



MEMO TO: Mayor Vandernail and the Board of Trustees
FROM: Michael Brack, Assistant Town Manager
DATE: April 21, 2021
SUBJECT: Red Line Service Expansion

MATTER BEFORE BOARD:

Consideration to support application for additional bus stops and extension of service for the Red Line bus route in Rendezvous.

BACKGROUND:

On March 31, 2021, an application for new bus service was received by the Transit Advisory Committee. The application received (reference **Appendix A – Service Extension Application**) requests four additional bus stops in Rendezvous and extends the existing Red Line 0.9 miles into the Rendezvous subdivision as depicted on the map in Appendix A.

As outlined in the application, the extended service will provide service to approximately 150 more residences. For the last several years, Rendezvous has operated a private shuttle service to transport residents and guests to the resort area with an average ridership of 2,825 from the last 3 ski seasons, which is more than the current ridership of 2,402 with the current Red Line from the same seasonal average. The Red Line and the Rendezvous shuttle service only operates during the winter ski season from November to April as would this new extension of service. Approval of the Rendezvous service extension request would more than double current ridership of the existing Red Line.

As the managing authority for The Lift transit service, Winter Park's Town Council will make the final decision to approve or deny any changes in transit service in Fraser. The Transit Advisory Committee functions as an advisory committee to provide recommendations to the Winter Park Council. Fraser Trustee Brian Cerkenik is a member of the Transit Advisory Committee and will provide input from the Town Board's direction on this extension request for the upcoming Transit Advisory Committee meeting on May 3, 2021.

Financial Impact

Based on the 2021 adopted budget for the Town of Fraser, the 1% sales tax designated for transit, trails, and capital projects, and accounted for in the Restricted Revenue Fund, shows total expenditures of \$735,000. These expenditures include \$680,000 for transit and \$55,000 for trail maintenance.

The cost to accommodate the new service extension on the Red Line would result in an additional cost from the Restricted Revenue Fund ranging from approximately \$20,425-\$52,432 above the current 2021-2022 estimated cost of \$14,459 to provide the Red Line service. If the cost of transit exceeds the allocated budget amount, a transfer from the general fund will be required along with an amended town budget to account for the increased cost to provide transit service.

Currently, the cost allocation for the Red Line is 15% to the Town of Fraser and 85% to the Town of Winter Park. If this service extension is approved, the new cost allocation will be 36% to the Town of Fraser and 64% to the Town of Winter Park due to the increase distance traveled. Please reference **Appendix B – Red Line Service Options** for draft budget options for the Red Line provided by Ivy Compton, Transit Manager of Winter Park.

It is important to note that the draft budget options in Appendix B for the 2021-2022 period are from November 1, 2021-October 31, 2022. While \$680,000 is budgeted for transit service in 2021, the estimate for the 2021-2022 service year, without any new service extensions, is \$684,479.70 with the majority of the draft budget options take place in 2022 with a new budgeted amount that will need to be approved by the Town Board for transit service in the adopted 2022 budget. The Town of Fraser is billed monthly for transit services through the Town of Winter Park for The Lift transit services.

ALTERNATIVES:

- Maintain status quo, do not support the applicant's request.
- Approve the applicant's request and support one of the options provided in Appendix B to expand service into Rendezvous.
- Direct staff to negotiate a fixed or variable funding amount from Rendezvous to financially sustain the extension of service on the Red Line.

RECOMMENDATION:

Approving an option to extend transit service into Rendezvous will improve the level of service provided by this program and double the ridership on the Red Line. While the additional cost could be allocated within the Restricted Revenue Fund, approving any of the drafted budget options may exceed the amount budgeted for transit service in the Town's adopted budget. Staff recommends careful evaluation when increasing costs for service extensions and the overall cost to provide public transit in order to achieve the level of service desired. Any increase in funds allocated towards transit does potentially take funding away from other transit service expansions and other funding initiatives allowed under the Restricted Revenue Fund.