New Directions

for Regional Transportation Funding

in the North Front Range

A Minority Report Proposal for a North Front Range RTA

Introduction

Future solutions for transportation to serve all of our citizens and the economic sustainability of our region require new paradigms for developing infrastructure and for paying for it. A Regional Transportation Authority could create and sustain better connections between our North Front Range communities and to the Denver-Boulder metro area. But we must recognize that the state-authorized RTA is limited in scope by statute. Consequently, it is essential not to overreach. We must be careful not to assume the huge responsibilities and corresponding financial burdens that belong to the state.

This process began in June 2006 with a regional Summit in Windsor, continued with the development of RTA Principles in the fall of 2006 and with the proposal development process undertaken by the steering committee in the spring of 2007. We have developed this New Directions proposal based upon the findings of the Summit and upon the RTA Principles. Elsewhere, a larger minority of the steering committee (14 of 35 members) have made a different proposal. The two proposals illustrate vastly different approaches to regional transportation funding.

This New Directions proposal limits its scope to local roads that are not on the state and federal highway system, and to new and improved transit services and other alternative modes. Nevertheless, these needs are large and lack funding. We make our proposal with the awareness of: 1) the rapidly growing international competition for oil based fuels and their rapidly rising cost; 2) the likelihood of regional violation of federal ground-level ozone standard in 2007 and the concomitant need to improve our regional air quality; 3) the need for creating alternatives to travel by car; 4) the importance of protecting our road and bridge assets through maintenance; 5) the need to fix road safety problems; and 6) the need to fund road capacity expansion from sources that are closely linked to activities that drive this expansion.

We propose a sales and use tax of 0.5% and a vehicle registration fee of $10 to address these transportation issues. We propose these with no sunset. We also propose the creation of a Road Capacity Growth Fund for road capacity expansion. The RCGF is envisioned as a revenue "basket" that will come from user fees and revenues from growth and development that add new trips to the current system and hence creates the need for road capacity expansion.

Governor Ritter has authorized a statewide transportation funding study to develop an initiative for funding. A NFRRTA can make better decisions with our limited resources when we know what the state initiative will do here. There are two rail studies in progress, the I-25 EIS study and the Rocky Mountain Rail Authority Study. These studies will define appropriate first steps for this region to undertake for intercity transit. With this important information forthcoming, we recommend that the RTA timetable is more appropriate for the 2008-2009 timeframe. Thus, we propose a period of active communication between the cities and the county to focus on how to cooperate on a new future. We offer this proposal as a "guide" for that purpose.

We acknowledge the contributions of Bob Heath, Fort Collins who left for Alaska as May began. Bob's main goals and contributions to this proposal were that intercity connections be established through transit, eventually rail, and that the road projects and local transit decisions be left to the local professional transportation staffs. We agree.

Tim Johnson, Fort Collins
Scott Mason, Fort Collins
Roger Hoffmann, Loveland
Earl Stevens, Loveland

Executive Summary

The RTA Steering Committee had hoped to find a consensus proposal for development of a Regional Transportation Authority (RTA) for northern Colorado. The inability of the Steering Committee to reach a consensus on a number of issues, proper resolution of which we believe are critical to "doing the right thing right," necessitated this separate proposal.

A set of "Guiding Principles" was crafted and adopted by a Principles Committee which preceded the RTA Steering Committee. This report and proposal carefully follows and is based upon those Guiding Principles (see Appendix A). It was the Steering Committee's failure to apply those Principles in the drafting of the "official" proposal which led to the need for this one.

Summary of the Proposal

This RTA revenue proposal consists of a 0.5 cent sales tax, a 0.5 cent use tax, and a $10 dollar per vehicle registration fee. This proposal also recommends the creation of a separate, but paired funding mechanism to fund road capacity improvements (a Road Capacity Growth Fund). This fund would be established in principle via intergovernmental agreements (IGAs), and implemented by various revenue mechanisms that the entities already have available. Since the RTA ballot question itself requires the adoption of IGAs, the agreement to set up the "RCGF" mechanism(s) would be part of those IGAs.

Geographic Scope. Because of Weld County's current disinterest in a region-wide RTA, and also at the time of drafting, the working assumption that Greeley would decline to participate, the revenue forecasts and allocations of this proposal are for an RTA for the MPO-included areas within Larimer County only. However, the framework of this proposal could be easily adapted to include Greeley and other parts of Weld County if interested; to give an RTA a truly region-wide scope.

Revenues from RTA

Sales Tax

Of the sales tax, 0.35 % is for Transit, Bicycle and Pedestrian projects, and a little less than half of this is returned in the form of "Shareback" for local use; 0.15 % is for Road Safety and correction of existing deficiencies. New transit projects are often eligible for federal matching funds. Local money matches of 20-50% are required to get leveraging money.

Use Tax and Vehicle Registration fee

The 0.5 % Use Tax and $10 Vehicle Registration fee are targeted largely for maintenance of local "off-system" (i.e. non federal/state) roads. Since 98%+ of the vehicle registration fees are paid by current residents from year to year; these "user" fees are appropriate for uses like maintenance or fixing existing deficiencies.

Balanced funding split

Roughly ½of the combined RTA revenues (50.9%) would be allocated to the combination of transit and bike/ped modes; while a bit under ½(49.1%) would be allocated for roads, primarily for maintenance and the correction of existing safety deficiencies. This balance allows for a steady movement toward the goals of reducing automotive VMT (provision of alternative modes) and improving air quality, while at the same time addressing a nearly consensus priority established at the June, 2006 "N.Colorado Regional Summit on Transportation"- maintenance, or "fixing what we already have".

Highlights of this proposal

The following highlights illustrate how the Guiding Principles are upheld.

- The proposal's emphasis on a more fully "multi-modal" approach is in direct support of several principles, especially Nos.1-3, 6, and 8-10.

- In keeping with the 1st and 3rd Principles, and in addressing the recognized needs of an aging population, this proposal includes a healthy percentage allocated for transit, both fixed-route and demand-response; as well as for other mobility improvements, including bicycle and pedestrian modes, recognizing that "multi-modal" must do more than provide lip service to these modes.

- In compliance with Principle #5, no sales tax dollars are allocated for "on-system" road improvements that are federal and state responsibilities. We believe that it is not only inequitable to tax local residents for this purpose, but that it also sets a dangerous precedent.

- Consistent with Principle #7, 44% of the allocations from RTA revenues are targeted towards maintenance and safety of the existing road and bridge system (as opposed to capacity expansion). This is especially important in view of the fact that over 20% of Larimer County's bridges are considered to be deficient.

- The proposal supports the 8th Principle that the regional transportation system "*will ... enhance the environment by promoting energy conservation, improving air quality...*". It supports a shift to more energy-efficient and less-polluting transportation modes. In recognizes both the need to address looming air quality non-compliance threats and the economic threat posed by "Peak Oil".

- In recognition of the significant difference of community interests and of the relative proportions of their likely contribution to the revenue stream, this proposal includes a requirement for "weighted voting"...wherein votes are proportionate to revenue generated or to population.

- This proposal better fulfills the requirement of the last Principle, "*Development will pay its share for the cost of the regional transportation infrastructure based on its impacts.*" It does this by setting up, via intergovernmental agreement, a "Road Capacity Growth Fund" which would better match revenue sources to the "drivers" of need for capacity-related expenditures. We have built in proportionate responsibility for existing residents and new development, using the formula that Fort Collins currently uses for determining responsibility for capacity consumption.

- 100% of the "Road Capacity Growth Fund" is controlled by the communities where revenues are generated. This allows the professional and elected leaders of these communities to establish funding priorities. It also allows great flexibility in partnering on "shared" (multi-entity) concerns.

Details of the Proposal

I. Proposed Revenue Sources

Source	Tax Rate	Length of Tax
Sales tax	0.5%	no sunset
Use tax	0.5%	no sunset
Vehicle Registration Fee	$10	no sunset

Considerations: The sales tax revenue is assigned to two categories: 0.35% for transit and 0.15% for road safety problems. Since transit operations require a long-term, sustainable source of funding, no sunset is specified.

We encourage the participating communities to discuss the sunset provision for the sales tax proposed for road safety. We recommend no sunset because these are long term problems. A sunset would, however, allow periodic review. At least one goal of the review would be to find revenue sources from user fees.

The fraction of use tax, which is not from new construction, and the vehicle registration fee are appropriate revenue sources for road maintenance, a long term need. Thus, no sunset is recommended.

Revenue Produced

Sales Tax:	10 years	$161 million
Use Tax:	10 years	$ 33.3 million
Vehicle Reg. Fee	10 years	$ 27.7 million
TOTAL Revenue		**$222 million**

II. Proposed Allocations

Transit, Bicycle, Pedestrian	**50.9%**	**$113 million**
Fixed Route	11.15%	$24.8 million
Demand	2.9%	$6.4 million
Future Rail	9.67%	$21.5 million
Bicycle, Pedestrian	2.9%	$6.4 million
Shareback	24.28%	$53.9 million
Roads	**49.1%**	**$109 million**
Maintenance	22.7%	$50.4 million
Road Safety, Deficiencies	21.7%	$48.2 million
Road Capacity	4.7%	$10.4 million

In the Transit category, local shareback will be determined by the percentage of revenue generated. The shareback for the Roads category will be determined by agreements between the communities. New transit projects with local funding are often eligible for federal matching funds. Local money matches of 20-50% are required to get leveraging funds.

III. Regional Transit and Alternative Modes

Long-term vision

There will be regional connections between the communities in the RTA and also to the Denver-Boulder metro area. For the latter, the goal is to connect to the northern ends of the corridors served by RTD. The region will have rail connections from Fort Collins to Loveland to Berthoud to RTD in Longmont with appropriate feeder lines. The region will begin with rubber tire transit and transition to rail with a corresponding shift in funding to rail.

Sales Tax 0.35% with no sunset

The tax will generate: $10.5 million in year 1
$113 million in 10 years

After year 1, allocations will continue based on the percentage amount in year 1.

Table 1. Regional alternative mode allocations in the first year

Category	Dollars (Millions)	Fraction (%)
Transit		
Fixed Route[1]	2.3	21.9
Demand[2]	0.6	5.7
Future Rail[3]	2.0	19.0
Regional Bicycle and Pedestrian	0.6	5.7
Local Shareback[4]	5.0	47.7
Total	**10.5**	**100.0**

[1] Service changes include:

a. adding new hourly service to RTD in Longmont, 12 hours/day for 6 days/week;
b. improving Foxtrot between Fort Collins and Loveland to 30 min service, 12 hours/day for 6 days/week;
c. adding limited nightly and Sunday service to Loveland and Longmont; and
d. adding express service from Harmony Road in Fort Collins to Union Station in Denver, 18 hours/day, with 30 minute peak service and 60 minute off-peak service. The service will be 12 hours on Sundays. The service will be moved to the north end of the RTD North Metro Corridor when that project is completed.

[2] Regional demand service (for example, Dial-A-Ride) would be expanded by more than 2-fold.

[3] There are 2 rail studies in progress. The I-25 EIS study will report their findings by the summer of 2008. A Rocky Mountain Rail Authority Study will likely begin late this year and report in 2009. Details from these studies will allow determination of appropriate beginning steps that this region can make. The set aside for rail allows for paying for details of planning specific to the region, for ROW acquisition, and other first steps identified by the studies. If rail options are not forthcoming after 10 years, the RTA board may use the Rail fund for Transit services. (Note: A tight legal definition is needed so this provision is not abused).

[4] Shareback is revenue generation based and for use in Transit, Bicycle and Pedestrian categories. Use will be determined locally. Maintenance of current effort is required.

IV. Funds for Local Maintenance

Long term vision

The region will protect our local assets in transportation.

Need and Revenue Sources

Local maintenance shortfalls are estimated at $6.5 million annually or ~$65 for 10 years. This includes data from only Fort Collins ($2.5 million), Loveland ($0.5 million), and Larimer County ($3.5 million). Larimer County numbers are for the whole county, not just the MPO part and thus might be adjusted down. The data from Berthoud, Windsor (the part in Larimer County), and others are not available as of this writing.

If an RTA decides to do maintenance, we recommend that our local problems take precedence over state and federal roads and that these funds be shared back to the members for local maintenance. All shareback money for roads will apportioned according to prior agreement between the communities. The priority for road shareback projects will be the most heavily used roads between the communities that are not on the state highway system.

Table 2. Potential Revenue Sources for Maintenance Shareback (no sunset)

Source	Yield ($ millions)	
	In 1 year	**In 10 years**
Vehicle Registration Fee[5] at $10/ vehicle	2.5	27.7
Use tax[6] at 0.5%	2.07	22.7
Total	**4.57**	**50.4**

The $50.4 million would address a significant portion of the local maintenance shortfalls for the 10-year period.

V. Regional Maintenance

If local decision makers were to make the monumental decision to take over responsibility for the state and federal roads, the estimated additional needs are $6.25 million per year or $62.5 million for a 10-year period.

There is an ongoing state initiative for statewide transportation funding. In view of this and the huge, long term financial liability, and in keeping with the relevant Guiding Principle, we do not recommend taking over responsibility for maintaining state and federal roads.

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[5] We recommend that this be used for maintenance. Since 98%+ of the vehicle registration fees are paid by current residents from year to year, these "user" fees are appropriate for uses like maintenance or fixing existing deficiencies. If the state were to allow an additional $10 vehicle registration fee, all projected local maintenance needs would be met by the additional $27.7 million generated over 10 years.

[6] The use tax should use exemptions like those currently used by Fort Collins. The use tax included here also excludes the portion from new construction which from Fort Collins data (3 year average) is 31.77% of the total use tax.

VI. Funds for Road Safety and Deficiencies

Long-term vision

The region will fix safety and deficiency problems on its off system[7] roads.

This issue, especially as it relates to safety, is closely linked to maintenance needs but clearly means more than repair of the roadbed. For instance, it has been estimated that more than 20% of Larimer County's bridges are either structurally deficient. The most dangerous bridges and sections of regional roadbed and intersections should be identified and addressed. We recommend that projects be chosen through coordinated efforts of the transportation staffs. Funds are shared back as described for maintenance.

Revenue Sources for Road Safety and Deficiencies

Sales Tax 0.15% (no sunset)

The tax will generate in millions: $ 4.4 in Year 1
$ 48.3 in 10 years

VII. Intergovermental Agreements for Regional Road Capacity Growth

Long term vision.

The region will fund road capacity growth from sources that drive this growth. The cure for increasing road congestion in the future is closely linked to the causes of congestion, that is, to increased vehicle miles traveled and to new trips from growth.

Road Capacity Growth Fund (RCGF) for the Region

First, we recommend user-generated funds to build additional road capacity. The region will likely be affected by the statewide transportation funding initiative. To the extent that state funding sources remain insufficient, we then recommend creating a RCGF for the RTA region as an additional major source of funds for adding capacity to the roads[8] since that fund will come from new growth, which adds the great majority of new trips to the system.

We recommend the use of funding which combines sources from the state, road user fees, and growth related fees. Additionally, some fees have nexus requirements, and are generated close to where most need is created. **All funds should be shared back to the members** with

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[7] "Off System" refers to road-related infrastructure that is NOT part of the federal and state highway system.

[8] The region needs to assess how much road capacity expansion is required to keep our level of service at current levels, with new trips from growth added to the system. The cost of that added capacity is then divided by the additional trips on the system. Then the cost per new trip can be assessed. This information is not currently available. The region also must decide if it will assume capital responsibility for state roads. The size of the RCGF required and requisite fees etc. charged is a direct consequence of that decision. The cost of adding capacity to I-25 is $5-10 million per land per mile. The cost of interchanges ranges from ~$25 million to $80 million for each.

intergovernmental agreements that identify how best to achieve mutually desired regional connections.

Consider the RCGF as a "basket" or pool of funds derived from multiple sources which are closely linked to the growing congestion problem. The RCGF might include, but is not limited to, sources such as: statewide transportation funding initiative, vehicle registration fees, standard impact fees, special improvement districts (SIDs), public improvement fees (an extra sales tax from new retail which overloads local road capacity), use tax from new construction, etc. This RCGF "basket" gives local communities flexibility as to how to raise the money The size of the RCGF needed for road capacity expansion and the mix of revenue sources to be used by each community will be determined by agreements between them. We recommend an exemption for affordable housing for impact fees.

There are precedents and existing models for the RCGF. For one, Larimer County and Fort Collins already have an IGA covering areas of County roads that are in Fort Collins' growth area. Collection of a fee on development in Fort Collins allows that city to contribute towards at least partial recapture of growth-related impacts to specific County roads.

Another example is presented by the "Transportation Uniform Mitigation Fee" (TUMF) adopted by the governments in the Western Riverside (CA) Regional Council of Governments. The Nexus Study on which that program was based found that 95% of new capacity need was generated by new development

The RCGF can be a significant source of funds to begin addressing the road capacity growth problem. **An example** is developed below where **with matching funds, the 10 year RCGF is $168 million** (impact fees + use fees from new construction + general source matching money). In addition, statewide transportation initiative funds can augment this money with other potential sources noted above.

Project selection

Each community has professional staff. We recommend that the projects be chosen by the staff in conjunction with their boards and councils for regional road capacity expansion. A joint working group from the communities might be desirable to coordinate projects. Ad hoc special interest lobby groups should not choose the projects.

Example of RCGF generated for regional roads using impact fees.

This example assumes a $2500 impact fee per new household. In the RTA area, the projection is for ~27,900 homes to be added by growth in the next 10 years. Using data from Fort Collins, new retail, commercial, and industrial development pay about 45% of the impact fees collected; new households pay 55%. Impact fees are based upon the number of new trips added to the system.

From RCGF in $millions, assuming 27,900 new households in the RTA area:

$ 12.68 in year 1 ($7.0 households, $5.7 retail, commercial, etc.)
$ 126.8 in 10 years

From use tax for new construction

$ 0.97 in year 1
$ 10.6 in 10 years

The 10 year sum is $138 million ($126.8 + 10.6).

In Fort Collins, the general fund contributes 18% of the total impact revenue to account for greater use of the system by current residents. For a general revenue match in this example,

$30 million is needed if all the funds were to come from impact fees. The matching fund source must be like general fund dollars in the city, which comes from all residents. Thus, for example, matching funds could be taken from vehicle registration fees, a lodging tax, sales tax, from use tax[9] (less the new construction fraction), or some other general revenue source. **A preferred option, however, would be to match the impact money with user fee money such as revenue coming from an additional $10 vehicle registration fee ($27 million over 10 years).** We recommend working with the state legislature to give the RTA authority to increase the current limit of $10 per vehicle for registration fees.

With $30 million in added matching funds, $168 million would be available over a 10 year period.

Descriptions

Shareback

1. Shareback revenue for transit will be apportioned to the communities on the basis of how much each generates. Each community will determine the distribution of revenue among the categories of transit, bicycle and pedestrians.
2. Overall maintenance of effort will be required. This is defined under significant Intergovernmental Agreements.
3. Shareback money for roads will be apportioned according to prior agreement between the communities.
4. Shareback money for maintenance will be used for local maintenance. Overall maintenance of effort will be required.
5. Shareback money for road safety and deficiencies will be used for identifying and correcting the most dangerous sections of local roadbed and intersections.
6. Shareback money for road capacity will be for adding to road capacity.

Transit

Regional connections will be made between the communities in the RTA and to the Denver-Boulder metro area. For the latter, the goal is to make connections with the northern termini of the corridors served by RTD, that is to Longmont on the Northwest Rail Corridor, and to the terminus of the North Metro Corridor near state highway 7. We do not recommend duplicating service that RTD will be providing.

New transit projects are described on p. 5.

Regional demand service will be expanded by ~3-fold.

Local transit efforts will become more robust with about $5 million annually in shareback money. New efforts will be defined by members through their own decision making processes.

Capital Road Projects

Expansion of road capacity will be funded by sources that are most closely linked to those activities that drive this growth. The increased number of vehicle miles traveled (VMT) by our citizens creates the need for user fees; while new trips generated from growth creates the need for funds generated from growth.

We recommend that a Road Capacity Growth Fund (RCGF) be established by agreements between regional governments. Capital road projects will be financed from the RCGF.

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[9] Use tax that is not consumed for maintenance. See maintenance section.

The capital projects will be chosen using our local decision making processes and not by ad hoc special interest lobby groups.

Rail

The rail fund will pay for details of planning specific to the region, for right of way acquisition, and other regional responsibilities and first steps identified by the ongoing rail studies (the N. I-25 EIS Study and the Front Range Rail Study by Rocky Mountain Rail Authority), which are in progress.

Maintenance

The maintenance fund will pay for shortfalls in local maintenance. Members of the RTA have their own decision making mechanisms for determining maintenance priorities. This should continue.

The maintenance fund will be funded by the vehicle registration fee and the portion of the use tax that does not come from new construction. The use fee should conform to guidelines for exemptions that Fort Collins uses. The fees and tax will not sunset.

Local maintenance shortfalls are estimated at ~$65 million for the first 10 years. This fund is a potential source for $50 million, which would pay for much of the shortfall.

Significant Intergovernmental Agreements

1. Maintenance of Effort

We recommend that RTA "shareback" funds require a "maintenance of effort" by recipients; meaning that RTA shareback is not intended to merely replace existing funding, but to augment it. We suggest that the last 3-5 year average of local expenditures be defined as the baseline. Also, capital expenditures should be amortized over their expected lifetime so that unusually high capital outlays in a particular year do not wildly skew the average.

2. A Road Capacity Growth Fund (RCGF) for the Region

We recommend that a RCGF be created to finance regional road capacity growth.

The central question is to identify and select the regional roads to be funded. Communities must decide if they will assume financial responsibility from the state for adding capacity to state roads. Adding lanes to the I-25 costs $5-10 million per lane per mile. The cost of just one interchange ranges from ~$25 million to ~$80 million in our region. The opportunity cost tradeoffs are enormous. The size of the RCGF will be tied to these decisions.

In Fort Collins ~82% of road expansion capital is paid by growth and development in the form of transportation impact fees, Current residents pay ~18% from the general fund. This model fairly apportions the cost of road capacity growth to the causes.

We recommend creating a RCGF fund which combines sources from the state, road user fees, and growth related fees. Thus, the RCGF will be a basket of funds coming from many sources. The RCGF might include, but is not limited to, sources such as: the statewide transportation funding initiative, additional vehicle registration fees, tire tax, standard impact fees, special improvement districts, public improvement fees (an extra sales tax from new retail which overloads local road capacity), use tax from new construction, etc. The RCGF will give local communities flexibility for sources of funds for road capacity expansion.

The new statewide funding initiative task force is important because the region will have a firmer idea of the size of RCGF needed.

From the 10-year projections for population growth and the increase in number of households, a regional transportation impact fee could raise an estimated $160-170 million over

10 years. An impact fee is based upon the number of trips generated by new households and by new retail, commercial, and industrial entities. The estimated revenue above assumed an impact fee of $2500 per new household and fees in proportion to the numbers of trips generated for other new development. As noted there are many ways to build this fund.

3. Equity of Local Impact Fees

There is a large variation between communities in their local impact fees. The RCGF is not meant to capitalize local projects that should be accomplished with local impact fees. This would be unfair to communities that currently fund local infrastructure with impact fees.

4. Opt-In, Opt-Out

Communities can opt out if the majority of their citizens vote against the RTA.

5. Governing Body

One person from each governmental entity will constitute the governing body.

6. Weighted Voting

Governance or the RTA Board will incorporate weighted voting. This could be based upon population or upon a revenue-generation basis.

7. RTA Administration

Administration costs will be limited to no more than 1% of the revenue generated. The RTA board will not add staff or operate any facilities or transit services.

8. Amendments and New Members

New members will be allowed if all existing members agree and voters approve. Annexations will be allowed once per year.

9. Shareback

Shareback money for roads will be apportioned according to prior agreement between the communities. The priority for road shareback projects should be the most used roads between the communities that are not part of the state highway system

Appendix A - RTA Principles

Principles are high level statements of beliefs or assumptions of what should be. These RTA Principles describe the common ground among different communities of interest on what the region's future transportation system should be and how the RTA should support that future. They are intended to guide the design of the RTA in the next step of coalition-building. In its deliberations, the Committee sought to provide a set of principles that would be meaningful in the design of the RTA but not prescriptive. The principles lay the groundwork for how the RTA should serve the region. The RTA Principles Committee agreed to the following principles after considerable deliberations.

1) The RTA will respect the diverse transportation needs and support the mobility of all people within the region.

2) The RTA will promote an integrated, multi-modal approach to move people and goods within the communities of the region.

3) The RTA will support and serve the social and economic well-being of all regional residents regardless of income or ability.

4) The RTA will promote involvement from stakeholders and the public to arrive at transportation decisions that are objective, coordinated, accountable and inclusive of the region's needs.

5) RTA funds are meant to pay for critical regional transportation needs. As such these funds do not replace funds from the federal and state governments and do not relieve them of their obligations to Northern Colorado. Local governments and the RTA have the flexibility to meet their priorities through shareback and other mechanisms.

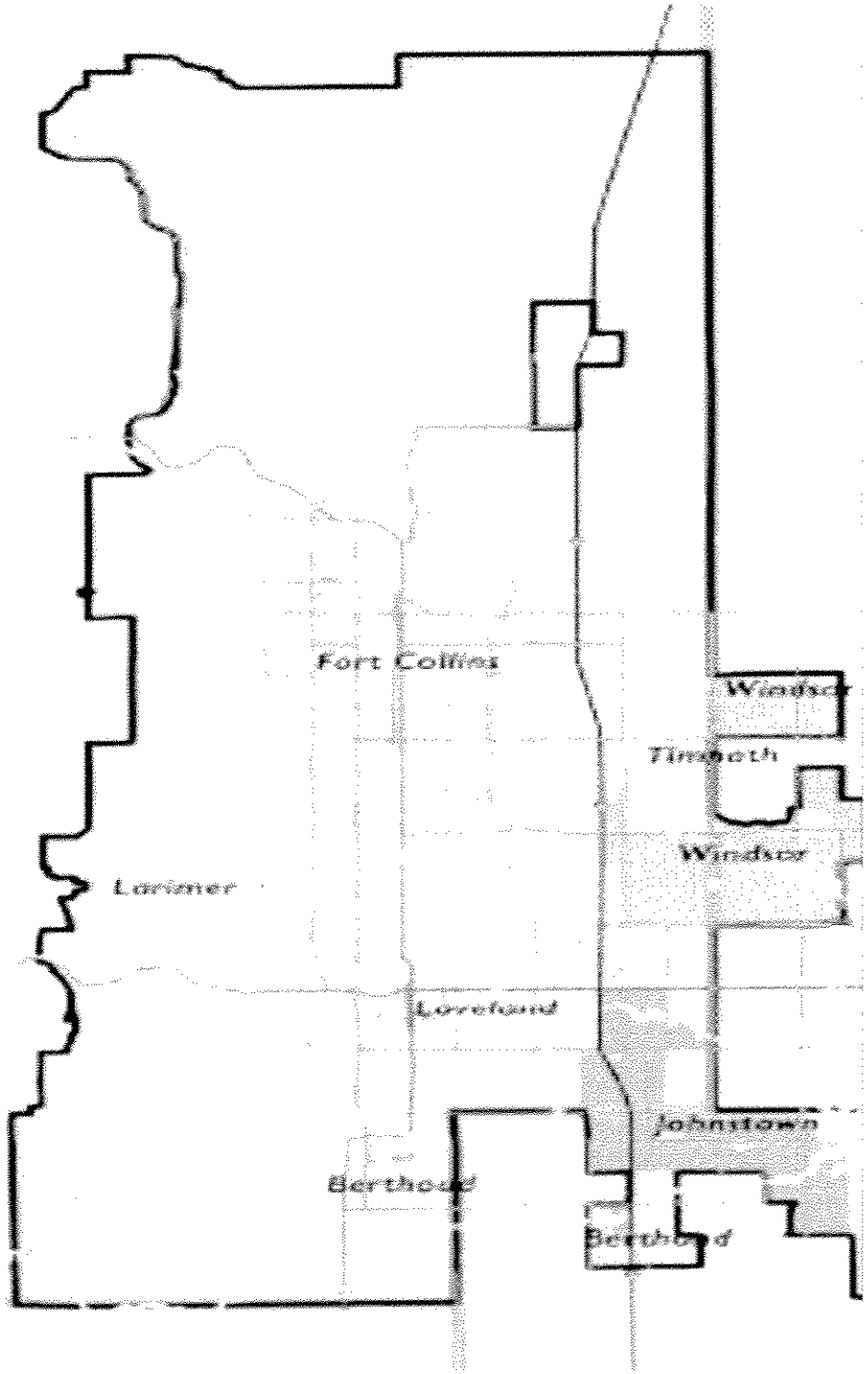
6) The transportation system of the region will integrate environmental protection, economic vitality and sustainability so that quality of life is enhanced.

7) The transportation system of the region is an essential asset that must be maintained by allocating sufficient resources in the most effective manner to keep it in sound operating condition.

8) The transportation system of the region will protect the environment by minimizing impacts to environmentally sensitive areas and enhance the environment by promoting energy conservation, improving air quality and promoting aesthetics.

9) The regional transportation system should connect the core of existing cities and towns.

10) An adequate transportation system of the region will preserve and enhance the economic vitality, economic sustainability and quality of life of the two-county region.

11) Development will pay its share for the cost of the regional transportation infrastructure based on its impacts.

Appendix B. Proposed RTA Boundaries (Initial)