

# STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION



**DATE:** January 3, 2014  
**TO:** Transportation Commission  
**FROM:** Mark Imhoff, Director, Division of Transit & Rail  
**SUBJECT:** Interregional Express Bus Implementation

## Purpose

The purpose of this memo is to request approval of the Interregional Express (IX) Bus Implementation Plan. A resolution follows this memo.

## Action Requested

It is requested that the Transportation Commission approve the attached resolution for the implementation of the Interregional Express Bus.

## Executive Summary

Implementation of the IX Bus includes the following elements:

- Interregional Express Bus service generally along I-25 from Fort Collins to Denver Union Station, along I-25 from Colorado Springs to Denver Union Station, and along I-70 from Glenwood Springs to Denver Union Station. The Interregional Express Bus service plan and implementation plan is fully described in the Interregional Express Bus Plan White Paper (December 2013), and can be accessed at <http://www.coloradodot.info/about/committees/trac/Minutes%20and%20Agendas/ix-plan-whitepaper>.
- Establish an initial FY 2014 Start-Up Fund of \$10.9 Million from the following sources:
  - \$5.5 Million of unallocated and/or withdrawn FASTER Statewide Transit funds.
  - \$4.9 Million of unallocated SB 1 funds dedicated to transit.
  - \$0.5M from Miscellaneous Sales; proceeds from the sale of the FREX buses (a SB 1 grant).
- Authorize \$3.0 Million per year beginning in FY 2015 as an annual allocation of the FASTER Statewide Transit funds to be used (along with fare revenues) for the operations, maintenance and capital needs associated with the IX program.
- Authorize FY 2014 expenditures from the Start-Up Fund:
  - Purchase of 13 Over-the-Road Coaches (buses); estimated at \$7.8 Million.
  - Design and construct needed Park-and-Ride improvements; estimated at \$1.0 Million.
  - Miscellaneous capital (if needed); \$250,000.

- Other start-up operating costs (communications plan, branding, compliance engineer, miscellaneous); estimated at \$280,000.
- Establish the IX Reserve (contingency) Fund from the remainder of the Start-Up Fund; estimated at \$1.57 Million; under Transportation Commission control.
- Authorize the procurement of a private operator to operate the IX service and maintain the bus fleet:
  - Three year contract estimated at \$5.85 Million; plus two one-year options.
  - Funded through the FY 2015-17 FASTER Statewide Transit allocation (above).
- Initiate service in FY 2015, as soon as the vehicle fleet is available and the contract operator is prepared to begin.
- Monitor performance and success for three years of operation, and give the Transportation Commission the option at that time to continue service, modify service or cancel service.

### Background

The CDOT mission statement is “to provide the best multi modal transportation system”; the IX adds transit to the modal options in the I-25 and I-70 corridors. The statutory language creating the Division of Transit & Rail and the FASTER Statewide Transit funds gives CDOT the authority to develop and fund transit services, including the use of FASTER Statewide Transit funds (\$10M/year) for operations. In addition, the FASTER funds flow through the Highway Users Trust Fund (HUTF). The Colorado Attorney General’s Office agrees and supports CDOT’s authority to fund and operate transit service, and that the FASTER funds for the plan implementation do not violate the HUTF provisions.

Last December (2012), the Commission directed staff to prepare an operating and implementation plan for consideration once developed. DTR has developed the Interregional Express Bus Plan with the following guidance and assistance:

- Transportation Commission November 2013 Interregional Express Bus Workshop.
- Transit & Intermodal Committee input at their regular March meeting and a special April workshop.
- A Sub-Committee of the Transit & Rail Advisory Committee (TRAC) supplemented with transit providers in the I-70 and I-25 corridors; monthly meetings.
- Consultant expertise through the *Intercity and Regional Bus Network Study*.

The IX Plan has been presented to the Transportation Commission at Workshops in November and December, 2013 and is ready for Action by the Commission in January.

### Details

Under the plan, CDOT would become the operating entity, purchase the buses, and contract with a private provider for the annual operation and maintenance. The CDOT buses would connect with local transit systems at key intermodal stations thereby linking communities and providing good collection and distribution capabilities. The Interregional Express Bus service plan and implementation plan is fully described in the Interregional Express Bus Plan

White Paper (December 2013), and can be accessed at <http://www.coloradodot.info/about/committees/trac/Minutes%20and%20Agendas/ix-plan-whitepaper>.

### Key Benefits

Key benefits of the IX Bus include:

- Provide modal choice for travelers in the I-25 and I-70 corridors.
- Establish transit service in the most congested corridors and begin to determine the demand for interregional transit services.
- Reduce congestion, and improve air quality in the corridors.

### Next Steps

Once the attached resolution is approved by the Transportation Commission the following steps will begin:

- Procure the bus fleet.
- Solicit, select and contract with the private operator.
- Develop and implement the IX Communications Plan, including branding, public outreach and customer service plan.
- Begin service in FY 2015 when the above steps are complete.