



GUNNISON VALLEY

www.GunnisonValleyRTA.org

WE **MOVE** YOU.

ECONOMIC BENEFITS

OF GROUND & AIR TRANSPORTATION
IN THE GUNNISON VALLEY



A 2017 REPORT

GUNNISONVALLEYRTA.COM

GUNNISON VALLEY

Rural Transportation Authority

{ RTA }

How is the RTA funded?

The primary funding source for the RTA is a sales tax collected in the district. The sales tax is not collected on groceries or energy. The tax is 10 cents on a \$10.00 sale in the district. Depending upon the economic activity in the district, this generates approximately \$2.8 million each year. The RTA also applies for and receives grants for bus purchases and operations as well as airline programs.

Core Services of the RTA



SENIOR TRANSPORTATION

Free “on-demand” service for seniors throughout the valley 7 days a week. We provide over 1,000 trips each month for seniors who rely on our service for critical transportation needs.



DAILY BUS SERVICE

Free service between Gunnison and Mt. Crested Butte daily throughout the year. This past winter 17 round-trip connections were offered and carried 21,000 passengers or more each month. The RTA helps to provide roundtrip service to Denver for a nominal fee.



AIRLINE PROGRAM

We work with airlines to provide guarantees to select markets to provide reliable service for the local community and visitors. In the winter of 2016–2017 23,000 guests arrived at GUC with an economic impact of over \$30 million dollars in visitor spending.

GUNNISON-CRESTED BUTTE **Tourism Association**



How is the TA funded?

The TA is funded through several revenue streams. The TA signs an annual agreement with the Board of County Commissioners for a significant portion of our funding. This funding comes through the Local Marketing District (LMD) Tax of 4% on lodging stays shorter than 30 days.

In addition to LMD funding, the TA also applies for both local and state grant funds for a variety of special projects. The Town of Mt. Crested Butte is a major funder. Crested Butte Mountain Resort (CBMR) contributes marketing dollars to the TA in the winter season to support destination air marketing for the whole community. The TA receives some income from events and Gunnison-Crested Butte Reservations.

Marketing Our Valley Core Services of the TA

The purpose of the TA is “to implement an integrated marketing effort which promotes the Gunnison Valley as a year-round destination and enhances the visitor experience.”

The strategic business goals of the TA are to increase occupancy among our lodging properties in the Valley and to improve air service to the Gunnison-Crested Butte Regional Airport via destination air marketing programs.

Our marketing strategy is to focus on trails, summer and winter. We build our marketing message around our strongest assets, mountain biking and hiking trails in the summer and skiing, Nordic skiing, and fat biking trails in the winter. We also have messaging about our wildflowers, flyfishing, our towns, and the Blue Mesa Reservoir.

TA Support for the RTA

We partner with the RTA on their mission to improve air service at the Gunnison-Crested Butte Regional Airport by securing grant funding and setting aside LMD funding to market the flights. We also provide guidance through the mechanism of the Air Command to the RTA in air service planning.

The RTA's Mission...

...is to provide and improve air transportation to and from the Gunnison-Crested Butte Regional Airport on a year-round basis, to provide a long term and energy efficient public transit system between the north and south ends of the Highway 135 corridor, and to provide senior and human services transportation in Gunnison County.

Funding Allocations



In 2017 the RTA budgeted \$1.5M for ground transportation with 88% coming from the RTA and 12% coming from grants and other sources to offset operating costs including senior transportation.



In 2017 the RTA budgeted \$1.8M for air transportation with 80% coming from the RTA and 20% coming from grants and other sources.

Our Critical Partners

Cooperation and collaboration are critical to the success of the RTA and we're grateful for the support of these partners:

- >> Gunnison-Crested Butte Tourism Association
- >> Gunnison- Crested Butte Regional Airport
- >> Gunnison County
- >> Town of Crested Butte
- >> Town of Mt. Crested Butte
- >> City of Gunnison
- >> Alpine Express
- >> Mountain Express
- >> Gunnison Valley Health
- >> Western State Colorado University
- >> Crested Butte Mountain Resort

GUC Airport Economic Benefits

The economic impact of the Gunnison-Crested Butte Regional Airport (GUC) on the local economy is described in a statewide study by the Colorado Department of Transportation (CDOT)¹. The most recent study conducted in 2013 looked at both benefits from activities at the airport as well as spending by visitors arriving via the airport and the findings indicate the airport:



SUPPORTED

938
jobs



GENERATED

\$34.7M
in payroll



CREATED

\$98.5M
in output



PROVIDED

\$4.9M
local & state taxes

QUICK FACT

Airport visitors spent an estimated

\$1,422 per visitor

**in 2012 generating \$31,321,000 in
revenue for the Gunnison Valley.²**

¹ 2013: Economic Impact Study for Colorado Airports. Available at: www.codot.gov/programs/aeronautics/Economic%20Impact%20Study

² 2013: Presentation to the Gunnison County Board of County Commissioners by Crested Butte Mountain

FOR A DEEPER LOOK INTO THE AIRPORT GO TO PAGE 12

Ensuring Quality Service



QUICK FACT

>>>> OUR REALITY <<<<

The Gunnison Valley is one of the smallest public service airports in the country. We rank 309th out of 391 and serve only 0.00365% of the 848 million airline passengers in 2014.¹

- >> Airlines won't fly to smaller and less profitable airports like GUC without economic support from the local community. **WE'RE BARELY ON THEIR RADAR!** Pardon the pun.
- >> Leisure and tourist passengers produce **LESS REVENUE** to airlines than business travelers.
- >> The airline industry is dynamic and **CHANGES REGULARLY.**

<<< TAKING COMMAND OF OUR FUTURE >>>



- >> A diverse committee of local partners including CBMR, Western State Colorado University, the Tourism Association, consultants, RTA staff and the Airport was formed in 2016 as the **"AIR COMMAND."**
- >> The committee meets regularly and directly engages with the airline carriers to implement a proactive long-term strategy which **MAXIMIZES FLIGHTS** while **MINIMIZING FINANCIAL LIABILITY.**
- >> The "Air Command" provides **RECOMMENDATIONS TO THE RTA BOARD** for consideration and approval.

¹ Presentation by the Gunnison Crested Butte Tourism Association in 2014.

Air Program Achievements



- >> Flights to Dallas-Fort Worth (DFW) have been profitable to the airlines and provide excellent access to a major hub market.
- >> Hub with performance like DFW allows the RTA to expand services with the carrier (American Airlines) with lower financial risk to the RTA.
- >> Summer service to Houston has been offset with grant funding (2016, 2017) and comes at a minimal financial risk to the RTA while building regularity in a key market.

THE FUTURE

The RTA's goals are multi-faceted and are focused on interrelated goals of increasing load-factors to 75% (2017/18) which would build financial reserves to allow for adding new markets or expanding current markets to increase passenger volumes to our goal for 2020 of 45,000. **Current loss of travelers to other markets is nearly 69% and every percentage point means significant cash outlays are made by the local community instead of visiting travelers.'**

How You Can Help!

1. Add a link to your website to the Tourism Associations page on air service to ensure you provide the most current information: **GUNNISONCRESTEDBUTTE.COM/PLAN/GETTING-HERE/**
2. Encourage your family and friends to **#THINKGUCFIRST** instead of flying to another market. Why drive 4 hours from Denver when you can arrive in Gunnison! Driving to and from Denver costs you **TIME** and **MONEY**. Use the cost calculator tool at www.flygunnisonairport.com to see what you're really spending when you drive to Denver.
3. Get email special offers! Sign up at: **WWW.FLYGUNNISONAIRPORT.COM**
4. Get on our email list. Visit **WWW.GUNNISONVALLEYRTA.COM** and sign up for newsletters.

**The Gunnison to Crested Butte bus service
BROKE RECORDS THIS WINTER**

with over

26,000 riders **22,000 riders**
in January **& in February**

**Senior service is also BREAKING RECORDS
with more than a**

1,000 riders per month

**this spring through our new partnership
with Gunnison Valley Health.**

QUICK FACT

Ballot initiative 5A was critical...

- >> The passing of a 1% sales tax in 2015 was critical to the recent record setting numbers for ground transportation. Through the ballot initiative senior services throughout the valley are now guaranteed at least \$250,000 each year and the resulting increase in ridership is as heartwarming as it is exciting.
- >> Daily roundtrip service between Gunnison and Crested Butte has been increased to 17 roundtrips in the winter, 11 trips in the summer and 8 in the spring and fall. Only 25% of our riders are without a car and providing free, reliable and frequent service is critical to ensuring our program remains highly utilized. Ridership dropped to historic lows in 2011 driven in part by charging fares for service prompting us to keep the schedule robust and free of charge. Glenwood Springs experienced a similar dramatic decrease in ridership (44%) when they charged for a formerly free service.
- >> Our Gunnison to Denver service has been recognized by CDOT for it's success. On average 45 riders use the service between Gunnison and Denver daily.

Future Bus Service Goals

SENIORS



Gunnison Valley Health and Mountain Express now offer service 7 days a week and are experimenting with evening service to accommodate more seniors. Our services provide access to cultural events, social gatherings, shopping, recreation as well as medical trips and errands.

A GREENER BUS FLEET



To improve reliability, reduce operational costs and minimize our environmental impact we are replacing our aging buses. All new vehicles will be powered by Compressed Natural Gas (CNG) reclaimed from organic waste. CNG is much less expensive and the carbon outputs much lower than conventional fuels like gasoline and diesel. Grants to offset the higher initial cost of CNG buses are available and we are actively pursuing these funding sources.



IMPROVING SHELTERS

We are working to provide shelters at stops outside of municipalities along Highway 135 to improve safety for our riders.



INCREASING DENVER SERVICE:

CDOT is providing funding to increase local regional access through bus services. The RTA is actively trying to augment existing service to provide more frequency.

How You Can Help!

1. **RIDE THE BUS** between Crested Butte and Gunnison!
2. Senior Service is now 7 days a week! **TELL A FRIEND!**
3. **RIDE THE BUS TO DENVER OR GUNNISON** and save on gas, parking and avoid the hassle. A one-way ticket is under \$38! Visit our website for schedules and details.
4. **GET ON THEIR EMAIL LIST.** Visit www.gunnisonvalleyrta.com and sign up for newsletters.

Why Amenity-Based Tourism Matters

34%

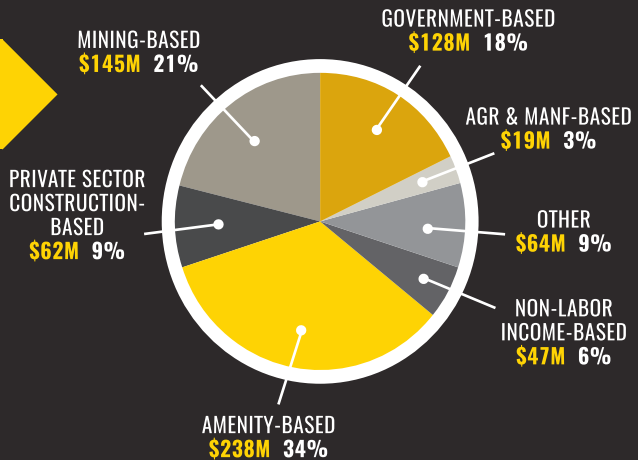
of Gunnison County's economy is driven by amenity based tourism valued at **\$238M annually**

40%

Amenity based economic drivers account for **40% of our local employment**

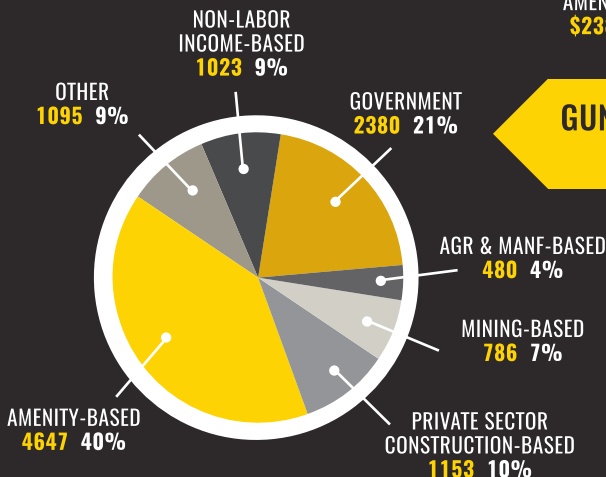
GUNNISON COUNTY GRP BY ECONOMIC DRIVER

MILLIONS OF 2008 \$
TOTAL = \$703 MILLION



GUNNISON COUNTY EMPLOYMENT BY ECONOMIC DRIVER

FULL & PART-TIME JOBS IN 2008
TOTAL = 11,564



Source: The Gunnison County Economy in the twenty-first century.
Prepared by the Center for Applied Research.



About our Airport

- >> Gunnison-Crested Butte Regional Airport is designated a “Primary” airport by the Federal Aviation Administration because it transports more than 10,000 passengers a year and is therefore entitled to receive \$1M a year for infrastructure development.
- >> The airport is an Enterprise operating on a cost-recovery basis which is funded by aviation activity like landing fees, parking fees, terminal rent fees and a surcharge of 10% on gross revenue for rental cars, ground transportation and general aviation (i.e. non-commercial) fuel sales.
- >> No tax is charged on fuel for commercial flights to help encourage commercial activities through lower costs.
- >> The runway project in summer 2017 brought in approximately 65 workers who lived and worked in the valley for 2 months. Total cost for the project is \$9M with our local Enterprise contributing only \$580,000 to the overall cost.
- >> The Airport’s master plan identified many goals for our airport with terminal reconstruction as the top priority. Terminals generate significant revenue through space rental and parking. The Terminal Area Plan will be completed in summer of 2018 with the terminal reconstruction expected to be complete in 2021.

REMEMBER: You Can Help!

- >> **ENCOURAGE YOUR FAMILY AND FRIENDS TO #THINKGUCFIRST** instead of flying to an-other market. Every flight originating locally helps reduce overall costs for the program and generates revenue at our local airport.
- >> **ADD A LINK TO YOUR WEBSITE** to the TA's page on air service: www.gunnisoncrestedbutte.com/plan/getting-here/
- >> **GET SPECIAL FLIGHT DEALS** via email by signing up at www.flygunnisonairport.com
- >> **RIDE THE BUS** locally, to Denver and **TELL SENIORS** about our free service!
- >> **GET ON OUR EMAIL LIST** for important updates at www.gunnisonvalleyrta.com

For More Information on the RTA
VISIT GUNNISONVALLEYRTA.ORG

Download this report or find our strategic plans
See current bus and air schedules
Request a presentation for your office staff or group

