



Capital Improvement Plan

FY2016-2020

Adopted September 16, 2015

Purpose

The purpose of this Capital Improvement Plan (CIP) is to provide a strategy, time table and estimated budget for capital needs over the next five years. These capital needs include rolling stock (i.e. buses and vans), street facilities and structures including bus shelters and bike racks, technology implementation, improvements and upkeep to our existing primary facility in Ketchum, development of a downtown transportation hub in Ketchum, and finishing our new south valley maintenance and storage facility in Bellevue.

This CIP will be adopted annually in September or October at the same time that our full fiscal annual budget is adopted. This CIP is designed to be a working document that is updated regularly and is always adjusted to look at the next immediate five years of capital needs. The CIP is a tool that should be used to show our various funding partners what capital needs we have for the coming 5 years.

Project Categories to be Funded

Mountain Rides must fund many types of capital projects in order to be successful including:

1. **On-street infrastructure and facilities:** Building supporting infrastructure for our transportation service is vital for the success of our system. Better bike and pedestrian facilities in combination with high quality passenger waiting shelters will result in more ridership and better return on investment on the service hours we operate. Over the next five years, we will continue to work to add more bus shelters to our system every year. With 24 bus shelters in our system, we also need to maintain these facilities over time. A downtown Ketchum transportation hub is also critical to better coordinating our overall transportation system. This facility would allow all of our routes to better interact and facilitate transfers, as well as serve as a simple place for customers to go to figure out how to get anywhere in our system. We need additional funding for this project in order to be successful with constructing a hub.
2. **Rolling stock:** Mountain Rides operates roughly 750,000 to 850,000 miles per year, which results in the depreciation of 1-2 buses per year and 2-3 vans per year. Our vehicle mix includes vans, small buses, mid-duty buses, and heavy-duty buses. In order to continue to provide high-quality service that is attractive and comfortable, we must continue to replace

and upgrade these vehicles over the coming years. In addition to replacement vehicles, we must also look at expanding our fleet of buses and vans to help us expand our services. With diminishing federal funds for capital replacement, refurbishment of existing heavy duty buses is a strategy we will continue to use to meet our capital needs.

3. **Technology improvements:** In order to continue to grow services and ridership, we must have a strong backbone of technology to support our future. Mountain Rides hopes to implement technology solutions for customer service and management including: automatic tracking of vehicles via GPS, real-time traveler information via signs and web-based technology, automation of passenger counts, electronic fareboxes, back-end fixed route management software, and automated destination signage.
4. **Improvements to Ketchum facility:** Our existing facility that includes bus maintenance, offices, and apartments is in need of maintenance and upkeep over time. New paint, roof repair, new roll-up doors, and general upkeep are needed in order to maintain this asset over time. We are also looking at upgrades that will help reduce energy consumption over time like lighting upgrades and a more efficient heating system.
5. **New South Valley facility:** With this project well underway, Mountain Rides will be making a big leap forward with the completion of this project in FY2016. Mountain Rides has long needed this facility to better support the Valley and Hailey routes and will be our most significant capital project to date. Once open, Mountain Rides will be able to save operating funding in the form of reduced maintenance and more efficient operations.

Funding Sources

In order to fund all of the projects in the coming years, Mountain Rides must utilize a variety of funding sources. There are less rural capital funding sources than in years past, but Mountain Rides still has access to these programs:

- State of Good Repair and Bus Livability – this is a discretionary Federal Transit Administration (FTA) program that provides capital funding for vehicles and facilities that support bus operations. We have used this program to purchase buses in the past, as well as fund the Ketchum Intermodal Center and East Fork bus stop improvements. The funding for this program is 83% federal funding with a local match of 17% for vehicles and 80% federal funding with a local match of 20% for facilities.
- Rural formula funding 5339 for buses and bus facilities – The 2-year federal funding bill that went into effect in October 2012 has a program that includes a fixed amount of formula funding for each state. Idaho will receive \$1.25MM annually for bus and bus facilities, and Mountain Rides will apply as these funds are available. Mountain Rides has already received funding for 1 new bus, 2 bus refurbishments and 3 replacement vans as part of this funding.
- State Vehicle Improvement Plan funding – There is a small amount of funding that the state makes available to replace and improve public transportation fleets. Mountain Rides has received some vanpool van funding through this program and will continue to apply for this statewide competitive pool of funds.
- TIGER funding – Mountain Rides will consider funding more complex infrastructure through the nationally competed TIGER funding pool going forward. A larger Ketchum downtown hub may be a good fit for TIGER funding.
- Funding from local cities and county– Mountain Rides allocates funding received from its local funding partners to capital needs on annual basis as part of the local, annual budget requests to the cities of Ketchum, Sun Valley and Hailey, as well as Blaine

County. Mountain Rides dedicates these capital funds for facility projects, maintenance of workforce housing units, and capital equipment purchases. These fund balances are currently adequate, but we continue to work to grow these balances over time.

- Private funds and miscellaneous grants – This includes any funding from employer partners, grants not known at this time, foundations, or private businesses who may wish to help Mountain Rides achieve its CIP goals.

Project List by Year

CIP Attachment A lists the various projects with their associated costs and estimated year for expenditure. Some projects span multiple years and some, like maintenance and upkeep projects, are more focused on the coming fiscal year. The costs are listed in the year they are estimated to be incurred. Some purchases like buses need to be made sooner due to long lead times. The project list also shows the total project funding, local funding and federal funding estimated to complete the project. This shows what must be funded by our own capital fund balances, through funding from our local partners, and what would be paid for from federal sources. This also shows the match needed for these federal funds.

CIP Success Factors

Successful CIP implementation is dependent on many internal and external factors, some of which we can affect and some of which are out of our control. In order to fund all of our capital projects, the following assumptions are built in:

- ✓ Municipal funding partners continue to support Mountain Rides with funds that can be used as match for capital projects (above and beyond operational support)
- ✓ We are able to keep our capital projects within estimated budgets
- ✓ FTA finds a way to fund larger projects once MAP-21 expires (earmarks have been eliminated under MAP-21 with no replacement)
- ✓ ITD continues to manage capital funding applications and support statewide applications for capital funding
- ✓ Mountain Rides continues to advance planning efforts for all of these projects
- ✓ Smaller grants are discovered and successfully applied for in the coming years
- ✓ We have stable enough operating funds that justify the capital expenses (equity between service level and capital requirements)
- ✓ We have community support for the development of some of these capital projects