

PLANNING AND DEVELOPMENT MEMORANDUM

#09-12

April 9, 2009

TO: Honorable Mayor Kathleen M. Novak and City Council members

FROM: William Simmons, City Manager *WSP*
James Hayes, Director of Planning and Development *JH*
Travis Reynolds, Senior Planner *TR*

SUBJECT: Regional Transportation District (RTD) FasTracks project update

BACKGROUND

In September, 2008 the RTD Board met to examine early scenarios and options for augmenting the current FasTracks project plan in light of their Annual Program Evaluation. The 2008 Annual Program Evaluation depicted impacts to the FasTracks project due primarily to unprecedented increases in the cost of construction materials, fuel, and economic conditions resulting in sales tax revenues not keeping pace with earlier projections. Currently, project estimates depict a \$2.2 billion budget shortfall.

UPDATE

Since that time, RTD commenced with evaluation of alternative scenarios for construction of the original FasTracks project. The alternatives range from building less of the original project, to lengthening the time frame of construction of the project, to seeking additional funding opportunities. Additionally, RTD hosted 15 public meetings to solicit input from the public on solutions to the funding issue and conducted polls and surveys to gather input on the atmosphere surrounding updated project information and the public's willingness to pursue certain funding strategies.

RTD has also worked closely with the Metro Mayors Caucus in the formation of the Metro Mayors Caucus FasTracks Futures Task Force. This task force is examining prospects and public sentiment for alternative approaches to keep the FasTracks project moving forward in the current economic environment.

The Metro Mayors Caucus FasTracks Futures Task Force formally presented a recommendation to the RTD Board on March 31, 2009. Their recommendation included a ballot issue for a sales tax increase to cover the funding gap.

RTD is considering the Task Force's recommendation and will provide direction to RTD management at a special board meeting on April 7, 2009. RTD staff and management have subsequently scheduled a Local Government Team (LGT) meeting on April 9, 2009 to update local government staff that are closely involved with the project. Northglenn city staff will provide a summary of the information at the April 9, 2009 City Council meeting.

BUDGET/TIME IMPLICATIONS

Local governments (collectively) are responsible for providing a 2.5 percent local match on each independent FasTracks line. In light of the Annual Program Evaluation and the funding update

progress on negotiations of the local match have been delayed. The current estimates for complete construction of the North Metro line stand at \$940 million. That places the total required local government match for the North Metro Line (split between five jurisdictions) at \$23.5 million. If the required match was split equally, a worst case scenario would have Northglenn responsible for \$4.7 million. If the time frame for the project extends beyond 2017 and subsequently project costs increase, Northglenn's required portion will only go up. Future negotiations will hopefully result in a more equitable solution that lessens the amount that Northglenn may be required to pay. Cost sharing negotiations between jurisdictions will commence pending the updated direction from the RTD Board and the release of the North Metro Environmental Impact Statement, currently slated for June of 2009.

STAFF CONTACT

If Council members have any comments or questions they may contact James Hayes at 303-450-8937, jhayes@northglenn.org or Travis Reynolds at 303-450-8836, treynolds@northglenn.org.