



# PROGRESS IN MOTION

**REPORT TO THE REGION  
2014/2015**



**Regional Transportation District**





flatironflyer

# WELCOME TO YOUR TRANSIT SYSTEM

At RTD, we're proud of our accomplishments in building one of the best transit systems in the country for our customers. In May, we celebrated one year since the opening of the Union Station Transit Center and the Free MetroRide with both projects receiving numerous awards for innovative transit solutions in downtown Denver and the region. By 2030, Union Station is projected to serve 200,000 daily passengers in and out of the station, with 500 trains per day.

And there's more to come in 2016, as we prepare to open the new bus rapid transit system along US 36, and four rail lines – the A line to the airport, the B line to Westminster, the G line to Arvada, and the R line through Aurora. When complete, our FasTracks expansion program will provide 122 miles of new rail, 18 miles of bus rapid transit, and 21,000 new parking spaces.

We've completed construction on the commuter rail maintenance facility, received delivery of the first commuter rail trains, started train testing on the A line to DIA, and this summer, we began receiving Flatiron Flyer branded buses for the bus rapid transit service traveling between Boulder and downtown Denver.

In addition, we began a comprehensive fare study to determine the best structure to meet the needs of our customers as our system continues to grow. We're maintaining our current fleet and infrastructure through a robust state of good repair program, and focusing on developing transit-friendly communities to promote pedestrian-oriented environments that allow people to live, work, shop, and play in places accessible by transit.

Finally, on April 9, we participated in Stand Up for Transportation Day, a national day of advocacy. Sponsored by the American Public Transportation Association, Stand Up for Transportation encouraged the public to take a stand and ask Congress to pass a bill that funds long-term transportation programs, such as bridges, roads, tunnels, buses and trains.

With all of this growth, safety and exceptional customer experience remain our top priorities. As we expand, fueling growth, connections, and enhanced mobility, we are committed to providing our customers with a world-class transit system.



# RTD BOARD OF DIRECTORS



Bill James  
District A



Barbara Deadwyler  
District B



Bonnie "Ernest"  
Archuleta  
District C



Jeff Walker  
District D



Claudia Folska  
District E



Tom Tobiassen  
District F



Gary Lasater  
District G



Kent Bagley  
District H



Judy Lubow  
District I



Larry Hoy  
District J



Paul Daniel Solano  
District K



Lorraine Anderson  
District L



Natalie Menten  
District M



Tina Francone  
District N



Charles L. Sisk  
District O

## REPRESENTING YOU

RTD is governed by a 15-member, publicly elected Board of Directors. Each member represents the voters, residents, and transit riders of a specific area within the eight-county service district.

Board members actively support and advocate for constituents' concerns, while providing governance and establishing policies for the agency.

# FROM THE BOARD CHAIR



In my third year on the Board and second year as elected Chair, I am delighted to share the progress that is being made across the District. I want to thank and acknowledge my fellow Board members who spend countless hours to ensure RTD's success. I also want to recognize the dedicated and professional work of our employees, contractors, and sub-contractors who are the core to our success. In the past year, we have worked together as a team to achieve significant milestones and some of our major accomplishments include:

- Conducted a fare study in an effort to simplify RTD's fares and better meet our customers' needs across the District.
- Completed construction of the new commuter rail maintenance facility.
- Received first shipment of commuter rail cars for the East, Gold, Northwest, and North Metro Rail lines.
- Started testing on the East Rail Line, also known as the University of Colorado A line to the airport.
- Provided nearly 105 million passenger trips across the RTD system and logged more than 4 million service hours for both bus and light rail operations.
- As a national model, staff and Board members continue to be invited to the White House, Pentagon, and various federal agencies to participate in discussions related to policy, transportation infrastructure investment, and innovative financing.
- Completed the Central Rail Extension Mobility Study to determine transit priorities in the northeast and downtown Denver neighborhoods, and establish a long-term vision for the Central Rail Line.
- Implemented the Automatic Train Stop (ATS) system that will stop a train in the event of a major incident on the tracks.
- The Southeast Rail Line extension is moving forward. The RTD Board of Directors approved \$207 million for the extension of the existing Southeast Rail Line. The project was also accepted in the first phase of the Federal Transit Administration New Starts Capital Investment Program along with funding from local governments and businesses contributing 16.5 percent.

We're proud of these achievements and the many more to come. RTD will have a busy 2016 as we open five major transit projects being delivered through RTD's FasTracks program.

We're currently in the process of searching for a new General Manager, with the goal of hiring by January 2016. I am so pleased we have a strong leadership bench built on the long-term investment RTD has made in developing an outstanding leadership team, from which we selected our Interim General Manager, Dave Genova. Our focus is to maintain the continuity, stability, and health of RTD as we move forward and continue to provide safe and quality service for our passengers.

As we look ahead, RTD is making dramatic progress, propelled by innovation, collaboration, leadership, and creative solutions.

A handwritten signature in black ink, appearing to read 'Chuck Sisk'. The signature is written in a cursive, flowing style.

Chuck Sisk, RTD Board Chair, District O



# FROM THE INTERIM GENERAL MANAGER

With presentation of this year's Report to the Region, I am privileged and honored to say that this past year was yet another year of continued success and achievement at RTD. As we continue to develop our world-class transit system and enhance the passenger experience, we're building innovative ways to deliver superior service from all facets of our system. In the process, we're setting new standards for the future of transit throughout the nation.

As we look for innovative ways to overcome challenges, we embrace this exciting time that continues to demand a keen focus on a broad range of complicated issues. We're driven to maintain and strengthen the operations of our current system for our passengers, residents, and taxpayers while achieving new milestones as we work toward the successful completion of our FasTracks transit expansion investment. We continue to collaborate with our partners and the community to look for new opportunities to complete the remaining partially-funded projects sooner rather than later.

We are managing more than \$5 billion in FasTracks-funded projects and programs that are either completed, in construction or under contract. In March we broke ground on the North Metro Line and in May, we celebrated the one-year anniversary of the Union Station Bus Concourse, the second of our FasTracks projects, offering more transportation services, connections, and access than ever before.

As part of our "Enhancing the Rider Experience" campaign, we have launched our Smart Card Program (designed to bring simplicity and stored value to our fare media), purchased nearly 200 new buses for our fleet, created a fare taskforce to review and work to simplify our fare system, and are bolstering our asset management program to ensure that our rolling stock and facilities stay in top condition for the benefit and safety of our riders.

RTD is an organization made up of extraordinary employees doing extraordinary things. We take pride in the delivery of a wide range of top-notch services and excellent public transportation options to the millions of residents we serve.



David A. Genova  
RTD Interim General Manager & CEO



**We take pride in the delivery of a wide range of top-notch services and excellent public transportation options to the millions of residents we serve.**



121 MONTBELLO

2029

RTD

The Ride

STAPLETON VIA HAWANA

RTD

The Ride

# RTD BUS AND LIGHT RAIL

At RTD, our goal is to provide a safe, sustainable transit option for all members of the communities we serve. We constantly strive to enhance our services, expand our network, and conserve resources, all while maintaining our current system. By connecting communities and providing easy and convenient transit options, we hope to increase the quality of life for our riders.

RTD offers a comprehensive and robust system of bus and light rail service – with some impressive numbers to prove it. And every year these numbers keep getting better:

## Active Bus Fleet:

1,037 total buses

- 596 - RTD owned and operated
- 441 - RTD owned and leased to private couriers
- 324 Access-a-Ride vehicles
- 54 Call-n-Ride vehicles

## Parking Facilities:

- 74 Park-n-Ride facilities
- 26,418 parking spaces

## Light Rail Operations:

- 172 light rail vehicles
- 46 light rail stations
- 48 miles of track

## Combined Service:

- 104,962,344 annual boardings
- 45,246,715 fixed route service miles operated annually
- 138 regular fixed routes

In 2014, we opened the Union Station Transit Center, with a new 22-bay underground bus concourse serving 16 bus routes, including the Free MetroRide. And there's a lot more to come. In 2016, with the opening of the US 36 Bus Rapid Transit system and four rail lines – the A line to the airport, B line to Westminster, G line to Arvada, and R line through Aurora, you'll be able to get just about anywhere you want to go.

We provide service to Rockies, Broncos, and CU Buffs games with more than 470,000 annual boardings as well as providing service to Avalanche and Nuggets games, special events at the Pepsi Center, BolderBoulder and Race for the Cure.

In addition to our fixed-route buses and special services, we also operate dedicated Access-a-Ride service for our customers with disabilities.

As we continue to expand and increase our services, these numbers will only continue to grow, proving a longstanding commitment to better serve our community.



**On any given day, RTD provides transportation to more than 300,000 passengers on its bus and light rail system.**



# RTD'S FASTRACKS PROGRAM

122 miles of new rail service,  
18 miles of bus rapid transit,  
and 21,000 new parking spaces

## 2014–2015 FASTRACKS MILESTONES

### **Aurora Line/I-225 Rail (Nine Mile to Peoria)**

The 10.5-mile light rail line will extend from the existing Nine Mile Station to a future station at Peoria, which will allow passengers to transfer to the East Rail Line, soon to be known as the A line to the airport. The rail line will serve major destinations throughout the city of Aurora, including the Aurora City Center, the Anschutz Medical Campus, and the future VA Hospital. Construction on the segment from Nine Mile Station to the new Iliff Station is complete as part of the I-225 highway widening project with RTD, the Colorado Department of Transportation and SEMA Construction. Kiewit Infrastructure Co., the project contractor, will complete construction.

### **Central Rail Extension (Downtown Loop to 38th & Blake)**

The extension of the Central Rail Line will run slightly under a mile from the 30th & Downing Station and will connect with the East Rail Line at the 38th & Blake Station which is under construction. We conducted the Central Rail Extension Mobility Study in late 2014. The study identified the most feasible rail route and operating plan that will provide a direct connection between the 38th & Blake Station and downtown Denver with no transfers. As the project progresses, we will continue to update the cost estimate.

### **Eagle P3**

The Eagle P3 project is building RTD's first commuter rail lines—the A line to Denver International Airport, B line to Westminster, and the G line to Arvada and Wheat Ridge. Under a single 34-year concession contract with Denver Transit Partners (DTP), this innovative public-private partnership is the nation's first transit project to use design-build delivery, privatized operations and maintenance, and a significant level of private financing. The Eagle P3 project also includes the purchase of 66 new commuter rail trains and the construction and operation of a new commuter rail maintenance facility, located in Denver's Globeville neighborhood. Funding for the project combines a grant from the Federal Transit Administration, local revenues from RTD, and private equity from DTP.



**The Eagle P3 project is building RTD's first commuter rail lines—the A line to Denver International Airport, B line to Westminster, and the G line to Arvada and Wheat Ridge.**



### **East Rail Line (Union Station to DIA)**

The 22.8-mile commuter rail line between Union Station and Denver International Airport has started train testing as civil construction has been wrapped up. Power lines are being electrified, and the project team has rolled out a robust safety education campaign, going to nearby schools and meeting with neighborhood groups and community organizations. Rail car delivery from the assembly plant in Philadelphia is averaging four per month until all 66 trains are in Denver. Later this year, Denver Transit Partners will provide official notification of the date for the opening of the line. All stations have been constructed with canopies and other platform facilities being installed, and construction of all Park-n-Ride lots is underway. Roadway construction, mostly along Smith Road has been completed with the exception of Smith, Albion, and 40th, which will be finished to coincide with the line opening in Spring 2016.

### **Free MetroRide**

The Free MetroRide, RTD's newest downtown bus service, officially began service on May 12, 2014. This high-frequency bus service provides the "final mile" between Union Station and Civic Center Station during morning and afternoon rush-hours.

### **Gold Rail Line (Union Station to Ward Road)**

Construction of the rail alignment is wrapping up, with final relocation of the BNSF Railway track west of Olde Town Arvada and the installation of the eastbound Gold Line track. Construction of all seven stations is underway. RTD and Arvada completed the approval process of reconfiguring the parking and bus transfer facility at the Olde Town Arvada Station, and the city has begun work on the parking garage adjacent to the platform which will be completed by opening day. All 11 bridges are nearing completion. Power pole installation has begun, with overhead wiring as the next step. The new commuter rail maintenance facility, in Denver's Globeville neighborhood, has been completed and rail cars are being stored and tested at the facility. The first train operators have been hired and are in training. The line will open Fall 2016.

### **North Metro Rail Line (Union Station to 162nd Avenue)**

Design on the North Metro Rail line is nearing 90 percent completion and early construction has begun on the first phase of the project between downtown Denver and 124th Avenue. Old tracks and ties along the rail line are being removed and recycled, and utility relocations are underway. Bridge construction is scheduled to begin this summer, marking the start of a two and a half year project, which is scheduled to open in 2018. RTD continues to seek funding for phase 2 of the rail line from 124th Avenue to Colorado Highway 7, and has an option with Regional Rail Partners, the contractor on the project, for a fixed price as long as funding is acquired and committed by December 2015.





### **Northwest Rail Line (Union Station to Longmont)**

The Westminster segment of the Northwest Rail Line (6 miles from DIA to Westminster Station) is under construction and will open in Summer 2016. RTD and the City of Westminster, along with the commuter rail concessionaire Denver Transit Partners, have agreed on a reconfiguration of the Westminster Station at 71st Avenue and Irving Street that will provide transit parking in a garage instead of a surface lot. The agreement also includes an enhanced pedestrian underpass to the platform that will provide a connection to the city's other projects – a regional park and mixed-use transit-oriented development near the station.

In addition, the 15 month-long Northwest Area Mobility Study, was conducted to determine transit priorities in the northwest region. The results include completing the US 36 Bus Rapid Transit commitments, the planning and implementing of up to seven arterial bus rapid transit routes (as funding from non-FasTracks sources is identified) the first being Colorado Highway 119 and US 287, and working with the Colorado Department of Transportation on improving the bi-directional commute on the I-25 HOV lanes during peak hours. Completion of the Northwest Rail Line is the long-term preferred mobility option for the corridor and will be annually reviewed for implementation opportunities.

### **Southeast Rail Line Extension (Downtown to RidgeGate Parkway)**

The 2.3-mile light rail extension will move the current end-of-the-line station at Lincoln Avenue and I-25, south to RidgeGate Parkway. As part of its application for federal funds, RTD has been accepted into the first phase of the Federal Transit Administration New Starts Capital Investment Program.

Additionally, local business associations and businesses in the southeast metro Denver area have committed to contributing \$25 million in cash and \$15 million in right-of-way, permits and other in-kind contributions to get the light rail extension project completed. This local match would comprise 16.5 percent of the project cost and far exceeds the 2.5 percent match RTD has asked of its local partners. Of the project's total \$207 million cost, RTD's investment would be \$66 million or about 32 percent.

Four teams have been selected to bid on building the rail line extension. The teams received a Request for Proposal in February and their proposals were due to RTD in May. After a finalist is selected and the RTD Board awards a contract, the Notice to Proceed (NTP) for design work is expected to be granted later this year while the NTP for construction is expected in 2016.

### **Southwest Rail Line Extension (Downtown to Lucent Boulevard)**

The 2.5-mile light rail extension will move the current Southwest Rail Line end-of-the-line at the Littleton/Mineral Station, southeast to the southwest corner of the C-470/Lucent Boulevard interchange. RTD is working with local stakeholders in an effort to identify funds to move the project forward.

### **Union Station**

As part of the redevelopment around the historic Union Station building, the Union Station Bus Concourse opened for service on May 11, 2014. This new 22-gate underground bus facility serves 76 buses during peak hours, including the Free MetroRide, which provides easy connections to all the transportation options available downtown.

### **US 36 Bus Rapid Transit (BRT)**

Construction of the first phase of the US 36 express lanes project, from Federal Boulevard to Interlocken, is nearing completion. The express lanes, along with the bikeway, opened in June. Phase 2 of the project, from Interlocken to Table Mesa, will be completed in early 2016. The BRT service (known as the Flatiron Flyer) will begin in January 2016.

### **West Rail Line (Union Station to Jefferson County Government Center)**

The West Rail Line, better known as the W line, opened on April 26, 2013 and ridership continues to grow. Art installations at stations along the line have been completed.



IT'S ABOUT MORE  
VIBRANT COMMUNITIES



# TRANSIT-ORIENTED COMMUNITIES

Creating greater access,  
improving quality of life

RTD's approach to fostering transit-oriented development continues to evolve as the District changed the name of this division from Transit-Oriented Development and Planning Coordination to Transit-Oriented Communities (TOC). The new name reflects RTD's commitment to help create communities that are not just close to transit, but that are also better connected, more equitable, and have a diversity of housing and jobs.

RTD's Alameda Station Pilot Project, officially named Denizen, was completed in August and is ready to house its first residents. Denizen is expected to be the first LEED platinum apartment complex in the Denver metro area, and was specifically designed for residents who want to use transit. Every unit will have access to shared car and bike parking, which will be useful by the new dedicated bike lanes built around the area. The project includes 275 residential units within a stone's throw of the Alameda Station, as well as a new transit plaza with a bus loading area for RTD customers.

The Boulder Junction at Depot Square Station is a mixed-use development above a new RTD bus facility that anchors one end of the US 36 Bus Rapid Transit line. This project includes a 150 room Hyatt hotel, the Depot Square apartment complex with 71 affordable residential units, a parking garage with 75 spaces reserved for RTD customers, new public art, plans for a future restaurant as well as the rehabilitation of the historic Boulder Train Depot. The RTD bus station has begun operations.

Another highlight of the year was the successful re-opening of the historic Denver Union Station building on July 12, 2014. New life was breathed into the site with the conversion of the upper floors into what is now the Crawford Hotel, and the lower floors housing award winning restaurants and retail shops. The revitalization of Union Station has won several awards, including Sunset Magazine's Travel Award for Best Newly Saved Landmark, NAIOP Colorado's Deal of the Year Award, and currently the project is a finalist for the Urban Land Institute's 2015 Global Award for Excellence.

We also started planning for the future Civic Center Station redevelopment, we're partnering on equitable housing development opportunities near RTD stations, and working with the RTD Board of Directors on updating TOC policies that will guide the District's approach to future transit-oriented communities.



**One of our main goals has always been to create more sustainable, livable, and accessible communities through nearby transit.**

# GOING DIGITAL

## Staying connected with our customers

At RTD, we understand that in order to provide the best service, we need to remain relevant to the world of today. That's why we've enhanced our communication capabilities to provide the most up-to-date information to our passengers in the ways that are most convenient for them.

### **introducing the new rtd-denver.com**

RTD's website, [rtd-denver.com](http://rtd-denver.com) is the main source of information for our riders. The website provides quick and easy access to schedules, trip planning, fares and passes, interactive maps, FasTracks information, latest news, and much more. Traffic to the RTD website hit an all-time high in 2014, reaching 16 million sessions hitting 43 million page views. Content is updated daily to provide riders with the most up-to-date information available. And our website has a new look. We've redesigned it with a focus on improved trip planning and schedules, and now it's mobile friendly and responsive, providing our customers with the same easy navigation and great information when they visit [rtd-denver.com](http://rtd-denver.com) from their phone, tablet, or desktop computer.



### **Next Ride**

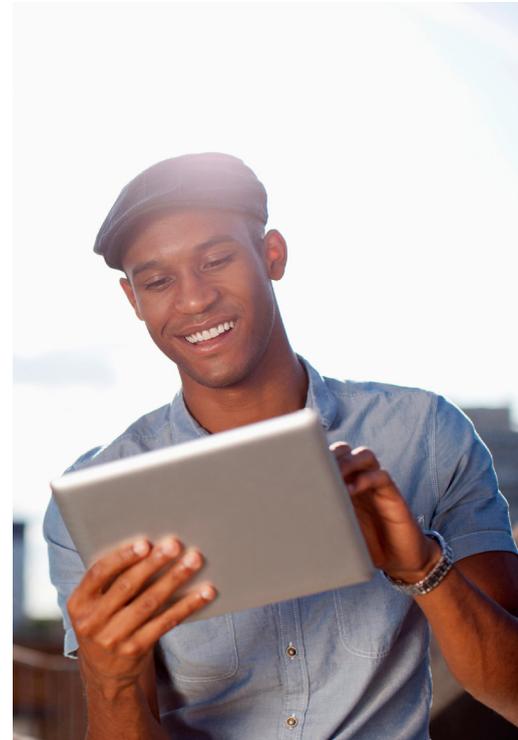
We've also introduced our new Next Ride system that will let you search for your scheduled departures through phone, web, and texting. With Next Ride, customers can use their stop, station, or Park-n-Ride five-digit stop number for quick access to route and schedule information 24-hours a day, seven days a week.

### **Email**

From rider alerts and special promotions to small business opportunities and monthly e-newsletter, we delivered 2,800 emails in 2014 to keep people informed of the latest and greatest happenings at RTD. With 64,000 people signed up for 234,000 subscriptions, email has proven to be a growing communication channel for our riders, constituents, business partners and more. The most popular email topic continues to be rider alerts, where riders can sign up to receive informational and timely service updates for their preferred routes.

### **Social media updates**

We want to stay connected to our customers and we've continued our ongoing dialogue with more than 28,000 followers on Facebook and Twitter. Many of our riders want to correspond with us on social media, that's why our Customer Care group began monitoring activity on Facebook and Twitter seven days a week to answer our riders' questions and concerns.



## **WHAT'S NEXT?**

Where's my bus? By the end of 2015, we will be able to answer that question by providing riders with access to real-time information for regular bus routes including Local/Limited, Regional, SkyRide, Free MallRide, and Free MetroRide.



# CIVIL RIGHTS DIVISION

## Creating an equal opportunity environment for all

The Civil Rights Division strives to ensure fairness and equal opportunities in employment, small business development, and career pathways. Consistent with goals of the District, we will continue to accomplish our pursuit of excellence by complying with Civil Rights laws, promoting inclusion for all small businesses with developmental programs, and reinvesting in our community's residents by providing opportunistic job training. Our ultimate goal is to eliminate barriers to opportunity.

Our division is comprised of the following offices:

- **Equal Employment Opportunity Office (EEO)**
- **Americans with Disabilities Act Office (ADA)**
- **Workforce Initiative Now Program (WIN)**
- **Small Business Office (SBO)**
- **Business Resource Management Office (BRM)**

### **Equal Employment Opportunity Office (EEO)**

The EEO office manages internal and external program initiatives to ensure compliance with federal, state, and local laws regarding workplace discrimination, and harassment. Internal efforts include salary/compensation and claim/complaint processes as well as educational trainings and workshops, while external initiatives include external claim/complaint processes, mediations, and investigations.

### **Americans with Disabilities Act Office (ADA)**

The Americans with Disability Act (ADA) office ensures and monitors ADA compliance for all services, programs, and facilities provided by RTD. The purpose of the ADA office is to provide guidance and implementation on policies, procedures and strategies that protect the civil rights of people with disabilities. Internal efforts include, but are not limited to, training, organizational awareness, complaint procedures/resolution, effective communication, and reasonable accommodations/modifications. The ADA office, in addition to internal efforts, also exercises external proactive efforts through public information and collaboration, complementary paratransit service, and accessibility to vehicles, facilities, and transit.



**Our mission is to create an environment of equal opportunity and fairness in employment, contracting, and access to public transit services.**



**The WIN network has grown to 68 partners dedicated to helping develop career opportunities in the transportation and construction industries.**

### **Workforce Initiative Now Program (WIN)**

The vision of the WIN program is being realized every day. The workforce development program is a collaborative partnership between RTD, Denver Transit Partners, Community College of Denver, and the Urban League of Metro Denver. WIN's training and resource network has grown in leaps and bounds since its inception in 2011. The network has expanded to 68 network partners that include local nonprofits, community and technical colleges, trade associations, registered apprenticeship programs, small businesses, and the public workforce system.

To date, WIN has provided demand-driven workforce services to employers and connected work-ready local residents with high-quality employment opportunities in construction and transportation. The WIN network of partners is dedicated to helping develop career opportunities in the transportation and construction industries. Since the inception of the program, WIN has achieved significant outcomes in employment and self-sufficiency.

### **Small Business Office (SBO)**

The SBO fosters equal opportunities for Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) by reducing unnecessary obstacles that prevent growth and to proactively create initiatives to encourage opportunities for inclusion. RTD empowers small and disadvantaged businesses by offering resources and opportunities to help them grow through workforce creation, training, and increased contracting opportunities.

### **Business Resource Management (BRM)**

The Business Resource Management Team (BRM) helps small and disadvantaged businesses fine tune their company efficiency, build capacity, develop sound business practices, and remain competitive in the market. BRM uses the fundamentals of project management and spreads it throughout your organization. BRM helps D/SBEs adjust to RTD contract opportunities and provides a viable way for them to build their capacity, getting them ready for the next level of business success. They are responsible for initiating, negotiating, maintaining business relationships and connecting businesses to various opportunities throughout the District.



### **Small Business and Prime Contractor Meetings and Workshops**

These events provide a forum for Disadvantaged Business Enterprise/ Small Business Enterprise (DBEs/SBEs) to connect with potential prime contractors, obtain information on upcoming RTD base system and FasTracks opportunities, learn more about contracting with RTD and key personnel for associated requirements, meet fellow contractors, and generally market their business.

### **Chamber and Trade Association Outreach Orientations**

Through direct outreach, we provide Chambers of Commerce with an opportunity to host SBE orientation sessions at their locations to inform their membership about certification benefits, upcoming projects and solicitations, understand and respond to community/ organizational concerns, and build on relationships with RTD.

# FINANCIAL HIGHLIGHTS



## BASIC FINANCIAL STATEMENTS

RTD's financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. Revenue is recorded when earned and expenses are recorded when incurred.

## FINANCIAL ANALYSIS

**Statement of net position** - As of December 31, 2014 and 2013, total assets of RTD exceed total liabilities by \$3.18 billion and \$2.98 billion, respectively. The largest portion of this excess, 93.9% in 2014 and 93.6% in 2013, was invested in capital assets, net of related debt. RTD uses these capital assets to provide public transportation services to customers; consequently these assets are not available for future spending.

The amount of unrestricted net position as of December 31, 2014 was \$19 million compared to \$53 million in 2013. Substantially all of the unrestricted net position, although not legally restricted, has been appropriated or reserved by the RTD board for future capital acquisition, reserve policy requirements, and debt liquidation. The decrease in unrestricted net position relates to additional debt service for rolling stock replacement and capital projects, and the financial statement recognition of the union net pension obligation. RTD is required to record this net pension obligation but has no liability beyond its contributions.

## CONDENSED SUMMARY OF ASSETS, LIABILITIES, AND NET POSITION (in thousands)

	2014	2013	2012
<b>Assets:</b>			
Current assets	\$549,772	\$546,876	\$720,663
Current assets - restricted	582,236	710,639	850,581
Capital assets (net of accumulated depreciation)	5,413,455	4,696,735	4,056,128
Other noncurrent assets	301,173	151,611	33,961
Deferred outflows of resources	39,736	43,471	9,524
Total assets and deferred outflows of resources	6,886,372	6,149,332	5,670,857
<b>Liabilities:</b>			
Current liabilities	313,687	319,004	383,740
Noncurrent liabilities	3,390,984	2,852,223	2,557,522
Deferred inflows of resources	627	656	685
Total liabilities and deferred inflows of resources	3,705,298	3,171,883	2,941,947
<b>Net position:</b>			
Net investment in capital assets	2,987,694	2,788,100	2,348,966
Restricted	174,538	136,131	334,162
Unrestricted	18,842	53,218	45,782
<b>Total net position</b>	<b>\$3,181,074</b>	<b>\$2,977,449</b>	<b>\$2,728,910</b>

# FINANCIAL REPORT



## STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

The following summary of revenues, expenses, and changes in net position shows that the activities of RTD resulted in a growth in net position. The net position of RTD increased by \$204 million during the current year compared to an increase of \$249 million in the previous year. The net position improvements in both years were due to higher operating revenues, grant revenues, and increased sales and use tax collections net of increases in operating and non-operating expenses.

### SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (in thousands)

	2014	2013	2012
<b>Operating revenue:</b>			
Passenger fares	\$120,497	\$117,841	\$112,929
Advertising and other	4,406	5,199	5,333
Total operating revenue	<u>124,903</u>	<u>123,040</u>	<u>118,262</u>
<b>Operating expenses:</b>			
Salaries and wages	143,113	135,660	127,557
Fringe benefits	61,677	56,745	51,417
Materials and supplies	62,156	64,798	58,300
Services	108,920	112,479	109,853
Utilities	14,151	13,567	11,833
Insurance	5,273	5,568	3,776
Purchased transportation	114,942	113,006	111,130
Leases and rentals	3,264	3,210	2,401
Miscellaneous	6,561	6,448	15,741
Depreciation	139,045	127,256	115,269
Total operating expenses	<u>659,102</u>	<u>638,737</u>	<u>607,277</u>
Operating loss	<u>(534,199)</u>	<u>(515,697)</u>	<u>(489,015)</u>
<b>Nonoperating revenues (expenses):</b>			
Sales and use tax	514,721	468,586	449,787
Grant operating assistance	75,544	88,243	68,927
Investment income	165	2,040	2,613
Other income / gain on sale of assets	16,861	28,088	14,494
Interest expense	(72,293)	(61,223)	(51,371)
Other expense / unrealized loss on assets	(3,605)	(4,064)	(4,895)
Net nonoperating revenue (expenses)	<u>531,393</u>	<u>521,670</u>	<u>479,555</u>
Income before capital contributions	(2,806)	5,973	(9,460)
Capital grants and local contributions	206,431	242,566	311,676
Increase in net position	<u>203,625</u>	<u>248,539</u>	<u>302,216</u>
NET POSITION, beginning of year	2,977,449	2,728,910	2,426,694
NET POSITION, end of year	<u>\$ 3,181,074</u>	<u>\$ 2,977,449</u>	<u>\$2,728,910</u>



# REVENUE ANALYSIS

(Dollars in thousands)

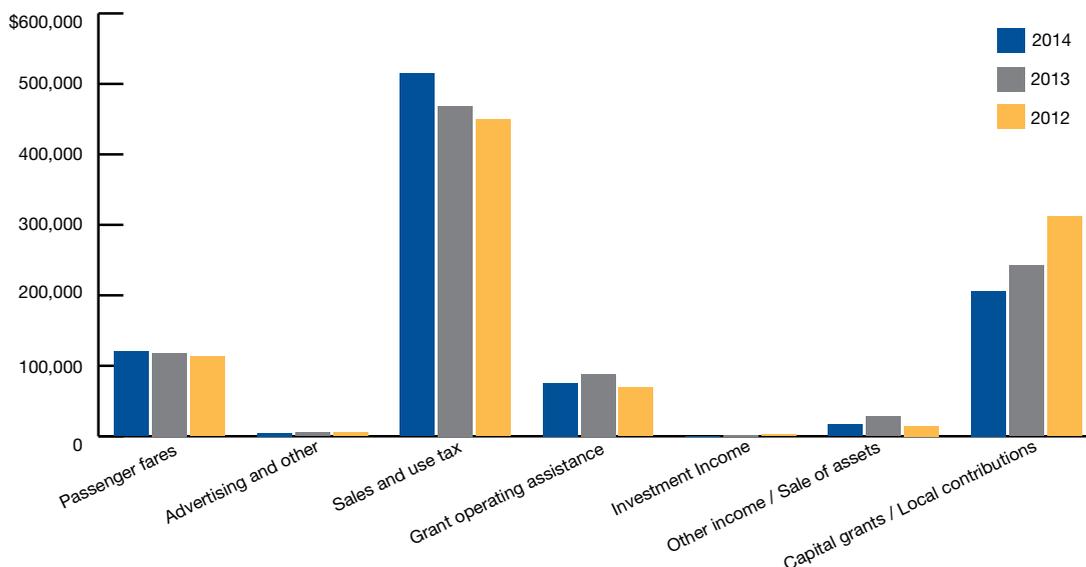
**Passenger fares** – Passenger fares provided 12.8% and 12.4% of total revenues in 2014 and 2013, respectively. Farebox receipts, monthly and annual pass revenue, and special event fares for bus and rail services are included in passenger fares. Passenger fares grew by \$2,656 (2.3%) in 2014 compared to an increase of \$4,912 (4.3%) in 2013. The increase in 2014 was due, in part, to a full year of revenue service of the West Line light rail line which opened April 2013 while additional increases in both years were due to a higher participation in fare media programs.

**Sales and use tax** – Sales and use tax provided 54.8% and 49.2% of RTD’s total revenues in 2014 and 2013 respectively. Sales and use tax is a dedicated 1.0% tax imposed on certain sales within the service area. Sales and use tax increased \$46,135 (9.8%) in 2014 compared to an increase of \$18,799 (4.2%) in 2013. In 2014 and 2013, the District experienced growth in tax revenues due to an upturn in consumer and business spending activity.

**Grant operating assistance** – Grant operating assistance provided 8.0% and 9.3% of total revenues in 2014 and 2013. Grant operating assistance decreased \$12,699 (14.4%) in 2014 compared to an increase of \$19,316 (28.0%) in 2013. Certain one-time grants were received for the FasTracks project in 2013. The operating assistance is a federal grant revenue program used to perform capital maintenance and maintain RTD’s revenue fleet of bus, paratransit, and rail vehicles.

**Capital grants and local contributions** – Capital grants and local contributions provided 22.0% and 25.5% of total revenues in 2014 and 2013. Capital grants and local contributions decreased \$36,135 (14.9%) in 2014 and decreased \$69,110 (22.2%) in 2013. The decrease in 2014 resulted from lower capital contributions related to the completion of the Denver Union Station (DUS) multi-modal hub capital project. The decrease in 2013 resulted from lower capital contributions related to nearing completion on capital improvements being made to the Denver Union Station multi-modal hub as well as having received one-time contribution relating to an intergovernmental agreement on the East Rail Line during 2012.

**REVENUE ANALYSIS** (in thousands)



# EXPENSE ANALYSIS

(Dollars in thousands)

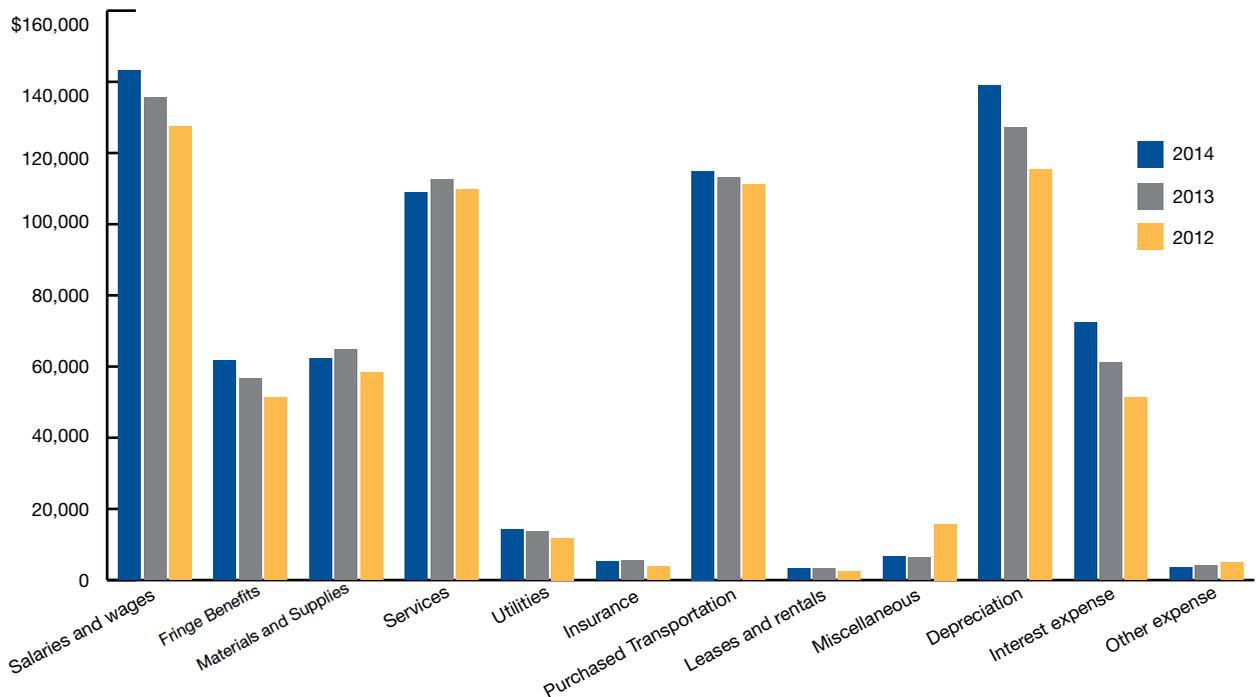
**Salaries and wages** – After several years of wage and salary freezes, salary and wage expense is the largest expense category accounting for 19.5% and 19.3% of the total RTD expenses in 2014 and 2013, respectively. Salary and wage expenses increased by \$7,453 (5.5%) in 2014 compared to an increase of \$8,103 (6.4%) in 2013. Increases in both years occurred from salary and wage performance (result based) and progression increases.

**Purchased transportation** – The purchased transportation expense category accounted for 15.6% and 16% of the total expenses in 2014 and 2013. Purchased transportation represents the costs of contracted transportation services for bus, Access-a-Ride, and Call-n-Ride services. Purchased transportation costs increased \$1,936 (1.7%) in 2014 compared to \$1,876 (1.7%) in 2013. The increase in both years was primarily due to negotiated contract increases.

**Materials and supplies** – The materials and supplies expense category accounted for 8.5% and 9.2% of the total RTD expenses in 2014 and 2013 respectively. Materials and supplies expenses decreased \$2,642 (4.1%) in 2014 compared to an increase of \$6,498 (11.1%) in 2013. The decrease in 2014 primarily occurred due to a decrease in diesel fuel prices from an average of \$3.26 to \$3.12. The increase in 2013 occurred due to the opening of the W Line and an increase in diesel fuel prices from an average of \$2.73 to \$3.26 per gallon.



## EXPENSE ANALYSIS (in thousands)





# CAPITAL ASSETS UPDATE

## CAPITAL ASSETS

Investments in capital assets include: land and rights-of-way, buildings and improvements, leasehold improvements, revenue and non-revenue vehicles, shop and service equipment, security and surveillance equipment, computer equipment, and furniture. RTD's investment in capital assets, net of accumulated depreciation, in 2014 was \$5.4 billion compared to \$4.7 billion in 2013. The increase in capital assets in 2014 was \$717 million (15.3%) compared to an increase of \$641 million (15.8%) in 2013. RTD acquires its assets with sales and use tax revenues, farebox revenue, federal capital grants, and proceeds from the sale of revenue bonds, and certificates of participation. The significant investment in capital assets during 2014 was primarily due to the cost of planning, design, and construction of FasTracks projects.

Investments in capital expenditures will continue due to expansion of RTD's FasTracks program. The program will build a comprehensive, integrated, region-wide transit network that will provide a reliable and safe system, enhance mobility, and respond to the growing transportation needs within the eight-county Regional Transportation District. Funding for the FasTracks program is secured through Federal Transit Administration (FTA) grants, sales tax and other revenues, issuance of long term debt, and public-private partnerships.

## CAPITAL ASSET PROJECT UPDATES

**Union Station** – RTD, with assistance from the City and County of Denver (CCD), the Denver Regional Council of Governments (DRCOG), and the Colorado Department of Transportation (CDOT), acquired historic Denver Union Station (DUS) in August 2001. Union Station and the surrounding property were developed as a mixed-use, multi-modal transportation center located at and in the vicinity of the original Denver Union Station Historic Building. Expenditures for 2014 were \$39 million for the construction of assets.

Along with the redevelopment of Denver Union Station as a multi-modal transportation center, a contract was entered in December 2012 with Union Station Alliance (USA) to redevelop the Union Station historic building. The redevelopment of the historic building included the Great Train Hall, Amtrak facilities, a 110-room hotel as well as restaurant and retail services. The building was completed and opened to the public July 2014. USA leases the historic building from RTD and will operate and maintain these new amenities.

**West Rail Line** – Known as the W Line, began revenue service in April 2013. In 2014, expenditures related to the W Line were approximately \$10 million.

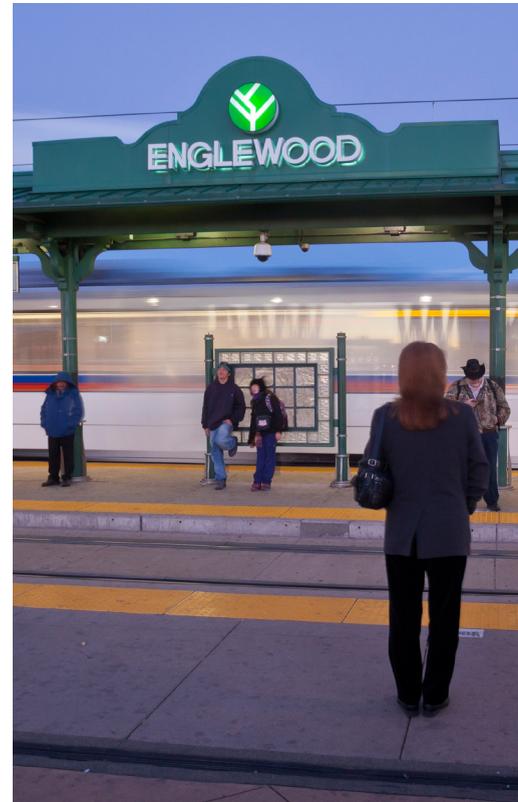
**North Metro Rail Line** – RTD entered into a construction contract with Regional Rail Partners to complete the commuter rail line from Union Station to 124th Avenue by 2018 with an option to extend construction to 162nd Avenue when additional funding is identified. In 2014, expenditures related to the North Metro Rail Line were approximately \$96 million.

**Northwest Rail Line** – In 2014, the Northwest Area Mobility study was completed to determine cost-effective improvements and explore several options, including regional bus rapid transit, alternate alignments to Longmont, and building a segmented rail system as funds become available. RTD and other stakeholders are actively utilizing the study to determine how this project will proceed.

**East and Gold Rail Line Public-Private Partnership (Eagle P3)** – In 2010, RTD entered into a public-private partnership to design, build, finance, operate and maintain several of the transit improvements included in the FasTracks program. The Eagle P3 project is a \$2.19 billion project that includes the East, Northwest Rail electrified segment and Gold Rail lines and the Commuter Rail Maintenance Facility. The Eagle P3 partnership was awarded to Denver Transit Partners (DTP) through a competitive bid process culminating in a contract price that was \$305 million below internal estimates.

In 2014, construction expenditures related to the Eagle P3 project were \$407 million. Project elements are described below:

- **East Rail Line** – The East Rail Line is a 22.8-mile commuter rail corridor between Union Station and Denver International Airport.
- **Commuter Rail Maintenance Facility** – The Commuter Rail Maintenance Facility was designed to service the four planned commuter rail lines (East, Gold, North Metro, and Northwest) included in the FasTracks plan.
- **Gold Rail Line** – The Gold Rail Line is an 11.2-mile rail corridor between Union Station to the vicinity of Ward Road, traveling through northwest Denver, unincorporated Adams County, Arvada, and Wheat Ridge.
- **Northwest Rail Line Electrified Segment** – The Northwest Rail Line electrified segment is a 6.2-mile electric commuter rail line between Union Station and Westminster Station at 71st Avenue and Irving Street.





UNION STATION

247  
RTD  
TheRide

FREE MallRide

RTD

CPV  
181  
80

# FEDERAL AND STATE FUNDING AWARDS/REQUESTS

## CAPITAL FUNDING AWARDED (2014)

### **Funding Advancements for Surface Transportation and Economic Recovery (FASTER) – State of Colorado Program**

- \$770,000 – East Colfax (US40)/15L Transit Enhancement Project
- \$470,000 – Speer Boulevard LRT Crossing Repair and Replacement
- \$2,200,000 – RTD LRT Vehicle Midlife Refurbishment and Overhaul Project

### **Bus & Bus Facilities – Ladders of Opportunity**

- \$4,999,000 – Colfax Transit Priority Project

### **Transportation Improvement Program (TIP)**

- \$1,000,000 – Region-wide BRT Corridor Study
- \$4,799,000 – 16th Street Mall Reconstruction
- \$1,000,000 – SH119 Corridor BRT Environmental & Engineering
- \$1,200,000 – Free MetroRide Service Hours Expansion
- \$2,600,000 – Colfax 15L Bus Stop Improvements

## STATE & FEDERAL GRANT

### **Innovative Public Transportation Workforce Development**

- Awarded \$663,256 – Building the Path: WIN 2.0





EXIT 199  
Bellevue Ave  
1/2 MILE

Union Station 6:54a  
18th-California 6:59a



# THE YEAR IN REVIEW

## A year of accomplishments and milestones

- Finished construction of the commuter rail maintenance facility, delivery of the first commuter rail vehicles, and started vehicle testing on the East Rail Line.
- Completed the Central Rail Extension Mobility Study to determine transit priorities in the northeast and downtown Denver neighborhoods as well as established a long-term vision for the entire Central Rail Line.
- RTD Board of Directors authorized a \$207 million extension of the existing Southeast Rail Line.
- The Union Station Bus Concourse was awarded LEED Gold certification for implementing strategies and solutions for sustainability including water savings, energy efficiency and sustainable site development.
- RTD partnered in the development of several transit-oriented communities (TOC) around transit stations to provide pedestrian oriented environments that allow people to live, work, shop, and play in places accessible by transit.
- Implemented the Automatic Train Stop (ATS) system that will stop a train in the event of a major incident on the tracks.
- Installed the Supervisory Control and Data Acquisition (SCADA) fiber optic system to assure on-time connection with the expansion of new light rail service.
- The Workforce Initiative Now (WIN) program was recognized nationally and used as a model for other transit agencies. The WIN program is a collaborative partnership that helps create career opportunities in the transportation and construction industries.
- Participated in the “Stand Up for Transportation” national advocacy effort led by the American Public Transportation Association (APTA) to push Congress to pass a long-term transportation spending bill.
- RTD’s Board of Directors approved new fare structure that will go into effect on January 1, 2016.
- RTD launched new responsive website design, which will provide riders with a consistent experience on all platform devices.
- RTD received numerous awards locally and nationally for the redevelopment of Union Station, the introduction of the Free MetroRide, and for the implementation of a comprehensive safety plan to minimize accidents at high-traffic train crossings.
- The RTD Board of Directors hosted the 2015 APTA Transit Board Members and Board Support Seminar.





## STATE OF THE ECONOMY

Sales and use taxes are the largest single source of revenue for RTD, representing 54.8% and 49.2% of the total revenues in 2014 and 2013 respectively. Sales and use tax revenues are affected by changes in the local economy. The Federal Reserve Bank of Philadelphia's monthly State Coincident Economic Activity Index places Colorado among the top states for economic growth. Since 2012, Colorado's economy has had the fifth best growth according to the measure. The index is one of the most up-to-date broad measures of state economic activity and matches growth in a state's gross domestic product (GDP) over time. It combines four state-level indicators to track current economic conditions – employment, average hours worked in manufacturing, unemployment rate, and inflation-adjusted wage and salary disbursements.

Sales tax revenue is also helped by the State's collection of a new sales tax on retail marijuana from the passage of Proposition AA by voters in November of 2013. In 2014, RTD received approximately \$2.1 million in retail marijuana taxes.

### DID YOU KNOW?

With the opening of the A, B, G, and R rail lines in 2016, RTD will more than double the amount of rail track across the district from 48 miles to 98.7 miles. The additional miles will make it easy to get just about anywhere you want to go with RTD.



## ABOUT RTD

Founded in 1969 by the Colorado General Assembly, the Regional Transportation District provides a dynamic public transit system across the greater metro area. Today, our service district spans 2,340 square miles and serves a population of 2.8 million across all or a portion of eight counties: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, and Weld.

In 2014, RTD provided service for nearly 105,000,000 passenger trips, including 63.5 million on bus, 26.4 million on light rail, and more than 14.1 million on Free MallRide, Free MetroRide, Call-n-Ride, Access-a-Ride, and special event service.

**As we continue to expand our system and services, we connect more communities and provide better transportation options with an emphasis on safety and the customer experience. Now that's progress in motion.**



**Regional Transportation District**  
1600 Blake Street  
Denver, Colorado 80202



**303.299.6000**  
**TDD 303.299.6089**

**[rtd-denver.com](http://rtd-denver.com)**

Photo by Terry Shapiro