Special Joint Information Meeting

TOWN COUNCIL & COUNTY COMMISSIONER MEETING

September 16, 2019
2:00 PM
Town Council Chambers
Chair:Mayor Muldoon

NOTICE: THE VIDEO AND AUDIO FOR THIS MEETING ARE STREAMED TO THE PUBLIC VIA THE INTERNET AND MOBILE DEVICES WITH VIEWS THAT ENCOMPASS ALL AREAS, PARTICIPANTS AND AUDIENCE MEMBERS. PLEASE SILENCE ALL ELECTRONIC DEVICES DURING THE MEETING

I. CALL TO ORDER AND ROLL CALL

II. DISCUSSION/ACTION ITEMS

A. Encroachment Agreement for Fire Station 1

B. Cost-Based Formula for Teton Village START Service

III. ADJOURN

County Commissioners adjourn.
Town Council adjourns to executive session to discuss personnel matters in accordance with Wyoming Statute 16-4-405(a)(ii)(x).

Please note that at any point during the meeting, the Chairman or Mayor may change the order of items listed on this agenda. In order to ensure that you are present at the time your item of interest is discussed, please join the meeting at the beginning to hear any changes to the schedule or agenda.

JOINT INFORMATION MEETING

Agenda #:
MEETING DATE: September 16, 2019 **SUBMITTING DEPT:** Town/County Attorneys

PRESENTER: Gingery and Colasuonno. **SUBJECT:** Encroachment Agreement for Fire Station #1

STATEMENT/PURPOSE

Approval of Town of Jackson Encroachment Agreement to allow encroachment into Town of Jackson Alleyway by the Fire Station #1 construction. The encroachment will allow subsurface placement of temporary shotcrete and soil nail retaining wall associated with the temporary slope stabilization for construction of the stormwater infiltration and elevator pit for Fire Station #1. Additionally, given the batter (backward slope) of the wall and proximity to the property line, a portion of the shotcrete wall will also encroach into the alley right of way.

BACKGROUND/ALTERNATIVES

Background

Since 2017 the Town has required projects utilizing Town rights-of-way and easements for permanent or temporary shoring to enter into encroachment agreements with the Town as called for in Jackson Municipal Code § 12.08.030 Agreement Required. Staff determined that the ten (10) feet below the road surface where municipal utilities are typically installed should be free of any permanent building foundations or anchors. Temporary anchors that do not interfere with municipal operations and that can be easily removed have been allowed with an advance removal payment to compensate the Town for possible costs during future work. Most recently this fee was $50.00 “per soil nail anchor.” Further, these agreements provide for indemnity and mandate that removal of the anchors in the future will not impact the permanent building structure.

Request

ENCROACHMENT

The request seeks subsurface placement of approximately twenty-eight (28) temporary “soil nails” (defined as steel bars encapsulated in grout), which will encroach into the subsurface of the easement approximately nine to nineteen (9-19) feet. Eighteen (18) of the nails enter the ground within ten (10) feet of the alley surface. All of the shoring is associated with the slope stabilization for construction of the stormwater infiltration and elevator pit for Fire Station #1. Additionally, given the batter (backward slope) of the wall and the proximity to the property line, a portion of the shotcrete wall will also encroach into the alley right-of-way.

The proposed shoring nails are generally located within fifteen (15) feet of the alley surface and in the proximity of our sewer utilities. It is the responsibility of the applicant's contractor, and standard practice, to verify the exact location of our utilities and install the anchors around them.

FEE WAIVER

This application is by a joint department in the Teton County and Jackson governments for a project that has community benefit for the whole of Jackson and requests that any removal fee for the temporary nails be waived.

STAKEHOLDER ANALYSIS

Stakeholders include the Town as owner of the roadway and utilities, the applicant constructing its building, and Town residents that use the roadway. The applicant proposing construction activities on its property has the greatest risk regarding the ability to utilize its property. The Town as owner of the roadway and utilities has a responsibility to maintain this infrastructure. These two stakeholders will mutually benefit from the information contained in a recorded encroachment agreement regarding future use and maintenance of the roadway and utility infrastructure.

FISCAL IMPACT

None. Request is to waive any removal fee for the temporary anchors.

LEGAL REVIEW

Gingery and Colasuonno.

ATTACHMENTS

Town of Jackson Encroachment Agreement

RECOMMENDATION

Town staff recommended approval of the Encroachment Agreement between the Town of Jackson and Teton County to allow shoring nails to encroach into the Town's alley and the Town Council approved with direction for the Encroachment Agreement to be drafted and brought back to the parties for approval.

SUGGESTED MOTION

Town Council

I move to approve the Encroachment Agreement to allow temporary shoring nails and related temporary construction to encroach into the Town's alley right-of-way south of 60 East Pearl Ave.

Board of County Commissioners

I move to approve the Encroachment Agreement and agree to the obligations and rules as delineated in the Town of Jackson Encroachment Agreement.

TOWN OF JACKSON
ENCROACHMENT AGREEMENT

THIS ENCROACHMENT AGREEMENT ("Agreement"), by and between TETON COUNTY, WYOMING, a county of the State of Wyoming, with an address of P.O. Box 1727, 83001 hereinafter referred to as "Encroaching Party" and the TOWN OF JACKSON, a municipal corporation of the State of Wyoming, with an address of P.O. Box 1687 Jackson, WY 83001 hereinafter referred to as "Town," together "Parties," provides as follows:

WHEREAS, Encroaching Party is the owner in fee simple of that certain real property in Teton County, Wyoming, described as follows:

Street Address: 60 East Pearl Avenue
Location: Lots 4-5-6, Block 6, Cache Creek Addition, 1st ADD.
PIDN: 22-41-16-34-2-06-008.02

WHEREAS, the Town is the owner of that certain public right-of-way known as Plat 102, Block 6 Alley (aka Fire Station Alley), which public right-of-way adjoins Encroaching Party's property; and

WHEREAS, the Encroaching Party shall use a portion of the subsurface areas approximately one foot and six inches (1' and 6") or more below the surface, as shown on the attached plans, that do not interfere with existing utilities of the above noted public rights-of-way as set forth in Exhibit A (hereinafter "Encroaching Property") hereto for:

a. Subsurface placement of approximately twenty-eight (28) "soil nails" (defined as hollow steel bars encapsulated in grout), which will encroach into the subsurface of the right-of-way for distances of approximately nine (9) feet to nineteen (19) feet, respectively and as more specifically shown on the attached plans, all associated with the shoring of walls during construction of a building on Encroaching Party's property; and

b. Said soil nails are designed to be abandoned in place and remain as an encroachment into the subsurface areas of the rights-of-way as described above following completion of construction, provided, however, that the soil nails may be disturbed, destroyed or removed in connection with any construction, installation, excavation, maintenance or replacement of the right-of-way, or any public utilities located therein, following completion of construction of the building on Encroaching Party's property, provided, further, that any additional costs incurred by the Town as a result of the presence of the soil nails or any steel bars installed by or on behalf of Encroaching Party will be borne by the; and

WHEREAS, on July 15, 2019 as Planning item P19-140, the Jackson Town Council voted to authorize staff to prepare an Encroachment Agreement between the Town of Jackson and the Encroaching Party for the Encroaching Property subject to final review and approval by the Town Attorney and the following conditions:

1. Applicant shall provide all exhibits to the Agreement to the satisfaction of the Town Engineer;
2. Exhibits shall show the property line and the encroachment dimensioned from the property line;
3. Record drawings of the installed shoring shall be provided to the Town Engineer;

4. Any portion of the temporary wall constructed within the public alley right-of-way shall be removed to a depth of ten (10) feet below the surface during backfill; and
5. Soil nails shall not be installed above, interfere with, or contact existing Town utilities; and

WHEREAS, Encroaching Party recognizes that it cannot acquire any right, title, or interest in and to the said public rights-of-way by adverse possession or otherwise due to the encroachment.

NOW, THEREFORE, IT IS HEREBY AGREED that for and in consideration of the aforesaid premises and good and valuable consideration, the receipt of which is hereby acknowledged, paid by each of the said parties to the other, Encroaching Party and the Town do mutually covenant and agree as follows:

1. <u>ACKNOWLEDGMENT OF TOWN'S RIGHTS:</u>

Encroaching Party acknowledges the Town's exclusive rights, title, and interest in the public rights-of-way and that it cannot acquire any right, title, or interest in the afore-referenced public right-of-way now or hereafter.

2. <u>AGREEMENT TO ALLOW ENCROACHMENT:</u>

The Town agrees that Encroaching Party shall have the right to have the Encroaching Property within the Town right-of-way to the extent set forth herein.

The Town agrees that Encroaching Party shall have the right to have the Encroaching Property extend beyond the boundary line of above noted right-of-way and to encroach and rest within the subsurface of the Town right-of-way, provided, however, that no permanent soil nails will be placed below the surface of the right-of-way. Further that (a) the soil nails may be disturbed, destroyed or removed in connection with any construction, installation, excavation, maintenance or replacement of the right-of-way or any public utilities located therein following completion of construction of the building on Encroaching Party's property, and (b) any additional costs incurred by the Town as a result of the presence of the soil nails or any steel bars installed by or on behalf of Encroaching Party will be borne by the Town. Completion of construction of said building shall be deemed to have occurred upon issuance of certificates of occupancy for the building or for any of the individual units within the building.

The Encroaching Party shall submit to the Town Engineer record drawings of the shoring to document the shoring's "as-built" location.

3. <u>RIGHT TO MAINTAIN:</u>

Encroaching Party shall have the right from time to time to go upon the adjoining public right-of-way for the purpose of maintaining the Encroaching Property, provided that any damage occurring to the property of the Town as a result of such maintenance shall be corrected or repaired at the sole expense of Encroaching Party or its successors and assigns. Under no circumstances shall the Encroaching Party be allowed to increase the existing encroachment, absent written approval (including applicable regulatory approval) from the Town. Notwithstanding the foregoing, no provision in this Agreement shall limit or prohibit the Town from pursuing its right of eminent domain with regard to the Encroaching Property and no provision of this Agreement shall limit or prohibit Encroaching Party from defending its property therefrom.

4. RELEASE OF CLAIMS:

Encroaching Party hereby releases and holds harmless the Town of Jackson from any and all damage, claim, cause, or right of action which may arise from normal Town use, maintenance, construction, repair or replacement activities by the Town associated with the right-of-way in its present configuration and alignment and any of the present utilities within the Town right-of-way and which may arise due to the proximity of the Encroaching Property to the work activity being conducted by the Town. In elaboration of the foregoing, Encroaching Party hereby expressly authorizes the Town, acting through its contractors and agents, to disturb, damage or remove the Encroaching Property in connection with the above-described work activity at any time following completion of the building being constructed on Encroaching Party's property. Encroaching Party hereby releases and holds harmless the Town of Jackson from any and all damage, claim, cause, or right of action which may arise from disturbance, damage or removal of the Encroaching Property by Town or its agents, including, without limitation, any of the foregoing that may result in instability of the building being constructed on Encroaching Party's property or any of the appurtenances thereto, except to the extent the same is caused by the malicious or negligent acts or omissions of the Town or its contractors.

5. INDEMNIFICATION:

Encroaching Party, and its successors in interest and assigns, hereby agrees to indemnify and hold harmless the Town of Jackson from any and all losses, damages, claims, causes of action, or rights of action, including reasonable attorney's fees, which the Town may incur as a result of or in any way related to the construction, use, and/or maintenance of the Encroaching Property. The Town will give the Encroaching Party prompt notice of any claims against it arising from or related to such Encroaching Property and the Encroaching Party will be kept fully informed and advised of material matters relating to the defense and handling of such claim by the Town, its insurers, or its attorneys. Nothing in this Agreement shall alter, amend, modify, or diminish the existing statutory, constitutional, or legal defenses of the Town in relation to such claims under the Wyoming law.

6. BINDING COVENANT:

The provisions of this Agreement shall operate as a covenant running with all parcels of land above described and shall bind both parties hereto and their respective successors and assigns in ownership.

7. TERM OF AGREEMENT:

This instrument and all the covenants contained herein shall remain in force and effect until such time as the Encroaching Property is removed partially or in its entirety. Removal of Encroaching Property, or any portions thereof, shall be based on legitimate municipal interests, including but not limited to the Town's need to use additional right-of-way (or easement). Following completion of the building being constructed on Encroaching Party's property as defined in Section 2, no notice of removal is required. Upon extension, removal, or destruction of the Encroaching Property partially or in its entirety, all rights of Encroaching Party, its successors, and assigns, hereunder to the encroachment, shall cease.

8. NO THIRD-PARTY BENEFICIARY:

This Agreement is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person or entity will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

9. HEADINGS:

Headings used in this Agreement are for convenience only and shall not be deemed to constitute a part hereof, or shall not be deemed to limit, characterize, or in any way affect the provisions of this Agreement.

10. MODIFICATION IN WRITING:

No modification, waiver, amendment, addition or cancellation of this document shall be effective unless in writing and signed by both parties.

11. BINDING EFFECT:

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

12. RECORDING:

This Agreement shall be executed upon its approval by the Jackson Town Council and shall thereupon be filed with the Town Clerk and recorded in the Land Records of Teton County, Wyoming at the Encroaching Party's sole cost.

13. GOVERNING LAW AND FORUM:

This Agreement shall be construed in accordance with the laws of the State of Wyoming. The parties agree that the Courts of the State of Wyoming and the Federal Courts of the United States located in the State of Wyoming shall have sole and exclusive jurisdiction over any dispute, claim, or controversy which may arise involving this Agreement or its subject matter. The parties irrevocably submit and consent to such jurisdiction and venue and waive any right they may have to seek a change of jurisdiction or venue.

14. COUNTERPARTS:

This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which together constitute one and the same instrument.

15. SOVEREIGN IMMUNITY:

The Town of Jackson does not waive its sovereign immunity by entering into this agreement, and fully retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this Encroachment Agreement.

IN WITNESS WHEREOF, The effective date of this agreement is [Day Month Year].

[*signatures follow on next page*]

ENCROACHING PARTY

By:____

Print Name:_______________________________________

Its:____

STATE OF WYOMING)
)ss.
COUNTY OF TETON)

The foregoing instrument was acknowledged before me by _________________________, as its property owner this____day of________________, 2019.

Witness my hand and official seal.

____
Notary Public

My commission Expires:

TOWN OF JACKSON,
a municipal corporation
of the State of Wyoming

By: ____
Pete Muldoon, Mayor

Attest: ____
Sandra P. Birdyshaw, Town Clerk

APPROVED AS TO FORM:

By: ____
Lea Colasuonno, Interim Town Attorney

STATE OF WYOMING)
)ss.
COUNTY OF TETON)

The foregoing instrument was acknowledged before me by Lea Colasuonno as Town Attorney of the Town of Jackson this_____________day of_______________, 2019.

Witness my hand and official seal.

____
Notary Public

My commission Expires:

APPROVED AS TO CONTENT:

By: ____
Brian Lenz, Town Engineer

STATE OF WYOMING)
)ss.
COUNTY OF TETON)

The foregoing instrument was acknowledged before me by Brian Lenz as Town Engineer of the Town of Jackson this__________day of_______________, 2019.

Witness my hand and official seal.

____
Notary Public

My commission Expires:

BOARD OF COUNTY COMMISSIONERS

TOWN COUNCIL

JOINT INFORMATION MEETING
AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: Transit **PRESENTER**: Darren Brugmann

MEETING DATE: September 16, 2019

SUBJECT: **Cost Based Funding for Master Plan Obligations for Teton Village Service**

STATEMENT/PURPOSE

The purpose of this item is for the Town Council and County Commission to make a determination on the funding contribution for service to Teton Village that would be applied to the master plan requirements of Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) to provide employee bus passes for FY20.

BACKGROUND/ALTERNATIVES

With the approval by the Town Council and County Commission on September 9th to proceed with a funding formula for this service that is cost based, there are *two remaining areas where questions remain*. Ridership data shows that 65% of the ridership for this service within START is comprised of JHMR and TVA employees.

Policy Issue – Should the Town and County Subsidize the Required Employee Service Provision

There are at least three options that could be considered for FY20 to answer this policy issue:

1. JHMR and TVA pay for their proportionate amount (65%) of the operations and capital cost to provide Teton Village service.
2. JHMR and TVA pay for their proportionate amount (65%) of only operations to provide Teton Village service.
3. The Town and County subsidize a disproportionate amount of the cost of Teton Village service.

The START Board's recommendation is Option #2.

Should the Funding Formula be Implemented Immediately or Phased

Once the decision of subsidy has been answered, FY20 implementation needs to be determined.

1. Immediate implementation in FY20.
2. Phased in approach with 50% implementation in FY20 and full implementation in FY21.

The START Board's recommendation is Option #2.

Please note that it is the intention of the START Board to review the cost of the service annually. Based on the cost of providing the current service, any service expansions for Teton Village service or other service areas in START, or changes to fares, the amount owed for the provision of this service will fluctuate annually.

Regardless of what is selected this year, utilizing a cost based approach, it is the intention of the START Board and Staff to recommend JHMR and TVA pay 100% of capital and operations for their percentage of this service moving forward.

Also, as previously noted, the START Board will be addressing the issue of ridership benefits for season ski pass holders as a separate issue and will be working on this issue at their upcoming retreat along with a review of fares and other issues.

COMPREHENSIVE PLAN ALIGNMENT

Multimodal transportation is a key component in the comprehensive plan in Section 7 and the requirements for Teton Village to contribute to funding mass transit is part of implementing the integrated transportation plan and Policy 7.1.b specifically speaks to implementing the transportation demand management program. Policy 7.1.g speaks to establishing a permanent funding source for an alternative transportation system and maintaining cooperative partners in funding the system is critically important for its future. The requirement for funding directly aligns with Policy 7.3.c, require development to implement and fund alternative transportation. Principal 2.3 of the Comprehensive Plan also speaks to reducing energy consumption through transportation. Principle 1.2 under Ecosystem Stewardship also applies as bus service positively contributes to preserving air quality by removing single occupancy vehicles from the roads.

STAKEHOLDER ANALYSIS

TVA and JHMR are significant stakeholders. TVA and JHMR are not in agreement with START's recommended formula, and their proposal is attached to the staff report for the July 1, 2019 JIM. While both have not endorsed and/or agreed upon the recommendation at this point, both entities have been professional and forthcoming with their opinions. Stakeholders also include the employees of those entities that may commute from outlying communities and once in Jackson, need public transit to reach their final work destination. Stakeholders also include residents of the valley utilizing corridors to Teton Village or stops along the way to conduct business and participate in local recreation that benefit from public transit and fewer vehicles on the road. Stakeholders include everyone in the region that benefits from fewer vehicles on the road that might contribute to lower air quality standards. All taxpayers are stakeholders in that they support the local government's share of the funding required for the provision of this service. Wildlife is also a stakeholder in this issue in that fewer vehicles on these roads may result in fewer wildlife casualties.

FISCAL IMPACT

Dependent upon the option selected.

STAFF IMPACT

To date, staff has spent a significant amount of time analyzing the alternatives, conducting calculations, verifying data, and meeting with all parties involved.

LEGAL REVIEW

The recommended action complies with the Master Resort Plan and amendments. If the Town Council and County Commission continue this item, the legal review will be ongoing as needed.

ATTACHMENTS

Previous staff reports (7/1/19, 8/5/19 and 9/9/19)

RECOMMENDATION

The START Board and Staff recommend JHMR and TVA pay for their proportionate amount (65%) of only operations to provide Teton Village service and phased in with 50% implementation in FY20 and full implementation in FY21.

SUGGESTED MOTION

Should the bodies be ready to take action, one possible motion would be:

I move to approve a budget amendment for FY20 that requires JHMR and TVA to pay for their proportionate amount (65%) of only operations to provide Teton Village service and full implementation for FY21.

TETON COUNTY WYOMING

BOARD OF COUNTY COMMISSIONERS

TOWN OF JACKSON WYOMING

TOWN COUNCIL

JOINT INFORMATION MEETING
AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: START **PRESENTER**: Darren Brugmann

MEETING DATE: September 9, 2019

SUBJECT: Funding Contribution for START Service to Teton Village for FY20

STATEMENT/PURPOSE

The purpose of this item is for the Town Council and County Commission to make a determination on the funding contribution for service to Teton Village that would be applied to Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) for FY20.

In addition, the START Finance Committee makes three Policy Guideline Requests from the Elected:

1. As a policy perspective, should the public subsidize any portion of JHMR/TVA's obligation to the provide transportation for their employees as required by the applicable Master Plan(s)?
2. Are you in agreement with a 21st Century cost of service allocation – business based approach for START?
3. Are you in agreement with a 1-year transition to this approach (partial implementation in FY20 and full implementation in FY21)?

BACKGROUND/ALTERNATIVES

This item was discussed at the July 1, 2019 and August 5, 2019 Joint Information Meeting (JIM) and continued to this meeting. It continues to be apparent that not all parties agree with the appropriate cost sharing methodology for the provision of the Teton Village service. Staff has been asked to supply a simplified rate to/from Teton Village.

START Board Recommendation

The START Board has worked extensively on this issue in order to provide policy recommendations to the elected officials that will allow for a more predictable and consistent funding methodology that captures appropriate contribution levels by the Town, County, JHMR and TVA. It has become apparent continued discussions regarding a funding methodology will need to be re-evaluated for the upcoming FY2021 Budget process. The START Board will continue to evaluate funding levels and sources for all service modes in upcoming Board meetings, including the Board retreat scheduled for October 10, 2019. The goal is to have a preliminary budget plan before the start of calendar year 2020.

At this time, the START Board is unanimously recommending the following methodology:

START Finance Committee Recommendation - August 21, 2019					
Teton Village - Annual Operating Cost:					$ 2,529,368
Unfunded Need					$ 848,988
JHMR & TVA Employee Ridership	(%age of Total Winter Ridership)				
TOTAL Winter Village Runs:		433,469			
JHMR Employees:		176,031	41%		
TVA Employees:		104,790	24%		
			65%	X	65%
					$ 551,842
Current Adopted Budget Contribution				<less>	$ 309,794
					$ 242,048
Split Difference				X	50%
					$ 121,024
				+	$ 309,794
Recommended Contribution: FY2020					**$ 430,818**

Note:

The START Board's recommendation above does NOT include factors for:

- Capital Cost of Vehicles
- Capital Depreciation for Facilities
- Ski Pass holder privileges (START Board has confirmed their intention of honoring ski pass holder START privileges for the upcoming Winter 2019/20 Season. This will be reevaluated for FY21 and may not continue).

ADDITIONAL BACKGROUND INFORMATION

Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) Proposal

JHMR and TVA do not concur with the START Board recommendation and have proposed that they contribute the following towards the operational and capital expenditures for the Teton Village service:

- TVA's operational portion – $115,500
    - TVA is proposing to pay the same amount they paid last year plus an offered market adjustment
- JHMR's operational portion: $299,087
    - JHMR is proposing to pay based on the number of peak employees riding the bus for winter and summer and a ticket volume discount for the season (including 7 & 10 day) ski pass product. Both calculations were based on an outdated bulk rate bus pass fare that has not been utilized since 2006 and has since been repealed by the START Board.
- Capital – $0
    - no amount has been proposed to fund capital by JHMR or TVA

- **Total TVA and JHMR Contribution: $414,587**

FY20 Adopted Budget

If there are no changes to the adopted FY20 budget, the following is how service to Teton Village will be funded:

The FY20 total operations cost for the Teton Village service is budgeted at $2,529,368. The funding for this expenditure in the approved FY20 Town and County START budget is comprised of the following: (please note that the figures have been updated since the July 1 JIM staff report to reflect actual adopted budget figures):

- Federal Grant Funding: $974,380
  (Using the percentage of service hours)
- Teton Village Fares: $291,000
- Teton Village Area 2 Master Plan Contributions: $415,000
  (Please note this is an estimated figure and fluctuates based on actuals)
- JHMR and TVA Funds: **$309,794**
  JHMR: $198,265
  TVA: $111,529
- Town and County Funds: $539,194

The Town Council and County Commission have several options to consider including:

1. Approve START Board Recommendation as outlined above.
2. Discuss the issue and continue the discussion to a future JIM.
3. Take no action thereby supporting the adopted budget by default.
4. Other.

COMPREHENSIVE PLAN ALIGNMENT

Multimodal transportation is a key component in the comprehensive plan in Section 7 and the requirements for Teton Village to contribute to funding mass transit is part of implementing the integrated transportation plan and Policy 7.1.b specifically speaks to implementing the transportation demand management program. Policy 7.1.g speaks to establishing a permanent funding source for an alternative transportation system and maintaining cooperative partners in funding the system is critically important for its future. The requirement for funding directly aligns with Policy 7.3.c, require development to implement and fund alternative transportation. Principal 2.3 of the Comprehensive Plan also speaks to reducing energy consumption through transportation. Principle 1.2 under Ecosystem Stewardship also applies as bus service positively contributes to preserving air quality by removing single occupancy vehicles from the roads.

STAKEHOLDER ANALYSIS

TVA and JHMR are significant stakeholders. TVA and JHMR are not in agreement with START's recommended formula, and their proposal is attached to the staff report for the July 1, 2019 JIM. While both have not endorsed and/or agreed upon the recommendation at this point, both entities have been professional and forthcoming with their opinions. Stakeholders also include the employees of those entities that may commute from outlying communities and once in Jackson, need public transit to reach their final work destination. Stakeholders also include residents of the valley utilizing corridors to Teton Village or stops along the way to conduct business and participate in local recreation that benefit from public transit and fewer vehicles on the road. Stakeholders include everyone in the region that benefits from fewer vehicles on the road that might contribute to lower air quality standards. All taxpayers are stakeholders in that they support the local government's share of the funding required for the provision of this service. Wildlife is also a stakeholder in this issue in that fewer vehicles on these roads may result in fewer wildlife casualties.

FISCAL IMPACT

If the START Board's recommendations are approved the FY20 budget would need to be amended as follows:

START Operation Cost Only	START Board Recommendation		JHMR & TVA Proposal	Current Adopted Budget
Town	$541,775		$549,079	$596,267
County	$662,170		$671,097	$728,770
JHMR and TVA	$430,818		$414,587	$309,726
Total	$1,634,763		$1,634,763	$1,634,763

STAFF IMPACT

To date, staff has spent a significant amount of time analyzing the alternatives, conducting calculations, verifying data, and meeting with all parties involved. Approval of the recommendation would finalize the FY20 discussion.

LEGAL REVIEW

The recommended action complies with the Master Resort Plan and amendments. If the Town Council and County Commission continue this item, the legal review will be ongoing as needed.

ATTACHMENTS

JHMR and TVA proposal, dated 6/27/2019
Staff Report from July 1, 2019 JIM.
Staff Report from August 5, 2019 JIM

RECOMMENDATION

Staff concurs with the START Board recommendation as described above.

SUGGESTED MOTION

I move to approve the START Board recommendation establishing the funding contribution for START service to Teton Village as described in the September 9, 2019 staff report.

Jackson Hole Mountain Resort **6/27/2019**

START Bus Funding

JHMR is comfortable paying the increase below which will achieve START's goal only if the formula is adopted going forward for future funding, as supported by an agreement. Otherwise we are comfortable with a cpi increase over FY 2019 funding, consistent with the FY 2020 budget approved by Town/County.

	Preferred Alternative Option 2 (5/24/19)		Adjustments to meet STARTs Goal of $411,792	
Employee (will be adjusted based on annual volumes)				
total Peak Employees				
Winter		1,937		2,073 Converting Peak Emp to Total Employees
Summer		646		691 Converting Peak Emp to Total Employees
		2,583		2,764
Group Rate for All Employees	$	45	$	50 Market Adjustment
		116,235		138,191
Season Pass Ridership (will be adjusted based on annual volumes)				
Ridership		67,040		67,040
Ticket - Volume Discount > 20k	$	2.10	$	2.40 Market Adjustment
	$	140,784	$	160,896
Total Start Support	$	257,019	$	299,087
TVA Fixed Fee Contribution	$	105,000	$	115,500
Total Start Support	$	362,019	$	414,587

JHMR Total Support to START			
Total Paid in 2019	$	198,197	
Proposed Increase	$	100,890	51%
Increase agreed to in FY 2019			18%

JHMR's conditions to agreement

This formula will be used going forward, subject to periodic percent increases consistent with public fare percent increases, made from time to time.

START continue to look at future funding sources, including town fares, fare adjustments, paid parking proceeds, etc.

We are still open, at JHMR or START's direction, to remove the START bus privileges from all or some of our season pass products (in particular the 7 and 10 Day frequency products).

JOINT INFORMATION MEETING
AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: START **PRESENTER**: Larry Pardee

MEETING DATE: July 1, 2019

SUBJECT: **Village Contribution Funding Formula for Area 1 and Area 2**

STATEMENT/PURPOSE

The purpose of this item is to receive approval from the Town Council and County Commission for a funding formula between START and the Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) that satisfies the requirements for the Planned Unit Development (PUD) of the Master Resort Plan and Amended Master Resort Plan for Areas 1 and Area 2 but that also accurately reflects the total cost of service.

BACKGROUND/ALTERNATIVES

The Jackson Hole community and region is fortunate to have an existing public transit agency in order to achieve transportation demand objectives – primarily reducing the use of single occupancy vehicles in our transportation corridors. The community is extremely fortunate to have tremendous partners in achieving these goals. Considerable gratitude should be afforded to the Teton Village Association and Jackson Hole Mountain Resort for these efforts. Without their dedication to mass transit, START would not exist as it does today and the community would be in a much worse situation regarding congestion and environmental factors without the work and cooperation of TVA and JHMR.

The Policy topics to be discussed and decided are as follows:

1. Fares Collected
    a. Should full fares collected daily from passengers on the Teton Village Routes be allocated to the Teton Village Program Service? The START Board's recommendation is that they should and staff concurs. This is reflected in the recommended motion and amount.
    b. Should a change in passenger fares be implemented to increase farebox revenue collected? The START Board has decided to make no changes to fares at this time, and Staff supports this decision.
2. Federal Fund Apportionment
    a. Should a portion of federal fund monies be allocated to the Teton Village Routes? The START Board's recommendation is that they should and staff concurs. This is reflected in the recommended motion and amount.
    b. Is using the amount of service hours dedicated to Teton Village Routes an appropriate nexus to accurately apply the federal funds to this service? The START Board's position is that this is an appropriate nexus and Staff concurs. This is reflected in the recommended motion and amount.
3. Remaining Local Funding Need
    a. START Board voted for TVA and JHMR to fund 75% of the remaining local need and staff concurs. This is reflected in the recommended motion and amount.
    b. START Board Voted to have TVA and JHMR Pay for the Capital costs associated with this service and staff concurs. This is reflected in the recommended motion and amount.

Regarding obligations of Teton Village Area 1 and Area 2 Master Plans, both areas are required to provide season bus passes to all JHMR employees and to employees of any new development approved on commercial lots under the PUD to satisfy strategies in meeting requirements and obligations of Transportation Demand Management (TDM) policies. Susan Johnson's memo regarding obligations is attached.

Teton Village Area 1 (Area 1)
Teton Village Area 1 (Area 1) was approved on March 17, 1998, including a Standards and Conditions document that governs development, requirements, and obligations around TDM policies. The very first strategy listed for both the winter and summer seasons is the requirement to provide season bus passes to all JHMR employees and to employees of any new development approved on commercial lots.

The actual language from the Area 1 Master Plan is as follows:

> "*Provide season bus passes to all JHSC employees and to employees of any new development approved on commercial lots or tracts under this Planned Unit Development. These bus passes shall be provided at no cost to the employee unless the employer demonstrates that an unreasonably high fee is being charged by the transit provider, in which case the bus passes may be only partially subsidized. Season bus passes will not be required for employees if the transit schedule does not accommodate the employees work schedule.*"

Teton Village Area 2 (Area 2)
The Teton Village Resort Expansion Master Plan (Area 2) was approved on July 12, 2005 and includes a section on Transportation Demand Management Plan. This Section includes the following TDM strategies for commercial properties within Area 2 that are included in the TVA service area:

- Provide season bus passes to employees of any new, approved commercial development at no cost to the employees.
- Require employees who drive to park at Stilson.
- Provide free parking at Stilson.

Additional conditions are outlined as follows:

- Levy a fee to help meet the cost of Town of Jackson transportation needs arising from short-term rental units by requiring the owner of a property, in order to be permitted to be eligible for short-term rental, to pay a one-time fee of $5,000 toward START. If the unit is re-sold and the new owner wishes to participate, a new $5,000 fee shall be paid to the Town of Jackson.

- Condition #60 of the Area 2 Master plan requires a 1% transfer fee be imposed on all platted residential lots to provide funding for transportation to connect Town to Teton Village, including pathways. The real estate fee is mandated in the covenants and cannot be changed without 100% approval of the landowners.

Since START's inception, and specifically when the Joint Powers Agreement by and between the Town of Jackson (TOJ) and Teton County Wyoming officially formed START on September 4, 2001 – there have been annual negotiations between START and representatives of TVA and JHMR in order to determine the rate for the service to and from Teton Village. The Teton Village Contribution Funding Formula took on many different iterations through the years.

Numerous meetings have been conducted for the past three (3) years between the Town of Jackson, START and representatives of TVA and JHMR. All parties are in agreement that the strategies to reduce and limit automobile traffic to and from the village are meeting the intent of the requirements. However, agreement has not been reached on a formula to calculate the required payment. There are multiple layers of complexity and differing viewpoints regarding this formula.

The START Board formed a financial subcommittee with a main priority of establishing a recommended contribution funding formula for consideration by the Town Council and County Commissioners. This funding formula was presented to the full START Board on June 13 and approved. The funding formula is listed below in the table. Of particular importance, the funding formula focuses on:

1. Annual Cost of service (COS) to and from Teton Village.
2. Operational and capital costs.
3. Provision of a START bus pass for all TVA and JHMR employees to ride START at no cost to the employee.
4. Provision of a START bus pass for Annual Ski Pass holders to ride START at no cost to the pass holder.
5. Allowing for an increase/decrease in service levels based on funding.

All revenue and operating costs are based on the FY2020 adopted budget. The proposed formula does not account for actuals through year-end. The proposed formula does not bill JHMR or TVA for additional budget overages.

The table below depicts the following: FY20 (TVA_JHMR Proposal), START Board Recommended (w/o expanded service), the basis of the recommended funding formula can best be explained as follows:

Teton Village Program Service	Subsidy Source	FY2020 TVA & JHMR Proposal	FY2020 START Board Recommend
Annual Operating Cost		**$2,613,200**	**$2,613,200**
		< LESS >	
Area 2 Impact Fees:	Area 2	$415,000	$415,000
Area 2 Revenue TOTAL:	Area 2	**$415,000**	**$415,000**
		< LESS >	
Fares Collected:	Local Gov't	$291,000	$291,000
Federal Revenue ($2,200,000 or 46% of total):	Local Gov't	$1,012,000	$1,012,000
Local Revenue TOTAL:	**Local Gov't**	**$1,303,000**	**$1,303,000**
		< LESS >	
TVA & JHMR Allocation for Funding Need	TVA&JHMR	$414,587 = 46%	$671,400 = 75%
Town & County Allocation for Funding Need	Local Gov't	$480,613 = 54%	$223,800 = 25%
Remaining Operating Funding Need:	**Total:**	**$895,200**	**$895,200**
Annual Operating Cost			
Area 2, TVA, & JHMR Allocation Total:	Operating	$829,587 = 32%	$1,086,400 = 42%
Town & County Allocation Total:	Operating	$1,783,613 = 68%	$1,526,800 = 58%
Annual Operating Total Cost:		**$2,613,200**	**$2,613,200**

START Capital			
TVA & JHMR Allocation Total:	Capital	$0 = 0%	$26,375 = 2%
Town & County Allocation Total:	Capital	$1,278,800 = 100%	$1,252,425 = 98%
Capital Total Cost:		**$1,278,800**	**$1,278,800**

Annual Operations & Capital Totals:			
Area 2, TVA & JHMR Operating & Capital:	Total:	$829,587 = 21%	$1,112,775 = 29%
Town & County Operating & Capital:	Total:	$3,062,413 = 79%	$2,752,849 = 71%
Annual Operations & Capital Total Cost:		**$3,892,000**	**$3,892,000**

As noted, the issue is complex and requires significant explanation and understanding. Staff recommends the Town Council and County Commission proceed with the #1 option below.

The Town Council and County Commission have many options available to them including:

1. Approve the START Board's recommendation for a funding formula that reflects the total cost of providing the service.
    a. For Operations, Step 1: (Annual Operating Cost) Minus (-) (Area 2 Impact Fees + Fares Collected + a percentage of the Federal Revenue) Equals (=) (Remaining Operating Funding Need). Step 2: (Remaining Operating Funding Need) Multiplied By (x) 75% = Required Contribution from TVA and JHMR.
    b. For Capital: (START Capital) Multiplied By (x) (1/12 *(1/12 is one year of depreciation over the 12 years of life of the bus)*) Multiplied by (x) (The average figure between miles of service to Teton Village and hours of service to Teton Village as a percentage of the total service provided by the system) = Required Contribution from TVA and JHMR.
    c. Total: Area 2 Impact Fees + Operations + Capital = Required Total Contribution from TVA and JHMR.
    d. For FY20 for Operations the calculation is Step 1: $2,613,200 - ($415,000 + $291,000 + $1,012,000) = $895,200. Step 2: $895,200 x 75% = $671,400. For FY20 for Capital the calculation is ($1,278,800 x 1/12) x 50% = $26,375. For FY20 for the Total the calculation is $415,000 + $671,400 + $26,375 = $1,112,775.
2. Consider the recommendation and continue the discussion to the August JIM agenda.
3. Direct staff to conduct further research and analysis on specific issues and bring the item back for consideration at the August JIM.
4. Approve the TVA/JHMR proposal for funding for FY2020 would result in $414,587 in contributed funds.
5. Take no action wherein staff would continue discussions and analysis and revert back to the approved conditions for the master plan which would result in less funding for this service. This would result in staff either recommending a greater subsidy from Town and County or recommending other alternatives.
6. Other.

COMPREHENSIVE PLAN ALIGNMENT

Multimodal transportation is a key component in the comprehensive plan in Section 7 and the requirements for Teton Village to contribute to funding mass transit is part of implementing the integrated transportation plan and Policy 7.1.b specifically speaks to implementing the transportation demand management program. Policy 7.1.g speaks to establishing a permanent funding source for an alternative transportation system and maintaining cooperative partners in funding the system is critically important for its future. The requirement for funding directly aligns with Policy 7.3.c, require development to implement and fund alternative transportation. Principal 2.3 of the Comprehensive Plan also speaks to reducing energy consumption through transportation. Principle 1.2 under Ecosystem Stewardship also applies as bus service positively contributes to preserving air quality by removing single occupancy vehicles from the roads.

STAKEHOLDER ANALYSIS

TVA and JHMR are significant stakeholders. TVA and JHMR are not in agreement with START's recommended formula, and their proposal is attached. While both have not endorsed and/or agreed upon the recommendation at this point, both entities have been professional and forthcoming with their opinions. Stakeholders also include the employees of those entities that may commute from outlying communities and once in Jackson, need public transit to reach their final work destination. Stakeholders also include residents of the valley utilizing corridors to Teton Village or stops along the way to conduct business and participate in local recreation that benefit from public transit and fewer vehicles on the road. Stakeholders include everyone in the region that benefits from fewer vehicles on the road that might contribute to lower air quality standards. All taxpayers are stakeholders in that they support the local government's share of the funding required for the provision of this service. Wildlife is also a stakeholder in this issue in that fewer vehicles on these roads may result in fewer wildlife casualties.

FISCAL IMPACT

The fiscal impact of Council and Commission approval of staff and the START Board's recommendations for a funding formula is significant as it is a more accurate reflection of the share of total cost to provide the service. Should another option be selected, it would have a negative fiscal impact and result in the Town and County subsidizing a larger share of the cost of providing this service or would result in a reduction in service to more accurately reflect the funding being provided.

STAFF IMPACT

To date, staff has spent a significant amount of time analyzing the alternatives, conducting calculations, verifying data, and meeting with all parties involved. Approval of the recommendation would be a positive staff impact in that it would clarify the funding model moving forward and eliminate future discussions, disagreements, or negotiations on an annual basis.

LEGAL REVIEW

Colasuonno: The recommended action complies with the Master Resort Plan and amendments. If the Town Council and County Commission continue this item, the legal review will be ongoing as needed.

Gingery.

ATTACHMENTS

Susan Johnson's Memo. JHMR and TVA Proposal.

RECOMMENDATION

Staff recommends the Town Council and County Commission approve the START Board's recommendation for a funding formula that reflects the total cost of providing the service.

a. For Operations, Step 1: (Annual Operating Cost) Minus (-) (Area 2 Impact Fees + Fares Collected + a percentage of the Federal Revenue) Equals (=) (Remaining Operating Funding Need). Step 2: (Remaining Operating Funding Need) Multiplied By (x) 75% = Required Contribution from TVA and JHMR.
b. For Capital: (START Capital) Multiplied By (x) (1/12 *(1/12 is one year of depreciation over the 12 years of life of the bus)*) Multiplied by (x) (The average figure between miles of service to Teton Village and hours of service to Teton Village as a percentage of the total service provided by the system) = Required Contribution from TVA and JHMR.
c. Total: Area 2 Impact Fees + Operations + Capital = Required Total Contribution from TVA and JHMR.
d. For FY20 for Operations the calculation is Step 1: $2,613,200 - ($415,000 + $291,000 + $1,012,000) = $895,200. Step 2: $895,200 x 75% = $671,400. For FY20 for Capital the calculation is ($1,278,800 x 1/12) x 50% = $26,375. For FY20 for the Total the calculation is $415,000 + $671,400 + $26,375 = $1,112,775.

SUGGESTED MOTION

Should the Town Council and County Commission be ready to take action, one possible motion would be:

I move to approve the START Board's recommendation for a funding formula that reflects the total cost of providing the service.

a. For Operations, Step 1: (Annual Operating Cost) Minus (-) (Area 2 Impact Fees + Fares Collected + a percentage of the Federal Revenue) Equals (=) (Remaining Operating Funding Need). Step 2: (Remaining Operating Funding Need) Multiplied By (x) 75% = Required Contribution from TVA and JHMR.

b. For Capital: (START Capital) Multiplied By (x) (1/12 *(1/12 is one year of depreciation over the 12 years of life of the bus)*) Multiplied by (x) (The average figure between miles of service to Teton Village and hours of service to Teton Village as a percentage of the total service provided by the system) = Required Contribution from TVA and JHMR.
c. Total: Area 2 Impact Fees + Operations + Capital = Required Total Contribution from TVA and JHMR.
d. For FY20 for Operations the calculation is Step 1: $2,613,200 - ($415,000 + $291,000 + $1,012,000) = $895,200. Step 2: $895,200 x 75% = $671,400. For FY20 for Capital the calculation is ($1,278,800 x 1/12) x 50% = $26,375. For FY20 for the Total the calculation is $415,000 + $671,400 + $26,375 = $1,112,775.

TETON COUNTY WYOMING

MEMO

To: Tyler Sinclair, Planning Director

Cc: Deputy County Attorney Keith Gingery

Deputy County Attorney Erin Weisman

From: Susan Johnson, Planning Manager

Date: May 16, 2017 **Revised June 13, 2017*

Subject: Obligations of Teton Village Area 1 and Area 2 Master Plans Regarding START

Teton Village Area 1 (Area 1)

Teton Village Area 1 (Area 1) was approved on March 17, 1998, including a Standards and Conditions document that governs development, requirements, and obligations. Subsequent amendments have been approved over time. Included in the original recorded document is the Transportation Element (Attachment C of the Standards and Conditions document).

Page 9 of the Area 1 Master Plan includes Section VI. Transportation, which includes Subsection C. Transportation Demand Management Program, which states, "The Purpose of the Transportation Demand Management (TDM) Program is to establish strategies that influence travel mode choices and reduce the number of automobile trips made. This will in turn reduce the negative traffic impacts created by Teton Village, particularly on Highway 390. The TDM Program seeks to discourage automobile use by lessening the need for vehicular travel and by encouraging use of public transit and carpooling."

The Area 1 Master Plan goes on to state that "the strategies identified in this document shall be implemented as described." The document requires that all developers "shall submit a TDM Program" for any particular development proposal that is reviewed under the Area 1 Master Plan that includes strategies for traffic reduction.

Strategies that are required to be implemented are listed in the Area 1 Master Plan in VI.C.4, and include a list of strategies for both winter season and summer season. The first strategy listed for both the winter and summer seasons is:

(1) Provide season bus passes to all JHSC employees and to employees of any new development approved on commercial lots or tracts under this Planned Unit Development. These bus passes shall be provided at no cost the to the employee unless the employer demonstrates that an unreasonably high fee is being charged by the transit provider, in which case the bus passes may be only partially subsidized. Season bus passes will not be required for employees if the transit schedule does not accommodate the employees work schedule.

Other strategies require employees of any business in Teton Village Area 1 who choose to drive to park at Stilson, unless the transit schedule does not accommodate the employees work schedule; free parking at Stilson with free bus service to and from Stilson; marketing to promote alternative transportation modes; and that the TVA (Teton Village Association) shall encourage more activities at Teton Village to reduce the need for summer guests to leave the village.

Future strategies that Teton County may require or TVA may propose are also listed, some of which have been initiated, such as paid parking at Teton Village to discourage single occupancy trips, providing bus passes with ski and hotel packages for guests to Teton Village, providing comprehensive pedestrian and bicycle trails, and an internal shuttle system within Teton Village. Other future strategies that have not been implemented include promoting a special shuttle between Teton Village and Grand Teton National Park locations such as Jenny Lake, providing a staging area for outfitters, guides, and rafting companies, as well as providing a Village-wide meeting facility. An important additional strategy being implemented, but not listed as a requirement in the Master Plan is the provision of START Bus passes with each ski pass hold purchase.

Measures of effectiveness are listed and include consideration of amending the TDM Program if trips generated on the Village Entrance Road during the peak hour exceeds 1,220 in the winter and 1,125 in the summer. A specific 20 year review that is coming up in 2018 that states, "After this Planned Unit Development has been in effect for 20 years, the total trip generation shall not exceed the total trips predicted for the development existing at that time." Trip generation rates are as follows:

(a) 0.75 daily vehicle trips by overnight guests in the Village per APO (Average Peak Occupancy, which equals 2 per hotel room and 4 per condo or single family home short-term rented).

(b) 0.23 daily vehicle trips by skiers per CCC of the mountain (CCC is Comfortable Carrying Capacity, which equals 7,690 at build-out).

(c) 1.43 daily vehicle trips by employee per total daily number employees at Teton Village.

<u>Teton Village Area 2 (Area 2)</u>

The Teton Village Resort Expansion Master Plan (Area 2) was approved on July 12, 2005 and includes Section 7. Transportation and Demand Management Plan. This Section includes the following TDM strategies for commercial properties within Area 2 that are included in the TVA service area:

- Provide season bus passes to employees of any new, approved commercial development at no cost to the employees.
- Require employees who drive to park at Stilson.
- Provide free parking at Stilson.
- Use marketing and promotion to encourage use of modes of transportation other than automobile.
- Provide pathways, including a connection to the Rachel Way and Michael Drive residential area.
- Connect Michael Drive to Bowman Road.
- Incorporate pedestrian facilities into all new development.
- Provide home mail delivery.
- Provide garbage and recycling pick-up areas.

- Construction Management Plans prior to approval of development plans.
- 151 total employees housed shall be employed at businesses located in Teton Village.

In addition, a subsection in Section 7 titled **Public Transportation** is included that outlines how the Master Plan supports START, which includes a transit center within walking distance of the lifts, as well as the following:

- Apply up to $40,000 toward construction of two new START transit stop shelters, one in the Town of Jackson and one in the Teton Village Resort. These funds should be more than sufficient to fund the construction of two standard covered shelters. *This was paid by the developer in July 2007.*
- Contribute $10,000 toward a public education program focused on increasing ridership - utilizing newspapers, radio, theaters, the Chamber of Commerce, promotional events, educational brochures and targeting new residents. *This was paid by the developer in July 2007.*
- Levy a fee each time a building permit is issued on property (office space, retail space and free-market residential units) within Area 2 – $360 for single-family detached units and $325 for all other residential structures. The impact fee for the non-residential units will be $1,483 per 1,000 square feet of office space and $1,148 per 1,000 square feet of restaurant and retail space. The fee is collected by Teton County as part of the building permit application process.
- Levy a fee to help meet the cost of Town of Jackson transportation needs arising from short-term rental units by requiring the owner of a property, in order to be permitted to be eligible for short-term rental, to pay a one-time fee of $5,000 toward START. If the unit is re-sold and the new owner wishes to participate, a new $5,000 fee shall be paid to the Town of Jackson.
- Implement the fare revenue program designed by the applicant and the START Transit Administrator as outlined in the signed memo included in Appendix N (attached to this memo).

In addition, Condition #60 of the Area 2 Master plan requires a 1% transfer fee be imposed on all platted residential lots to provide funding for transportation to connect Town to Teton Village, including pathways. The real estate fee is mandated in the covenants and cannot be changed without 100% approval of the landowners.

One other important difference between the Area 1 and Area 2 TDM programs is that Area 1 requires biennial monitoring and review by Teton County. Only the portion of Area 2 that is included in the TVA service area is required to participate in the TDM monitoring program. Currently, no portion of Area 2 is included in the TVA Commercial District.

Appendix N

Fare Revenue Program Memo

MEMORANDUM

TO:	PAULA STEVENS, INTERIM PLANNING DIRECTOR
FROM:	MW MICHAEL WACKERLY (START TRANSIT ADMINISTRATOR, START) AND BILL RESOR (MANAGING PARTNER, SRA) WMR
SUBJECT:	START FARE REVENUE PROGRAM: AREA TWO – TETON VILLAGE EXPANSION PLANNED UNIT DEVELOPMENT – PLANNED RESORT
DATE:	NOVEMBER 15, 2006

This memo outlines the structure of a fare revenue program for START related to the commercial properties within Area Two – Teton Village Expansion Planned Unit Development ("Teton Village Expansion PUD") as required by the Teton Village Expansion PUD – Planned Resort ("Resort Master Plan").

All commercial properties[1] within the Teton Village Expansion PUD are required to participate in a fare revenue program as detailed below (Fare Revenue Program). Currently the Teton Village Expansion PUD permits a total of 10,000 square feet of space for commercial properties. Up to 60,000 square feet of commercial space may be added to the Teton Village Expansion PUD if it is transferred from the existing Teton Village PUD. If additional commercial square footage is added to the Teton Village Expansion PUD, either by transfer from the existing Teton Village PUD or by amendment to the Teton Village Expansion PUD, then these additional commercial properties would also be required to participate the Fare Revenue Program.

The Fare Revenue Program requires commercial property owners within the Teton Village Expansion PUD to purchase START season passes for all of their employees. Twice a year START and representatives of the commercial properties will meet to review and adjust the fee paid to START for season START passes that are required for the employees of the commercial properties. The meetings will take place during the first week of September and the first week of March. The meeting in September will set the fee and number of employees requiring START passes for the upcoming winter

[1] Commercial properties means properties that contain commercial space; commercial space includes retail, restaurant and office space and does not include non-profit space, resort support space or institutional space as defined in the Standards and Conditions of the Area Two – Teton Village Expansion Planned Unit Development – Planned Resort Resort Master Plan.

season. The meeting in March will set the fee and number of employees requiring START passes for the upcoming summer season.

The fee paid for each season pass will be based on a model that sets season pass rates equal to the estimated per-rider-operating-expense incurred by START for service to and from the Teton Village. As such, the cost of a season pass should approximate the estimated operational cost to START for transporting an average employee to and from Teton Village for the season. A similar calculation to that shown in Exhibit A, attached to this memo, will be used. However, the calculation will need to translate a price-per-ride into a season pass cost by estimating the average seasonal usage of START by employees. START has vast amounts of data on which it can base such estimates.

At each of the semi-annual meetings each commercial property owner must present to START a list of all employees currently employed at his or her business as well as any additional employees expected to be added during that season. Each commercial property owner must purchase a season pass for all employees at his or her business. The exemptions to this requirement are outlined below.

1. No employee is required to have more than one season pass. Employees working at multiple Teton Village businesses are not required to have multiple passes.
2. Season passes are transferable from an employee leaving a business to an employee joining a business. If an employee at a commercial property is released from or leaves his or her employment, and the owner hires a replacement, the owner would not be required to purchase an additional season pass, but could simply transfer the ex-employee's pass to the new employee.

EXHIBIT A - CALCUALTION OF START BUS COST PER TETON VILLAGE RIDER FY 2006

	START Service FY 2006		Village Expansion at Buildout		Combined Total	
	Winter	Total	Winter	Total	Winter	Total
Teton Village Ridership	249,000	291,000	400,000	420,000	649,000	711,000
Riders per Run	27	26			39	38
Variable Operating Cost	$745,000	$893,000	$590,000	$640,000	$1,335,000	$1,533,000
Variable Cost per Ride	$2.99	$3.07	$1.48	$1.52	$2.06	$2.16
Vehicle Replacement Cost	$90,000	$180,000	$173,000	$187,000	$263,000	$367,000
Facility Depreciation & Other Fixed Cost	$90,000	$180,000	$0	$0	$90,000	$180,000
TOTAL COST	$925,000	$1,253,000	$763,000	$827,000	$1,688,000	$2,080,000
Estimated Impact fee Annual Revenue				$9,500		
Price per ride				**$1.95**		

note: all cost figures are in year 2006 dollars

BOARD OF COUNTY COMMISSIONERS

TOWN COUNCIL

JOINT INFORMATION MEETING
AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: START **PRESENTER**: Darren Brugmann

MEETING DATE: August 5, 2019

SUBJECT: Funding Contribution Formula (Methodology) for START Service to Teton Village

STATEMENT/PURPOSE

The purpose of this item is for the Town Council and County Commission to make a policy determination on a funding contribution methodology for service to Teton Village that would be applied to Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) for FY20 and into the future. The fundamental question is at what level should the Town, County, Jackson Hole Mountain Resort and Teton Village Association share in the cost of the Teton Village START service?

BACKGROUND/ALTERNATIVES

This item was discussed at the July 1, 2019 Joint Information Meeting (JIM) and continued to this meeting. Service to Teton Village is one of four core services provided by START, the others being the ADA/Paratransit Demand Response Service, In-Town Shuttle Service, and the Commuter Service to and from Teton Valley Idaho and Star Valley Wyoming. Service to Teton Village is 44.29% of all of the service planned by START for FY20. This percentage will fluctuate if there are service increases or decreases in this service area or in other areas. The service to Teton Village is the only service with identified contribution requirements as set forth in the Teton Village Area 1 Master Plan. Since master plan adoption, negotiations have occurred each year regarding the contribution calculation method and the subsequent amount provided.

It has become apparent that not all parties agree to the appropriate cost sharing of the provision of the Teton Village service. For example since 2006 the service has increased from 66 to 98 Round Trips (Winter) and 9 to 35 (Summer, including this summer pilot expansion), a total of 58 Full Round Trips. Since 2006, ridership to/from the Village increased 69% from 302,743 to 511,087 (an additional 208,344 passenger trips). The cost to provide service to/from Village has increased 348% from approximately $564,000 to $2,529,368 an increase of $2,029,368 (Note: 2006 figures do not include fixed and overhead estimations while FY20 does). The funding contribution from JHMR and TVA has increased 109% from approximately $148,000 to $309,726 an increase of $161,726.

Unfortunately, the funding contribution has kept pace with neither the service increases nor the cost of providing the service. For many years, the annual contribution provided was a calculation that included an annual percentage increase over the previous year with some consideration for increased frequency added during a fiscal year. In contrast, an example from FY20 (as mentioned above in service round trip counts) is increased summer Route 20-Green line service to and from the Teton Village and Stilson. This expansion doubled the amount of round trips provided daily and was ultimately funded 100% by Teton County as a pilot project with no TVA/JHMR funding increase offered or provided. This increased service is not currently included or reflected in the overall percentages and expenses outlined in this report.

During previous years negotiations there have been questions related to the total ridership numbers and type of riders utilizing the Teton Village Service. It was hoped that this information may be able to better inform negotiations going forward. In the winter 2018-19 START implemented electronic fare technology to better track ridership per pass holder so that JHMR and TVA employee passes are specifically counted and differentiated from ski pass holders and from regular bus riders. Per data for winter of 2018/2019, approximately 80% of the ridership for this service is comprised solely of TVA employees, JHMR employees, and ski pass holders.

The START Board has worked extensively on this issue in order to provide policy recommendations to the elected officials that will allow for a more predictable and consistent funding methodology that captures appropriate contribution levels by the Town, County, JHMR and TVA. This funding methodology will not only provide sound FY20 levels but will allow for planning and budgeting needs for future years.

FY20 Adopted Budget - If there are no changes to the adopted FY20 budget the following is how service to Teton Village will be funded:

The FY20 total operations cost for the Teton Village service is budgeted at $2,529,368. The funding for this expenditure in the approved FY20 Town and County START budget is comprised of the following: (please note that the figures have been updated since the July 1 JIM staff report to reflect actual adopted budget figures):

- Federal Grant Funding: $974,380
  (Using the percentage of service hours)
- Teton Village Fares: $291,000
- Teton Village Area 2 Master Plan Contributions: $415,000
  (Please note this is an estimated figure and fluctuates based on actuals)
- JHMR and TVA Funds: $309,794
- Town and County Funds: $539,194

The FY20 total local capital bus expenditures for the Teton Village service is $2,588,751. Funding for this expenditure in the approved FY20 Town and County budgets is as follows:

- Federal Grant Funding: $2,071,000
- Town and County Funds: $ 517,750
- JHMR and TVA: $ 0

START Board Recommendation
The START Board provided a recommendation to the Town and County on what percentage of the total operational and capital expenditures should be provided by the Town, County and JHMR and TVA for FY20 and beyond. Should this recommendation be accepted by the elected officials it will become policy direction to staff and will be incorporated into the FY20 and all future START budget and planning needs.

Operations
The START Board's recommendation for operations is based on the cost of providing the service to Teton Village using FY20 budgeted cost and service hour numbers along with actual ridership for FY19. The START Board is recommending that JHMR and TVA are required to contribute 75% of the unfunded operating cost, which is the total operating cost minus Federal Grant Funding, Teton Village Fares, and Teton Village Area 2 Contributions. The START Board recommends that this policy decision be utilized each year going forward to determine the annual TVA and JHMR contribution.

For FY20 the total annual unfunded operating cost is $848,988. Per the START Boards recommendation JHMR and TVA would be required to pay 75% of this total, which is $636,741.

Capital Bus Purchases
In addition, to funding operations the START Board has recommended that JHMR and TVA also fund capital bus expenditure needs. The Board is recommending that JHMR and TVA contribute consistent

with the operating policy formula described above except that the cost of a bus should be amortized over a 12 year period.

For FY20 the total annual unfunded capital bus cost is $517,750. Per the START Boards recommendation JHMR and TVA would be required to pay 75% of this total amortized annually over the life of the bus which equates to 12 years of payments at $32,359 annually.

Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) Proposal

JHMR and TVA do not concur with the START Board recommendation and have proposed that they contribute the following towards the operational and capital expenditures for the Teton Village service:

- TVA's operational portion – $115,500
    - TVA is proposing to pay the same amount they paid last year plus an offered market adjustment
- JHMR's operational portion: $299,087
    - JHMR is proposing to pay based on the number of peak employees riding the bus for winter and summer and a ticket volume discount for the season (including 7 & 10 day) ski pass product. Both calculations were based on an outdated bulk rate bus pass fare that has not been utilized since 2006 and has since been repealed by the START Board.
- Capital – $0
    - no amount has been proposed to fund capital by JHMR or TVA

- **Total TVA and JHMR Contribution: $414,587**
  (Equates to 16% of the Total Operating costs for Teton Village Service).

COMPREHENSIVE PLAN ALIGNMENT

Multimodal transportation is a key component in the comprehensive plan in Section 7 and the requirements for Teton Village to contribute to funding mass transit is part of implementing the integrated transportation plan and Policy 7.1.b specifically speaks to implementing the transportation demand management program. Policy 7.1.g speaks to establishing a permanent funding source for an alternative transportation system and maintaining cooperative partners in funding the system is critically important for its future. The requirement for funding directly aligns with Policy 7.3.c, require development to implement and fund alternative transportation. Principal 2.3 of the Comprehensive Plan also speaks to reducing energy consumption through transportation. Principle 1.2 under Ecosystem Stewardship also applies as bus service positively contributes to preserving air quality by removing single occupancy vehicles from the roads.

STAKEHOLDER ANALYSIS

TVA and JHMR are significant stakeholders. TVA and JHMR are not in agreement with START's recommended formula, and their proposal is attached to the staff report for the July 1, 2019 JIM. While both entities have not endorsed and/or agreed upon the recommendation at this point, both entities have been professional and forthcoming with their opinions. Stakeholders also include the employees of those entities that may commute from outlying communities and once in Jackson, need public transit to reach their final work destination. Stakeholders also include residents of the valley utilizing corridors to Teton Village or stops along the way to conduct business and participate in local recreation that benefit from public transit and fewer vehicles on the road. Stakeholders include everyone in the region that benefits from fewer vehicles on the road that might contribute to lower air quality standards. All taxpayers are stakeholders in that they support the local government's share of the funding required for the provision of this service. Wildlife is also a stakeholder in this issue in that fewer vehicles on these roads may result in fewer wildlife casualties.

FISCAL IMPACT

If the START Board's recommendations are approved the FY20 budget would need to be amended as follows:

Operations	FY20 Approved Budget	FY20 START Recommendation
Town	$596,267	$449,141
County	$728,770	$548,949
JHMR and TVA	$309,726	$636,741

Capital	FY20 Approved Budget	FY20 START Recommendation
Town	$595,393	$580,831
County	$727,703	$709,905
JHMR and TVA	$0	$32,359

STAFF IMPACT

To date, staff has spent a significant amount of time analyzing the alternatives, conducting calculations, verifying data, and meeting with all parties involved. Approval of the recommendation would be a positive staff impact in that it would clarify the funding model moving forward and eliminate future discussions, decisions, or negotiations on an annual basis.

LEGAL REVIEW

The recommended action complies with the Master Resort Plan and amendments. If the Town Council and County Commission continue this item, the legal review will be ongoing as needed.

ATTACHMENTS

JHMR and TVA proposal, dated 6/27/2019
Staff Report with Attachments from July 1, 2019 JIM.

RECOMMENDATION

Staff concurs with the START Board recommendation as described above.

Should the Boards want to consider a phased approach staff recommends that only 50% of the proposed increase be applied to JHMR and TVA in FY20 with full cost implementation delayed to FY21.

SUGGESTED MOTION

I move to approve the START Board recommendation establishing the funding contribution formula policy for START service to Teton Village as described in the August 5, 2019 staff report.