to Achieve Fiscal Sustainability

Three scenarios were explored to determine potential paths to financial stability (starting FY2019) for a consolidated agency:

- **Scenario 1**: Consolidation without new revenues or cost savings (Baseline).
- **Scenario 2**: Consolidation with elimination of Lodger's Tax revenues offset by support staff cost savings (net savings based on charges of City of SF departments currently providing support services to SFT, offset by NCRTD increase of nine positions for consolidation at lower cost).
- **Scenario 3**: Consolidation with assumptions from #2, plus removal of Santa Fe ¼ cent MGRT for transit and implementation of voter approved initiative to increase County Regional GRT from 1/8 cent to 1/3 cent.

Key Scenario Assumptions

All Scenarios:

- Revenue and Expense data sources consistent with Task 2A analysis, using NCRTD Fund Balance Analysis, City of Santa Fe FY2017 Budget and National Transit Database (NTD) filing.

Scenarios were evaluated using NCRTD Board reserve requirements over the full evaluation period, as modified with NCRTD concurrence:

- 25% through FY2020
- 20% from FY2021-25
- 15% from FY2026-35

Scenarios also evaluated using the State of New Mexico DFA 8% cash balance reserve requirement.

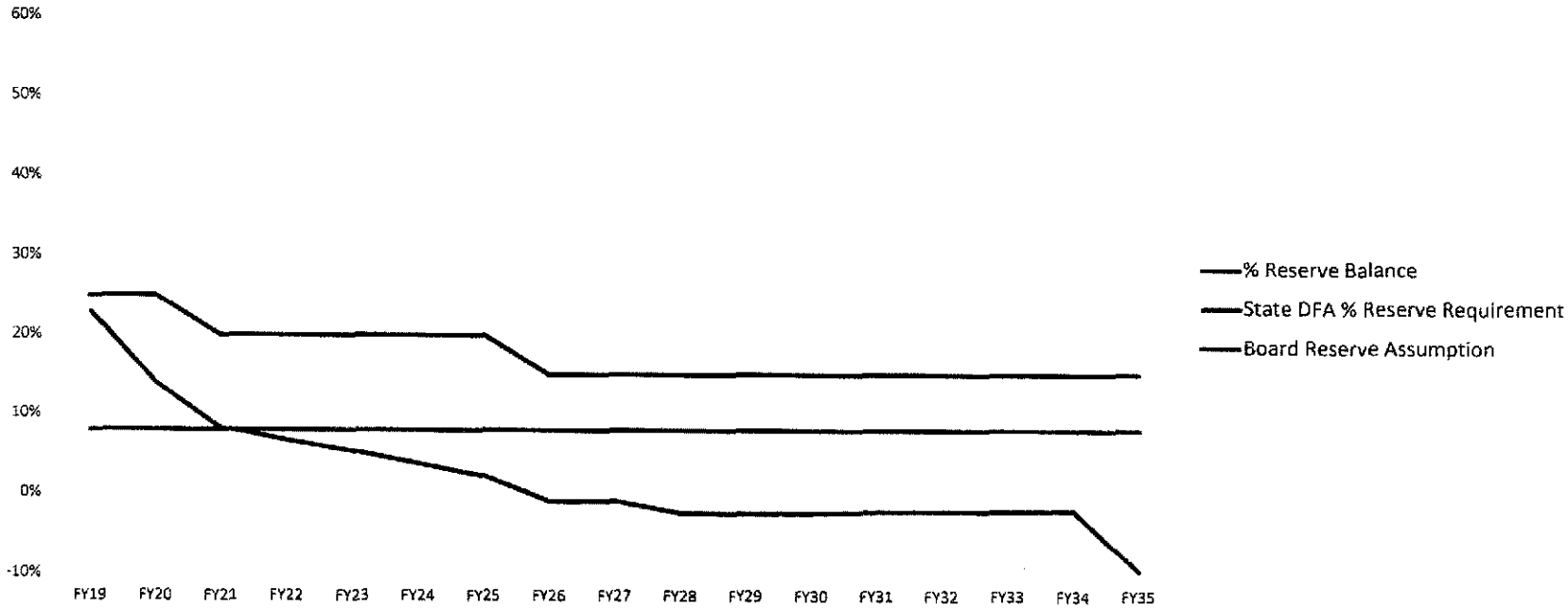
Projected revenues from FTA grants would cover 80% of fleet replacement costs through FY2035.

Scenarios 2 and 3 include annual net operational savings, through NCRTD absorbing City of SF support activities presently performed for SFT.

Scenario 1 Outcomes

Component	Outcome
Overview	Represents base case, with current projected revenues and expenses for NCRTD and SFT, no cost savings, staff additions or new revenue sources resulting from consolidation.
Deficit	Average annual deficit of $480,000 through FY2035. Consolidated unrestricted fund balance levels reaches a deficit in FY2028 through FY2035.
Long Range Strategic Plan Initiatives	Provides no additional funding for any proposed LRSP initiatives.
Board Reserve Requirements	Does not meet current NCRTD Board Reserve requirements of 25% or assumed modification down to 15% in any year out to FY2035.
State Reserve Requirements	Meets New Mexico Division of Finance and Administration reserve requirement of 8% from FY2019 through FY 2021 only.

Scenario 1 Reserve Balance

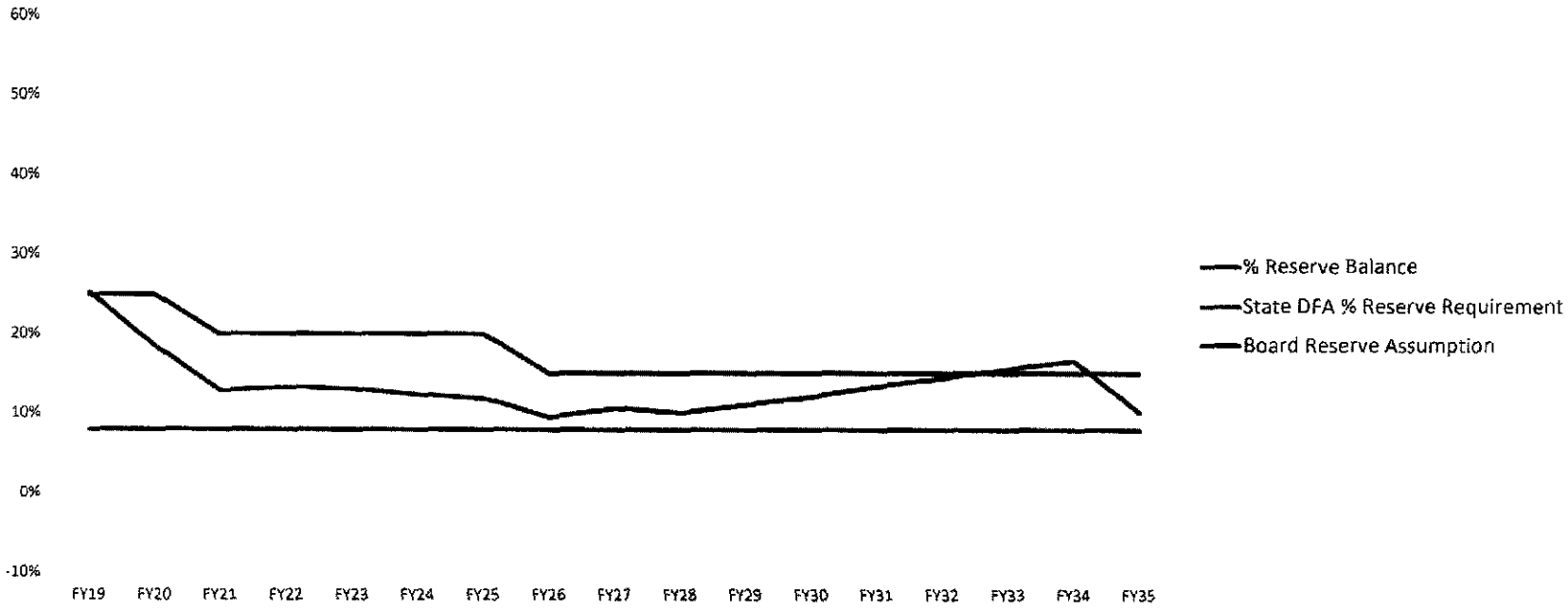


FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
23%	14%	8%	7%	5%	4%	2%	-1%	-1%	-2%	-2%	-2%	-2%	-2%	-2%	-2%	-9%

Scenario 2 Outcomes

Component	Outcome
Overview	Incorporates elimination of Lodger's Tax ($300k) as a revenue stream in FY2021 and consolidation savings ($500k) beginning in FY2019
Deficit	Consolidated agency operates with a deficit for period of FY2019-22, requiring use of cash reserves to supplement revenues
Long Range Strategic Plan Initiatives	Provides no additional funding for proposed LRSP initiatives
Board Reserve Requirements	Consolidated system falls short of required reserves from FY2020 to FY2025. Reserve levels met from FY2026 forward, except for FY2035 when balance drops to fund a projected $2.5M CNG Fueling Facility project in Santa Fe
State Reserve Requirements	Consolidated system meets New Mexico DFA cash reserve balance levels (8%) in all years of plan through FY2035

Scenario 2 Reserve Balance

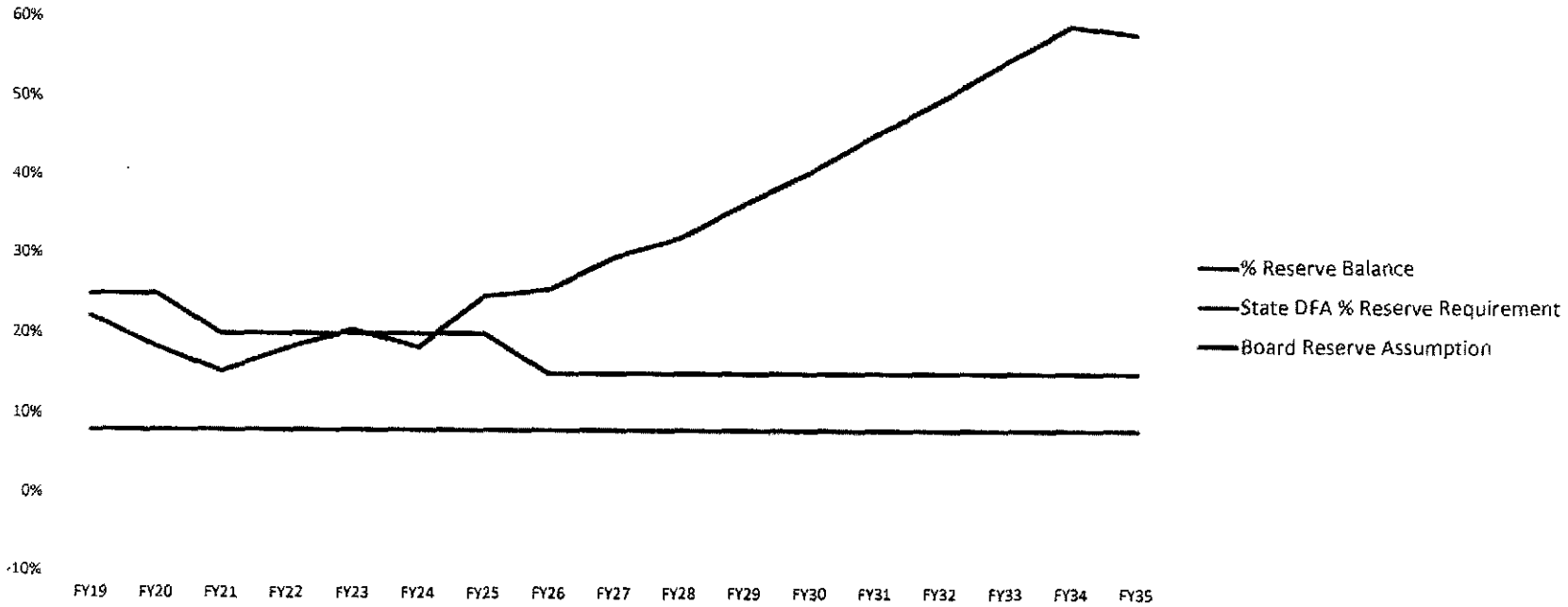


FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
25%	18%	13%	13%	13%	12%	12%	10%	11%	10%	11%	12%	13%	14%	16%	17%	10%

Scenario 3 Outcomes

Component	Outcome
Overview	Includes elimination of Santa Fe MGRT (FY2019) and Lodger's Tax (FY2021), support staff cost savings (FY2019), and a voter approved increase in the County Regional GRT within the four county region to 1/3 cent in FY2019 to offset revenue removals and fund LRSP initiatives
Long Range Strategic Plan Initiatives	All LRSP initiatives funded in a phased implementation through FY2035
Board Reserve Requirements	Board reserve requirements (current 25% and proposed modified) are not met through FY2022. Beginning in FY2023, reserve levels easily met proposed thresholds
State Reserve Requirements	New Mexico DFA reserve requirements are met in all years of the plan through FY2035
GRT Revenue	Elimination of MGRT and Lodger's Tax revenues equates to approximately $167 million through FY2035, offset by $265 million in new GRT revenue through the same period.

Scenario 3 Reserve Balance



FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
22%	18%	15%	18%	21%	18%	25%	26%	30%	32%	36%	40%	45%	50%	54%	59%	58%

[redacted]

Findings

Establish certainty of permanent revenue streams

- Ensuring financial sustainability for a consolidated transit agency will require more certainty of permanent revenue streams to support operations and expand transit mobility for the region.
- Removal of the NCRTD sunset provision is a necessary step in the process of consolidation, and increasing the existing County Regional GRT rate allows for elimination of some significant current revenue streams as a partial offset.
- Other revenue generating or expense management options, such as dedicated state funding of transit or capping the level of GRT funds transferred to the other regional providers, can possibly serve as viable alternatives to changes in the current regional GRT rate of 1/8 cent.

Cost-effective maintenance of operations

- While operating expenses are carefully contained at present, NCRTD will need to absorb the work currently provided by City of SF departments cost-effectively to generate recurring operating savings in a consolidation. A preliminary assessment indicates a net increase of nine positions for NCRTD may be warranted to handle this work in a consolidation.
- Future additional consolidation savings may be derived from utilizing SFT's maintenance facility for some of NCRTD's fleet maintenance work in place of their current outsourcing approach.

Findings

Capital Program Funding

- Uncertain nature of Federal funding grant levels, particularly for longer term capital investments, can impact necessary asset replacements and implementation of system upgrades and proposed LRSP initiatives.
- Consolidated transit operation would provide a greater rationalization of capital investment planning, as regional priorities would no longer be competing for limited Capital funding against other City of SF capital needs.

Reserve requirement thresholds

- The current NCRTD Board reserve requirement of 25% of operating revenues must be re-evaluated, consistent with a larger consolidated organization. The current 25% level is three times the existing New Mexico DFA requirement for cash reserves, and would limit the new agency's ability in the implementation of the consolidation.

[redacted]

Labor Force Alternatives (Task 3D)

[redacted]

NCRTD Representation

- Operating employees represented by Teamsters Local 42.
- Current contract will end on June 30, 2019.
- Transit-specific contract includes:
  - **Transit Drivers** – wages range from $13.62 to $21.33
  - **Customer Service Representatives** – wages range from $13.91 to $21.02
  - **Transit Software Specialist** – wages range from $15.02 to $21.02
- Wage rates increase by 2.7% on July 1, 2017 and 2.7% on July 1, 2018.

SFT Representation

- Operating employees represented by American Federation of State, County, and Municipal Employees (AFSCME).
- Current contract expired on June 30, 2017, new contract negotiations in progress.
- Part of overall city municipal contract that includes:
  - **Bus Operators** – wages range from $13.96 to $24.87
  - **Bus Mechanics** – wages range from $18.42 to $32.25
  - **Dispatcher** – wages range from $15.31 to $27.10
- Wage rates include a 50 cent/hour increase in 2014. no increase in 2015 and 2016.

[redacted]

Key Differences Between Labor Contracts

Contract Characteristics

- NCRTD transit specific vs. SFT city-wide municipal contract.

Pay Levels

- NCRTD higher at entry level, but SFT rates higher at midpoint and maximum levels.

Grievance Process

- Grievance process shorter at NCRTD.

Vehicle Maintenance Process

- NCRTD Maintenance function is primarily outsourced.

Pension Contribution

- SFT has a lower level of employee contribution.

Consolidation Option

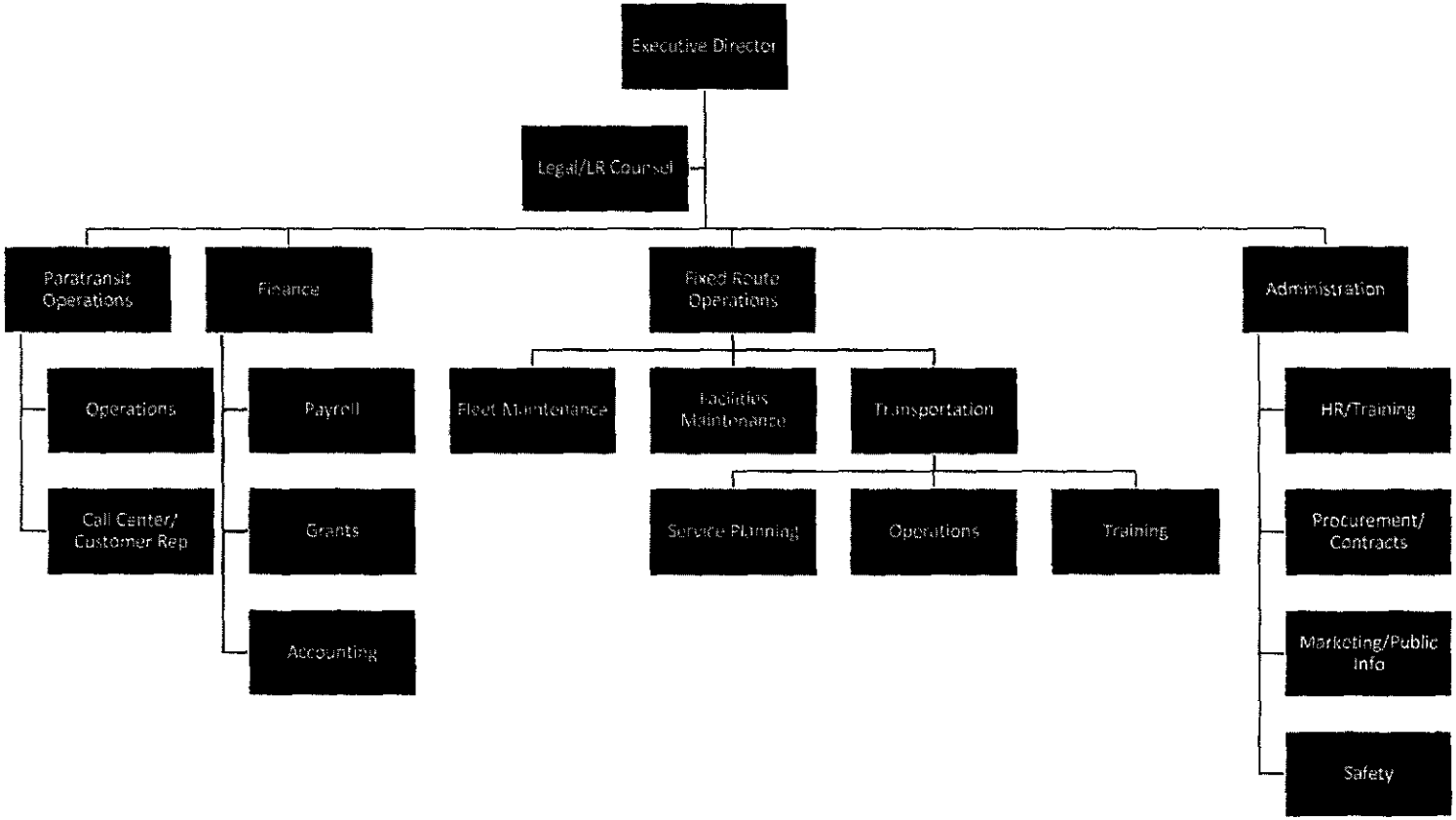
- **Critical Constraint**
  - In the event of consolidation, a review by Labor Attorneys for both NCRTD and City of Santa Fe determined that New Mexico law prohibits two separate unions from representing employees with the same basic job function.

- **Unified Representation**
  - In the event of a consolidation, current SFT employees transition to common representation with NCRTD employees.

Labor Considerations for Potential Consolidation

- **Differences requiring unification**
  - Current pay rates for similar job functions
  - Current pension and health plan contributions by employer/employee.
  - Grievance procedures.
- **Determination of seniority for represented employees**
- **Vacation/Sick Leave Balance cost impacts for SFT employees transitioning to NCRTD**
  - City would have to cover these expenses, which is an existing cost that would be faced over time by the City regardless of a consolidation. City would have to reference payment to NCRTD for this.
  - Transferring former SFT employees would need to have current Sick Leave and Vacation balances assigned to NCRTD.
- **Interchangeable labor forces**
  - Ability of two separate labor forces to be used interchangeably. This is a longer term issue that may not occur immediately upon consolidation.

Potential Consolidation Organizational Structure*



*The Fixed Route and Paratransit Transportation and Maintenance boxes include all current NCRTD and SFT supervisory, drivers, and maintenance budget positions in a combined structure

Recommended Position Increments

Recommended Position Increments for Consolidated North Central New Mexico Regional Transit District		
Position	Net Change	Annual $ Cost
Procurement/Contracts	1	$61,503
Human Resources	1.5	$87,661
Transit Planner	1	$73,996
Payroll	1	$46,753
Custodian	1	$30,385
Mechanic	3	$145,628
Service worker	1	$41,360
Marketing specialist	(0.5)	$(36,685)
IT Contract	-	$20,000
Total	9	$470,601

1

Summarize comments from governing bodies and public meetings

2

Complete Task 4 final report addressing study comments, for transmittal to NCRTD and City of Santa Fe

3

Policy makers to determine feasibility of consolidation and associated implementation strategies

Next Steps

PRESS RELEASE

FOR IMMEDIATE RELEASE

August 18, 2017
Contacts: **City of Santa Fe**: Matt Ross 505-955-6045
NCRTD: Jim Nagle 505-629-4707
TMD: Rosemary Romero 505-982-9805

CONSULTANT COMPLETES ANALYSIS OF CONSOLIDATION STUDY OF TRANSIT OPERATIONS OF THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT AND THE CITY OF SANTA FE
Public Input Meetings to be Held August 28th and 29th

A study to assess the feasibility of consolidating transit operations between the Santa Fe Trails operated by the City of Santa Fe and the North Central Regional Transit District (NCRTD) has been completed and delivered to NCRTD, the City and now the public.

During the City of Santa Fe's FY2016/2017 budget discussions, the Mayor, Council and City Manager discussed various ideas about creating cost efficiencies with several city services, including transit. To better understand the opportunities for service coordination, potential cost efficiencies, and future service improvements, the City Council passed Resolution 2016-29, in April 2016, calling for a feasibility study for transit consolidation between Santa Fe Trails (SFT) and the North Central Regional Transit District (NCRTD). The NCRTD Board passed a similar resolution supporting the joint effort.

The study does not consider any route specific changes in current service levels or travel path for either currently separate operation, but rather is a management analysis of the various issues surrounding a potential transit consolidation to be operated as an expansion of NCRTD.

The consolidation analysis report was compiled by Carlsbad, California-based Transportation Management & Design, Inc. (TMD) who led the project. Felsburg Holt & Ullevig (FHU), a transportation specialist organization based in Denver, Colorado, assisted in the study's financial analysis, and Rosemary Romero Consulting, a Santa Fe-based business consultant, conducted the outreach and will organize and facilitate the public meetings.

A copy of the report can be found on the project website www.transitconsolidationstudy.com It can also be accessed through www.ncrtd.org and www.santafenm.gov

-more-

The study was initiated to document and quantify aspects of the two presently independent transit systems. It includes a detailed analysis of financial, labor and service factors. It also looks at sharing and/or use of existing and future physical assets and labor force; and overall service performance and integration.
Specific components/key areas of the study include:

- Public Outreach, and Presentations
- Evaluation of Current Operations
- Financial Analysis
- Physical Assets Analysis
- Labor Force and Collective Bargaining Analysis
- Fixed Route Service Evaluation
- Paratransit, Dial-A-Ride and Demand Response Services Evaluation
- Potential for both efficiency and cost associated with consolidation
- Constraints associated with consolidation

The consultant team has developed several consolidation options for each of these key areas of study and assessed the strengths, weaknesses, opportunities, and threats of each option as well as obstacles, including an analysis of financial and labor implications, sharing and/or use of existing and future physical assets, as well as overall service performance and integration.

A final document incorporating the comments from the public information meetings and related NCRTD Board and City of Santa Fe Council discussion will be prepared.

In conjunction with NCRTD and Santa Fe Trails bus transit management, TMD and Rosemary Romero will conduct a series of public information meetings and presentations on Monday and Tuesday, August 28 and 29, to discuss the findings and take questions from the public and government officials. Those meetings, which are to discuss the report's findings only, will include:

<u>Monday, August 28</u>
9:00 AM to 11:00 AM – NCRTD Board Special Meeting, Jim West Regional Transit Center, 1327 N. Riverside Dr., Española
4:00 PM to 6:00 PM – Santa Fe City Council Special Meeting, Santa Fe City Council Chambers, 200 Lincoln Avenue, Santa Fe
6:30 PM to 8:00 PM – Public Meeting, Santa Fe Community Convention Center, O'Keeffe Room, 201 W. Marcy St., Santa Fe
<u>Tuesday, August 29</u>
5:30 PM to 7:30 PM, Public Meeting, Genoveva Chavez Community Center, Community Room, 3221 Rodeo Rd., Santa Fe

Funding for the $150,000 study has been provided by the New Mexico Department of Transportation which contributed $120,000 in federal transit grant planning funds, with an additional $15,000 each provided by NCRTD and City of Santa Fe.

/30/

FACT SHEET

TRANSIT CONSOLIDATION STUDY FACT SHEET

What was the purpose of the study?

During the City of Santa Fe's FY2016/2017 budget discussions last year, the Mayor, Council and City Manager discussed various ideas about creating cost efficiencies with several city services, including transit. To better understand the opportunities for service coordination, potential cost efficiencies and future service improvements, the City Council passed a Resolution 2016-29 in April 2016 calling for a feasibility study for transit consolidation between Santa Fe Trails (SFT) and the North Central Regional Transit District (NCRTD). The NCRTD Board passed a similar resolution supporting the joint effort.

Who conducted the study?

The consolidation analysis report was compiled by independent, third-party Transportation Management & Design, Inc. (TMD) who led the project. Transportation specialists, Felsburg Holt & Ullevig (FHU), assisted in the study's financial analysis, and Rosemary Romero Consulting, a Santa Fe-based business consultant, conducted the outreach and will organize and facilitate the public meetings.

What did you set out to achieve with this report?

The study was initiated to document and quantify aspects of the two presently independent transit systems. It includes a detailed analysis of financial, labor and service factors. It also looks at potential sharing and/or use of existing and future physical assets and labor force; and overall service performance and integration.
The consultant team has developed several consolidation options for each of these key areas of study and assessed the strengths, weaknesses, opportunities, and threats of each option as well as obstacles, including an analysis of financial and labor implications, sharing and/or use of existing and future physical assets, as well as overall service performance and integration.

What does the report look at?

Specific components/key areas of the study include:

- Public Outreach, and Presentations
- Evaluation of Current Operations
- Financial Analysis
- Physical Assets Analysis
- Labor Force and Collective Bargaining Analysis
- Fixed Route Service Evaluation
- Paratransit, Dial-A-Ride and Demand Response Services Evaluation
- Potential for both efficiency and cost associated with consolidation
- Constraints associated with consolidation

Where do I find a copy of the report?

A copy of the report can be found on the project website www.transitconsolidationstudy.com It can also be accessed through www.ncrtd.org and www.santafenm.gov

Does the study include a recommendation on whether, or not, to consolidate?

No. It merely puts forth several consolidation options that can be looked at, discussed and considered. A series of public and governmental meetings and presentations have been set up to present the findings and, go over options and seek input on whether, or how to move forward.

Does the report address route changes, or service reductions?

No. This study does not consider any specific changes in current service levels or routes, but rather is a management analysis of the various issues surrounding a potential transit consolidation to be operated as an expansion of NCRTD.

What is the purpose of the public meetings?

The public meetings and presentations have been set up to present the findings and seek input.

Will the City Council and NCRTD Board be voting on whether to consolidate at the August 28th and 29th meetings?

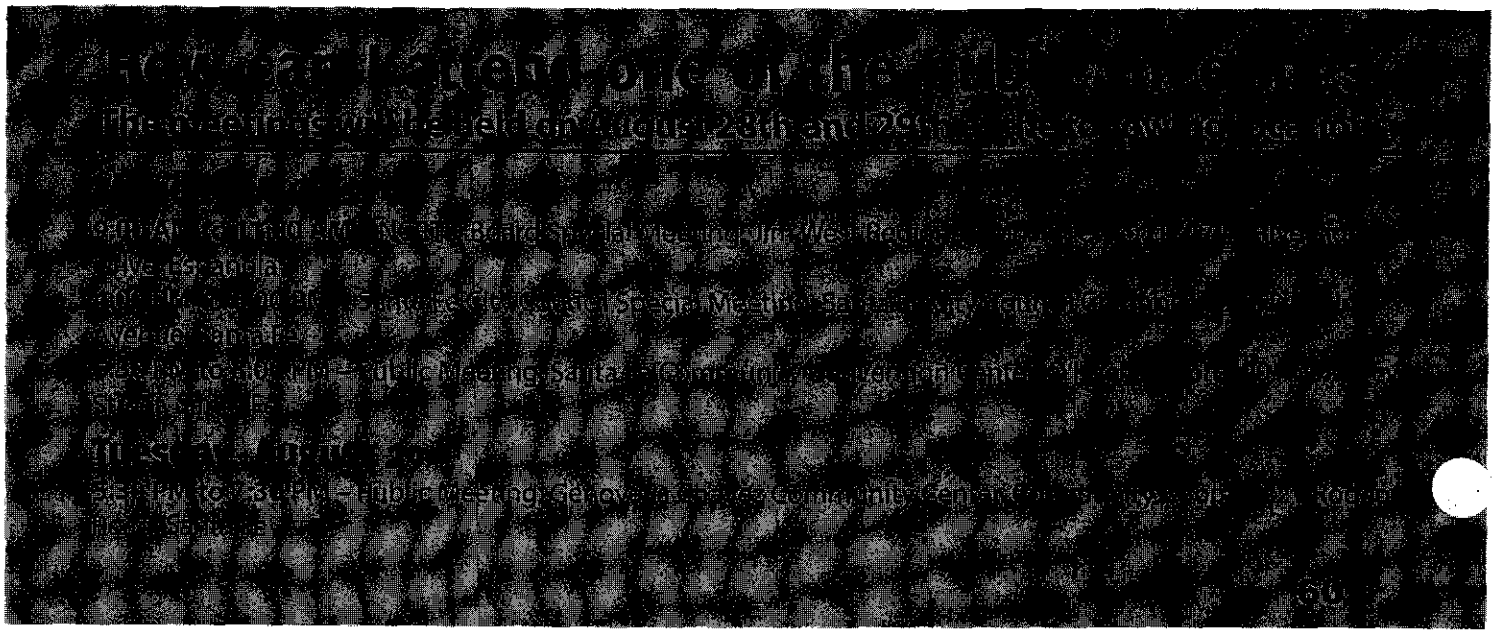
No. The purpose of the presentations to the NCRTD Board and Santa Fe City Council are for the consultants to present their findings, as well as their consolidation options, and open the floor for discussion and comments only. It is not to seek a vote for, or against, consolidation.

What are the next steps?

Once the meetings are completed, a final Consolidation Assessment Plan incorporating the comments from the public information meetings, and related NCRTD Board and City of Santa Fe Council discussions will be prepared by TMD. A future discussion by the City Council and the District Board will be scheduled to determine what direction to take in respect to the preferred recommendations contained in this final document.

I am unable to attend the public meeting, but I would like to submit a comment to the record. How do I do that?

You may go to the consolidation website at www.transitconsolidationstudy.com and click the "Get Involved" link along the top of the page.



TASK 2 REPORT

North Central RTD and City of Santa Fe
Transit System Merger/Consolidation Analysis

Task 2: Evaluation of Current Operations

APRIL 2017

TMD
TRANSPORTATION MANAGEMENT & DESIGN, INC.

FELSBURG HOLT & ULLEVIG

ROSEMARYROMERO CONSULTING

North Central RTD and City of Santa Fe Transit System Consolidation Study

Task 2A – Financial Analysis

FELSBURG
HOLT &
ULLEVIG

connecting and enhancing communities

April 25, 2017

MEMORANDUM

TO: Norman Silverman, Transportation Management & Design, Inc.

FROM: Holly Buck, PE, PTP
Kelly Leadbetter, AICP
Rachel Ackermann, EI

SUBJECT: Financial Summary for Transit Consolidation Study, Task 2A
FHU Project #: 116164-01

---

1. Introduction

The City of Santa Fe and the North Central Regional Transit District (NCRTD) are evaluating opportunities to consolidate their transit systems. This memo supports Task 2A: Financial Analysis of the Transit System Merger/Consolidation study currently taking place. It summarizes existing and historic operating and administrative expenses, existing and future capital outlay, and existing and future revenue projections for both systems. It also provides a side-by-side comparison of the two systems; however, this memo does not discuss the financial implications of a potential consolidation. Financial implications will be considered after consolidation scenarios have been identified.

Every effort has been made to make an equitable, accurate, and up-to-date comparison between the two systems, but their reporting mechanisms are somewhat different: NCRTD is a standalone transit agency and Santa Fe Trails is a division within the City of Santa Fe. Both agencies operate on a fiscal year (FY) beginning July 1 and ending June 30. As a small urban area, Santa Fe Trails reports transit system data annually to the Federal Transit Administration's (FTA's) National Transit Database (NTD). NCRTD is considered a rural transit provider and they report similar data annually to the New Mexico Department of Transportation (NMDOT). Data from both submittals, along with various other sources, were used to develop this summary. Other sources include:

- NCRTD
  - NCRTD Fiscal Year 2017 Budget (adopted June 10, 2016)
- Santa Fe Trails
  - City of Santa Fe Operating Budget, Fiscal Year ending 2017
  - City of Santa Fe Comprehensive Annual Financial Report for the year ending June 30, 2015
  - City of Santa Fe 5-Year Capital Improvements Plan FY 2015/16 – 2019/20

2. Expenses

Operating and capital expenses were evaluated and compared for NCRTD and Santa Fe Trails. Operating expenses include the expenses associated with the operation and administration of a transit agency, as well as the goods and services purchased in support of operations. Capital expenses include projects related to the purchase of non-expendable, tangible equipment.

2.1. Operating and Administrative

Actual operating and administrative expenses for FY 2015 were compared using data from the *NCRTD Fiscal Year 2017 Budget* and from the Santa Fe Trail 2015 NTD submittal. NTD expense object classes were used for direct comparison. The following NTD expense object classes were summarized and compared:

- Operators' Salaries and Wages (501.01)
  - The labor of transit agency employees who are classified as revenue vehicle operators or crew.
- Other Salaries and Wages (501.02)
  - The labor of transit agency employees who are not classified as revenue vehicle operators or crew.
- Fringe Benefits (502)
  - The payments or accruals to others (insurance companies, governments, etc.) on behalf of an employee and payments and accruals directly to an employee arising from something other than a piece of work. These payments are transit agency costs over and above labor costs but still arising from the employment relationship.
- Services (503)
  - The labor and other work provided by outside organizations for fees and related expenses.
- Fuels and Lubricants (504.01)
  - The costs of gasoline, diesel fuel, propane, lubricating oil, transmission fluid, grease, etc., for use in vehicles.
- Tires and Tubes (504.02)
  - The lease payments for tires and tubes rented for a time period or on mileage basis, or the cost of tires and tubes.
- Other Materials and Supplies (504.99)
  - The costs of materials and supplies not specifically identified in the Fuel and Lubricants (504.01) and Tires and Tubes (504.02) object classes issued from inventory or purchased for immediate consumption.
- Utilities (505)
  - The payments made to various utilities for use of their resources, such as electric, gas, water, and telephone.
- Casualty and Liability Costs (506)
  - The cost elements covering protection of the transit agency from loss through insurance programs, compensation of others for their losses due to acts for which the transit agency is liable, and recognition of the cost of corporate losses.

- Taxes (507)
  - The taxes levied against the transit agency by Federal, state, and local governments.
- Miscellaneous Expenses (509)
  - The expenses that cannot be attributed to any of the other major expense categories. Santa Fe Trails miscellaneous expenses includes funds to other city departments in support of transit operations, e.g. human resources, legal, finance, and building maintenance.

In addition to these NTD expense object classes, debt service was summarized and compared.

Appendix A is Santa Fe Trail's 2015 National Transit Database (NTD) F-40 Submittal which shows Santa Fe Trails' expenses by expense object class. A comparable version for NCRTD is not readily available, as they do not transmit to NTD in a comparable format.

Table 1 compares the operating and administrative expenses by agency for FY 2015.

Table 1. Operating and Administrative Expenses FY 2015

NTD Categories	NCRTD	Santa Fe Trails
Operators' Salaries and Wages	$1,800,582	$2,908,817
Other Salaries and Wages		$1,328,572
Fringe Benefits	$812,237	$2,096,808
Services	$269,364	$581,706
Fuel and Lubricants	$365,008	$444,561
Tires and Tubes	$52,000	$62,725
Other Materials and Supplies	$243,282	$151,972
Utilities	$26,079	$118,291
Casualty and Liability Costs	$97,372	$245,131
Taxes	$4,704	$0
Miscellaneous Expenses	$258,997	$808,126
Debt Service	$0	$336,466
Total Operating Expenses	**$3,929,626**	**$9,083,175**

Sources: Santa Fe Trails FY 2015 NTD Submittal, NCRTD FY 2017 Budget, City of Santa Fe

Table 1 does not include the non-RTD expenses that transfer from NCRTD to Railrunner ($2,196,109), Los Alamos County ($1,362,820), and the City of Santa Fe ($953,274) in support of other transit provider services.

The City of Santa Fe's miscellaneous expenses category captures the funds allocated to other supporting departments/service divisions within the City. This includes Human Resources/Payroll, City Attorney, Fleet Maintenance, and Other General Fund Services. The City of Santa Fe's NTD reported miscellaneous expenses has fluctuated from year to year, averaging around $645,000, from the last seven years. The total for these services in FY 2016/2017 was $940,766. **Table 2** shows the breakdown by supporting department/service division for FY 2016/2017.

Table 2. Supporting Department/Service Division Allocations for FY 2016/2017

Service Division	Amount
Human Resources / Payroll	$104,035
City Attorney	$79,550
Fleet Maintenance	$0
Other General Fund Services	$757,180
Total	**$940,766**

The Other General Fund Services includes supporting services such as the City Clerk, the City Manager, and Info Tech and Telecom.

The City of Santa Fe's Finance Department has indicated that they are moving to a different way of calculating the service costs to each department starting in this next budget year. The new methodology will be more sophisticated and services will be charged based on a more precise inventory of equipment and services used by each supported department.

2.2 Capital

The *NCRTD Fiscal Year 2017 Budget* includes a long-range capital improvement plan that currently forecasts capital expenditures through FY 2027. The *NCRTD Capital Investment Plan* describes projected capital expenditures resulting from long-term plans, asset management, or other capital needs. Similarly, the City of Santa Fe summarizes its anticipated capital improvements in the transportation section of the *City of Santa Fe 5-Year Capital Improvement Plan*. These plans include estimates for capital programs and projects that may have already received grant funding, are in the application phase, or are 100 percent locally funded. Funding for these expenses come from a combination of sources: (1) cash funded/pay-as-you-go, (2) grants – Federal/state/other, (3) debt financing and special loans, and (4) bonds/taxes.

The *NCRTD Capital Investment Plan* and the *City of Santa Fe 5-Year Capital Improvement Plan* include projected expenditures for the following project/program types:

- Bus and paratransit vehicle replacement programs
- Bus stop amenity and shelter improvement projects/programs
- Transit center/maintenance facility design and construction projects
- Technological improvement programs for equipment and vehicles
- Facilities improvement programs

The *City of Santa Fe 5-Year Capital Improvement Plan* provides a short-term plan for facilities improvement programs; however, the information provided does not include long-term projection for large facility maintenance capital expenses, such as roof replacement, HVAC, or other large equipment replacement. Per FTA, select capital expenses are included in the operating budget.

The City of Santa Fe changed its approach to developing its 5-Year Capital Improvement Plan for FY 2017/18. The 2017-2022 CIP only reflects projects without identified funding. It has been forecast that SFT will require an average of $900,000 for fixed route vehicle replacement on an annual basis, and approximately $250,000 for paratransit vehicle replacement on a biannual basis.

There are three major infrastructure capital improvements currently underway with funding in place to support them. These projects are the Downtown Transit Center, the Southside Transit Center and the CNG Fuel Station upgrade. However, due to the irregular nature of major facility capital

projects, estimates for capital projects of this nature cannot be forecast and included beyond the next few years and outside the timeframe of the current 5-year CIP. The City has indicated that they do not anticipate any other major infrastructure projects in the near to mid-term and also noted that projects of this nature are typically phased as funding is identified.

The 2017/2018 CIP identifies the following projects as lacking identified funding sources:

- FY 2018 Transit Division Facility – repaving and ADA upgrades
- FY 2018 Paratransit Vehicle Replacement – anticipating receipt of Section 5310 funding
- FY 2020 and FY 2022 Paratransit Vehicle Replacement – anticipate applying for Section 5310 funding
- FYs 2018-2022 Fixed Route Vehicle Replacement – No funding source identified
- FYs 2018-2022 Bus Stop Facility Upgrades – anticipate applying for receiving Section 5339 funding

The City also has an Infrastructure Capital Improvement Plan includes projects that may or may not have identified funding sources. A detailed summary of the physical assets of each agency is provided in the Task B – Physical Assets Analysis. For this analysis, projected capital projects listed under the CIP have been evaluated as expenses to identify required revenues (including funds already secured).

Appendix B includes a complete list of projects, as outlined in the NCRTD Long Range Capital Improvement Plan and the *City of Santa Fe 5-year Capital Improvements Plan FY 2015/16 – 2019/20*, and *City of Santa Fe 2017-2022 Capital Improvement Plan* – showing unfunded transit projects. **Table 3** compares the projected capital budget for NCRTD and the City of Santa Fe through the FY 2023.

Table 3. Capital Budget Through FY 2023

	NCRTD	City of Santa Fe
FY 2016	$1,771,307	$5,736,732
FY 2017	$2,410,415	$3,425,169
FY 2018	$976,000	$4,383,361
FY 2019	$1,267,000	$1,140,786
FY 2020	$2,588,357	$1,337,500
FY 2021	$6,625,552	$1,087,500
FY 2022	$954,445	$1,337,500
FY 2023	$534,492	Not Available

The following summarizes how the projected capital revenues and expenditures for SFT were addressed in this financial summary:

- The FUNDED major infrastructure capital improvements (Downtown Transit Center, the Southside Transit Center and the CNG Fuel Station upgrade) were treated as revenue neutral
- Unfunded projects were treated solely as expenditures
- Projects with anticipated funding identified as requiring an 80/20 federal/local match

Table 4 compares the projected capital revenues and expenditures for the City of Santa Fe through the FY 2018-FY 2023, with the assumptions outlined above. A sensitivity analysis showing the projected expenditures if funding is received for projects "anticipating" Section 5310 or 5339 funds.

Table 4. City of Santa Fe Expenditures vs Revenues FY 2018 through FY 2023

	Expenditures	Revenues w/ anticipated funding	Revenues w/o anticipated funding
FY 2018	$4,383,361	$2,997,346	$2,653,286
FY 2019	$1,140,786	$203,286	$53,286
FY 2020	$1,337,500	$350,000	$0
FY 2021	$1,087,500	$150,000	$0
FY 2022	$1,337,500	$350,000	$0
FY 2023	$900,000	$150,000	$0

2.3 Debt Service

NCRTD currently has no debt service. Santa Fe Trails has an existing New Mexico Finance Authority (NMFA) Transit Bus Loan that is due in 2026. The original loan amount was $3.5 million. As of July 2016, the outstanding principal was $2,993,873 and the outstanding interest/fees were $434,710. Debt service payments were $343,287 in 2016 and will be $342,859 in 2017. For the purposes of this study, $250,000 of debt service is included annually between 2018 and 2023.

3. Revenues

The following describes revenue sources for NCRTD and the City of Santa Fe Transit operating fund:

- NCRTD Gross Receipts Tax (GRT) – The 1/8 cent GRT collected in the NCRTD four-county area accounts for nearly 75 percent of NCRTD revenues or about $7.2 million annually. Through intergovernmental contracts, a portion of the GRT collected supports other transit agencies serving the region, including $2.2 million to RMRTD, $1.4 million to Atomic City Transit, and $950,000 to Santa Fe Trails. It is anticipated that consolidation of the two services would eliminate the transfer of funds between NCRTD and Santa Fe Trails. This funding source sunsets in 2023 and would require a vote in the four-county area to extend or increase it.
- Santa Fe GRT – The fifth one-quarter percent increment of the municipal gross receipts tax was identified for transit funding on January 1, 1992. Ordinance 2016-15 (effective date January 13, 2016) clarified that up to 11 percent of this GRT can fund other programs; transit is guaranteed 89 percent. This GRT does not sunset.

  Since Ordinance 2016-15 had an effective date of January 13, 2016 it did not apply to the GRT for FY 2015 and the first half of FY 2016.

  Prior to the approval of Ordinance 2016-15, transit was not guaranteed 89 percent of the revenues. The ¼ cent Quality of Life GRT collected by the City of Santa Fe was used to fund approximately $5.3 million of Santa Fe Trails operations in FY 2015.

  For FY 2016 budget year, which was approved prior to Ordinance 2016-15, the transit budget was 84.45% of the ***budgeted*** MGRT. ***Budgeted*** MGRT totaled 7,871,500, and therefore, transit received $6,647,488. MGRT ***actuals*** at the close of FY15/16 were $8,248,011. These revenue reflect the total amount transferred to transit (including the portion ultimately transferred to NCRTD).

  For FY2017 (the first complete FY post Ordinance 2016-5) allocation to the General Fund has ceased and based on the Finance Department's interpretation of Ordinance 2016-15, transit's 89% of the fifth one-quarter percent of the MGRT should have been $7,120,278.57 and $7,180,979 (89.76%) was transferred.
- FTA 5307 – The City of Santa Fe receives funding from the Urbanized Area Formula Funding program which makes federal resources available to urbanized areas and to governors for transit capital and operating assistance in urbanized areas and for transportation-related planning. During the FY 2015, almost all the funds earned were expended on operational expenses. Beginning in FY 2017, $72,950 of the Section 5307 Funds allocated to the Santa Fe UZA will be provided to NCRTD for the Mountain and La Cienega Routes to cover approximately 25% of operating costs. This transfer of funds from SFT to NCRTD is projected to continue annually.
- FTA 5309 – The City of Santa Fe received grant program funding from the Capital Investments Grant for funding major transit capital investments. This is a discretionary grant program. The funds received from this grant during the FY 2015 were not reported as revenue on the City's Transit Operating Fund nor were projected revenues included in their budget projections. For this effort, 80 percent of the Santa Fe Trails capital budget expenditures are assumed as capital revenues.
- FTA 5311 – NCRTD receives capital and operation grants under Section 5311. The Formula Grants for Rural Areas program provides capital, planning, and operating assistance to states to support public transportation in rural areas with populations of less than 50,000, where many residents often rely on public transit to reach their destinations.

For the capital grants, resources are allocated per a formula and are matched on an 80 percent Federal and 20 percent local basis for capital and administration expenses and 50 percent Federal and 50 percent local for operating expenses.

- Los Alamos County contribution – FY 2016 was the fourth year in which the Transit GRT in Los Alamos County declined due to reduced spending by the Los Alamos National Laboratory. The decline in Los Alamos revenues was offset by increased GRT revenues in Santa Fe and Taos County. Projected revenues from Los Alamos County have been integrated into the FY 2017 budget. However, due to the uncertainty surrounding whether the contribution will continue for future years, revenue from Los Alamos County has not been included in the long term revenue projections (FY 2018 – FY 2023).
- Transit Fares – NCRTD provides primarily free transit services with a few fare-based bus transit services. The NCRTD "Blue Buses" and Chile Line Buses are fare free. The weekend Taos Express service is $5.00 one-way between Taos and Santa Fe, and $2.00 one-way between Española and Santa Fe and Española and Taos. The 255 Mountain Trail to Ski Santa Fe costs $5.00 one-way during the winter season schedule. During the winter season, uphill riders will be presented with a $5.00 discount token that can be redeemed at Ski Santa Fe for anything on the mountain, excluding alcohol. During the non-winter schedule season, the cost is $5.00 uphill, fare-free downhill. Conversely, Santa Fe Trails service is fare-based; the current Santa Fe Trails one-way fares are summarized in the table below. Santa Fe Trails offers discounted Daily, Monthly, Semi Annual and Annual pass options. Additionally, children 18 and under and Veterans ride the Fixed Route System for free. See www.takethetrails.com for additional fare options and costs.

	One-Way Trip
Adult (19–59)	$1.00
Senior (60+)	$0.50
Disabled	$0.50
Student	$1.00

- Contractual Reimbursements or Contributions, Interest on Investments – Both NCRTD and Santa Fe sell advertising space as a source of revenue. This revenue category also includes insurance proceeds and interest on investments.
- Lodgers' Tax – The Lodgers' Tax is imposed on persons using commercial lodging accommodations. Not less than one-half (1/2) of the proceeds derived from the first 3 percent increments and not less than one-fourth (1/4) of the proceeds of the tax in excess of 3 percent increments shall be used for advertising, publicizing, and promoting tourist-related attractions, facilities, and events. Historically Santa Fe Trails has received $300,000 annually but this is not a guaranteed annual revenue source.
- State/Local Funds – Operating and capital assistance from state and/or local funds is available in addition to Federal funds. These funds vary and are not a guaranteed annual revenue source and therefore, have not been included in the projections developed for this project.

Table 5 summarizes the assumptions used to conduct revenue projections for NCRTD and Santa Fe Trails through the FY 2023. NCRTD provided a 3 percent revenue growth estimate. SFT did not provide revenue growth projections; therefore, the same 3 percent revenue growth in applicable categories as projected for NCRTD was applied to the Santa Fe Trails data.

Table 5. Revenue Projection Assumptions

	NCRTD	City of Santa Fe
GRT[1]	Assumes 3 percent annual growth, consistent with the FY 2017 Budget Assumes 35 percent of NCRTD GRT revenue remains with NCRTD	Assumes 3 percent annual growth; to be consistent with the NCRTD FY 2017 Budget assumptions. FY 2018, used projected revenues of $7,255,809, as provided by City of Santa Fe. Assumes 14 percent of NCRTD GRT Revenue goes to Santa Fe Trails
Special Use Lodgers' Tax Revenue	Not a current or projected revenue source	Held constant at $300,000 annual revenue
2014 CIP GRT Bond	Not a current or projected revenue source	Transfers into/out of the Transit fund for the CIP GRT Bond are revenue neutral
Other Transfers In	Not a current or projected revenue source	Assumed to be $0 for FY's 2018–2023
Federal Operating Grants	5311 – Assumes 3 percent annual growth, consistent with the FY 2017 Budget	5307 – Assumes 3 percent annual growth; to be consistent with the NCRTD FY 2017 Budget assumptions; historical 5307 allocations vary widely, but have increased approximately 4 percent annually. Therefore, a conservative 3 percent increase was assumed for this project.
Federal Capital Grants	5311 – 80 percent of projected fleet replacement costs	5309 – 80 percent of projected capital costs for projects with identified funding
TIGER Maintenance Facility Grant	TIGER Grant projections have been included in the NCRTD projections consistent with the 2017 FY Budget and represent 95 percent of projected maintenance facility capital costs	Not a current or projected revenue source
Tribal Transit Grants	Held constant at $120,000 annual revenue	Not a current or projected revenue source
Los Alamos County Contribution	Assumed to be $0 for FY's 2018–2023 to reflect the uncertainty of future revenues from Los Alamos County	Not a current or projected revenue source
State Capital Outlay Appropriation	Projections consistent with the FY 2017 Budget	Not a current or projected revenue source
Interest Savings, Short Term CD (Investments)	Assumed 3 percent annual growth for FY's 2018–2023, consistent with the 2017 FY Budget	Assumed to be $0 for FYs 2018–2023
Advertising Revenue	Assumed to be 3 percent annual growth for FYs 2018–2023 consistent with the FY 2017 Budget	Held constant at $160,000 for FYs 2018 - 2023; consistent with discussions with the City and new 4-year advertising contract beginning FY 2018.

	NCRTD	City of Santa Fe
Insurance Proceeds	Have been held constant at $20,000	Not a current or projected revenue source
Fare Revenues	Have been held constant at $40,500 for FYs 2018–2023	Have been held constant at $400,000 for FYs 2018–2023

[1] Non-RTD GRT revenues have been subtracted from the total NCRTD revenue calculations;

Table 6 summarizes *net* revenue for NCRTD (minus non-RTD revenue) to avoid double counting; NCRTD to Santa Fe Trails transfer is captured in the Santa Fe Trails revenue projections.

Table 6 provides a comparison of the total projected revenues for NCRTD and Santa Fe Transit. These values represent the total aggregated revenue from the sources outlined in **Table 4**.

Table 6. Comparison of NCRTD and Santa Fe Trails Revenues through FY 2023

	NCRTD	Santa Fe Trails
FY 2014 (A/A)	$4,974,613	$7,846,995
FY 2015 (A/A)	$5,062,167	$8,904,901
FY 2016 (A/B)	$7,090,239	$14,450,877
FY 2017 (B/B)	$7,837,533	$13,214,258
FY 2018 (P/P)	$6,565,932	$13,723,252
FY 2019 (P/P)	$7,024,630	$11,227,358
FY 2020 (P/P)	$8,518,716	$11,681,182
FY 2021 (P/P)	$12,733,821	$11,797,506
FY 2022 (P/P)	$7,245,963	$12,323,320
FY 2023 (P/P)	$7,014,755	$12,308,908

[1] Represents a net revenue; does not include the $100,000 transfer in/transfer out for the 2014 CIP GRT Bond Fund/ 2014 CIP GRT Debt Service [4127]

[2] FY 2016 revenue totals reflect NCRTD FY estimated revenues and the Santa Fe Trails FY budgeted revenues;

Sources: NCRTD Long Range Financial Strategic Plan and Fund Balance Analysis (Moderate scenario), City of Santa Fe FY 2016/17 Proposed Budget, Santa Fe Trails NTD data

A – Actual, B – Budget, E – Estimate, P – Projected

As shown in **Table 6**, there is a projected increase in total net revenues for NCRTD reflected in the FYs 2020 and 2021. The reason for this spike in projected revenues is the need to fund projected capital projects (as shown on **Table 3**). The NCRTD Capital Improvement Plan includes a large budget for a maintenance facility in the Long Range Capital Improvement Plan (**Appendix B**). The projected revenue source for this project is TIGER grant funding; TIGER Grant projections have been included in the NCRTD revenue projections consistent and account for the spike in projected revenues for FYs 2020 and 2021.

A projected increase in the total net revenues for SFT reflected in FY 2016 and extending through FY 2018 is also shown in **Table 6**. The FY 2016 revenues include the NMFA loan received for bus replacement as a revenue source. Similarly, FYs 2016-2018 include capital revenue associated with the Downtown Transit Center and Southside Transit Center Capital projects. These capital projects are discussed in greater detail in the Task 2B memo. As discussed in the memo, the Southside Transit Center and the Downtown Transit Center projects have secured funding that has been included as a revenue source in FYs 2016-2018.

4. Reserves

4.1 NCRTD Revenue Reserves

NCRTD, at the direction of the board, has a policy of maintaining 25 percent of its operating revenue as an unrestricted cash reserve. This reserve covers unexpected revenue decreases or unexpected costs such as a fuel cost increase. It also includes funds directed to a capital and capital replacement reserve and service enhancements.

4.2 Santa Fe Trails Revenue Reserves

While the City of Santa Fe does maintain an approximate 10 percent cash reserve, Santa Fe Trails, as a division of the City, does not maintain a separate reserve balance. Transit is an enterprise fund and, as such, does not have direct access to fund reserves. However, Santa Fe City Council could decide to make these funds available to Santa Fe Trails in an emergency.

5. Conclusion

The MS Excel spreadsheets (**Appendix C**) that complements this memo provide a comparison of overall revenues and expenditures for both transit agencies. Based on the assumptions documented in this memo, NCRTD is expected to receive adequate revenues to cover both capital and operating costs, see **Table 7**

Santa Fe Trails is projected to operate with a $442,000 deficit in FY 2018. This is primarily due to the lack of identified funding for the Transit Division Facility paving project. For FYs 2019 – 2023, Santa Fe Trails is expected to operate with an average surplus of $70,000. This surplus may not materialize once additional capital requirements for Santa Fe Trails are identified for years 2021, 2022, and 2023.

Prior calculations indicated a budget deficit for FYs 2017 – 2023 for SFT. SFT has provided update projections and additional clarification on the funds received by transit from the MGRT. This information is summarized in Section 3, and the updated revenue projections are reflected in SFT's improved revenue outlook, as summarized in **Table 7**.

Table 7. Agency Revenue and Expense Comparison by Year

Fiscal Year	2017	2018	2019	2020	2021	2022	2023
NCRTD							
Total Expenses NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Total Revenues NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Difference	$0	$0	$0	$0	$0	$0	$0
Santa Fe Trails							
Total Expenses SFT	$13,040,850	$14,165,320	$11,191,400	$11,666,690	$11,705,620	$12,255,330	$12,128,790
Total Revenues SFT	$13,214,260	$13,723,250	$11,227,360	$11,681,180	$11,797,510	$12,323,320	$12,308,910
Difference	$173,410	($442,070)	$35,960	$14,490	$91,890	$67,990	$180,120

The impacts of the previously discussed sensitivity analysis showing the projected expenditures if funding is received for projects "anticipating" Section 5310 or 5339 funds are summarized in **Table 8. Table 8** summarizes the projected agency revenues and expenses for a scenario where the City of Santa Fe is unable to secure federal funding for its projected fixed route vehicle replacement, paratransit vehicle replacement and bus stop facility upgrades.

Without the anticipated federal funding, the Santa Fe Trails is projected to operate with an average annual deficit of $265,000 from FY 2018 to FY 2022. Excluding FY 2018 and the currently unfunded Transit Division Facility paving project, Santa Fe Trails is projected to operate with an average annual deficit of $165,000 from FY 2019 to FY 2022.

Table 8. Agency Revenue and Expense Comparison by Year (Including Santa Fe Trails Federal Funding Sensitivity Analysis)

Fiscal Year	2017	2018	2019	2020	2021	2022	2023
NCRTD							
Total Expenses NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Total Revenues NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Difference	$0	$0	$0	$0	$0	$0	$0
Santa Fe Trails							
Total Expenses SFT	$13,040,850	$14,509,380	$11,341,400	$12,016,690	$11,855,620	$12,605,330	$12,328,790
Total Revenues SFT	$13,214,260	$13,723,250	$11,227,360	$11,681,180	$11,797,510	$12,323,320	$12,308,910
Difference	$173,410	($786,130)	($114,040)	($335,510)	($58,110)	($282,010)	($19,880)

Appendix A
Santa Fe Trails
National Transit Database (NTD) 2015 Submittal
F-40 Operating Expenses Summary

NTD ID	60077
Reporter Name	Santa Fe Trails - City of Santa Fe
Report	2015 (Revision: 3)

Operating Expenses Summary (F-40)

Total Operating Expenses (F-30)

Expense Object Class	Vehicle Operations (010)	Vehicle Maintenance (041)	Non-Vehicle Maintenance (042)	General Administration (160)	Total
Operators' Salaries and Wages (501.01)	$2,908,817	$0	$0	$0	**$2,908,817**
Other Salaries and Wages (501.02)	$257,320	$572,876	$39,912	$458,464	**$1,328,572**
Fringe Benefits (502)	$1,581,026	$264,339	$25,943	$225,500	**$2,096,808**
Services (503)	$68,200	$384,060	$1,871	$127,575	**$581,706**
Fuels and Lubricants (504.01)	$406,661	$37,900	$0	$0	**$444,561**
Tires and Tubes (504.02)	$53,159	$9,566	$0	$0	**$62,725**
Other Materials and Supplies (504.99)	$46,050	$56,859	$0	$49,063	**$151,972**
Utilities (505)	$0	$0	$0	$118,291	**$118,291**
Casualty and Liability Costs (506)	$0	$0	$0	$245,131	**$245,131**
Taxes (507)	$0	$0	$0	$0	**$0**
In Report (508.01)	$0	$0	$0	$0	**$0**
Filing Separate Report (508.02)	$0	$0	$0	$0	**$0**
Miscellaneous Expenses (509)	$524,944	$138,378	$40,192	$104,612	**$808,126**
Total	**$5,846,177**	**$1,463,978**	**$107,918**	**$1,328,636**	**$8,746,709**

ADA Related Expenses	**$2,037,430**

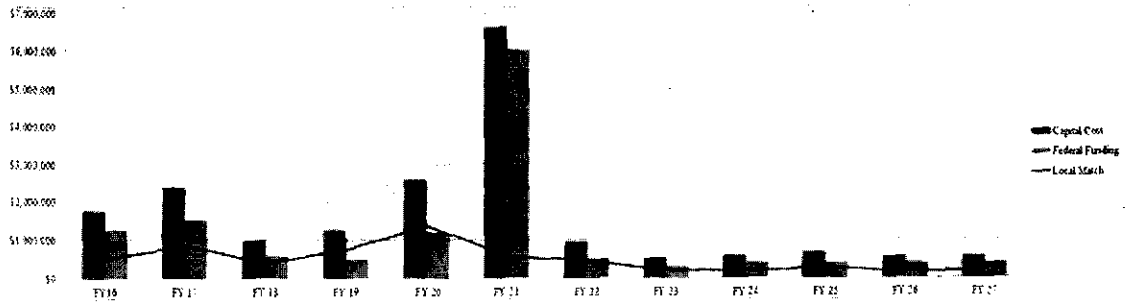
Reconciling Items	Funds Applied	Funds Not Applied	Total Expenses For Period
Interest Expenses (511)	$0	$0	**$0**
Leases and Rentals (512)	$0	$0	**$0**
Purchase Lease Agreements (514)	$0	$0	**$0**
Related Parties Lease Agreement (515)	$0	$0	**$0**
Depreciation (513)	$0	$0	**$0**
Amortization of Intangibles (513.13)	$0	$0	**$0**
Other Reconciling Items (516)	$0	$0	**$0**
Total Reconciling Items	**$0**	**$0**	**$0**

Reconciling Items	Funds Applied	Funds Not Applied	Total Expenses For Period
Total Expenses from Published Reports for Transit Operations	$8,746,709	$0	$8,746,709
ADA Related Reconciling Items	$0	$0	$0

Appendix B
Capital Budget Project Plan

NCRTD Long Range Capital Improvement Plan

Capital Improvement Plan 4-22-2016	FY16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	
Fleet Replacement	$1,445,307	$736,000	$637,000	$903,000	$817,000	$655,000	$402,000	$300,000	$500,000	$500,000	$500,000		
Maintenance Facility				$503,000	$5,668,557								
Paving bus parking area			$200,000										
Bus Protective Awnings				$322,500									
PV panels and electrical conversion to power RTD Facilities				$150,000									
Transit Orientated Development Site Planning		$70,000											
Consolidation Study													
15 Shelters (15 yr @$54,000 ea. X 3 years)			$60,000		$60,000		$60,000		$60,000		$60,000		
Fueling Facility			$200,000										
Satellite Facilities (SF)			$150,000										
Signage, trash receptacles and Schedule holders at bus stops (100 @$500 ea.)			$10,000			$10,000			$10,000				
Emergency Electrical Generator - Building	$20,000												
Afterhours security gates (front and side entrance)													
Bus stop improvements (varies)	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	
Records software and Archival System				$75,000									
ADA Plan Implementation	$195,000												
Brush Hog attachment	$5,000												
Solar Lighting Shelters and Stops	$50,000	$50,000		$50,000		$50,000		$50,000		$50,000			
Bus DVR replacements (5 @$5,000)					$25,000			$25,000					
Office Addition & Furniture	$25,000												
Automatic Passenger Counters	$21,000			$469,357									
Automatic Announcators						$229,445							
Automatic Bus Inspection							$57,492						
Automatic IVR													
Paving site improvements Taos facility -storage spaces		$30,000											
Main Server Replacement		$20,000								$25,000			
Replacement of Finance Software		$60,000											
Copier Replacement					$45,000					$50,000			
Mobile Data Terminals			$ 5,000				$5,000			$5,000		$5,000	
Total	**$1,771,307**	**$976,000**	**$1,267,000**	**$2,588,357**	**$6,625,552**	**$954,445**	**$534,492**	**$585,000**	**$660,000**	**$560,000**	**$575,000**	**$19,507,568**	
Federal 80%/50% 0.8 0.5	**$1,281,886**	$588,800	$509,600	$1,200,250	$6,038,324	$524,000	$321,600	$400,000	$400,000	$400,000	$400,000		
Local Match 20%/50%	**$489,421**	$387,200	$757,400	$1,388,107	$586,828	$430,445	$212,892	$185,000	$260,000	$160,000	$175,000	$5,188,250	



City of Santa Fe 5-year Capital Improvements Plan FY 2015/16 – 2019/20

Title/Description	Ongoing	New	CURRENT FY 2015/16	AMENDMENTS	FY 2016-017	FY 2017-18	FY 2018/019	FY 2019/020	TOTAL	DESCRIPTION
TRANSPORTATION										
Transit Federal Grants				(7,818)					(7,818)	Adjustment Pending Council Approval
Transit Federal Grants				150,000					150,000	Adjustment Pending Council Approval
Transit Federal Grants-Works in Progress - Design-Hutt Zollars			246,417	(246,417)					(0)	Southside Transit Center design not sure about completion date. *Shared with Police Department (see above/this page) This is a double entry for the two $123,209 above
Transit Federal Grants-Works in Progress - Design South Side Transit & PD- Design			87,340	(87,340)					(0)	This is already included in the two above $123,209
Downtown Transit Center-Works in Progress - Design-Wilson and Co			118,744	(14,935)					103,809	Design will restart in Sept. funded by FTA grant The $19,279 plus the $103,809 equal the grant balance of $123088
Transit Bus-Federal Grant-Works in Progress - Design-CNG Fuel Station Upgrade Project			1,308,503						1,308,503	Hutt Zollars/CNG upgrade and expansion (Completion date unkown); Shared with Environmental Services Division (see above)
SouthSide Transit & PD- Design			50,000	(50,000)						Open PO is for Hutt Zollars not included is construction administration This figure is included in the two above $123,209 and needs to be removed from here. It was part of the >550,000 BAR
Downtown Transit Center			19,279						19,279	
Post Stepper			990						990	
Bus Shelters Phase 2			500						500	Newspaper ads in Sept., award bid in October 2015 - Schedule Critical
Autotroph			35,038						35,038	SF Trails bus shelter Phase 2 design in progress, design completion late July 2015
Creative bus sales			647						647	Fix bus seats
Fleet management system		X				47,000			47,000	
Purchase 2 ADA vans for stpickup	X					268,930	268,930		537,860	Funded by Transportation grants
Facility entry card security system		X				53,286	53,286		106,572	Funded by Transportation State match
Repave transit facility		X						350,000	350,000	Funded in 2020 GRT Bond
Downtown Transit Center-Works in Progress - Design-Wilson and Co					302,711	2,600,000			2,902,711	Design will restart in Sept. funded by FTA grant
Transit Bus-Federal Grant-Equipment/Machinery -Bus Shelters Phase 2			571,450	(10,338)					561,112	Advertise for bids in Sept. 2015: Federal grant of $318,082 plus City match of $79,520.50.
Transit Bus-Federal Grant-Vehicles > 1.5 Tons-Gillig			3,229,884						3,229,884	Buses scheduled to arrive at Transit in November 2015
Transit Bus-Federal Grant-Vehicles > 1.5 Tons-Creative Bus Sales			268,930						268,930	2 Arbors arriving in October 2015
Replacement of 5 para transit vans $770	X			192,834					192,834	$154,268 funded through 5310 funds
Replacement of bus aging fleet		X			1,400,000	1,400,000	1,400,000	1,400,000	5,600,000	Funded in Fund Balance Transit Tax
Parking access & rev control system (PARCS)		X			1,200,000				1,200,000	To be financed through a contingency-type contract with the vendor
Bus stop phase 3	X				522,458	70,000			592,458	DOT/FED funding $473,749, city match $118,709
Total Transportation			**5,737,721**	**(215,196)**	**3,425,169**	**4,439,216**	**1,722,216**	**1,750,000**	**16,858,126**	

City of Santa Fe 2017-2022 Capital Improvement Plan

TRANSIT - UNFUNDED

City of Santa Fe
Capital Improvement Plan

2018-2022
(Fill in green sections. Other sections will be automatically calculated.)

	Total Remaining Cost						Balance	
Repaving Parking Lot and Yard and ADA upgrades at Transit Division Facility								
FFY2018 Paratransit Vehicle Replacement								
Paratransit Vehicle Replacement								
Fixed Route Vehicle Replacement								
Bus Stop Facility Upgrades								
TOTAL PROJECT COSTS	$0	$1,730,075	$1,087,500	$1,337,500	$1,087,500	$1,337,500	$0	
Borrowing								
Additional Debt Service								
Cash Capital (Pay-As-You-Go)								
Use of Fund Balance								
Use of Reserve Funds								
Federal/ State Grants								
Other								
TOTAL FUNDING		$0	$0	$0	$0	$0		
Difference		($1,730,075)	($1,087,500)	($1,337,500)	($1,087,500)	($1,337,500)		
Costs								
Savings								

Appendix C

NCRTD & SFT
Expenditure, Revenues & Comparison Spreadsheets

Appendix A
Santa Fe Trails
National Transit Database (NTD) 2015 Submittal
F-40 Operating Expenses Summary

NTD ID	60077
Reporter Name	Santa Fe Trails - City of Santa Fe
Report	2015 (Revision. 3)

Operating Expenses Summary (F-40)

Total Operating Expenses (F-30)

Expense Object Class	Vehicle Operations (010)	Vehicle Maintenance (041)	Non-Vehicle Maintenance (042)	General Administration (160)	Total
Operators' Salaries and Wages (501.01)	$2,908,817	$0	$0	$0	**$2,908,817**
Other Salaries and Wages (501.02)	$257,320	$572,876	$39,912	$458,464	**$1,328,572**
Fringe Benefits (502)	$1,581,026	$264,339	$25,943	$225,500	**$2,096,808**
Services (503)	$68,200	$384,060	$1,871	$127,575	**$581,706**
Fuels and Lubricants (504.01)	$406,661	$37,900	$0	$0	**$444,561**
Tires and Tubes (504.02)	$53,159	$9,566	$0	$0	**$62,725**
Other Materials and Supplies (504.99)	$46,050	$56,859	$0	$49,063	**$151,972**
Utilities (505)	$0	$0	$0	$118,291	**$118,291**
Casualty and Liability Costs (506)	$0	$0	$0	$245,131	**$245,131**
Taxes (507)	$0	$0	$0	$0	**$0**
In Report (508.01)	$0	$0	$0	$0	**$0**
Filing Separate Report (508.02)	$0	$0	$0	$0	**$0**
Miscellaneous Expenses (509)	$524,944	$138,378	$40,192	$104,612	**$808,126**
Total	**$5,846,177**	**$1,463,978**	**$107,918**	**$1,328,636**	**$8,746,709**

ADA Related Expenses	**$2,037,430**

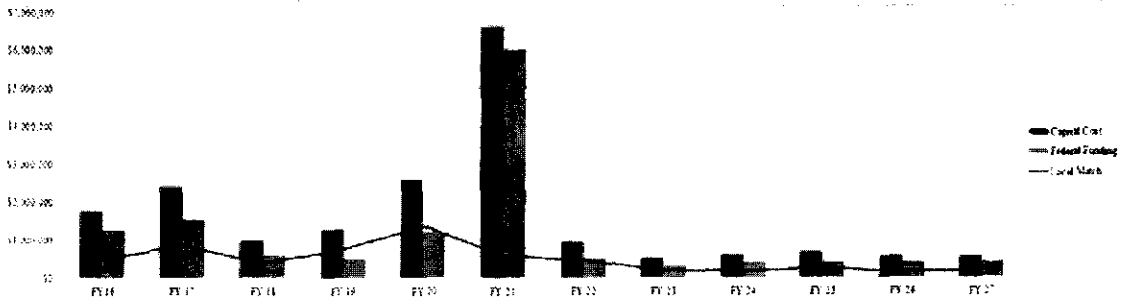
Reconciling Items	Funds Applied	Funds Not Applied	Total Expenses For Period
Interest Expenses (511)	$0	$0	**$0**
Leases and Rentals (512)	$0	$0	**$0**
Purchase Lease Agreements (514)	$0	$0	**$0**
Related Parties Lease Agreement (515)	$0	$0	**$0**
Depreciation (513)	$0	$0	**$0**
Amortization of Intangibles (513.13)	$0	$0	**$0**
Other Reconciling Items (516)	$0	$0	**$0**
Total Reconciling Items	**$0**	**$0**	**$0**

Reconciling Items	Funds Applied	Funds Not Applied	Total Expenses For Period
Total Expenses from Published Reports for Transit Operations	$8,746,709	$0	$8,746,709
ADA Related Reconciling Items	$0	$0	$0

Appendix B
Capital Budget Project Plan

NCRTD Long Range Capital Improvement Plan

Capital Improvement Plan 4-22-2016	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Fleet Replacement	$1,445,307	[illegible]	$736,000	$637,000	$901,000	$817,000	$655,000	$422,000	$500,000	$500,000	$500,000	$500,000
Maintenance Facility					$740,000	[illegible]						
Paving bus parking area				$200,000								
Bus Protective Awnings					$122,500							
PV panels and electrical conversion to power RTD Facilities					$130,000							
Transit Operated Development Site Planning			$50,000									
Consolidation Study												
15 Shelters (15 yr @$4000 ea X 4 years)				$60,000		$60,000		$60,000		$60,000		$60,000
Fueling Facility				$200,000								
Satellite Facilities (SF)				$150,000								
Signage with receptacles and Schedule holders at bus stops (100 @ $500 ea.)				$50,000			$10,000			$10,000		
Emergency Electrical Generator Building	$20,000											
Afterhours security gates (front and side entrance)												
Bus stop improvements (varies)	$10,000		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
Records software and Archival System					$[illegible]							
ADA Plan Implementation	$195,000											
Brush Hog attachment	$5,000											
Solar Lighting Shelters and Stops	$50,000		$50,000		$50,000		$50,000		$50,000		$50,000	
Bus DVR replacement (5 @$5,000)						$25,000			$25,000			
Office Addition & Furniture	$35,000											
Automatic Passenger Counters	$21,000	[illegible]			$160,857							
Automatic Announcators							$229,445					
Automatic Bus Inspection								$51,492				
Automatic IVR												
Paving site improvements Taos facility storage spots			$30,000									
Main Server Replacement			$20,000							$25,000		
Replacement of Finance Software			$60,000									
Copier Replacement						$45,000				$50,000		
Mobile Data Terminals					$ [illegible]			$5,000		$5,000		$5,000
Total	**$1,771,307**	[illegible]	**$976,000**	**$1,267,000**	**$2,588,357**	**$6,025,552**	**$954,445**	**$534,492**	**$585,000**	**$660,000**	**$560,000**	**$575,000**
Federal 80%-50% 0.8 0.5	**$1,281,846**	[illegible]	$388,800	$509,600	$1,200,250	$4,038,724	$524,000	$321,600	$400,000	$400,000	$400,000	$400,000
Local Match 20% 50%	**$489,621**	[illegible]	$387,200	$357,400	$1,388,107	$986,828	$430,445	$212,892	$185,000	$260,000	$160,000	$175,000



City of Santa Fe 5-year Capital Improvements Plan FY 2015/16 – 2019/20

Title/Description	Ongoing	New	CURRENT FY 2015/16	AMENDMENTS	FY 2016-017	FY 2017-18	FY 2018/019	FY 2019/020	TOTAL	DESCRIPTION
TRANSPORTATION										
Transit Federal Grants				(7,818)					(7,818)	Adjustment Pending Council Approval
Transit Federal Grants				150,000					150,000	Adjustment Pending Council Approval
Transit Federal Grants-Works in Progress - Design-Huitt Zollars			246,417	(246,417)					(0)	Southside Transit Center design-not sure about completion date. *Shared with Police Department (see above/this page) This is a double entry for the two $123,209 above
Transit Federal Grants-Works in Progress - Design-SouthSide Transit & PD- Design			87,340	(87,340)					(0)	This is already included in the two above $123,209
Downtown Transit Center-Works in Progress - Design-Wilson and Co			118,744	(14,935)					103,809	Design will restart in Sept., funded by FTA grant The $19,279 plus the $103,809 equil the grant balance of $123088
Transit Bus-Federal Grant-Works in Progress - Design-CNG Fuel Station Upgrade Project			1,308,503						1,308,503	Huitt Zollars/CNG upgrade and expansion (Completion date unkown). Shared with Environmental Services Division (see above)
SouthSide Transit & PD- Design			50,000	(50,000)						Open PO is for Huitt Zollars not included is construction administration This figure is included in the two above $123,209 and needs to be removed from here. It was part of the >$50,000 BAR
Downtown Transit Center			19,279						19,279	
Post Stephen			990						990	
Bus Shelters Phase 2			500						500	Newspaper ads in Sept., award bid in October 2015 - Schedule Critical
Autotroph			35,038						35,038	SF Trails bus shelter Phase 2 design in progress, design completion late July 2015
Creative bus sales			647						647	Fix bus seats
Fleet management system		X				47,000			47,000	
Purchase 2 ADA vans for sf pickup	X					268,930	268,930		537,860	Funded by Transportation grants
Facility entry card security system		X				53,286	53,286		106,572	Funded by Transportation State match
Repave transit facility		X						350,000	350,000	Funded in 2020 GRT Bond
Downtown Transit Center-Works in Progress - Design-Wilson and Co					302,711	2,600,000			2,902,711	Design will restart in Sept., funded by FTA grant
Transit Bus-Federal Grant-Equipment/Machinery -Bus Shelters Phase 2			371,450	(10,338)					361,112	Advertise for bids in Sept, 2015; Federal grant of $318,082 plus City match of $79,520.50.
Transit Bus-Federal Grant-Vehicles > 1.5 Tons-Gillig			3,229,884						3,229,884	Buses scheduled to arrive at Transit in November 2015
Transit Bus-Federal Grant-Vehicles > 1.5 Tons Creative Bus Sales			268,930						268,930	2 Arboos arriving in October 2015
Replacement of 3 para transit vans SFPU	X			192,834					192,834	$154,268 funded through 5310 funds
Replacement of bus aging fleet		X			1,400,000	1,400,000	1,400,000	1,400,000	5,600,000	Funded in Fund Balance Transit Tax
Parking access & rev control system (PARCS)		X			1,200,000				1,200,000	To be financed through a contingency-type contract with the vendor
Bus stop phase 5	X				522,458	70,000			592,458	DOT/FED funding $473,749, city match $118,709
Total Transportation			**5,737,721**	**(216,166)**	**3,425,169**	**4,439,216**	**1,722,216**	**1,750,000**	**16,858,126**	

City of Santa Fe 2017-2022 Capital Improvement Plan

TRANSIT - UNFUNDED

City of Santa Fe
Capital Improvement Plan

2018-2022
(Fill in green sections. Other sections will be automatically calculated.)

	Total Remaining Cost						Balance
Repaving Parking Lot and Yard and ADA upgrades at Transit Division Facility							
FFY2018 Paratransit Vehicle Replacement							
Paratransit Vehicle Replacement							
Fixed Route Vehicle Replacement							
Bus Stop Facility Upgrades							
TOTAL PROJECT COSTS	$0	$1,730,075	$1,087,500	$1,337,500	$1,087,500	$1,337,500	$0
Borrowing							
Additional Debt Service							
Cash Capital (Pay-As-You-Go)							
Use of Fund Balance							
Use of Reserve Funds							
Federal/ State Grants							
Other							
TOTAL FUNDING		$0	$0	$0	$0	$0	
Difference		($1,730,075)	($1,087,500)	($1,337,500)	($1,087,500)	($1,337,500)	
Costs							
Savings							

Appendix C

NCRTD & SFT
Expenditure, Revenues & Comparison Spreadsheets

	Rate	FY	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses											
NCRTD											
Operating				correction to 2017 budget 1.30							
Operators' Salaries and Wages	3%		$1,800,582	$1,854,599	$2,486,743	$2,561,346	$2,638,186	$2,717,331	$2,798,851	$2,882,817	$2,969,301
Other Salaries and Wages											
Fringe Benefits	3%		$812,237	$836,604	$1,121,762	$1,155,415	$1,190,078	$1,225,780	$1,262,553	$1,300,430	$1,339,443
Services	3%		$269,364	$277,445	$372,013	$383,173	$394,668	$406,508	$418,703	$431,265	$444,202
Fuel and Lubricants	3%		$365,008	$375,958	$504,104	$519,227	$534,804	$550,848	$567,374	$584,395	$601,927
Tires and Tubes	3%		$52,000	$53,560	$71,816	$73,971	$76,190	$78,475	$80,830	$83,254	$85,752
Other Materials and Supplies	3%		$243,282	$250,580	$335,991	$346,071	$356,453	$367,147	$378,161	$389,506	$401,191
Utilities	3%		$26,079	$26,861	$36,017	$37,098	$38,211	$39,357	$40,538	$41,754	$43,006
Casualty and Liability Costs	3%		$97,372	$100,293	$134,478	$138,513	$142,668	$146,948	$151,356	$155,897	$160,574
Taxes	3%		$4,704	$4,845	$6,497	$6,691	$6,892	$7,099	$7,312	$7,531	$7,757
Miscellaneous	3%		$258,997	$266,767	$357,695	$368,426	$379,479	$390,863	$402,589	$414,666	$427,106
Subtotal NCRTD Operating			$3,929,625	$4,047,514	$5,427,117	$5,589,930	$5,757,628	$5,930,357	$6,108,268	$6,291,516	$6,480,261
Capital											
Fleet			621645	$1,445,307	$1,452,885	$736,000	$637,000	$903,000	$817,000	$655,000	$402,000
Stops/Stop Amenities				$255,000	$395,000	$60,000	$80,000	$482,500	$70,000	$70,000	$70,000
Facilities				$20,000	$103,000	$30,000	$550,000	$653,000	$5,668,552	$0	$0
Technology				$21,000	$247,530	$80,000	$0	$549,857	$25,000	$229,445	$62,492
Other				$30,000	$212,000	$70,000	$0	$0	$45,000	$0	$0
Subtotal NCRTD Capital			$621,645	$1,771,307	$2,410,415	$976,000	$1,267,000	$2,588,357	$6,625,552	$954,445	$534,492
Total Expenses NCRTD			$4,551,270	$5,818,821	$7,837,532	$6,565,930	$7,024,628	$8,518,714	$12,733,820	$7,245,961	$7,014,753
Santa Fe Trails											
Operating											
Operators' Salaries and Wages	4%		$2,908,817	$3,024,089	$3,143,929	$3,268,519	$3,398,045	$3,532,705	$3,672,701	$3,818,244	$3,969,556
Other Salaries and Wages	4%		$1,328,572	$1,381,221	$1,435,957	$1,492,862	$1,552,022	$1,613,526	$1,677,468	$1,743,943	$1,813,053
Fringe Benefits	1%		$2,096,808	$2,117,776	$2,138,954	$2,160,343	$2,181,947	$2,203,766	$2,225,804	$2,248,062	$2,270,543
Services	1%		$581,706	$587,523	$593,398	$599,332	$605,326	$611,379	$617,493	$623,668	$629,904
Fuel and Lubricants	3%		$444,561	$457,898	$471,635	$485,784	$500,357	$515,368	$530,829	$546,754	$563,157
Tires and Tubes	4%		$62,725	$65,234	$67,843	$70,557	$73,379	$76,315	$79,367	$82,542	$85,843
Other Materials and Supplies	8%		$151,972	$164,130	$177,260	$191,441	$206,756	$223,297	$241,160	$260,453	$281,290
Utilities	2%		$118,293	$120,657	$123,070	$125,531	$128,042	$130,603	$133,215	$135,879	$138,597
Casualty and Liability Costs	$280,000		$245,131	$280,000	$280,000	$280,000	$280,000	$280,000	$280,000	$280,000	$280,000
Taxes	0%		$0	$0	$0	$0	$0	$0	$0	$0	$0
Miscellaneous (Total)	2%		$808,126	$824,289	$840,774	$857,590	$874,742	$892,236	$910,081	$928,283	$946,848
Miscellaneous (HR/Payroll)	2%										
Miscellaneous (City Attorney)	2%										
Miscellaneous (Fleet Maintenance)	2%										
Miscellaneous (Other General Fund)	2%										
Subtotal SFT Operating			$8,746,709	$9,022,817	$9,272,821	$9,531,959	$9,800,616	$10,079,195	$10,368,118	$10,667,828	$10,978,791
Capital											
Fleet				$3,499,461	$1,400,000	$1,142,575	$900,000	$1,150,000	$900,000	$1,150,000	$900,000
Stops/Stop Amenities				$406,988	$522,458	$187,500	$187,500	$187,500	$187,500	$187,500	$0
Facilities				$1,830,283	$302,711	$3,000,000	$0	$0	$0	$0	$0
Technology				$0	$1,200,000	$53,286	$53,286	$0	$0	$0	$0
Other				$0	$0	$0	$0	$0	$0	$0	$0
Subtotal SFT Capital			$0	$5,736,732	$3,425,169	$4,383,361	$1,140,786	$1,337,500	$1,087,500	$1,337,500	$900,000
Debt Service											
Other			$336,466	$343,287	$342,859	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Subtotal SFT Debt Service			$336,466	$343,287	$342,859	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Total Expenses SFT			$9,083,175	$15,102,836	$13,040,849	$14,165,320	$11,191,402	$11,666,695	$11,705,618	$12,255,328	$12,128,791
TOTAL EXPENSES			**$13,634,445**	**$20,921,656**	**$20,878,381**	**$20,731,250**	**$18,216,030**	**$20,185,408**	**$24,439,437**	**$19,501,289**	**$19,143,544**

Expenditures

	Assumptions	FY 2013/2014 NCRTD Transfer In	FY 2013/2014 NCRTD (Transfer Out)	FY 2013/2014 NCRTD Net Total	FY 2014/2015 NCRTD Transfer In	FY 2014/2015 NCRTD (Transfer Out)	FY 2014/2015 NCRTD Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 6,941,122			$ 7,246,641	$ -	
NCRTD to Rail Runner			$ (2,101,177)		$ -	$ (2,196,109)	
NCRTD to Atomic City Transit			$ (2,344,173)		$ -	$ (1,361,820)	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF			$ (940,921)		$ -	$ (953,274)	
NET TOTAL GRT Revenues				$ 2,554,851			$ 2,735,438
Federal Grants							
Federal Operating Grants	3%	$ 1,902,036			$ 1,666,150	$ -	
Federal Capital Grants		$ -			$ -	$ -	
Tribal Transit Grants		$ -			$ 167,670	$ -	
TIGER Maintenance Facility Grant 95/5		$ -			$ -	$ -	
Total Federal Grants				$ 1,902,036			$ 1,833,820
State Capital Outlay Appropriation		$ 161,188		$ -	$ -	$ -	$ -
Interest Savings, Short Term CD (Investments)	3%	$ 6,125		$ 6,125	$ 20,408	$ -	$ 20,408
Advertising Sales	3%	$ 10,513		$ 10,513	$ 13,035	$ -	$ 13,035
Auctioned Vehicles (Miscellaneous Revenue)				$ -	$ 14,645	$ -	$ 14,645
Fares							
Insurance Proceeds	$ 20,000				$ 23,883	$ -	
Miscellaneous Revenue		$ 6,403			$ 7,860	$ -	
Fares		$ 44,685			$ 13,078	$ -	
Total Fares				$ 51,088			$ 44,821
Cash Balance Service Enhancements				$ -	$ -	$ -	$ -
Cash Balance as Capital Match				$ -	$ -	$ -	$ -
TOTAL OVERALL REVENUE		$ 9,522,072	$ (4,386,271)	$ 4,974,613	$ 9,573,370	$ (4,511,203)	$ 5,062,167

	Assumptions	Santa Fe Trails Transfer In	Santa Fe Trails (Transfer Out)	Santa Fe Trails Net Total	Santa Fe Trails Transfer In	Santa Fe Trails (Transfer Out)	Santa Fe Trails Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 4,846,361			$ 5,500,797	$ -	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ 649,394			$ 969,681	$ -	
NET TOTAL GRT Revenues				$ 5,495,755			$ 6,470,478
Other Transfers In							
45% Special Uses Lodgers Tax Fund (2113)	$ 300,000	$ 300,000			$ 300,000	$ -	
2014 CIP GRT Bond Fund (4127)		$ -			$ 100,000	$ -	
Other Transfers In		$ 2,750			$ 2,508	$ -	
NET TOTAL Transfers In				$ 302,750			$ 402,508
Transfers to Other Funds							
2014 CIP GRT Bond Fund (4127)					$ -	$ (100,000)	
NET TOTAL Transfers Out				$ -			$ (100,000)
Federal Grants							
Federal Operating Grants	3%	$ 1,560,953			$ 1,563,948	$ -	
Federal Capital Grants		$ -			$ -	$ -	
Total Federal Grants				$ 1,560,953			$ 1,563,948
Interest Savings, Short Term CD (Investments)		$ 7,181		$ 7,181	$ 1,980	$ -	$ 1,980
Miscellaneous Revenues	$ 160,000	$ 127,117		$ 127,117	$ 166,980	$ -	$ 166,980
Fares							
Miscellaneous Revenue		$ 2,502			$ 2,189	$ -	
Fares	$ 400,000	$ 350,737			$ 396,818	$ -	
Total Fares				$ 353,239			$ 399,007
TOTAL OVERALL REVENUE		$ 7,846,995	$ -	$ 7,846,995	$ 9,004,901	$ (100,000)	$ 8,904,901

Expenditures

	Assumptions	FY 2015/2016 NCRTD (Estimated) Transfer In	(Transfer Out)	Net Total	FY 2016/2017 NCRTD (Budget) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 7,279,131	$ -		$ 7,095,000	$ -	
NCRTD to Rail Runner		$ -	$ (2,190,004)		$ -	$ (2,175,000)	
NCRTD to Atomic City Transit		$ -	$ (1,380,700)		$ -	$ (1,419,000)	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ -	$ (966,490)		$ -	$ (993,300)	
NET TOTAL GRT Revenues				$ 2,741,937			$ 2,507,700
Federal Grants							
Federal Operating Grants	3%	$ 1,934,725	$ -		$ 2,046,138	$ -	
Federal Capital Grants		$ 1,281,886	$ -		$ 1,554,458	$ -	
Tribal Transit Grants		$ 181,399	$ -		$ 204,280	$ -	
TIGER Maintenance Facility Grant 95/5		$ -	$ -		$ -	$ -	
Total Federal Grants				$ 3,398,010			$ 3,804,876
State Capital Outlay Appropriation		$ 301,312	$ -	$ 301,312	$ 93,000	$ -	$ 93,000
Interest Savings, Short Term CD (Investments)	3%	$ 15,793	$ -	$ 15,793	$ 20,000	$ -	$ 20,000
Advertising Sales	3%	$ 29,606	$ -	$ 29,606	$ 21,000	$ -	$ 21,000
Auctioned Vehicles (Miscellaneous Revenue)		$ 23,059	$ -	$ 23,059	$ -	$ -	$ -
Fares							
Insurance Proceeds	$ 20,000	$ 52,461	$ -		$ 20,000	$ -	
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares		$ 27,268	$ -		$ 40,500	$ -	
Total Fares				$ 79,729			$ 60,500
Cash Balance Service Enhancements		$ -	$ -	$ -	$ 159,500	$ -	$ 159,500
Cash Balance as Capital Match		$ 405,781	$ -	$ 405,781	$ 732,957	$ -	$ 732,957
TOTAL OVERALL REVENUE		*$ 12,038,575*	*$ (4,537,194)*	*$ 7,501,381*	*$ 12,424,833*	*$ (4,587,300)*	*$ 7,837,533*

	Assumptions	Santa Fe Trails (Budget) Transfer In	(Transfer Out)	Net Total	Santa Fe Trails (Budget) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 6,584,551	$ -		$ 7,121,878	$ -	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ 950,000	$ -		$ 950,000	$ -	
NET TOTAL GRT Revenues				$ 7,534,551			$ 8,071,878
Other Transfers In							
45% Special Uses Lodgers Tax Fund [2113]	$ 300,000	$ 300,000	$ -		$ 300,000	$ -	
2014 CIP GRT Bond Fund [4127]		$ -	$ -		$ -	$ -	
Other Transfers In		$ 10,896	$ -		$ -	$ -	
NET TOTAL Transfers In				$ 310,896			$ 300,000
Transfers to Other Funds							
2014 CIP GRT Bond Fund [4127]		$ -	$ (100,000)		$ -	$ -	
NET TOTAL Transfers Out				$ (100,000)			$ -
Federal Grants							
Federal Operating Grants	3%	$ 1,611,600	$ -		$ 1,611,600	$ (72,950)	
Federal Capital Grants		$ 4,589,386	$ -		$ 2,740,135	$ -	
Total Federal Grants				$ 6,200,986			$ 4,278,785
Interest Savings, Short Term CD (Investments)		$ 2,605	$ -	$ 2,605	$ -	$ -	$ -
Miscellaneous Revenues	$ 160,000	$ 123,595	$ -	$ 123,595	$ 123,595	$ -	$ 123,595
Fares							
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares	$ 400,000	$ 378,244	$ -		$ 440,000	$ -	
Total Fares				$ 378,244			$ 440,000
TOTAL OVERALL REVENUE		*$ 14,550,877*	*$ (100,000)*	*$ 14,450,877*	*$ 13,287,208*	*$ (72,950)*	*$ 13,214,258*

Expenditures

	Assumptions	FY 2017/2018 NCRTD (Projection) Transfer In	(Transfer Out)	Net Total	FY 2018/2019 NCRTD (Projection) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 7,307,850	$ -		$ 7,527,086	$ -	
NCRTD to Rail Runner		$ -	$ (2,240,250)		$ -	$ (2,307,458)	
NCRTD to Atomic City Transit		$ -	$ (1,461,570)		$ -	$ (1,505,417)	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ -	$ (1,023,099)		$ -	$ (1,053,792)	
NET TOTAL GRT Revenues				$ 2,582,931			$ 2,660,419
Federal Grants							
Federal Operating Grants	3%	$ 2,107,522	$ -		$ 2,170,748	$ -	
Federal Capital Grants		$ 588,800	$ -		$ 509,600	$ -	
Tribal Transit Grants		$ 120,000	$ -		$ 120,000	$ -	
TIGER Maintenance Facility Grant 95/5		$ -	$ -		$ -	$ -	
Total Federal Grants				$ 2,816,322			$ 2,800,348
State Capital Outlay Appropriation		$ 93,000	$ -	$ 93,000	$ -	$ -	$ -
Interest Savings, Short Term CD (Investments)	3%	$ 20,600	$ -	$ 20,600	$ 21,218	$ -	$ 21,218
Advertising Sales	3%	$ 21,630	$ -	$ 21,630	$ 22,279	$ -	$ 22,279
Auctioned Vehicles (Miscellaneous Revenue)		$ -	$ -	$ -	$ -	$ -	$ -
Fares							
Insurance Proceeds	$ 20,000	$ 20,000	$ -		$ 20,000	$ -	
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares		$ 40,500	$ -		$ 40,500	$ -	
Total Fares				$ 60,500			$ 60,500
Cash Balance Service Enhancements		$ 253,000	$ -	$ 253,000	$ -	$ -	$ -
Cash Balance as Capital Match		$ 717,949	$ -	$ 717,949	$ 1,459,866	$ -	$ 1,459,866
TOTAL OVERALL REVENUE		$ 11,290,851	$ (4,724,919)	$ 6,565,932	$ 11,891,296	$ (4,866,667)	$ 7,024,630

	Assumptions	Santa Fe Trails (Projection) Transfer In	(Transfer Out)	Net Total	Santa Fe Trails (Projection) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 7,255,809	$ -		$ 7,473,483	$ -	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ 1,023,099	$ -		$ 1,053,792	$ -	
NET TOTAL GRT Revenues				$ 8,278,908			$ 8,527,275
Other Transfers In							
45% Special Uses Lodgers Tax Fund [2113]	$ 300,000	$ 300,000	$ -		$ 300,000	$ -	
2014 CIP GRT Bond Fund [4127]		$ -	$ -		$ -	$ -	
Other Transfers In		$ -	$ -		$ -	$ -	
NET TOTAL Transfers In				$ 300,000			$ 300,000
Transfers to Other Funds							
2014 CIP GRT Bond Fund [4127]		$ -	$ -		$ -	$ -	
NET TOTAL Transfers Out				$ -			$ -
Federal Grants							
Federal Operating Grants	3%	$ 1,659,948	$ (72,950)		$ 1,709,746	$ (72,950)	
Federal Capital Grants		$ 2,997,346	$ -		$ 203,286	$ -	
Total Federal Grants				$ 4,584,344			$ 1,840,082
Interest Savings, Short Term CD (Investments)		$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous Revenues	$ 160,000	$ 160,000	$ -	$ 160,000	$ 160,000	$ -	$ 160,000
Fares							
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares	$ 400,000	$ 400,000	$ -		$ 400,000	$ -	
Total Fares				$ 400,000			$ 400,000
TOTAL OVERALL REVENUE		$ 13,796,202	$ (72,950)	$ 13,723,252	$ 11,300,308	$ (72,950)	$ 11,227,358

Expenditures

	Assumptions	FY 2019/2020 NCRTD (Projection) Transfer In	(Transfer Out)	Net Total	FY 2020/2021 NCRTD (Projection) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 7,752,898	$ -		$ 7,985,485	$ -	
NCRTD to Rail Runner		$ -	$ *(2,376,681)*		$ -	$ *(2,447,982)*	
NCRTD to Atomic City Transit		$ -	$ *(1,550,580)*		$ -	$ *(1,597,097)*	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ -	$ *(1,085,406)*		$ -	$ *(1,117,968)*	
NET TOTAL GRT Revenues				$ 2,740,231			$ 2,822,438
Federal Grants							
Federal Operating Grants	3%	$ 2,235,870	$ -		$ 2,302,946	$ -	
Federal Capital Grants		$ 722,400	$ -		$ 653,600	$ -	
Tribal Transit Grants		$ 120,000	$ -		$ 120,000	$ -	
TIGER Maintenance Facility Grant 95/5		$ 477,850	$ -		$ 5,385,124	$ -	
Total Federal Grants				$ 3,556,120			$ 8,461,670
State Capital Outlay Appropriation		$ -	$ -	$ -	$ -	$ -	$ -
Interest Savings, Short Term CD (Investments)	3%	$ 21,855	$ -	$ 21,855	$ 22,510	$ -	$ 22,510
Advertising Sales	3%	$ 22,947	$ -	$ 22,947	$ 23,636	$ -	$ 23,636
Auctioned Vehicles (Miscellaneous Revenue)		$ -	$ -	$ -	$ -	$ -	$ -
Fares							
Insurance Proceeds	$ 20,000	$ 20,000	$ -		$ 20,000	$ -	
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares		$ 40,500	$ -		$ 40,500	$ -	
Total Fares				$ 60,500			$ 60,500
Cash Balance Service Enhancements		$ -	$ -	$ -	$ -	$ -	$ -
Cash Balance as Capital Match		$ 2,117,062	$ -	$ 2,117,062	$ 1,343,066	$ -	$ 1,343,066
TOTAL OVERALL REVENUE		***$ 13,531,382***	***$ (5,012,667)***	***$ 8,518,716***	***$ 17,896,867***	***$ (5,163,047)***	***$ 12,733,821***

	Assumptions	Santa Fe Trails (Projection) Transfer In	(Transfer Out)	Net Total	Santa Fe Trails (Projection) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 7,697,688	$ -		$ 7,928,618	$ -	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ 1,085,406	$ -		$ 1,117,968	$ -	
NET TOTAL GRT Revenues				$ 8,783,093			$ 9,046,586
Other Transfers In							
45% Special Uses Lodgers Tax Fund [2113]	$ 300,000	$ 300,000	$ -		$ 300,000	$ -	
2014 CIP GRT Bond Fund [4127]		$ -	$ -		$ -	$ -	
Other Transfers In		$ -	$ -		$ -	$ -	
NET TOTAL Transfers In				$ 300,000			$ 300,000
Transfers to Other Funds							
2014 CIP GRT Bond Fund [4127]		$ -	$ -		$ -	$ -	
NET TOTAL Transfers Out				$ -			$ -
Federal Grants							
Federal Operating Grants	3%	$ 1,761,039	$ (72,950)		$ 1,813,870	$ (72,950)	
Federal Capital Grants		$ 350,000	$ -		$ 150,000	$ -	
Total Federal Grants				$ 2,038,089			$ 1,890,920
Interest Savings, Short Term CD (Investments)		$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous Revenues	$ 160,000	$ 160,000	$ -	$ 160,000	$ 160,000	$ -	$ 160,000
Fares							
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares	$ 400,000	$ 400,000	$ -		$ 400,000	$ -	
Total Fares				$ 400,000			$ 400,000
TOTAL OVERALL REVENUE		***$ 11,754,132***	***$ (72,950)***	***$ 11,681,182***	***$ 11,870,456***	***$ (72,950)***	***$ 11,797,506***

Expenditures

	Assumptions	FY 2021/2022 NCRTD (Projection) Transfer In	(Transfer Out)	Net Total	FY 2022/2023 NCRTD (Projection) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 8,225,050	$ -		$ 8,471,801	$ -	
NCRTD to Rail Runner		$ -	$ (2,521,421)		$ -	$ (2,597,064)	
NCRTD to Atomic City Transit		$ -	$ (1,645,010)		$ -	$ (1,694,360)	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ -	$ (1,151,507)		$ -	$ (1,186,052)	
NET TOTAL GRT Revenues				$ 2,907,112			$ 2,994,325
Federal Grants							
Federal Operating Grants	3%	$ 2,372,035	$ -		$ 2,443,196	$ -	
Federal Capital Grants		$ 524,000	$ -		$ 321,600	$ -	
Tribal Transit Grants		$ 120,000	$ -		$ 120,000	$ -	
TIGER Maintenance Facility Grant 95/5		$ -	$ -		$ -	$ -	
Total Federal Grants				$ 3,016,035			$ 2,884,796
State Capital Outlay Appropriation		$ -	$ -	$ -	$ -	$ -	$ -
Interest Savings, Short Term CD (Investments)	3%	$ 23,185	$ -	$ 23,185	$ 23,881	$ -	$ 23,881
Advertising Sales	3%	$ 24,345	$ -	$ 24,345	$ 25,075	$ -	$ 25,075
Auctioned Vehicles (Miscellaneous Revenue)		$ -	$ -	$ -	$ -	$ -	$ -
Fares							
Insurance Proceeds	$ 20,000	$ 20,000	$ -		$ 20,000	$ -	
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares		$ 40,500	$ -		$ 40,500	$ -	
Total Fares				$ 60,500			$ 60,500
Cash Balance Service Enhancements		$ -	$ -	$ -	$ -	$ -	$ -
Cash Balance as Capital Match		$ 1,214,786	$ -	$ 1,214,786	$ 1,026,178	$ -	$ 1,026,178
TOTAL OVERALL REVENUE		*$ 12,563,901*	*$ (5,317,938)*	*$ 7,245,963*	*$ 12,492,231*	*$ (5,477,476)*	*$ 7,014,755*

	Assumptions	Santa Fe Trails (Projection) Transfer In	(Transfer Out)	Net Total	Santa Fe Trails (Projection) Transfer In	(Transfer Out)	Net Total
Gross Receipts Tax Revenues (Transfer In)	3%	$ 8,166,477	$ -		$ 8,411,471	$ -	
NCRTD to Santa Fe Trails/ Reimb. Exp for SF		$ 1,151,507	$ -		$ 1,186,052	$ -	
NET TOTAL GRT Revenues				$ 9,317,984			$ 9,597,523
Other Transfers In							
45% Special Uses Lodgers Tax Fund [2113]	$ 300,000	$ 300,000	$ -		$ 300,000	$ -	
2014 CIP GRT Bond Fund [4127]		$ -	$ -		$ -	$ -	
Other Transfers In		$ -	$ -		$ -	$ -	
NET TOTAL Transfers In				$ 300,000			$ 300,000
Transfers to Other Funds							
2014 CIP GRT Bond Fund [4127]		$ -	$ -		$ -	$ -	
NET TOTAL Transfers Out				$ -			$ -
Federal Grants							
Federal Operating Grants	3%	$ 1,868,286	$ (72,950)		$ 1,924,335	$ (72,950)	
Federal Capital Grants		$ 350,000	$ -		$ 200,000	$ -	
Total Federal Grants				$ 2,145,336			$ 2,051,385
Interest Savings, Short Term CD (Investments)		$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous Revenues	$ 160,000	$ 160,000	$ -	$ 160,000	$ 160,000	$ -	$ 160,000
Fares							
Miscellaneous Revenue		$ -	$ -		$ -	$ -	
Fares	$ 400,000	$ 400,000	$ -		$ 400,000	$ -	
Total Fares				$ 400,000			$ 400,000
TOTAL OVERALL REVENUE		*$ 12,396,270*	*$ (72,950)*	*$ 12,323,320*	*$ 12,581,858*	*$ (72,950)*	*$ 12,508,908*

Revenue Expenditure Comparison (w/ Anticipated Capital Funding)

Fiscal Year	2017	2018	2019	2020	2021	2022	2023
NCRTD							
Total Expenses NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Total Revenues NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Difference	$0	$0	$0	$0	$0	$0	$0
Santa Fe Trails							
Total Expenses SFT	$13,040,850	$14,165,320	$11,191,400	$11,666,690	$11,705,620	$12,255,330	$12,128,790
Total Revenues SFT	$13,214,260	$13,723,250	$11,227,360	$11,681,180	$11,797,510	$12,323,320	$12,508,910
Difference	$173,410	($442,070)	$35,960	$14,490	$91,890	$67,990	$380,120

Revenue Expenditure Comparison Revenue Expenditure Comparison (w/o Anticipated Capital Funding)

Fiscal Year	2017	2018	2019	2020	2021	2022	2023
NCRTD							
Total Expenses NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Total Revenues NCRTD	$7,837,530	$6,565,930	$7,024,630	$8,518,710	$12,733,820	$7,245,960	$7,014,750
Difference	$0	$0	$0	$0	$0	$0	$0
Santa Fe Trails							
Total Expenses SFT	$13,040,850	$14,509,380	$11,341,400	$12,016,690	$11,855,620	$12,605,330	$12,328,790
Total Revenues SFT	$13,214,260	$13,723,250	$11,227,360	$11,681,180	$11,797,510	$12,323,320	$12,308,910
Difference	$173,410	($786,130)	($114,040)	($335,510)	($58,110)	($282,010)	($19,880)

North Central RTD and City of Santa Fe Transit System Consolidation Study

Task 2B – Physical Assets Analysis

Physical Assets Analysis

Introduction

The following document provides an overview of each agency's physical assets. This includes bus and support vehicle fleets, maintenance facilities, and passenger amenities. This section will also cover the capital improvement plans for each transit provider in both the near- and long-term. The physical assets of each agency are particularly useful in determining resource maximization and efficiencies in a potential consolidation.

NCRTD

Fleet and Facilities

Fleet

NCRTD operates a fleet of 54 service vehicles and 11 support vehicles. This includes an assortment of cut-away buses and vans of varying size. The fleet's average vehicle age is just over three years old and consists mostly of Ford- and Chevrolet- manufactured vehicles. NCRTD's fleet is fueled by diesel and gasoline, but the district has begun testing one compressed natural gas (CNG)-fueled vehicle and one propane-fueled vehicle. NCRTD currently maintains a fleet spare ratio of 37 percent. This somewhat high spare ratio is the result of NCRTD owning a large diversity of vehicle sizes/types and the current lack of in-house maintenance capability. One of NCRTD's near term goals is to reduce this spare factor through the future purchase of more uniform vehicle types.

District Administration Facility

NCRTD's Jim West Regional Transit Center serves as its main administrative and operational base. The district moved to this new Española headquarters in 2013. The center is 12,500 square feet and houses offices for administration, operations, and fleet management, as well as an executive conference room and space for driver training and breaks. Currently, the second level is used for organizational storage, and NCRTD hopes to eventually expand into the garage for greater administrative space.

Fleet Maintenance Facilities

The Jim West Regional Transit Center was converted from an old tire shop and features secure vehicle storage and a light maintenance bay. The current facility is not tall enough for bus lifts, and thus all but the very light-duty maintenance must be externally contracted. The center is located on a seven-acre piece of property, and NCRTD foresees district expansion in both near and long term plans. Possible additions include the installation of a fuel dispensing facility and full maintenance bay as the agency has a goal to service and maintain vehicles internally. Some longer term plans even indicate the potential for creating mixed-use, transit-oriented development on the property, which is currently under evaluation.

The district's recently acquired Taos facility is capable of light-duty maintenance. This facility cannot fully provide system-wide needs and cannot accommodate bus lifts for heavy-duty maintenance. The Taos facility is a 6,400-square foot building with eight bays for vehicle storage and maintenance. The property includes an office trailer and small loft for administrative use and storage. A consolidation

could obviate the need for a new maintenance facility by utilizing the existing resources of both agencies. Maintenance capacity and potential expansion will be further explored in the development of consolidation options.

Parking and Passenger Facilities

NCRTD primarily stores and dispatches its vehicles at its Española and Taos facilities, the NMDOT office yard, and at All Aboard America, the contractor for NMDOT Park and Ride. NCRTD has also made parking exchange agreements with NMDOT to store vehicles in Santa Fe, while NMDOT may store its Park and Ride vehicles in Española. This is particularly beneficial in reducing deadhead miles and other inefficiencies for both agencies, especially when considering NCRTD's longer routes. NCRTD also has satellite parking locations in Red River, Peñasco, Chama, and Edgewood for a select number of buses.

NCRTD currently has over 459 bus stops in its system, 66 of which have passenger shelters. In order to assess ADA accessibility, NCRTD's *Americans with Disabilities Act Transition Plan* identified stops and shelters requiring improvements for passenger ease. In FY 2016 and 2017, NCRTD has identified funds to implement this plan and associated improvements.

Vehicle Technologies and Communications

Intelligent Transportation System

In 2013, NCRTD received a federal grant to upgrade its scheduling and routing software and develop a fully integrated Intelligent Transportation System (ITS). NCRTD partnered with Los Alamos Transit and awarded the project to Avail Technologies. The project included implementation of automatic vehicle location (AVL), computer-aided dispatch (CAD), mobile data terminals (MDT) on each vehicle, global positioning system (GPS), real time passenger information, bus arrival related technologies, and paratransit dispatch software.

In 2015, NCRTD unveiled an ITS-based capability that provides riders with real-time bus tracking information accessible by computer, tablet, and smartphone app. Each bus stop in the system includes a QR code or stop-specific number that passengers can scan or text to find out arrival information. NCRTD hopes to add connection information for Santa Fe Trails, Atomic City Transit, NM Park & Ride, and the Rail Runner to further improve passenger-district communications.

The implementation of NCRTD's real time arrival information system has greatly improved passengers' trip-planning process. The system also allows the district to accomplish more active route and schedule planning.

Fare Collection on Premium Routes

NCRTD charges a fare on two of its routes—the Mountain Trail and Taos Express. All other routes are fare-free. NCRTD does not sell bus passes, but instead accepts exact change on board. During the non-winter schedule for the Mountain Trail, there is a $5.00 fare eastbound and the westbound trip is fare-free. During the winter schedule on this route, the fare is $5.00 per trip. A $5.00 token will be provided upon boarding the eastbound bus which can be used at Ski Santa Fe. Additionally, a transfer token will be provided to riders disembarking at the Ten Thousand Waves spa to allow them to re-board the NCRTD bus at no additional cost. The spa will also provide a $5.00 discount when shown the transfer token.

Capital Plans

During NCRTD's planning cycle for the 2017-2027 Capital Improvement Plan (CIP), the number of capital project requests greatly exceeded projected available resources. Thus, NCRTD established capital project improvement criteria and priority areas to efficiently guide district investments. These priority areas include ridership, cyclic vehicle replacements, health and safety, federal and state mandates, technologies/efficiencies, environmental impact, and transit-oriented development.

Near Term Capital Plans

According to NCRTD's 2017-2027 CIP, the district will continue its planned bus replacement program that began in 2014. This replacement schedule will average 11 buses per year for 10 years. Cyclic vehicle replacement is the largest portion of the 2017 Capital Budget with appropriations at 27 percent, totaling $1.4 million in project costs. The CIP includes plans for replacement buses, demand response vans, and commuter vehicles.

Other near-term capital projects outlined in the 2017 CIP include bus shelter improvements, technological upgrades to vehicles and supporting equipment for the district's ITS elements, and improvements to the main Española Transit Center facility. A significant portion of bus shelter improvements is dedicated to continuing the ADA Transition Plan implementation, which includes upgrading NCRTD stops for greater passenger accessibility. NCRTD's total Capital Improvement Budget for FY 2017 is $2,410,415.

Table 1: NCRTD Near-Term Capital Improvement Plan FY 2017

NCRTD Near-Term Capital Improvement Plan: FY 2017		
Fleet replacement	Continued cyclic replacement plan	$1,452,885
Jim West Regional Transit Center Improvements	Emergency electrical generator	$103,000
	Copier replacement	$40,000
	Office addition and furniture	$22,000
Bus Stop and Shelter Capital Plans	Bus stop surface improvements	$10,000
	Bus stop solar lighting	$25,000
Intelligent Transportation System Plans	Automatic passenger counters	$191,537
	Automatic IVR	$30,993
	Bus DVR replacements	$25,000
Other	ADA Plan implementation	$360,000
	Transit Oriented Development (TOD) study	$150,000
Total		**$2,410,415**

Source: NCRTD 2017-2027 CIP

Long Term Capital Plans

NCRTD's *Long Range Capital Improvement Plan* designates the district's long-term capital projects out to FY 2027. Regular substantial investments include the fleet replacement plan, and the average investment is $615,000 per year over the ten-year period.

NCRTD allocates a substantial amount of its ten-year capital plans to improving the Jim West Regional Transit Center. Such investments include paving the bus parking area, installing a fueling facility, vehicle support and maintenance equipment, office additions, and general improvements to the maintenance

facility. As the current facility is capable of very light-duty maintenance only, the district has allocated over $6 million in FY 2020 and 2021 to maintenance facility improvements alone. The district also plans to improve its Taos facility and acquire satellite facilities.

The district allocates a significant amount to upgrading passenger facility infrastructure. NCRTD's CIP designates approximately $300,000 for new shelters over the ten-year period, $10,000 per year to bus stop surface improvements, $30,000 for outfitting bus stops with amenities such as trash cans, signage, and schedule holders, and $50,000 every other year to outfitting bus stops and shelters with solar lighting.

Long-term capital investments in technological and software improvements include the replacement of finance and archival software, automatic annunciators, bus surveillance, interactive voice response, automatic passenger counters, mobile data terminals, and more. The level of future investment amounts to approximately $1.3 million to improve the district's ITS capabilities.

The table below summarizes the capital improvements in NCRTD's *Long-Term Capital Improvement Plan 2018-2027.*

Table 2: NCRTD Long-Term Capital Improvement Plan FY18-FY27

NCRTD Long-Term Capital Improvement Plan: FY 2018-2027		
Fleet Replacement	Continued cyclic replacement plan	$6,150,000
Jim West Regional Transit Center Improvements	Maintenance facility improvements	$6,171,552
	Paving bus parking area	$200,000
	PV panels to power RTD facilities	$150,000
	Fueling facility	$200,000
	Copier replacements	$95,000
Taos Facility Improvements	Paving and site improvements	$30,000
District Expansion	Satellite facilities	$150,000
	Transit-oriented development site planning	$70,000
Bus Stop and Shelter Capital Plans	New shelters	$300,000
	Bus stop amenity enhancements	$30,000
	Bus stop solar lighting	$250,000
	Bus stop surface improvements	$100,000
	Bus protective awnings	$422,500
Intelligent Transportation System Plans	Mobile Data Terminals	$20,000
	Bus DVR replacements	$75,000
	Automatic Passenger Counters	$469,857
	Automatic Annunciators	$229,445
	Automatic Bus Inspection	$57,492
	Automatic IVR	$30,993
Other Technological Improvements	Main server replacement	$45,000
	Finance software replacement	$60,000
	Records software and archival system	$75,000
Total		**$15,381,839**

Source: NCRTD Long-Term Capital Improvement Plan 2018-2027

Santa Fe Trails

Fleet and Facilities

Fleet

Santa Fe Trails operates a fleet of 34 mid-size transit buses and 18 paratransit vehicles. The agency also utilizes 16 support vehicles for various agency tasks, but these are not in regular operation. The average age of its fixed-route fleet is approximately five years. The fleet replacement plan for both fixed-route and paratransit vehicles depends on the type of vehicle, its age, and available funding. In the event of a consolidation, vehicle replacements for both agencies towards a more standardized fleet would result in considerable savings. Potential fleet, facility, and technology standardization will be further discussed in the evaluation of proposed consolidation options.

The agency has a maintenance spare factor of 8 total buses out of a total peak schedule requirement including its fare free downtown shuttle service of 26 buses or 30%. Santa Fe Pick-Up and Santa Fe Trails' bus capacity ranges between 25 and 35 passengers per vehicle, while its paratransit vehicles carry 4 to 8 passengers. Available funding, vehicle type, and route capacity for accommodating larger buses will dictate whether Santa Fe Trails will continue to procure mid-size transit buses or opt for larger vehicles. All of the agency's buses and more than half of its paratransit vehicles are fueled by compressed natural gas (CNG).

Agency Administration and Maintenance Facility

Santa Fe Trails' main facility is in a relatively central part of its service area in the City of Santa Fe. This facility complex provides space for daily administrative, scheduling, and operational needs, including offices, conference rooms, and a breakroom for drivers. The agency can monitor service as well as perform light, medium and heavy duty vehicle maintenance. Santa Fe Trails' maintenance facility includes a slow-fill CNG fueling station, bus lifts for heavy-duty maintenance, vehicle washing station, and secure fare collection facilities.

While no formal evaluation of facilities expansion has been conducted, the agency has noted there is no additional space to expand its current maintenance facility. There may be limited opportunities to expand its administrative space given current parking capacity at the facility and the opportunity for additional shifts to accommodate some NCRTD maintenance.

The agency is incorporating a small amount of office space into its proposed Southside Transit Center, as well as exploring the possibility of occupying the other half of the building. Proposed transit facilities are further discussed in the Capital Plans section of this report. The potential exists for some modifications to proposed capital projects in order to accommodate the maintenance needs of both agencies and will be discussed in the development and evaluation of proposed consolidation options of this plan.

Parking and Passenger Facilities

Santa Fe Trails' secure vehicle storage is also located at its primary facility. The agency has indicated that there is limited to no space available for additional vehicle storage, but this needs to be carefully evaluated in the context of a potential consolidation.

In terms of passenger facilities, there are 433 active bus stops in the city of Santa Fe. A recent inventory of bus stops in the city revealed that nearly 90 percent of these stops have service informational signage and 32 percent have an information case with route schedules and maps. Of the total number of stops, just over 17 percent had shelters while 38 percent had benches.

Vehicle Technologies and Communications

Intelligent Communications System

Santa Fe Trails operates the One Call Center out of its main office. This call center utilizes the Avaya phone system and provides information on services and multi-modal connections through regional transit providers. Using RouteMatch to supply "Where's my Bus" technology, Santa Fe Trails provides riders with real-time arrival estimates. Transit riders can access this real-time traveler information through the agency's website or via the Santa Fe Trails smartphone application. Santa Fe Trails does not currently have any planned replacements for phone, computer, and software assets.

Fare Collection Equipment

Santa Fe Trails utilizes Genfare for on-board bus pass sales and fare collection. Bus passes purchased on the bus and at the Santa Fe Place Mall business office are cash only, while Santa Fe Trails' main office accepts cash, check, and most credit cards. Besides one-way trip fares, passengers can purchase non-automated 1-day, 31-day, semi-annual and annual bus passes. Daily and monthly passes can be purchased on the bus with exact change. Monthly or 120-day student passes are available for purchase at Santa Fe Community College, St. John's College, and the Transit Administrative Office.

Passenger Resources

Passengers can view the real-time location of Santa Fe Trails buses through the agency's smartphone app and on its website.[1] Santa Fe Trails contracted with Route Match Software to provide a fixed route application programming interface (API) for real communications through Santa Fe Trails' database and an SMS module for real-time arrival information. This contract enables up to 35,000 annual texts for bus arrival information.

Capital Plans

This section is largely guided by the City of Santa Fe's 2017-2021 Infrastructure Capital Improvements Plan (ICIP) and the city's five-year capital improvements plan out to FY 2019-2020. Both of these are citywide documents and are thus not transit-specific. The City's ICIP does not identify actual funding sources, but instead establishes the need for funding. Projects must be listed in the City of Santa Fe's

[1] www.takethetrails.com

ICIP in order to be eligible for potential state or federal funding. Historically, the ICIP has served as a sort of capital "wish list" for the transit division. Therefore, depending on how successful Santa Fe Trails is in acquiring funding for eligible capital projects, it is difficult to project which of these projects may be implemented and which projects may not advance in the requested timeframe.

Santa Fe Trails' main capital improvement projects are centered on vehicle and facility improvements. Through the ICIP, the agency identified a need for $500,000 per year for bus stop amenities, for a total of $2.5 million. In June 2016, the Santa Fe MPO completed an assessment of all 433 Santa Fe Trails bus stops and identified some level of improvements were needed at 81 percent of the stops. This report estimated the total cost for these improvements to be between $500,000 and $600,000. In FY 2015-2016, Santa Fe Trails conducted the second phase of their bus shelter improvement project, largely funded through a Section 5339 grant, totaling $397,602. The agency spent $191,744 on the purchase of bus shelters, benches, and signage. The remaining balance will be used in early 2017 for installation of the purchased shelters, benches and signage as well as bus stop infrastructure improvements.

The agency currently does not have any planned fixed-route or paratransit fleet growth; only a need for vehicle replacement. The agency used a $3.5 million NMFA loan to purchase 7 replacement buses and 4 vans for the Santa Fe Pickup shuttle in 2015 and 2016. Santa Fe Trails had also identified a total cost of $6.25 million for bus replacement purchases through the 2017-2021 ICIP, for an average of $1.25 million per year. Santa Fe Trails now estimates that the cost of replacement fixed route buses are around $450,000 each and has a need to replace two buses per year for the foreseeable future at an estimated cost of $900,000 per year. Although there is no funding source currently identified, Santa Fe Trails is looking at utilizing some of the GRT funding dedicated to transit for this purpose. For paratransit vehicle replacement, the agency has been successful with applications for Section 5310 small urban funding through the NMDOT. In FY2016 the agency received $192,834 which it used to purchase 4 replacement paratransit vehicles. The agency has an application under review by NMDOT for the replacement of four additional paratransit vehicles in FY2018.

The agency's identified facility improvements in the 2017-2021 ICIP include resurfacing the transit yard and adding a roof structure at Santa Fe Trails' main facility to cover the paratransit vehicle parking area. Santa Fe Trails has received a $30,000 in state grants for this canopy which has been included in the plans for the upgrade of the CNG Facility. A design for the CNG Facility upgrade was completed, and the project included the construction of a new pumping station, replacement and expansion of existing fuel bays at the main transit facility, the construction of new fuel bays for Solid Waste, and upgrade of the public fueling bays. The transit division had allocated a total of $1.5 million for this project and will share costs with the Solid Waste Division. The project was put out to bid in October 2016. The bids came back substantially over the engineers estimate and the available funding. The City is now exploring the possibility of extending the current contract with Clean Energy to include upgrading the pumping station and associated improvements and additions to the fueling bays.

The agency is also currently in design for the Southside Transit Center. The transit center will be moving to 2521 Camino Entrada, a city-owned lot with an existing building from its current location at the Santa Fe Place Mall. The designs include the renovation of a portion of the existing building to include a waiting area, office space, vendor area, and eight bus bays with shelters. The project is currently at 60 percent design with an estimated cost of $2.5 million. Santa Fe Trails has secured $1.14 million in City Traffic Impact Funds and $440,000 in state grants for construction of the project. The agency hopes to

gain approval to use the balance of a previous FTA earmark of approximately $400,000 for the previous mall site, as well as two years of Section 5339 funding, and funding from the sale of an adjacent city property to fully fund the project. Based on the current schedule, construction will likely begin in summer of 2017.

The City of Santa Fe is also proposing facility improvements to the Downtown Transit Center on Sheridan Avenue, which currently serves as the major transfer hub for downtown Santa Fe Trails routes as well as NCRTD and Park and Ride services. The transit center's design is complete and includes a new roadway and transit center layout with bus shelters, street and pedestrian safety lighting, storm drain improvements, sanitary sewer system replacement, and landscaping. This project was awarded $2,000,000 in FFY2016 FHWA Transportation Alternative Program funding. These funds were transferred to the FTA and Santa Fe Trails will apply for a funding agreement through the FTA's Transit Award Management System upon receiving Categorical Exclusion documentation from the FTA. Construction is expected to begin in Fall 2017.

The agency is proposing improvements such as a new roadway and transit center layout with bus shelters, street and pedestrian safety lighting, storm drain improvements, sanitary sewer system replacement, and landscaping. Santa Fe Trails aims to improve downtown intermodal connectivity for pedestrians, bicyclists, and transit users. Table 4 outlines the various components of this project.

Table 3: Santa Fe Trails ICIP Needs FY15-FY21

Santa Fe Trails Infrastructure Capital Improvement (ICIP) Needs: FYs 2015-2021		
Fleet Improvements	Bus Replacement Purchases	$6,250,000
	Fleet Management System	$47,000
	Four ADA Vans for SF Pickup	$537,860
	3 Replacement Paratransit Vans	$192,834
Facilities Improvements	Bus Stop Amenities	$2,500,000
	Southside Transit Center	$890,000
	Transit Yard Roof Structure	$275,000
	Resurface Transit Yard	$350,000
	Public Access CNG Station	$275,000
	Bus Shelters—Phases 2 & 3	$953,570
	Entry card security system	$106,572
	Downtown Transit Center	$2,902,711
Total		**$15,280,547**

Source: City of Santa Fe 2017-2021 Infrastructure Capital Improvements Plan, 5 Year Capital Improvements Plan

Table 4: Downtown Transit Center Improvements

Santa Fe Trails Downtown Transit Center Project Components	
Roadway reconstruction	Widen existing sidewalk and passenger waiting area from 7 feet to 20 feet while adding bus shelters to the waiting area
	Eliminate 14 existing parking spaces, narrow two traffic lanes, and add a dedicated bus lane
	Construct ADA-compliant sidewalks, bike racks, crosswalks, and bulb-outs

Additional bus shelters	Construct bus shelters that fit the requirements of the downtown historic district while improving transit user experience
Storm drain improvements	Reconfigure storm drain inlets and piping to improve drainage in the roadway
Sanitary sewer system replacement	Relocate system under the roadway adjacent to the proposed expanded sidewalk
Lighting and signage	Improve way finding and enhance safety for pedestrians, bicyclists, and transit users
Landscaping	Add trees and landscaping to the expanded sidewalk, new bulb-outs, and along the road

Source: City of Santa Fe Transit Division

North Central RTD and City of Santa Fe Transit System Consolidation Study

Task 2C – Labor Force Analysis

North Central RTD and City of Santa Fe Transit System Consolidation Study

Labor Force Analysis

Introduction

This section will analyze and compare the separate labor status and associated contracts that currently exist for the North Central Regional Transit District (NCRTD) and Santa Fe Trails (SFT). One of the key differences between the two is that the NCRTD contract is exclusively for transit service employees, whereas the SFT contract is part of a city-wide municipal contract which is lacking in specificity for transit in a number of important areas.

Current Status and History

NCRTD

NCRTD operational employees are represented by Chauffeurs, Teamsters and Helpers Local No. 42.

The Union and Employees; Dispatcher (Customer Service Representatives) and Drivers commenced the unionization process on February 27, 2012. The Union became certified per the Public Employee Labor Relations Board, order No. 303-12, on June 6, 2012.

The first contract was negotiated and ratified by the parties on April, 2013 and was for a 15-month period starting April 5, 2013 and terminating on June 30, 2014. The parties then negotiated and ratified the second contract for the period of July 1, 2014 through June 30, 2016. The former Taos network (formerly called the Chili Line) was subsequently incorporated into this contract in 2015.

The third contract, which is the current one, commenced July 1, 2016 and will terminate on June 30, 2019. It is generally a transit specific contract that covers the following job categories:

- Transit Driver (Level I, II, III)
- Customer Service Representative (Level I, II, III)
- Transit Software Specialist.

As NCRTD currently contracts with external vendors for all vehicle maintenance, there are no maintenance related represented titles in the current contract. The dispatcher job title has changed from previous contracts to the current title of Customer Service Representatives and are also referred to as dispatchers, and are part of the union contract.

All other NCRTD employees are non-represented, including emergency appointments. Additions to the workforce, including new classifications, will be added to the bargaining unit if deemed to be within the job classifications of covered unit positions.

SFT

SFT operational employees are represented by the American Federation of State, County and Municipal Employees (AFSCME) and are covered by a general labor agreement with all of the municipal employees for the City of Santa Fe. Operations commenced in 1992 and representation by this union commenced in 1994 with a series of 4-year contracts. The current contract commenced July 1, 2014 and terminates June 30, 2017.

In this city-wide contract, Santa Fe Trails operation is categorized as a "Division" within the city municipal contract. This contract, while having some references to the Transit Division, is not a transit specific contract and does not provide all of the details and specificity unique to transit operations. As a result, additional supplemental documents have been utilized to detail specific operating, administrative, and safety procedures for the SFT workforce. In terms of the transit division it includes a large number of job categories including:

- Administrative Secretary
- Customer Service Representative
- Database Specialist
- Mechanics
- Bus Operators (fixed route, paratransit, shuttle)

Wage Rates

NCRTD

The current pay rates for NCRTD represented employees are detailed below.

July 1, 2016 thru June 30, 2017

Hourly Wage Rates

Title	Minimum	Midpoint	Maximum
Transit Driver I	$13.62	$16.34	$19.07
Transit Driver II	$14.23	$17.08	$19.92
Transit Driver III	$15.24	$18.29	$21.33
Customer Service Rep I	$13.91	$16.69	$19.47
Customer Service Rep II	$15.02	$18.02	$21.02
Transit Software Specialist	$15.02	$18.02	$21.02
Lead Customer Service Rep III	$15.47	$18.56	$21.65

The following describes the differentiation within the job categories and how the Minimum, Midpoint, Maximum are determined.

1. Transit Driver I – The entry category does not require a CDL license but does require five years of experience. They are limited as to the passenger capacity of the vehicles they can operate.
2. Transit Driver II – This category does require a CDL license and five years of experience and has increased passenger carrying capacity.
3. Transit Driver III/lead – This category does require a CDL license, but must have at least 6 years of experience. These individuals also assist in field training of other drivers, can be assigned as route supervisors on a temporary basis, and was created as both a career ladder opportunity and a mechanism to develop a cadre of future transit supervisors.
4. Minimum, Midpoint and Maximum rates are determined as follows.
    a. All new drivers are hired at the minimum rate.
    b. Drivers can be anywhere in the range depending on their years of service with the District in addition to performance based raises that were in effect for employees hired prior to unionization. The actual rate of pay for an individual is reflective of their longevity with the organization provided they were hired before the District became unionized or were acquired through a consolidation. The key rates that matter are the Minimum for hiring and the Maximum which cannot be exceeded.
    c. Since the drivers and dispatchers organized, all annual salary increases are across the board. As a result, most newly hired drivers will always be at the minimum since everyone gets the same increase and the range moves with the COLA. Only tenured employees will have pay reflective of dispersion within the range. For drivers at the maximum of the pay range, they will remain at the top of the pay range if the ranges are adjusted consistent with the increases in the collectively bargained COLA. Prior to unionization, a driver's increase was based on individual performance and as a result their progression through the pay range was reflective of their annual performance increase (which usually ranged from 0-3%). At that time, prior to unionization, the District did not negotiate the board increases. Therefore, a driver could eventually reach the top of the range if they consistently received performance based increases relative to their peers.

For the remaining years of the NCRTD contract, wages will be increased by 2.7% for FY 2018 (July 1, 2017 to June 30, 2018) effective on July 1, 2017, and an additional 2.7% for FY 2019 (July 1, 2018 to June 30, 2019, effective on July 1, 2018.

SFT

The current wage rates for Santa Fe Trails represented employees are detailed in the chart below.

Hourly Wage Rates

Title	Minimum	Midpoint	Maximum
Admin Secretary	$12.741	$17.795	$22.849
Customer Service Rep	$12.067	$16.536	$21.006
Database Specialist	$15.311	$21.209	$27.106
Dispatcher	$15.311	$21.209	$27.106
Electronic Repair Shop Technician	$18.422	$25.339	$32.257
Equipment Service Worker	$12.741	$17.795	$22.849
Heavy Equipment Mechanic	$18.422	$25.339	$32.257
Paratransit Operator	$12.067	$16.536	$21.006
Transit Operator	$13.965	$19.420	$24.876

Transit Shuttle Operator	$13.965	$19.420	$24.876
Transit Specialist	$13.965	$19.420	$24.876
Sign Technician Senior		$22.185	$30.337

All other SFT employees are non-represented.

Newly hired AFSCME represented employees generally come in at the minimum salary, but it is not a requirement. For COLA or across the board increases that are implemented, the percentage or specific dollar increase is the same for everyone. To date the 50 cent hourly raise was provided in 2014 and is included in the above numbers; no raise was provided in 2015 nor 2016.

The current City of Santa Fe / SFT contract is discussed for each of the relevant items below, with highlights noted. Note that all of these are generally in an overall city municipal worker setting; specifics for the Transit Division where provided are noted.

Management Rights

NCRTD

- Determine qualifications for employment, evaluate employee performance, re-assign employees, and determine standards for work, hiring, promotion, transfer, assignment, employee retention, employee discipline and safety.

SFT

- Determine qualifications for employment, evaluate employee performance, re-assign employees, and determine standards for work, hiring, promotion, transfer, assignment, employee discipline and safety.

Drug and Alcohol Testing

NCRTD

- Assure conformance with CDL and NCRTD Reasonable Suspicion Drug and Alcohol policy. In addition, NCRTD participates in the NMDOT Drug and Alcohol Testing Program for various types of tests to detect the presence of drugs and/or alcohol. NCRTD has a zero tolerance policy for employees detected with positive alcohol and/or drug usage detected during random testing which then results in termination.

SFT

- Drug and alcohol policies were amended to be consistent with the requirements of the Omnibus Transportation Employee Testing Act of 1991 and FTA regulations which set standards for collections and testing. Any safety sensitive employee who tests positive for drugs or alcohol for a post-accident test or who has a second confirmed positive is terminated from employment.

  Employees with their first confirmed positive drug or alcohol test are immediately removed from duty and suspended for two weeks without pay. Employees with a verified positive test are not subject to termination under one of eight criteria established and are offered

conditional retention of employment if submitting to a substance abuse professional evaluation and other procedural steps.

Seniority Provisions

NCRTD

- Espanola and Taos to remain separate "domiciles" with separate seniority rosters. Transfer is permitted between the two, but a transferee goes to the bottom of the seniority list at the transferred domicile.
- District has the right to acquire new facilities and establish new domiciles within the District service territory.

SFT

- City seniority is defined as the length of continuous service with the City of Santa Fe
- Division seniority is the length of continuous service an employee has in his/her current Division. Division seniority is broken by reassignment to another division.
- Classification seniority is the entry date the bargaining unit employee began working in his/her current job classification.
- In the event an employee is re-hired by the City after the employee has been separated for more than 12 consecutive months, the employee wil be considered a new hire for seniority purposes. Employees rehired within 12 months shall retain their original hire date and seniority. However, this provision does not apply to bargaining unit employees who have been terminated.

Probationary Employees

NCRTD

- Probation period for new hires is six months subject to satisfactory performance. Probationary employees are not covered by the collective bargaining agreement.

SFT

- Probation period for new hires is six months subject to satisfactory performance and may be extended up to three more months. Probationary employees are not covered by the collective bargaining agreement. Non-union employees follow the City's Rules and Regulations.

Filling Job Vacancies

NCRTD

- Standard posting process. Seniority only applied where the qualifications of the prospective employees are equal.
- External advertisement of vacant positions may occur at the discretion of the District.

SFT

- Standard municipal posting process with priority to seniority within the City system based upon Division and classification.
- With approval of Department Director and City Manager, employee may transfer from one position, division, department to another as long as they meet the new job qualifications,

there is no adverse performance in the current job, the union if formally notified 14 days prior to transfer.

Bidding of Jobs

NCRTD

- General bid conducted semi-annually (March and September).
- Drivers select their domicile, but management has the right to re-assign individuals based upon seniority, operator qualifications.
- Special bids may be held between general bids reflective of the management's desire to implement service changes.

SFT

- While City contract requires a minimum of one bid per year, a special exemption is provided for the Transit Division in which it is indicated that this is on as needed basis as agreed to by management and the union
- It has been the practice of the Transit Division to have three bids per year, generally on a 4-month interval.
- Drivers and support staff select their work assignments based upon Division seniority.
- In general, 2/3 of bus operator bids are straight runs, 1/3 are split runs. All assignments have consecutive days off.

Training

NCRTD

- All drivers will receive mutually agreeable training on any new route per the CBA.
- Quarterly training for all drivers on various mandatory training topics per NMDOT specifications.
- Quarterly training on supplemental District policies and practices.

SFT

- All drivers receive 8 - 12 hours of refresher training annually. Each driver receives a minimum of 8 hours, but typically receives 12 hours per year of refresher training.
- FT provides each driver with a detailed handbook that outlines rules, current operating procedures and general information.

Layoff and Recall Provisions

NCRTD

- An employee may be laid off at NCRTD discretion with sufficient notice.
- Employee may exercise bumping rights based upon seniority.
- NCRTD may exercise right to recall laid off employee with sufficient notice to employee. Laid off employees have priority for any bargaining unit position opening.
- After 12 consecutive months in layoff, a former employee is no longer on the recall list.

SFT

- Employee may be furloughed or laid off after a minimum 28-day notice.
- City may exercise right to recall laid off or furloughed employees with 5 days' notice to employee.
- A laid off employee may refuse one recall offer. A second recall refusal will serve as a voluntary resignation.
- After 12 consecutive months in layoff, a former employee is no longer on the recall list.
- Full time employees can be subject to a furlough, a temporary (not to exceed six months) reduction of work hours from 40 to 24 hours.

Employee Discipline

NCRTD

- Reprimand - NCRTD may issue written reprimand not subject to grievance. Upon 6 months of improvement, employee may request that reprimand be removed from personnel file.
- Suspension – for just cause in the following instances: failure to comply with District, state, federal statutes and policies, conviction of a felony, negligence, disorderly conduct, chronic absenteeism, unauthorized leave, falsification of District records, under the influence of alcohol or drugs while on duty, gambling, unauthorized release of confidential documents, harassment or discriminatory behavior.
- Dismissal – for just cause is not required by the CBA for the following instances (but not limited to them): intoxication, drinking intoxicating beverages, or possession or use of illegal drugs while on the District's premises, fleet or facilities, arriving on the job under the influence, misuse of drugs, mishandling of District revenues or resources, insubordination, physically striking a supervisor, fellow employee, or a customer.

SFT

- Reprimand - SFT may issue written reprimand not subject to grievance, but can be used as a basis for progressive discipline. Upon 9 months of improvement, reprimand is removed from personnel file.
- Suspension – for just cause in the following instances: failure to comply with City, state, federal statutes and policies, conviction of a felony, negligent use of City property equipment, and funds, disorderly conduct, chronic absenteeism, unauthorized leave, falsification of City records, under the influence of alcohol or drugs while on duty, gambling, unauthorized release of confidential documents, harassment or discriminatory behavior.
- SFT also utilizes an informal discipline approach, consisting of supervisory coaching and guidance sessions.
- Dismissal - Employees will be terminated if they use, possess or sells alcohol or controlled substances on duty or on City property, consume alcohol within 4 hours of scheduled report time or within 8 hours following an accident, refuse to submit to a drug and/or alcohol test when so directed, test positive and was involved in an accident causing death or serious injury, test positive and have not completed their initial probationary period following hire into the employee's first position with the City of Santa Fe, have a second confirmed positive drug or alcohol test, and do not appear, fails to appear in a timely fashion to complete a random or follow-up drug or alcohol test or refuses to provide a breath or urine sample.

Grievance and Arbitration Procedures

NCRTD

- 2-step grievance process. Department Director, Executive Director.
- Option for arbitration after fulfilling grievance process.

SFT

- 4-step grievance process. Section Manager, Division Director, Department Director, City Manager.
- Option for arbitration after fulfilling grievance process.

Temporary Employees

NCRTD

- District has the right to hire and use temporary and emergency drivers for short term operational purposes, up to 9 months in duration. An emergency appointment cannot exceed 100 days or 800 hours in any nine month period.

SFT

- City has the right to hire and use temporary employees for short term operational purposes. At the end of 12 months in temporary positions, City shall meet with union to discuss the conversion to classified subject to budget constraints. Emergency appointments can be made for a period not to exceed 90 days.

Union /Shop Steward Representation

NCRTD

- Union to be represented by Shop Steward.

SFT

- Hierarchy of union officials ascribed to entire City labor force; not defined for transit division.

Hours of Service and Pay

NCRTD

- Standard work week is 40 hours within a 7-day period.
- Pay period consists of two work weeks.
- Lunch is provided for a maximum of 1 hour and is unpaid
- Separate paid 15-minute break provided as close to the midpoint of the first half of their shift and a second 15-minute break as close as possible to the midpoint of the second half of their shift. Contingency conditions may require on selected basis for employee to work through either of both of the paid breaks. Paid breaks may be considered as part of scheduled layover.
- Overtime for work in excess of 40 hours (excluding lunch break) during the work week shall be paid at 1.5 times the normal rate.

- Holiday pay is 8 hours of pay for 11 annual holidays. Employees who work on a holiday receive 1.5 times their rate of pay in addition to the 8 hours of holiday pay.
- Drivers having a schedule report time are guaranteed a minimum of 2 hours pay.

SFT

- Each daily transit work assignment must have a 30 minute to 60 minute lunch break.
- Pay period consists of two work weeks.
- Split shifts, defined as those having more than a 2-hour break in work, receive a $35.00 split shift differential per pay period provided that they work four or more split shifts during the 14-day pay period.
- Work in excess of 40 hours per week is paid at 1.5 times the regular hourly rate.
- A total of 11 days are recognized as legal holidays. Employees who work on holidays receive an additional 1.5 times their regular hourly rate.
- Night differential pay of $1.00/hour is paid for work performed between 3 pm and 11 pm, and $1.75/hour for work between 11 pm and 7 am.

Sick Leave

NCRTD

- Requirement is to notify supervisor in a timely manner; 24 hours for scheduled medical appointment; two hours' notice for unexpected illness or accident.
- Union employees who have accrued more than 80 hours of sick leave after 13 months can at their discretion, sell back up to forty (40) hours of sick leave according to a prorated schedule.
- Non Union employees can sell back up to 80 hours of sick leave or transfer up to 80 hours of sick leave to their vacation balance according to a prorated schedule.
- Employees accrue sick leave at a rate of 80 hours per year or 6.67 hours per month, up to a maximum of 720 hours.
- Unused sick leave is not paid upon separation of employment.

SFT

- No specification related to timely notice to employer.
- To qualify for sick leave buy back, non-exempt union employees shall have a minimum balance of 450 hours at the end of each calendar year to participate, while exempt employees must have 500 hours to participate. In addition, payment for sick leave buy back is limited to a maximum of 96 hours sold back each year as long as the 450 hour (500 for exempt) minimum bank is not breached. It should be noted that due to fiscal difficulties, the City of Santa Fe has not offered SFT employees the opportunity to buy back sick leave in the past 5 years. It is unclear if the lack of a buyback program has adversely affected absenteeism.
- Non-exempt employees accrue sick leave annually based on a formula that incorporates years of service applied to a percentage of hours worked and paid leave. This schedule ranges from 3.46% of hours worked in the first year of employment to 7.66% for employees with 20 or more years of service. Based on 80 hours every two weeks, at the maximum % employees can accrue 160 hours annually.
- Exempt employees accrue 160 hours per calendar year.

- Unused sick leave is not paid out upon separation. Represented employees can choose to donate up to 200 hours of sick leave to an AFSCME bank if desired. However, if an employee is planning to retire, they can use existing sick leave balances on a two hour to one hour conversion basis to accelerate the retirement date. If an employee dies in service, unused sick leave is paid out to their estate.

Vacation Selection/Accrual

NCRTD

- Bid in seniority once annually for calendar year during prior December.
- Vacation selection may be taken in full week, full day, or hourly basis with the prior approval of the supervisor.
- Vacation time of two weeks per year is awarded after one year of service, increasing to a maximum of five weeks paid vacation after 25 years of service.
- Upon separation, employees shall be paid for all unused earned vacation.

SFT

- Similar to the sick leave formula previously noted, non-exempt employees accrue annual (vacation) leave per pay period based on a schedule for years of service and hours worked plus paid leave. For new employees they receive 4.62% of total hours, up to 9.62% for employees with 20 or more service years.
- Exempt employees accrue 7.69% of hours worked and paid in their first year of employment up to the same 9.62% after only 5 years of service. Based on 80 hours for each bi-weekly period, a senior employee at the maximum 9.62% rate can accrue 200 hours per year.
- A bargaining unit employee can carry over to the next calendar year a maximum of two years of annual leave based on their existing years of service accrual rate. Exempt employees can carryover all unused leave.
- Both exempt and non-exempt employees can sell back a maximum of 80 hours per year, however the balance cannot exceed the maximum two year carryover rate in relation to their years of service. It should be noted that, the City of Santa Fe has not offered SFT employees the opportunity to sell back annual leave hours in the past 5 years.
- Both non-exempt and exempt employees are compensated for all unused/unforfeited annual leave at separation.

Longevity Award/Accrual

NCRTD

- Full time employees with between 5 and 10 years of service will receive a one-time annual payment in December of $312.
- Full time employees with more than 10 years of service will receive a one-time annual payment in December of $728.
- For the current FY 2017, eligible employees will only receive 50% of the longevity amounts stated above.

SFT

- Longevity in City service benefit is granted effective January 1st annually beginning on the 5th year anniversary date, in accordance with a defined schedule as follows: 5-10 years +8 hours for full time, +4 hours for part time; 10-15 years +16 hours for full time, +8 hours for part time Longevity leave is not accruable and must be used within the calendar year it was earned.

Health and Welfare

NCRTD

- Cost sharing for health care plan options is 80% by the District, 20% by the employee.
- Employees can select one of 3 different health plans offered, and receive dental and vision plan benefit coverage as well. They also offer employees a Roth IRA option in addition to enrolling in the PERA pension plan for retirement, as well as incentives for health and wellness lifestyle choices, and disability and life insurance policies.
- Current premiums paid by the employee for the three health care plans ranging from employee only to family coverage: $48.71 every two weeks (employee only) to $143.71 (family coverage) every two weeks.

SFT

- Employer pays 76.5% of annual health care premium, employee pays 23.5%.
- Employer pays 65% of dental plan for those employees who participate.
- Employer provides up to a maximum of $175 per year for prescription glasses.
- Employees have a choice of three different health plans; Premium, Core and HRA. The Premium plan has no deductibles for in-network providers, and costs to the employee range from $79.26 every two weeks for employee only coverage, to $189.44 for family coverage. The Core plan costs from $74.90 (employee only) to $179.01 (family coverage) per bi-weekly pay period, with higher deductibles than the Premium plan. The HRA plan has the highest level of deductibles and is the lowest cost to the employee each pay period, ranging from $64.20 to $153.44 for family coverage.

Pension

NCRTD

- The District is part of the Public Employees Retirement Act (PERA) of New Mexico Municipal Plan 2 which requires a contribution of 20.20% of employee pay. The District agrees to pay 75% of the contribution (15.15% of total pay) and the employee pays 25% of the contribution (5.05% of total pay).
- In June 2013, changes were implemented to PERA plans, creating two tiers of benefits. An employee was covered by Tier 1 if hired or retired on or before June 30, 2013, or if they had member contributions on account prior to that date. An employee was in Tier 2 if hired on or after July 1, 2013.
- Retirement eligibility requirements for Tier 1 and Tier 2 participants mirror the Santa Fe guidelines listed below, including the Rule of 85 for Tier 2 participants.
- For Tier 2 participants hired after August 2013, it is mandatory to participate in both PERA and Social Security.

SFT

- PERA Municipal Plan 3 covers all City of Santa Fe employees including those in the Transit Division. Plan 3 has two tiers with different age and years of service requirements. All City of Santa Fe employees, including those in the Transit Division, are captured under PERA both Tiers, the employer's contribution equates to 19.41% of employee pay for salaries under $20,000, and 20.54% for salaries over $20,000. Employees earning less than $20,000 contribute 3.29% of salary, and employees with annual salaries over $20,000 contribute 3.66% of their wages.
- For Transit Division employees in Tier 1 (hired on or before June 30, 2013), they receive 3% for each year of service, up to a maximum of 90% of the average of the three highest years of annual salary exclusive of overtime. An employee can retire at any age with 25 or more years of service credit, or beginning at age 60 with 20 or more years of service and declining to 5 years of service needed to retire at age 65.
- For Tier 2 pension participants (those hired July 1,2013 or after), retirement is based on the rule of 85 (minimum of 8 years of service credit and age at retirement plus years of credit must equal 85, except for age 65 or older where at least 8 years of service is sufficient to retire). Tier 2 employees receive 2.5% for each year of service, up to a maximum of 90% of the average of the three highest years of annual salary exclusive of overtime salary for 36 years of service.

Significant Differences Between the Two Current Contracts

This section will cite some of the key contractual differences noted above that affect potential consolidation options.

- NCRTD contract is exclusively for transit service employees, whereas the SFT contract is part of a city-wide municipal contract. The latter is lacking in specificity for transit in a number of important areas, and as a result the Transit Division relies on several supplemental documents (e.g., City of Santa Fe Administrative and Safety Manual, Training Manual/Operator's Handbook, etc.)

- The time frames for the two contracts are different. The NCRTD contract is valid through June 2019, while the SFT contract is valid only until June 2017.

- The pay levels for the basic transit functions are somewhat different with NCRTD being higher at the entry level, but SFT rates are higher at the midpoint and maximum levels. This differential toward higher rates for SFT may be exacerbated by the 2017 contract expiration date.

NCRTD

Title	Minimum	Midpoint	Maximum
Transit Driver I	$13.62	$16.34	$19.07
Transit Driver II	$14.23	$17.08	$19.92
Transit Driver III	$15.24	$18.29	$21.33

SFT

Paratransit Operator	$12.067	$16.536	$21.006
Transit Operator	$13.965	$19.420	$24.876
Transit Shuttle Operator	$13.965	$19.420	$24.876

- Grievance process is shorter at NCRTD than at SFT. 2-step vs 4-step, reflecting a much more compact and transit specific organization rather than a broader based municipality.

- Vehicle maintenance at NCRTD is exclusively handled by external vendor contracts, while SFT has in-house personnel to handle this work.

- SFT Employees contribute substantially less to their pension than NCRTD employees, either 3.29% (under $20,000 salary) or 3.66% of salary (over $20,000) as opposed to 5.05% for NCRTD employees. This is attributable to the City of Santa Fe's substantially higher level of employer contribution to the plan.

- NCRTD health insurance costs on a bi-weekly basis are less for employees than for SFT employees.

North Central RTD and City of Santa Fe Transit System Consolidation Study

Task 2D – Fixed Route Service Evaluation

North Central RTD and City of Santa Fe Transit System Consolidation Study

Fixed-Route Service Evaluation

Introduction

The *Fixed-Route Service Evaluation* is a key component of the consolidation analysis for NCRTD and Santa Fe Trails. It offers insights into how transit currently serves the greater Santa Fe area. The *Fixed-Route Service Evaluation* will provide an overview of each agency's service structure, role, operations, and performance. The findings from this analysis will be used to identify the opportunities and challenges for transit consolidation in Santa Fe.

NCRTD Structure, Design, and Role

Service Area

The North Central Regional Transit District (NCRTD) began service in 2007 and currently operates within a 10,079-square mile service area in North Central New Mexico. NCRTD's Blue Bus fleet serves the counties of Los Alamos, Taos, Rio Arriba, and Santa Fe, as well as six regional pueblos with a total population of approximately 235,000. According to NCRTD's updated Five Year Transit Service Plan, Santa Fe County has the greatest population within the NCRTD service area, as well as the highest population density at 77.4 persons per square mile. Santa Fe County is also a key employment hub: 66 percent of county residents work within county boundaries, while 23 and 18 percent of Rio Arriba County and Taos County residents work in Santa Fe. A substantial number of riders commute to Santa Fe, a segment of the population which NCRTD aims to serve.

More specifically, the City of Santa Fe is a major trip generator within NCRTD's service area. Santa Fe welcomes a variety of residents, students, tourists, and regional commuters each year, placing a higher demand on local transit. Within the context of this study, "regional" refers to service that provides access to the greater four-county service area under NCRTD's jurisdiction. Regional services typically connect distant parts of the service area with longer trip lengths. On the other hand, "local" refers to service that is more highly targeted within a small service area. In this case, the City of Santa Fe provides local service within its city and does not include routes with service to distant parts of the county or state. Thus "regional commuters" are a group that uses regional transit from distant areas to reach major destinations such as Santa Fe, who may then use local transit within the city limits. With a significant number of potential passengers flowing into Santa Fe, this places a higher demand on local transit.

Network Overview

NCRTD operates a total of 24 fixed and flex-routes in addition to Dial-A-Ride, Demand Response and Paratransit services. Twenty fixed-routes operate fare-free Monday through Friday, while one premium service operates seven days a week with a fare and one operates on weekends only. NCRTD provides paratransit and complementary services in conformance with the American Disabilities Act (ADA). Demand Response service is also available for Rio Arriba County and City of Española residents that live

within a 15-mile radius of the Española Transit Center and/or do not have access to fixed-route service. Dial-A-Ride is available in the Pojoaque/Nambe area.

NCRTD runs different service types[1] to meet the varying mobility needs across the region: local service, pueblo feeder service, regional/rural routes, pueblo/local/regional hybrids, and demand response services. Nine fixed-routes operate in the City of Santa Fe area, most of which are regional/rural routes or pueblo feeder services and two which are deemed small urban system routes.

NCRTD services connect rural communities to major destinations, hubs, and transportation services in Española, Santa Fe, Los Alamos, and Taos. Some of the hubs and transportation services include the Española Transit Center, New Mexico Rail Runner Express, and Santa Fe Trails.

[1] As defined by NCRTD's *Transit Service Plan*

Figure 1: NCRTD Service Area

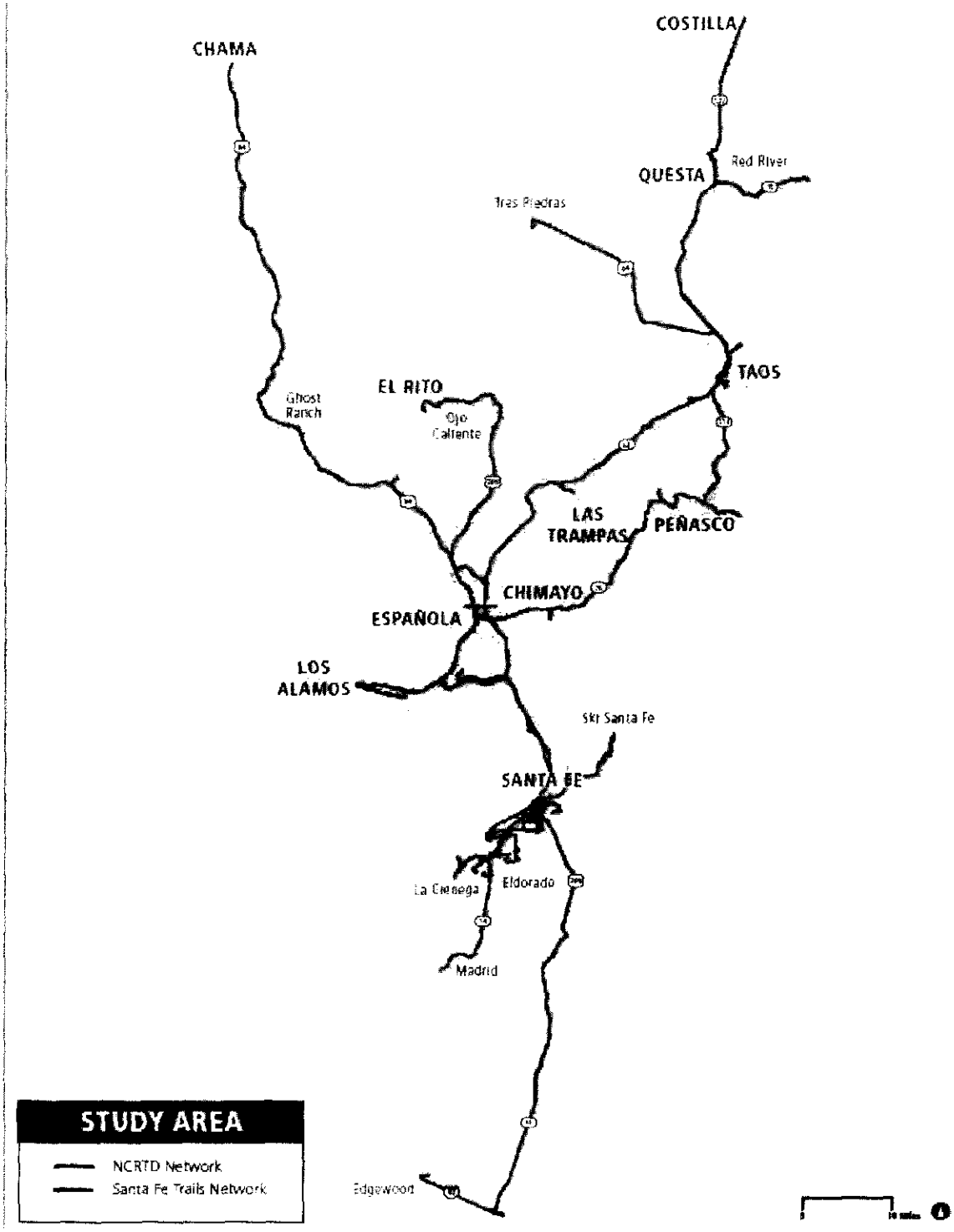


Table 1: NCRTD Network Overview – Route Listing

NCRTD Network Overview – Route Listing		
Route[2]	**Service Type**	**Regions Served**
100 Riverside	Local	Ohkay Owingeh Pueblo and Española
110 Westside/ Crosstown	Local	Española
150 Chimayo	Regional/Rural	Las Trampas, Truchas, Cordova, Chimayo, La Puebla, Santa Cruz, and Española
160 Santa Clara	Pueblo/Local/Regional Hybrid	Santa Clara Pueblo, Chamita, Ohkay Owingeh Pueblo, Española, Cities of Gold Park & Ride, and Santa Fe
180 El Rito	Regional/Rural	El Rito, Ojo Caliente, and Española
190 Chama	Regional/Rural	Chama, Tierra Amarilla, Canjilon, Ghost Ranch, Abiquiu, and Española
200 Santa Fe	Regional/Rural	Santa Fe, Tesuque, Pojoaque, and Española
220 Tesuque	Pueblo/Local/Regional Hybrid	Santa Fe, Tesuque, Pojoaque, and Española
230 San Ildefonso	Pueblo Feeder Service	San Ildefonso, El Rancho, Jaconita, and Pojoaque
255 Mountain Trail	Regional/Rural	Santa Fe, Santa Fe National Forest, and Ski Santa Fe
260 La Cienega	Regional/Rural	La Cienega, La Cieneguilla and Santa Fe
270 Turquoise Trail	Regional/Rural	Santa Fe, Turquoise Trail, Los Cerrillos, Madrid
280 Eldorado	Regional/Rural	Santa Fe, Eldorado, Galisteo, Stanley, Moriarty, and Edgewood
290 Edgewood	Regional/Rural	Santa Fe, Eldorado, Galisteo, Stanley, Moriarty, and Edgewood
300 Taos	Regional/Rural	Taos, Pilar, Dixon, Velarde, Alcalde, and Española
305 Taos Express	Regional/Rural	Taos, Española and Santa Fe
310 Red River	Regional/Rural	Questa and Red River
320 Questa	Regional/Rural	Costilla, Cerro, Questa and Taos
330 Peñasco	Regional/Rural	Taos, Las Trampas, Chamisal, Picuris Pueblo, Peñasco, (and Sipapu Ski Resort - seasonal)
340 Chile Line Red	Local	Taos
341 TSV Green	Regional/Rural	Taos, El Prado, Arroyo Seco, Valdez, and Taos Ski Valley
350 UNM Taos	Local	Taos
360 Tres Piedras	Regional/Rural	Tres Piedras, El Prado, and Taos
400 Los Alamos	Regional/Rural	Los Alamos, Pojoaque, Santa Clara Pueblo, San Ildefonso, and Española

Source: Transit Service Plan; route schedules

Frequency and Service Span

A majority of NCRTD's fixed-route service operates on a trip-level basis, with service limited to the AM and PM peaks. Four NCRTD routes have more regular service every 30-60 minutes, none of which are

[2] Routes highlighted in green indicate those that stop within the City of Santa Fe.

located in the Santa Fe area. Most NCRTD routes in Santa Fe are trip based, providing one to six roundtrips per day. Some routes do offer short-line midday service.

NCRTD's fixed-route service operates from approximately 6:00 AM to 7:00 PM[3]. Almost all of NCRTD's fare-free fixed-routes operate Monday-Friday, while the two premium routes offer weekend service (Taos Express and Mountain Trail) and one operates 7 days per week (Mountain Trail). 341 TSV Green, a seasonal route that operates December – March, provides fare-free service seven days a week.

Table 2: NCRTD Network Overview – Frequency and Span

NCRTD Network Overview – Frequency and Span				
Route[4]	**Service Type**	**Fare**	**Frequency (trips by direction)**	**Span**
100 Riverside	Local	Free	30 minutes; long-line 7 SB trips, 6 NB trips	5:55AM—7:05PM
110 Westside/ Crosstown	Local	Free	60 minutes	6:15AM—6:15PM
150 Chimayo	Regional/Rural	Free	60 minutes; long-line 2 WB trips, 2 EB trips	7:00AM—5:54PM
160 Santa Clara	Pueblo/Local/Regional Hybrid	Free	4 SB trips, 4 NB trips	6:45AM—6:15PM
180 El Rito	Regional/Rural	Free	3 SB trips, 3 NB trips	8:55AM—5:15PM
190 Chama	Regional/Rural	Free	3 SB trips, 3 NB trips	5:50AM—7:10PM
200 Santa Fe	Regional/Rural	Free	4 SB trips, 4 NB trips	6:55AM—6:00PM
220 Tesuque	Pueblo/Local/Regional Hybrid	Free	5 SB trips, 5 NB trips	7:00AM—6:00PM
230 San Ildefonso	Pueblo Feeder Service	Free	4 WB trips, 3 EB trips	7:50AM—5:25PM
255 Mountain Trail	Regional/Rural	Winter: $5 each way Non-winter: $5 EB/ uphill, fare-free WB/down hill	Weekday 2 EB trips, 2 WB trips; Weekend 3 EB, 3 WB trips	9:00AM—5:45PM
260 La Cienega	Regional/Rural	Free	3 SB trips, 3 NB trips	8:00AM—4:21PM
270 Turquoise Trail	Regional/Rural	Free	6 SB trips; 7 NB trips	6:25AM—6:05PM
280 Eldorado	Regional/Rural	Free	5 SB trips, 5 NB trips	7:10AM—5:40PM
290 Edgewood	Regional/Rural	Free	1 SB trip; 1 NB trip	5:45AM—6:30PM
300 Taos	Regional/Rural	Free	4 SB trips, 4 NB trips	5:55AM—7:02PM
305 Taos Express	Regional/Rural	Taos-Santa Fe: $5 per trip; Española-Santa Fe or Taos-Española: $2 per trip	2 SB trips, 2 NB trips	8:55AM—8:15PM

[3] NCRTD recently converted the Pojoaque-Nambé line to a Dial-A-Ride service that operates between 8:00 AM to 4:00 PM, Monday through Friday in the Pojoaque and Nambé pueblo areas.

[4] Routes highlighted in green indicate those that stop within the City of Santa Fe.

310 Red River	Regional/Rural	Free	8 EB trips, 8 WB trips	5:55AM—6:40PM
320 Questa	Regional/Rural	Free	5 SB trips, 5 NB trips	6:10AM—6:25PM
330 Peñasco	Regional/Rural	Free	4 SB trips, 4 NB trips	6:03AM—4:55PM
340 Chile Line Red	Local	Free	35-40 minutes	7:30 AM—5:28PM
341 TSV Green	Regional/Rural	Free	Weekday 5 SB trips, 5 NB trips; Weekend 7 SB trips, 7 NB trips	**Dec 20-Mar 30** 7:35AM—6:45PM
350 UNM Taos	Local	Free	4 SB trips, 5 NB trips	**School session** 8:30AM—6:25PM
360 Tres Piedras	Regional/Rural	Free	1 SB trip, 1 NB trip	**Wednesdays only** 8:55AM—3:05PM
400 Los Alamos	Regional/Rural	Free	1 SB trip; 1 NB trip	12:00PM—2:30PM

Source: Transit Service Plan, route schedules

Role

NCRTD is largely a trip-based service defined by limited frequencies and longer-distance trips. This design coupled with its rural service area make the Blue Bus a lifeline service. Lifeline services often connect low density areas to key activity centers for school, work, and health-related trips. The limited service levels do not allow for spontaneous travel; they require advanced planning as passengers who miss a trip will be left with few other travel alternatives.

NCRTD does provide more frequent, local service in areas where NCRTD is a primary public transit provider. Mergers with City of Española, Rio Arriba's Los Valles Transit and Town of Taos Chile Line have made NCRTD the primary provider in these cities and counties with frequencies to reflect this role. NCRTD's four routes that operate at regular frequencies ranging between 30 and 60 minutes are 100 Riverside, 110 Westside/Crosstown, 150 Chimayo, and 340 Chile Line routes. These local routes operate primarily in Española and Taos, the former service areas of City of Española, Los Valles Transit and the Taos Chile Line. These communities are both reliant on NCRTD for regular public transit service. These areas are also relatively dense compared to other portions of the greater service area. These higher frequency lines represent a small section of a predominantly rural system.

Of the four counties within NCRTD's service area, Santa Fe and Los Alamos counties have other transit service in the form of Santa Fe Trails and Atomic City Transit, respectively. NCRTD's role in these communities is different. Both Santa Fe Trails and Atomic City Transit provide regular service ranging between 12 to 60 minute frequencies within their jurisdictions. These cities are not reliant on NCRTD to provide regular, frequent service within their territories. Instead, NCRTD routes in Santa Fe and Los Alamos consist of long, trip-based regional service. These NCRTD routes do not operate frequently, but instead connect these cities to other major destinations within NCRTD's service area. For example, Route 400 Los Alamos is the only NCRTD route that serves Los Alamos and provides one midday roundtrip to Española and Pojoaque Pueblo. Similarly, NCRTD routes that provide service to Santa Fe operate a select number of daily roundtrips to regional hotspots instead of regular frequencies. NCRTD's role within an area often depends on the availability of other connecting transit options. In areas where NCRTD is the primary provider, Blue Bus frequencies are increased to provide regular service. In areas

where other transit agencies operate within NCRTD service area, NCRTD's role shifts to serve as a regional connector.

NCRTD Planning and Operations

Service Planning

NCRTD has several reports that help guide the agency in planning its service. NCRTD's 2015 *Long Range Strategic Plan* discusses the agency's vision, role in regional transportation, and performance-based strategies. This document prioritizes investments and resources as far as 20 years into the future. NCRTD's *Five-Year Transit Service Plan* (TSP), updated in 2014, provides short term guidance to supplement its long-range goals. The TSP provides processes for determining service area needs, route revisions, route discontinuations, and future funding strategies. These documents, along with monthly performance measure reports, provide regular monitoring of system ridership, demand, and expenses.

Fleet Operation and Maintenance

NCRTD operates a fleet of 54 regular in-service vehicles and 11 non-revenue vehicles. In-service vehicles range from three-passenger minivans to cutaway buses that can seat up to 40 passengers, while most vehicles seat 12-14 passengers. Almost all of these vehicles are gasoline or diesel fuel operated, but NCRTD has begun testing service on one propane and one compressed natural gas-fueled vehicle. The agency's facilities do not currently have on-site fueling; fueling is done off-site with contracted vendors.

NCRTD's fleet requires a variety of light to heavy-duty maintenance. The agency currently has two maintenance facilities—the main Jim West Regional Transit Center and the recently acquired Taos maintenance garage. The main Jim West facility is capable of light-duty vehicle maintenance only, while the new Taos facility is capable of light and some medium-duty maintenance. Most medium duty and all heavy-duty maintenance must be contracted out, sometimes as far as Santa Fe and Albuquerque, potentially increasing maintenance costs and significantly affecting fleet availability. NCRTD has as a future goal to shift its maintenance effort in-house.

Fleet Technology

NCRTD partnered with Avail Technologies in 2013 to develop an Intelligent Transportation System (ITS) for operations management. The 9 Taos-based NCRTD routes currently have these latest technology components within the fleet, and the agency will continue to upgrade the ITS in the entire fleet to the full suite of components. Features of this ITS will be further detailed in the *Physical Asset Analysis* section of this study.

Operated and Funded Services

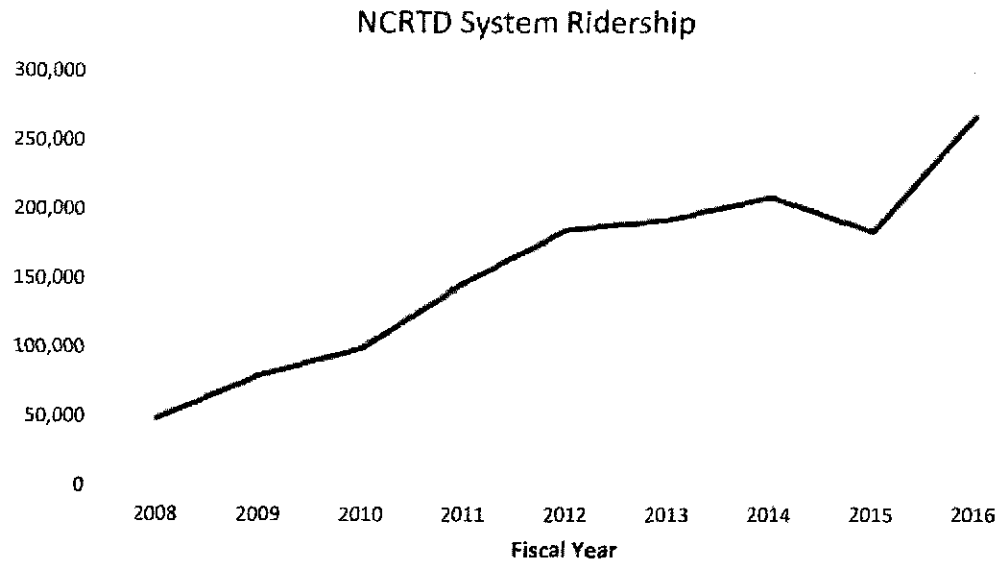
In addition to operating its own Blue Bus service, NCRTD provides funding for other regional routes. NCRTD performance data is categorized into NCRTD-operated and NCRTD-funded routes. NCRTD-operated routes are those directly managed, funded, and operated by NCRTD. NCRTD-funded routes include the Rail Runner train service, three Atomic City Transit routes in Los Alamos and four Santa Fe Trails routes and special event services. For the purposes of this study, NCRTD ridership refers to NCRTD-operated routes only.

NCRTD Performance

Historic Ridership

Ridership on NCRTD service has grown significantly since its first year of operation in 2007. The District has since merged with the City of Española, Rio Arriba's Los Valles Transit and the Taos Chile Line, greatly expanding service. NCRTD's ridership has quadrupled since 2008, providing transportation for 268,050 people in FY 2016.

Figure 2: NCRTD Annual Historic Ridership



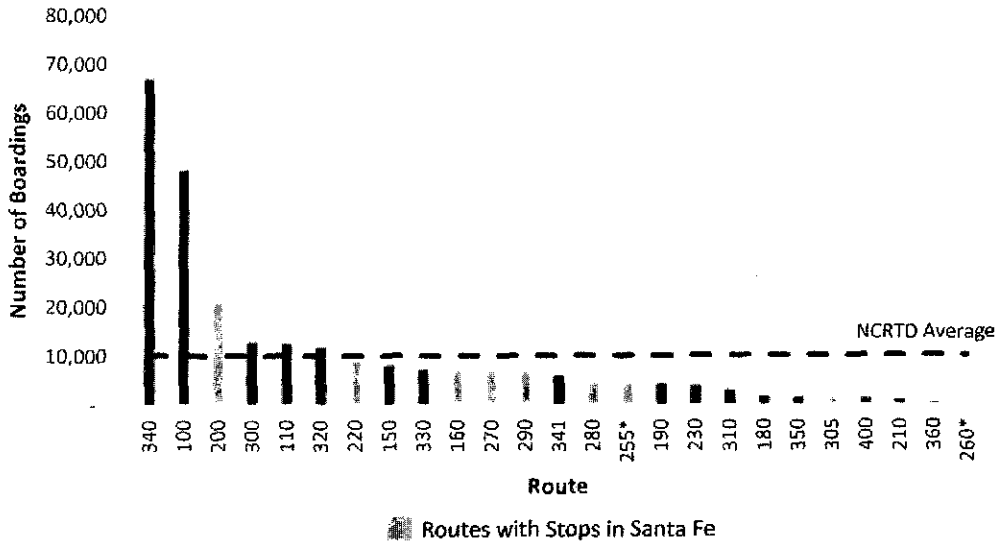
Source: NCRTD Master Ridership Tracking Document (June 2016)

System Ridership

NCRTD provides service within four counties and six tribal entities. In an average month, about 42 percent of NCRTD ridership occurs within Taos County, while 30 and 17 percent occur in Rio Arriba and Santa Fe counties, respectively.

340 Chile Line, 100 Riverside, and 200 Santa Fe form the spines of the NCRTD network. Together, these routes account for 53 percent of all NCRTD ridership. The 340 Chile Line and 100 Riverside routes provide frequent service within the cities of Taos and Española, and operate with frequencies ranging between 30 to 35 minutes. Route 200 Santa Fe provides a critical connection between Española and Santa Fe, and operates four roundtrips per day. These routes serve the more densely populated areas within NCRTD's vast jurisdiction.

Figure 3: NCRTD Annual Boardings by Route

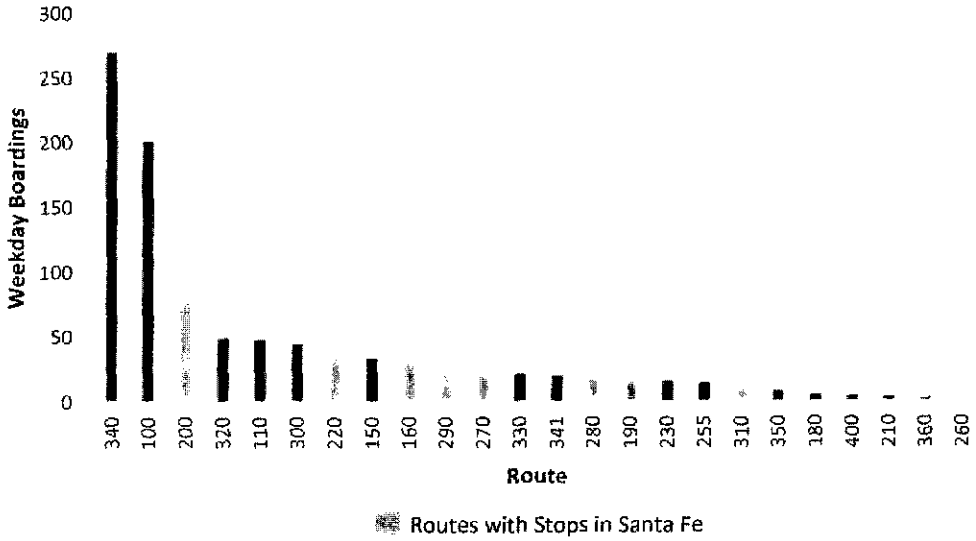


*Source: NCRTD Master Ridership Tracking Document (June 2016); *only partial FY16 data available: 255 Mountain Trail began operations September 2015; 260 La Cienega began operations March 2016*

Weekday Ridership

Total weekday system ridership is approximately 1,000 passenger boardings per day. Over half of these boardings occur on the top four routes, which includes the three core routes.

Figure 4: NCRTD Weekday Boardings by Route



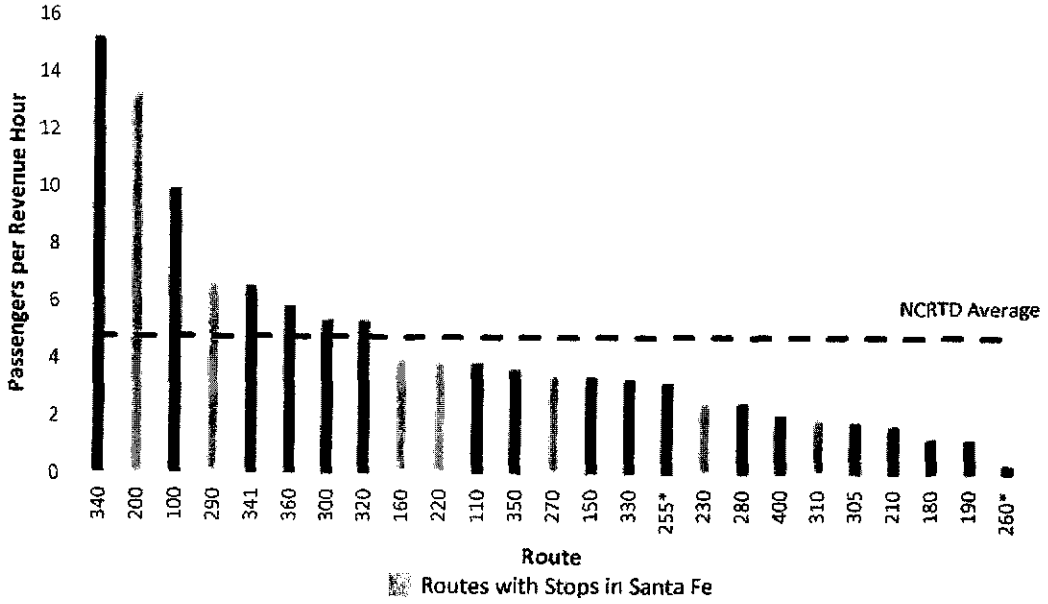
Source: March-May average of Master Ridership Tracking Document (June 2016)

NCRTD Productivity

Productivity is a service effectiveness metric that measures ridership (passenger boardings) per unit of service, making it possible to compare the performance of similar types of routes with greatly differing ridership and service levels. In fiscal year 2016, NCRTD transported 268,050 passengers in just over 45,000 revenue hours. NCRTD's average productivity across all routes is 4.8 passengers per revenue hour. NCRTD's top three most productive routes carry between 11 and 13 passengers per revenue hour.

Route 340 Chile Line has the highest productivity within the NCRTD system, at 15 passengers per revenue hour. This route operates at a regular frequency ranging 30-45 minutes throughout the Town of Taos. The three routes with the highest ridership are also the most productive, indicating a positive balance between current transit supply and demand. Four routes generate fewer than two passengers per revenue hour.

Figure 5: NCRTD Annual Route Productivity



*Source: 5311 Ridership Spreadsheet; Master Ridership Tracking Document (June 2016); *only partial FY16 data available: 255 Mountain Trail began operations September 2015; 260 La Cienega began operations March 2016*

NCRTD Financial Effectiveness

<u>Farebox Recovery Ratio</u>

NCRTD is largely a fare-free system. NCRTD charges a fixed fare for its demand response services as well as for its premium 255 Mountain Trail and 305 Taos Express routes. Farebox recovery is the ratio of fare revenue to operating costs. The higher the farebox recovery, the lower the subsidy a route requires to operate, leaving more funding available to operate more service. Routes with a high farebox recovery ratio have the greatest share of the operating cost paid by passengers.

NCRTD's 255 Mountain Trail has a farebox recovery ratio of 17 percent according to the latest budget data. Passenger fares make up approximately 17 percent of total revenues for this route, while member local match funds contribute nearly 60 percent.

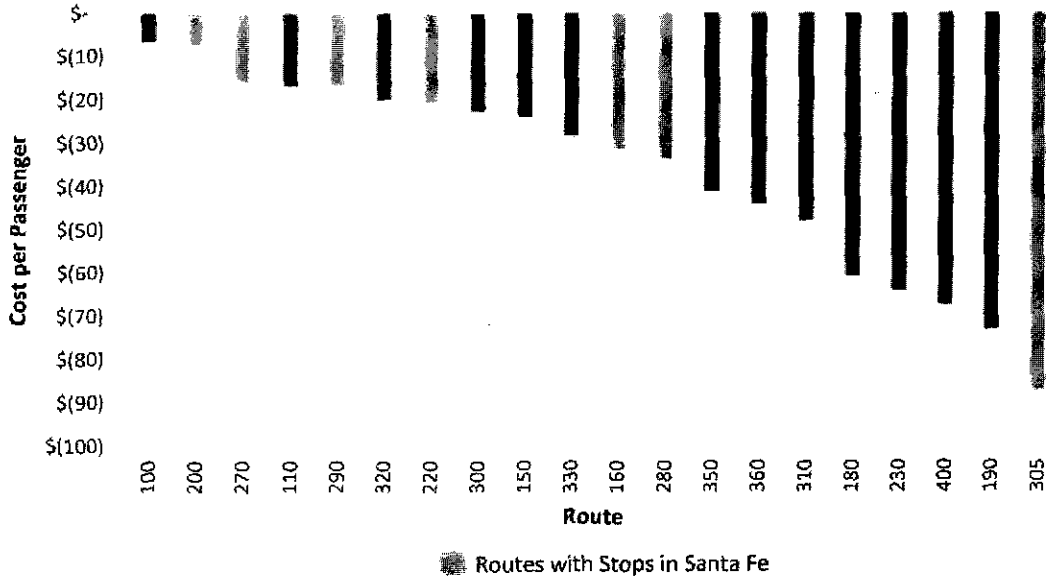
While NCRTD does not evaluate individual operating costs for the 305 Taos Express compared to other routes, the District estimates cost allocations per route. Thus, given the most recent allocations, Taos Express' farebox recovery ratio is estimated to be 10 percent.

Operating Cost Per Passenger

The cost per boarding measures operating costs on a per passenger boarding basis. Operating costs can be reduced through efficient service design, efficient scheduling, and lower resource requirements.

Routes 100 and 200 continue to be top performers within the NCRTD system with average costs between $6 and $8 per passenger. The cost per passenger by route varies significantly between NCRTD's top performers and routes that are heavily subsidized such as the 305 Taos Express, with a difference of nearly $80 per passenger. The 305 Taos Express operates on weekends only, while most NCRTD routes operate five days a week.

Figure 6: NCRTD Cost Per Passenger by Route[5]



Source: Cost Allocation Spreadsheet FY15; data on 255 Mountain Trail and 260 La Cienega not available

[5] Operating cost per passenger is calculated by dividing route operational costs by passenger boardings. This metric does not include any applicable farebox revenue to offset operating costs.

Santa Fe Trails Service Structure, Design, and Role

Service Area

Santa Fe Trails began service in 1992 and currently operates within a 52.5-square mile service area in the City of Santa Fe, New Mexico and a small portion of Santa Fe County (Community College district). Santa Fe Trails provides a small urban transit system for the City, extending out into Santa Fe County through its fixed route and paratransit service. The City of Santa Fe currently has a population of about 83,200.

In addition to being home to a sizeable population, Santa Fe hosts a number of visitors and commuters. Santa Fe is the state capital of New Mexico and is also home to several state agencies and governmental offices. A small number of colleges and universities are located within north-central New Mexico, making up a student population of approximately 14,218, more than half of which attend school within the city of Santa Fe. Additionally, Santa Fe MPO's *Metropolitan Transit Plan 2015-2040* reports that approximately one million tourists visit the city and its historic downtown each year.

Due to the city's attraction as a major employment and tourist destination, Santa Fe Trails must cater to both regular resident riders and tourists throughout the year. Santa Fe's denser, more centralized service area requires a different level of service than NCRTD's regional role. The following section discusses the design of the Santa Fe Trails system and how it serves the city of Santa Fe.

Network Overview

Santa Fe Trails operates ten fixed-routes, two Santa Fe Pick-Up shuttle routes, and Santa Fe Ride paratransit services. All but two of Santa Fe Trails' fixed-routes operate Monday-Saturday and more than half operate seven days a week, all with a scheduled frequency throughout the service day. Santa Fe Trails charges a base fare of $1.00 per trip on its fixed-route service and provides fare-free downtown circulator shuttle service every day marketed as the "Santa Fe Pick-Up". Santa Fe Trails' paratransit service fare is $2.00 per trip for eligible passengers and $5.00 per trip for seniors. Seniors are granted automatic eligibility at this premium fare, and may still apply for paratransit service as an ADA-eligible passenger.

Santa Fe Trails operates primarily local service. Some key routes facilitate everyday residential and commuter travel, while others serve tourists traveling throughout downtown. Santa Fe Trails' urban routes serve key destinations such as shopping plazas, Rail Runner stations, historic landmarks, and other activity centers. Several high traffic corridors feature many commercial and retail destinations. The Santa Fe Pick-Up offers downtown circulation for residents, employees, and tourists.

There are five main transit connection points within Santa Fe: Santa Fe Place Mall, Santa Fe Depot, South Capital and 599 Rail Runner stations, and Sheridan Transit Center. These locations allow for connections between NCRTD and Santa Fe Trails routes, in addition to other regional transit providers such as NMDOT Park and Ride and the Rail Runner Express.

Figure 7: Santa Fe Trails Network

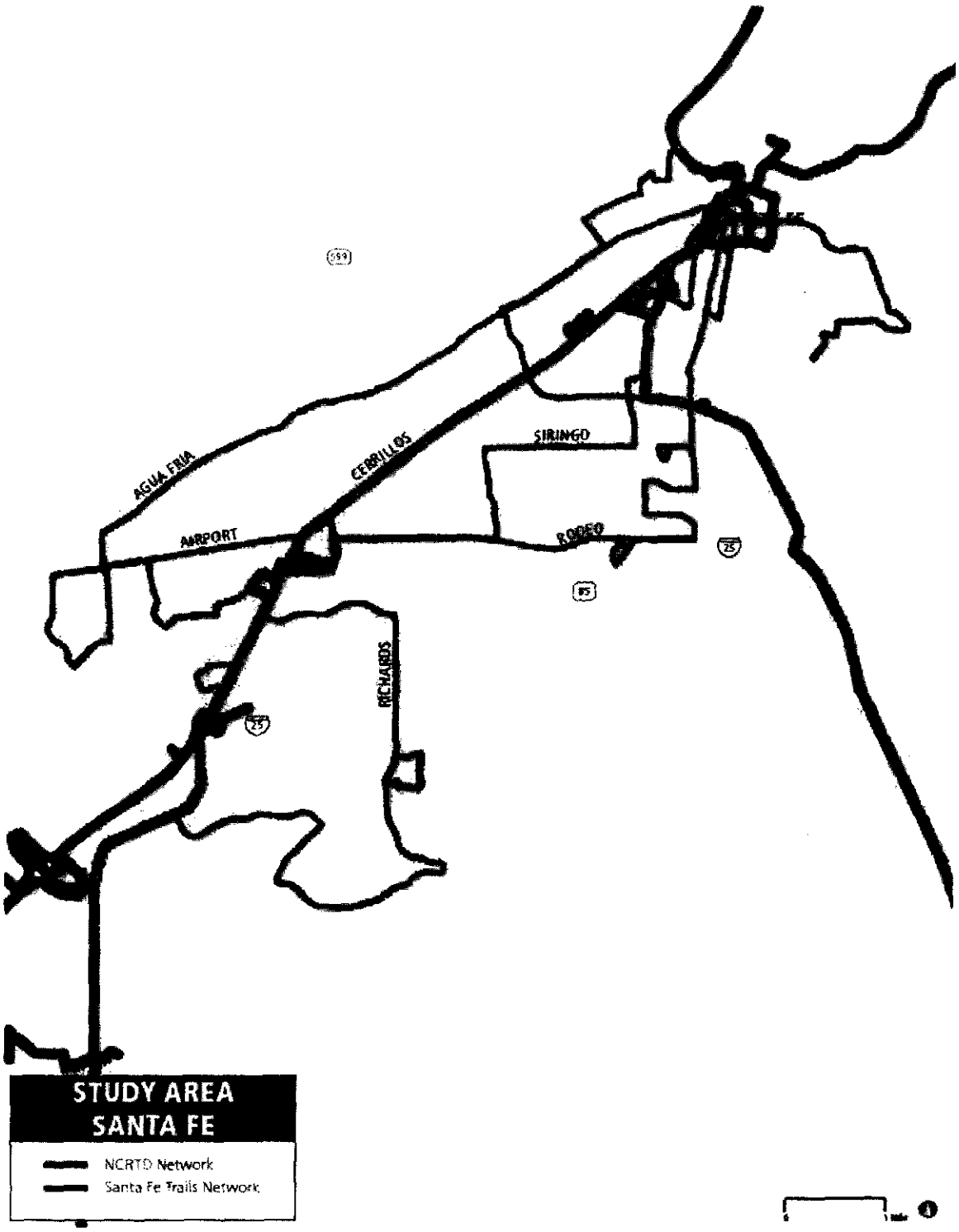


Table 3: Santa Fe Trails Routes

Santa Fe Trails Routes							
Route	**Service Type**	**Key Corridors**	**Fare**	**Frequency (min.) (AM/PM)**	**Span (Weekday)**	**Span (Saturday)**	**Span (Sunday)**
1	Local	Agua Fria	$1.00	30; 60	5:56 AM—9:58 PM	8:11 AM—7:53 PM	8:30 AM—6:08 PM
2	Local	Cerrillos Road	$1.00	15; 30	5:30 AM—10:16 PM	8:15 AM—8:10 PM	8:30 AM—6:46 PM
4	Local	Southside	$1.00	30; 60	5:41 AM—10:30 PM	8:03 AM—7:20 PM	9:00 AM—6:18 PM
5	Local	Crosstown	$1.00	60	6:26 AM—7:51 PM	9:20 AM—5:15 PM	—
6	Local	Rodeo Road	$1.00	60	5:41 AM—8:02 PM	9:11 AM—7:03 PM	—
21	Local	Santa Fe Community College	$1.00	60	7:30 AM—10:04 PM	—	—
22	Local	HSD/Rancho Viejo	$1.00	60	7:09 AM—6:24 PM	—	—
24	Local	Country Club	$1.00	35; 70	5:57 AM—9:30 PM	8:18 AM—6:48 PM	8:18 AM—5:38PM
26	Local	Santa Fe Place	$1.00	70	8:05 AM—7:05 PM	8:38 AM—6:28 PM	8:38 AM—5:18 PM
M	Local	Museum Hill	$1.00	60	6:50 AM—8:04 PM	10:20 AM—6:04 PM	10:15 AM—5:59 PM
Santa Fe Pick Up Routes							
Historic District shuttle	Downtown circulator	Downtown	Free	10	6:30 AM—5:30 PM	8:30AM—5:30 PM	10:00AM—5:30 PM
Museum shuttle	Downtown circulator	Museum Hill	Free	30	10:00 AM—5:30 PM	10:00AM—5:30 PM	10:00AM—5:30 PM

Frequency and Span

Santa Fe Trails routes operate more often with frequencies ranging between 10 to 70 minutes. The Historic District Shuttle, a Santa Fe Pick-Up route, operates at the highest frequency in the Santa Fe Trails system. This shuttle, geared towards tourists, connects major destinations within downtown Santa Fe such as the capitol, visitor's center, convention center, and historic plaza. Half of Santa Fe Trails routes operate on an hourly frequency, while other routes vary between 12 and 70-minute frequencies.

Santa Fe Trails' weekday fixed-route service operates from approximately 5:30 AM to 10:30 PM. Santa Fe Trails offers Saturday service on ten routes between approximately 8:00 AM and 8:00 PM, and Sunday service on eight routes between approximately 8:15 AM and 6:45 PM. In addition to fixed-route

service, Santa Fe Trails provides the supplemental Santa Fe Ride paratransit service. Santa Fe Ride operates during the same days and hours of operation as fixed-route service.

Role

Compared to the Blue Bus, Santa Fe Trails provides more frequent service that can be used for a variety of trip purposes. Santa Fe Trails is designed to provide local, community circulation. Most of the routes will still require some level of advanced trip planning, but the service levels offer more flexibility.

Santa Fe Trails Planning and Operations

Service Planning

There is no formal planning element within the City of Santa Fe Transit Division. The Division's guiding documents are the City of Santa Fe's 1999 General Plan and Santa Fe MPO's Transportation Plan 2015-2040. These documents provide only general transit goals for the city and greater region, highlighting the importance of a multimodal transportation system; there is no element of on-going service planning and adjustment.

Fleet Operation and Maintenance

Santa Fe Trails operates a total of 62 vehicles comprised of 34 buses, 18 paratransit vehicles, and 16 support vehicles. The agency currently has a contract with Clean Energy to fuel its bus fleet entirely with compressed natural gas (CNG). Santa Fe Trails' goal is to fuel its entire vehicle fleet with CNG, and is exploring options to take over the fueling process once this contract expires.

Santa Fe Trails' maintenance facility has a slow-fill system to fuel its vehicles as well as one slow and one fast-fill pump for public use, enabling City Solid Waste trucks and NCRTD vehicles to use CNG. The agency is able to perform heavy-duty maintenance for its fleet at Santa Fe Trails' main facility, although some of the unit re-build efforts are performed via external contract.

Fleet Technology

Santa Fe Trails' buses are outfitted with Genfare's Odyssey farebox, which allows the agency to sell bus passes onboard. The agency also uses RouteMatch software to provide RouteShout, a real-time bus tracker that allows riders to text for arrival information at a given stop.[6]

Santa Fe Trails Performance

Historic Ridership

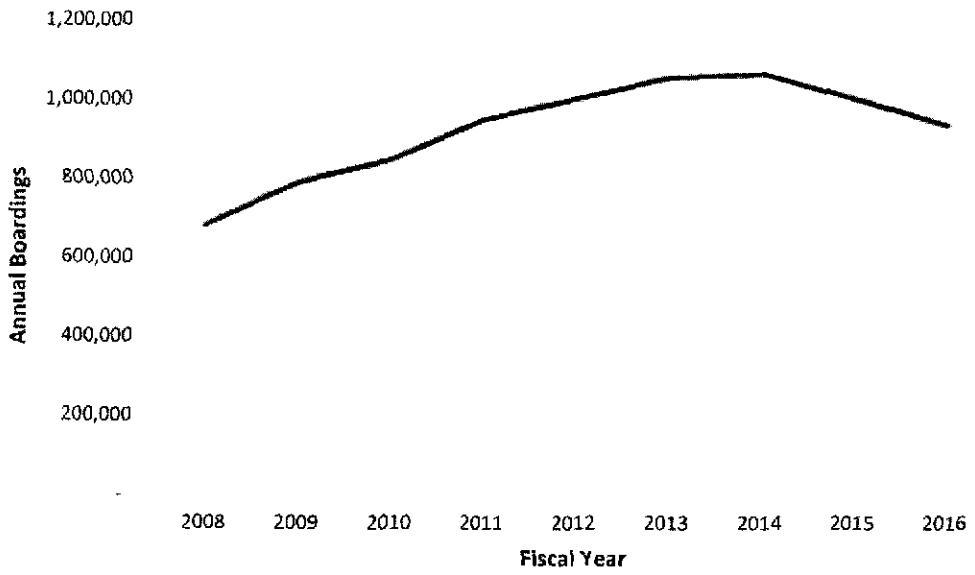
Santa Fe Trails ridership has experienced overall growth since 2007, transporting roughly one million annual passengers for the last several years. Ridership peaked in 2013 at 1,065,690 passengers and has slightly declined in the following years. In the last fiscal year, Santa Fe Trails transported 936,579 riders.

While Santa Fe Trails service has remained unchanged in recent years, fixed route system ridership has experienced a 12 percent decline in annual boardings since 2014. This has conformed with national

[6] See www.takethetrails.com

trends in transit ridership which have shown a decline over the past few years. A variety of local market factors have likely influenced this decline, including lowered gas prices (gasoline prices have hovered around the low $2 per gallon), lowered local employment due to a decline in state governmental activity resulting from state budget constraints (Santa Fe is the state capital and declining oil and gas revenue has impacted state revenue and therefore state governmental activity), and the availability of alternative modes such as Uber and Lyft. Taken collectively these have resulted in a reduction in transit usage. Proactive service planning and associated adjustments may better address declining ridership in future years and attract some discretionary ridership.

Figure 8: Santa Fe Trails Historic Ridership



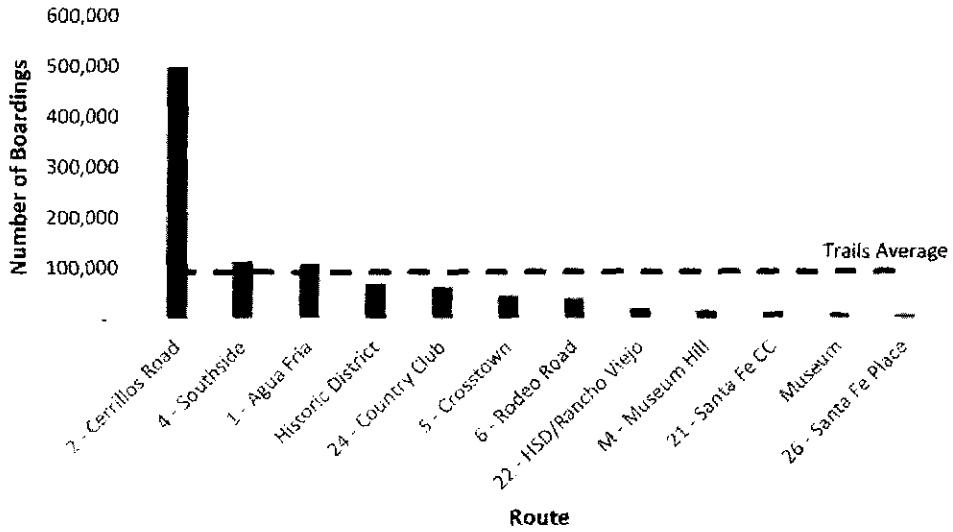
Source: Santa Fe Monthly System Ridership Document

System Ridership

Santa Fe Trails' core spine consists of Routes 2 (Cerrillos Road), 4 (Southside), and 1 (Agua Fria). These three routes operate with relatively high frequency ranging 15-30 minutes, and run along three central corridors into downtown. The routes are spaced roughly half a mile from each other for the majority of their length.

Route 2 alone makes up approximately half of Santa Fe Trails' total ridership and operates far above the system's average annual boardings. This route connects the downtown transit center to Santa Fe Place, a shopping mall in the center of town. Route 2 stops along popular destinations such as Santa Fe Depot and South Capitol stations, with endpoints that connect to other Santa Fe Trails and NCRTD routes.

Figure 9: Santa Fe Annual Boardings by Route

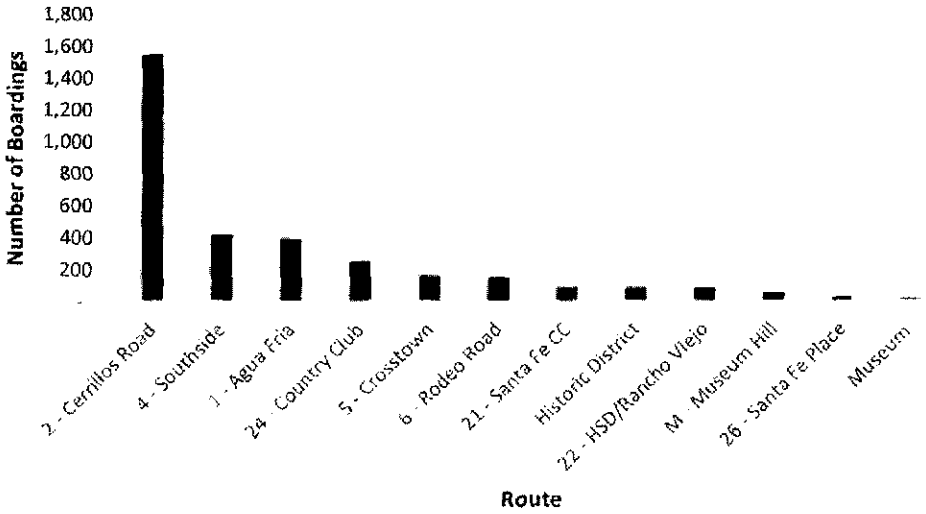


Source: Santa Fe Monthly Ridership by Route

Weekday Ridership

Santa Fe Trails total weekday system ridership is approximately 3,200 passenger boardings per day. Figure 10 shows the distribution of these average weekday boardings across the system. As with annual system ridership, nearly half of all daily boardings occur along Route 2.

Figure 10: Santa Fe Trails Weekday Boardings by Route



Source: Santa Fe Monthly Ridership by Route

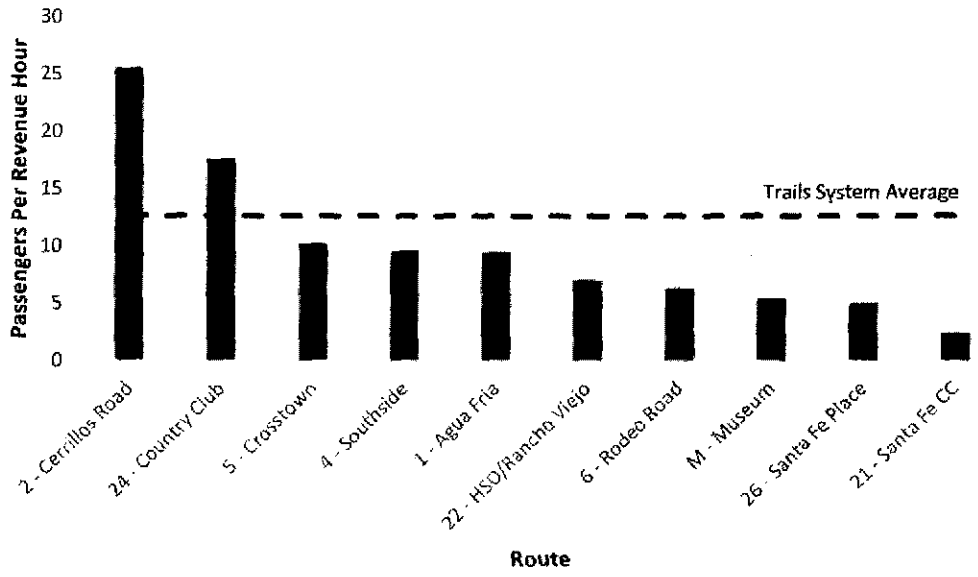
Weekend Ridership

A majority of Trails route operate on Saturday, and more than half operate on Sunday as well. According to Santa Fe Trails' 2015 NTD report, Saturday ridership averages just over 2,800 passengers, while Sunday ridership is approximately 1,400 passengers.

Route Productivity

System-wide passengers per revenue hour (PPRH) is calculated by dividing system ridership by total number of revenue hours and can help measure a system's effectiveness. Santa Fe Trails' system-wide PPRH is 12.7 for fiscal year 2016, in which Santa Fe Trails transported a total of 936,579 passengers across its system. Figure 11 shows Santa Fe Trails productivity by individual route. Route 2 is the most popular route in the system and has the highest rate of productivity.

Figure 11: Santa Fe Trails Route Productivity



Source: Santa Fe Monthly Ridership by Route; SFT Hours_Miles FY15-16

Santa Fe Trails Financial Effectiveness

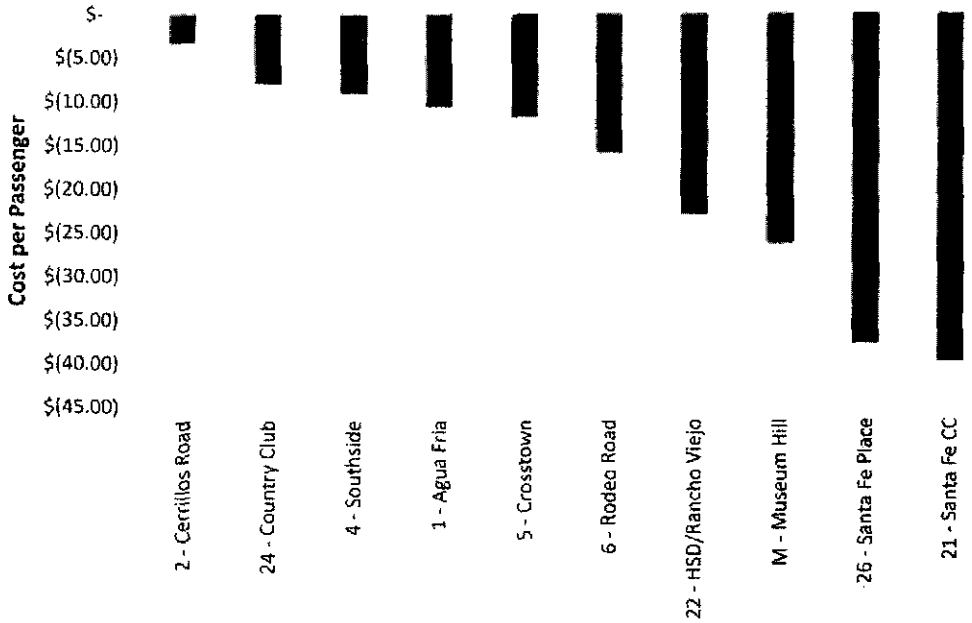
Farebox Recovery Ratio

Santa Fe Trails does not measure operating expenses by route, but evaluates this cost on a system-wide basis. Therefore, similar cost-specific financial effectiveness is not available for Santa Fe Trails. Santa Fe Trails' system-wide fixed-route farebox recovery ratio is approximately 4.5 percent when evaluating total passenger fare revenue and operating expenses for its fixed-route service. The agency's paratransit farebox recovery ratio is approximately 3 percent.

Operating Cost Per Passenger

The cost per boarding measures operating costs on a per passenger boarding basis. Route 2 continues to be a top performer within the Santa Fe Trails system with an average cost of just under $3.50 per passenger. The cost per passenger by route varies between Santa Fe Trails' top performers and routes that are heavily subsidized such as Route 21, with a difference of over $36 per passenger.

Figure 12: Santa Fe Trails Cost Per Passenger by Route[7]



Source: Santa Fe Trails Cost Calculation Sheet

Connecting Statewide Service Providers

NCRTD provides regional lifeline transit options for a large mostly rural and partially urban service area, while Santa Fe Trails provides community circulation for a much more centralized city population. Together, these two agencies help connect Santa Fe to other parts of the state by combining both regional and local service types. The transit hubs created by NCRTD and Santa Fe Trails are critical for both area residents and visitors. These passengers can make connections to cities such as Albuquerque and Las Vegas by transferring in Santa Fe. Thus, individuals in distant areas of New Mexico can utilize these regional transit providers to reach their ultimate destinations in Santa Fe.

Other transit providers in the region include the New Mexico Department of Transportation (NMDOT) Park and Ride and the Rail Runner Express. These providers operate similarly to NCRTD by providing regional access to jobs and schools in the greater Santa Fe area. Appendices A, B, and C include system maps for NMDOT Park and Ride and Rail Runner Express.

[7] Operating cost per passenger is calculated by dividing route operational costs by passenger boardings. This metric does not include any applicable farebox revenue to offset operating costs.

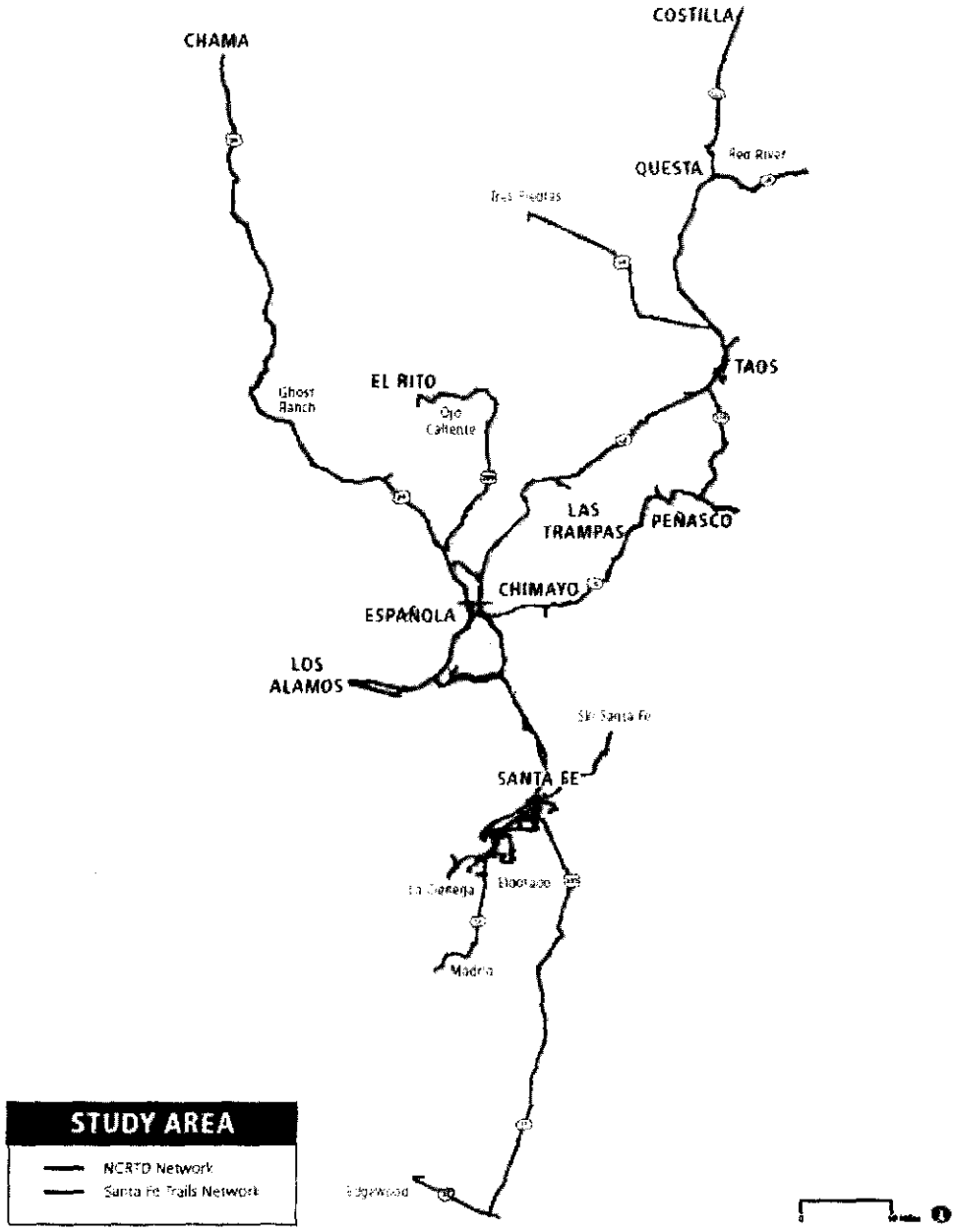
The New Mexico Rail Runner Express has three major rail stations in Santa Fe—Santa Fe Depot, South Capital Station, and NM 599 Station. This rail service provides regional premium fare connections to Santa Fe and Taos via connecting bus, and direct rail service as far south as Albuquerque and Belen. Rio Metro, a neighboring regional transit district, operates the Rail Runner Express.

The NMDOT Park & Ride service operates nine routes and three station shuttles throughout New Mexico. All but two routes serve North Central New Mexico, mostly within the NCRTD service area and charge a premium fare. Several routes connect Santa Fe to other major cities in the state, such as Albuquerque, Las Vegas, Española, and Los Alamos. NMDOT Park & Ride shuttles provide service to Santa Fe's rail stations.

Key Considerations for Consolidation

The following section will provide an overview of the key considerations within this study. This includes the inherited roles of each agency and how they operate and perform. Each agency is designed to provide different types of services, and operate at different levels. The following table includes a high-level comparison of agency operations. This section will also include potential efficiencies that could be achieved through consolidation.

Figure 13: Study Area



Agency Characteristics		
	NCRTD	Santa Fe Trails
Service Area	10,079-square miles	52.5-square miles
Service Area population	235,000	83,200
Number of Routes	24	12
Typical Days of Service	Monday - Friday	Sunday - Saturday
Frequency	Trip-based, ranges 15-120 minutes	15-70 minutes
Span	6:00 AM to 7:00 PM	5:30 AM to 10:30 PM
Fare	Mostly fare-free	$1.00
FY 2016 Annual Ridership	268,050	936,579
Average Weekday Ridership	1,000 passengers per weekday	3,200 passengers per weekday
Fixed-Route System Productivity	4.8 passengers per revenue hour	12.7 passengers per revenue hour
Fixed-Route Farebox Recovery	13.5 percent on its two fare-based routes[8]	4.5 percent[9]

System Roles by Design

NCRTD and Santa Fe Trails provide different levels of service to the greater Santa Fe region. NCRTD provides rural lifeline service through its trip-based system while Santa Fe Trails provides frequent community service in its smaller, more urban setting.

NCRTD's system has long and much less frequent routes, providing pre-planned travel between cities within its jurisdiction. NCRTD's service is distinctly rural in general character, as it focuses on connecting major destinations in a relatively low density service area. NCRTD's jurisdiction is vast—nearly 250 times larger than Santa Fe Trails' service area—and operates twice as many routes albeit with much less service intensity. NCRTD's system is built for lifeline mobility rather than spontaneous or unplanned transit use. Alternatively, Santa Fe Trails provides more frequent service for a small urban area. Santa Fe Trails enables regular travel across its city and circulation within downtown, lending itself to lifestyle transit options for both residents and visitors.

[8] Applies to NCRTD's two premium routes 255 Mountain Trail and 305 Taos Express

[9] Fixed-route farebox recovery rate; Santa Fe 2015 NTD Submittal

Agency Operations—Differing Fare Structures

One potential challenge in consolidation is the difference in fare structure between the two agencies. Almost all NCRTD routes are fare-free while Santa Fe Trails charges a base fare of $1.00. While the amount of farebox revenue currently received by each system is relatively small, the issue in terms of service policy for the customer in a consolidated system is noteworthy.[10] These differing fare structures are an issue to be addressed as part of the potential consolidation, as it could influence the ability for service integration/interlining, associated levels of service, system complexity and potential funding sources. Santa Fe Trails has defended the need to have a fare on their small size urban bus system despite the low farebox recovery ratio as a way to manage demand for fixed route and paratransit services. This fare policy is consistent with most small urban systems that offer full day fixed route service.

Agency Operations—Fleet Maintenance

NCRTD's and Santa Fe Trails' fleets have distinctly different characteristics as well. While all of Santa Fe Trails' buses are fueled by compressed natural gas, the majority of NCRTD's fleet is fueled by diesel or gasoline. Santa Fe Trails is able to fuel its vehicles at its own maintenance facility, while NCRTD currently fuels off-site.

While both agencies have comparable fleet sizes overall, within the range of 55-65, these buses are configured and utilized in very different ways. NCRTD disperses their fleet of small van type vehicles over 24 routes and four counties for a variety of trips. Santa Fe Trails, on the other hand, concentrates their heavy-duty transit fleet of similar size within a small territory to allow for more frequent service along a few main corridors. In a consolidated operation, the consideration and balancing of frequency and coverage with current fleet sizes becomes even more critical.

Santa Fe Trails buses are typically larger than the NCRTD Blue Bus fleet, requiring heavy-duty maintenance that Santa Fe Trails can perform largely in-house. NCRTD does have a variety of generally smaller bus sizes, and its current maintenance facilities are capable of light and some medium-duty maintenance only. Agency consolidation would improve regional integration of vehicle maintenance and significantly decrease associated costs for NCRTD. The underlying question, however, is if the current capacity of existing facilities could accommodate the maintenance needs of the two agencies. Santa Fe Trails' maintenance operation would likely need additional (including overnight) daily (including weekends) shifts to properly maintain both agencies' vehicles. Santa Fe Trails has indicated that there is insufficient space to accommodate the maintenance of additional vehicles.[11] A detailed review of this capacity in terms of additional work shifts, fueling capability, lift/pit capability, and parts compatibility/storage should be considered if consolidation moves forward.

System Performance

Santa Fe Trails' urban system carries many more riders than NCRTD's rural service. In FY 2016, NCRTD and Santa Fe Trails transported a total of 1,186,220 passengers, most of which occurred on the Santa Fe

[10] Santa Fe Trails' system wide farebox recovery ratio is 4.5%. The NCRTD system is largely fare free, except for its two premium routes—255 Mountain Trail and 305 Taos Express.

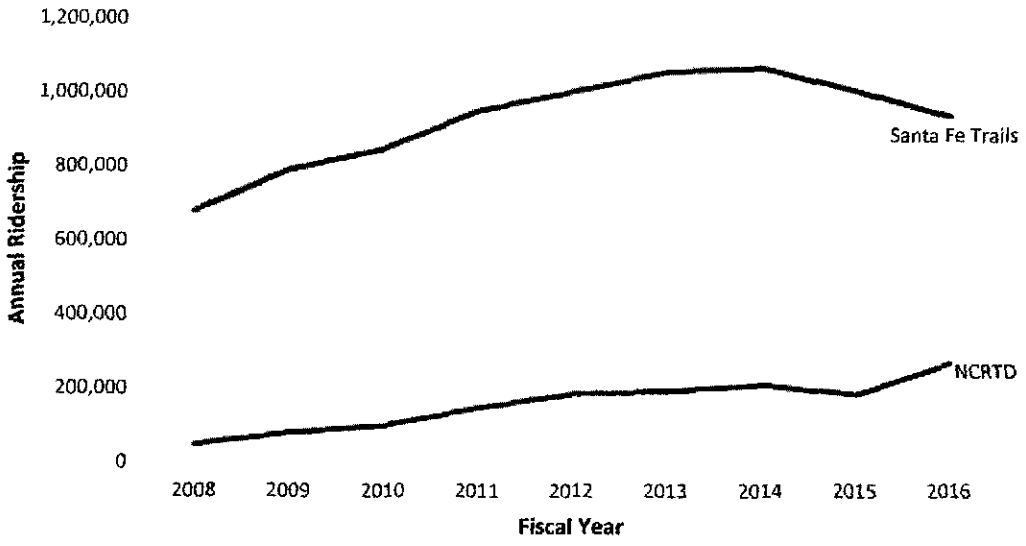
[11] Santa Fe Trails currently operates four weekly overlapping shifts when fully staffed: (5:00 AM to 2:00 PM; 9:00 AM to 6:00 PM; 12:00 PM to 9:00 PM; and 2:00 PM to 11:00 PM).

Trails system (Figure 14). In the past several years, Santa Fe County riders have accounted for roughly one quarter of NCRTD's ridership. This proportion has slightly decreased in the last year as the town of Taos has become a greater stakeholder in NCRTD service through the Chile line acquisition.

On an average weekday, Santa Fe Trails transports more than three times the number of passengers than NCRTD. One particularly popular Santa Fe Trails line, Route 2 along Cerrillos Road, transports more passengers on an average weekday than the entire NCRTD system. This is due to the dense, concentrated nature of Santa Fe relative to the rest of NCRTD's service territory. It is in these comparisons that NCRTD's rural service and Santa Fe Trails' urban service become even more distinct.

In terms of system productivity, NCRTD operates an average of 4.8 passengers per revenue hours (PPRH) across 24 routes, while Santa Fe Trails operates at a rate of 12.7 PPRH across 12 routes. Across each agency's fixed-route service, Santa Fe Trails operated a total of 71,269 revenue hours and NCRTD operated a total of 45,040 revenue hours in fiscal year 2016.

Figure 14: Annual System Ridership—NCRTD and Santa Fe Trails



Source: Master Ridership Tracking June 2016; Santa Fe Monthly System Ridership

Potential Efficiencies

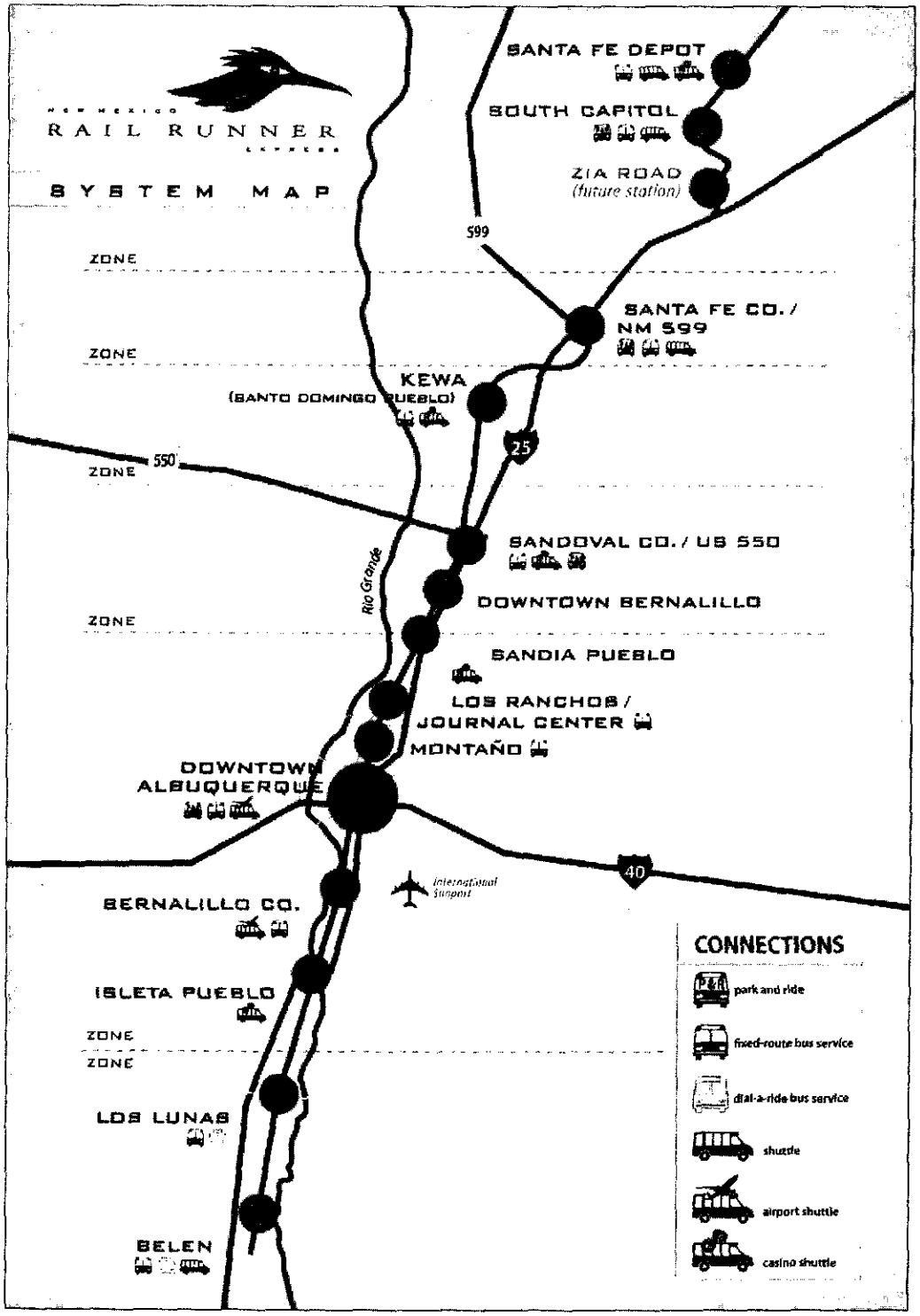
While there is overlap in the service areas of the two agencies, there is not much duplication in actual service. While both agencies serve major destinations around Santa Fe, such as Rail Runner stations, NCRTD typically provides long-distance trips across the region while Santa Fe Trails provides frequent short-distance trips within Santa Fe. A consolidation could provide further opportunities for coordination and timed transfers at Santa Fe transit centers, Rail Runner stations, and NMDOT pick up locations.

Active Planning

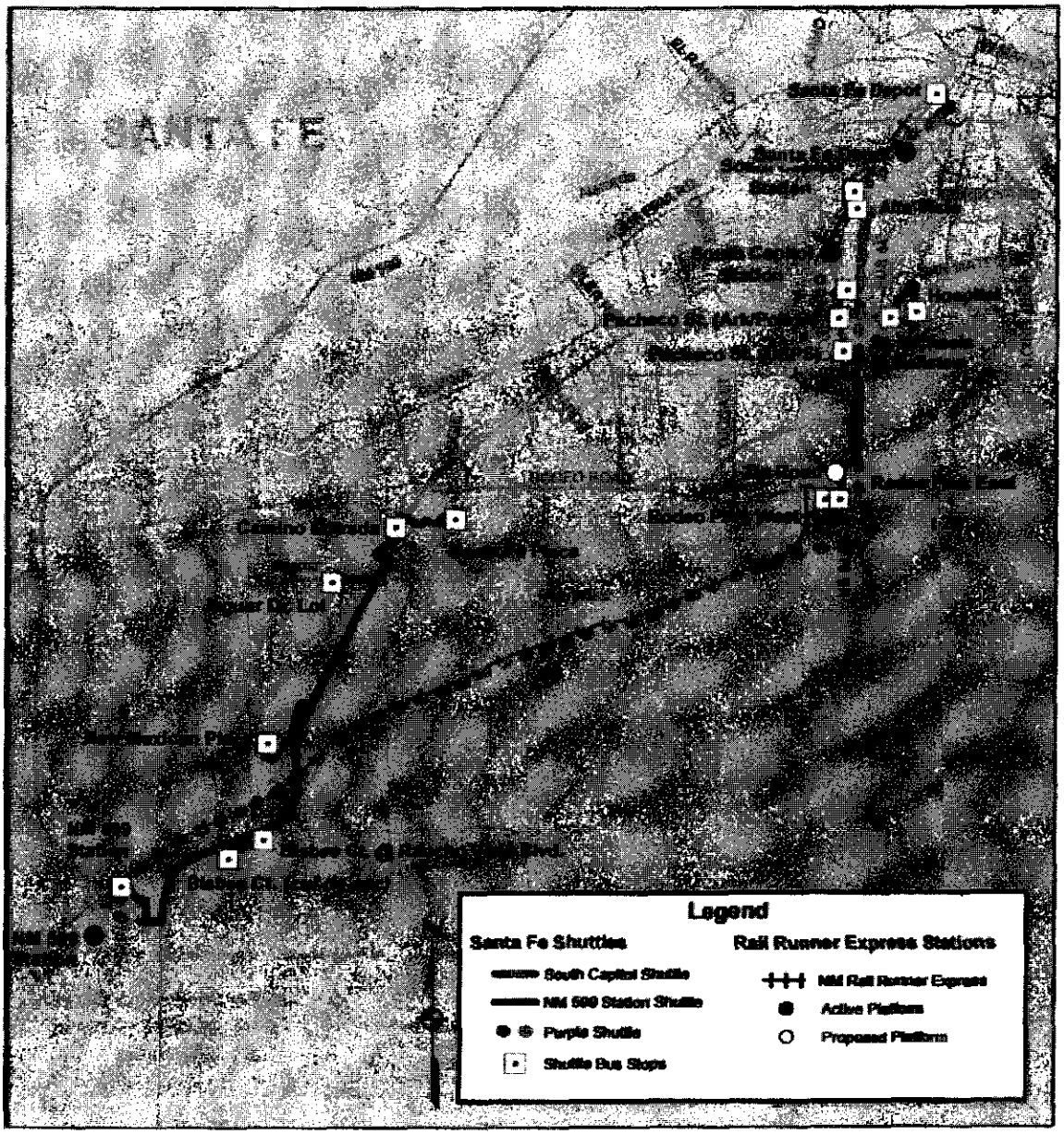
Agency consolidation would require a higher level of active service planning. A performance-based approach to service planning could help balance resources in an expanded service area. Balancing service needs of high-demand corridors and opportunities for service efficiency enhancements on routes with low productivity is especially necessary in such a complex consolidation. It appears that NCRTD employs an ongoing service planning effort while Santa Fe Trails seems to be static in this regard.

NCRTD has acknowledged the opportunity for interlining within its own agency, specifically in corridors with high ridership and service. In NCRTD's *Transit Service Plan*, the agency noted the corridors connecting Española to Santa Fe and Taos as areas demanding a higher number of NCRTD buses relative to the rest of the system. In a consolidated operation, the agencies could potentially identify other major corridors with overlapping service to improve regional transit efficiency. A motivating force behind this study is to evaluate options for improving regional transit effectiveness, and the potential for resource maximization is a critical factor. Through consolidation, the agencies could assess regional transit needs on a larger scale. This would be most beneficial to the City of Santa Fe given their current small level of transit service planning efforts. As an example, the basic schedule making process and associated adjustments to optimize service and minimize cost could be updated by utilizing modern scheduling techniques and software as part of a routinized process.

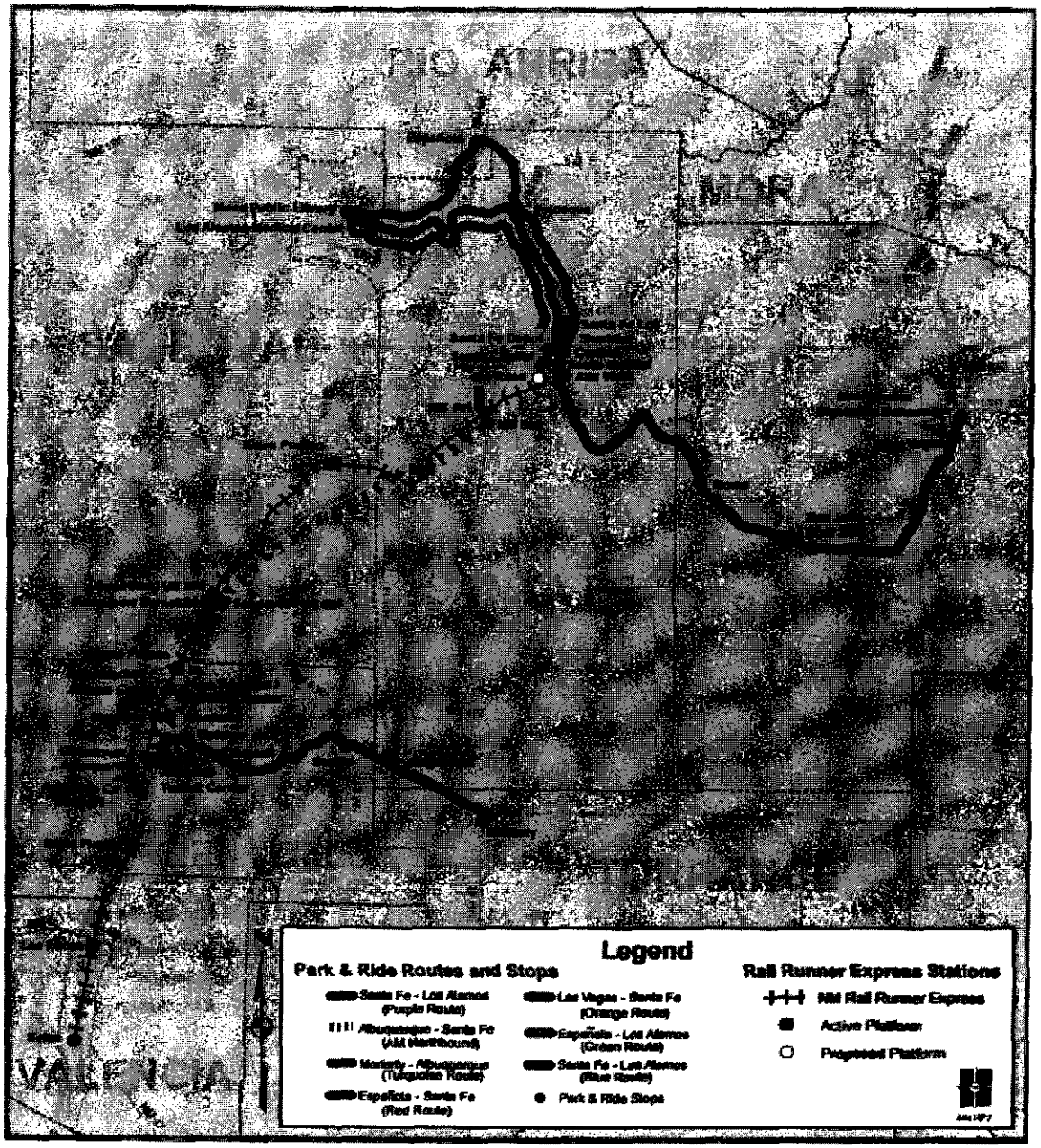
Appendix A: Rail Runner Express System Map



Appendix B: NMDOT Park & Ride Shuttles Santa Fe



Appendix C: North-Central NMDOT Park & Ride Map



North Central RTD and City of Santa Fe Transit System Consolidation Study

Task 2E – Paratransit, Dial-A-Ride, Demand Responsive Service Evaluation

Paratransit Service Analysis

Introduction

The Americans with Disability Act (ADA) requires that all recipients of federal transit funding provide wheelchair accessible paratransit service for mobility impaired customers. This demand responsive service is in addition to the requirement that all fixed route service be wheelchair accessible. The specified minimum geographic coverage of the paratransit service is ¾ of a mile of the fixed route configuration with span of service equaling the fixed route service and fares limited to no more than twice the regular full fare.

The following details the paratransit services operated by NCRTD and SFT, both those that comply with the federal requirement, as well as any other specialized paratransit that they provide.

NCRTD

NCRTD provides fare-free curb-to-curb service for ADA paratransit-eligible passengers to complement its fixed-route service. Door-to-door service is available for a fare of $1.00 each way. Trip type differentiation for the various paratransit and demand responsive services is further outlined in Table 2 below. Trip requests can be made via telephone between one to four days in advance with both regular reservation and subscription services available. NCRTD paratransit service operates Monday through Friday, 6:00 am to 6:00 pm.

NCRTD's paratransit service has identified two main service areas: the core Española-area and expansive regional-area fixed-route territories and the Chile Ride in Taos. NCRTD provides complementary ADA paratransit service within the City of Espanola and Taos, its core service area. For routes outside of this area, the fixed-route bus will "flex" up to three-quarters of a mile of fixed-route service for qualifying individuals. This is known as NCRTD Flex service. NCRTD Flex Service can also be scheduled to accommodate transfers to ADA service provided by other regional agencies. Table 1 lists the routes that offer this flex service. Table 2 provides an overview of all NCRTD's non-fixed-route services.

The Española-area territory includes service within the same area as Demand-Response service, incorporating a fifteen-mile radius of the Española Park & Ride lot. Demand-Response is available to residents who do not have a fixed route readily available to them. Paratransit service within the regional-area fixed-route territory extends to within three-quarters of a mile of regional fixed-route service, as mandated by the FTA's paratransit guidelines. This includes necessary road-to-driveway, curb-to-curb, and door-to-door service when roadway conditions meet NCRTD safety standards.

Table 1: NCRTD Flex Service

NCRTD Flex Service	
Fixed-Routes	**Flex Routes**
100 Riverside	160 Santa Clara
110 Westside Española	180 El Rito
340 Chile Line Red	190 Chama
	200 Santa Fe
	220 Tesuque
	230 San Ildefonso

	255 Mountain Trail 260 La Cienega 270 Turquoise Trail 280 Eldorado 290 Edgewood 300 Taos 305 Taos Express 310 Red River 320 Questa 330 Peñasco 341 TSV Green 350 UNM Taos 360 Tres Piedras 400 Los Alamos Route

Table 2: NCRTD Paratransit, Demand-Response, and Dial-A-Ride Services

Table 2: NCRTD Paratransit, Demand-Response, and Dial-A-Ride Services			
Service	**Service Area**	**Price**	**Type[1]**
ADA Paratransit	City of Española core service area	Free	Curb-to-Curb
ADA Paratransit	City of Española core service area	$1.00	Door-to-Door
RTD Chile RIDE – ADA Paratransit	Town of Taos	Free	Curb-to-Curb
Demand-Response	Rio Arriba County and City of Española[2]	$1.00	Curb-to-Curb
Dial-A-Ride	Pojoaque-Nambé area	Free	Curb-to-Curb
NCRTD Flex Service	Fixed-route buses will "flex" up to ¾ of a mile off fixed-route for qualifying ADA persons	Free	Origin-to-destination

Paratransit Policies

NCRTD's paratransit eligibility process includes an application and professional verification form. This requires a licensed healthcare professional to provide information on an individual's disability. Eligibility is based upon four main criteria that includes complications in reaching origins and destinations from fixed-route service bus stops; ease of boarding and alighting vehicles; destination recognition; and trip transfers. These and related tests are applied when processing candidates for paratransit service eligibility.

[1] Door-to-Door service available upon request, as roadway conditions permit

[2] Also includes residents within a 15-mile radius of the Española Park and Ride or those that do not have a fixed-route available to them

Paratransit service access is granted to individuals for all travel needs or on a trip-by-trip basis. Trip-by-trip eligibility enables curb-to-curb or roadway-to-driveway service when certain circumstances, such as weather and inaccessibility, prevent individuals from traveling freely.

NCRTD paratransit service permits any trip type, does not prioritize by trip purpose, and does not restrict the number of trips an individual can take. In order to monitor the availability of paratransit service, NCRTD collects data on the number of late pick-ups and drop-offs, missed or denied trips, missed reservation calls, and trips of excessive length. This data then guides the decision-making process in adjusting paratransit capacity for the system.

ADA Transition Plan

In 2015, NCRTD implemented its ADA Transition Plan. This plan specifies and prioritizes bus stops that require modifications in order to become ADA compliant. The district conducted an inventory of all transit stops in the system using a self-evaluation form that assesses level of impact and required investment for stop compliance. NCRTD has budgeted for the implementation of this plan through FY 2017.

Demand-Response and Dial-A-Ride Services

Demand-Response and Pojoaque-Nambé Dial-A-Ride services were designed to supplement the network in areas with limited access to fixed-route service. Both Demand-Response and Dial-A-Ride provide curb-to-curb service, while door-to-door service is considered on an individual basis. Dial-A-Ride service is limited solely to the Pojoaque-Nambé area.

Reservation and subscription services are available for Demand-Response and Dial-A-Ride trips via telephone. Demand-Response service charges a one-way fare of $1.00, while Dial-A-Ride is fare-free. The general public can request flex service within three-quarters of a mile of the fixed-route network for a fare of $10.00. This flex service is fare-free for ADA passengers.

NCRTD Demand-Response service provides coverage to residents of Rio Arriba County and the City of Española that do not have access to fixed-route service. This also incorporates a 15-mile radius of the Española Park and Ride Lot within Rio Arriba County operates from 6:00 a.m. to 6:00 p.m., Monday through Friday. NCRTD's Dial-A-Ride serves residents of the Pojoaque-Nambé area and operates from 8:00 a.m. through 4:00 p.m., Monday through Friday.

Chile Ride Paratransit and Demand-Response Performance

In fiscal year 2015-2016, the Chile Ride carried an average of 0.8 passengers per revenue hour (PPRH). The Chile Ride provided 1,136 trips during this time with a total of 8,495 revenue miles. NCRTD's Demand-Response ADA service carried an average of 1.8 PPRH. This service provided 2,001 trips in fiscal year 2015-2016.

In the same year, NCRTD's non-ADA demand-response service carried 1.8 PPRH for a total of 4,870 trips. Both ADA and non-ADA Demand-Response services had the same rate of productivity. The Pojoaque-Nambé Dial-A-Ride service provided 1,093 trips at a rate of 1.7 PPRH. NCRTD's system average on its fixed-routes is 4.8 PPRH.

Santa Fe Trails

Paratransit Services

Santa Fe Trails does not have Demand-Response or Dial-A-Ride services within its territory, but does provide ADA paratransit services through Santa Fe Ride. The service is a van or sedan shared-ride service that is available to eligible paratransit passengers at a fare of $2.00 per one-way trip. Senior citizens not otherwise eligible for ADA service are able to use this service at a fare of $5.00 per one-way trip. Santa Fe Ride operates the same hours as the Santa Fe Trails fixed route bus system, seven days a week.

Santa Fe Ride's paratransit service corridors extend to three-quarters of a mile on each side of all fixed-routes, plus three-quarters of a mile radius at the ends of each fixed-route. For areas in the core service area within the boundaries of the City of Santa Fe that are not within a fixed-route corridor, Santa Fe Ride will provide service to areas surrounded by corridors. As noted in the succeeding table, if there is a gap within the service area between corridors, Santa Fe Ride will still serve that gap.

Paratransit Policies

Santa Fe Ride's paratransit eligibility process includes an application and professional verification form. This requires a physician, nurse, or social worker to provide information on an individual's disability. Paratransit service is automatically granted to senior citizens at a premium fare of $5.00 per one-way trip.

Santa Fe Ride primarily provides curb-to-curb service but can provide door-to-door service upon request. Personal care attendants ride the service for free if assistance is required.

Similar to NCRTD's service, Santa Fe Ride permits any trip type, does not prioritize by trip purpose, and does not restrict the number of trips an individual can take. In order to monitor the availability of paratransit service, Santa Fe Trails collects data on the number of late pick-ups and drop-offs, missed or denied trips, missed reservation calls, and trips with excessive ride time. This data then guides the decision-making process in adjusting paratransit capacity for the Trails system.

Paratransit Performance

In fiscal year 2015-2016, Santa Fe Ride provided 37,720 ADA passenger trips and 39,570 total trips, which includes service for senior citizens. On an average weekday, Santa Fe Ride provided 128 trips per day with approximately 9 vehicles in operation per day, while Saturday averaged 71 trips on 5 vehicles and Sunday averaged 51 trips on 4 vehicles. Overall, Santa Fe Ride's productivity averaged about 1.8 passenger trips per revenue hour for all trip types.

In its 2015 NTD report, Santa Fe Trails reported $2,037,430 in ADA-related expenses. Paratransit fares in this same period amounted to just over $70,000, making Santa Fe Ride's farebox recovery roughly 3 percent. The FTA's 2015 National Transit Summaries & Trends Report cites that it is common to see low farebox recovery ratios on demand response services. The report indicated an average farebox recovery ratio for demand responsive services of 7.7 percent.

Paratransit Service Comparison Between NCRTD and Santa Fe Trails

In following ADA paratransit protocol as established by the USDOT, both Santa Fe Ride and NCRTD paratransit services do not restrict trip purposes or limit service availability. Both agencies monitor performance data so as to determine future capacity constraints. NCRTD and Santa Fe Trails primarily provide curb-to-curb service, but do provide door-to-door service upon request. In fundamental origin-to-destination paratransit service, the two agencies operate in very similar ways. There are, however, a few distinct traits that set the two agencies apart.

Service Area

NCRTD's system-wide service area is significantly larger than Santa Fe Trails', as discussed in the *Fixed-Route Service Evaluation*. Each agency operates their paratransit service as corridors within three-quarters of a mile of fixed-routes (the minimum requirement under ADA), with additional coverage in main service areas such as Española for NCRTD and central Santa Fe for Santa Fe Trails.

Fare

NCRTD's largely fare-free structure is extended to its paratransit services as well. For ADA-eligible passengers, all paratransit services are free and additional door-to-door service can be requested for $1.00 per one-way trip. Santa Fe Ride charges a fare of $2.00 per one-way trip for ADA-eligible passengers in conformance with federal paratransit service policy which permits paratransit fares up to two times the price of regular fixed-route service. Santa Fe Ride also offers a service to all senior citizens who are not otherwise eligible for ADA service at a fare of $5.00 per one-way trip.

Performance

Both agencies operate with relatively similar productivity. NCRTD's Demand-Response ADA service and Santa Fe Ride both transport passengers at a rate of 1.8 passengers per revenue hour (PPRH). In fiscal year 2015, NCRTD's combined ADA services transported just over 3,000 trips, and Santa Fe Ride provided nearly 40,000 trips.

Non-Fixed-Route Service

In addition to ADA paratransit service, NCRTD provides Demand-Response service for a fare of $1.00 per trip. The agency also provides a fare-free Dial-A-Ride service to a limited service area in the Pojoaque-Nambé area. Besides Santa Fe Trails' paratransit operations, the agency does not have other services to supplement its fixed-route service.

ADA Complementary Paratransit Services		
	Santa Fe Trails	**NCRTD**
Service Area	Within City limits and 3/4-mile buffer of fixed-route service outside the City	3/4-mile buffer of fixed-route service
Response Time	Reservations accepted 1-14 days in advance; same-day on demand reservations when slots are available	Reservations accepted 1-4 days in advance
Fares	$2.00 per one-way trip	Fare-free curb-to-curb service
Trip Purpose Restrictions	No restrictions	No restrictions

Operating Hours	Monday – Friday: 6:00 am–10:00 pm Saturday: 8:00 am–8:00 pm Sunday: 8:30 am–6:30 pm	Monday – Friday: 6:00 am–6:00 pm No weekend service
Capacity Constraints	Performance data collected and reported to determine capacity constraints.	Performance data collected and reported to determine capacity constraints.
Number of Annual Trips	40,000	3,000
Performance	1.8 PPRH	Demand Response - 1.8 PPRH Chile Ride – 0.8 PPRH

TASK 3 REPORT

North Central RTD and City of Santa Fe

Transit System Consolidation Analysis

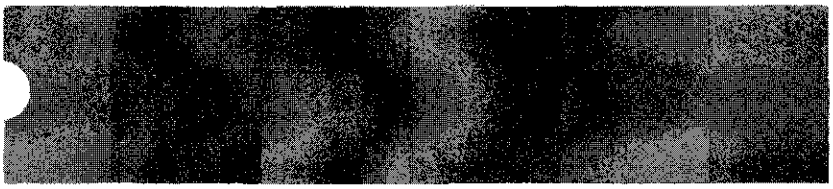
Task 3: Development and Evaluation of Proposed Consolidation Options

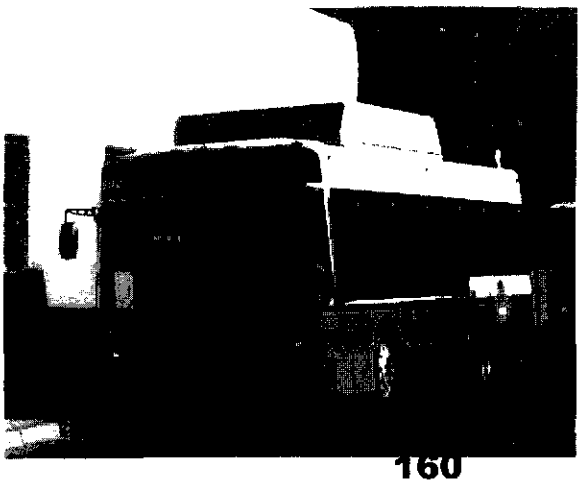
August 2017

TMD
TRANSPORTATION MANAGEMENT & DESIGN, INC.

FELSBURG HOLT & ULLEVIG

ROSEMARYROMERO CONSULTING





■TMD

TRANSPORTATION MANAGEMENT & DESIGN, INC.

North Central Regional Transit District and City of Santa Fe Transit

System Consolidation Study

Task 3A – Financial Analysis of Consolidation Options

Introduction

This document will utilize the data and findings from the Task 2A analysis and subsequent updates to assess financial opportunities and constraints for consolidation of the North Central Regional Transit District (NCRTD) and Santa Fe Trails (SFT) operations into a single transit agency. The most likely critical consideration in the evaluation of the decision to consolidate will be the ability for these currently independent transit agencies to have a financially sustainable environment over the short and long term.

The basic premise of this document is that the agencies would operate as a consolidated entity under an NCRTD managed organization, with FY2019 serving as the first year of the consolidation for evaluation purposes. However, based on the Task 2A analysis, there are a number of key financial issues that will have to be considered and addressed prior to any final decision to consolidate as well as to facilitate consolidation if such a decision is reached. Given the criticality of this aspect of the analysis, and its complexity given the various funding streams associated with each currently independent transit system operation, an Executive Summary has been provided below followed by a detailed discussion of each of the financial aspects identified in Task 2A and their applicability in a potential consolidation. This report also incorporates discussion pertaining to how prioritized investments in NCRTD's Long Range Strategic Plan (LRSP), which was created to develop a vision and path to the future for transit service in NCRTD's current service area and role, can be fulfilled.

Executive Summary

- Based on financial projections and assumptions detailed in this analysis as currently separate entities, Santa Fe Trails (SFT) is projected to have sufficient operating revenues from Fiscal Year 2018 through Fiscal Year 2022 to support day-to-day operations and service levels. However, in that same five-year time period the North Central Regional Transit District (NCRTD) must rely on drawdowns from their reserve cash balances to sustain a balanced budget. As a result, NCRTD is forecast to fall below its board required 25% reserve requirement level by FY2020 given current revenue and expenditure projections.

- The primary source of operating revenues for NCRTD, the 1/8 cent County Regional Transit Gross Receipts Tax (GRT), is scheduled to sunset in 2023. Approval to extend this tax, at the same or at an increased level, is critical to NCRTD's operations and necessary for any consolidation to be successful. The NCRTD Board, in developing its LRSP in 2015, recommended a series of action steps to remove the sunset provision to achieve the future visions and goals of the agency. Removal of the sunset vision and potential change to the current GRT rate requires voter approval within the four-county region.
- This tax currently generates over $7 million per year in revenues for transit operations, and more than half of it is presently distributed by NCRTD to other regional providers to support their transit services.

- A consolidated transit agency, under the management of NCRTD, would allow for a rational and strategic evaluation of required Capital Improvement needs and priorities and potentially providing over the longer term some economy by taking advantage of the synergy afforded by each other's current separate capital plans. An example would be the procurement of a consolidated modern fixed route scheduling system. Additionally, this approach would facilitate a review of the useful remaining life of existing assets and a transit focused perspective on specific upgrades and replacements that are necessary to improve transit services in the region, particularly with regard to implementation of new technologies, consistent with available funding.
- $941,000 of annual costs were charged to SFT by other City of Santa Fe departments to provide a variety of administrative and support functions. Under a consolidated transit agency, this work would need to be absorbed by NCRTD to align the two separate agencies under a single organization. Similar to the Capital Program above, it is anticipated that a consolidated agency would permit NCRTD to absorb these support expenses at a lower annual cost. An initial assessment of NCRTD hiring requirements to replace the services now provided to SFT by City of Santa Fe departments indicates that a net total of 9 new positions would be needed for the start of consolidation, at a cost of approximately $470,000 yielding a net savings of approximately $500,000 annually over SFT expenses for these services.

- Over the longer term through FY2035, consolidation outcomes factoring in personnel cost savings (after reinvestment of staff resources currently supplied by City of Santa Fe departments), and/or adoption of revenue generation strategies such as an increased regional GRT, would allow for a financially sustainable combined agency that would have funding available to implement a series of long term strategic initiatives developed by NCRTD in 2015 for the benefit of transit customers throughout the region.

Overview

The first tab of the enclosed spreadsheet (Figure 1) summarizes the revenue and expenditure calculations for NCRTD and SFT as separate entities. This spreadsheet provides the starting point for the merger scenarios. The forecasts through FY2023 are consistent with projections summarized in Task 2A and were updated with the following adjustments:

- All projections have been expanded to extend from an assumed merger beginning FY2019 through FY2035.
- The scenarios assumed a beginning FY2019 reserve fund balance consistent as reflected in the fund balance analysis for the moderate scenario of the NCRTD LRSP.
- SFT operating expenditure growth assumptions have been updated to reflect a 3 percent annual growth rate across all expense categories, consistent with NCRTD growth assumptions.
- SFT capital expenditures have been updated using the newly provided capital cost projections with projected revenues from FTA capital grants as presented in Task 2A for FY2019 – FY2023, and assumed for evaluation purposes in this report to cover 80 percent of fleet replacement costs for FY2024 and beyond (this approach is consistent with the federal grant projections for NCRTD as reflected in the fund balance analysis for the moderate scenario).
- Scenarios were evaluated using the Board reserve balance requirements (25% for FY2017-2020, 20% for FY2021-2025 and 15% for FY2026-2035) and calculated from the reported FY2017 starting fund balance as reported in the NCRTD fund balance analysis for the moderate scenario. A gradual reduction of the current 25% reserve requirement to 15% beginning in FY2026 was programmed into the analysis. This lowering of the reserve is consistent with the larger consolidated organization.

This financial assessment is derived by combining all sources of revenues from both operating and capital funding mechanisms in place, and comparing these revenues against a combined projected total of operating and capital expenses in each fiscal year for the period covering FY2018-2035. This document reviews key assumptions made for revenues and expenses, and highlights risks and opportunities inherent in these projections as they can impact the potential for a successful consolidation. The document also assesses two potential scenarios and

outcomes for funding the consolidated agency beginning in FY2019, beyond the base case, which serves as the starting point for the merger forecast.

Table 7 of the Task 2A analysis as prepared by FHU indicated that NCRTD was projected to have a balanced budget for the period covering FY2018 through 2022, as anticipated revenues match combined operating and capital expenditures. However, this calculation does not incorporate any of the proposed strategic investments in NCRTD's LRSP and is based on current service levels. In addition, FHU has noted in the updated forecast for Task 3A that NCRTD budgets, when considered as a separate entity under a base case scenario, are balanced only as a result of drawdowns from the cash balance reserves at amounts that will place reserve balance levels approximately 11% below the Board approved reserve requirement in FY2020.

Following the five-year outlook, SFT subsequently provided their long-range estimates to FY2035 for proposed Capital projects. Those expenditures represent an update from the Task 2A report as well since SFT was only able to provide projected capital revenues for FY2018. For FY2019 and beyond, this analysis assumes that projected revenues from FTA Capital Grants would cover 80% of fleet replacement costs through FY2035. This approach is consistent with the federal grant projections for NCRTD. For this document, SFT provided updated projections on funding related to capital grant revenues in FY2018 only, as well as expenditures for the FY2018 to FY2023 period, in addition to cost projections to FY2035 for Capital investments.

NCRTD Revenues

- Almost 2/3 of NCRTD's gross annual revenues are currently generated by the 1/8 cent County Regional Transit Gross Receipts Tax (GRT) collected in the NCRTD 4-county area. However, NCRTD retains only 35% to 40% of this revenue as a result of intergovernmental agreements to support other transit agencies in the region as elements of this funding, including Rail Runner and Atomic City Transit, as well as approximately $1 million annually or 14% of the total annual GRT received that is transferred to Santa Fe Trails (SFT). The GRT is scheduled to sunset in 2023 unless extended, and given its significance as the primary source of revenue for NCRTD and support to other transit agencies in the region, as noted previously, the sunset issue must be addressed up front as a central part of any merger discussions. Also, the 14% of GRT revenues that are currently transferred annually to SFT would remain available as internal funding under a consolidation scenario of the two agencies. A 3% annual growth rate in GRT revenues has been projected by NCRTD through the FY2035 period.
- The balance of annual revenues is primarily comprised of federal operating grants, federal capital grants, tribal transit grants, state capital outlay appropriations, and local match funds through FY2017. These local match funds are not projected to be received

beyond 2017. It is notable that passenger fares comprise less than 1% of NCRTD's annual overall revenue base, given their largely free fare operation. Also, at least 10% of NCRTD's revenue base consists of using cash balances from reserve funds set aside and accumulated annually, for the purposes of meeting capital project match requirements and service enhancements for a three-year period after implementation.

- The projection assumes receipt in FY2021 of approximately $6.1 million in Federal Transit Administration (FTA) discretionary grant funds to construct a new maintenance facility in Espanola. This will require a successful application to receive the grant funds, which is subject to changes in federal funding priorities.
- The anticipated continued reliance on the use of reserve funds to support capital match requirements. This annual drawdown from cash balances will put pressure on NCRTD's ability to maintain its Board required commitment of a 25% cash reserve level. The NCRTD financial reserve policy outlines practices that govern the management of the District's financial reserves. This includes a commitment to seek to maintain at all times an amount equaling 25% of its operating revenue as an unrestricted cash reserve. The cash reserve policy includes four specific categories of use of the reserve fund: for operations, capital and capital replacement, service enhancements and debt service. It should be noted that this 25% cash reserve level as imposed by the NCRTD Board is three times the required cash reserve imposed by the New Mexico State Department of Finance and Administration (DFA) for minimum reserve balance requirements. DFA requires at all times a minimum of one month (approximately 8.3%) of operating revenue as a cash reserve to meet their requirements. As will be noted later in this document, the 25% reserve requirement may serve as a substantial impediment to achieving a successful consolidation effort, particularly in the near term, if not relaxed or supplemented with significant new revenues. Use of these cash balances results in NCRTD falling below the FY2020 board approved reserve requirement level of 25%, and reserve fund balances are in a deficit position the following year in FY2021, based on FHU's updated analysis reflected in the revenue and expenditure comparison tab of the attached spreadsheet.

SFT Revenues

- Similar to NCRTD, SFT relies primarily on a separate ¼ percent Municipal Gross Receipts Tax (MGRT) to provide revenues for transit operations. In the annual budget, the MGRT generally accounts for more than half of all revenues, except in select years where SFT received a substantially higher amount of federal capital funding (5309) for large facility projects. As a result of a local ordinance in effect as of January 2016, SFT began to receive a more favorable and predictable allocation of GRT revenues from the City of Santa Fe. The ordinance guaranteed SFT 89% of the ¼ percent gross receipts received;

prior to implementation of the ordinance SFT received approximately 80-85% of MGRT receipts, with the balance used to fund other City of Santa Fe priorities. This ordinance does provide the Transit Division the opportunity to obtain up to 100% of the ¼ percent GRT if it can show justification for the need of these funds; however, the ability of this to occur may change with a consolidation.

- SFT also receives approximately another $1.0 million revenue per year (about 10% of their total revenue base) resulting from the NCRTD transfer of the County Regional Transit Gross Receipts Tax. This revenue source would presumably remain available for transit use under a consolidated transit entity. With a combination of higher MGRT revenues generated and the NCRTD transfer of funds, SFT actually is projected to have an operating funds surplus over the FY2018-22 period averaging $400,000 per year over the five year period. This is the net result of revised assumptions outlined in this analysis for projected revenues from FTA capital grants and operating expenditure growth. In fact, based on the revised capital revenue assumption that 80% of fleet replacement costs will be covered by Federal funding through FY2034, surpluses are forecast for all years through FY2034. FY2035 includes a placeholder for a $2.5 million CNG facility upgrade and, as a result, that final year of the analysis reflects a one year deficit.
- The balance of SFT's revenue base as included in the approved Task 2A report for FY2017-18 is comprised of federal operating grants ($1.6 million) (approximately 15% of total revenue), federal capital grants ($3,000,000), primarily for the Downtown Transit Center construction, passenger fares (approximately $400,000 combined fixed route and paratransit), a special use Lodger's Tax ($300,000) and advertising ($160,000). Passenger fares only represent 3-4% of the entire revenue base. It must be noted that if the assumptions made for capital grant expectations for funding capital projects are not met, this will represent a very significant risk to SFT's overall financial position, and the resulting impact on its operations. The ability of SFT' to successfully plan and implement capital projects is substantially hindered by the lack of certainty regarding long term funding. This results in a year to year process for SFT to secure capital funding approvals, and can result in delays for necessary asset replacements and upgrades.

NCRTD Expenses

- Personnel costs (salaries and wages plus fringe benefits) account for about 73% of all operating expenses. The balance of annual expenses is attributable to materials, contracts, fuel, tires and other miscellaneous costs. Going forward through FY2035, operating expenses are projected to increase by 3% per annum in all categories without any consideration of a consolidation. Capital expenses through FY2035 represent mainly fleet replacement purchases, with the exception of the proposed new maintenance facility, as well as automatic passenger counter and annunciator

installations on the vehicle fleet. These are detailed in the agency's Long Range Strategic Plan (LRSP) as shown in Figure 6.

SFT Expenses

- Direct Personnel costs including benefits represent 72% of operating expenses. However, this amount excludes almost 10% of total expenses (over $900,000) charged annually to SFT from other City of Santa Fe departments that perform support services on behalf of SFT. These support functions include Human Resources, Purchasing, Janitorial services, Facility Maintenance, Legal, Payroll, Information Technology (IT) and Telecom services; services that would need to be provided directly by NCRTD under a consolidation scenario.
- Projected Capital expenses peak during FY2018 as a result of two major facility projects, the Downtown transit center and the Southside transit center, totaling a combined $5.0 million in planned and funded expenditures. Beyond these two projects, FY2018-2023 Capital expense projections are limited in scope, largely due to uncertainties regarding the current City of Santa Fe requirement to have dedicated funding in place for each proposed project. The only other funded Capital projects in the FY2017/2018 period are replacement of two fixed route buses and two paratransit vans. Other projects proposed in the next five years of the SFT Capital plan (bus stop upgrades, paratransit van and importantly fixed route vehicles) are seeking funding sources. In recent years the lack of definitive funding approvals for proposed capital investments impedes SFT's ability to improve their transit operations in an effective way.
- It should be noted that SFT has indicated that it expects to issue an RFP shortly to design, construct, operate and finance the upgrade of their existing CNG facility. They anticipate that the capital costs of this proposed upgrade would be repaid over an 8-year period through the use of a gas compression fee, and that these costs would be shared with the City of Santa Fe's Environmental Services Division. SFT states that there is no anticipated upfront capital costs with this arrangement, therefore this project was excluded from all financial calculations in this document SFT also projects that for FY2035, this same CNG facility will require another upgrade. This proposed expense of $2.5 million is included in the analysis as unfunded.
- SFT also incurred an annual expense in 2016 and 2017 of approximately $342,000 for debt service for a New Mexico Finance Authority bus loan due in 2026. The analysis projects annual payments of $280,000 going forward until the loan is retired in 2026.
- The recent ordinance ensuring SFT with a guaranteed minimum of 89% of MGRT will result in an improved revenue picture to support operating costs. This analysis projects

operating expenses to increase 3% per annum in all expense categories, similar to the NCRTD projection.

- It will be very important for NCRTD and SFT to carefully assess the fiscal implications of a pending City of Santa Fe contract settlement with their current labor organization (assuming a new contract is reached prior to any merger) against the current financial projections for SFT, as the current SFT contract expires in June 2017.
- Current SFT projections reflect a surplus averaging approximately $1 million per year starting in FY2023 until FY2034, after operating costs and debt service payments. This can serve as a cushion or hedge against revenue shortfalls or higher than anticipated expenses in future years, and also can be used to fully fund their proposed capital requirements if expected Federal funding does not materialize at forecasted levels.

Analysis of Scenarios

In addition to the baseline case scenario, which represents Scenario 1, two other future financial scenarios were explored to determine what mix of new revenues, cost savings and elimination of revenues might serve to place a consolidated transit agency on a fiscally sustainable path, starting in FY2019. A brief definition of the three scenarios and associated assumptions is as follows:

Scenario 1 – consolidation with no cost savings – baseline.

Scenario 2 - consolidation with $500,000 operational savings beginning in FY2019 and growing by 3 percent annually, $0 capital savings and elimination of the Lodgers' Tax as a revenue stream beginning in FY2021.

Scenario 3 – consolidation with $500,000 operational savings beginning in FY2019 and growing by 3 percent annually, $0 capital savings, removal of SFT GRT, implementation of 1/3 cent Regional GRT across the four-county NCRTD Region, and elimination of the Lodgers' Tax as a revenue stream beginning in FY2021.

Assumptions for All Scenarios

- Scenarios were evaluated using the Board reserve balance requirements as modified over the full-time period as agreed to by NCRTD (25% for 2017-2020, 20% for 2021-2025 and 15% for 2026-2035) and calculated from the reported FY 2017 starting fund balance as reported in the NCRTD fund balance analysis for the moderate scenario. *The exception relates to the FY2017 opening fund balance which comes from the Audited FY2016 "Ending Fund Balance" as reported in the Fund Balance Analysis Moderate (Capital Plan FY2017-FY2028 for budget FY18 v2).*

- Consistent with Task 2A, sources for revenue/expenditures are from NCRTD Long Range Financial Strategic Plan and Fund Balance Analysis – Moderate Scenario (FY2017 Final Corrected v2), City of Santa Fe FY2016/17 Proposed Budget, Santa Fe Trails NTD data
- Scenarios were also evaluated using the State of New Mexico DFA 8% cash reserve balance requirement.

The series of attached spreadsheets (Figures 1 thru 6) outline the annual detail for each scenario on separate tabs at the end of this document for projected revenues, expenses and assumptions inherent in the individual calculations. In addition, a summarized tab outlining the annual revenues and expenses for both agencies from FY2017 to FY2035 is included.

A summary of the financial implications and key findings from each of the three scenarios is depicted in Table 1 below. NCRTD and SFT acknowledge that if revenue shortfalls occur from the assumptions in the study, then mitigating actions would be taken to reduce the resulting deficits.

Table 1: Comparison of Financial Consolidation Scenarios, FY2019-2035

Comparison of Financial Consolidation Scenarios, FY2019-2035[1]			
Scenario	**1**	**2**	**3**
Total Revenues	$373,253,909	$368,759,909	$471,500,624
Total Expenditures	$381,427,921	$370,547,127	$453,524,093
Total Surplus/(Deficit)	$(8,168,013)	$(1,787,219)	$17,976,532
Annual Surplus (Deficit)	$(480,471)	$(105,131)	$1,057,443
Average Reserve Balance %	2%	14%	34%
Meets Board Reserve Requirement[2]	No	FY2019, FY2033-34 only	No: FY2019-22 Yes: FY2023-35
Meets New Mexico DFA Requirement	FY2019-21 only	Yes, all years	Yes, all years

Scenario 1 – consolidation with no cost savings – baseline

- Average annual deficit of $480,000 (revenues – expenditures).
- At the 8% State of New Mexico DFA cash reserve balance, consolidated systems maintain district reserve requirement through FY2021.
- For board reserve requirements (initially 25%, dropping to 15% by 2026) consolidated systems will fail of the board reserve requirement for all years evaluated (the unrestricted fund balance hits a deficit in 2028).

[1] Assume FY2019 as first year of consolidation

[2] Reflects assumption of modified Board reserve requirement as follows:

25% (current) FY2019-FY20
20% FY2021-FY25
15% FY2026-FY35

- No additional funding for District Long Range Strategic Plan (LRSP) initiatives would be available.

Scenario 2 - consolidation with $500,000 operational savings beginning in FY2019 and growing by 3 percent annually, $0 capital savings and elimination of the Lodgers' Tax as a revenue stream beginning in FY2021

- Operate with a deficit between 2019 and 2022, requiring use of cash reserves to supplement revenues.
- At 8% State of New Mexico DFA cash reserve balance, consolidated systems maintain district reserve requirement through 2035.
- For board reserve requirements consolidated systems fall short of board required reserve between FY2020 and FY2025 (board reserve requirements met for FY2026 through FY2035) and the reserve balance is projected to grow thru FY2034; reserve balance drops in FY2035 to fund the projected FY2035 $2.5M CNG Fueling Facility project.
- No additional funding for LRSP initiatives would be available.

Scenario 3 – consolidation with $500,000 operational savings beginning in FY2019 and growing by 3 percent annually and $0 capital savings, removal of SFT MGRT (approximately $7.4 million), implementation of 1/3 cent Regional GRT across the 4-county NCRTD Region, and elimination of the Lodgers' Tax ($300,000) as a revenue stream beginning in FY2021

- Annualized all LRSP initiative costs; included a 1.5% annual growth in cost estimates to reflect inflation but not growth in expenditure levels (estimates were in 2015 dollars).
- Federal Funding for LRSP capital investments have been assumed at a 70/30 split across the board.
- Overall, the capital portion of the LRSP initiative accounts for approximately 23 percent of the total budget estimated ($98.4 million) to implement all of the LRSP initiatives through 2035.
- To offset the removal of ¼ cent SFT MGRT and to fund the LRSP initiatives, increase the NCRTD County Regional Transit Gross Receipts Tax (GRT) within the four counties to approximately 1/3 cent from the present 1/8 cent levy.
- At 8% State of New Mexico DFA cash reserve balance, consolidated systems maintain district reserve requirement through 2035.
- For board reserve requirements consolidated systems fall short of reserve through FY2022. After FY2022 with the reduced proposed reserve level of 20%, reserve levels easily meet the new thresholds through FY2035.

Options: Risks and Opportunities

There are many important considerations to address if NCRTD and SFT were to consolidate their currently separate transit systems. While many of these issues will be addressed in the other sections of Task 3 documents, each issue is likely to have financial implications that can impact the implementation and ultimate success of a consolidation. The following will outline key short, medium and long-term merger aspects to address under a consolidation scenario from a revenue and expense perspective, and incorporating outcomes from the three scenarios.

- Currently, both NCRTD and SFT rely on a form of a gross receipts tax to provide the largest single portion of their revenue base. The single most important factor for future sustainability of a merged transit agency is the continuation of the County Regional Transit Gross Receipts Tax (GRT) also known as the NCRTD GRT, collected in the four counties, currently scheduled to sunset in 2023. Not only is a long-term or permanent extension of this tax critical, but it is also important to emphasize during sunset discussions prior to any public vote within the four-county region how an increase in the amount of tax assessed from the current 1/8 cent value would represent a substantial boost to the merged transit agency's ability to enhance service for the region. Scenario 3 of this analysis imposes a proposed 1/3 cent County Regional Transit Gross Receipts Tax in place of the current NCRTD GRT and would permit full elimination of Santa Fe's MGRT and Lodger's tax revenues, as well as implementation of NCRTD's prioritized LSRP investments over the FY2019 to FY2035 period. The scenario 3 use of a County Regional Transit Gross Receipts Tax rate of 1/3 cent was calculated to start in FY2021 for this forecast, to establish a rate in which necessary additional revenues were generated to offset FY2021 expenditures and establish surpluses beyond FY2021. GRT revenues were then grown using the 3 percent annual growth rate. It is important to note that under this methodology, revenues begin to exceed expenditures in FY2021, resulting in a rapid growth of the fund balance beyond required levels.

- Alternatively, it may be important to revisit the agreements to provide the current percentage of GRT funds transferred to the Rail Runner and Atomic City Transit (approximately 50% of total annual GRT revenues) once a consolidation scenario is agreed upon, if there is resistance to increasing the level of GRT as suggested in Scenario 3.

- While the Santa Fe Trails MGRT does not sunset, and SFT is now guaranteed a minimum of 89% of the gross revenues from one of the six ¼% increments, the remaining 11% of MGRT revenues (presently valued at approximately $800,000 annually) that is used by the City of Santa Fe to fund non-transit programs/initiatives represents a significant portion of the tax diverted from transit purposes. This is also an important area to consider in any negotiations for a merger under Scenario 1 or 2.

- One other revenue source, contributions from Los Alamos County to NCRTD, has steadily declined in recent years. In fact, projections in the Task 2A document of this study reflect no further contributions from Los Alamos beginning in 2018. This is another source of revenue that could be part of the discussion if consolidation talks advance, since the consolidated entity may need all potential revenues to cushion any revenue shortfalls (especially if overall economic conditions deteriorate and impact GRT revenues) or unanticipated expenses such as fuel or benefit cost increases, or potential legacy payments to employees separating from service after a merger.
- The final major sources of revenue for both agencies are federal operating and capital grants. Fortunately, the annual level of federal operating grants received by NCRTD and SFT has remained fairly consistent and stable in the recent past. Federal capital grants are timing dependent based on specific project requirements and asset useful life considerations, and the grant amounts received annually can vary greatly from year to year. It may be more challenging to project federal funding levels for transit initiatives since new federal transit priorities are not clear yet.
- One area that can have wide ranging impacts, in a consolidation scenario is the imposition of fares where none exist today, and/or an increase in fare levels on routes where they are presently charged. This action will aid in establishing the premise that enhanced service and operational performance is dependent on customers paying a nominal price for the service. It is estimated that this would generate approximately $200,000 in farebox revenue annually based upon current NCRTD ridership and SFT fare levels. However, in New Mexico, per NMDOT procedure, agencies that receive FTA 5311 awarded funds, receive a reduction in subsidy equal to the amount of the fare revenue annually. This affects only NCRTD and Atomic City Transit. This policy should be revisited. In addition, NCRTD estimated that there would be a $38,000 annual added operating cost less any potential offset in fare related subsidy. It also provides the basis for regional consistency with the current larger SFT service which has an established flat rate fare structure for all of its services. Establishing at least some level of fare on all routes also permits a merged agency to charge accordingly for paratransit services as well. Additionally, if a higher than fixed route fare is charged for paratransit as permitted by federal regulations, there is potential for managing demand for this very specialized and costly service which will otherwise continue to significantly grow in a consolidated regional service. Lastly, as SFT is a headway based operation rather than the general trip based current NCRTD service, the charging of a fare reduces the potential for vagrancy impacting customer quality of life. This issue is also discussed in greater detail in the Task 3D report.
- With regard to expense levels, projected operating expenses for NCRTD and SFT are anticipated to grow at a 3% rate each year of the analysis. A 3% growth rate in expenses is reasonable and supportable given recent trends.

- Capital expenses reflect estimated project costs for all projects in their ten-year Capital Improvement Plan (CIP). These projects may be in the application, design or construction phase. Over the longer term in a merger scenario, as all capital needs would be carefully reviewed to ensure they would fit with the overall strategic plan for a consolidated transit agency.
- Given the greater uncertainty of capital funding, combined with the direction of a single management overseeing both agencies after consolidation, it would be very beneficial to identify or reprogram capital funds to develop an asset management system that is fully integrated into business and operational processes. Effective maintenance of joint assets, based on accurate data will result in more prioritized investment decisions, and reduce costs while improving productivity. This should be a very high project priority in a consolidated operation.
- Other expense areas that must be carefully reviewed in a merger include a detailed assessment of what specific functions are currently being performed for SFT by other City of Santa Fe departments. It must be determined what functions can immediately be absorbed by NCRTD staff, and whether additional headcount is needed to support the increased functional activity. As shown in Table 3, the preliminary recommendation is that NCRTD would increase the net number of positions to their headcount levels by an equivalent of 9 positions to accommodate the added support functions. Based on an approximation of salaries and benefits for this staff increase, it is estimated that annual costs would be approximately $470,000 in the first full year of hiring. However, this cost would be more than offset by the elimination of annual City of Santa Fe agency support costs of $941,000 for SFT in FY2017. Therefore, it is estimated that an annual approximate savings of $500,000 can be generated by NCRTD for this aspect after a consolidation is implemented.
- A high-level organization chart, representing the NCRTD Executive Director, and two levels of reports (direct reports and their subsequent direct reports) is included as Table 2 at the end of this document. Table 3 represents the preliminary assessment recommendation on net personnel additions to be incorporated into the consolidated transit organization in place of the current City of Santa Fe departments supporting SFT, reflecting net staff costs.
- Technology differences between systems can be an impediment to a quick transition of functions, and not all SFT supported functions may be able to be absorbed on day one of a potential consolidation by NCRTD. An example would be Payroll and Timekeeping. A phased transition approach to these functions may be necessary, but the overall objective must be to deliver these services internally at a lower cost and improved delivery of services. A complete technology assessment of SFT systems will be important to unify various administrative and support functions, as well as fleet and facility requirements, in an expedited manner.

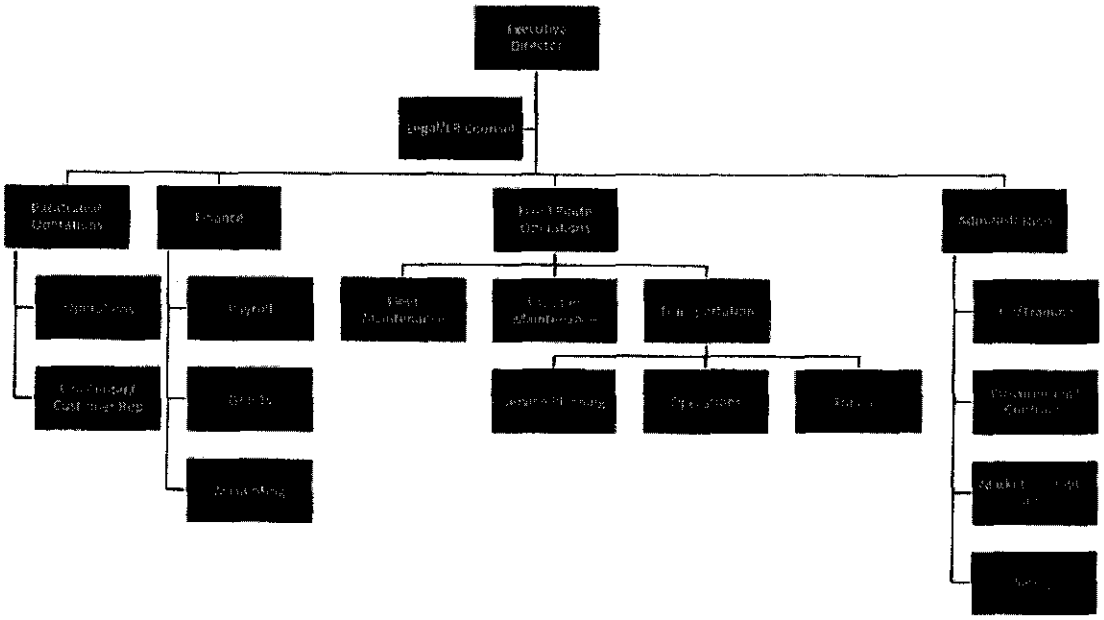
- In a consolidated agency, where SFT would represent 60-65% of current expenses and revenues, it will be imperative for NCRTD to evaluate maintaining their existing reserve guidelines, given the much higher dollar value that 25% of combined operating revenues represent. This is particularly necessary if, for example, the merged agency has to deal with sizable legacy costs for employees who may opt to separate from SFT at the time of merger rather than join a new organization, or if technology needs require additional funding to implement both entities operating on common platforms. A gradual reduction to 15% from the current 25% is utilized in the scenario calculations, but it is also suggested that the DFA requirement of one-month cash reserve be explored as well, particularly if Scenario 3 with a higher regional GRT cannot be implemented.
- NCRTD will also have to review the legal and financial aspects of Santa Fe's remaining debt service (Transit bus loan) expense. Currently it is projected in the Task 2A analysis to be paid off in annual principal payment increments of $280,000, and is due in 2026. Sufficient funding will have to be set aside to retire this loan on time or NCRTD may opt to retire the loan in an accelerated fashion if a more reliable yielding revenue stream is implemented.
- Given the relatively significant costs currently charged to SFT as a result of other City departments performing certain non-operating functions, it is reasonable to assume that NCRTD can handle this work at a lower cost and generate some level of savings as a result. When combined with the more reliable MGRT revenues to be received by SFT as a result of the ordinance assuring a floor of 89% for transit, NCRTD may be able to offer to the City of Santa Fe a complete phase out within a 2-3 year period of the Lodger's Tax revenue source provided now to SFT ($300,000/year) as a consolidation item, totaling $4.5 million over the FY2021 thru FY2035 period. This tax is shown as eliminated beginning in FY2021 in a consolidated agency under both scenarios 2 and 3.
- Additional information on a variation of Scenario 3 was requested in the form of evaluation of service levels without the SFT GRT; specifically, evaluation of the potential impacts on transit services (high level) of the loss of the $8 million in City MGRT without being replaced by a County Regional Transit Gross Receipts Tax. The SFT GRT provides $7.12M in revenues in FY2017, growing to roughly $12M by FY2035.

  If the SFT GRT were to be removed and the revenues were not recovered through any modification to the Regional GRT, under a consolidation scenario:

  - No LRSP initiatives could be funded.
  - The projected combined revenues would fail to meet the combined operating expenditures alone.
  - If no significant service reductions were made, -the entire cash reserve would be consumed in year 1 of the consolidation to meet the shortfall.

Table 2: Consolidated North Central New Mexico Regional Transit District

Consolidated North Central New Mexico Regional Transit District*



**The Fixed Route and Paratransit Transportation and Maintenance boxes include all current NCRTD and SFT supervisory, drivers and maintenance budgeted positions in a combined structure.*

Table 3: Recommended Position Increments

Recommended Position Increments for Consolidated North Central New Mexico Regional Transit District[3]		
Position	**Net Change**	**Annual $ Cost**
Procurement/Contracts	1	$61,503
Human Resources	1.5	$87,661
Transit Planner	1	$73,996
Payroll	1	$46,753
Custodian	1	$30,385
Mechanic	3	$145,628
Service worker	1	$41,360
Marketing specialist	(0.5)	$(36,685)
IT Contract	-	$20,000
Total	**9**	**$470,601**

[3] First year cost derived as follows:

a) Midpoint of 2017 non-rep compensation plan for financial specialist, (used for procurement addition), planner and marketing specialist, increase by 3 percent for 2018 and 30 percent benefits.

b) Midpoint of administrative specialist title plus 3 percent/30 percent used for HR and Payroll additions.

c) Entry level minimum plus 3%/30% for fleet mechanic and custodian; service worker entry level min used from fleet/facilities maintenance worker title.

North Central Regional Transit District and City of Santa Fe Transit

System Consolidation Study

Task 3A – Appendix

Figure 1: Base Case Data

	ASSUMPTIONS		FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
NCRTD												
REVENUES												
GRT Revenues		3%	7,095,000	7,307,850	7,527,086	7,752,898	7,985,485	8,225,050	8,471,801	8,725,955	8,987,734	8,257,266
Federal Grants												
Federal Operating Grants		3%	2,046,138	2,107,522	2,170,748	2,235,870	2,302,946	2,372,035	2,443,196	2,516,492	2,591,986	2,669,746
Federal Capital Grants		3%	1,554,458	588,800	509,600	722,400	653,800	524,000	321,600	400,000	400,000	412,000
Tribal Transit Grants	$	120,000	204,280	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
TIGER Maintenance Facility Grant 95/5			-			477,850	5,385,124					
TOTAL Federal Grants			3,804,876	2,816,322	2,800,348	3,556,120	8,461,871	3,016,035	2,884,796	3,036,492	3,111,986	3,201,746
Member Local Match			438,000									
State Capital Outlay Appropriation			93,000	93,000								
Interest Savings, Short Term CD (Investments)		3%	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095
Advertising Sales		3%	21,000	21,630	22,279	22,947	23,636	24,345	25,075	25,827	26,602	27,400
Auctioned Vehicles (Miscellaneous Revenue)	$		-	-	-	-	-	-	-	-	-	-
Fares												
Insurance Proceeds	$	10,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Miscellaneous Revenue			-									
Fares	$	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500
TOTAL Fares			60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
[illegible]			[illegible]	[illegible]								
[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL REVENUE			12,424,833	11,290,651	11,892,396	13,931,382	17,896,888	12,562,800	12,483,321	11,801,471	12,345,965	13,626,544
Fund Balance												
Opening Fund Balance			14,490,973	13,598,516	12,627,568	11,167,702	9,050,640	7,707,524	6,493,788	5,466,610	4,438,511	3,304,704
[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ending Fund Balance			13,598,516	12,627,568	11,167,702	9,050,640	7,707,524	6,493,788	5,466,610	4,438,511	3,304,704	2,151,267
Investment in Capital Assets			6,313,513	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649
Unrestricted Fund Balance			7,285,003	6,250,819	4,791,053	2,673,991	1,330,915	116,139	(910,014)	(1,938,138)	(3,071,945)	(4,125,382)
Non-RTD Expenses												
GRT Transfer to Rail Runner		3%	2,125,000	2,240,250	2,307,458	2,376,681	2,447,987	2,521,421	2,597,064	2,674,976	2,755,225	2,837,882
GRT Transfer to Atomic City		3%	1,419,000	1,461,570	1,505,417	1,550,580	1,597,097	1,645,010	1,694,360	1,745,191	1,797,547	1,851,473
GRT Transfer to Santa Fe Trails		3%	983,300	1,023,099	1,053,792	1,085,406	1,117,968	1,151,507	1,186,052	1,221,634	1,258,283	1,296,031
TOTAL Non-RTD Expenses			4,527,300	4,724,919	4,866,667	5,012,667	5,163,047	5,317,938	5,477,476	5,641,800	5,811,054	5,985,386
NET REVENUE (MINUS GRT TRANSFERS)			7,897,533	6,565,932	7,024,630	8,518,736	11,733,821	7,245,962	7,014,755	7,259,670	7,534,910	7,641,158
OPERATING Expenses												
Operators' Salaries and Wages		3%	2,486,741	2,561,346	2,638,186	2,717,331	2,798,851	2,882,817	2,969,302	3,058,381	3,150,132	3,244,616
Other Salaries and Wages												
Fringe Benefits		3%	1,122,261	1,155,415	1,190,078	1,225,780	1,262,553	1,300,430	1,339,443	1,379,626	1,421,015	1,463,645
Services		3%	372,013	383,173	394,668	406,508	418,703	431,265	444,202	457,529	471,254	485,392
Fuel and Lubricants		3%	504,104	519,227	534,804	550,848	567,374	584,395	601,927	619,985	638,584	657,742
Tires and Tubes		3%	73,816	75,971	78,190	78,475	80,830	83,254	85,752	88,325	90,974	93,704
Other Materials and Supplies		3%	335,991	346,071	356,453	367,147	378,161	389,506	401,191	413,227	425,624	438,392
Utilities		3%	36,017	37,098	38,211	39,357	40,538	41,754	43,006	44,297	45,625	46,994
Casualty and Liability Costs		3%	134,478	138,513	142,668	146,948	151,356	155,897	160,574	165,391	170,353	175,464
Taxes		3%	6,497	6,691	6,892	7,099	7,312	7,531	7,757	7,990	8,230	8,477
Miscellaneous		3%	357,695	368,426	379,479	390,863	402,589	414,666	427,106	439,920	453,117	466,711
TOTAL OPERATING EXPENDITURES			5,437,317	5,589,890	5,757,628	5,930,352	6,108,268	6,291,516	6,480,361	6,674,669	6,874,909	7,081,158
CAPITAL Expenses												
Fleet												
Fleet Replacement			1,452,885	716,000	637,000	903,000	817,000	655,000	403,000	500,000	500,000	500,000
TOTAL Fleet			1,452,885	716,000	637,000	903,000	817,000	655,000	403,000	500,000	500,000	500,000
Stop/Stop Amenities												
Bus Protective Awnings						412,500						
Solar Lighting Shelters and Stops			15,000	50,000		50,000		50,000		50,000		50,000
Bus Stop Amenities					10,000			10,000			10,000	
Bus Stop Improvements			10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Shelters					60,000		60,000		60,000		60,000	
ADA Plan Implementation			360,000									
TOTAL Stops/Stop Amenities			395,000	60,000	80,000	482,500	70,000	70,000	70,000	60,000	80,000	60,000
Facilities												
Maintenance Facility						503,000	5,668,552					
Paving				30,000	200,000							
PV panels and electrical conversion to power RTD Facilities						350,000						
Emergency Electrical Generator - Building			103,000									
Fueling Facility					200,000							
Satellite Facilities (SF)					150,000							
TOTAL Facilities			103,000	30,000	550,000	853,000	5,668,552	-	-	-	-	-
Technology												
Records software and Archival System						75,000						
Bus DVR replacements			25,000				25,000			25,000		
Automatic Passenger Counters/Automatic Annunciators			191,537			469,857		229,445				
Automatic Bus Inspection									57,492			
Automatic IVR			10,993									
Main Server Replacement				20,000							25,000	
Replacement of Finance Software				60,000								
Mobile Data Terminals						5,000			5,000		5,000	
TOTAL Technology			247,530	80,000	-	549,857	25,000	229,445	62,492	25,000	30,000	-
Other												
Transit Orientated Development Site Planning				70,000								
Consolidation Study			150,000									
Brush Hog attachment												
Office Addition & Furniture			12,000									
Copier Replacement			40,000				45,000				50,000	
TOTAL Other			212,000	70,000	-	-	45,000	-	-	-	50,000	-
TOTAL CAPITAL EXPENDITURES			2,410,415	876,000	1,267,000	2,588,357	6,625,552	954,445	534,492	585,000	640,000	560,000

	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
NCRTD									
REVENUES									
GRT Revenues	9,533,087	9,821,139	10,115,773	10,419,247	10,731,824	11,053,779	11,385,392	11,726,954	12,078,763
Federal Grants									
Federal Operating Grants	2,749,838	2,832,334	2,917,304	3,004,823	3,094,967	3,187,816	3,283,451	3,381,954	3,483,413
Federal Capital Grants	424,360	437,091	450,204	463,710	477,621	491,950	506,708	521,909	537,567
Tribal Transit Grants	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
TIGER Maintenance Facility Grant 95/5									
TOTAL Federal Grants	3,294,198	3,389,424	3,487,507	3,588,532	3,692,588	3,799,786	3,910,159	4,023,864	4,140,980
Member Local Match									
State Capital Outlay Appropriation									
Interest Savings, Short Term CD (Investments)	26,878	27,685	28,515	29,371	30,252	31,159	32,094	33,057	34,049
Advertising Sales	28,222	29,068	29,941	30,839	31,764	32,717	33,699	34,710	35,751
Auctioned Vehicles (Miscellaneous Revenue)	-	-	-	-	-	-	-	-	-
Fares									
Insurance Proceeds	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Miscellaneous Revenue									
Fares	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500
TOTAL Fares	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
[illegible]									
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL REVENUE	14,033,540	14,427,287	14,908,562	15,166,509	15,722,689	16,163,231	16,785,284	17,113,384	17,623,872
Fund Balance									
Opening Fund Balance	2,251,267	1,162,613	68,133	(1,117,798)	(2,255,818)	(3,431,568)	(4,615,798)	(5,889,158)	(7,137,378)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ending Fund Balance	1,162,613	68,133	(1,117,798)	(2,255,818)	(3,431,568)	(4,615,798)	(5,894,158)	(7,137,378)	(8,466,208)
Investment in Capital Assets	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649	6,376,649
Unrestricted Fund Balance	(5,214,036)	(6,308,516)	(7,494,446)	(8,632,466)	(9,808,216)	(10,992,446)	(12,270,806)	(13,509,026)	(14,782,856)
Non-RTD Expenses									
GRT Transfer to Rail Runner	2,923,018	3,010,709	3,101,030	3,194,061	3,289,883	3,388,579	3,490,237	3,594,944	3,702,792
GRT Transfer to Atomic City	1,907,017	1,964,228	2,023,155	2,083,849	2,146,365	2,210,756	2,277,079	2,345,391	2,415,753
GRT Transfer to Santa Fe Trails	1,334,912	1,374,960	1,416,208	1,458,695	1,502,455	1,547,529	1,593,955	1,641,774	1,691,027
TOTAL Non-RTD Expenses	6,164,948	6,349,896	6,540,393	6,736,605	6,938,703	7,146,864	7,361,270	7,582,109	7,809,571
NET REVENUE (MINUS GRT TRANSFERS)	7,868,593	8,072,401	8,367,774	8,529,904	8,783,996	9,015,367	9,348,914	9,530,196	9,814,301
OPERATING Expenses									
Operators' Salaries and Wages	3,341,975	3,442,234	3,545,501	3,651,864	3,761,422	3,874,265	3,990,493	4,110,208	4,233,514
Other Salaries and Wages									
Fringe Benefits	1,507,555	1,552,781	1,599,365	1,647,346	1,696,766	1,747,669	1,800,099	1,854,102	1,909,725
Services	499,954	514,952	530,401	546,313	562,702	579,583	596,971	614,880	633,326
Fuel and Lubricants	677,474	697,798	718,732	740,294	762,503	785,378	808,939	833,208	858,204
Tires and Tubes	96,515	99,410	102,392	105,464	108,628	111,887	115,244	118,701	122,262
Other Materials and Supplies	451,544	465,091	479,043	493,415	508,217	523,463	539,167	555,342	572,003
Utilities	48,404	49,856	51,352	52,892	54,479	56,113	57,797	59,531	61,317
Casualty and Liability Costs	180,728	186,149	191,734	197,486	203,430	209,513	215,798	222,272	228,940
Taxes	8,731	8,993	9,263	9,540	9,827	10,121	10,425	10,738	11,060
Miscellaneous	480,712	495,133	509,987	525,287	541,046	557,277	573,995	591,215	608,952
TOTAL OPERATING EXPENDITURES	7,293,641	7,512,299	7,737,771	7,969,904	8,209,001	8,455,271	8,708,929	8,970,197	9,239,303
CAPITAL Expenses									
Fleet									
Fleet Replacement	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
TOTAL Fleet	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Stop/Stop Amenities									
Bus Protective Awnings									
Solar Lighting Shelters and Stops		50,000		50,000		50,000		50,000	
Bus Stop Amenities									
Bus Stop Improvements	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Shelters	60,000		60,000		60,000		60,000		60,000
ADA Plan Implementation									
TOTAL Stops/Stop Amenities	70,000	60,000	70,000	60,000	70,000	60,000	70,000	60,000	70,000
Facilities									
TOTAL Facilities	-	-	-	-	-	-	-	-	-
Technology									
Mobile Data Terminals	5,000		5,000		5,000		5,000		5,000
TOTAL Technology	5,000	-	5,000	-	5,000	-	5,000	-	5,000
Other									
Copier Replacement			55,000				60,000		
TOTAL Other	-	-	55,000	-	-	-	60,000	-	-
TOTAL CAPITAL EXPENDITURES	575,000	560,000	630,000	560,000	575,000	560,000	635,000	560,000	575,000

	ASSUMPTIONS		FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
SANTA FE TRAILS												
REVENUES												
GRT Revenues		3%	7,121,878	7,255,808	7,473,483	7,697,688	7,928,618	8,166,477	8,411,471	8,663,815	8,923,730	9,191,442
NCRTD to SFT GRT Transfer			950,000	1,023,099	1,053,792	1,085,406	1,117,968	1,151,507	1,186,052	1,221,634	1,258,283	1,296,031

	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
GRT Revenues	9,467,185	9,751,201	10,043,737	10,345,049	10,655,400	10,975,062	11,304,314	11,643,443	11,992,747
NCRTD to SFT GRT Transfer	1,334,912	1,374,960	1,416,208	1,458,695	1,502,455	1,547,529	1,593,955	1,641,774	1,691,027

.5% Special Uses Lodgers Tax Fund (2113)	$	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
2014 CIP GRT Bond Fund (4127)																					
Other Transfers In																					
Transfers to Other SF Funds																					
2014 CIP GRT Bond Fund (4127)																					
Federal Operating Grants	$	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950
TOTAL Transfers Out			72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950	72,950
Federal Grants																					
Federal Operating Grants		3%	1,611,600	1,859,948	1,709,746	1,761,039	1,813,870	1,868,286	1,924,335	1,982,065	2,041,527	2,102,772	2,165,856	2,230,831	2,297,756	2,366,688	2,437,690	2,510,820	2,586,145	2,663,729	2,743,641
Federal Capital Grants			2,740,135	5,568,089	720,000	920,000	720,000	920,000	720,000	920,000	720,000	920,000	720,000	920,000	720,000	920,000	720,000	920,000	720,000	920,000	720,000
TOTAL Federal Grants			4,351,735	7,428,037	2,429,746	2,681,039	2,533,870	2,788,286	2,644,335	2,902,065	2,761,527	3,022,772	2,885,856	3,150,831	3,017,756	3,286,688	3,157,690	3,430,820	3,306,145	3,583,729	3,463,641
Interest Savings, Short Term CD (Investments)																					
Miscellaneous Revenues	$	160,000	123,595	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Fares																					
Miscellaneous Revenue			-																		
Fares	$	400,000	440,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
TOTAL Fares			440,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
TOTAL REVENUE			13,214,258	16,193,995	11,744,072	12,351,182	12,387,506	12,893,320	13,074,908	13,574,564	13,730,589	14,297,185	14,075,083	15,084,042	15,264,751	15,877,482	16,102,595	16,740,461	16,891,464	17,655,996	17,934,465
OPERATING Expenses																					
Operators' Salaries and Wages		3%	3,085,964	3,178,543	3,273,899	3,372,116	3,473,280	3,577,478	3,684,802	3,795,346	3,909,207	4,026,483	4,147,278	4,271,696	4,399,847	4,531,842	4,667,797	4,807,831	4,952,066	5,100,628	5,253,647
Other Salaries and Wages		3%	1,409,482	1,451,766	1,495,319	1,540,179	1,586,384	1,633,976	1,682,995	1,733,485	1,785,490	1,839,054	1,894,226	1,951,053	2,009,584	2,069,872	2,131,968	2,195,927	2,261,805	2,329,659	2,399,549
Fringe Benefits		3%	2,224,504	2,291,239	2,359,976	2,430,775	2,503,698	2,578,809	2,656,174	2,735,859	2,817,935	2,902,473	2,989,547	3,079,233	3,171,610	3,266,759	3,364,761	3,465,704	3,569,675	3,676,766	3,787,068
Services		3%	617,112	635,646	654,715	674,357	694,587	715,425	736,888	758,994	781,764	805,217	829,374	854,255	879,883	906,279	933,467	961,471	990,316	1,020,025	1,050,626
Fuel and Lubricants		3%	471,635	485,784	500,357	515,368	530,829	546,754	563,157	580,051	597,453	615,376	633,838	652,853	672,438	692,612	713,390	734,792	756,835	779,540	802,927
Tires and Tubes		3%	66,545	68,541	70,598	72,715	74,897	77,144	79,458	81,842	84,297	86,826	89,431	92,114	94,877	97,724	100,655	103,675	106,785	109,989	113,288
Other Materials and Supplies		3%	161,227	166,064	171,046	176,177	181,463	186,906	192,514	198,289	204,238	210,365	216,676	223,176	229,871	236,767	243,870	251,187	258,722	266,484	274,478
Utilities		3%	125,485	128,760	133,138	137,132	141,246	145,483	149,847	154,343	158,973	163,742	168,655	173,714	178,926	184,294	189,822	195,517	201,383	207,424	213,647
Casualty and Liability Costs	$	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Taxes		3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous		3%	857,341	883,061	909,553	936,840	964,945	993,893	1,023,710	1,054,421	1,086,054	1,118,635	1,152,194	1,186,760	1,222,363	1,259,034	1,296,805	1,335,709	1,375,780	1,417,054	1,459,565
TOTAL OPERATING EXPENDITURES			9,299,324	9,569,904	9,848,401	10,136,659	10,431,129	10,735,869	11,049,545	11,373,531	11,705,410	12,048,172	12,401,217	12,764,854	13,139,400	13,525,182	13,922,537	14,331,813	14,753,367	15,187,569	15,634,796
DEBT SERVICE																					
NMFA Transit - Buses Loan (2026)	$	280,000	342,859	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000									
TOTAL DEBT SERVICE			342,859	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	-	-	-	-	-	-	-	-	-
CAPITAL Expenses																					
Fleet																					
Fixed Route Bus Replacement			1,400,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
ParaTransit Vehicle Replacement				250,000		250,000		250,000		250,000		250,000		250,000		250,000		250,000		250,000	
Bus Maintenance																					
TOTAL Fleet			1,400,000	1,150,000	900,000	1,150,000	900,000	1,350,000	900,000	1,150,000	900,000	1,150,000	900,000	1,150,000	900,000	1,150,000	900,000	1,150,000	900,000	1,150,000	900,000
Stop/Stop Amenities																					
Downtown Transit Center			302,711	1,391,722																	
Southside Transit Center				2,570,743																	
Bus Stop Facility Upgrades			522,458	200,000	200,000	200,000	200,000	200,000													
TOTAL Stops/Stop Amenities			825,169	5,162,466	200,000	200,000	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities																					
Transit Division Facility; Repaving Parking Lot/Yard and ADA upgrades					400,000																
Fueling Facility																					
Maintenance Facility Upgrades													400,000								
CNG Fueling Facility Upgrade																					2,500,000
TOTAL Facilities			-	-	400,000	-	-	-	-	-	-	-	-	400,000	-	-	-	-	-	-	2,500,000
Technology																					
PARCS			1,200,000																		
Fare Box Replacement										500,000											
TOTAL Technology			1,200,000	-	-	-	-	-	-	-	-	500,000	-	-	-	-	-	-	-	-	-
Other																					
TOTAL Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURES			3,425,189	6,312,466	1,500,000	1,350,000	1,100,000	1,350,000	900,000	1,150,000	900,000	1,650,000	900,000	1,550,000	900,000	1,150,000	900,000	1,150,000	900,000	1,150,000	3,400,000
NCRTD Strategic Plan Initiatives																					
Capital Initiatives																					
1.1.A *Work to remove 2029 sunset of NCRTD GRT funds.*	*$30,000 for public education campaign*		3,806	3,863	3,921	3,980	4,040	4,100	4,162	-	-	-	-	-	-	-	-	-	-	-	-
1.1.B *Pursue an increase in NCRTD GRT funding.*	*$30,000 for public education campaign*		3,806	3,863	3,921	3,980	4,040	4,100	4,162	-	-	-	-	-	-	-	-	-	-	-	-
1.1.B *Implement transit asset management and maintenance plan (existing fleet and facilities).*	*fleet replacement (assumes increase of 100K annually)*		101,500	103,023	104,568	106,136	107,728	109,344	110,984	112,649	114,339	116,054	117,795	119,562	121,355	123,176	125,023	126,899	128,802	130,734	132,695
1.1.C *Adhere to fleet maintenance plan to reduce down time.*	*increase $50,000 annually*		50,750	51,511	52,284	53,068	53,864	54,672	55,492	56,325	57,169	58,027	58,897	59,781	60,678	61,588	62,512	63,449	64,401	65,367	66,348
1.3.A *Identify safety and security issues and implement measures to mitigate risk.*	*$50,000 for plan - recommendation costs tbd but estimated at $30,000 annually*		31,465	31,937	32,416	32,902	33,396	33,897	34,405	34,921	35,445	35,977	36,516	37,064	37,620	38,184	38,757	39,339	39,929	40,528	41,135
1.3.C *Use ITS capabilities to inform drivers and public of emergency public safety announcements.*	*$5,000 startup cost but no cost annually after startup*		254	258	261	265	269	273	277	282	286	290	294	299	303	308	313	317	322	327	332
1.1.F *Ongoing driver and staff safety and security training.*	*$5,000 per training*		5,075	5,151	5,228	5,307	5,386	5,467	5,549	5,632	5,717	5,803	5,890	5,978	6,068	6,159	6,251	6,345	6,440	6,537	6,635
2.1.A *Provide service to all transit supportive areas with concentrations of transit dependent populations.*	*Purchase, maintain and replace additional fleet to support Strategy 13a (6, 3 year vehicles @ $100,000 each)*		203,000	206,045	209,136	212,273	215,457	218,689	221,969	225,299	228,678	232,108	235,590	239,124	242,710	246,351	250,046	253,797	257,604	261,468	265,390
2.1.B *Develop travel training program.*	*new staff person at 50K plus 35% for benefits plus $10K in year 1, $5K per year after*		72,500	73,588	74,691	75,812	76,949	78,103	79,275	80,464	81,671	82,896	84,139	85,401	86,682	87,983	89,302	90,642	92,001	93,381	94,782
2.2.A *Conduct a region-wide evaluation of bus stop accessibility, prioritize enhancements and implement recommendations.*	*$30K per PRe, 5/yr*		144,638	146,807	149,009	151,244	153,513	155,816	158,153	160,525	162,933	165,377	167,858	170,376	172,931	175,525	178,158	180,830	183,543	186,296	189,090
2.2.B *Evaluate fleet replacement options to ensure convenient access and comfortable use by mobility impaired users.*	*$10K study*		508	515	523	531	539	547	555	563	572	580	589	598	607	616	625	634	644	654	663
2.3.A *Conduct feasibility studies for highly requested new routes and implement those identified as feasible.*	*Purchase, maintain and replace additional fleet to support Strategy 20a (4, 3 year vehicles @ $100,000 each)*		142,100	144,232	146,395	148,591	150,820	153,082	155,378	157,709	160,075	162,476	164,913	167,387	169,897	172,446	175,032	177,658	180,323	183,028	185,773
2.3.C *Add weekend service to productive routes.*	*Purchase, maintain and replace additional fleet to support Strategy 21a (4, 3 year vehicles @ $100,000 each)*		142,100	144,232	146,395	148,591	150,820	153,082	155,378	157,709	160,075	162,476	164,913	167,387	169,897	172,446	175,032	177,658	180,323	183,028	185,773
2.3.D *Work to coordinate traveler communication among systems within the region.*	*$100,000 one time cost, $5,000 annual maintenance costs*		9,896	10,045	10,195	10,348	10,504	10,661	10,821	10,983	11,148	11,315	11,485	11,657	11,832	12,010	12,190	12,373	12,558	12,747	12,938
3.2.A *Provide service to major regional tourist attractions for use by employees and visitors.*	*Purchase, maintain and replace additional fleet to support Strategy 25a (1, 12 year vehicles @ $100,000 each)*		35,525	36,058	36,599	37,148	37,705	38,271	38,845	39,427	40,019	40,619	41,228	41,847	42,474	43,111	43,758	44,414	45,081	45,757	46,443
3.2.B *Enhance and market service between Taos and Santa Fe to accommodate visitors travel.*	*Purchase, maintain and replace additional fleet to support Strategy 26a (1, 3 year vehicles @ $100,000 each)*		35,525	36,058	36,599	37,148	37,705	38,271	38,845	39,427	40,019	40,619	41,228	41,847	42,474	43,111	43,758	44,414	45,081	45,757	46,443
3.3.A *Create marketing campaign that illustrates both the mobility and non mobility benefits of transit.*	*Every other year at a cost of $10,000*		-	10,302	-	10,614	-	10,934	-	11,265	-	11,605	-	11,956	-	12,318	-	12,690	-	13,071	-

4.1.A	Evaluate opportunity to create a new staff position within NCRTD to coordinate with counties, municipalities, pueblos, and state on land use planning and review.	hire new employee with this focus 60K salary plus 25% in benefits	$ 82,215	$ 83,443	$ 84,760	$ 85,970	$ 87,260	$ 88,560	$ 89,857	$ 91,248	$ 92,635	$ 94,094	$ 95,414	$ 96,845	$ 98,298	$ 99,772	$ 101,259	$ 102,748	$ 104,330	$ 105,895	$ 107,483
4.2.A	Conduct a coordinated human service and public transportation plan for the four-county service area.	$150,000 per update, update 4 times	$ 38,083	$ 38,631	$ 39,213	$ 39,801	$ 40,398	$ 41,004	$ 41,619	$ 42,243	$ 42,877	$ 43,520	$ 44,173	$ 44,836	$ 45,508	$ 46,191	$ 46,884	$ 47,587	$ 48,301	$ 49,025	$ 49,761
5.1.A	Evaluate and purchase, to the extent viable, low emission, fuel-efficient and alternative fuel vehicles to replace and expand fleet.	$10K study so evaluate	$ 508	$ 515	$ 523	$ 531	$ 538	$ 547	$ 555	$ 563	$ 572	$ 580	$ 589	$ 598	$ 607	$ 616	$ 625	$ 634	$ 644	$ 654	$ 663
5.1.B	Evaluate and implement, to the extent viable, alternative sources of sustainable energy such as solar and wind for NCRTD bus shelters.	$10K study, $10,000 annually for implementation	$ 11,165	$ 11,332	$ 11,502	$ 11,675	$ 11,850	$ 12,028	$ 12,208	$ 12,391	$ 12,577	$ 12,766	$ 12,957	$ 13,152	$ 13,346	$ 13,549	$ 14,753	$ 14,959	$ 14,768	$ 14,981	$ 14,596
6.1.C	Provide annual Service Excellence training for all NCRTD staff.	$5k per annual training	$ 5,071	$ 5,151	$ 5,228	$ 5,307	$ 5,386	$ 5,467	$ 5,549	$ 5,632	$ 5,717	$ 5,803	$ 5,890	$ 5,978	$ 6,068	$ 6,158	$ 6,251	$ 6,345	$ 6,440	$ 6,537	$ 6,635
6.2.A	Expand marketing, education, and travel training to schools and employment centers served	$5K annually	$ 5,075	$ 5,151	$ 5,228	$ 5,307	$ 5,386	$ 5,467	$ 5,549	$ 5,632	$ 5,717	$ 5,803	$ 5,890	$ 5,978	$ 6,068	$ 6,159	$ 6,251	$ 6,345	$ 6,440	$ 6,537	$ 6,635
6.2.B	Conduct marketing effort to educate and attract visitors and tourists.	$70K annually	$ 10,150	$ 10,302	$ 10,457	$ 10,614	$ 10,773	$ 10,934	$ 11,098	$ 11,265	$ 11,434	$ 11,605	$ 11,779	$ 11,956	$ 12,136	$ 12,318	$ 12,502	$ 12,690	$ 12,880	$ 13,073	$ 13,270
6.2.C	Develop, conduct, and participate in initiatives that promote public transit.	$5K annually	$ 5,075	$ 5,151	$ 5,228	$ 5,307	$ 5,386	$ 5,467	$ 5,549	$ 5,632	$ 5,717	$ 5,803	$ 5,890	$ 5,978	$ 6,068	$ 6,159	$ 6,251	$ 6,345	$ 6,440	$ 6,537	$ 6,635
6.2.D	Evaluate potential to provide Guaranteed Ride Home program.	$5K one time	$ 254	$ 258	$ 261	$ 265	$ 269	$ 273	$ 277	$ 282	$ 286	$ 290	$ 294	$ 299	$ 303	$ 308	$ 313	$ 317	$ 322	$ 327	$ 332
	TOTAL Capital Initiatives		$ 1,149,026	$ 1,167,428	$ 1,174,464	$ 1,202,214	$ 1,209,882	$ 1,238,084	$ 1,246,554	$ 1,268,068	$ 1,275,656	$ 1,296,898	$ 1,314,215	$ 1,345,842	$ 1,353,838	$ 1,386,561	$ 1,394,857	$ 1,424,479	$ 1,437,033	$ 1,471,646	$ 1,480,451
Operating Initiatives																											
2.1.A	Provide service to all transit supportive areas with concentrations of transit dependent populations.	15% increase in existing revenue hours of 59,182 at $90/hr	$ 812,312	$ 824,496	$ 836,864	$ 849,417	$ 862,158	$ 875,090	$ 888,217	$ 901,540	$ 915,063	$ 928,789	$ 942,721	$ 956,862	$ 971,215	$ 985,783	$ 1,000,569	$ 1,015,578	$ 1,030,812	$ 1,046,274	$ 1,061,968
3.3.A	Conduct feasibility studies for highly requested new routes and implement those identified as feasible.	Assumes 4 new routes equivalent to 10K in new revenue service hours	$ 913,500	$ 927,203	$ 941,111	$ 955,227	$ 969,556	$ 984,099	$ 998,860	$ 1,013,843	$ 1,029,051	$ 1,044,487	$ 1,060,154	$ 1,076,056	$ 1,092,197	$ 1,108,580	$ 1,125,209	$ 1,142,087	$ 1,159,218	$ 1,176,607	$ 1,194,256
2.3.B	Increase frequency of productive routes.	59182 annual hours equiv at $90/hr, increase by 15%	$ 812,312	$ 824,496	$ 836,864	$ 849,417	$ 862,158	$ 875,090	$ 888,217	$ 901,540	$ 915,063	$ 928,789	$ 942,721	$ 956,862	$ 971,215	$ 985,783	$ 1,000,569	$ 1,015,578	$ 1,030,812	$ 1,046,274	$ 1,061,968
2.3.C	Add weekend service to productive routes.	half of current routes operate on Saturday ($59,182/2/52)	$ 569,931	$ 583,664	$ 557,909	$ 566,278	$ 574,772	$ 583,394	$ 592,144	$ 601,027	$ 610,042	$ 619,193	$ 628,481	$ 637,908	$ 647,476	$ 657,188	$ 667,046	$ 677,052	$ 687,208	$ 697,516	$ 707,979
3.2.A	Provide service to major regional tourist attractions for use by emp	Assumes 3 new routes equivalent to 5K in new revenue service hours	$ 452,750	$ 463,601	$ 470,555	$ 477,614	$ 484,778	$ 492,049	$ 499,430	$ 506,922	$ 514,525	$ 522,243	$ 530,077	$ 538,028	$ 546,098	$ 554,290	$ 562,604	$ 571,043	$ 579,609	$ 588,308	$ 597,128
3.2.B	Enhance and market service between Taos and Santa Fe to accommodate visitors travel.	add 500 revenue hours of service at $90/hour	$ 45,675	$ 46,360	$ 47,056	$ 47,761	$ 48,478	$ 49,205	$ 49,943	$ 50,692	$ 51,453	$ 52,224	$ 53,008	$ 53,803	$ 54,610	$ 55,429	$ 56,260	$ 57,104	$ 57,961	$ 58,830	$ 59,713
6.2.D	Achieve and maintain on-time performance of 90 percent at key time points (system-wide).	Increase recovery time to ensure schedule adherence (5% increase in hours)	$ 270,771	$ 274,832	$ 278,955	$ 283,139	$ 287,386	$ 291,697	$ 296,072	$ 300,514	$ 305,021	$ 309,596	$ 314,240	$ 318,954	$ 323,738	$ 328,594	$ 333,523	$ 338,526	$ 343,604	$ 348,758	$ 353,989
	TOTAL Operating Initiatives		$ 3,857,860	$ 3,910,653	$ 3,966,313	$ 4,028,853	$ 4,089,185	$ 4,150,624	$ 4,212,884	$ 4,276,077	$ 4,340,218	$ 4,405,321	$ 4,471,401	$ 4,538,472	$ 4,606,549	$ 4,675,647	$ 4,745,782	$ 4,816,969	$ 4,888,223	$ 4,960,561	$ 5,037,809
TOTAL STRATEGIC INITIATIVES			$ 4,992,886	$ 5,078,082	$ 5,140,776	$ 5,231,067	$ 5,299,067	$ 5,389,191	$ 5,459,438	$ 5,544,145	$ 5,615,874	$ 5,711,712	$ 5,785,613	$ 5,884,314	$ 5,960,464	$ 6,062,208	$ 6,140,638	$ 8,245,438	$ 8,326,240	$ 8,484,287	$ 6,517,451

Figure 2: Revenue Expenditure Comparison

Fiscal Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
NCRTD																			
Total Expenses NCRTD	$ 7,837,532	$ 6,565,930	$ 7,024,628	$ 8,518,714	$ 12,733,820	$ 7,245,961	$ 7,014,753	$ 7,259,669	$ 7,534,909	$ 7,641,156	$ 7,868,591	$ 8,077,399	$ 8,367,771	$ 8,529,304	$ 8,784,001	$ 9,015,271	$ 9,343,929	$ 9,530,197	$ 9,814,303
Total Revenues NCRTD	$ 6,945,075	$ 5,594,983	$ 5,564,764	$ 6,401,654	$ 11,390,755	$ 6,031,177	$ 5,988,577	$ 6,231,571	$ 6,401,103	$ 6,587,721	$ 6,779,938	$ 6,977,921	$ 7,181,844	$ 7,391,884	$ 7,608,226	$ 7,831,057	$ 8,060,574	$ 8,296,976	$ 8,540,471
Difference	$ (892,456)	$ (970,947)	$ (1,459,864)	$ (2,117,060)	$ (1,343,064)	$ (1,214,784)	$ (1,026,176)	$ (1,028,098)	$ (1,133,806)	$ (1,053,435)	$ (1,088,653)	$ (1,099,477)	$ (1,185,927)	$ (1,138,020)	$ (1,175,775)	$ (1,184,213)	$ (1,283,355)	$ (1,233,220)	$ (1,273,832)
Opening Fund Balance	$ 12,483,911	$ 11,591,455	$ 10,620,508	$ 9,160,644	$ 7,043,584	$ 5,700,519	$ 4,485,735	$ 3,459,559	$ 2,431,461	$ 1,297,656	$ 244,221	$ (844,432)	$ (1,938,909)	$ (3,124,836)	$ (4,262,856)	$ (5,438,631)	$ (6,622,844)	$ (7,906,199)	$ (9,139,419)
Ending Fund Balance	$ 11,591,455	$ 10,620,508	$ 9,160,644	$ 7,043,584	$ 5,700,519	$ 4,485,735	$ 3,459,559	$ 2,431,461	$ 1,297,656	$ 244,221	$ (844,432)	$ (1,938,909)	$ (3,124,836)	$ (4,262,856)	$ (5,438,631)	$ (6,622,844)	$ (7,906,199)	$ (9,139,419)	$ (10,413,251)
Investment in Capital Assets	$ 6,313,513	$ 6,376,649	$ 6,440,415	$ 6,504,819	$ 6,569,867	$ 6,635,566	$ 6,701,922	$ 6,768,941	$ 6,836,630	$ 6,904,997	$ 6,974,047	$ 7,043,787	$ 7,114,225	$ 7,185,367	$ 7,257,221	$ 7,329,793	$ 7,403,091	$ 7,477,122	$ 7,551,893
Unrestricted Fund Balance	$ 5,277,942	$ 4,243,860	$ 2,720,229	$ 538,764	$ (869,348)	$ (2,149,831)	$ (3,242,363)	$ (4,337,480)	$ (5,538,975)	$ (6,660,776)	$ (7,818,479)	$ (8,982,696)	$ (10,239,061)	$ (11,448,223)	$ (12,695,852)	$ (13,952,637)	$ (15,309,290)	$ (16,616,541)	$ (17,965,144)
Reserve Requirement	$ 2,883,094	$ 2,579,976	$ 2,607,858	$ 2,853,580	$ 4,138,450	$ 2,837,279	$ 2,866,513	$ 2,968,343	$ 3,053,039	$ 3,143,277	$ 3,236,221	$ 3,331,954	$ 3,430,559	$ 3,532,122	$ 3,636,732	$ 3,744,480	$ 3,855,461	$ 3,969,771	$ 4,087,510
% Reserve Balance	46%	41%	26%	5%	-5%	19%	-28%	-37%	-45%	-53%	-60%	-67%	-75%	-81%	-87%	-93%	-99%	-105%	-110%
SANTA FE TRAILS																			
Total Expenses SFT	$ 13,067,352	$ 16,162,370	$ 11,628,601	$ 11,786,659	$ 11,811,329	$ 12,365,869	$ 12,229,545	$ 12,802,631	$ 12,885,410	$ 13,978,172	$ 13,301,217	$ 14,314,854	$ 14,039,400	$ 14,675,182	$ 14,821,537	$ 15,481,813	$ 15,653,367	$ 16,337,568	$ 18,084,796
Total Revenues SFT	$ 13,214,258	$ 16,293,995	$ 11,744,072	$ 12,251,182	$ 12,367,506	$ 12,893,320	$ 13,028,908	$ 13,574,564	$ 13,730,589	$ 14,297,295	$ 14,475,003	$ 15,064,041	$ 15,264,751	$ 15,877,482	$ 16,102,595	$ 16,740,461	$ 16,991,464	$ 17,655,996	$ 17,934,465
Difference	$ 146,906	$ 131,625	$ 115,471	$ 485,523	$ 556,178	$ 527,451	$ 799,363	$ 771,933	$ 845,179	$ 319,123	$ 1,173,785	$ 749,187	$ 1,225,352	$ 1,202,301	$ 1,280,058	$ 1,258,648	$ 1,338,096	$ 1,318,428	$ (1,100,331)

Figure 3: Scenario 1-Current projected operating and capital revenues and expenditures for NCRTD and SFT with updated SFT capital cost projections.

Assumes no net cost savings and/or proposed staffing changes resulting from a merger.

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
REVENUES																	
NCRTD REVENUE SOURCES																	
GRT Revenues	$ 7,527,086	$ 7,752,898	$ 7,985,485	$ 8,225,050	$ 8,471,801	$ 8,725,955	$ 8,987,734	$ 9,257,366	$ 9,535,087	$ 9,821,139	$ 10,115,773	$ 10,419,247	$ 10,731,834	$ 11,053,779	$ 11,385,392	$ 11,726,954	$ 12,078,763
Federal Grants	$ 2,800,348	$ 3,556,120	$ 8,461,571	$ 3,016,035	$ 3,884,796	$ 3,036,492	$ 3,111,986	$ 3,201,246	$ 3,294,198	$ 3,389,424	$ 3,487,507	$ 3,588,532	$ 3,692,588	$ 3,799,766	$ 3,910,159	$ 4,023,864	$ 4,140,880
Member Local Match	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State Capital Outlay Appropriation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Savings, Short Term CD (Investments)	$ 21,238	$ 21,855	$ 22,510	$ 23,185	$ 23,881	$ 24,597	$ 25,335	$ 26,095	$ 26,878	$ 27,685	$ 28,515	$ 29,371	$ 30,252	$ 31,159	$ 32,094	$ 33,057	$ 34,049
Advertising Sales	$ 22,279	$ 22,947	$ 23,636	$ 24,345	$ 25,075	$ 25,827	$ 26,602	$ 27,400	$ 28,222	$ 29,069	$ 29,941	$ 30,839	$ 31,764	$ 32,717	$ 33,699	$ 34,710	$ 35,751
Auctioned Vehicles (Miscellaneous Revenue)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fares	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500
NCRTD GRT TRANSFERS OUT																	
GRT Transfer to Rail Runner	$ (2,307,458)	$ (2,376,681)	$ (2,447,982)	$ (2,521,421)	$ (2,597,064)	$ (2,674,976)	$ (2,755,225)	$ (2,837,882)	$ (2,923,018)	$ (3,010,708)	$ (3,101,030)	$ (3,194,061)	$ (3,289,883)	$ (3,388,579)	$ (3,490,237)	$ (3,594,944)	$ (3,702,792)
GRT Transfer to Atomic City	$ (1,505,417)	$ (1,550,580)	$ (1,597,097)	$ (1,645,010)	$ (1,694,360)	$ (1,745,191)	$ (1,797,547)	$ (1,851,473)	$ (1,907,017)	$ (1,964,228)	$ (2,023,155)	$ (2,083,849)	$ (2,146,365)	$ (2,210,756)	$ (2,277,078)	$ (2,345,391)	$ (2,415,753)
GRT Transfer to Santa Fe Trails	$ (1,053,793)	$ (1,085,406)	$ (1,117,968)	$ (1,151,507)	$ (1,186,052)	$ (1,221,634)	$ (1,258,283)	$ (1,296,031)	$ (1,334,912)	$ (1,374,960)	$ (1,416,208)	$ (1,458,695)	$ (1,502,455)	$ (1,547,529)	$ (1,593,955)	$ (1,641,774)	$ (1,691,027)
NET NCRTD REVENUES	**$ 5,564,764**	**$ 6,401,654**	**$ 11,390,755**	**$ 6,031,177**	**$ 5,988,577**	**$ 6,231,571**	**$ 6,401,103**	**$ 6,587,721**	**$ 6,779,938**	**$ 6,977,921**	**$ 7,181,844**	**$ 7,391,884**	**$ 7,608,226**	**$ 7,831,057**	**$ 8,060,574**	**$ 8,296,976**	**$ 8,540,471**
SANTA FE TRAILS REVENUE SOURCES																	
GRT Revenues	$ 7,473,483	$ 7,697,688	$ 7,928,618	$ 8,166,477	$ 8,411,471	$ 8,663,815	$ 8,923,730	$ 9,191,442	$ 9,467,185	$ 9,751,201	$ 10,043,737	$ 10,345,049	$ 10,655,400	$ 10,975,062	$ 11,304,314	$ 11,643,443	$ 11,992,747
NCRTD to SFT GRT Transfer	$ 1,053,792	$ 1,085,406	$ 1,117,968	$ 1,151,507	$ 1,186,052	$ 1,221,634	$ 1,258,283	$ 1,296,031	$ 1,334,912	$ 1,374,960	$ 1,416,208	$ 1,458,695	$ 1,502,455	$ 1,547,529	$ 1,593,955	$ 1,641,774	$ 1,691,027
45% Special Uses Lodgers Tax Fund (2113)	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000
Federal Grants	$ 2,429,746	$ 2,681,039	$ 2,533,870	$ 2,788,286	$ 2,644,335	$ 2,902,065	$ 2,761,527	$ 3,022,772	$ 2,885,856	$ 3,150,831	$ 3,017,756	$ 3,286,689	$ 3,157,690	$ 3,430,820	$ 3,306,145	$ 3,583,729	$ 3,463,641
Miscellaneous Revenues	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000
Fares	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000
SANTA FE TRAILS TRANSFERS OUT																	
Federal Operating Grants	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)
NET SANTA FE TRAILS REVENUES	**$ 11,744,072**	**$ 12,251,182**	**$ 12,367,506**	**$ 12,893,320**	**$ 13,028,908**	**$ 13,574,564**	**$ 13,730,589**	**$ 14,297,295**	**$ 14,475,003**	**$ 15,064,041**	**$ 15,264,751**	**$ 15,877,482**	**$ 16,102,505**	**$ 16,740,461**	**$ 16,991,464**	**$ 17,655,996**	**$ 17,934,465**
COMBINED REVENUES	**$ 17,308,835**	**$ 18,652,836**	**$ 23,758,261**	**$ 18,924,497**	**$ 19,017,485**	**$ 19,806,135**	**$ 20,131,692**	**$ 20,885,017**	**$ 21,254,941**	**$ 22,041,963**	**$ 22,446,595**	**$ 23,269,366**	**$ 23,710,823**	**$ 24,571,519**	**$ 25,052,038**	**$ 25,952,973**	**$ 26,474,935**
	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
OPERATING EXPENDITURES																	
NCRTD OPERATING EXPENDITURES																	
Operators' Salaries and Wages	$ 2,638,186	$ 2,717,331	$ 2,798,851	$ 2,882,817	$ 2,969,301	$ 3,058,381	$ 3,150,132	$ 3,244,636	$ 3,341,975	$ 3,442,234	$ 3,545,501	$ 3,651,866	$ 3,761,422	$ 3,874,265	$ 3,990,493	$ 4,110,208	$ 4,233,514
Other Salaries and Wages	$ 1,190,078	$ 1,225,780	$ 1,262,553	$ 1,300,430	$ 1,339,443	$ 1,379,626	$ 1,421,015	$ 1,463,645	$ 1,507,555	$ 1,552,781	$ 1,599,365	$ 1,647,346	$ 1,696,766	$ 1,747,669	$ 1,800,099	$ 1,854,102	$ 1,909,725
Fringe Benefits	$ 394,668	$ 406,508	$ 418,703	$ 431,265	$ 444,202	$ 457,529	$ 471,254	$ 485,392	$ 499,954	$ 514,952	$ 530,401	$ 546,313	$ 562,702	$ 579,583	$ 596,971	$ 614,880	$ 633,326
Services	$ 534,804	$ 550,848	$ 567,374	$ 584,395	$ 601,927	$ 619,985	$ 638,584	$ 657,742	$ 677,474	$ 697,798	$ 718,732	$ 740,294	$ 762,503	$ 785,378	$ 808,939	$ 833,208	$ 858,204
Fuel and Lubricants	$ 76,190	$ 78,475	$ 80,830	$ 83,254	$ 85,752	$ 88,325	$ 90,974	$ 93,704	$ 96,515	$ 99,410	$ 102,392	$ 105,464	$ 108,628	$ 111,887	$ 115,244	$ 118,701	$ 122,262
Tires and Tubes	$ 356,453	$ 367,147	$ 378,161	$ 389,506	$ 401,191	$ 413,227	$ 425,624	$ 438,392	$ 451,544	$ 465,091	$ 479,043	$ 493,415	$ 508,217	$ 523,463	$ 539,167	$ 555,342	$ 572,003
Other Materials and Supplies	$ 38,211	$ 39,357	$ 40,538	$ 41,754	$ 43,006	$ 44,297	$ 45,625	$ 46,994	$ 48,404	$ 49,856	$ 51,352	$ 52,892	$ 54,479	$ 56,113	$ 57,797	$ 59,531	$ 61,317
Utilities	$ 142,668	$ 146,948	$ 151,356	$ 155,897	$ 160,574	$ 165,391	$ 170,353	$ 175,464	$ 180,728	$ 186,149	$ 191,734	$ 197,486	$ 203,410	$ 209,513	$ 215,798	$ 222,272	$ 228,940
Casualty and Liability Costs	$ 6,892	$ 7,099	$ 7,312	$ 7,531	$ 7,757	$ 7,990	$ 8,230	$ 8,477	$ 8,731	$ 8,993	$ 9,263	$ 9,540	$ 9,827	$ 10,121	$ 10,425	$ 10,738	$ 11,060
Taxes	$ 379,479	$ 390,863	$ 402,589	$ 414,666	$ 427,106	$ 439,920	$ 453,117	$ 466,711	$ 480,712	$ 495,133	$ 509,987	$ 525,287	$ 541,046	$ 557,277	$ 573,995	$ 591,215	$ 608,952
Miscellaneous	$ 5,757,628	$ 5,930,357	$ 6,108,268	$ 6,291,516	$ 6,480,263	$ 6,674,669	$ 6,874,909	$ 7,081,156	$ 7,283,591	$ 7,512,399	$ 7,737,771	$ 7,969,904	$ 8,209,001	$ 8,455,271	$ 8,708,929	$ 8,970,197	$ 9,239,303
TOTAL NCRTD OPERATING EXPENDITURES																	
SANTA FE TRAILS OPERATING EXPENDITURES																	
Operators' Salaries and Wages	$ 3,273,899	$ 3,372,116	$ 3,473,280	$ 3,577,478	$ 3,684,802	$ 3,795,346	$ 3,909,207	$ 4,026,483	$ 4,147,278	$ 4,271,696	$ 4,399,847	$ 4,531,842	$ 4,667,797	$ 4,807,831	$ 4,952,066	$ 5,100,628	$ 5,253,647
Other Salaries and Wages	$ 1,495,319	$ 1,540,179	$ 1,586,384	$ 1,633,976	$ 1,682,995	$ 1,733,485	$ 1,785,490	$ 1,839,054	$ 1,894,226	$ 1,951,053	$ 2,009,584	$ 2,069,872	$ 2,131,968	$ 2,195,927	$ 2,261,805	$ 2,329,659	$ 2,399,549
Fringe Benefits	$ 2,359,976	$ 2,430,775	$ 2,503,698	$ 2,578,809	$ 2,656,174	$ 2,735,859	$ 2,817,935	$ 2,902,473	$ 2,989,547	$ 3,079,233	$ 3,171,610	$ 3,266,759	$ 3,364,763	$ 3,465,704	$ 3,569,675	$ 3,676,766	$ 3,787,068
Services	$ 654,715	$ 674,357	$ 694,587	$ 715,425	$ 736,888	$ 758,994	$ 781,764	$ 805,217	$ 829,374	$ 854,255	$ 879,883	$ 906,279	$ 933,467	$ 961,471	$ 990,316	$ 1,020,025	$ 1,050,626
Fuel and Lubricants	$ 500,357	$ 515,368	$ 530,829	$ 546,754	$ 563,157	$ 580,051	$ 597,453	$ 615,376	$ 633,838	$ 652,853	$ 672,438	$ 692,612	$ 713,390	$ 734,792	$ 756,835	$ 779,540	$ 802,927
Tires and Tubes	$ 70,598	$ 72,715	$ 74,897	$ 77,144	$ 79,458	$ 81,842	$ 84,297	$ 86,826	$ 89,431	$ 92,114	$ 94,877	$ 97,724	$ 100,655	$ 103,675	$ 106,785	$ 109,989	$ 113,288
Other Materials and Supplies	$ 171,046	$ 176,177	$ 181,463	$ 186,906	$ 192,514	$ 198,289	$ 204,238	$ 210,365	$ 216,676	$ 223,176	$ 229,871	$ 236,767	$ 243,870	$ 251,187	$ 258,722	$ 266,484	$ 274,479
Utilities	$ 133,138	$ 137,132	$ 141,246	$ 145,483	$ 149,847	$ 154,343	$ 158,973	$ 163,742	$ 168,655	$ 173,714	$ 178,926	$ 184,294	$ 189,822	$ 195,517	$ 201,383	$ 207,424	$ 213,647
Casualty and Liability Costs	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	$ 909,553	$ 936,840	$ 964,945	$ 993,893	$ 1,023,710	$ 1,054,421	$ 1,086,054	$ 1,118,635	$ 1,152,194	$ 1,186,760	$ 1,222,363	$ 1,259,034	$ 1,296,806	$ 1,335,709	$ 1,375,780	$ 1,417,054	$ 1,459,565
TOTAL SANTA FE TRAILS OPERATING EXPENDITURES	**$ 9,848,601**	**$ 10,135,659**	**$ 10,431,329**	**$ 10,735,869**	**$ 11,049,545**	**$ 11,372,631**	**$ 11,705,410**	**$ 12,048,172**	**$ 12,401,237**	**$ 12,764,854**	**$ 13,139,400**	**$ 13,525,182**	**$ 13,922,537**	**$ 14,331,813**	**$ 14,753,367**	**$ 15,187,568**	**$ 15,634,796**
COMBINED OPERATING EXPENDITURES																	
Operators' Salaries and Wages	$ 7,407,405	$ 7,629,627	$ 7,858,515	$ 8,094,271	$ 8,337,099	$ 8,587,212	$ 8,844,828	$ 9,110,173	$ 9,383,478	$ 9,664,983	$ 9,954,932	$ 10,253,580	$ 10,561,188	$ 10,878,023	$ 11,204,364	$ 11,540,495	$ 11,886,710
Other Salaries and Wages	$ 3,550,053	$ 3,656,555	$ 3,766,252	$ 3,879,239	$ 3,995,616	$ 4,115,485	$ 4,238,949	$ 4,366,118	$ 4,497,101	$ 4,632,015	$ 4,770,975	$ 4,914,104	$ 5,061,527	$ 5,213,373	$ 5,369,774	$ 5,530,868	$ 5,696,794
Fringe Benefits	$ 1,049,383	$ 1,080,865	$ 1,113,291	$ 1,146,690	$ 1,181,090	$ 1,216,523	$ 1,253,019	$ 1,290,609	$ 1,329,327	$ 1,369,207	$ 1,410,283	$ 1,452,592	$ 1,496,170	$ 1,541,065	$ 1,587,286	$ 1,634,905	$ 1,683,952
Services	$ 1,035,162	$ 1,066,216	$ 1,098,203	$ 1,131,149	$ 1,165,084	$ 1,200,036	$ 1,236,037	$ 1,273,118	$ 1,311,312	$ 1,350,651	$ 1,391,171	$ 1,432,906	$ 1,475,893	$ 1,520,170	$ 1,565,775	$ 1,612,748	$ 1,661,130
Fuel and Lubricants	$ 146,787	$ 151,191	$ 155,727	$ 160,398	$ 165,210	$ 170,167	$ 175,272	$ 180,530	$ 185,946	$ 191,524	$ 197,270	$ 203,188	$ 209,283	$ 215,562	$ 222,029	$ 228,690	$ 235,550
Tires and Tubes	$ 527,499	$ 543,324	$ 559,624	$ 576,412	$ 593,705	$ 611,516	$ 629,861	$ 648,757	$ 668,220	$ 688,267	$ 708,915	$ 730,182	$ 752,087	$ 774,650	$ 797,890	$ 821,826	$ 846,481
Other Materials and Supplies	$ 171,348	$ 176,489	$ 181,783	$ 187,237	$ 192,854	$ 198,639	$ 204,599	$ 210,737	$ 217,059	$ 223,570	$ 230,278	$ 237,186	$ 244,301	$ 251,630	$ 259,179	$ 266,955	$ 274,963
Utilities	$ 422,668	$ 426,948	$ 431,356	$ 435,897	$ 440,574	$ 445,391	$ 450,353	$ 455,464	$ 460,728	$ 466,149	$ 471,734	$ 477,486	$ 483,410	$ 489,513	$ 495,798	$ 502,272	$ 508,940
Casualty and Liability Costs	$ 6,892	$ 7,099	$ 7,312	$ 7,531	$ 7,757	$ 7,990	$ 8,230	$ 8,477	$ 8,731	$ 8,993	$ 9,263	$ 9,540	$ 9,827	$ 10,121	$ 10,425	$ 10,738	$ 11,060
Taxes	$ 1,289,031	$ 1,327,702	$ 1,367,533	$ 1,408,559	$ 1,450,816	$ 1,494,341	$ 1,539,171	$ 1,585,346	$ 1,632,907	$ 1,681,894	$ 1,732,351	$ 1,784,321	$ 1,837,851	$ 1,892,986	$ 1,949,776	$ 2,008,269	$ 2,068,517
Miscellaneous	$ 15,606,229	$ 16,066,016	$ 16,539,596	$ 17,027,384	$ 17,529,806	$ 18,047,300	$ 18,580,318	$ 19,129,328	$ 19,694,808	$ 20,277,253	$ 20,877,170	$ 21,495,085	$ 22,131,538	$ 22,787,084	$ 23,462,296	$ 24,157,765	$ 24,874,098
TOTAL COMBINED OPERATING EXPENDITURES																	
NCRTD CAPITAL EXPENDITURES																	
Fleet	$ 637,000	$ 903,000	$ 317,000	$ 655,000	$ 402,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
Stop/Stop Amenities	$ 80,000	$ 482,500	$ 70,000	$ 70,000	$ 70,000	$ 60,000	$ 80,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000

Facilities	$ 550,000	$ 653,000	$ 5,668,552	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Technology	$ -	$ 549,857	$ 25,000	$ 229,445	$ 62,492	$ 25,000	$ 30,000	$ -	$ 5,000	$ -	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -
Other	$ -	$ -	$ 45,000	$ -	$ -	$ -	$ 50,000	$ -	$ -	$ -	$ 55,000	$ -	$ -	$ -	$ 60,000	$ -	$ -	$ -	$ -
TOTAL NCRTD CAPITAL EXPENDITURES	$ 1,267,000	$ 2,588,357	$ 6,625,552	$ 954,445	$ 534,492	$ 585,000	$ 660,000	$ 560,000	$ 575,000	$ 560,000	$ 630,000	$ 560,000	$ 575,000	$ 560,000	$ 635,000	$ 560,000	$ 575,000		
SANTA FE TRAILS CAPITAL EXPENDITURES																			
Fleet	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000		
Stop/Stop Amenities	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Facilities	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,500,000		
Technology	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
TOTAL SANTA FE TRAILS CAPITAL EXPENDITURES	$ 1,500,000	$ 1,350,000	$ 1,100,000	$ 1,350,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,650,000	$ 900,000	$ 1,550,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 3,400,000		
SANTA FE TRAILS DEBT SERVICE																			
MMFA Transit - Buses Loan (2026)	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000											
TOTAL DEBT SERVICE	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
COMBINED CAPITAL EXPENDITURES																			
Fleet	$ 1,537,000	$ 2,053,000	$ 1,717,000	$ 1,805,000	$ 1,302,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000		
Stop/Stop Amenities	$ 280,000	$ 682,500	$ 270,000	$ 270,000	$ 70,000	$ 60,000	$ 80,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000		
Facilities	$ 950,000	$ 653,000	$ 5,668,552	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,500,000		
Technology	$ -	$ 549,857	$ 25,000	$ 229,445	$ 62,492	$ 25,000	$ 30,000	$ 500,000	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000		
Other	$ -	$ -	$ 45,000	$ -	$ -	$ -	$ 50,000	$ -	$ -	$ -	$ 55,000	$ -	$ -	$ -	$ 60,000	$ -	$ -		
TOTAL COMBINED CAPITAL EXPENDITURES	$ 3,047,000	$ 4,218,357	$ 8,005,552	$ 2,584,445	$ 1,734,492	$ 2,015,000	$ 1,840,000	$ 2,490,000	$ 1,475,000	$ 2,110,000	$ 1,530,000	$ 1,710,000	$ 1,475,000	$ 1,710,000	$ 1,535,000	$ 1,710,000	$ 3,975,000		

NCRTD/SANTA FE TRAILS MERGER - SCENARIO 1	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
TOTAL COMBINED REVENUES	$ 17,308,835	$ 18,657,836	$ 23,758,261	$ 18,924,497	$ 19,017,485	$ 19,806,135	$ 20,131,693	$ 20,885,017	$ 21,254,941	$ 22,041,963	$ 22,446,595	$ 23,268,366	$ 23,710,821	$ 24,571,519	$ 25,052,038	$ 25,952,973	$ 26,474,935
TOTAL COMBINED OPERATING EXPENDITURES	$ 15,606,229	$ 16,066,016	$ 16,539,596	$ 17,027,384	$ 17,529,806	$ 18,047,300	$ 18,580,318	$ 19,129,328	$ 19,694,808	$ 20,277,253	$ 20,877,170	$ 21,495,085	$ 22,131,538	$ 22,787,084	$ 23,462,296	$ 24,157,765	$ 24,874,098
TOTAL COMBINED CAPITAL EXPENDITURES	$ 3,047,000	$ 4,218,357	$ 8,005,552	$ 2,584,445	$ 1,734,492	$ 2,015,000	$ 1,840,000	$ 2,490,000	$ 1,475,000	$ 2,110,000	$ 1,530,000	$ 1,710,000	$ 1,475,000	$ 1,710,000	$ 1,535,000	$ 1,710,000	$ 3,975,000
DIFFERENCE	$ (1,344,394)	$ (1,631,537)	$ (786,887)	$ (687,333)	$ (226,813)	$ (256,165)	$ (288,620)	$ (734,312)	$ 85,133	$ (345,290)	$ 39,425	$ 64,281	$ 104,283	$ 74,435	$ 54,742	$ 85,207	$ (2,374,163)
OPENING FUND BALANCE	$ 12,627,568	$ 11,283,174	$ 9,651,637	$ 8,864,750	$ 8,177,417	$ 7,950,605	$ 7,694,440	$ 7,405,814	$ 6,671,502	$ 6,756,635	$ 6,411,345	$ 6,450,770	$ 6,515,051	$ 6,619,334	$ 6,693,769	$ 6,748,510	$ 6,833,718
ENDING FUND BALANCE	$ 11,283,174	$ 9,651,637	$ 8,864,750	$ 8,177,417	$ 7,950,605	$ 7,694,440	$ 7,405,814	$ 6,671,502	$ 6,756,635	$ 6,411,345	$ 6,450,770	$ 6,515,051	$ 6,619,334	$ 6,693,769	$ 6,748,510	$ 6,833,718	$ 4,459,555
INVESTMENT IN CAPITAL ASSETS	$ 6,440,415	$ 6,504,819	$ 6,569,867	$ 6,635,566	$ 6,701,922	$ 6,768,941	$ 6,836,630	$ 6,904,997	$ 6,974,047	$ 7,043,787	$ 7,114,225	$ 7,185,367	$ 7,257,221	$ 7,329,793	$ 7,403,091	$ 7,477,122	$ 7,551,893
UNRESTRICTED FUND BALANCE	$ 4,842,759	$ 3,146,818	$ 2,294,883	$ 1,541,851	$ 1,248,683	$ 925,499	$ 569,183	$ (233,495)	$ (217,412)	$ (632,442)	$ (663,455)	$ (670,316)	$ (637,887)	$ (636,024)	$ (654,581)	$ (643,404)	$ (3,092,338)
RESERVE BALANCE REQUIREMENT (25% 2017-2020)	$ 5,280,427	$ 5,645,024															
RESERVE BALANCE REQUIREMENT (20% 2021-2025)			$ 5,560,668	$ 4,618,186	$ 4,661,782	$ 4,845,260	$ 4,936,893										
RESERVE BALANCE REQUIREMENT (15% 2026-2035)								$ 3,836,156	$ 3,932,746	$ 4,052,535	$ 4,135,617	$ 4,287,091	$ 4,372,060	$ 4,525,628	$ 4,622,903	$ 4,783,996	$ 4,889,022
% RESERVE BALANCE	22.9%	13.9%	8.3%	6.7%	5.4%	3.8%	2.3%	-0.9%	-0.8%	2.3%	2.4%	-2.3%	-2.2%	-2.1%	2.1%	-2.0%	-9.5%
BOARD REQ RESERVE BALANCE DIFFERENCE	$ (437,669)	$ (2,498,206)	$ (3,265,785)	$ (3,076,334)	$ (3,413,099)	$ (3,919,761)	$ (4,367,709)	$ (4,069,650)	$ (4,130,158)	$ (4,684,977)	$ (4,799,072)	$ (4,952,408)	$ (5,009,947)	$ (5,161,652)	$ (5,277,484)	$ (5,427,400)	$ (7,981,360)
RESERVE BALANCE REQUIREMENT (8% DISTRICT STATUTORY REQ)	$ 1,689,737	$ 1,806,408	$ 2,224,267	$ 1,847,274	$ 1,864,713	$ 1,938,104	$ 1,974,757	$ 2,045,950	$ 2,086,798	$ 2,161,352	$ 2,205,662	$ 2,283,782	$ 2,331,765	$ 2,413,868	$ 2,465,548	$ 2,553,465	$ 2,607,478
DISTRICT REQ RESERVE BALANCE DIFFERENCE	$ 3,153,022	$ 1,340,410	$ 70,616	$ (305,423)	$ (616,030)	$ (1,012,605)	$ (1,405,574)	$ (2,279,444)	$ (2,304,210)	$ (2,793,794)	$ (2,869,118)	$ (2,954,099)	$ (2,969,653)	$ (3,049,693)	$ (3,120,129)	$ (3,194,869)	$ (5,699,827)

Figure 4: Scenario 2-Modification of the base case including assumed net expenditures saving and staff additions resulting from a merger.

Scenario 2: Modification of the base case including assumed net expenditures saving and staff additions resulting from a merger.
Elimination of the Lodgers' Tax for FY 2021 through FY 2035

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
REVENUES																	
NCRTD REVENUE SOURCES																	
GRT Revenues	$ 7,527,086	$ 7,752,898	$ 7,985,485	$ 8,225,050	$ 8,471,801	$ 8,725,955	$ 8,987,734	$ 9,257,366	$ 9,535,087	$ 9,821,139	$ 10,115,773	$ 10,419,247	$ 10,731,824	$ 11,053,779	$ 11,385,392	$ 11,726,954	$ 12,078,763
Federal Grants	$ 2,800,348	$ 3,556,120	$ 8,461,671	$ 3,016,035	$ 2,884,796	$ 3,036,492	$ 3,111,986	$ 3,201,746	$ 3,294,198	$ 3,389,424	$ 3,487,507	$ 3,588,532	$ 3,692,588	$ 3,799,766	$ 3,910,159	$ 4,023,864	$ 4,140,980
Member Local Match	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State Capital Outlay Appropriation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Savings, Short Term CD (Investments)	$ 21,218	$ 21,855	$ 22,510	$ 23,185	$ 23,881	$ 24,597	$ 25,335	$ 26,095	$ 26,878	$ 27,685	$ 28,515	$ 29,371	$ 30,252	$ 31,159	$ 32,094	$ 33,057	$ 34,049
Advertising Sales	$ 22,279	$ 22,947	$ 23,636	$ 24,345	$ 25,075	$ 25,827	$ 26,602	$ 27,400	$ 28,222	$ 29,069	$ 29,941	$ 30,839	$ 31,764	$ 32,717	$ 33,699	$ 34,710	$ 35,751
Auctioned Vehicles (Miscellaneous Revenue)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fares	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500
NCRTD GRT TRANSFERS OUT																	
GRT Transfer to Rail Runner	$ (2,307,458)	$ (2,376,681)	$ (2,447,982)	$ (2,521,421)	$ (2,597,064)	$ (2,674,976)	$ (2,755,225)	$ (2,837,882)	$ (2,923,018)	$ (3,010,709)	$ (3,101,030)	$ (3,194,061)	$ (3,289,883)	$ (3,388,579)	$ (3,490,237)	$ (3,594,944)	$ (3,702,792)
GRT Transfer to Atomic City	$ (1,505,417)	$ (1,550,580)	$ (1,597,097)	$ (1,645,010)	$ (1,694,360)	$ (1,745,191)	$ (1,797,547)	$ (1,851,473)	$ (1,907,017)	$ (1,964,228)	$ (2,023,155)	$ (2,083,849)	$ (2,146,365)	$ (2,210,756)	$ (2,277,078)	$ (2,345,391)	$ (2,415,753)
GRT Transfer to Santa Fe Trails	$ (1,053,792)	$ (1,085,406)	$ (1,117,968)	$ (1,151,507)	$ (1,186,052)	$ (1,221,634)	$ (1,258,283)	$ (1,296,031)	$ (1,334,912)	$ (1,374,960)	$ (1,416,208)	$ (1,458,695)	$ (1,502,455)	$ (1,547,529)	$ (1,593,955)	$ (1,641,774)	$ (1,691,027)
NET NCRTD REVENUES	$ 5,564,764	$ 6,401,654	$ 11,390,755	$ 6,031,177	$ 5,948,577	$ 6,231,571	$ 6,401,103	$ 6,587,721	$ 6,779,938	$ 6,977,921	$ 7,181,844	$ 7,391,884	$ 7,608,226	$ 7,831,057	$ 8,060,574	$ 8,296,976	$ 8,540,471
SANTA FE TRAILS REVENUE SOURCES																	
GRT Revenues	$ 7,473,483	$ 7,697,688	$ 7,928,618	$ 8,166,477	$ 8,411,471	$ 8,663,815	$ 8,923,730	$ 9,191,442	$ 9,467,185	$ 9,751,201	$ 10,043,737	$ 10,345,049	$ 10,655,400	$ 10,975,062	$ 11,304,314	$ 11,643,443	$ 11,992,747
NCRTD to SFT GRT Transfer	$ 1,053,792	$ 1,085,406	$ 1,117,968	$ 1,151,507	$ 1,186,052	$ 1,221,634	$ 1,258,283	$ 1,296,031	$ 1,334,912	$ 1,374,960	$ 1,416,208	$ 1,458,695	$ 1,502,455	$ 1,547,529	$ 1,593,955	$ 1,641,774	$ 1,691,027
45% Special Uses Lodgers Tax Fund (2113)	$ 300,000	$ 300,000															
Federal Grants	$ 2,429,746	$ 2,681,039	$ 2,533,870	$ 2,788,286	$ 2,644,335	$ 2,902,065	$ 2,761,527	$ 3,022,772	$ 2,885,858	$ 3,150,831	$ 3,017,756	$ 3,286,689	$ 3,157,690	$ 3,430,820	$ 3,306,145	$ 3,583,729	$ 3,463,641
Miscellaneous Revenues	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000
Fares	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000
SANTA FE TRAILS TRANSFERS OUT																	
Federal Operating Grants	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)
NET SANTA FE TRAILS REVENUES	$ 11,744,072	$ 12,251,182	$ 12,067,506	$ 12,593,320	$ 12,728,908	$ 13,274,564	$ 13,430,589	$ 13,997,295	$ 14,175,003	$ 14,764,041	$ 14,964,751	$ 15,577,482	$ 15,802,595	$ 16,440,461	$ 16,691,464	$ 17,355,996	$ 17,634,465
COMBINED REVENUES	$ 17,308,835	$ 18,652,836	$ 23,458,261	$ 18,624,497	$ 18,717,485	$ 19,506,135	$ 19,831,693	$ 20,585,017	$ 20,954,941	$ 21,741,963	$ 22,146,595	$ 22,969,366	$ 23,410,821	$ 24,271,519	$ 24,752,038	$ 25,652,973	$ 26,174,935
	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
OPERATING EXPENDITURES																	
NCRTD OPERATING EXPENDITURES																	
Operators' Salaries and Wages	$ 2,638,136	$ 2,717,331	$ 2,798,851	$ 2,882,817	$ 2,969,301	$ 3,058,381	$ 3,150,132	$ 3,244,636	$ 3,341,975	$ 3,442,234	$ 3,545,501	$ 3,651,866	$ 3,761,422	$ 3,874,265	$ 3,990,493	$ 4,110,208	$ 4,233,514
Other Salaries and Wages																	
Fringe Benefits	$ 1,190,078	$ 1,225,780	$ 1,262,553	$ 1,300,430	$ 1,339,443	$ 1,379,626	$ 1,421,015	$ 1,463,645	$ 1,507,555	$ 1,552,781	$ 1,599,365	$ 1,647,346	$ 1,696,766	$ 1,747,669	$ 1,800,099	$ 1,854,102	$ 1,909,725
Services	$ 394,668	$ 406,508	$ 418,703	$ 431,265	$ 444,202	$ 457,529	$ 471,254	$ 485,392	$ 499,954	$ 514,952	$ 530,401	$ 546,313	$ 562,702	$ 579,583	$ 596,971	$ 614,880	$ 633,326
Fuel and Lubricants	$ 534,804	$ 550,848	$ 567,374	$ 584,395	$ 601,927	$ 619,985	$ 638,584	$ 657,742	$ 677,474	$ 697,798	$ 718,732	$ 740,294	$ 762,503	$ 785,378	$ 808,939	$ 833,208	$ 858,204
Tires and Tubes	$ 76,190	$ 78,475	$ 80,830	$ 83,254	$ 85,752	$ 88,325	$ 90,974	$ 93,704	$ 96,515	$ 99,410	$ 102,392	$ 105,464	$ 108,628	$ 111,887	$ 115,244	$ 118,701	$ 122,262
Other Materials and Supplies	$ 356,493	$ 367,147	$ 378,161	$ 389,506	$ 401,191	$ 413,227	$ 425,624	$ 438,392	$ 451,544	$ 465,091	$ 479,043	$ 493,415	$ 508,217	$ 523,463	$ 539,167	$ 555,342	$ 572,003
Utilities	$ 38,211	$ 39,357	$ 40,538	$ 41,754	$ 43,006	$ 44,297	$ 45,625	$ 46,994	$ 48,404	$ 49,856	$ 51,352	$ 52,892	$ 54,479	$ 56,113	$ 57,797	$ 59,531	$ 61,317
Casualty and Liability Costs	$ 142,668	$ 146,948	$ 151,356	$ 155,897	$ 160,574	$ 165,391	$ 170,353	$ 175,464	$ 180,728	$ 186,149	$ 191,734	$ 197,486	$ 203,410	$ 209,513	$ 215,798	$ 222,272	$ 228,940
Taxes	$ 6,892	$ 7,099	$ 7,312	$ 7,531	$ 7,757	$ 7,990	$ 8,230	$ 8,477	$ 8,731	$ 8,993	$ 9,263	$ 9,540	$ 9,827	$ 10,121	$ 10,425	$ 10,738	$ 11,060
Miscellaneous	$ 379,479	$ 390,863	$ 402,589	$ 414,666	$ 427,106	$ 439,920	$ 453,117	$ 466,711	$ 480,712	$ 495,133	$ 509,987	$ 525,287	$ 541,046	$ 557,277	$ 573,995	$ 591,215	$ 608,952
TOTAL NCRTD OPERATING EXPENDITURES	$ 5,757,629	$ 5,930,357	$ 6,108,268	$ 6,291,516	$ 6,480,261	$ 6,674,669	$ 6,874,909	$ 7,081,156	$ 7,293,591	$ 7,512,399	$ 7,737,771	$ 7,969,904	$ 8,209,003	$ 8,455,273	$ 8,708,929	$ 8,970,197	$ 9,239,303
SANTA FE TRAILS OPERATING EXPENDITURES																	
Operators' Salaries and Wages	$ 3,273,899	$ 3,372,116	$ 3,473,280	$ 3,577,478	$ 3,684,802	$ 3,795,346	$ 3,909,207	$ 4,026,483	$ 4,147,278	$ 4,271,696	$ 4,399,847	$ 4,531,842	$ 4,667,797	$ 4,807,831	$ 4,952,066	$ 5,100,628	$ 5,253,647
Other Salaries and Wages	$ 1,495,319	$ 1,540,179	$ 1,586,384	$ 1,633,976	$ 1,682,995	$ 1,733,485	$ 1,785,490	$ 1,839,054	$ 1,894,226	$ 1,951,053	$ 2,009,584	$ 2,069,872	$ 2,131,968	$ 2,195,927	$ 2,261,805	$ 2,329,659	$ 2,399,549
Fringe Benefits	$ 2,359,976	$ 2,430,775	$ 2,503,698	$ 2,578,809	$ 2,656,174	$ 2,735,859	$ 2,817,935	$ 2,902,473	$ 2,989,547	$ 3,079,233	$ 3,171,610	$ 3,266,759	$ 3,364,761	$ 3,465,704	$ 3,569,675	$ 3,676,766	$ 3,787,068
Services	$ 654,715	$ 674,357	$ 694,587	$ 715,425	$ 736,888	$ 758,994	$ 781,764	$ 805,217	$ 829,374	$ 854,255	$ 879,883	$ 906,279	$ 933,467	$ 961,471	$ 990,316	$ 1,020,025	$ 1,050,626
Fuel and Lubricants	$ 500,357	$ 515,368	$ 530,829	$ 546,754	$ 563,157	$ 580,051	$ 597,453	$ 615,376	$ 633,838	$ 652,853	$ 672,438	$ 692,612	$ 713,390	$ 734,792	$ 756,835	$ 779,540	$ 802,927
Tires and Tubes	$ 70,598	$ 72,715	$ 74,897	$ 77,144	$ 79,458	$ 81,842	$ 84,297	$ 86,826	$ 89,431	$ 92,114	$ 94,877	$ 97,724	$ 100,655	$ 103,675	$ 106,785	$ 109,989	$ 113,288
Other Materials and Supplies	$ 171,046	$ 176,177	$ 181,463	$ 186,906	$ 192,514	$ 198,289	$ 204,238	$ 210,365	$ 216,676	$ 223,178	$ 229,873	$ 236,767	$ 243,870	$ 251,187	$ 258,722	$ 266,484	$ 274,478
Utilities	$ 133,138	$ 137,132	$ 141,246	$ 145,483	$ 149,847	$ 154,343	$ 158,973	$ 163,742	$ 168,655	$ 173,714	$ 178,926	$ 184,294	$ 189,822	$ 195,517	$ 201,383	$ 207,414	$ 213,647
Casualty and Liability Costs	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	$ 909,553	$ 936,840	$ 964,945	$ 993,893	$ 1,023,710	$ 1,054,421	$ 1,086,054	$ 1,118,635	$ 1,152,194	$ 1,186,760	$ 1,222,363	$ 1,258,034	$ 1,296,805	$ 1,335,709	$ 1,375,780	$ 1,417,054	$ 1,459,565
TOTAL SANTA FE TRAILS OPERATING EXPENDITURES	$ 9,848,601	$ 10,135,659	$ 10,431,329	$ 10,735,868	$ 11,049,545	$ 11,372,631	$ 11,705,410	$ 12,048,172	$ 12,401,227	$ 12,764,854	$ 13,139,409	$ 13,525,182	$ 13,922,537	$ 14,331,813	$ 14,753,367	$ 15,187,568	$ 15,634,796
COMBINED OPERATING EXPENDITURES																	
Operators' Salaries and Wages	$ 7,407,405	$ 7,629,627	$ 7,858,515	$ 8,094,271	$ 8,337,099	$ 8,587,212	$ 8,844,828	$ 9,110,173	$ 9,383,478	$ 9,664,983	$ 9,954,932	$ 10,253,580	$ 10,561,188	$ 10,878,023	$ 11,204,364	$ 11,540,495	$ 11,886,710
Other Salaries and Wages																	
Fringe Benefits	$ 3,550,053	$ 3,656,555	$ 3,766,252	$ 3,879,239	$ 3,995,616	$ 4,115,485	$ 4,238,949	$ 4,366,118	$ 4,497,101	$ 4,632,015	$ 4,770,975	$ 4,914,104	$ 5,061,527	$ 5,213,373	$ 5,369,774	$ 5,530,868	$ 5,696,794
Services	$ 1,049,383	$ 1,080,865	$ 1,113,291	$ 1,146,690	$ 1,181,090	$ 1,216,523	$ 1,253,019	$ 1,290,609	$ 1,329,327	$ 1,369,207	$ 1,410,283	$ 1,452,592	$ 1,496,170	$ 1,541,055	$ 1,587,286	$ 1,634,905	$ 1,683,952
Fuel and Lubricants	$ 1,035,162	$ 1,066,216	$ 1,098,203	$ 1,131,149	$ 1,165,084	$ 1,200,036	$ 1,236,037	$ 1,273,118	$ 1,311,312	$ 1,350,651	$ 1,391,171	$ 1,432,906	$ 1,475,893	$ 1,520,170	$ 1,565,775	$ 1,612,748	$ 1,661,130
Tires and Tubes	$ 146,787	$ 151,191	$ 155,727	$ 160,398	$ 165,210	$ 170,167	$ 175,272	$ 180,530	$ 185,946	$ 191,524	$ 197,270	$ 203,188	$ 209,283	$ 215,562	$ 222,029	$ 228,690	$ 235,550
Other Materials and Supplies	$ 527,499	$ 543,324	$ 559,624	$ 576,412	$ 593,705	$ 611,516	$ 629,861	$ 648,757	$ 668,220	$ 688,267	$ 708,915	$ 730,182	$ 752,087	$ 774,650	$ 797,890	$ 821,826	$ 846,481
Utilities	$ 171,348	$ 176,489	$ 181,783	$ 187,237	$ 192,854	$ 198,639	$ 204,598	$ 210,737	$ 217,059	$ 223,570	$ 230,278	$ 237,186	$ 244,301	$ 251,630	$ 259,179	$ 266,955	$ 274,963
Casualty and Liability Costs	$ 422,668	$ 426,948	$ 431,356	$ 435,897	$ 440,574	$ 445,391	$ 450,353	$ 455,464	$ 460,728	$ 466,149	$ 471,734	$ 477,486	$ 483,410	$ 489,513	$ 495,798	$ 502,272	$ 508,940
Taxes	$ 6,892	$ 7,099	$ 7,312	$ 7,531	$ 7,757	$ 7,990	$ 8,230	$ 8,477	$ 8,731	$ 8,993	$ 9,263	$ 9,540	$ 9,827	$ 10,121	$ 10,425	$ 10,738	$ 11,060
Miscellaneous	$ 1,289,031	$ 1,327,702	$ 1,367,533	$ 1,408,559	$ 1,450,816	$ 1,494,341	$ 1,539,171	$ 1,585,346	$ 1,632,907	$ 1,681,894	$ 1,732,351	$ 1,784,321	$ 1,837,851	$ 1,892,986	$ 1,949,776	$ 2,008,269	$ 2,068,517
TOTAL COMBINED OPERATING EXPENDITURES	$ 15,606,229	$ 16,066,016	$ 16,539,596	$ 17,027,384	$ 17,529,806	$ 18,047,300	$ 18,580,313	$ 19,129,328	$ 19,694,808	$ 20,277,253	$ 20,877,170	$ 21,495,085	$ 22,131,538	$ 22,787,084	$ 23,462,296	$ 24,157,765	$ 24,874,098
NCRTD CAPITAL EXPENDITURES																	
Fleet	$ 637,000	$ 903,000	$ 817,000	$ 655,000	$ 402,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000

Stop/Stop Amenities	$ 80,000	$ 482,500	$ 70,000	$ 70,000	$ 70,000	$ 60,000	$ 80,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000
Facilities	$ 550,000	$ 653,000	$ 5,668,552	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Technology	$ -	$ 549,857	$ 25,000	$ 229,445	$ 62,492	$ 25,000	$ 30,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -
Other	$ -	$ -	$ 45,000	$ -	$ -	$ -	$ 50,000	$ -	$ -	$ -	$ 55,000	$ -	$ -	$ -	$ -	$ 60,000	$ -	$ -	$ -	$ -
TOTAL NCRTD CAPITAL EXPENDITURES	$ 1,267,000	$ 2,588,357	$ 6,625,552	$ 954,445	$ 594,492	$ 585,000	$ 660,000	$ 560,000	$ 575,000	$ 560,000	$ 630,000	$ 560,000	$ 575,000	$ 560,000	$ 635,000	$ 560,000	$ 575,000	$ 560,000	$ 635,000	$ 560,000
SANTA FE TRAILS CAPITAL EXPENDITURES																				
Fleet	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000
Stop/Stop Amenities	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Facilities	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,500,000
Technology	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL SANTA FE TRAILS CAPITAL EXPENDITURES	$ 1,500,000	$ 1,350,000	$ 1,100,000	$ 1,350,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,650,000	$ 900,000	$ 1,550,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 3,400,000
SANTA FE TRAILS DEBT SERVICE																				
NMFA Transit - Buses loan (2026)	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000												
TOTAL DEBT SERVICE	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
COMBINED CAPITAL EXPENDITURES																				
Fleet	$ 1,537,000	$ 2,053,000	$ 1,717,000	$ 1,805,000	$ 1,302,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,400,000
Stop/Stop Amenities	$ 280,000	$ 682,500	$ 270,000	$ 270,000	$ 70,000	$ 60,000	$ 80,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 70,000
Facilities	$ 950,000	$ 653,000	$ 5,668,552	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,500,000
Technology	$ -	$ 549,857	$ 25,000	$ 229,445	$ 62,492	$ 25,000	$ 30,000	$ 500,000	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ 5,000
Other	$ -	$ -	$ 45,000	$ -	$ -	$ -	$ 50,000	$ -	$ -	$ -	$ 55,000	$ -	$ -	$ -	$ -	$ 60,000	$ -	$ -	$ -	$ -
TOTAL COMBINED CAPITAL EXPENDITURES	$ 3,047,000	$ 4,218,357	$ 8,005,552	$ 2,584,445	$ 1,714,492	$ 2,015,000	$ 1,840,000	$ 2,490,000	$ 1,475,000	$ 2,110,000	$ 1,530,000	$ 1,710,000	$ 1,475,000	$ 1,710,000	$ 1,535,000	$ 1,710,000	$ 1,475,000	$ 1,710,000	$ 1,535,000	$ 3,975,000

SCENARIO 2 ASSUMPTIONS:

FY 2019 OPERATIONAL EXPENDITURE SAVINGS:	$ 500,000
FY 2019 CAPITAL EXPENDITURE SAVINGS:	$ -

NCRTD/SANTA FE TRAILS MERGER - SCENARIO 2	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
TOTAL COMBINED REVENUES	$ 17,308,835	$ 19,652,836	$ 23,458,261	$ 18,624,497	$ 18,717,485	$ 19,506,135	$ 19,831,693	$ 20,585,037	$ 20,954,941	$ 21,741,963	$ 22,146,595	$ 22,969,366	$ 23,410,821	$ 24,271,519	$ 24,752,038	$ 25,652,973	$ 26,174,935
TOTAL COMBINED OPERATING EXPENDITURES	$ 15,106,229	$ 15,551,016	$ 16,009,146	$ 16,481,021	$ 16,967,051	$ 17,467,663	$ 17,983,293	$ 18,514,391	$ 19,061,423	$ 19,624,866	$ 20,205,212	$ 20,802,968	$ 21,418,657	$ 22,052,817	$ 22,706,002	$ 23,378,782	$ 24,071,745
TOTAL COMBINED CAPITAL EXPENDITURES	$ 3,047,000	$ 4,218,357	$ 8,005,552	$ 2,584,445	$ 1,714,492	$ 2,015,000	$ 1,840,000	$ 2,490,000	$ 1,475,000	$ 2,110,000	$ 1,530,000	$ 1,710,000	$ 1,475,000	$ 1,710,000	$ 1,535,000	$ 1,710,000	$ 3,975,000
DIFFERENCE	$ (844,394)	$ (1,116,537)	$ (556,437)	$ (440,969)	$ 35,942	$ 23,472	$ 8,400	$ (419,375)	$ 418,518	$ 7,097	$ 411,383	$ 456,398	$ 517,163	$ 508,702	$ 511,036	$ 564,191	$ (1,871,810)
OPENING FUND BALANCE	$ 12,627,568	$ 11,783,174	$ 10,666,637	$ 10,110,200	$ 9,669,231	$ 9,705,173	$ 9,728,645	$ 9,737,045	$ 9,317,670	$ 9,736,188	$ 9,743,284	$ 10,154,667	$ 10,611,065	$ 11,128,229	$ 11,636,931	$ 12,147,967	$ 12,712,158
ENDING FUND BALANCE	$ 11,783,174	$ 10,666,637	$ 10,110,200	$ 9,669,231	$ 9,705,173	$ 9,728,645	$ 9,737,045	$ 9,317,670	$ 9,736,188	$ 9,743,284	$ 10,154,667	$ 10,611,065	$ 11,128,229	$ 11,636,931	$ 12,147,967	$ 12,712,158	$ 10,840,349
INVESTMENT IN CAPITAL ASSETS	$ 6,440,415	$ 6,504,819	$ 6,569,867	$ 6,635,566	$ 6,701,922	$ 6,768,941	$ 6,836,630	$ 6,904,997	$ 6,974,047	$ 7,043,787	$ 7,114,225	$ 7,185,367	$ 7,257,221	$ 7,329,793	$ 7,403,091	$ 7,477,122	$ 7,551,893
UNRESTRICTED FUND BALANCE	$ 5,342,759	$ 4,161,818	$ 3,540,333	$ 3,033,665	$ 3,003,251	$ 2,959,704	$ 2,900,414	$ 2,412,673	$ 2,762,141	$ 2,699,497	$ 3,040,443	$ 3,425,698	$ 3,871,008	$ 4,307,138	$ 4,744,876	$ 5,235,036	$ 3,288,455
RESERVE BALANCE REQUIREMENT (25% 2017-2020)	$ 5,280,427	$ 5,645,024															
RESERVE BALANCE REQUIREMENT (20% 2021-2025)			$ 5,500,668	$ 4,558,186	$ 4,601,782	$ 4,785,260	$ 4,876,893										
RESERVE BALANCE REQUIREMENT (15% 2026-2035)								$ 3,791,156	$ 3,867,746	$ 4,007,535	$ 4,090,617	$ 4,237,091	$ 4,327,060	$ 4,480,628	$ 4,577,903	$ 4,738,996	$ 4,844,022
% RESERVE BALANCE	25.3%	38.4%	12.9%	13.3%	13.1%	12.4%	11.9%	9.5%	10.7%	10.1%	11.1%	12.1%	13.4%	14.4%	15.5%	16.6%	10.2%
BOARD REQ RESERVE BALANCE DIFFERENCE	$ 62,331	$ (1,483,206)	$ (1,960,335)	$ (1,524,521)	$ (1,598,531)	$ (1,825,556)	$ (1,976,478)	$ (1,378,482)	$ (1,105,605)	$ (1,308,038)	$ (1,050,174)	$ (811,393)	$ (456,052)	$ (173,490)	$ 166,973	$ 496,040	$ (1,555,566)
RESERVE BALANCE REQUIREMENT (8% DISTRICT STATUTORY REQ)	$ 1,689,737	$ 1,806,408	$ 2,200,267	$ 1,823,274	$ 1,840,713	$ 1,914,104	$ 1,950,757	$ 2,021,950	$ 2,062,798	$ 2,137,352	$ 2,181,662	$ 2,259,782	$ 2,307,765	$ 2,389,668	$ 2,441,548	$ 2,527,465	$ 2,583,478
DISTRICT REQ RESERVE BALANCE DIFFERENCE	$ 3,659,022	$ 2,355,410	$ 1,340,066	$ 1,210,393	$ 1,162,538	$ 1,045,600	$ 949,657	$ 390,724	$ 699,343	$ 562,145	$ 858,780	$ 1,165,916	$ 1,563,243	$ 1,917,469	$ 2,303,323	$ 2,707,572	$ 704,977
OPERATING EXPENDITURE SAVINGS	$ 500,000	$ 515,000	$ 530,450	$ 546,364	$ 562,754	$ 579,637	$ 597,026	$ 614,937	$ 633,385	$ 652,387	$ 671,958	$ 692,117	$ 712,880	$ 734,267	$ 756,295	$ 778,984	$ 802,353
CAPITAL EXPENDITURE SAVINGS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENDITURE SAVINGS RESULTING FROM MERGER	$ 500,000	$ 515,000	$ 530,450	$ 546,364	$ 562,754	$ 579,637	$ 597,026	$ 614,937	$ 633,385	$ 652,387	$ 671,958	$ 692,117	$ 712,880	$ 734,267	$ 756,295	$ 778,984	$ 802,353

Figure 5: Scenario 3-Implementation of a higher regional GRT to eliminate City's GRT contribution to Transit and generate sufficient funding for LSRP investment initiatives

Scenario 3. Implementation of a higher regional GRT to eliminate City's GRT contribution to Transit and generate sufficient funding for LSRP investment initiatives
SCENARIO 3 ASSUMPTION: 1/3 CENT GRT

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
REVENUES																	
NCRTD REVENUE SOURCES																	
GRT Revenues	$ 19,721,765	$ 20,313,417	$ 20,922,820	$ 21,550,505	$ 22,197,020	$ 22,862,930	$ 23,548,818	$ 24,255,283	$ 24,982,941	$ 25,732,429	$ 26,504,402	$ 27,299,514	$ 28,118,520	$ 28,962,076	$ 29,830,938	$ 30,725,867	$ 31,647,643
Federal Grants	$ 2,800,348	$ 3,556,170	$ 8,461,671	$ 3,016,035	$ 2,884,796	$ 3,036,482	$ 3,111,986	$ 3,201,746	$ 3,294,108	$ 3,389,414	$ 3,487,597	$ 3,588,532	$ 3,692,588	$ 3,799,166	$ 3,910,159	$ 4,023,964	$ 4,140,980
Member Local Match	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State Capital Outlay Appropriation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Savings, Short Term CD (Investments)	$ 31,218	$ 21,855	$ 22,510	$ 23,185	$ 23,881	$ 24,597	$ 25,335	$ 26,095	$ 26,878	$ 27,685	$ 28,515	$ 29,371	$ 30,252	$ 31,159	$ 32,094	$ 33,057	$ 34,049
Advertising Sales	$ 37,279	$ 22,947	$ 23,636	$ 24,345	$ 25,075	$ 25,827	$ 26,602	$ 27,400	$ 28,222	$ 29,069	$ 29,941	$ 30,839	$ 31,764	$ 32,717	$ 33,699	$ 34,710	$ 35,751
Auctioned Vehicles (Miscellaneous Revenue)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fares	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500	$ 60,500
NCRTD GRT TRANSFERS OUT																	
GRT Transfer to Rail Runner	$ (2,307,457)	$ (2,376,681)	$ (2,447,982)	$ (2,521,471)	$ (2,597,064)	$ (2,674,976)	$ (2,755,226)	$ (2,837,883)	$ (2,923,018)	$ (3,010,709)	$ (3,101,030)	$ (3,194,061)	$ (3,289,883)	$ (3,388,579)	$ (3,490,237)	$ (3,594,944)	$ (3,702,792)
GRT Transfer to Atomic City	$ (1,505,417)	$ (1,550,580)	$ (1,597,097)	$ (1,645,010)	$ (1,694,360)	$ (1,745,191)	$ (1,797,547)	$ (1,851,473)	$ (1,907,017)	$ (1,964,228)	$ (2,023,155)	$ (2,083,849)	$ (2,146,365)	$ (2,210,756)	$ (2,277,078)	$ (2,345,391)	$ (2,415,752)
GRT Transfer to Santa Fe Trails	$ (1,053,792)	$ (1,085,406)	$ (1,117,968)	$ (1,151,507)	$ (1,186,052)	$ (1,221,634)	$ (1,258,283)	$ (1,296,031)	$ (1,334,912)	$ (1,374,960)	$ (1,416,208)	$ (1,458,695)	$ (1,502,455)	$ (1,547,529)	$ (1,593,955)	$ (1,641,774)	$ (1,691,027)
NET NCRTD REVENUES	$ 17,759,463	$ 18,962,173	$ 24,328,090	$ 19,356,632	$ 19,715,796	$ 20,368,546	$ 20,962,188	$ 21,585,638	$ 22,227,798	$ 22,888,211	$ 23,570,473	$ 24,272,172	$ 24,994,922	$ 25,739,355	$ 26,506,120	$ 27,295,889	$ 28,109,351
SANTA FE TRAILS REVENUE SOURCES																	
GRT Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NCRTD to SFT GRT Transfer	$ 1,053,792	$ 1,085,406	$ 1,117,968	$ 1,151,507	$ 1,186,052	$ 1,221,634	$ 1,258,283	$ 1,296,031	$ 1,334,912	$ 1,374,960	$ 1,416,208	$ 1,458,695	$ 1,502,455	$ 1,547,529	$ 1,593,955	$ 1,641,774	$ 1,691,027
85% Special Uses Lodgers Tax Fund (2113)	$ 300,000	$ 300,000															
Federal Grants	$ 2,439,746	$ 2,681,039	$ 2,533,870	$ 2,788,286	$ 2,644,335	$ 2,902,065	$ 2,761,527	$ 3,022,772	$ 2,885,856	$ 3,150,831	$ 3,017,756	$ 3,286,689	$ 3,157,690	$ 3,430,820	$ 3,306,145	$ 3,583,729	$ 3,463,641
Miscellaneous Revenues	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000
Fares	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000
SANTA FE TRAILS TRANSFERS OUT																	
Federal Operating Grants	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)	$ (72,950)
NET SANTA FE TRAILS REVENUES	$ 4,280,588	$ 4,553,495	$ 4,138,888	$ 4,426,843	$ 4,317,437	$ 4,610,749	$ 4,506,859	$ 4,805,854	$ 4,707,818	$ 5,012,841	$ 4,921,015	$ 5,232,433	$ 5,147,196	$ 5,465,399	$ 5,387,150	$ 5,712,553	$ 5,641,718
COMBINED REVENUES	$ 22,038,031	$ 23,515,668	$ 28,466,978	$ 23,783,475	$ 24,031,232	$ 24,979,295	$ 25,469,047	$ 26,391,492	$ 26,935,616	$ 27,902,052	$ 28,491,487	$ 29,504,605	$ 30,142,117	$ 31,204,754	$ 31,893,270	$ 33,008,442	$ 33,751,069
OPERATING EXPENDITURES	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
NCRTD OPERATING EXPENDITURES																	
Operators' Salaries and Wages / Other Salaries and Wages	$ 2,638,186	$ 2,717,331	$ 2,798,851	$ 2,882,817	$ 2,969,301	$ 3,058,381	$ 3,150,132	$ 3,244,636	$ 3,341,975	$ 3,442,234	$ 3,545,501	$ 3,651,866	$ 3,761,422	$ 3,874,265	$ 3,990,493	$ 4,110,208	$ 4,233,514
Fringe Benefits	$ 1,190,078	$ 1,225,780	$ 1,262,553	$ 1,300,430	$ 1,339,443	$ 1,379,626	$ 1,421,015	$ 1,463,645	$ 1,507,555	$ 1,552,781	$ 1,599,365	$ 1,647,346	$ 1,696,766	$ 1,747,669	$ 1,800,099	$ 1,854,102	$ 1,909,725
Services	$ 394,668	$ 406,508	$ 418,703	$ 431,265	$ 444,202	$ 457,529	$ 471,254	$ 485,392	$ 499,954	$ 514,952	$ 530,401	$ 546,313	$ 562,702	$ 579,583	$ 596,971	$ 614,880	$ 633,326
Fuel and Lubricants	$ 534,804	$ 550,848	$ 567,374	$ 584,395	$ 601,927	$ 619,985	$ 638,584	$ 657,742	$ 677,474	$ 697,798	$ 718,732	$ 740,294	$ 762,503	$ 785,378	$ 808,939	$ 833,208	$ 858,204
Tires and Tubes	$ 76,190	$ 78,475	$ 80,830	$ 83,254	$ 85,752	$ 88,325	$ 90,974	$ 93,704	$ 96,515	$ 99,410	$ 102,392	$ 105,464	$ 108,628	$ 111,887	$ 115,244	$ 118,701	$ 122,262
Other Materials and Supplies	$ 356,453	$ 367,147	$ 378,161	$ 389,506	$ 401,191	$ 413,227	$ 425,624	$ 438,392	$ 451,544	$ 465,091	$ 479,043	$ 493,415	$ 508,217	$ 523,463	$ 539,167	$ 555,342	$ 572,003
Utilities	$ 38,211	$ 39,357	$ 40,538	$ 41,754	$ 43,006	$ 44,297	$ 45,625	$ 46,994	$ 48,404	$ 49,856	$ 51,352	$ 52,892	$ 54,479	$ 56,113	$ 57,797	$ 59,531	$ 61,317
Casualty and Liability Costs	$ 142,668	$ 146,948	$ 151,356	$ 155,897	$ 160,574	$ 165,391	$ 170,353	$ 175,464	$ 180,728	$ 186,149	$ 191,734	$ 197,486	$ 203,410	$ 209,513	$ 215,798	$ 222,272	$ 228,940
Taxes	$ 6,892	$ 7,099	$ 7,312	$ 7,531	$ 7,757	$ 7,990	$ 8,230	$ 8,477	$ 8,731	$ 8,993	$ 9,263	$ 9,540	$ 9,827	$ 10,121	$ 10,425	$ 10,738	$ 11,060
Miscellaneous	$ 379,679	$ 390,863	$ 402,589	$ 414,666	$ 427,106	$ 439,920	$ 453,117	$ 466,711	$ 480,712	$ 495,133	$ 509,987	$ 525,287	$ 541,046	$ 557,277	$ 573,995	$ 591,215	$ 608,952
TOTAL NCRTD OPERATING EXPENDITURES	$ 5,757,828	$ 5,930,357	$ 6,108,268	$ 6,291,516	$ 6,480,261	$ 6,674,669	$ 6,874,909	$ 7,081,156	$ 7,293,591	$ 7,512,399	$ 7,737,771	$ 7,969,904	$ 8,209,001	$ 8,455,271	$ 8,708,929	$ 8,970,197	$ 9,239,303
SANTA FE TRAILS OPERATING EXPENDITURES																	
Operators' Salaries and Wages	$ 3,273,899	$ 3,372,116	$ 3,473,280	$ 3,577,478	$ 3,684,802	$ 3,795,346	$ 3,909,207	$ 4,026,483	$ 4,147,278	$ 4,271,696	$ 4,399,847	$ 4,531,842	$ 4,667,797	$ 4,807,833	$ 4,952,066	$ 5,100,628	$ 5,253,647
Other Salaries and Wages	$ 1,495,319	$ 1,540,179	$ 1,586,384	$ 1,633,976	$ 1,682,995	$ 1,733,485	$ 1,785,490	$ 1,839,054	$ 1,894,226	$ 1,951,053	$ 2,009,584	$ 2,069,872	$ 2,131,968	$ 2,195,927	$ 2,261,805	$ 2,329,659	$ 2,399,549
Fringe Benefits	$ 2,359,976	$ 2,430,775	$ 2,503,698	$ 2,578,809	$ 2,656,174	$ 2,735,859	$ 2,817,935	$ 2,902,473	$ 2,989,547	$ 3,079,233	$ 3,171,610	$ 3,266,759	$ 3,364,761	$ 3,465,704	$ 3,569,675	$ 3,676,766	$ 3,787,068
Services	$ 654,715	$ 674,357	$ 694,587	$ 715,425	$ 736,888	$ 758,994	$ 781,764	$ 805,217	$ 829,374	$ 854,255	$ 879,882	$ 906,279	$ 933,467	$ 961,471	$ 990,316	$ 1,020,025	$ 1,050,626
Fuel and Lubricants	$ 500,357	$ 515,368	$ 530,829	$ 546,754	$ 563,157	$ 580,051	$ 597,453	$ 615,376	$ 633,838	$ 652,853	$ 672,438	$ 692,612	$ 713,390	$ 734,792	$ 756,835	$ 779,540	$ 802,927
Tires and Tubes	$ 70,598	$ 72,715	$ 74,897	$ 77,144	$ 79,458	$ 81,842	$ 84,297	$ 86,826	$ 89,431	$ 92,114	$ 94,877	$ 97,724	$ 100,655	$ 103,675	$ 106,785	$ 109,989	$ 113,288
Other Materials and Supplies	$ 171,046	$ 176,177	$ 181,463	$ 186,906	$ 192,514	$ 198,288	$ 204,238	$ 210,365	$ 216,676	$ 223,176	$ 229,871	$ 236,767	$ 243,870	$ 251,187	$ 258,722	$ 266,484	$ 274,478
Utilities	$ 133,138	$ 137,132	$ 141,246	$ 145,483	$ 149,847	$ 154,343	$ 158,973	$ 163,742	$ 168,655	$ 173,714	$ 178,926	$ 184,294	$ 189,822	$ 195,517	$ 201,383	$ 207,424	$ 213,647
Casualty and Liability Costs	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	$ 909,553	$ 936,840	$ 964,945	$ 993,893	$ 1,023,710	$ 1,054,421	$ 1,086,054	$ 1,118,635	$ 1,152,194	$ 1,186,760	$ 1,222,363	$ 1,259,034	$ 1,296,805	$ 1,335,709	$ 1,375,780	$ 1,417,054	$ 1,459,565
TOTAL SANTA FE TRAILS OPERATING EXPENDITURES	$ 9,848,601	$ 10,135,659	$ 10,431,329	$ 10,736,869	$ 11,048,545	$ 11,372,631	$ 11,705,410	$ 12,048,172	$ 12,401,217	$ 12,764,854	$ 13,139,400	$ 13,525,182	$ 13,922,537	$ 14,331,813	$ 14,753,367	$ 15,187,568	$ 15,634,796
COMBINED OPERATING EXPENDITURES																	
Operators' Salaries and Wages / Other Salaries and Wages	$ 7,407,405	$ 7,629,627	$ 7,858,515	$ 8,094,271	$ 8,337,099	$ 8,587,212	$ 8,844,828	$ 9,110,173	$ 9,383,478	$ 9,664,983	$ 9,954,932	$ 10,253,580	$ 10,561,188	$ 10,878,023	$ 11,204,364	$ 11,540,495	$ 11,886,710
Fringe Benefits	$ 3,550,053	$ 3,656,555	$ 3,766,252	$ 3,879,239	$ 3,995,616	$ 4,115,485	$ 4,238,949	$ 4,366,118	$ 4,497,101	$ 4,632,015	$ 4,770,975	$ 4,914,104	$ 5,061,527	$ 5,213,373	$ 5,369,774	$ 5,530,868	$ 5,696,794
Services	$ 1,049,383	$ 1,080,865	$ 1,113,291	$ 1,146,690	$ 1,181,090	$ 1,216,523	$ 1,253,019	$ 1,290,609	$ 1,329,327	$ 1,369,207	$ 1,410,283	$ 1,452,592	$ 1,496,170	$ 1,541,055	$ 1,587,286	$ 1,634,905	$ 1,683,952
Fuel and Lubricants	$ 1,035,162	$ 1,066,216	$ 1,098,203	$ 1,131,149	$ 1,165,084	$ 1,200,036	$ 1,236,037	$ 1,273,118	$ 1,311,312	$ 1,350,651	$ 1,391,171	$ 1,432,906	$ 1,475,893	$ 1,520,170	$ 1,565,775	$ 1,612,748	$ 1,661,130
Tires and Tubes	$ 146,787	$ 151,191	$ 155,727	$ 160,398	$ 165,210	$ 170,167	$ 175,272	$ 180,530	$ 185,946	$ 191,524	$ 197,270	$ 203,188	$ 209,283	$ 215,562	$ 222,029	$ 228,690	$ 235,550
Other Materials and Supplies	$ 527,499	$ 543,324	$ 559,624	$ 576,412	$ 593,705	$ 611,516	$ 629,861	$ 648,757	$ 668,220	$ 688,267	$ 708,915	$ 730,182	$ 752,087	$ 774,650	$ 797,890	$ 821,826	$ 846,481
Utilities	$ 171,348	$ 176,489	$ 181,783	$ 187,237	$ 192,854	$ 198,639	$ 204,599	$ 210,737	$ 217,059	$ 223,570	$ 230,278	$ 237,186	$ 244,301	$ 251,630	$ 259,179	$ 266,955	$ 274,963
Casualty and Liability Costs	$ 422,668	$ 426,948	$ 431,356	$ 435,897	$ 440,574	$ 445,391	$ 450,353	$ 455,464	$ 460,728	$ 466,149	$ 471,734	$ 477,486	$ 483,410	$ 489,513	$ 495,798	$ 502,272	$ 508,940
Taxes	$ 6,892	$ 7,099	$ 7,312	$ 7,531	$ 7,757	$ 7,990	$ 8,230	$ 8,477	$ 8,731	$ 8,993	$ 9,263	$ 9,540	$ 9,827	$ 10,121	$ 10,425	$ 10,738	$ 11,060
Miscellaneous	$ 1,289,031	$ 1,327,703	$ 1,367,533	$ 1,408,559	$ 1,450,816	$ 1,494,341	$ 1,539,171	$ 1,585,346	$ 1,632,907	$ 1,681,894	$ 1,732,351	$ 1,784,321	$ 1,837,851	$ 1,892,986	$ 1,949,776	$ 2,008,269	$ 2,068,517
TOTAL COMBINED OPERATING EXPENDITURES	$ 15,606,229	$ 16,066,016	$ 16,539,596	$ 17,027,384	$ 17,529,806	$ 18,047,300	$ 18,580,319	$ 19,129,328	$ 19,694,808	$ 20,277,253	$ 20,877,170	$ 21,495,085	$ 22,131,538	$ 22,787,084	$ 23,462,296	$ 24,157,765	$ 24,874,098
NCRTD CAPITAL EXPENDITURES																	
Fleet	$ 637,000	$ 900,000	$ 817,000	$ 655,000	$ 402,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
Stop/Stop Amenities	$ 80,000	$ 482,500	$ 70,000	$ 70,000	$ 70,000	$ 60,000	$ 80,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000
Facilities	$ 550,000	$ 653,000	$ 5,668,552	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Technology	$ -	$ 549,857	$ 25,000	$ 229,445	$ 62,492	$ 25,000	$ 30,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,000
Other	$ -	$ -	$ 45,000	$ -	$ -	$ -	$ 50,000	$ -	$ -	$ -	$ 55,000	$ -	$ -	$ -	$ 60,000	$ -	$ -
TOTAL NCRTD CAPITAL EXPENDITURES	$ 1,267,000	$ 2,585,357	$ 6,625,552	$ 954,445	$ 534,492	$ 585,000	$ 660,000	$ 560,000	$ 575,000	$ 560,000	$ 630,000	$ 560,000	$ 575,000	$ 560,000	$ 635,000	$ 560,000	$ 575,000
SANTA FE TRAILS CAPITAL EXPENDITURES																	
Fleet	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000
Stop/Stop Amenities	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -	$
Facilities	$ 400,000	$ -	$	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,500,000
Technology	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000	$ -	$ -	$	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL SANTA FE TRAILS CAPITAL EXPENDITURES	$ 1,500,000	$ 1,350,000	$ 1,100,000	$ 1,350,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,650,000	$ 900,000	$ 1,550,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 900,000	$ 1,150,000	$ 3,400,000
SANTA FE TRAILS DEBT SERVICE																	
NMFA Transit - Buses Loan (2026)	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000									
TOTAL DEBT SERVICE	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ 280,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
COMBINED CAPITAL EXPENDITURES																	
Fleet	$ 1,537,000	$ 2,050,000	$ 1,717,000	$ 1,805,000	$ 1,302,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000	$ 1,650,000	$ 1,400,000
Stop/Stop Amenities	$ 280,000	$ 682,500	$ 270,000	$ 270,000	$ 70,000	$ 60,000	$ 80,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000	$ 60,000	$ 70,000

Facilities	$ 950,000	$ 653,000	$ 3,668,357	$ -	$ -	$ -	$ -	$	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ -	$	$ 2,500,000
Technology	$ -	$ 549,857	$ 25,000	$ 229,445	$ 62,492	$ 35,000	$ 30,000	$ 500,000	$ 5,000	$ -	$ 5,000	$ -	$ 5,000	$ -	$ 5,300	$	$ 5,000
Other	$	$ -	$ 45,000	$	$	$ -	$ 50,000	$	$ -	$ -	$ 55,000	$	$	$ -	$ 60,000	$	$
TOTAL COMBINED CAPITAL EXPENDITURES	$ 3,017,860	$ 4,214,357	$ 8,005,552	$ 2,584,445	$ 1,714,492	$ 2,015,000	$ 1,840,000	$ 2,490,000	$ 1,475,000	$ 2,110,000	$ 1,550,000	$ 1,710,000	$ 1,475,000	$ 1,710,000	$ 1,535,300	$ 1,710,000	$ 3,975,000

APPLYING SCENARIO 2 ASSUMPTIONS (SET TO 0% TO ASSUME NO NET EXPENDITURE SAVINGS RESULTING FROM MERGER)

FY 2019 OPERATIONAL EXPENDITURE SAVINGS	$ 500,000
FY 2019 CAPITAL EXPENDITURE SAVINGS	$ -

NORTH/SANTA FE TRAILS MERGER - SCENARIO 1	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
TOTAL COMBINED REVENUES	$ 22,090,031	$ 23,516,660	$ 28,466,978	$ 29,783,435	$ 24,031,232	$ 24,979,295	$ 25,468,047	$ 26,391,492	$ 26,985,618	$ 27,803,062	$ 28,491,487	$ 29,604,605	$ 30,142,117	$ 31,204,754	$ 31,888,278	$ 33,008,442	$ 33,751,069
TOTAL COMBINED OPERATING EXPENDITURES	$ 15,106,229	$ 15,551,016	$ 16,009,146	$ 16,483,021	$ 16,967,051	$ 17,467,663	$ 17,983,298	$ 18,514,391	$ 19,061,423	$ 19,624,886	$ 20,205,212	$ 20,802,968	$ 21,418,657	$ 22,052,837	$ 22,706,009	$ 23,378,782	$ 24,071,745
LRSP OPERATING INVESTMENT INITIATIVES	$ 3,968,313	$ 4,028,852	$ 4,089,285	$ 4,150,624	$ 4,212,884	$ 4,276,077	$ 4,340,218	$ 4,405,321	$ 4,471,401	$ 4,538,472	$ 4,606,549	$ 4,675,647	$ 4,745,782	$ 4,816,969	$ 4,889,223	$ 4,962,562	$ 5,037,000
TOTAL COMBINED CAPITAL EXPENDITURES	$ 3,047,060	$ 4,218,357	$ 8,005,552	$ 2,584,445	$ 1,714,492	$ 2,015,000	$ 1,840,000	$ 2,490,000	$ 1,475,000	$ 2,110,000	$ 1,550,000	$ 1,710,000	$ 1,475,000	$ 1,710,000	$ 1,535,300	$ 1,710,000	$ 3,975,000
LRSP CAPITAL INVESTMENT INITIATIVES	$ 1,174,484	$ 1,202,714	$ 1,209,982	$ 1,239,086	$ 1,246,554	$ 1,268,069	$ 1,275,656	$ 1,306,396	$ 1,314,217	$ 1,345,882	$ 1,353,934	$ 1,366,561	$ 1,394,857	$ 1,428,470	$ 1,437,017	$ 1,471,645	$ 1,480,454
FEDERAL FUNDING FOR CAPITAL INVESTMENTS*	$ 872,138	$ 893,800	$ 846,588	$ 867,347	$ 872,548	$ 887,648	$ 892,959	$ 914,477	$ 919,949	$ 942,117	$ 947,754	$ 970,593	$ 976,400	$ 999,929	$ 1,005,932	$ 1,030,152	$ 1,036,315
DIFFERENCE	$ (144,855)	$ (413,377)	$ (1)	$ 195,605	$ 762,830	$ 840,135	$ 972,840	$ 589,861	$ 1,533,522	$ 1,224,850	$ 1,743,546	$ 1,900,021	$ 2,084,220	$ 2,196,427	$ 2,381,940	$ 2,515,605	$ 223,188
OPENING FUND BALANCE	$ 12,627,568	$ 12,182,712	$ 13,539,340	$ 11,539,340	$ 11,735,005	$ 12,497,844	$ 13,337,979	$ 14,260,819	$ 14,850,679	$ 16,384,202	$ 17,609,151	$ 19,352,697	$ 21,252,718	$ 23,336,939	$ 25,533,366	$ 27,865,306	$ 30,380,911
ENDING FUND BALANCE	$ 12,182,712	$ 11,539,340	$ 11,539,340	$ 11,735,005	$ 12,497,844	$ 13,337,979	$ 14,260,819	$ 14,850,679	$ 16,384,202	$ 17,609,151	$ 19,352,697	$ 21,252,718	$ 23,336,939	$ 25,533,366	$ 27,865,306	$ 30,380,911	$ 30,604,099
INVESTMENT IN CAPITAL ASSETS	$ 6,440,415	$ 6,504,819	$ 6,569,867	$ 6,635,566	$ 6,701,922	$ 6,768,941	$ 6,836,630	$ 6,904,993	$ 6,974,043	$ 7,043,787	$ 7,114,225	$ 7,185,367	$ 7,257,221	$ 7,329,793	$ 7,403,091	$ 7,477,122	$ 7,551,893
UNRESTRICTED FUND BALANCE	$ 5,742,297	$ 5,034,521	$ 4,969,473	$ 5,099,439	$ 5,795,923	$ 6,569,038	$ 7,424,188	$ 7,945,683	$ 9,410,159	$ 10,565,364	$ 12,238,472	$ 14,067,351	$ 16,079,718	$ 18,203,573	$ 20,462,215	$ 22,903,789	$ 23,052,206
RESERVE BALANCE REQUIREMENT (25% 2017-2020)	$ 6,480,726	$ 6,860,782															
RESERVE BALANCE REQUIREMENT (20% 2021-2025)			$ 6,502,411	$ 5,589,981	$ 5,664,525	$ 5,879,882	$ 6,004,864										
RESERVE BALANCE REQUIREMENT (15% 2026-2035)	$ 3,876,436	$ 4,116,439	$ 4,876,808	$ 4,192,486	$ 4,248,398	$ 4,409,919	$ 4,503,273	$ 4,662,127	$ 4,764,847	$ 4,831,548	$ 5,042,351	$ 5,217,377	$ 5,336,755	$ 5,520,819	$ 5,640,088	$ 5,842,316	$ 5,980,442
% RESERVE BALANCE	22.2%	18.3%	35.3%	18.2%	20.5%	22.3%	24.7%	25.6%	29.6%	32.7%	36.4%	40.4%	45.2%	49.5%	54.3%	58.8%	57.8%
BOARD REQ RESERVE BALANCE DIFFERENCE	$ (728,127)	$ (1,426,211)	$ (1,337,938)	$ (490,541)	$ 131,391	$ 889,146	$ 1,418,825	$ 1,283,556	$ 4,645,308	$ 5,833,616	$ 7,196,121	$ 8,849,974	$ 10,742,963	$ 12,682,980	$ 14,813,127	$ 17,061,473	$ 17,071,764
RESERVE BALANCE REQUIREMENT (3% DISTRICT STATUTORY REQ)	$ 2,067,432	$ 2,195,434	$ 2,600,905	$ 2,235,992	$ 2,265,613	$ 2,351,957	$ 2,401,746	$ 2,486,468	$ 2,541,252	$ 2,620,159	$ 2,689,254	$ 2,782,601	$ 2,846,269	$ 2,944,377	$ 3,012,847	$ 3,115,902	$ 3,189,569
DISTRICT REQ RESERVE BALANCE DIFFERENCE	$ 3,674,865	$ 7,939,087	$ 2,968,508	$ 2,963,447	$ 4,530,110	$ 4,211,081	$ 5,022,443	$ 5,459,215	$ 6,868,903	$ 7,935,205	$ 9,549,218	$ 11,284,750	$ 13,213,449	$ 15,258,246	$ 17,445,368	$ 19,767,887	$ 19,862,637

OPERATING EXPENDITURE SAVINGS	$ 500,000	$ 515,000	$ 530,450	$ 546,364	$ 562,754	$ 579,637	$ 597,026	$ 614,937	$ 633,385	$ 652,387	$ 671,958	$ 692,117	$ 712,880	$ 734,267	$ 756,295	$ 778,984	$ 802,353
CAPITAL EXPENDITURE SAVINGS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENDITURE SAVINGS RESULTING FROM MERGER	$ 500,000	$ 515,000	$ 530,450	$ 546,364	$ 562,754	$ 579,637	$ 597,026	$ 614,937	$ 633,385	$ 652,387	$ 671,958	$ 692,117	$ 712,880	$ 734,267	$ 756,295	$ 778,984	$ 802,353

70%

Figure 6: NCRTD Strategic Plan Strategies Cost Worksheet

NCRTD Strategic Plan Strategies Cost Worksheet		percent annual growth rate:	1.5%	* to account for inflation only and not growth as an expenditure																					
Strategy		Assumptions	Estimated New Cost Year 1	Total New Cost Through 2035	FY 16	FY 17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
1.1.A	Work to remove 2023 sunset of NCRTD GRT funds.	$30,000 for public education campaign	$30,000	$30,000	$3,750	$3,806	$3,863	$3,921	$3,980	$4,040	$4,100	$4,162												
1.1.B	Pursue an increase in NCRTD GRT funding.	$30,000 for public education campaign	$30,000	$30,000	$3,750	$3,806	$3,863	$3,921	$3,980	$4,040	$4,100	$4,162												
1.1.C	Continue advocating for a state transit fund for capital and operations.	Included in existing staffing resources																						
1.1.D	Research and identify new public and private funding sources.	Included in existing staffing resources																						
1.2.A	Work collaboratively with other public and private transportation providers in the region to efficiently maximize services provided.	Included in existing staffing resources																						
1.2.B	Implement transit asset management and maintenance plan (existing fleet and facilities).	fleet replacement (assumes increase of 100K annually)	$160,000	$2,000,000	$100,000	$101,500	$103,023	$104,568	$106,136	$107,728	$109,344	$110,984	$112,649	$114,339	$116,054	$117,795	$119,562	$121,355	$123,176	$125,023	$126,899	$128,802	$130,734	$132,695
1.2.C	Adhere to fleet maintenance plan to reduce down time.	increase $50,000 annually	$50,000	$1,000,000	$50,000	$50,750	$51,511	$52,284	$53,068	$53,864	$54,672	$55,492	$56,325	$57,169	$58,027	$58,897	$59,781	$60,678	$61,588	$62,512	$63,449	$64,401	$65,367	$66,348
1.3.A	Identify safety and security issues and implement measures to mitigate risk.	$50,000 for plan - recommendation costs tbd but estimated at $30,000 annually	$50,000	$620,000	$31,000	$31,465	$31,937	$32,416	$32,902	$33,396	$33,897	$34,405	$34,921	$35,445	$35,977	$36,516	$37,064	$37,620	$38,184	$38,757	$39,339	$39,929	$40,528	$41,135
1.3.B	Coordinate incident response plan with local law enforcement for direct threat on board transit vehicles and in transit facilities.	Included in existing resources																						
1.3.C	Use ITS capabilities to inform drivers and public of emergency public safety announcements.	$5,000 startup cost but no cost annually after startup	$5,000	$5,000	$250	$254	$258	$261	$265	$269	$273	$277	$282	$286	$290	$294	$299	$303	$308	$313	$317	$322	$327	$332
1.3.D	Continue to coordinate with counties on development of disaster management plan.	Included in existing resources																						
1.3.E	Identify, evaluate, and implement top priority safety enhancements specific to youth and other vulnerable populations.	Included in Strategy 7																						
1.3.F	Ongoing driver and staff safety and security training.	$5,000 per training	$5,000	$100,000	$5,000	$5,075	$5,151	$5,228	$5,307	$5,386	$5,467	$5,549	$5,632	$5,717	$5,803	$5,890	$5,978	$6,068	$6,159	$6,251	$6,345	$6,440	$6,537	$6,635
2.1.A	Provide service to all transit supportive areas with concentrations of transit dependent populations.	15% increase in existing revenue hours of $9782K at $90/hr	$800,307	$16,006,140	$800,307	$812,312	$824,496	$836,864	$849,417	$862,158	$875,090	$888,217	$901,540	$915,063	$928,789	$942,721	$956,862	$971,215	$985,783	$1,000,569	########	$1,030,812	########	$1,061,968
		Purchase, maintain and replace additional fleet to support Strategy 13a (6, 3 year vehicles @ $100,000 each)	$600,000	$4,000,000	$200,000	$203,000	$206,045	$209,136	$212,273	$215,457	$218,689	$221,969	$225,299	$228,678	$232,108	$235,590	$239,124	$242,710	$246,351	$250,046	$253,797	$257,604	$261,468	$265,390
2.1.B	Develop travel training program.	new staff person at 50K plus 35% for benefits plus $10K in year 1, $5K per year after	$77,500	$1,455,000	$77,500	$72,500	$73,588	$74,691	$75,812	$76,949	$78,103	$79,275	$80,464	$81,671	$82,896	$84,139	$85,401	$86,682	$87,983	$89,302	$90,642	$92,001	$93,381	$94,782
2.2.A	Conduct a region-wide evaluation of bus stop accessibility, prioritize enhancements and implement recommendations.	$30K per site, 5/yr	$150,000	$2,850,000	$142,500	$144,638	$146,807	$149,009	$151,244	$153,513	$155,816	$158,153	$160,525	$162,933	$165,377	$167,858	$170,376	$172,931	$175,525	$178,158	$180,830	$183,543	$186,296	$189,090
2.2.B	Evaluate fleet replacement options to ensure convenient access and comfortable use by mobility impaired users	$10K study	$10,000	$10,000	$500	$508	$515	$523	$531	$539	$547	$555	$563	$572	$580	$589	$598	$607	$616	$625	$634	$644	$654	$663
2.2.C	Design new stops, stations and park and rides to accommodate people of all ages and abilities.	Included in stop/station cost																						
2.2.D	Adopt accessibility design standards for stops and facilities.	No new cost																						
2.2.E	Coordinate with NMDOT and local agencies on regional infrastructure planning to incorporate multimodal accessibility.	Included in existing resources																						
2.3.A	Conduct feasibility studies for highly requested new routes and implement those identified as feasible.	Assumes 4 new routes equivalent to 10K in new revenue service hours	$900,000	$18,000,000	$900,000	$913,500	$927,203	$941,111	$955,227	$969,556	$984,099	$998,860	########	$1,029,051	########	$1,060,154	########	$1,092,197	########	$1,125,209	########	$1,158,218	########	$1,194,256
		Purchase, maintain and replace additional fleet to support Strategy 20a (4, 3 year vehicles @ $100,000 each)	$400,000	$2,800,000	$140,000	$142,100	$144,232	$146,395	$148,591	$150,820	$153,082	$155,378	$157,709	$160,075	$162,476	$164,913	$167,387	$169,897	$172,446	$175,032	$177,658	$180,323	$183,028	$185,773
2.3.B	Increase frequency of productive routes.	$9282 annual hours today at $90/hr, increase by 15%	$800,307	$16,006,140	$800,307	$812,312	$824,496	$836,864	$849,417	$862,158	$875,090	$888,217	$901,540	$915,063	$928,789	$942,721	$956,862	$971,215	$985,783	$1,000,569	########	$1,030,812	########	$1,061,968
2.3.C	Add weekend service to productive routes.	half of current routes operate on Saturday ($9282/5/2)	$533,538	$10,670,760	$533,538	$541,541	$549,664	$557,909	$566,278	$574,772	$583,394	$592,144	$601,027	$610,042	$619,193	$628,481	$637,908	$647,476	$657,188	$667,046	$677,052	$687,208	$697,516	$707,979
		Purchase, maintain and replace additional fleet to support Strategy 21a (4, 3 year vehicles @ $100,000 each)	$400,000	$2,800,000	$140,000	$142,100	$144,232	$146,395	$148,591	$150,820	$153,082	$155,378	$157,709	$160,075	$162,476	$164,913	$167,387	$169,897	$172,446	$175,032	$177,658	$180,323	$183,028	$185,773
2.3.D	Work to coordinate traveler communication among systems within the region.	$100,000 one time cost, $5,000 annual maintenance costs	$100,000	$195,000	$9,750	$9,896	$10,045	$10,195	$10,348	$10,504	$10,661	$10,821	$10,983	$11,148	$11,315	$11,485	$11,657	$11,832	$12,010	$12,190	$12,373	$12,558	$12,747	$12,938
2.3.E	Continue coordination of NCRTD services to complement and interconnect with other transit providers.	Included in existing resources																						
3.1.A	Provide daily weekday service to higher education institutions and large employment centers.	Included in Strategy 20 and 21																						
3.1.B	Work with higher education institutions to identify the service hours best suited to students needs and class times.	Included in existing resources																						
3.2.A	Provide service to major regional tourist attractions for use by employees and visitors.	Assumes 5 new routes equivalent to 5K in new revenue service hours	$450,000	$9,000,000	$450,000	$456,750	$463,601	$470,555	$477,614	$484,778	$492,049	$499,430	$506,922	$514,525	$522,243	$530,077	$538,028	$546,099	$554,290	$562,604	$571,043	$579,609	$588,303	$597,128
		Purchase, maintain and replace additional fleet to support Strategy 25a (1, 12 year vehicles @ $100,000 each)	$100,000	$700,000	$35,000	$35,525	$36,058	$36,598	$37,148	$37,705	$38,271	$38,845	$39,427	$40,019	$40,619	$41,228	$41,847	$42,474	$43,111	$43,758	$44,414	$45,081	$45,757	$46,443
3.2.B	Enhance and market service between Taos and Santa Fe to accommodate visitors travel.	Add 500 revenue hours of service at $90/hour	$45,000	$900,000	$45,000	$45,675	$46,360	$47,056	$47,761	$48,478	$49,205	$49,943	$50,692	$51,453	$52,224	$53,008	$53,803	$54,610	$55,429	$56,260	$57,104	$57,961	$58,830	$59,713

		Purchase, maintain and replace additional fleet to support Strategy 26a (1, 5-year vehicles @ $100,000 each)	$100,000	$100,000	$35,000	$35,525	$36,058	$36,599	$37,148	$37,705	$38,271	$38,845	$39,427	$40,019	$40,619	$41,228	$41,847	$42,474	$43,111	$43,758	$44,414	$45,081	$45,757	$46,443
3.2.C	Participate in land use planning and development activities with local municipalities.	Included in Strategy 30																							
3.3.A	Create marketing campaign that illustrates both the mobility and non mobility benefits of transit.	Every other year at a cost of $10,000	$10,000	$100,000	$10,000		$10,302		$10,614		$10,934		$11,265		$11,605		$11,956		$12,318		$12,690		$13,073		
3.3.B	Implement travel training program (check language).	Included in Strategy 14																							
4.1.A	Evaluate opportunity to create a new staff position within NCRTD to coordinate with counties, municipalities, pueblos, and state on land use planning and review.	hire new employee with this focus 60K salary plus 35% in benefits	$81,000	$1,620,000	$81,000	$82,215	$83,448	$84,700	$85,970	$87,260	$88,569	$89,897	$91,246	$92,615	$94,004	$95,414	$96,845	$98,298	$99,772	$101,269	$102,788	$104,330	$105,895	$107,483
4.2.A	Conduct a coordinated human service and public transportation plan for the four-county service area	$150,000 per update, update 4 times	$150,000	$750,000	$37,500	$38,063	$38,633	$39,213	$39,801	$40,398	$41,004	$41,619	$42,243	$42,877	$43,520	$44,173	$44,836	$45,508	$46,191	$46,884	$47,587	$48,301	$49,025	$49,761
4.2.B	Work with regional agencies to identify collaborative projects where partnering opportunities would benefit the agency as well as NCRTD (e.g., cost sharing of a new service, construction of a new park and ride, stop enhancements).	Included in Strategy 30																							
4.3.A	Participate in development of city, county, pueblo, RPO, MPO, and state transportation plans.	Included in Strategy 30																							
4.3.B	Work with New Mexico Transit Association and NMDOT to promote transit and increase ridership throughout the state.	Included in Strategy 30																							
5.1.A	Evaluate and purchase, to the extent viable, low emission, fuel-efficient and alternative fuel vehicles to replace and expand fleet.	$10K study to evaluate	$10,000	$10,000	$500	$508	$515	$523	$531	$539	$547	$555	$563	$572	$580	$589	$598	$607	$616	$625	$634	$644	$654	$663
5.1.B	Evaluate and implement, to the extent viable, alternative sources of sustainable energy such as solar and wind for NCRTD bus shelters.	$20K study, $10,000 annually for implementation	$20,000	$220,000	$11,000	$11,165	$11,332	$11,502	$11,675	$11,850	$12,028	$12,208	$12,391	$12,577	$12,766	$12,957	$13,152	$13,349	$13,549	$13,753	$13,959	$14,168	$14,381	$14,596
5.1.C	Implement elements of NCRTD's Sustainability Plan.	TBD																							
5.2.A	Participate in regional land use planning as regional TOD resource to encourage efficient land use patterns.	Included in Strategy 30																							
6.1.A	Include customer service feedback questions on survey.	Included in existing resources																							
6.1.B	Respond to information requests, commendations, and complaints within one business day.	Included in existing resources																							
6.1.C	Provide annual Service Excellence training for all NCRTD staff.	$5K per annual training	$5,000	$100,000	$5,000	$5,075	$5,151	$5,228	$5,307	$5,386	$5,467	$5,549	$5,632	$5,717	$5,803	$5,890	$5,978	$6,068	$6,159	$6,251	$6,345	$6,440	$6,537	$6,635
6.1.D	Achieve and maintain on-time performance of 90 percent at key time points system-wide.	Increase recovery time to ensure schedule adherence (5% increase in hours)	$266,769	$5,335,380	$266,769	$270,771	$274,832	$278,955	$283,139	$287,386	$291,697	$296,072	$300,513	$305,021	$309,596	$314,240	$318,954	$323,738	$328,594	$333,523	$338,526	$343,604	$348,758	$353,989
6.2.A	Expand marketing, education, and travel training to schools and employment centers served.	$5K annually	$5,000	$100,000	$5,000	$5,075	$5,151	$5,228	$5,307	$5,386	$5,467	$5,549	$5,632	$5,717	$5,803	$5,890	$5,978	$6,068	$6,159	$6,251	$6,345	$6,440	$6,537	$6,635
6.2.B	Conduct marketing effort to educate and assess visitors and tourists.	$20K annually	$20,000	$200,000	$10,000	$10,150	$10,302	$10,457	$10,614	$10,773	$10,934	$11,098	$11,265	$11,434	$11,605	$11,779	$11,956	$12,136	$12,318	$12,502	$12,690	$12,880	$13,073	$13,270
6.2.C	Develop, conduct, and participate in initiatives that promote public transit.	$5K annually	$5,000	$100,000	$5,000	$5,075	$5,151	$5,228	$5,307	$5,386	$5,467	$5,549	$5,632	$5,717	$5,803	$5,890	$5,978	$6,068	$6,159	$6,251	$6,345	$6,440	$6,537	$6,635
6.2.D	Evaluate potential to provide Guaranteed Ride Home program.	$5K one time	$5,000	$5,000	$250	$254	$258	$261	$265	$269	$273	$277	$282	$286	$290	$294	$299	$303	$308	$313	$317	$322	$327	$331
Total			$6,314,421	$68,438,420																					

2015 dollars

TMD

TRANSPORTATION MANAGEMENT & DESIGN, INC.

North Central Regional Transit District and City of Santa Fe Transit System Consolidation Study

Task 3B – Physical Assets Analysis of Consolidation Options

Introduction

The *Physical Assets Comparison* evaluates how a potential consolidation would impact the physical assets of the North Central Regional Transit District (NCRTD) and Santa Fe Trails (SFT). The document will assess how each agency's fleet, facilities, technologies, capital plans, and branding will be affected by a potential consolidation. This document will consider two consolidation fare alternatives:

- *Alternative1: Agency Consolidation with a Shared Fare-Free Policy*
- *Alternative 2: Agency Consolidation with a Shared Base-Fare Policy*

Table 1 provides a brief overview of the *Physical Assets Analysis* document in Task 2 of the *Consolidation Study*.

Physical Assets Overview		
	NCRTD	**Santa Fe Trails**
Fleet Size	54 revenue vehicles and 11 support vehicles	52 revenue vehicles and 16 support vehicles
Average Vehicle Age	3 years	5 years
Fueling System	Diesel and gasoline-fueled fleet with testing on one CNG and one propane vehicle, off-site at independent fueling stations	Slow-fill compressed natural gas (CNG) fueling station at Santa Fe maintenance facility

Physical Assets Overview		
	NCRTD	**Santa Fe Trails**
Fare Collection	Largely fare-free. Accepts exact change only on its two premium routes.	Uses Genfare system to accept bus passes and cash fares.
Maintenance and Administration Facilities	Española facility is 12,500 square feet for administration, operations, and light-duty maintenance. Taos facility is 6,400 square feet.	Santa Fe facility is 15,414 square feet for administration, operations, bus wash, and maintenance facility.
Intelligent Transportation Systems	Avail Technologies provides services such as vehicle location data, real time passenger information, and dispatching software.	One Call Center utilizes the Avaya phone system to provide regional information. RouteMatch provides vehicle location and passenger information data. The agency will be switching to TransLoc in Fall 2017.

Fleet and Facilities

Fleet

Both NCRTD and Santa Fe Trails operate similar fleets in terms of the number of vehicles, but they differ in vehicle size and style. NCRTD's fleet is more diverse with regards to vehicle size and type, while Santa Fe Trails' vehicle fleet is more uniform. NCRTD operates cut-away buses and vans, while Santa Fe Trails operates mid-sized transit buses and paratransit vans. The difference in fleet composition is due to the nature of the services provided by each agency. NCRTD's operates a primarily trip-based, low volume rural service that connects major destinations across a large, relatively low-density service area. Santa Fe Trails provides more frequent, community-based fixed-route transit service within a concentrated urban area. The fundamental mobility needs of NCRTD and SFT require very different service strategies employing different vehicles making consolidation highly challenging without compromising service fundamentals.

Figures 1 and 2 show examples of the current fixed route fleet for each agency. Santa Fe Trails operates almost exclusively with CNG-powered vehicles fueled at their maintenance facility, centrally located in the City of Santa Fe, while NCRTD vehicles are primarily powered by gasoline or diesel engines, fueled at independent fueling stations and based at their central dispatch center in Española.

Figure 1: Santa Fe Trails Bus

Figure 2: NCRTD Vehicles

Both of these support facilities are centrally located for their respective service territories; the former within the urban area of Santa Fe and the latter in the centroid of their large four county service territory. The NCRTD facility is a full service dispatching, administrative office

and vehicle storage area while the SFT facility is a full service dispatching, administrative office, vehicle storage, and maintenance facility.

Both agencies have identified a need for regular vehicle replacements in their capital improvements plans.[1] For NCRTD, this is roughly $6 million over a 10-year period, while Santa Fe Trails' most recent estimate is $900,000 per year for two fixed route vehicles. As of July 2017, fleet replacement costs for Santa Fe Trails represent a total cost of $18.5 million for the period of FY2018 through FY2035, for both fixed route and paratransit vehicles. Funding is only identified for FY2018, the first year of the plan. Consistent with the assumptions presented in Task 3A financial analysis, SFT capital expenditures have been updated using the newly provided capital cost projections with projected revenues from FTA capital grants assumed, for evaluation purposes within this report, to cover 80 percent of fleet replacement costs for FY2019 and beyond (this approach is consistent with the federal grant projections for NCRTD as reflected in the fund balance analysis for the moderate scenario).

Beyond 2022 through 2035, NCRTD has developed a Long Range Strategic Plan (LRSP) with several service enhancement alternatives. This plan in total is projected to cost almost $100 million by FY2035. SFT's capital plan through FY2035 provides for no expansion in service and presumes only a regular fleet replacement of two fixed route buses per year thru 2035, as well as bus stop upgrades, and farebox and maintenance equipment replacements totaling $28.2 million through 2035. Through consolidation, a new combined capital improvement plan would present the need for vehicle replacement.

The consolidated agency would need to decide whether to move forward with CNG-fueled or gasoline/diesel-fueled vehicles or the potential evolving electric vehicle technology. SFT currently has a purpose built slow-fill CNG system at its central Santa Fe maintenance facility, which also features a heavy-duty maintenance capability. Given the diversity of the two fleets which is supported by their very different service characteristics, in a consolidation scenario in the short term, it would not seem reasonable to necessarily invest in common fuel technology as it would require a completely new NCRTD fleet as well as the equipping of an expanded Jim West Transit Regional Transit Center in Española with a modern CNG fueling station The capital cost for this would be significant and should be avoided in the near term for any consolidation.

It should be noted that SFT has indicated that it has recently issued an RFP to design, construct, operate and finance the upgrade of their existing CNG facility. They anticipate that the estimated $2.5 million cost of this proposed upgrade would be repaid over an 8 year period through the use of a gas compression fee, and that these costs would be shared with the City of Santa Fe's Environmental Services Division. This project was excluded from all financial calculations in this document. SFT also projects that for FY2035, this same CNG facility will

[1] NCRTD's *Long Range Capital Improvement Plan,* out to 2027; Santa Fe Trails' *2017-2021 Infrastructure Capital Improvements Plan*

require another upgrade. This proposed expense of $2.5 million is included in the Task 3A financial analysis as unfunded.

In the longer term in a consolidation scenario, propulsion technology should be further investigated to determine if a common technology for both types of service is viable. A longer term consideration may be the use of fully electric vehicles, a technology which is evolving and only now beginning to receive some initial acceptance by the transit community. Issues of vehicle range and re-charging are still key factors for the consideration of electric vehicles, especially for the long-distance travel associated with NCRTD service. Vehicle specification details and related decisions are beyond the scope of this study, and are referenced for future consideration as part of the consolidation consideration.

Maintenance Facilities

Santa Fe Trails' main facility is currently capable of heavy-duty maintenance while NCRTD's is only capable of light-duty maintenance. Currently, when NCRTD vehicles require medium and heavy-duty maintenance, the agency must externally contract to providers in neighboring locations such as Santa Fe or even as far as Albuquerque.

NCRTD's independent long-term capital improvement plans (FY2018-2027) include over $6 million in maintenance facility improvements at its Espanola site. The funding is presumed to be mostly federal funding, an uncertain source given the current transit funding environment.

A consolidation under Alternative 1 or 2 should attempt to optimize maintenance resources between the two currently independent agencies. It is recommended that efforts to more efficiently utilize the current NCRTD fleet based upon more proximate dispatching locations. This may include the ability to incrementally store and dispatch and perform light maintenance at the current SFT site on a small number of current NCRTD vehicles that serve the City of Santa Fe area. SFT has indicated that they currently operate two maintenance shifts that are fully utilized to maintain the current SFT fleet. The implementation of a third shift might provide the ability for maintenance on a small number of current NCRTD vehicles. A joint evaluation by NCRTD and SFT should be pursued if a consolidation effort is made. Such a complete analysis would require an in-depth review of current SFT maintenance practices and the degree to which an expanded utilization is incrementally possible; well beyond the scope of this initial consolidation study.

Vehicle Technologies and Communications Protocol

With the recent consolidation of NCRTD and the Town of Taos' Chile Line, costs of $354,433 due to the lack of operating technologies and communication software with the Chile Line, and was able to utilize remaining funding from a prior FTA 5311 award for an ITS upgrade for this fleet. An overview of existing technologies for Santa Fe Trails and NCRTD looks to prevent a comparable situation from reoccurring.

Intelligent Transportation Systems and Fixed-Route Passenger Resources

Both NCRTD and Santa Fe Trails utilize vehicle location data to provide real-time information. This is accessible through each agency's website, as well as separate smartphone applications. NCRTD currently uses Avail Technologies, while Santa Fe Trails uses RouteMatch software. Avail Technologies installed 331 QR code placards as a part of its May 2015 contract with NCRTD, and provided another 100 placards without routes so that NCRTD could add additional placards to their system as new stops were deployed. Santa Fe Trails' contract with RouteMatch does not allow the agency to extend the product or service without permission from the software company. The agency pays annual licensing fees and a fee for up to 35,000 text messages as part of its bus location text module. Under Fare Alternative 1 or 2, the consolidated agency would likely need to unify its technology under one provider. Most recently SFT has advised that they are switching to TransLoc software for vehicle location and passenger information data collection.

Santa Fe Trails operates its One Call Center using an Avaya phone, which provides information for multiple transportation providers: Santa Fe Trails, NCRTD, NMDOT, and Rail Runner.

Fare Collection Equipment

Fare policy will be a significant component of a potential consolidation. It has several implications for the merging of physical assets. If Alternative 2 is explored, the combined fleet would require uniform fare collection equipment. Given that NCRTD currently collects fares on just two premium routes, while Santa Fe Trails currently collects a base fare of $1.00 on its system (with senior citizen/elderly, and multiple ride discounts), under this scenario NCRTD vehicles and maintenance facilities would need to be modified to securely accept fares and possibly electronic fare media. A change in fare policy would also affect NCRTD's operating procedures and costs.

NCRTD initiated an investigation of the cost of implementing a modern fare collection system in 2015. The estimated cost per NCRTD for procuring and installing a fare collection system for their entire fleet at that time was a one-time cost of approximately $640,000. This capital cost could be offset significantly by an FTA grant which would typically pay 80% of the initial cost for such equipment. This would require that this item be added to the consolidated agency Capital Program.

In addition NCRTD estimated an associated recurring administrative and maintenance cost associated with fare collection of approximately $38,000 annually. This would be offset by recurring fare revenue, which based upon current NCRTD ridership levels and utilizing a common low fare policy with SFT, would be approximately $200,000 annually. However, per NMDOT current allocation policy, the allocation of FTA 5311 funds would then be reduced by a concomitant amount. Note that this is not a federal policy, but is rather an NMDOT policy. This

NMDOT policy should be revisited as it selectively penalizes no fare operations in favor of existing operations that charge a fare.

It would also require the establishment of a service line (fueling, fare collection, washing) at the Espanola facility which does not presently exist, but is part of the planned new Espanola Maintenance Facility. Therefore, this could not be implemented in the very short term upon initial consolidation, but would be consistent with a future phased-in approach.

In either fare alternative (1 or 2), significant public outreach should occur to maintain rider knowledge of fare policy. The fare policy decision has implications for agency funding and is further discussed in greater detail in this study's Task 3D Fixed Route and Paratransit Service Options document.

Capital Plan Overview

Consolidated capital plans will greatly readjust investment priorities. The City of Santa Fe's Capital Improvement Plan (FY2018-2022) has funding in place in FY2018 for fixed route and paratransit vehicles, as well as construction of the Downtown and Southside Transit centers. Starting in FY2019 to FY2035, SFT capital costs were assumed to be offset with revenue from FTA capital grants covering 80% of fleet replacement costs in the Task 3A financial analysis. This approach is consistent with the federal grant projections for NCRTD as reflected in their fund balance analysis. This is further discussed in the Task 3A *Financial Comparison* document, but warrants consideration for its impact on the state of physical assets for each agency.

Asset Transfers

As part of consolidation, it is presumed that any of the SFT transit assets currently owned by SFT or the City of Santa Fe would be transferred to NCRTD. Depending upon the nature of the asset, its funding source, and anticipated age versus useful life, there may be some associated reporting requirements and relatively small transfer fees requirements. This will vary from asset to asset, but are generally quite small in volume and should not be considered a factor in the consolidation decision.

Conclusions

The first two consolidation scenarios share many similarities with regards to impact on physical assets. A consolidated agency would need to consider how it handles differences in fleet vehicle technologies, and communication technologies as well as the uses of current maintenance facilities and the design of and investment in maintenance facility upgrades.

The consolidated fleet would still include a variety of vehicle sizes, given the differences in roles between NCRTD and Santa Fe Trails' existing services. In a consolidation scenario, it is recommended that efforts to improve efficiency based upon more convenient dispatching

locations and integrated bus operator assignments be pursued wherever possible. This strategy specifically applies to the current nine NCRTD routes that operate within the City of Santa Fe. Dispatching NCRTD routes in Santa Fe out of the more centrally located Santa Fe Trails facility will help improve efficiency and/or provide the ability for added reverse direction service.

A consolidation would optimize maintenance resources between the two agencies. An effort to provide for an incrementally expanded use base within the City of Santa Fe for storing and maintaining a small number of current NCRTD vehicles whose service territory includes the City of Santa Fe should be considered. NCRTD would be able to assume more of the maintenance efforts internally facilitated by the incrementally expanded use of this facility.

Both NCRTD and Santa Fe Trails utilize vehicle location data to provide real-time information. NCRTD currently uses Avail Technologies, while Santa Fe Trails uses RouteMatch software. A consolidated agency would likely need to unify its technology under one provider.

Fare policy will have several implications for the merging of physical assets. If a uniform fare structure under Alternative 2 is adopted, the combined fleet would require uniform fare collection equipment. NCRTD vehicles and maintenance facilities would need to be modified to securely accept fares and possibly electronic fare media. A change in fare policy would also affect NCRTD's operating procedures and costs.

TMD

TRANSPORTATION MANAGEMENT & DESIGN, INC.

North Central Regional Transit District and City of Santa Fe Transit System Consolidation Study

Task 3C – Labor Force Alternatives

Introduction

This section will utilize the results of Task 2 to consider the labor force options for consolidation of the North Central Regional Transit District (NCRTD) and Santa Fe Trails (SFT). Labor and its associated representation are a key issue in any transit operation and are very much a critical item for evaluation in a potential consolidation of services and operations.

NCRTD operational employees are currently represented by Chauffeurs, Teamsters, and Helpers Local No. 42 whereas SFT operational employees are currently represented by the American Federation of State, County, and Municipal Employees (AFSCME).

The current NCRTD contract covers the following job categories

- Driver (Level I, II, III)
- Transit Customer Service Representative (Level I, II, III – also referred to as Dispatchers)
- Transit Software Specialist.
- As NCRTD currently contracts with external vendors for all vehicle maintenance, there are no maintenance related represented titles in the current contract.

The current SFT contract covers the following job categories

- Administrative Secretary
- Customer Service Representative
- Database Specialist
- Mechanics
- Bus Operators (fixed route, paratransit, shuttle)

As was noted in Task 2, there are some significant differences in these two contracts as follows:

- Most importantly, while the NCRTD contract is a direct transportation services contract, the SFT contract is part of a Santa Fe city-wide contract in which the SFT operation is a subset defined as a "Division" within the larger municipal services contract. The SFT contract is lacking in specificity for transit. The establishment of a transit specific contract provides opportunities for more effective control of the labor force. An example would be in the area of accident and attendance discipline which could be tailored for transit and avoid subsequent rounds of arbitration due to SFT's subordinate role as a "Division" within the City's overall labor contract.

- The time frames for the two contracts are different. The NCRTD contract is valid through June 2019, while the SFT contract is valid only until June 2017. Both agencies' contracts are currently three years in duration. This affects the timing of having a unified contract under a consolidated operation.

- The pay levels for the basic transit functions are somewhat different with NCRTD being higher at the entry level, but SFT rates are higher at the midpoint and maximum levels. However, most current SFT employees in these titles are not paid at the higher Midpoint and Maximum levels. This pay rate differential may be increased if higher rates for SFT are negotiated in the new contract subsequent to July 1, 2017.

NCRTD

Title	Minimum	Midpoint	Maximum
Transit Driver I	$13.62	$16.34	$19.07
Transit Driver II	$14.23	$17.08	$19.92
Transit Driver III	$15.24	$18.29	$21.33

SFT

Paratransit Operator	$12.067	$16.536	$21.006
Transit Operator	$13.965	$19.420	$24.876
Transit Shuttle Operator	$13.965	$19.420	$24.876

- Grievance process is shorter at NCRTD than at SFT. It is a 2-step vs 4-step, reflecting a much more compact and transit-specific organization rather than a broader based municipality.

- Vehicle maintenance at NCRTD is exclusively handled by external vendor contracts, while SFT has in-house personnel to handle most to of this work with some exceptions largely due to new vehicle warranty issue.

- SFT Employees contribute substantially less to their pension than NCRTD employees, either 3.29% (under $20,000 salary) or 3.66% of salary (over $20,000) as opposed to 5.05% for NCRTD employees. This is attributable to the City of Santa Fe's substantially higher level of employer contribution to the plan.

- NCRTD health insurance costs on a bi-weekly basis are less for employees than for SFT employees. Each organization has three sets of health care plans; in all cases the premium costs borne by NCRTD employees are lower than the comparable SFT plans. NCRTD employees contribute 20% and SFT employees contribute 23.5% of the cost of their respective health care plans.

Typically there would be two basic labor representation options for consideration in a potential consolidation between the two organizations:

1. The first would be to retain the current separate labor affiliations, AFSCME for SFT, and Teamsters for NCRTD; and
2. The second would be to have the current SFT labor force be incorporated into the Teamsters representation for NCRTD.

In the longer term, phased in opportunities for enhancing the efficiency and effectiveness of the maintenance effort that could be obtained through a consolidation of facilities could also be constrained by differing work rules, work assignment, practices, and vehicle requirements.

The following is an evaluation of each option that is typically experienced in such consolidations.

Option 1 – Current SFT Operational Employees to Remain with AFSCME and NCRTD Operational Employees to Remain with Teamsters

In this option, current SFT operational employees, choosing to transition to the consolidated operation, upon consolidation with NCRTD would remain members of and continue to be represented by AFSCME. The key attribute in this arrangement is that it offers the least external controversy in dealing with a potential merger. It is accurate to assume based upon outreach to date, that an unchanged situation in terms of labor affiliation offers the overall least initial objection from the two affected labor forces. Unfortunately, it does not deal with certain constraints and most importantly, it does not facilitate any efficiency that could be achieved with a consolidation. The areas of concern with this option are as follows:

Under a consolidated operation, if SFT services were still to be represented by AFSCME, it would clearly have to be a separate contract from the overall Santa Fe City municipal contract. Operating with two separate unions could impair effective decisions that could otherwise be made within a consolidated organization. For example, a consolidated labor contract would give all employees the opportunity to move at their discretion within the terms of the contract, between the two currently separate systems. It would also insure that service changes are made in a consistent time frame.

There would have to be an effort to deal with the different time frames associated with each labor contract. This analysis assumes a consolidation timeframe of FY2019. Ideally it would start in October 2018 to coincide with the start of a new Federal Fiscal Year and the associated funding received by transit operators. With the current SFT contract expiring in June 2017, a new contract negotiated by the City of Santa Fe for the intervening period may have to include a provision for transfer of responsibility to NCRTD effective October 2018 or whenever the proposed consolidation becomes effective.

Moreover, under this option, with a pending consolidation, NCRTD would be constrained to accept the changes negotiated by the City of Santa Fe for SFT, which would potentially delay some cost benefits of consolidation. Options for SFT would include negotiating a shorter-term agreement such that a new NCRTD agreement could be put in place during the first year of consolidation. There would also need to address the differing pay levels; NCRTD being higher at the entry level, SFT rates being higher at the midpoint and maximum levels. This inequity would need to be considered. Moreover, this differential toward higher midpoint and maximum rates for SFT may be exacerbated by a new 2017 contract if negotiated separately by the City of Santa Fe; even if only for a one year period from 2017 to 2018.

Under separate labor contracts, any differences in work rules, leave practices, job descriptions, work assignments, grievance procedures, etc. would continue to exist. This would adversely impact potential economies resulting from consolidation. In addition, the administration of these differences would be difficult and inefficient.

Defined benefit pension arrangements, including the amount that an employee contributes versus what the employer contributes would continue to be different. If the City of Santa Fe ceased their added pension contribution, this would put an added financial requirement on NCRTD, unless negotiated separately in the new 2018 contract.

Any opportunities for service integration and associated efficiencies (both fixed route and paratransit) would be compromised with differing work rules and the inability to allocate the work force in a consolidated manner.

Based upon a recent review by the NCRTD Labor Attorney in consultation with City of Santa Fe Attorney's Office, provisions in current State of New Mexico Labor Law prohibit two separate unions from representing employees with the same job function, in this case bus operators and dispatchers. This would also apply to vehicle maintenance functions which are currently internally handled only to a very small degree at NCRTD (much of the work is out sourced) and to a much larger degree at SFT. Only one union is given the right to be the exclusive bargaining agent on behalf of a particular job function. So the above option of retaining two separate unions for a consolidated operation that utilizes vehicle operators and service dispatchers is deemed unworkable from a legal perspective.

Option 2 – Current SFT Operational Employees to Transition to NCRTD Teamsters Labor Union

In this option, upon consolidation, current SFT operational employees that choose to move to the consolidated NCRTD operation would be required to change their labor affiliation and be

represented by the current NCRTD Teamsters local. The initial outreach to each of the unions to date has shown that this would be a controversial requirement. However, it would be consistent with the process previously employed by NCRTD when they assumed control of the former independent Taos (Chile Line) system. Conversely, if a large number of current SFT employees chose not to join NCRTD, that would provide a requirement for NCRTD to hire and train a relatively high number of new drivers, albeit all at their lower introductory pay rate. However, based upon the experience of other public organization mergers and the fact that the City of Santa Fe could only have a relatively small number of open positions for current SFT employees to transfer to, this is believed to be an unlikely; and that the majority of current SFT employees would likely transfer to a consolidated agency. This could also impact the timing and phasing for consolidation implementation to insure that service is maintained without major disruption.

This option would require careful consideration of the pending SFT contract which expired in June 2017 and is currently under negotiation. Ideally, there would be an understanding in these negotiations that a consolidation with NCRTD is likely, and that a labor affiliation change would be necessary if and when a consolidation occurs. The consolidation would have to consider giving current SFT employees an option to choose whether or not they move to the consolidated NCRTD operation. It would also likely have to include a confirmation that there would be no job loss nor benefit reductions for any employee that would transfer to NCRTD and that all wage rate and benefit provisions including those resulting from any new SFT contract effective July 2017 would be honored. It would also suggest that NCRTD be proactive in seeking updates on the labor discussions.

As part of the consolidation effort, NCRTD would develop a short-term list of non-contractual initiatives that they would implement immediately at the time of consolidation that will provide more effective unification of the two agencies before any consolidation contract is negotiated. This would include but not be limited to branding/logos, assumption of Payroll and Human Resource procedures, et al. There will also have to be a consideration of how to address legacy costs and associated leave related payment obligations accrued under SFT operation that would remain with the transferred employee. Additionally, there will have to be a strategy of how to handle seniority for transferred employees without either disadvantaging the transferred employees or those already working for NCRTD. Differences in work rules, pay rates, and benefits would be the subject of separate negotiations with NCRTD at that time.

This option would have the significant overall benefit of establishing a transit specific contract for the former SFT services following expiration of the contract that would be in place at the time of the merger for SFT employees; one that is more conducive to transit management and the facilitation of both improvements in efficiency and effectiveness, as well as improving service. Such improvements are a key attribute supporting the justification for and the opportunities afforded by consolidation.

While not attempting to negotiate a new contract in this document, the following major items would have to be considered at that time:

- Differential in pay rates within similar job titles/functions and how that would be handled under a consolidated contract.
- Difference in pension contribution and how that would be handle under a consolidated contract.
- Unification of grievance procedure. Presumably under a consolidated contract the current NCRTD grievance procedures would apply to all.
- In the longer term, phase in the ability of former SFT maintenance employees to be trained and to work on NCRTD vehicles. This would be a transitional effort over an extended period of time that would require added training on all vehicle types given that NCRTD currently performs nearly all of its vehicle maintenance via external contract.
- Pension and Sick Leave issues for the transitioning former SFT employees would need to conform to NCRTD practices without compromising past balances/accruals. The City would have to cover any of these costs which would be based upon the Leave and Sick Leave balances of each employee at the time of consolidation. This is actually an existing cost that the City is facing over time regardless of consolidation. Any consolidation agreement should reference payment to the District for the value of the transferring employees sick and vacation balances. It will be important that transferring employees have their sick and vacation balances transferred to the RTD so that they do not start in a new organization with a zero balances.

Also note that at present there are a number of support functions for SFT that are performed by the City of Santa Fe (for FY 2016/2017 this amounted to a total cost of $941,000). Under a consolidation option, these functions would now have to be assumed by NCRTD and the costs of such be accounted for in the consolidation program. However, NCRTD would not be responsible for any change or loss of jobs in the City of Santa Fe due to the transfer of these former SFT support functions to a consolidated NCRTD operation.

TMD

TRANSPORTATION MANAGEMENT & DESIGN, INC.

North Central Regional Transit District and City of Santa Fe Transit System Consolidation Study

Task 3D – Fixed Route and Paratransit Analysis of Consolidation Option Alternatives

The *Fixed Route and Paratransit Service Comparison* evaluates the impacts that a potential consolidation between NCRTD and Santa Fe Trails would have on fixed route transit and paratransit service in the City and County of Santa Fe as well as the region. More specifically, this document evaluates how a consolidation would affect agency operations and the passenger experience through changes in service planning and fare structure. Service planning impacts are evaluated using a no consolidation and consolidation scenario, while fare structure impacts are evaluated using a no consolidation scenario as well as three alternatives for consolidation: all routes charge a fare; all routes are fare free; and a mix where some routes charge a fare while others do not.

Service Planning

Service planning shapes the design and delivery of the current and future transit network. Typical service planning tasks include analyzing service performance, updating the network, and optimizing resources on a recurring basis. However, the previous task work emphasized that NCRTD and Santa Fe Trails fulfill very different mobility roles in the City and County of Santa Fe: NCRTD provides infrequent regional, lifeline service while Santa Fe Trails operates more frequent, local service. Any consolidation option will need to understand how service planning activities will be affected given these distinct roles.

Analyzing Service Performance

A critical aspect of service planning is the regular monitoring of service performance. This allows an agency to identify opportunities for transit through data-driven analysis and to employ processes to improve and optimize service.

Fixed Route Performance Evaluation

NCRTD has previously released monthly Performance Measure reports to provide data for service evaluation. These measures help identify areas where system performance should be improved and what factors are at play. When applicable, the performance measures are compared to relevant peers and benchmarks. The reports include administrative, fleet, and customer relations measures, as detailed below.

NCRTD Performance Measures for Fiscal Year 2016-2017	
Administrative Measures	Ridership, All Funded Routes
	Ridership, NCRTD Operated Routes
	Monthly Expenditures
	Cost Per Mile
	Cost Per Trip
Fleet Measures	Vehicle Back Up Ratio
	Average Vehicle Age
	Percentage of "On-Time" Preventative Maintenance/Inspections
	Accidents, Major/Minor Tracking
Customer Relations Measures	Complaints
	Incidents

Santa Fe Trails does not post the same monthly updates on performance measures on their website as NCRTD does, but does provide monthly ridership and revenue hours by route as well as associated metrics in the meeting packet for their Transit Advisory Board (TAB) monthly meeting. Both agencies report annual performance measures as mandated by the FTA through the National Transit Database (NTD). This requires annual tracking of ridership, revenue hours, and expenditures for both agencies on a system-wide basis. SFT has recently indicated that they are now in the process of upgrading both data collection and performance monitoring to bring them in line with industry best practices as a result of recent managerial initiatives. Consolidation would provide an additional opportunity for comparative transit performance evaluation.

Paratransit Performance Evaluation

Due to its trip-centric, demand-response nature, paratransit service typically performs much less efficiently and effectively than fixed-route service. The service does not lend itself to regular network updates, but instead, requires coordination with the fixed route network or

any other local broader policy decisions relating to paratransit coverage. Both agencies collect paratransit performance data to determine capacity constraints, as well as service reliability and effectiveness as federally mandated. Specific criteria for determining capacity constraints are included in the following table:

Paratransit Performance Data Collected for Determining Capacity Constraints		
	NCRTD	**Santa Fe Trails**
Number of late pick-ups or drop-offs	A pick-up or drop-off is considered late when it is more than 20 minutes past the scheduled time.	90% of all pick-ups and drop-offs will be on time within the 30-minute scheduling window.
Number of trip denials or missed trips	Trip denials include rides accepted outside the hour scheduling window.	No more than 2% of requests will be denied. 98% of all trips will be provided as scheduled
Number of trips with excessive lengths	Excessive trip length is defined as a trip that takes longer than a reasonable time traveled on a fixed route.	99% of ride times will be one hour or less.
Number of missed calls on the trip reservation line	The percentage of reservation calls that roll over to voicemail.	N/A

There is considerable uniformity in the collection of performance data between the two agencies due to federal monitoring requirements. However, NCRTD does not outline specific percentage goals within its Paratransit policy document in the same manner as Santa Fe Trails. Additionally, Santa Fe Trails provides similar performance criteria for service that goes beyond the federal ADA requirements. The agency seeks 92-95 percent of all pick-ups and drop-offs to be on time and 99 percent of ride times to be 45 minutes or less. In a consolidated arrangement, NCRTD should provide comparable goals for its paratransit service.

Paratransit performance monitoring between the two agencies is very similar, meaning that a consolidated scenario would not bring significant change in analyzing service performance. A consolidation would however, bring more significant changes in associated functions such as agency administration and scheduling/dispatching protocols for paratransit service, all with the goal of reducing the inherent high cost of this very specialized service.

Network Updates

NCRTD and Santa Fe Trails employ varying processes for implementing service changes. These processes are guided by service planning documents that dictate near-term and long-term

transportation planning efforts. The following sources offer guidance in service planning for both fixed-route and paratransit services:

- NCRTD Guiding Documents
  - NCRTD Short Range Transit Service Plan
  - NCRTD Long Range Strategic Plan
  - NCRTD ADA Complementary Paratransit Service, Policies & Procedures
  - NCRTD Demand Response & Dial A Ride Policies
- Santa Fe Trails Guiding Documents
  - Santa Fe Metropolitan Public Transit Master Plan (Santa Fe MPO)
  - Santa Fe Ride ADA Complementary Paratransit Policies & Procedures

While some of these documents were developed by the agencies themselves, additional guidance from the Santa Fe MPO provides some supplemental direction. Much of Santa Fe Trails' future service planning relies on the ideas outlined in Santa Fe MPO's Metropolitan Public Transit Master Plan. This report does not provide specific processes or phasing for service adjustments, but rather offers a regional vision for transit.

Dedicated Planning Staff

A significant difference between the planning efforts of both agencies is NCRTD's utilization of two full-time employees dedicated in part to service planning. This includes the positions of Regional Transit Planner and Transit Planning, Grants, and Projects Manager. The City of Santa Fe does not currently employ a full-time transit planner; their services have largely been unchanged for a number of years. However, SFT has a comprehensive service evaluation budgeted to start in the Fall/Winter of 2017. If a consolidation is pursued, it is recommended that a longer term integrated service plan be prepared, and such a plan should fit into the framework of NCRTD's priorities outlined in their Long Range Strategic Plan.

Santa Fe Trails' Transit Advisory Board (TAB) is a group of volunteers tasked with advising on system improvements for the Santa Fe Trails network. Through its monthly meetings, members are expected to recommend reasonable performance standards, programs, and facilities for increased utilization and development of the system. Santa Fe Trails staff provides the TAB with information on agency issues such as facilities updates, system service performance and ridership, customer comments, and maintenance and operations.

While the TAB encourages transit-specific discussions among City stakeholders, it does not substitute for dedicated planning/service monitoring staff. Conversely, NCRTD has been more active in enacting service changes throughout its network while Santa Fe Trails' network and schedules has remained relatively unchanged for several years. SFT will be updating the transit network plan in a pending comprehensive service evaluation commencing later in 2017. It should also be noted that while NCRTD's future service and capital plan shows various levels of incremental growth, SFT service and capital plans at present show no service growth through

2035. This more proactive posture by NCRTD is a result of NCRTD's in-house planning staff and regularly updated strategic plans, and seeking to adjust and optimize service within available resources.

Paratransit Network Planning

Paratransit service planning differs significantly from the traditional fixed route network update processes. Given the on-demand nature of the service, the paratransit "network" is continually updated through the reservation process. Both agencies employ full-time call center employees, schedulers, and dispatchers dedicated to managing paratransit service and operations.

Each agency currently uses differing call center systems, application processes, and reservation timeframes. In a consolidated option, the most significant paratransit component will involve reconciling the current differences between each agency's scheduling and dispatching processes to provide uniformity, effectiveness, and efficiency.

Optimizing Resources

Both agencies have the opportunity to improve transit efficiency and effectiveness. However, given the distinctly different mobility role of each agency, with NCRTD providing fixed route, but infrequent, trip-based long distance service to a very large region, and SFT providing headway-based, relatively short distance service within a small urbanized area, resource savings from eliminating duplicative services are expected to be minimal at current service levels. In the instances within the City of Santa Fe where there is fixed route overlap between SFT and NCRTD, the combination of lack of frequency, the very long distance nature, and lack of fare compatibility of the current NCRTD rural based service does not provide any customer service basis for service integration with SFT urban based services that are very significantly more frequent, with many more hours of service, and charge a fare. However, as a result of consolidation in the longer term, should NCRTD route specific services within Santa Fe increase in frequency and span in response to market conditions which is in part consistent with their Long Term Strategic Plan, and a common fare structure is established, a basis for service integration and associated effectiveness should be pursued. In the short term, there are other aspects of service planning and operations that can improve resource utilization and the quality of transit in the City and County of Santa Fe and the region that would be fostered by consolidation. These are identified in the following sections.

Coordinating Regional Service

While fixed-route service duplication is minimal due to the current differing mobility roles of each agency, consolidating operations could result in better coordination of transit throughout the southern portion of the NCRTD region. Coordinated connections between currently separate NCRTD and SFT routes would result in more effective regional connectivity and mobility. The communication of service schedules on a single information platform would

facilitate longer distance trips and connectivity between the currently two separate operations. The existence of a consolidated agency would streamline service coordination and facilitate a more integrated network of public mobility.

In addition, the ability to dispatch service from both maintenance facilities (current SFT facility and the proposed new NCRTD facility in Española) could result in some reduced non-revenue travel distance and cost even with separate or limited integrated maintenance efforts.

Modern Scheduling Software and Techniques

Both NCRTD and SFT currently employ manual scheduling techniques that do not provide the opportunities for optimizing operating schedules that are currently available with modern enterprise scheduling software. A consolidation, in concert with a dedicated schedule/planning staff as contemplated in a preliminary consolidation staffing plan, would offer the opportunity to pursue the use of a modern scheduling program which would optimize work assignments to obtain the overall lowest service cost within contractual work rules. These programs optimize fixed-route bus operator and vehicle assignments, integrate NCRTD and SFT service schedules, and, very importantly, provide extensive management data on a common technology platform. Deployment of this software should be a key goal of consolidation.

Paratransit Resource Optimization

Unlike fixed-route service, the agencies' current paratransit services have similar roles. This is largely due to federal regulations on providing minimum thresholds for paratransit service based upon the service territory of the fixed route network.

NCRTD's paratransit service has identified two specific service areas: the core Española-area and Taos. Furthermore flex routing is provided to address the provision of paratransit service in its expansive regional-area fixed-route territories. NCRTD provides complementary ADA paratransit service within the City of Española, its core service area. NCRTD paratransit service within the regional-area fixed-route territory extends to within ¾ mile of regional fixed-route service, as mandated by the FTA's paratransit guidelines. This includes necessary road-to-driveway, curb-to-curb, and door-to-door service when roadway conditions do not meet NCRTD safety standards.

Santa Fe Trails currently offers paratransit service within City limits, regardless of distance from fixed-route service and ¾ mile from fixed routes that extend into the County (Community College District and Village of Agua Fria). Given the overlapping nature of the agencies' current service areas within the City of Santa Fe, there is potential for cost-effective coordination of paratransit service (which is geographically based) with respect to these common areas.

One of the more significant differences between NCRTD and Santa Fe Trails is that NCRTD provides fare-free curb-to-curb service, while Santa Fe Trails charges $2.00 per one-way trip and specialized service for registered seniors at $5 per trip. This reflects each agency's existing fare policy and is discussed later in this report.

Another critical difference between the two agencies is the number of annual paratransit trips provided. NCRTD provides roughly 3,000 paratransit trips per year throughout its vast service area, while Santa Fe Trails provides approximately 40,000 annual paratransit trips within its denser service territory; more than 10 times the volume of NCRTD. The significant difference in number of paratransit trips is an important factor in considering the feasibility and associated benefits and disadvantages of implementing consolidated customer, service, and operating policies and procedures

Staffing

Overall, federally-mandated performance monitoring creates uniformity amongst the two agencies' service performance analyses. However, Santa Fe Trails could benefit from greater attention to regular fixed route performance monitoring by utilizing some of the same processes currently used by NCRTD. If the two agencies were to consolidate, regular analysis of route-level performance would help ensure that the combined agency's service is more efficient, cost-effective, and responsive to travel market conditions within available resources.

NCRTD's allocation of full-time staff towards transit planning as contemplated in the preliminary staffing plan in addition to a policy that encourages system performance and review would help optimize the City of Santa Fe's transit service planning efforts, both in the short and longer term. Additionally, the combined agency would benefit from detailed short-term and longer-term transit plans to provide a thorough vision that is implementable for the entire north central region. This is deemed to be a critical attribute of a potential consolidation.

Fare Structure

One potential challenge in consolidation is the current difference in fare structure between the two agencies. Almost all NCRTD routes are currently fare-free while SFT charges a base fare of $1.00, and the availability of discounted daily, monthly, semi-annual, and annual passes, with reductions for seniors/disabled and students. While the amount of farebox revenue currently received is relatively small, the issue in terms of service policy for the customer in a consolidated system is noteworthy, particularly in the longer term if there is any effort to pursue integrated services.

Fare Structure Implications in a Consolidation Scenario

Differing fare structures should be addressed as part of the potential consolidation, as it could influence the ability for future service integration which could include interlined scheduling, associated levels of service, system complexity, and potential funding sources. This does not have to happen at the commencement of any consolidation, but could be a longer term, phased-in effort. The main administrative processes associated with consolidating fixed route and paratransit services across the two agencies includes creating uniform application processes and regulations, streamlining reservation systems (paratransit) and technological support, and maintaining customer comprehension of services.

Recipients of federal funding must offer Americans with Disability Act (ADA) paratransit service equal to the span of fixed route service within at least a ¾ mile zone of the fixed route service at a fare no higher than twice the regular full fare. This has significant funding implications for any transit district or agency, as the fixed-route fare dictates the appropriate paratransit fare. The current absence of fare charged by NCRTD results in a no fare situation for paratransit as well. However, on paratransit the issue is more than just the revenue produced from a fare; it is the fact that there should be a goal to manage demand for this highly specialized, high cost service. The existence of a premium fare for paratransit provides some impediment for indiscriminate use of this high cost resource.

Accordingly, SFT has defended the need to have a fare on their small size urban bus system despite the low farebox recovery ratio as a way to manage demand for fixed route and paratransit services. It also discourages on-board vagrancy, an issue with an urban transit system. On an annual basis, Santa Fe Trails provides 40,000 paratransit trips and generates $70,000 in farebox revenue. This fare policy is consistent with most small urban systems that offer full day fixed route service.

Fare Policy Consolidation Options

All Services Fare-Based

In this consolidated option, the combined agency would adopt a universal fare policy, adding a fare to 22 of NCRTD's 24 routes (the remaining two routes already charge a fare). While Santa Fe Trails currently has a base fare of $1.00, the consolidated agency would not necessarily be limited to this fare structure, although it would be presumed that any initial effort would in fact keep a low fare to minimize the change for current NCRTD customers.

Given NCRTD's vast service area, the revised agency may want to explore pricing based on fare zones and other similar policies. With such varying route roles between the two agencies, a "one-size-fits-all" fare may not be the most suitable. However, universal fare structures tend to benefit rider comprehension of the system, especially through major service changes.

It should be also noted that as a much larger consolidated system, the existence of a fare, albeit low fare, would be consistent with similar regional operations throughout the United States.

Benefits of an entirely fare-based system include ease of rider comprehension and managed demand for costly ADA paratransit service. In addition, the establishment of such a policy is necessary for any future consideration of integrated service opportunities.

Disadvantages of a universal fare-based system include increased transportation costs for area constituents. While there would likely be an adverse reaction to charging a fare on existing free services, this would be mitigated by keeping the fare low, as SFT has done.

One of the other disadvantages would be the need and cost to procure and install a basic fare collection system. NCRTD initiated an investigation of the cost of implementing a modern fare

collection system in 2015. The estimated cost per NCRTD for procuring and installing a fare collection system for their entire fleet at that time was a one-time cost of approximately $640,000. This capital cost could be offset significantly by an FTA grant which would typically pay 80% of the initial cost for such equipment. This would require that this item be added to the consolidated agency Capital Program.

In addition, NCRTD estimated an associated recurring administrative and maintenance cost of approximately $38,000 annually. This would be offset by recurring fare revenue, which, based upon current NCRTD ridership levels and utilizing a common low fare policy with SFT, would be approximately $200,000 annually. However, per NMDOT current allocation policy, the allocation of FTA 5311 funds would then be reduced by a concomitant amount. Note that this is not a federal policy, but is rather an NMDOT policy. This NMDOT policy should be revisited as it selectively penalizes no fare operations in favor of existing operations that charge a fare.

It would also require the establishment of a service line (fueling, fare collection, washing) at the Española facility which does not presently exist, but could be a component of the planned new Espanola Maintenance Facility. Therefore, this could not be implemented in the short term upon initial consolidation, but would be consistent with a future phased-in approach as mentioned previously. While the consolidated agency would still provide low-cost transportation options, it may disadvantage the very low income transit-dependent population.

All Services Fare-Free

In this option, the combined agency would adopt a completely fare-free structure. This would make 10 of 12 SFT routes completely fare-free, as two Santa Fe Pick Up routes currently do not charge a fare.

Under a fare-free fixed-route policy, curb-to-curb paratransit would be fare-free as well as there could be no paratransit fare without a fixed route fare. In a consolidation scenario, NCRTD would absorb SFT, which would greatly increase the number of free paratransit trips per year by at least the current 40,000 annual SFT level of annual paratransit trips. The number of paratransit trips requested in Santa Fe would increase significantly above that if it were to become completely fare-free given the higher residential density within the City of Santa Fe and the demand elasticity associated with transitioning from a $2 fare to no fare.

Disadvantages of a fare-free system include a potentially significant increase in demand within the City of Santa Fe for fixed route service and more critically for paratransit service, and associated financial sustainability concerns. This scenario would require a significant number of existing low fare routes to become fare-free, which is especially problematic due to the relatively frequent service these SFTs routes provide when compared to the existing NCRTD rural services. Given the frequency and regularity of SFT services associated with an urban system, the issue of vagrancy would also be exacerbated based upon other such urban transit experiences. Such an expansion of service may also place strain on efficient financial planning in the years leading up to the sunset of the Regional Transit Gross Receipts Tax. This would

further compromise the ability to have balanced capital and operating budgets (discussed in Task 3A) and may negatively impact the level of service a consolidated agency is able to provide.

Hybrid System with Both Fare-Free and Premium Services

In a hybrid system, some "fare" routes would charge a fare while others are fare-free. NCRTD currently operates two premium routes—255 Mountain Trail and 305 Taos Express—that charge $2-$5 fares, while the remainder of the system is fare-free.[1] A consolidated option would allow for a re-evaluation of the basis for which a route is designated as "fare" allowing some routes to charge a fare while others are free.

Benefits of this hybrid system include the ability to manage demand for costly ADA paratransit service and the utilization of farebox revenue to supplement funding mechanisms.

Disadvantages of this hybrid system include potentially decreased rider comprehension, adverse Title VI implications, and the need for added fare collection equipment. If riders are unsure what routes have an associated fare, it may create a barrier to transit use. However, this might be mitigated to a degree by an extensive information campaign. Additional time dedicated to fare comprehension while boarding the vehicle may add up over time as well, but this would likely be a short-term concern. Additionally, a thoughtful process for determining which routes charge a fare and which do not will need to provide the rationale behind why some areas will receive free service and others will not; and would need to conform with Title VI requirements.

[1] 255 Mountain Trail charges $5 each way in the winter, and $5 eastbound only in the non-winter season. 305 Taos Express between Taos and Santa Fe is $5 per trip, while Taos to Española or Santa Fe to Española is $2 per trip.

TMD

TRANSPORTATION MANAGEMENT & DESIGN, INC.

North Central Regional Transit District and City of Santa Fe Transit

System Consolidation Study

Task 3E – Summary of Consolidation Option Comparisons

Introduction

Transportation Management & Design (TMD) with Felsburg, Holt & Ullevig (FHU) and Rosemary Romero Consulting (RRC) have been tasked by the North Central Regional Transit District (NCRTD) and City of Santa Fe to conduct a preliminary management study of the opportunities and constraints, advantages and disadvantages of a contemplated consolidation with the currently separate Santa Fe Trails (SFT) as part of an enlarged regional public transportation organization. The goal is to provide information to the policy makers to assist in their consideration of whether to move forward with a consolidation effort. This study is not a service design study to consider individual revisions in route structure or schedule; in fact for the purpose of the analysis, all existing services are assumed to be unchanged in orientation and schedule. Rather this is an analysis of the benefits and shortcomings and needed changes to support a potential merger of the current NCRTD system which serves a large, generally rural geographic area including Santa Fe, Los Alamos, Taos, Rio Arriba Counties, with the SFT system which provides service within the City of Santa Fe.

The purpose of this task is provide a condensed summary of the options and aspects of a potential consolidation of the North Central Regional Transit District (NCRTD) and Santa Fe Trails (SFT) as detailed in Tasks 3A Financial Comparison, 3B Physical Assets Comparison, 3C Labor Force Comparison, and 3D Service Comparison. These Task 3 elements build upon prior Task 2 elements which looked at the current status of each of these elements for each currently independent system. The basic premise of this analysis and the prior Task 3 supporting documents is that the agencies would operate as a consolidated entity under an NCRTD managed organization, with FY2019 serving as the first year of the consolidation for evaluation

purposes. The remainder of this document is organized into specific sections: Service, Physical assets, Financial and Labor Force.

Service Comparison

Service Territory

- NCRTD currently operates within a very large 10,079-square mile service area in North Central New Mexico serving the rural populations within the counties of Los Alamos, Taos, Rio Arriba, and Santa Fe, as well as eight regional pueblos with a total population of approximately 235,000, with fixed route and paratransit vehicles.
- SFT currently operates within a much smaller 52.5-square mile service area in the City of Santa Fe, New Mexico and a small portion of Santa Fe County (Community College district). Santa Fe Trails provides a small urban transit system for the City, extending into Santa Fe County through its fixed route and paratransit service with a population of about 83,200.

Route Structure

- NCRTD operates 24 fixed and flex-routes in addition to Dial-A-Ride, Demand Response and Paratransit services. Twenty fixed-routes operate fare-free Monday through Friday, while one premium service operates seven days a week with a fare and one operates on weekends only. NCRTD provides paratransit and complementary services in conformance with the American Disabilities Act (ADA). Demand Response service is also available for Rio Arriba County and City of Española residents that live within a 15-mile radius of the Española Transit Center and/or do not have access to fixed-route service. Dial-A-Ride is available in the Pojoaque/Nambe area.
- SFT operates 10 fixed-routes, two Santa Fe Pick-Up shuttle routes, and Santa Fe Ride paratransit services. All but two of Santa Fe Trails' fixed-routes operate Monday-Saturday and more than half operate seven days a week, all with a scheduled frequency throughout the service day. Santa Fe Trails charges a base fare of $1.00 per trip on its fixed-route service and provides fare-free downtown circulator shuttle service every day marketed as the "Santa Fe Pick-Up". Santa Fe Trails' paratransit service fare is $2.00 per trip for eligible passengers and $5.00 per trip for seniors. Seniors are granted automatic eligibility at this premium fare, and may still apply for paratransit service as an ADA-eligible passenger.

Current Differing Transportation Roles and Services

- NCRTD provides fixed route, infrequent, trip-based long distance service to a very large region; and SFT provides evenly scheduled headway-based, relatively short distance service within a small urbanized area.

- *Current Constraints to Service Integration*
  - Given the distinctly different mobility role of each agency, the opportunities associated with consolidation for resource savings from eliminating duplicative services are minimal at current service levels. In the instances within the City of Santa Fe where there is fixed route overlap between SFT and NCRTD, the combination of lack of frequency, the very long distance nature, and lack of fare compatibility of the current NCRTD service does not provide any customer service basis for service integration.
  - One potential challenge in consolidation is the current difference in fare structure between the two agencies. Almost all NCRTD routes are currently fare-free while SFT charges a base fare of $1.00, and the availability of discounted daily, monthly, semi-annual, and annual passes, with reductions for seniors/disabled and students. While the amount of farebox revenue currently received is relatively small, this issue in terms of service policy in a consolidated system is noteworthy, and is critical in the longer term if there is any effort to pursue integrated services. Differing fare structures should be addressed as part of the potential consolidation, as it could influence the ability for future service integration, interlining scheduling, associated levels of service, system complexity, and potential funding sources. This does not have to happen at the commencement of any consolidation, but could be a longer term, phased-in effort as part of a service enhancement effort.
- *Opportunities for service integration.*
  - In the longer term, should NCRTD route specific services within Santa Fe increase in frequency and span as in response to market conditions and consistent with their Long Term Strategic Plan, and a common fare structure is established, a basis for service integration and associated effectiveness should be pursued. These are key factors in achieving optimal service design efficiencies for an expanded regional system in the intermediate and longer term if a consolidation is pursued.

Near term opportunities for service enhancement

- *Coordination of Regional Service*
  - Consolidating operations could result in better coordination of transit throughout the southern portion of the NCRTD region. Coordinated transfers between currently separate NCRTD and SFT routes would result in more effective regional connectivity and mobility. The communication of service schedules on a single information platform would facilitate longer distance trips and connectivity between the currently two separate operations.
  - The ability to dispatch service from both maintenance facilities (current SFT facility and the proposed new NCRTD facility in Española) could result in some reduced non-revenue travel distance and cost even with separate or limited integrated maintenance efforts.

- *Modern Scheduling Software and Techniques*
  - Both NCRTD and SFT currently employ manual scheduling techniques that do not provide the opportunities for optimizing operating schedules that are currently available with modern enterprise scheduling software. A consolidation, in concert with a dedicated schedule/planning staff, would offer the opportunity to pursue the use of a modern scheduling program that would optimize fixed-route bus operator and vehicle schedules, integrate NCRTD and SFT service schedules in the future with potential service enhancements, and provide extensive management data on a common platform. Deployment of this software should be a key goal of consolidation.
- *Intelligent Transportation Systems and Fixed-Route Passenger Resources*
  - Both NCRTD and SFT utilize vehicle location data to provide real-time information.
  - NCRTD currently uses Avail Technologies, while SFT uses RouteMatch software although SFT has advised that they are switching to TransLoc software for vehicle location and passenger information data collection.
  - The consolidated agency would need to unify its technology as well as other technology platforms.
- *Regularized Planning Effort*
  - NCRTD utilizes two full-time employees dedicated in part to service planning. This includes the positions of GIS/ITS Specialist (formerly Regional Transit Planner) and Transit Planning, Grants, and Projects Manager. City of Santa Fe nor SFT do not currently employ a full-time transit planner; their services have largely been unchanged for a number of years. While SFT has a comprehensive service evaluation budgeted to start in the Fall/Winter of 2017, a consolidation would foster the efforts to have an aggressive service monitoring program to respond to changing market conditions within available resources. If a consolidation is pursued, it is recommended that a longer term integrated service plan be prepared, and such a plan should fit into the framework of NCRTD's priorities outlined in their Long Range Strategic Plan. An added Planner position has been provided in the recommended consolidated organization.

Paratransit Resource Optimization

Unlike fixed-route service, the agencies' current paratransit services have similar roles. This is largely due to federal regulations on providing minimum thresholds for paratransit service based upon the service territory of the fixed route network.

- NCRTD paratransit service within the regional-area fixed-route territory is within ¾ mile of regional fixed-route service, as mandated by the FTA's paratransit guidelines. NCRTD

provides roughly 3,000 paratransit trips per year throughout its vast service area offering free curb-to-curb service.

- SFT currently offers paratransit service within City limits, regardless of distance from fixed-route service and ¾ mile from fixed routes that extend into the County (Community College District and Village of Agua Fria). Santa Fe Trails provides approximately 40,000 annual paratransit trips within its denser service territory charging $2.00 per one-way trip and specialized service for registered seniors at $5 per trip.
- Due to the overlapping nature of the agencies' current service areas within the City of Santa Fe, there is a potential for cost-effective coordination of paratransit service (which is geographically based) with respect to these common areas. A common paratransit fare policy would be needed to be established to facilitate this economy.

Physical Asset Comparison

As part of consolidation, it is presumed that any of the SFT and City of Santa Fe transit assets currently owned by SFT or the City of Santa Fe would be transferred to NCRTD. Depending upon the nature of the asset, its funding source, and anticipated age versus useful life, there may be some associated reporting requirements and relatively minor transfer fee requirements. This will vary from asset to asset, but are generally quite small in volume and should not be considered an economic factor in the consolidation decision.

Fleet

Both NCRTD and Santa Fe Trails operate comparable fleets in terms of the number of vehicles, but they differ in vehicle size, style and fuel type. NCRTD operates cut-away buses and vans, while SFT operates mid-sized transit buses and paratransit vans. The difference in fleet composition is due to the nature of the services provided by each agency. NCRTD's operates a primarily trip-based, low volume rural service that connects major destinations across a large, relatively low-density service area. SFT provides more frequent, community-based fixed-route transit service within a concentrated urban area. The fundamental mobility needs of NCRTD and SFT require very different service strategies employing different vehicles making fleet uniformity challenging without compromising some service fundamentals.

SFT operates almost exclusively with CNG-powered vehicles fueled at their central maintenance facility centrally located in Santa Fe, while NCRTD vehicles are primarily powered by gasoline or diesel engines, fueled at independent fueling stations and based at their central dispatch center in Española.

Both agencies have identified a need for regular vehicle replacements in their capital improvements plans: for NCRTD, this is roughly $6 million over a 10-year period, for SFT a total

cost of $18.5 million for the period of FY2018 through FY2035, for both fixed route and paratransit vehicles. However, for SFT funding is only identified and in place for FY2018, the first year of the plan. This lack of advanced capital planning is a critical shortcoming of the current SFT operations.

The consolidated agency would need to decide whether to move forward with CNG-fueled or gasoline/diesel-fueled vehicles or the potential evolving electric vehicle technology. SFT currently has a purpose built slow-fill CNG system at its Santa Fe maintenance facility, which also features a heavy-duty maintenance capability with plans to upgrade the fueling facility. Given the diversity of the two fleets which is supported by their very different service characteristics, in a consolidation scenario in the short term, it would not seem reasonable to necessarily invest in common fuel technology as it would require a completely new NCRTD fleet as well as the equipping of an expanded Jim West Transit Regional Transit Center in Española with a modern CNG fueling station The capital cost for this would be significant and should be avoided in the near term for any consolidation.

Maintenance Facilities

SFTs' facility in Santa Fe is currently capable of heavy-duty maintenance while the NCRTD administration/storage facility in Espanola is only capable of light-duty maintenance. Currently, when NCRTD vehicles require medium and heavy-duty maintenance, the agency must externally contract to providers in neighboring locations such as Santa Fe or even as far as Albuquerque.

NCRTD's independent long term capital improvement plans (FY2018-2027) include over $6 million in maintenance facility improvements at its Espanola site. The funding is presumed to be mostly federal funding, an uncertain source given the current transit funding environment.

In a consolidation scenario, it is recommended that efforts to more efficiently utilize the current NCRTD fleet based upon more proximate dispatching locations be considered. This may include the ability to incrementally store and dispatch and perform light maintenance at the current SFT site on a small number of current NCRTD vehicles that serve the City of Santa Fe area. SFT has identified that there is currently only two shift usage of their facility. The implementation of a third shift might provide the ability for maintenance on a small number of current NCRTD vehicles. A joint evaluation by NCRTD and SFT should be pursued quickly if a consolidation effort is made. Such a complete analysis would require an in-depth review of current SFT maintenance practices and the degree to which an expanded utilization is incrementally possible; well beyond the scope of this initial consolidation study.

A consolidation could optimize the utilization of maintenance resources between the two agencies. An effort to provide for an incrementally expanded use base within the City of Santa Fe for storing and maintaining a small number of current NCRTD vehicles whose service territory includes the City of Santa Fe should be considered. NCRTD would be able to assume more of the maintenance efforts internally facilitated by the incrementally expanded use of this

facility. In addition, NCRTD should continue to pursue facility improvements as its site in Espanola consistent with an expanded maintenance effort.

Fare policy has several implications for the merging of physical assets if a low fare is imposed on current free fare services. If a scenario involving fares for current SFT services is explored, the combined fleet would require uniform fare collection equipment. NCRTD initiated an investigation of the cost of implementing a modern fare collection system in 2015 as follows.

- Capital cost per NCRTD for procuring and installing a fare collection system for the entire fleet, one-time cost of approximately $640,000. This capital cost could be offset significantly by an FTA grant which would typically pay 80% of the initial cost for such equipment.
- NCRTD estimated an associated recurring administrative and maintenance cost associated with fare collection of approximately $38,000 annually.
- It would also require the establishment of a service line (fueling, fare collection, washing) at the Espanola facility which does not presently exist, but could be incorporated as part of the fuel line into the planned new Espanola Maintenance Facility. Therefore this could not be implemented in the very short term upon initial consolidation, but would be consistent with a future phased-in approach.

Capital Plan Overview

Beyond 2022 through 2035, NCRTD developed in 2015 a Long Range Strategic Plan (LRSP) with several service enhancement alternatives. This plan in total is projected to cost approximately $100 million by FY2035. SFT's capital plan through FY2035 provides for no expansion in service and presumes only a normal fleet replacement, as well as bus stop upgrades, and farebox and maintenance equipment replacements totaling $28.2 million through 2035.

The SFT Capital Improvement Plan (FY2018-2022) has funding in place in FY2018 for fixed route and paratransit vehicles, as well as construction of the Downtown and Southside Transit centers. Starting in FY2019 to FY2035, SFT capital costs were assumed to be offset with revenue from FTA capital grants covering 80% of fleet replacement costs. This approach is consistent with the federal grant projections for NCRTD as reflected in their fund balance analysis. This is further discussed in the Task 3A *Financial Comparison* document, but warrants consideration for its impact on the state of physical assets for each agency.

Financial Comparison

The analysis of financial issues related to a potential consolidation identified five important areas for consideration and action. They are as follows:

- The primary source of operating revenues for NCRTD, the State of New Mexico Gross Receipts Tax (GRT), is scheduled to sunset in 2023. Approval to extend this tax, at the

same or at an increased level, is critical to NCRTD's operations and necessary for any consolidation to be successful. The NCRTD Board, in developing its LRSP in 2015, recommended a series of action steps to remove the sunset provision to achieve the future visions and goals of the agency. Removal of the sunset vision and potential change to the current GRT rate requires voter approval within the four-county region.

- This tax currently generates over $7 million per year in revenues for transit operations, and more than half of it is presently distributed by NCRTD to other regional providers to support their transit services.

- Based on financial projections and assumptions, SFT is projected to have sufficient operating revenues from Fiscal Year 2018 through Fiscal Year 2022 to support day-to-day operations and service levels. However, in that same five-year time period NCRTD must rely on drawdowns from their reserve cash balances to sustain a balanced budget. If consolidation would to occur in FY2019, the consolidated agency is forecast to fall below its board required 25% reserve requirement level by FY2020, given current revenue and expenditure projections.

- $941,000 of annual costs were charged to SFT by other City of Santa Fe departments to provide a variety of administrative and support functions. Under a consolidated transit agency, this work would need to be absorbed by NCRTD. It is anticipated that a consolidated agency would permit NCRTD to absorb these support expenses more efficiently at a lower annual cost. An initial assessment of NCRTD hiring requirements to replace the services now provided to SFT by City of Santa Fe departments indicates that a net total of 9 new positions would be needed for the start of consolidation, at a cost of approximately $470,000 yielding a net savings of approximately $500,000 annually over SFT expenses for these services.

- In recent years the lack of definitive funding approvals for proposed capital investments impedes SFT's ability to improve their transit operations in an effective way. A consolidated transit agency, under the management of NCRTD, would allow for a rational and strategic evaluation of required Capital Improvement needs and priorities and potentially providing over the longer term some economy by taking advantage of the synergy afforded by each other's current separate capital plans. Additionally, this approach would facilitate a review of the useful remaining life of existing assets and a transit focused perspective on specific upgrades and replacements that are necessary to improve transit services in the region, particularly with regard to implementation of new technologies, consistent with available funding.

- The forecasted continued reliance by NCRTD on the annual drawdown of reserve funds to support capital match requirements will put pressure on NCRTD's ability to maintain its Board required commitment of a 25% cash reserve level in a consolidation. The NCRTD financial reserve policy outlines practices that govern the management of the

District's financial reserves. This includes a commitment to seek to maintain at all times an amount equaling 25% of its operating revenue as an unrestricted cash reserve. The cash reserve policy includes four specific categories of use of the reserve fund: for operations, capital and capital replacement, service enhancements and debt service. It should be noted that this 25% cash reserve level as imposed by the NCRTD Board is three times the required cash reserve imposed by the New Mexico State Department of Finance and Administration (DFA) for minimum reserve balance requirements. DFA requires at all times a minimum of one month (approximately 8.3%) of operating revenues as a cash reserve to meet their requirements. The 25% reserve requirement may serve as a substantial impediment to achieving a successful consolidation effort, particularly in the near term, if not relaxed or supplemented with significant new revenues. Use of these cash balances results in NCRTD falling below the FY2020 board approved reserve requirement level of 25%, and reserve fund balances are in a deficit position the following year in FY2021, based on FHU's updated analysis reflected in a revenue and expenditure comparison.

Labor Force Comparison

- NCRTD operational employees are currently represented by Chauffeurs, Teamsters, and Helpers Local No. 42. Contract currently valid until June 2019.
- SFT operational employees are currently represented by the American Federation of State, County, and Municipal Employees (AFSCME) as part of a larger city municipal contract. Contract expired June 2017 and is currently in negotiation.
- Per NCRTD and SFT, the only legal option for consolidation between the two agencies is to have a single union representing all similar job functions. It is presumed that this would then result in a single contract detailing specific provisions for a consolidated transit agency. This would be one of the major benefits and most important aspects to consider for a successful consolidation.
- The NCRTD contract is a direct transportation services contract, while the SFT contract is part of a Santa Fe city-wide contract that is lacking in specificity in certain areas for transit operations. The establishment of a transit specific contract provides opportunities for more effective control of the labor force by introducing provisions tailored for transit employees that may not be applicable to other parts of the Santa Fe workforce.
  - Example: accident and attendance discipline which could be tailored for transit and avoid subsequent rounds of arbitration due to SFT's subordinate role as a "Division" within the City's overall labor contract
- Differing compensation levels.
  - Pay Rates.
    - The higher midpoint and maximum pay rates at SFT for the most commonly used title of operator can place wage cost pressures on the consolidated

agency, as labor unions may seek to achieve parity at the higher pay level for all employees in title.

- Differing Cost for Benefits.
  - The employees for each separate agency have differing levels of contributions for pension and health plan benefits.