



San Miguel Authority for Regional Transportation  
Board of Directors Meeting Agenda  
Thursday September 11th, 2025  
3 p.m.

In person location – Mountain Village Town Council Chambers, 455 Mountain Village Blvd.

**Registration at the following link is required in advance for participation in this webinar:**

[https://us02web.zoom.us/webinar/register/WN\\_jtx\\_LYzuTI-jCDxXzbpE\\_Q](https://us02web.zoom.us/webinar/register/WN_jtx_LYzuTI-jCDxXzbpE_Q)

**Item 1:** Public Comment on non-agendized items

**Item 2:** **Resolution 2025-15**, Part 1a, regarding the Review and Approval of the September 11th, 2025 Agenda and Consent Items, and part 1b regarding the Approval of the August 14<sup>th</sup>, 2025 meeting minutes.

Presented By: Board Chair

Item Type: Action

Packet Page: 5

Allotted Time: 5 minutes

**Item 3:** **Resolution 2025-16, FY25 Budget Amendment Adoption**

Presented By: D. Averill

Item Type: Action

Packet Page: 6

Allotted Time: 15 minutes

**Item 4:** **Resolution 2025-17, FY24 Audit Report and Acceptance**

Presented By: D. Averill

Item Type: Action

Packet Page: 14

Allotted Time: 20 minutes

**Item 5:** **Resolution 2025-18, Public Comment Policy modification**

Presented By: D. Averill

Item Type: Action

Packet Page: 48

Allotted Time: 10 minutes

**Item 6:** **FY26 Preliminary Budget discussion**

Presented By: D. Averill  
Item Type: Discussion  
Packet Page: 55  
Allotted Time: 20 minutes

**Item 7: September 2025 Operations Report**

Presented By: K. Distefano  
Item Type: Report  
Packet Page: 59  
Allotted Time: 15 minutes

## GLOSSARY

<b>5304</b>	FTA program funding for multimodal transportation planning (jointly administered with FHWA) in metropolitan areas and States
<b>5311</b>	FTA program funding for rural and small Urban Areas (Non-Urbanized Areas)
<b>5339</b>	FTA program funding for buses and bus facilities
<b>AAC</b>	SMART Administrative Advisory Committee
<b>ADA</b>	Americans with Disabilities Act of 1990
<b>AIS</b>	Agenda Item Summary
<b>CAAA</b>	Clean Air Act Amendments of 1990 (federal)
<b>CAC</b>	SMART Community Advisory Committee
<b>CDOT</b>	Colorado Department of Transportation
<b>CMAQ</b>	Congestion Mitigation and Air Quality (a FHWA funding program)
<b>DBE</b>	Disadvantaged Business Enterprise
<b>DOT</b>	(United States) Department of Transportation
<b>DTR</b>	CDOT Division of Transit & Rail
<b>FAST ACT</b>	Fixing America's Surface Transportation Act (federal legislation, December 2015)
<b>FASTER</b>	Funding Advancements for Surface Transportation and Economic Recovery (Colorado's S.B. 09-108)
<b>FHWA</b>	Federal Highway Administration
<b>FTA</b>	Federal Transit Administration
<b>FY</b>	Fiscal Year (October – September for federal funds; July to June for state funds; January to December for local funds)
<b>FFY</b>	Federal Fiscal Year
<b>HOV</b>	High Occupancy Vehicle
<b>HUTF</b>	Highway Users Tax Fund (the State's primary funding source for highways)
<b>IGA</b>	Inter-Governmental Agreement
<b>ITS</b>	Intelligent Transportation Systems
<b>LRP or LRTP</b>	Long Range Plan or Long Range Transportation Plan
<b>MOA</b>	Memorandum of Agreement
<b>MOU</b>	Memorandum of Understanding
<b>NAA</b>	Non-Attainment Area (for certain air pollutants)
<b>NAAQS</b>	National Ambient Air Quality Standards
<b>NEPA</b>	National Environmental Policy Act
<b>PPP (also P3)</b>	Public Private Partnership
<b>R3 or R5</b>	Region 3 or Region 5 of the Colorado Department of Transportation
<b>RPP</b>	Regional Priority Program (a funding program of the Colorado Transportation Commission)
<b>RSH</b>	Revenue Service Hour
<b>RSM</b>	Revenue Service Mile
<b>RTP</b>	Regional Transportation Plan
<b>SOV</b>	Single Occupant Vehicle
<b>STAC</b>	State Transportation Advisory Committee
<b>STIP</b>	Statewide Transportation Improvement Program
<b>TA (previously TAP)</b>	Transportation Alternatives program (a FHWA funding program)
<b>TC</b>	Transportation Commission of Colorado
<b>TIP</b>	Transportation Improvement Program
<b>Title VI</b>	U.S. Civil Rights Act of 1964, prohibiting discrimination in connection with programs and activities receiving federal financial assistance
<b>TPR</b>	Transportation Planning Region (state-designated)
<b>TRAC</b>	Transit & Rail Advisory Committee (for CDOT)
<b>VMT</b>	Vehicle Miles Traveled



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Presented By: Board Chair

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**Item 3:** **Resolution 2025-16, FY25 Budget Amendment Adoption**

Presented By: D. Averill

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Presented By: D. Averill

Item Type: Discussion

**Item 7:** **September 2025 Operations Report**

Presented By: K. Distefano

Item Type: Report

**San Miguel Authority for Regional Transportation  
Board of Directors Meeting August 14<sup>th</sup>, 2025 Regular Meeting  
Virtual meeting minutes**

Member Directors Present: Town of Telluride – J.Meehan Fee, Ashley Story Von Sprecken. Town of Mountain Village – Harvey Mogenson, Tucker Magid, Rick Gomez (alternate). San Miguel County – Galena Gleason.

Staff Present: David Averill, Kari Distefano

Others: Kim Bolling (Telluride Express), Paul Wisor, Dalton Kelly, Paul J. Taddune, Dylan Brooks.

The meeting was called to order at 3:06 p.m.

**Item 1: Public Comment on non-agendized items**

No public comment was offered.

**Item 2: Resolution 2025-14 Part 1a, regarding the Review and Approval of the August 14<sup>th</sup>, 2025 Agenda and Consent Items and Part 1b, regarding the Review and Approval of July 10<sup>th</sup>, 2025 Meeting Minutes.**

Tucker Magid moved to adopt Resolution 2025-14, parts 1a and 1b  
Harvey Mogenson seconded the motion

A unanimous vote approved the motion.

**Item 3: DRAFT Investment Policy Discussion**

Averill and Chair Mogenson provided some context and background to introduce the item, building on the discussion on this topic at the June Board meeting. Averill provided a proposed DRAFT Investment Policy, based on his research and a similar policy currently used by the Roaring Fork Transportation Authority, a similar organization. The Board discussed several points including the segregation of gondola fund investments from the other SMART reserve funds, creation of and representation on a SMART Investment Committee, what types of investments SMART should be allowed to pursue, etc. Dylan Brooks provided his perspective on the DRAFT policy as an local investment professional who has worked with similar public organizations to SMART. Based on the discussion and feedback staff will bring back a modified version of the policy to a future Board meeting for further discussion/deliberation.

**Item 4: FY25 Budget Amendment Discussion**

Averill provided background on the need to amend the FY25 budget and capital plan, based on unanticipated savings, interest income, expenses, and previously approved capital purchases. Averill noted that the bulk of new expenses were due to the funding of project development out of the gondola fund and bus purchases. The Board expressed no issues or concerns with the DRAFT amendment and capital plan as they were presented. Averill committed that based on this discussion he would bring the FY25 Budget Amendment for adoption at the September Board meeting.

**Item 5: FY26 Preliminary Budget Discussion**

Averill asked the Board for input on budget assumptions in the run up to developing a DRAFT FY26 Budget for discussion at subsequent Board meetings. Given the uncertain state of the economy, the Board directed that the Budget should reflect assumptions of decreasing sales tax (-3% as a start), decreasing lodging taxes (-2% as a start) and an assumed “cap” in the growth of Property tax revenues of 5.25% over FY25 revenue. Averill noted that SMART should also expect less rental income in FY26 as well as an increase in grant revenue from anticipated SB230 funding.

**Item 6: 2<sup>nd</sup> Quarter 2025 Performance Report**

Distefano presented the 2<sup>nd</sup> Quarter Performance Report and a brief discussion followed. No significant questions or concerns were expressed by the Board.

**Item 7: July 2025 Operations Report**

Distefano presented the July 2025 Operations Report and a brief discussion followed. No significant questions or concerns were expressed by the Board.

**Item 8: Executive Session** pursuant to C.R.S. §24-6-402(4)(b) for the purpose of conferring with legal counsel in the matter of Masson vs. San Miguel County BOCC, et. all. The Board entered Executive Session at 4:24 p.m. and exited the Executive Session at 4:49 p.m.

The meeting was adjourned at 4:50 p.m.

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL  
TRANSPORTATION EVIDENCING ACTIONS TAKEN AT ITS SEPTEMBER 11TH, 2025 REGULAR MEETING**

**RESOLUTION NO. 2025-15**

**RECITALS:**

**WHEREAS**, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, Town of Rico and that portion of the SMART combination that are within that part of the SMART boundaries located within unincorporated San Miguel County, pursuant to the Colorado Regional Transportation Authority Law, C.R.S. Title 43, Article 4, Part 6; and

**WHEREAS**, SMART is governed by the Colorado Regional Transportation Authority Law and SMART Intergovernmental Agreement (“SMART IGA”) conditionally approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village, San Miguel County and the Town of Rico, and with the approval of the registered electors of those jurisdictions; and

**WHEREAS**, the Board held a regular meeting on September 11th, 2025; and

**WHEREAS**, Section 3.09 of the SMART IGA requires all actions of the Board to be taken by written resolution; and

**WHEREAS**, the Board desires to take action on certain items set forth below in accordance with the SMART IGA.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AS FOLLOWS:**

1. At its September 11th, 2025 regular meeting the Board took action on the following:
  - a. Approval of the September 11th, 2025 meeting agenda (Exhibit A)
  - b. Approval of the Board meeting minutes for the August 14th, 2025 regular meeting (Exhibit B)

**ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AT A REGULAR PUBLIC MEETING THIS SEPTEMBER 11TH, 2025.**

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Harvey Mogenson, Board Chair

ATTEST:

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David Averill, Executive Director

# AGENDA ITEM SUMMARY (AIS)

San Miguel Authority for Regional Transportation



MEETING DATE: September 11<sup>th</sup>, 2025

AGENDA ITEM: 3

ACTION REQUESTED: Adoption of Resolution 2025-16

SUBMITTED BY: D. Averill

**BACKGROUND INFORMATION/KEY POINTS:** As discussed at the August 14<sup>th</sup> meeting, in general we are tracking with the approved FY25 budget thus far year to date. However, there have been a few new expenses identified that should be accounted for in an amendment to our FY25 budget and capital plan.

As discussed in August, there are a couple of revenue changes that Staff is recommending be accounted for and are included in this budget amendment:

- An increase of \$50,000 in interest income for a total of \$100,000
- Savings of \$32,000 in salary costs

On the expense side of the ledger, we're looking at some *increased* expenses and *new* expenses that are included in this budget amendment:

- Gondola project development work - \$480,000. This is a new expense.
- PR/Marketing budget – an additional \$25,000 for a total of \$85,000
- Additional \$5000 for bus app implementation (Token transit payment system) add-on for a total of \$49,000
- Professional Services (facilitation) for a Board Strategic Retreat in the amount of \$20,000

The following amendments to the FY2025 capital plan are also being proposed to reflect Board direction as discussed at previous meetings. This project list includes a look at FYs '26-'29 to illustrate a more complete picture of the "ripple effect" into funding available for the out years of the capital plan with these recommended changes.

- Fund balance change is due to YTD transfers from the operating account and YTD interest earned
- Matching funds for Town of Telluride MMOF project - \$100,000
- Additional Cutaway purchase – an additional \$195,200 for 2<sup>nd</sup> cutaway bus purchase for a total of \$390,000
- Additional 30' bus purchase – an additional \$650,000 for 2<sup>nd</sup> 30' bus purchase for a total of \$780,000.

Out years (2026 and beyond) are included with the capital plan to give an idea of the big picture and what we have coming in future years. It is worth noting that capital spending for the out years can be amended in any future budget and appropriation process.

COMMITTEE DISCUSSION: NA

SUPPORTING INFORMATION: NA

FISCAL IMPACT: The fiscal impact is mainly on the capital side of things, with additional spending of about \$940k for the vehicle purchases and contribution to the Town of Telluride Project. On the operating expense side of the ledger we'll see a net increase of \$448k in spending. The biggest expense added there is the SMART financial share of the gondola project development effort. All of these additional expenses are covered by either reserve funds (in the case of the capital projects) or existing revenue, in the case of the spending on marketing and gondola project development.

ADVANTAGES: Advantages of this budget amendment are primarily to formally authorize spending based on Board direction for acquisition of vehicles and financial participation in the gondola project development process. Additionally, amending the budget better reflects SMARTs current financial position and priorities.

DISADVANTAGES: None noted.

ANALYSIS/RECOMMENDATION: Staff recommends approval of the FY25 budget amendments and changes to the capital plan.

ATTACHMENTS:

- a) FY25 Amended Budget
- b) Revised FY25 Capital Plan

SMART Proposed FY25 Budget Amendment  
September 11th, 2025

	2025 proposed Amended Budget
Beginning Operating Fund Balance Estimate, January 1st 2025	\$650,000
Transfers	
Transfer to Operating and Capital Reserve	\$0
<b>Total Transfers</b>	<b>\$0</b>
<b>Remaining Operating Fund Balance after Transfers</b>	<b>\$650,000</b>

PROJECTED REVENUES	
SMART Ballot Tax Revenue	
Lodging Tax	\$1,983,407
Sales Tax	\$5,971,350
Property Tax	\$2,554,875
<b>Subtotal Taxes</b>	<b>\$10,509,632</b>
Intergovernmental Revenue	
San Miguel County Transit Fund pass-through (RETA)	\$200,000
<b>Subtotal Intergovernmental</b>	<b>\$200,000</b>
Fees for Services	
Fares - Norwood/Nucla/Naturita/Montrose/Rico	\$45,000
Fares - Van pools	\$20,000
<b>Subtotal Fees for Services</b>	<b>\$65,000</b>
Grant Revenue	
CDOT Operating (5311)	\$193,254
CDOT 5304 (SOP funding)	\$0
<b>Subtotal Grant Revenue</b>	<b>\$193,254</b>
Facility Revenue	
137 and 135 Society Dr.	\$100,000
<b>Subtotal Facility Revenue</b>	<b>\$100,000</b>
Interest Income	
Alpine Reserve Account	\$100,000
<b>Total All Revenues</b>	<b>\$11,167,886</b>

PROJECTED EXPENSES	
General Expenses	
Personnel Expenditures	
Salaries	\$308,000
Benefits	\$79,000
Payroll taxes	\$23,000
<b>Subtotal Personnel Expenditures</b>	<b>\$410,000</b>
Professional Services + Operations	
Mileage reimbursement	\$3,500
Office Expenses	\$14,000
PR/Marketing	\$85,000
Website support	\$10,000
Attorney fees	\$18,000
Bookkeeping/Audit services	\$25,000
CIRSA PC/WC coverage	\$25,000
Treasurers Fees	\$23,000
Professional Services - Strategic Retreat Facilitation	\$20,000
<b>Subtotal Professional Services + Operations</b>	<b>\$223,500</b>
Association Dues, Conferences and Training	
Colorado Association of Transit Agencies (CASTA) Dues	\$5,000
South West Transit Association (SWTA) Dues	\$300
Training Registration and Lodging	\$2,200
Travel expenses	\$4,400
Conference Registration and Lodging	\$4,800
<b>Subtotal Association Dues, Conferences and Training</b>	<b>\$16,700</b>
<b>Total General Expenses</b>	<b>\$650,200</b>

Transit Services, Facilities, and Special Project Expenses	
Transit Service Expenses	
Fixed Route Transit Services	\$1,088,512
Fixed Route Fuel costs	\$150,000
Commuter Vanpool Program (fuel, insurance, maintenance)	\$75,000
Offseason service, includes Lawson and Meadows local services	\$327,680
Medical Shuttles - Allpoints	\$15,000
Service Expansion/Pilot Pool	\$575,000
Parts allowance/Unscheduled maintenance	\$115,000
Real Time bus app implementation and annual expenses	\$49,000
<b>Subtotal Transit Service Expenses</b>	<b>\$2,395,192</b>
Lawson Hill Intercept Lot Expenses	
Winter Plowing	\$14,000
Security/Parking Enforcement	\$9,270
Janitorial Services for restrooms	\$15,000
(Transit Services, Facilities, and Special Project Expenses continued on next page)	

<i>(Transit Services, Facilities, and Special Project Expenses continued from previous page)</i>	
Janitorial Supplies	\$2,900
Recycling and Waste removal	\$1,400
Landscape Maintenance	\$3,200
Utilities (Gas/Electric/Water)	\$3,200
<b><i>Subtotal Lawson Lot Management Expenses</i></b>	<b>\$48,970</b>
<b>Facility Maintenance Expenses</b>	
Lawson Owners HOA dues	\$2,100
Property management services	\$9,000
Winter Plowing	\$1,700
Janitorial	\$3,600
Landscape Maintenance	\$2,300
Utilities	\$7,000
<b><i>Subtotal Facility Maintenance Expenses</i></b>	<b>\$25,700</b>
<b>Special Projects</b>	
<b>Gondola Project Development funding</b>	<b>\$480,000</b>
East End mobility visioning project	\$75,000
SMART capital facilities planning and design	\$75,000
<b><i>Subtotal Special Projects</i></b>	<b>\$630,000</b>
<b><i>Total Transit Services, Facilities and Special Projects expenses</i></b>	<b>\$3,099,862</b>
<b>Total All Expenses</b>	<b>\$3,750,062</b>
<b>Projected Yearly Net Income</b>	<b>\$7,417,824</b>
<b>Transfer to Gondola Reserve</b>	<b>\$6,719,600</b>
<b>Projected Operating Fund Balance, 12/31/25</b>	<b>\$1,348,224</b>
<b>End of year transfer to Bus Ops Reserve</b>	<b>\$698,224</b>
<b>Initial Operating Fund Balance 1/1/26</b>	<b>\$650,000</b>

SMART FY25-FY29 Capital Plan

Capital and Operating Reserve as of 8/11/2025

\$6,036,333

90 Day Operating Reserve

\$650,000

Total Bus Ops Capital Reserves Available

\$5,386,333

Projected Capital Projects - 2025	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Meadows Trail Underpass local match funding for construction	\$250,000	\$0	\$250,000	No
2 30' HD buses (1 replacement and 1 for fleet expansion)	\$1,300,000	\$520,000	\$780,000	Yes (5339)
Norwood bus barn expansion	\$250,000	\$0	\$250,000	No (5311/5339)
Bus Stop Improvements	\$200,000		\$200,000	No (5311/5339)
Additional Cutaways (2 expansion buses to add to the fleet)	\$390,000	\$0	\$390,000	No (5311/5339)
Lawson Hill facility repairs	\$20,000	\$0	\$20,000	No
Local Match for Town of Telluride MMOF project at Mahoney/Colorado	\$100,000		\$100,000	No
Replacement Van	\$70,000		\$70,000	No (5311/5339)
Total	\$2,580,000	\$520,000	\$2,060,000	

Beginning FY26 Capital Reserve Balance assuming no additional transfers

\$3,326,333

Projected Capital Projects - 2026	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Driveway repair work at Lawson Facilities	\$300,000	\$0	\$300,000	No
Lift for maintenance facility - 137 Society Drive	\$150,000	\$120,000	\$30,000	No (5311/5339)
Bus Stop Improvements	\$200,000		\$200,000	No (5311/5339)
Tools and equipment for maintenance facility	\$200,000	\$160,000	\$40,000	No (5311/5339)
Replacement buses (3) for Lawson/Off-Season	\$1,100,000	\$880,000	\$220,000	No (5311/5339/LoNo)
Total	\$1,100,000	\$880,000	\$790,000	

Beginning FY27 Capital Reserve Balance assuming no additional transfers

\$2,536,333

Projected Capital Projects - 2027	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Bus Stop Improvements	\$200,000		\$200,000	No (5311/5339)
Total	\$200,000	\$0	\$200,000	

Beginning FY28 Capital Reserve Balance assuming no additional transfers

\$2,336,333

Projected Capital Projects - 2028	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Bus Stop Improvements	\$200,000		\$200,000	No (5311/5339)
Replace 30' bus (703)	\$700,000	\$560,000	\$140,000	No (5311/5339/LoNo)
Total	\$700,000	\$560,000	\$340,000	

Beginning FY29 Capital Reserve Balance assuming no additional transfers

\$1,996,333

Projected Capital Projects - 2029	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Bus Stop Improvements	\$200,000		\$200,000	No (5311/5339)
Total	\$200,000	\$0	\$200,000	

Beginning FY30 Capital Reserve Balance assuming no additional transfers

\$1,796,333

**RESOLUTION OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION APPROVING  
AN AMENDED FISCAL YEAR 2025 BUDGET AND CAPITAL PLAN AND RELATED  
APPROPRIATIONS**

**RESOLUTION NO. 2025-16**

**RECITALS:**

**WHEREAS**, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, Town of Rico and that portion of unincorporated San Miguel County located within the SMART boundaries, pursuant to the Colorado Regional Transportation Authority Law, C.R.S Title 43, Article 4, Part 6, and;

**WHEREAS**, SMART is governed by the Colorado Regional Transportation Authority Law and the SMART Intergovernmental Agreement (“SMART IGA”) approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village and San Miguel County, Town of Rico, and;

**WHEREAS**, an annual budget for 2025 was prepared, considered, and approved by the SMART Board of Directors at a regular noticed meeting on December 12th, 2024, and;

**WHEREAS**, SMART has a need to amend the adopted FY25 budget, due to changes in forecasted revenues and expenses, as well as changes to the capital spending plan directed by the Board, and;

**WHEREAS**, upon due and proper notice, published in accordance with the state budget law, said supplemental budget was open for inspection by the public at a designated place, a public hearing was held on September 11<sup>th</sup>, 2025, and interested taxpayers were given an opportunity to file or register any objections to said supplemental budget, and;

**WHEREAS**, it is not only required by law, but also necessary to appropriate the revenues and reserve/fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of SMART.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION:**

1. That an amendment to the FY25 Budget (Exhibit A) of an additional \$50,000 in earned interest revenue be used for approved administrative and operations expenses.
2. That the amended budget, including revised revenues and expenditures, as submitted and herein above summarized be adopted, and the same hereby is approved and adopted as the supplemental 2025 budget of SMART and shall be a part of the public records of SMART.

3. That the FY25 Capital Plan (Exhibit B) and associated costs is hereby amended as part of this supplemental budget action.
4. That the following sums are hereby appropriated from the 2025 revenues for the purposes stated:

General Fund

General Operations	\$650,200
Transit and Transportation Services	<u>\$3,099,862</u>
<b>Total General Fund</b>	<b>\$3,750,062</b>

Capital Fund

Beginning Capital Fund Balance	\$5,386,333
FY25 Capital Purchases	\$2,060,000
Remaining Capital Reserve	\$3,326,333
<u>Remaining Operating Reserve</u>	<u>\$650,000</u>
<b>Total Remaining Capital and Operating Reserve Fund Balance</b>	<b>\$3,976,333</b>

5. That the SMART Executive Director is hereby authorized and directed to take such administrative steps necessary to further implement this Resolution.

**ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY  
FOR REGIONAL TRANSPORTATION AT A REGULAR PUBLIC MEETING THIS 11<sup>TH</sup> DAY OF  
SEPTEMBER 2025.**

\_\_\_\_\_  
Harvey Mogensen, Board Chair

**ATTEST:**

\_\_\_\_\_  
David Averill, SMART Executive Director

I, the Secretary of the Board of Directors (the "Board") of the San Miguel Authority for Regional Transportation (the "Authority"), do hereby certify that (a) the foregoing Resolution was adopted by the Board at a meeting held September 11th, 2025; (b) the meeting was open to the public; (c) the Authority provided at least 48 hours' written notice of such meeting to each Director and Alternate Director of the Authority and to the Governing Body of each Member of the Authority; (d) the Resolution was duly moved, seconded and adopted at such meeting by the affirmative vote of at least two-thirds of the Directors then in office who were eligible to vote thereon voting; and (e) the meeting was noticed, and all proceedings relating to the

adoption of the Resolution were conducted in accordance with the San Miguel Authority for Regional Transportation Intergovernmental Agreement, dated as of July 24<sup>th</sup>, 2024, all applicable bylaws, rules, regulations and resolutions of the Authority, the normal procedures of the Authority relating to such matters, all applicable constitutional provisions and statutes of the State of Colorado and all other applicable laws.

WITNESS my hand this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

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Joe Dillsworth, Secretary to the Board

AGENDA ITEM SUMMARY (AIS)  
San Miguel Authority for Regional Transportation



MEETING DATE: September 11<sup>th</sup>, 2025

AGENDA ITEM: 4

ACTION REQUESTED: Adoption of Resolution 2025-17

SUBMITTED BY: D.Averill

**BACKGROUND INFORMATION/KEY POINTS:** At its February 9<sup>th</sup>, 2023 meeting, SMART designated Blair and Associates, P.C., as its outside auditing firm for the purpose of undertaking required independent financial auditing services. Working over the previous several months of this year, Blair and Associates, P.C., recently completed an audit of SMARTs FY24 financials and prepared the final report. The Audit of the SMART FY24 financial statements, including the Single Audit of Federal grants, revealed no findings of material deficiency or otherwise. Therefore, the Board is being asked to acknowledge the receipt of the FY24 Audit Report and approve its submission to the Office of the State Auditor.

**COMMITTEE DISCUSSION:** NA

**SUPPORTING INFORMATION:** The full FY24 Audited Financial Statements and accompanying narrative are included as Attachment A.

**FISCAL IMPACT:** NA

**ADVANTAGES:** Acknowledging receipt of the audit report, its recommendations, and the accompanying management letter through resolution allows the submittal of the audit report to the Office of the State Auditor, in accordance with relevant Colorado Statutes.

**DISADVANTAGES:** None noted.

**ANALYSIS/RECOMMENDATION:** Staff recommends that the Board acknowledge the receipt of the FY24 Audit Report and its findings and direct the Executive Director submit the FY24 Audit Report to the Office of the State Auditor.

**ATTACHMENTS:** Attachment A: FY24 Audited Financial Statements

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San Miguel Authority for Regional Transportation  
Financial Statements and  
Independent Auditors' Report  
as of  
December 31, 2024

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## San Miguel Authority for Regional Transportation

### Table of Contents

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	Page 1
MANAGEMENT’S DISCUSSION AND ANALYSIS	3
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	7
STATEMENT OF ACTIVITIES	8
GOVERNMENTAL FUND BALANCE SHEET	9
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE	10
NOTES TO THE FINANCIAL STATEMENTS	11
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	19
SINGLE AUDIT SECTION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	20
NOTES TO SCHEDULE OF EXPEDITURES OF FEDERAL AWARDS	21
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS	22
REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	24
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	26
SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS	28

*Blair and Associates, P.C.*



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
San Miguel Authority for Regional Transportation

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund of the San Miguel Authority for Regional Transportation, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the San Miguel Authority for Regional Transportation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund of the San Miguel Authority for Regional Transportation, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the San Miguel Authority for Regional Transportation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about San Miguel Authority for Regional Transportation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the San Miguel Authority for Regional Transportation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about San Miguel Authority for Regional Transportation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise San Miguel Authority for Regional Transportation's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 3, 2025, on our consideration of the San Miguel Authority for Regional Transportation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the San Miguel Authority for Regional Transportation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering San Miguel Authority for Regional Transportation's internal control over financial reporting and compliance.

*Blair and Associates, P.C.*

Cedaredge, Colorado  
September 3, 2025



**Management's Discussion and Analysis  
FY2024 Audited Financial Statements**

***Management's Discussion and Analysis***  
***San Miguel Authority for Regional Transportation***  
***September 8<sup>th</sup>, 2024***

As Management of the San Miguel Authority for Regional Transportation (the “Authority”), we offer readers of the Authority’s financial report this narrative summary for the fiscal year ended December 31, 2024.

***Financial Highlights***

When looking at a short-term view, the General Fund had a change in net position of \$2,753,919. This improvement was attributable to a cautious approach to expanding the services it offers, strong tax revenues, and receipt of grant funding in the fiscal year.

***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to the Authority’s basic financial statements. The Authority’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) financial statements; and 3) notes to the financial statements. These components are discussed below.

The *government-wide financial statements* are designed to provide readers with a broad overview of our finances in a manner similar to a private sector business.

The statement of net position information on all assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position is improving or deteriorating.

The statement of activities presents information showing how the net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The *Fund Financial Statements* are designed to provide readers with an overview of the Authority’s finances, from a short-term perspective. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

The 2024 Authority financial statements reported on one individual fund described as the Governmental Fund.

This General Governmental Fund accounts for the Administration and Transit Program activities of the Authority. The general Governmental fund provides administrative support services (the Administrative and public commuter transit services).

The Authority's financial statements can be found on pages 9-10 of this report.

The *Notes to the Financial Statements* provide a background of the entity, certain required statutes, and accounting policies utilized by the Authority. They also provide additional information that will aid in the interpretation of the financial statements.

The Notes to the Financial Statements can be found beginning on page 11 of this report.

Supplementary Information concerning the Authority is also presented in addition to the basic financial statements and notes. This information can be found at page 19 of this report.

### ***Financial Analysis of the Authority***

Details regarding the Authority's assets and liabilities can be found on lysis.

The Authority receives revenues from various sources to fund the Administration, Transit and Trails Programs.

- Regional transit services are primarily funded through Sales and Property Tax and revenues.
- Grant revenues are provided at the Federal or State level and fund capital and operating expenditures; the Authority received \$2,553,338.00 in operating and capital grants in FY24.

Details regarding the Authority's revenue sources can be found on page 8.

Details regarding the Authority's expenditures can be found on page 10.

### ***Major Capital Asset events***

SMART received a discretionary capital grant of \$2,202,050.00 for the purchase and replacement of transit vehicles. There were no other large capital asset events in 2024.

### ***Major Debt events***

The Authority experienced no major debt events in 2024.

### ***Long term Financial Plan***

The Authority's long-term goal is to be financially sustainable by maintaining operating and capital reserves in accordance with Management's policies and to maintain a long-range financial forecast to communicate and plan for future opportunities and issues.

The Authority uses fund accounting to ensure and demonstrate compliance with accounting and related legal requirements.

***Request for Information***

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: San Miguel Authority for Regional Transportation, Attention: Executive Director, PO Box 3140, Telluride Colorado, 81435.

San Miguel Authority for Regional Transportation  
Statement of Net Position  
December 31, 2024

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 5,211,300
Cash with County Treasurer	2,463
Receivables	
Property tax	2,554,875
Sales Tax	202,684
Accounts receivable	304,780
Grants Receivable	277,665
Prepaid expenses	500
Total current assets	<u>8,554,267</u>
Notes Receivable	40,000
Capital assets, net of accumulated depreciation	6,721,565
Total assets	<u><u>\$ 15,315,832</u></u>
Liabilities	
Current liabilities	
Accounts payable	\$ 250,980
Compensated Absences	18,141
Total current liabilities	<u>269,121</u>
Deferred Inflows	
Property taxes	2,554,875
Total deferred inflows	<u>2,554,875</u>
Net Position	
Restricted for emergency reserves- TABOR	192,270
Investment in capital assets	6,721,565
Unrestricted	5,578,002
Total Net Position	<u><u>\$ 12,491,837</u></u>

The accompanying notes are an integral part of this statement.

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

Functions/Programs	Expenses	Program Revenues			Governmental Activities, net
		Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>					
<b>Governmental activities:</b>					
General government	\$ 1,091,303	\$ 124,124	\$ -	\$ -	\$ (967,179)
Transportation	2,746,132	761,212	726,264	2,430,775	1,172,119
<b>Total governmental activities</b>	<u>\$ 3,837,435</u>	<u>\$ 885,336</u>	<u>\$ 726,264</u>	<u>\$ 2,430,775</u>	<u>204,940</u>
<b>General Revenues</b>					
					975,214
					1,411,726
					207,637
					(45,598)
					<u>2,548,979</u>
					<b>Changes in Net Position</b>
					<u>2,753,919</u>
					<b>Net Position-January 1</b>
					<u>9,737,918</u>
					<b>Net Position-December 31</b>
					<u><u>\$ 12,491,837</u></u>

The accompanying notes are an integral part of this statement.

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTION**  
**BALANCE SHEET- GOVERNMENTAL FUND**  
**DECEMBER 31, 2024**

<b>ASSETS</b>	
Cash and cash equivalents	\$ 5,211,300
Cash with County Treasurer	2,463
Receivables	
Property tax	2,554,875
Sales Tax	202,684
Accounts receivable	304,780
Notes	40,000
Prepaid expenses	500
Total Assets	<u><u>\$ 8,594,267</u></u>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
Accounts payable	\$ 250,980
Total liabilities	<u><u>250,980</u></u>
Deferred Inflows of Resources	
Property taxes	2,554,875
Long-term Receivables	40,000
Total Deferred inflows	<u><u>2,594,875</u></u>
Fund balances:	
Restricted	
Nonspendable	500
Restricted for emergencies- TABOR	192,270
Assigned for Capital purchases	2,050,739
Unassigned	3,504,903
Total fund balances	<u><u>\$ 5,748,412</u></u>
Amounts reported for government activities in the Statement of Net Position are different because:	
Total fund balance- Governmental fund	\$ 5,748,412
In the funds, purchases of capital assets are recognized as capital outlay expenditures, in the governmental-wide statements they are recognized as assets and depreciated over time	6,721,565
In the funds, receivables are deferred until earned but in the government wide statements they are recognized as long term notes receivable and the associated activity was recognized at the time the note was established	40,000
Accrued compensated absences payable are not due and payable in the current year and, therefore, are not reported in the fund	(18,141)
Net Position of Governmental Activities	<u><u>\$ 12,491,837</u></u>

The accompanying notes are an integral part of this statement.

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2024**

	<b>General</b>
<b>REVENUES</b>	
Property Taxes	\$ 975,214
Sales Taxes	1,411,726
Fees for Service	761,212
Intergovernmental	513,054
Interest Income	207,637
Rental Income	124,124
Grants	2,553,338
<b>Total revenues</b>	<b>6,546,305</b>
<b>EXPENDITURES</b>	
Current:	
Administrative and Personnel	1,092,802
Professional	163,541
Transportation	1,497,186
Lawson Hill	46,362
Facility	52,970
Capital outlay	3,556,165
<b>Total expenditures</b>	<b>6,409,026</b>
<b>Net change to fund balance</b>	<b>137,279</b>
<b>Fund balance, January 1</b>	<b>5,520,487</b>
<b>Fund balance, December 31</b>	<b>\$ 5,657,766</b>
Amounts reported for government activities in the Statement of Net Position are different because:	
Net Change in fund balance- Governmental fund	\$ 137,279
Capital Assets are recognized in capital outlay expenditures in the funds but are capitalized and depreciated over their useful lives in the governmental-wide funds. This is the amount that capital outlay exceeds depreciation expense for the year.	
	3,527,256
	(957,164) 2,570,092
Some expenses and revenues not reported in the governmental funds that do not require the use of current financial resources and therefore are reported as expenditures or revenues in the statement of activities.	
Loss on disposal of assets	(45,598)
Donations of vehicles	90,647
Compensated Absences	1,499
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 2,753,919</b>

The accompanying notes are an integral part of this statement.

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*****Organization***

San Miguel Authority for Regional Transportation (SMART) was established in November 2016 through an intergovernmental agreement between the Town of Mountain Village, Colorado, the Town of Telluride, Colorado, and San Miguel County, Colorado. SMART was created to provide bus service, shuttles, trails, roads, and related transit infrastructure. SMART's services are supported by dedicated sales tax collections by governments within the service area, a voter approved property tax mill levy, real estate transfer tax, grants, and contributions from the governments included in the intergovernmental agreement. SMART is governed by a Board of Directors comprised of seven directors and three alternates appointed from each of its local government members.

The accompanying statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The financial statements include all activities and functions that comprise SMART. Component units are legally separate entities for which the governmental entity is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the government's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the governmental entity. Using these criteria, SMART has no component units.

***Financial Statements******Measurement focus***

SMART's financial statements include both government-wide (reporting the Authority as a whole) and fund financial statements (reporting SMART's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental (normally supported by taxes and intergovernmental revenues) or business (relying to a significant extent on fees and charges for support) type activities.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when they become available and measurable. Available means collectible within the current period or soon enough thereafter to pay current liabilities. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. Intergovernmental revenues received as reimbursements for specific purposes or projects, are recognized based upon the expenditures recorded. Expenditures are recorded when the liability is incurred.

***Government-wide financial statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the activities of SMART.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes or other items not properly included among program revenues are reported instead as general revenues.

***Fund financial statements***

The financial statements are reported in individual funds in the fund financial statements. Each fund is a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows and outflows, fund balance, revenues, and expenditures. At December 31, 2024, SMART only has a general fund that accounts for all of the activities of the government.

***Capital assets***

Property and equipment are reported as governmental activities in the government-wide financial statements. Capitalized assets are defined by SMART as assets that have a useful life of one or more years, and for which the initial value equals or exceeds \$5,000. All purchased assets are valued at cost. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

**NOTE A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED*****Capital assets - Continued***

<u>Asset Class</u>	<u>Useful life</u>
Vehicles	5-12 years
Buildings	30 years

***Receivables***

Receivables are reported net of any allowance for doubtful accounts. No allowance for uncollectible accounts has been established, as SMART considers all accounts to be collectible at December 31, 2024. San Miguel Authority for Regional Transportation recognized \$304,780 in receivables for the current fiscal year of which \$98,853 is owed by San Miguel County, \$92,241 by Town of Telluride.

***Accrued liabilities for compensated absences***

SMART allows employees to accumulate earned but unused vacation and sick pay benefits. A liability for accrued unused vacation or sick leave is recorded in the government-wide statement of activities. In the governmental fund statements, vacation or sick leave is reported as an expenditure and liability to the fund when used.

***Deferred inflows of resources***

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenue from property taxes is reported in the government balance sheet and statement of net position as a deferred inflow of resources. Property taxes levied in one year and collected the next, are deferred and recognized as an inflow of resources in the period that the property taxes become available.

***Estimates***

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

***Net position***

Net position represents the difference between assets and liabilities. The net position category of net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets.

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Net position is reported as restricted when there are limitations imposed on their use, either through enabling legislation adopted by SMART or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

***Fund Balance***

Governmental fund balances are classified as follows:

- ***Non-spendable fund balance*** - The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid expense) or is legally or contractually required to be maintained intact.
- ***Restricted fund balance*** - The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.
- ***Committed fund balance*** - The portion of fund balance constrained for specific purposes according to limitations imposed by SMART's highest level of decision-making authority, the Board, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board.
- ***Assigned fund balance*** - The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board or other individuals authorized to assign funds to be used for a specific purpose.
- ***Unassigned fund balance*** - The residual portion of fund balance that does not meet any of the above criteria. SMART will only report a positive unassigned fund balance in the General Fund.

Unrestricted fund balance will be used in the following order: committed, assigned, and unassigned.

***Property Taxes***

Property taxes are certified by the Board and collected by San Miguel County. Property taxes are remitted to SMART by the 10th day of the month following collection. Property taxes receivable represent 2024 taxes that will be collected in 2025.

Property taxes attach as an enforceable lien on property as of January 1 of the year in which they are payable. Taxes are payable either in full on or before April 30 or one half on or before February 28 and the remaining half on or before June 15.

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE B - BUDGETARY INFORMATION**

SMART conforms to the following procedures in compliance with Colorado Revised Statutes in establishing the budgetary data reflected in the financial statements:

In the fall of each year, the SMART Board of Directors prepares a proposed operating budget for the fiscal year commencing the following January 1. The operating budget for the funds includes proposed expenses and the means of financing them.

A public hearing is held at a Board of Directors meeting to obtain taxpayer input. Prior to December 15, the budget is legally enacted through passage of a budget resolution. The Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements.

**NOTE C - CASH AND INVESTMENTS*****Deposits***

The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible public depositories with eligibility determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA, which allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. Deposits at December 31, 2024 consisted of the following:

Deposits	\$ 544,839
Money market funds	<u>4,666,431</u>
Cash and investments per statement of net position	\$ <u>5,211,300</u>

***Custodial credit risk***

This is the risk that, in the event of failure of SMART's depository financial institution, deposits will not be able to be recovered. At December 31, 2024, the bank balance of SMART's deposits was \$5,180,213. Of this balance, \$250,000 was insured by FDIC and the remaining \$4,930,213 was covered by PDPA.

***Investments***

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest:

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

**NOTE C - CASH AND INVESTMENTS - CONTINUED**

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

**NOTE D - NOTES RECEIVABLE**

The Authority has a long-term note receivable for \$40,000 dated February 1, 2018 with the executive director of SMART to assist in purchasing a home. The proceeds of the note were used to finance a portion of the down payment, closing costs and prepaid items directly related to the purchase. This is an interest free note which is not due and payable unless there is a default as described in the note, or the property is sold or transferred. If there is not a sale or transfer within 10 years of the note, the full amount of the principal and a share of the appreciation of the home will be due and payable to SMART. The share of appreciation is based on the amount of assistance as a percentage of the original sales price of the home.

**NOTE E - LONG-TERM LIABILITIES**

Changes in long-term liabilities for the year ended December 31, 2024, were as follows:

	December 31, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	December 31, <u>2024</u>
Compensated absences	\$ <u>19,640</u>	\$ <u>-0-</u>	\$ <u>( 1,499)</u>	\$ <u>18,141</u>

**NOTE F - INTERGOVERNMENTAL AGREEMENT**

SMART was formed by an intergovernmental agreement, dated November 9, 2016, after a ballot measure was approved by the voters in Town of Mountain Village, Town of Telluride, and San Miguel County. SMART was created pursuant to Colorado Revised Statutes, Title 43, Article 4, Part 6, known as the Colorado Rural Transportation Authority Law. The voters approved a .25% sales tax and an additional .75 mills on all taxable property located within the territory of SMART. The new taxes commenced on January 1, 2017. The intergovernmental agreement also allows for contributions from each of its members to support the operating and capital expenses of SMART.

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE G-RISK MANAGEMENT**

SMART is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

SMART is a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA"), CIRSA provides liability, worker's compensation, and property insurance. Insurance is provided through joint self-insurance, insurance and reinsurance, or any combination of thereof. CIRSA's rate setting policies are established by the Board of Directors in consultation with independent actuaries. SMART is subject to a supplemental assessment in the event of deficiencies and may receive credit on future contributions in the event of surplus.

**NOTE H-TAX, SPENDING AND DEBT LIMITATIONS**

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax, and debt limitations that apply to the State of Colorado and its local governments. In November 2016, the voters of San Miguel County, Town of Mountain Village, and Town of Telluride approved a ballot measure to allow SMART to retain all revenues in excess of TABOR revenue limits.

TABOR requires local governments to establish an emergency reserve to be used for declared emergencies. These reserves are required to be 3% of fiscal year spending. As required by TABOR, SMART has restricted \$192,270 of its fund balance.

TABOR is complex and subject to interpretation; however, SMART believes it is in compliance with the financial provisions of TABOR.

## San Miguel Authority for Regional Transportation

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

**NOTE I - CAPITAL ASSETS**

At December 31, 2024, capital asset transactions and balances include the following:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,255,302	\$ -	\$ -	\$ 2,255,302
Total	<u>2,255,302</u>	<u>-</u>	<u>-</u>	<u>2,255,302</u>
Capital assets being depreciated:				
Building	1,567,776	-	-	1,567,776
Vehicles	1,093,113	3,527,256	(202,105)	4,418,264
Total capital assets being depreciated	<u>2,660,889</u>	<u>3,527,256</u>	<u>(202,105)</u>	<u>5,986,040</u>
Less accumulated depreciation for:				
Building	(167,665)	(52,259)		(219,924)
Vehicles	(551,456)	(904,905)	156,507	(1,299,854)
Total accumulated depreciation	<u>(719,121)</u>	<u>(957,164)</u>	<u>156,507</u>	<u>(1,519,778)</u>
Capital assets net of depreciation	<u>1,941,768</u>	<u>2,570,092</u>	<u>(45,598)</u>	<u>4,466,262</u>
Governmental activity capital assets	<u>\$ 4,197,070</u>	<u>\$ 2,570,092</u>	<u>\$ (45,598)</u>	<u>\$ 6,721,564</u>

The building and land purchased on October 12, 2020, for a total of \$2,501,221, was purchased with the assistance of a grant from the Colorado Department of Transportation (CDOT) in the amount of \$1,800,000. In compliance with the grant agreement, the funds were used to purchase a building and land for a transit operations facility to support the goals of the Statewide Transit Plan. SMART will use the property for maintenance and storage of its fleet of buses and vans, and the property may also be used by partner agencies under the direction of SMART. SMART is required to list CDOT on the deed to the property as a tenant-in-common within 90 days of the purchase of the property and to maintain the property primarily as a transit operations facility for the next thirty years and to comply with all reporting requirements included in its agreement with CDOT during that time. If SMART fails to comply with the terms of the grant agreement, CDOT will require a return of its interest in the property.

## Supplementary Information

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL-GOVERNMENTAL FUND**

**Year Ended December 31, 2024**

	<b>Budgeted</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 909,291	\$ 909,291	\$ 975,214	\$ 65,923
Sales Tax	1,061,000	1,061,000	1,411,726	350,726
Fees for Service	75,000	75,000	761,212	686,212
Intergovernmental revenue	160,000	160,000	513,054	353,054
Interest Income	50,000	50,000	207,637	157,637
Rental Income	100,000	100,000	124,124	24,124
Grants	219,625	219,625	2,553,338	2,333,713
Total revenues	<u>2,574,916</u>	<u>2,574,916</u>	<u>6,546,305</u>	<u>3,971,389</u>
<b>EXPENDITURES</b>				
Personnel Expenses				
Salaries and wages	276,000	276,000	234,078	(41,922)
Retirement, benefits and tax	95,000	95,000	63,863	(31,137)
Operating Expenses				
Other	208,900	208,900	794,861	585,961
Professional Services				
PR/Marketing	57,000	57,000	84,815	27,815
Attorney	16,000	16,000	31,674	15,674
Accounting	25,000	25,000	17,516	(7,484)
Consulting	18,000	18,000	-	(18,000)
Mileage Reimbursement	3,500	3,500	1,425	(2,075)
Treasurer's Fees	23,000	23,000	28,111	5,111
Transit & Transportation Services				
Down Valley/Norwood/Rico	1,110,000	1,110,000	1,077,380	(32,620)
Mountain Villages Shuttles	-	-	37,162	37,162
Offseason	320,000	320,000	306,579	(13,421)
San Miguel County Shuttle	-	-	10,002	10,002
Medical Shuttles	15,000	15,000	15,000	-
Maintenance & Insurance	75,000	75,000	29,014	(45,986)
Parts Allowance	105,000	105,000	16,477	(88,523)
Vehicle Licenses and fees	-	-	5,572	5,572
Lawson Hill intercept parking lot				
Maintenance	5,100	5,100	26,568	21,468
Utilities	9,800	9,800	1,365	(8,435)
Services	17,600	17,600	15,743	(1,857)
Supplies	13,170	13,170	2,086	(11,084)
Other	12,500	12,500	600	(11,900)
Facility Maintenance				
Landscape	1,700	1,700	5,080	3,380
Utilities	-	-	31,341	31,341
Services	10,580	10,580	16,549	5,969
Capital Outlay	<u>2,155,317</u>	<u>2,155,317</u>	<u>3,556,165</u>	<u>1,400,848</u>
Total Expenditures	<u>4,573,167</u>	<u>4,573,167</u>	<u>6,409,026</u>	<u>1,835,859</u>
Change in Fund Balance	(1,998,251)	(1,998,251)	137,279	2,135,530
Fund balance, January 1	<u>4,711,056</u>	<u>4,711,056</u>	<u>5,520,487</u>	<u>809,431</u>
Fund balance, December 31	<u>\$ 2,712,805</u>	<u>\$ 2,712,805</u>	<u>\$ 5,657,766</u>	<u>\$ 2,944,961</u>

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION**  
**Schedule of Expenditures of Federal Awards**  
**For the Years Ended December 31, 2024**

<b>Federal Grantor/Pass Through Grantor/Program Title</b>	<b>FEDERAL ASSISTANCE LISTING NUMBER</b>	<b>PASS THROUGH NUMBER</b>	<b>AWARDS EXPENDED</b>
<b>US DEPARTMENT OF TRANSPORTATION</b>			
Passed Through Colorado Department of Transportation Program (FTA-5304 Section)			
5304 Metropolitan Transportation Planning and State and Nono-Metropolitan Planning and Research	20.505	24-HTR-ZL-00228	\$ 25,585
5311 Admin and Operating	20.509	24-HTR-ZL-00128	187,625
Formula Grants for Rural Areas Program			
5339 Bus and Bus Facilities Grants Program	20.526	24-HTR-ZL-00245	1,122,547
Formula Grants for Rural Areas Program			
5339 Bus and Bus Facilities Grants Program	20.526	24-HTR-ZL-00169	1,135,918
		<b>Total 20.526</b>	<u>2,258,465</u>
Total US Department of Transportaion of Federal Expenditures			<u>\$ 2,471,675</u>

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year ended December 31, 2024**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of San Miguel Authority for Regional Transportation and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance").

The Authority has elected to not use the 10% de minimus indirect cost rate, as allowed under the Uniform Guidance.

**NOTE B - REPORTING ENTITY**

The financial reporting entity consists of San Miguel Authority For Regional Transportation, (the Authority) as the primary government; organizations for which the Authority is financially accountable; and other organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the Authority's financial statements to be misleading or incomplete.

**NOTE C - PASS-THROUGH AWARDS**

The Authority receives certain federal awards from pass-through awards from the Colorado Department of Transportation. Only the federal amount of such pass-through awards is included in the Schedule of Expenditures of Federal Awards.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
San Miguel Authority for Regional Transportation

Telluride, Colorado 81435

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund of San Miguel Authority for Regional Transportation, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise San Miguel Authority for Regional Transportation's basic financial statements, and have issued our report thereon dated September 3, 2025.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered San Miguel Authority for Regional Transportation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of San Miguel Authority for Regional Transportation's internal control. Accordingly, we do not express an opinion on the effectiveness of San Miguel Authority for Regional Transportation's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors  
San Miguel Authority for Regional Transportation  
Telluride, Colorado 81435  
Page Two

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether San Miguel Authority for Regional Transportation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Blair and Associates, P.C.*

Cedaredge, Colorado  
September 3, 2025



**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
San Miguel Authority for Regional Transportation

Telluride, Colorado 81435

**Report on Compliance for Each Major Federal Program**

We have audited San Miguel Authority for Regional Transportation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of San Miguel Authority for Regional Transportation's major federal programs for the year ended December 31, 2024. San Miguel Authority for Regional Transportation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the San Miguel Authority for Regional Transportation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the San Miguel Authority for Regional Transportation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the San Miguel Authority for Regional Transportation's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the San Miguel Authority for Regional Transportation, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

To the Board of Directors  
 San Miguel Authority for Regional Transportation  
 Telluride, Colorado 81435

Page Two

### **Report on Internal Control over Compliance**

Management of the San Miguel Authority for Regional Transportation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the San Miguel Authority for Regional Transportation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the San Miguel Authority for Regional Transportation's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Blair and Associates, P.C.*

Cedaredge, Colorado  
 September 3, 2025

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION**  
**Schedule of Findings and Questioned Costs**  
**Year ended December 31, 2024**

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Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified	None Noted
Significant deficiency identified	None Noted
Noncompliance material to financial statements noted	None Noted

Federal Awards

Internal Control over major programs:	
Material weakness identified	None Noted
Significant deficiency identified	None Noted

Type of auditor's report issued on compliance for major programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200	None Noted
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Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.526	Formula Grants for Rural Areas Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
Auditee qualified as low risk auditee?	No

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED  
Year ended December 31, 2024**

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**SECTION II — FINDINGS RELATED TO FINANCIAL STATEMENTS**

There are no findings related to the financial statements as required by Government Auditing Standards.

**SECTION III — FINDINGS RELATED TO FEDERAL AWARDS**

None noted in the current year audit.

**SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Year ended December 31, 2024**

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SECTION II — FINDINGS RELATED TO FINANCIAL STATEMENTS

None

SECTION III — FINDINGS RELATED TO FEDERAL AWARDS

None

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION  
ACKNOWLEDGING THE RECEIPT OF THE FISCAL YEAR 2024 FINANCIAL AUDIT AND REPORT**

**RESOLUTION NO. 2025-17**

**RECITALS:**

**WHEREAS**, the SMART Board of Directors have retained Blair and Associates, P.C., to serve as independent auditors and to provide audited financial statements for the year ending December 31, 2024; and

**WHEREAS**, the SMART Executive Director has filed with the SMART Board of Directors copies of the completed audit report for the Fiscal Year, which ended December 31, 2024, at the Regular Meeting of the SMART Board of Directors held September 11th, 2025;

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION:**

- 1. THAT**, the SMART Board of Directors hereby acknowledges receipt of the audit report which includes the audited financial statements prepared by Blair and Associates, P.C., for the fiscal year which ended December 31, 2024.
- 2. THAT**, the Management Letter submitted by Blair and Associates, P.C., is hereby accepted along with a request that the Board review the recommendations contained therein and staff responses thereto and provide a recommendation to the Board on those items.
- 3. FURTHER, THAT**, the SMART Executive Director is hereby authorized and directed to take such administrative steps necessary to file a copy of the 2024 financial audit report with the Office of the State Auditor; to place a copy of the 2024 audit report on file for public inspection in its offices; and to publish the same on SMARTs website.

**ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AT A REGULAR PUBLIC MEETING THIS 11<sup>TH</sup> DAY OF SEPTEMBER, 2025.**

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Harvey Mogenson, Board Chair

ATTEST:

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David Averill, Executive Director

I, the Secretary of the Board of Directors (the "Board") of the San Miguel Authority for Regional Transportation (the "Authority"), do hereby certify that (a) the foregoing Resolution was adopted by the Board at a meeting held September 11th, 2025; (b) the meeting was open to the public; (c) the Authority provided at least 48 hours' written notice of such meeting to each Director and Alternate Director of the Authority and to the Governing Body of each Member of the Authority; (d) the Resolution was duly moved, seconded and adopted at such meeting by the affirmative vote of at least two-thirds of the Directors then in office who were eligible to vote thereon voting; and (e) the meeting was noticed, and all proceedings relating to the adoption of the Resolution were conducted in accordance with the San Miguel Authority for Regional Transportation Intergovernmental Agreement, dated as of July 11th, 2024, all applicable bylaws, rules, regulations

and resolutions of the Authority, the normal procedures of the Authority relating to such matters, all applicable constitutional provisions and statutes of the State of Colorado and all other applicable laws.

WITNESS my hand this 11th day of September 2025.

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Joe Dillsworth, Secretary to the Board

## AGENDA ITEM SUMMARY (AIS)

San Miguel Authority for Regional Transportation



MEETING DATE: September 11<sup>th</sup>, 2025

AGENDA ITEM: 5

ACTION REQUESTED: Adoption of Resolution 2025-19, amending SMARTs Public Comment Policy

SUBMITTED BY: D.Averill

**BACKGROUND INFORMATION/KEY POINTS:** The SMART Board adopted its current Public Comment Policy in August of 2018. At that time, virtual meetings were exceedingly rare so the Public Comment Policy was silent on how public comment would be incorporated into that type of Board or committee meeting. Since virtual and hybrid in-person meetings are now the norm in a post pandemic context, it is necessary to update the Public Comment Policy to reflect current practice and reality. To that end the proposed modifications and amendments to the Public Comment Policy are designed primarily to articulate procedures for virtual meetings and their participants.

There is also a proposed change to the time allotted for each individual offering public comment from 5 minutes to 3. This is better to align with practices at local jurisdictions as well as to use meeting time more efficiently.

**COMMITTEE DISCUSSION:** NA

**SUPPORTING INFORMATION:** NA

**FISCAL IMPACT:** No fiscal impact from this policy change is anticipated.

**ADVANTAGES:** A public comment policy is important for running meaningful public meetings as it helps reinforce and clarify the standards expected of Board members and constituents who may wish to address the Board. Such a policy also helps the Chair manage meetings more effectively as it explicitly defines the process for garnering public comment and feedback on items before the Board. Modifying the SMART Public Comment policy to include procedures for virtual public comment is essential in order to ensure that Board meetings can continue to be run in an efficient and effective manner.

**DISADVANTAGES:** None noted.

**ANALYSIS/RECOMMENDATION:** Staff recommends adoption of Resolution 2025-19 amending SMARTs Public Comment Policy.

**ATTACHMENTS:**

Attachment A: redlined version of the current Public Comment Policy showing proposed changes and amendments

Attachment B: Final revised Public Comment Policy incorporating all changes.

## PUBLIC COMMENT POLICY

The following shall be the policy of the San Miguel Authority for Regional Transportation (SMART) regarding the giving and receipt of public comment at all Board of Director meetings and other Public Meetings of SMART:

- I. Written Comment: For all Public Meetings, SMART encourages the submission of written public comments, including letters, memos, presentations, emails, photographs, power point presentations and all other similar written materials for each agenda item ("Written Comment").
  - a. In order to have Written Comment included in the record of any public meeting, such Written Comment must be submitted at least 48 hours prior to the start of the agendaized Public Meeting. Written Comment may be received after the 48 hour deadline but shall not be deemed as part of the record of such Public Meeting or public hearing.
  - b. Unless a speaker is an agendaized speaker with Written Comment that the agendaized speaker desires to display, Written Comment shall not be displayed through the SMART's network or displays for cyber and IT security concerns.
- II. Public Comment: For all Public Meetings ~~and each agenda items, other than executive sessions, breaks and staff reports,~~ it is the Policy of SMART to accept public comment ~~during the agendaized public comment period,~~ subject to the following:
  - a. In-person public comment: All those who wish to provide public comment ~~at in-person public meetings~~ must sign in on the sign in sheet at the entrance to the Public Meeting and shall indicate which item(s) they intend to give public comment on prior to the opening of public comment for such agenda item.
  - b. Virtual meeting public comment: The SMART Board of Directors will take public comment during all virtual Board meetings through the Zoom app using the raise hand function. When called upon, the Board Chair will acknowledge those who have indicated that they would like to speak and ask that the speaker be unmuted. Attendees of virtual meetings should not comment or use the raise hand function until the presiding officer opens the agenda item to public comment. No presentation of materials through Zoom screen sharing shall be allowed for non-agendaized speakers unless submitted 48 hours prior to the meeting date.
  - c. In all cases, speakers shall wait to be recognized by the Board Chair to speak and shall give public comment when recognized by the Board Chair.
  - d. In all cases, speakers shall state their full name for the record and affiliation with SMART if any.
  - e. In all cases, speakers shall be limited to ~~five~~ three minutes with no aggregating of time through the representation of additional people.

Failure to adhere to the ~~five~~ **three** minute time limit will result in the Board Chair requesting the speaker to stop speaking. If a speaker refuses to stop speaking the Board Chair shall call for a recess and Board Members shall leave the room **or virtual meeting** and return to the meeting in fifteen minutes. If a speaker refuses to stop after that point in time, SMART may proceed pursuant to C.R.S. 18-9-108 and remove such person from the Public Meeting.

- f. **In all cases,** speakers shall refrain from personal attacks and shall keep comments to that of a civil tone.
- g. The Board Chair or presiding officer shall read a short statement on the public comment policies before each meeting which shall also be written into each agenda and posted in several areas at the meeting location.
- h. The Board Chair or presiding officer shall also have discretion in opening up public comment for individual agenda items.**

## PUBLIC COMMENT POLICY

The following shall be the policy of the San Miguel Authority for Regional Transportation (SMART) regarding the giving and receipt of public comment at all Board of Director meetings and other Public Meetings of SMART:

- I. Written Comment: For all Public Meetings, SMART encourages the submission of written public comments, including letters, memos, presentations, emails, photographs, power point presentations and all other similar written materials for each agenda item ("Written Comment").
  - a. In order to have Written Comment included in the record of any public meeting, such Written Comment must be submitted at least 48 hours prior to the start of the agendaized Public Meeting. Written Comment may be received after the 48 hour deadline but shall not be deemed as part of the record of such Public Meeting or public hearing.
  - b. Unless a speaker is an agendaized speaker with Written Comment that the agendaized speaker desires to display, Written Comment shall not be displayed through the SMART's network or displays for cyber and IT security concerns.
- II. Public Comment: For all Public Meetings it is the Policy of SMART to accept public comment during the agendaized public comment period, subject to the following:
  - a. In-person public comment: All those who wish to provide public comment at in-person public meetings must sign in on the sign in sheet at the entrance to the Public Meeting and shall indicate which item(s) they intend to give public comment on prior to the opening of public comment for such agenda item.
  - b. Virtual meeting public comment: The SMART Board of Directors will take public comment during all virtual Board meetings through the Zoom app using the raise hand function. When called upon, the Board Chair will acknowledge those who have indicated that they would like to speak and ask that the speaker be unmuted. Attendees of virtual meetings should not comment or use the raise hand function until the presiding officer opens the agenda item to public comment. No presentation of materials through Zoom screen sharing shall be allowed for non-agendaized speakers unless submitted 48 hours prior to the meeting date.
  - c. In all cases, speakers shall wait to be recognized by the Board Chair to speak and shall give public comment when recognized by the Board Chair.
  - d. In all cases, speakers shall state their full name for the record and affiliation with SMART if any.
  - e. In all cases, speakers shall be limited to three minutes with no aggregating of time through the representation of additional people. Failure to adhere to the ~~five~~ three minute time limit will result in the

Board Chair requesting the speaker to stop speaking. If a speaker refuses to stop speaking the Board Chair shall call for a recess and Board Members shall leave the room or virtual meeting and return to the meeting in fifteen minutes. If a speaker refuses to stop after that point in time, SMART may proceed pursuant to C.R.S. 18-9-108 and remove such person from the Public Meeting.

- f. In all cases, speakers shall refrain from personal attacks and shall keep comments to that of a civil tone.
- g. The Board Chair or presiding officer shall read a short statement on the public comment policies before each meeting which shall also be written into each agenda and posted in several areas at the meeting location.
- h. The Board Chair or presiding officer shall also have discretion in opening up public comment for individual agenda items.

**RESOLUTION OF THE SAN MIGUEL AUTHORITY FOR REGIONAL  
TRANSPORTATION, MODIFYING EXISTING PUBLIC COMMENT POLICY**

**RESOLUTION NO. 2025 - 18**

**RECITALS:**

**WHEREAS**, the San Miguel Authority for Regional Transportation (SMART) hereby recognizes the need for accepting and hearing public comment in order to fully understand issues and hear from its constituents.

**WHEREAS**, the Board of Directors of SMART also recognizes the important governmental interest in running good, efficient meetings and enabling its constituents to each be fairly heard regardless of the content of their public comment so long as it is made in a civil manner.

**WHEREAS**, the Board of Directors of SMART adopted a Public Comment Policy on August 9<sup>th</sup>, 2018.

**WHEREAS**, it is necessary to update policies and procedures from time to time;

**WHEREAS**, the SMART Board acknowledges the important governmental interest in running good, efficient meetings and enabling its constituents to each be fairly heard in all meeting types, including virtual public meetings. Therefore, the SMART Board of Directors recognizes the need to modify its public comment policy as set forth below.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE  
SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION:**

1. **THAT**, the SMART Board of Directors hereby amends its Public Comment Policy to incorporate procedures for virtual public comment, and repeals and replaces any previous resolutions or documents addressing public comment adopted by SMART.

**ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS OF THE SAN  
MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AT A REGULAR  
PUBLIC MEETING THIS 11<sup>TH</sup> DAY OF SEPTEMBER, 2025.**

\_\_\_\_\_  
Harvey Mogensen, SMART Board Chair

**ATTEST:**

\_\_\_\_\_  
David Averill, SMART Executive Director

# AGENDA ITEM SUMMARY (AIS)

San Miguel Authority for Regional Transportation



MEETING DATE: September 11<sup>th</sup> 2025

AGENDA ITEM: 6

ACTION REQUESTED: None at this time

SUBMITTED BY: D.Averill

**BACKGROUND INFORMATION/KEY POINTS:** This is a discussion item intended for the Board to see the FY26 Draft budget scenario developed by staff in response to guidance given at the August 14th Board meeting. Staff hopes to glean further guidance from this discussion as we work to refine the budget and capital spending plan for final adoption in October or November.

At its August meeting the Board discussed 2026 revenue assumptions and other items in the context of developing a draft budget scenario. As a result of that discussion staff took direction from the Board and developed the attached DRAFT FY26 budget scenario for the Board to consider and comment on.

Items of note for the draft FY26 budget includes:

- An assumed -3% decrease in total sales tax revenue over FY25;
- An assumption that property tax revenue will hit the growth “cap” of a 5.25% increase over FY25, based on preliminary information available from the County Clerks;
- An assumption that Lodging Tax revenue will decrease by -2% in FY26
- An assumption that RETA revenue will be \$150,000 in FY26, \$50,000 less than FY25
- An increase of grant funding for operations assistance through the SB230 Clean Transit Enterprise of approximately \$290,000
- A decrease in rental income revenue as SMART transitions into using these properties/spaces for administrative and maintenance activities.
- Updated cost estimates for operations by route that are reflective of current Contract rates;
- a modest budget for small service expansion projects
- anticipated additional costs for fuel and maintenance assuming some level of service expansion takes place in FY26.
- anticipated increases in costs associated with staffing and 3<sup>rd</sup> party contracted services (janitorial, facility maintenance, legal and other professional services, etc.).

Staff is also preparing a preliminary capital plan based on current reserves, identified projects, and a proposed bus replacement schedule through 2029. The FY26-30 capital plan scenarios will be provided at a subsequent meeting.

COMMITTEE DISCUSSION: NA

SUPPORTING INFORMATION: NA

FISCAL IMPACT: The 2026 DRAFT Budget scenario, while expanding service and accounting for increased costs, both have SMART finishing FY2026 “in the black” and does not negatively impact SMARTs cash flow or deplete our reserve balances.

ADVANTAGES: NA

DISADVANTAGES: NA

ANALYSIS/RECOMMENDATION: None at this time.

ATTACHMENTS: Attachment A: 2026 Draft Budget Scenario

SMART DRAFT FY26 Budget

September 11th, 2025

	2025 Amended Budget	2026 DRAFT Budget
Beginning Operating Fund Balance Estimate, January 1st 2025	\$650,000	\$650,000
Transfers		
Transfer to Operating and Capital Reserve	\$0	\$0
Total Transfers	\$0	\$0
Remaining Operating Fund Balance after Transfers	\$650,000	\$650,000
PROJECTED REVENUES		
SMART Ballot Tax Revenue		
Lodging Tax	\$1,983,407	\$1,943,739
Sales Tax	\$5,971,350	\$5,792,210
Property Tax	\$2,554,875	\$2,689,006
Subtotal Taxes	\$10,509,632	\$10,424,954
Intergovernmental Revenue		
San Miguel County Transit Fund pass-through (RETA)	\$200,000	\$175,000
Subtotal Intergovernmental	\$200,000	\$175,000
Fees for Services		
Fares - Norwood/Nucla/Naturita/Montrose/Rico	\$45,000	\$40,000
Fares - Van pools	\$20,000	\$20,000
Subtotal Fees for Services	\$65,000	\$60,000
Grant Revenue		
CDOT Operating (5311)	\$193,254	\$199,051
CDOT Operating (SB230)	\$0	\$290,000
Subtotal Grant Revenue	\$193,254	\$489,051
Facility Revenue		
137 and 135 Society Dr.	\$100,000	\$60,000
Subtotal Facility Revenue	\$100,000	\$60,000
Interest Income		
Alpine Reserve Account	\$100,000	\$50,000
Total All Revenues	\$11,167,886	\$11,259,005
PROJECTED EXPENSES		
General Expenses		
Personnel Expenditures		
Salaries	\$308,000	\$323,400
Benefits	\$79,000	\$84,000
Payroll taxes	\$23,000	\$24,000
Subtotal Personnel Expenditures	\$410,000	\$431,400
Professional Services + Operations		
Mileage reimbursement	\$3,500	\$3,500
Office Expenses	\$14,000	\$15,000
PR/Marketing	\$85,000	\$75,000
Website support	\$10,000	\$11,000
Attorney fees	\$18,000	\$20,000
Bookkeeping/Audit services	\$25,000	\$27,500
CIRSA PC/WC coverage	\$25,000	\$27,500
Treasurers Fees	\$23,000	\$25,000
Subtotal Professional Services + Operations	\$203,500	\$204,500
Association Dues, Conferences and Training		
Colorado Association of Transit Agencies (CASTA) Dues	\$5,000	\$6,000
South West Transit Association (SWTA) Dues	\$300	\$300
Training Registration and Lodging	\$2,200	\$2,500
Travel expenses	\$4,400	\$4,500
Conference Registration and Lodging	\$4,800	\$5,000
Subtotal Association Dues, Conferences and Training	\$16,700	\$18,300
Total General Expenses	\$630,200	\$654,200
Transit Services, Facilities, and Special Project Expenses		
Transit Service Expenses		
Fixed Route Transit Services	\$1,088,512	\$1,250,000
Fixed Route Fuel costs	\$150,000	\$155,000
Commuter Vanpool Program (fuel, insurance, maintenance)	\$75,000	\$75,000
Offseason service, includes Lawson and Meadows local services	\$327,680	\$330,000
Medical Shuttles - Allpoints	\$15,000	\$15,000
Service Expansion/Pilot Pool	\$575,000	\$500,000
Parts allowance/Unscheduled maintenance	\$115,000	\$120,000
Real Time bus app implementation and annual expenses	\$49,000	\$50,000
Subtotal Transit Service Expenses	\$2,395,192	\$2,495,000
Lawson Hill Intercept Lot Expenses		
Winter Plowing	\$14,000	\$20,000
Security/Parking Enforcement	\$9,270	\$8,500
Janitorial Services for restrooms	\$15,000	\$16,000
(Lawson Lot Management Expenses continued next page ...)		

(Lawson Lot Management Expenses continued ...)		
Janitorial Supplies	\$2,900	\$3,000
Recycling and Waste removal	\$1,400	\$1,400
Landscape Maintenance	\$3,200	\$3,500
Utilities (Gas/Electric/Water)	\$3,200	\$3,500
<b>Subtotal Lawson Lot Management Expenses</b>	<b>\$48,970</b>	<b>\$55,900</b>
<b>Facility Maintenance Expenses</b>		
Lawson Owners HOA dues	\$2,100	\$2,200
Property management services	\$9,000	\$10,000
Winter Plowing	\$1,700	\$2,000
Janitorial	\$3,600	\$3,700
Landscape Maintenance	\$2,300	\$2,500
Utilities	\$7,000	\$7,500
<b>Subtotal Facility Maintenance Expenses</b>	<b>\$25,700</b>	<b>\$27,900</b>
<b>Special Projects</b>		
Gondola Project Development funding	\$480,000	\$1,253,000
East End mobility visioning project	\$75,000	\$75,000
SMART capital facilities planning and design	\$75,000	\$75,000
<b>Subtotal Special Projects</b>	<b>\$630,000</b>	<b>\$1,403,000</b>
<b>Total Transit Services, Facilities and Special Projects expenses</b>	<b>\$3,099,862</b>	<b>\$3,981,800</b>
<b>Total All Expenses</b>	<b>\$3,730,062</b>	<b>\$4,636,000</b>
<b>Projected Yearly Net Income</b>	<b>\$7,437,824</b>	<b>\$6,623,005</b>
<b>Transfer to Gondola Reserve</b>		<b>\$5,863,040</b>
<b>Projected Operating Fund Balance, 12/31/26</b>		<b>\$759,965</b>
<b>End of year transfer to Bus Ops Reserve</b>		<b>\$109,965</b>
<b>Initial Operating Fund Balance 1/1/27</b>		<b>\$650,000</b>



## **Update on Facilities Projects**

SMART's capital project list includes improvements to the Society Drive facility and the phased construction of a new facility on the Ilium property to advance the goal of bringing vehicle maintenance in-house. Locating maintenance closer to Telluride will reduce wear and tear on the buses. While the Society Drive facility cannot accommodate the largest buses in the fleet, it will remain suitable for cutaways and vanpool vans, and will begin with driveway improvements. Development at the Ilium site will begin with a storage and parking area, with future phases expanding to full maintenance capacity.

### **Society Drive Project:**

In February, we asked Steve Paylick to begin engineering work on the driveway upgrades that will be necessary to accommodate bus traffic. The following is a summary of the work order:

#### **Purpose & Intent**

- The work order commissions engineering services for planning, design, bidding, and construction management of driveway and structure improvements at SMART's facility at 137 Society Drive, Telluride.
- Improvements are necessary to support maintenance and storage of cutaway buses and vans.
- All work must comply with FTA, CDOT, and Lawson Hill Subdivision regulations.

#### **Project Goals & Background**

- Develop construction strategy, plans, and budget for 135/137 Society Drive.
- Facility will eventually serve as SMART's operations, maintenance, and administrative hub.
- Current driveway is inadequate for bus/van traffic.
- SMART anticipates fleet growth (currently 7 cutaways and 12 vans; planning for more).

#### **Scope of Work**

##### **Planning & Design**

**Initial Assessment:** Evaluate fleet needs, site surveys, geotechnical investigation, hazardous material review.

**Design Process:** Project management, kickoff meeting, stakeholder engagement, and public outreach.

**NEPA compliance** for state/federal grant funding.

**Design Deliverables** (30% CDOT FIR level): traffic studies, signage/pavement marking, traffic signal plan, drainage/hydrology, erosion/sediment control, utility relocation, lighting/landscaping, cost estimates.

**Security Analysis:** Comprehensive security plan, risk assessment, physical/electronic upgrades (gates, alarms, cameras).

##### **Tasks:**

- Regrade/repave access road and parking lot.
- Add drainage system, guardrails, snow-melt system, and possible bus turntable.
- Explore electric bus charging infrastructure.
- Assess and upgrade retaining walls, roofs, HVAC, windows, solar potential, and employee housing options.

##### **Final Construction & Bid Documents**

Prepare bid-ready drawings and specifications per CDOT/FTA standards.

Develop traffic control plans and SWPPP (Storm Water Pollution Prevention Plan).

Finalize landscaping, drainage, utilities, signage, lighting.

Assist SMART with competitive bidding and contractor selection.

## Update on Facilities Project Continued

### Final Construction & Bid Documents

- Prepare bid-ready drawings and specifications per CDOT/FTA standards.
- Develop traffic control plans and SWPPP (Storm Water Pollution Prevention Plan).
- Finalize landscaping, drainage, utilities, signage, lighting.
- Assist SMART with competitive bidding and contractor selection.

### Construction Management

- Oversee contractor, manage RFIs/change orders, conduct inspections, approve pay applications, maintain compliance with funding requirements, and deliver as-builts.

### Schedule Milestones:

- December 2024: Topographic Survey – Complete
- April 2025: Geotechnical Study for Pavement Thickness & Design – Complete
- August 2025: Preliminary Plan & Preliminary Cost Estimate – Complete
- November, December 2025 (depending on LHPOC schedule: Submit Preliminary Plan to Lawson Hill Property Owners Company for review and approval.
- January 2026 – May 2026: Finalize Design Documents.
- June 2026 – September 2026: Generate bid documents and final cost estimate.
- July 2026: Tenants to vacate.
- October 2026: Solicit bids.
- January 2027: Award bid.
- April 2027 – July 2027 (depending on weather and contractor availability): Construction.

During this time, SMART staff and consultants will be working on the shop layout and ordering equipment. We are also planning on installing a freight elevator in the building. Moving equipment into the building will take place when the driveway construction is done.

The preliminary design and cost estimate are included in this report. The topographical survey and geotechnical study are available upon request.

### Society Drive Project:

We are in the process of engaging AECOM for the purpose providing a Master Plan for the Ilium Property project. Phased development would allow for immediate use for storage while full construction is years away. The following is a summary of that Scope of Work:

#### Purpose and Intent:

- SMART (San Miguel Authority for Regional Transportation) intends to develop a phased master plan for a new transit maintenance and storage facility on Vance Drive in the Ilium Valley.
- The facility will provide dedicated space for maintaining, fueling, and storing buses, vans, and gondola parts.
- All work must comply with FTA and CDOT regulations.

#### Project Goals

- Create a site plan, construction phasing strategy, design documents, and budget for the facility.
- Prepare early-phase improvements for vehicle and gondola parts storage by 2027.
- Full facility construction is anticipated by 2030, with an estimated total cost of \$15–20 million.
- Plan must account for future conversion to electric or hydrogen vehicles.

#### Background

- SMART currently contracts third-party operators for maintenance.
- SMART's growth and new gondola maintenance responsibilities in 2027 require dedicated facilities.
- Current storage locations (Lawson Hill Park & Ride and Norwood Shop) are inadequate.

## Update on Facilities Project Continued

### Site Details

- Location: 1-acre parcel on Vance Drive, 6.5 miles west of Telluride.
- Zoning: Industrial, compatible with fueling, washing, and vehicle storage.
- No major environmental concerns identified so far.
- Plan must include grading and drainage to allow short-term parking and storage use.

### Technical Disciplines Required

- Project management, architectural and structural design, civil and mechanical engineering, solar system design, plumbing, fire suppression, traffic and security analysis, surveying, landscaping, and geotechnical/environmental studies.
- Sustainable design (solar panels, efficient systems, green materials) is expected across all disciplines.

### Scope of Services & Key Tasks

- **Review Existing Conditions** – topo/utility survey, site visit, Phase I geotechnical investigation.  
**Deliverables:** Surveys, utility location, geotechnical report.
- **Facility Programming** – staff/user interviews, space programming, employee housing evaluation, sustainable building analysis.  
**Deliverables:** Program manual, sustainability report, facility needs assessment.
- **Conceptual Layouts** – site/building alternatives, design charrette with SMART staff, conceptual design report.  
**Deliverables:** Flow diagrams, alternative layouts, conceptual design report.
- **Environmental Documentation** – NEPA compliance, environmental impact analysis, public involvement.  
**Deliverables:** Documentation for categorical exclusion, EA, or EIS.
- **Schematic Design** – refined design, utility connections, schematic plans, cost estimates, milestone schedule.  
**Deliverables:** Schematic design package, cost estimates, geotechnical report.
- **Grading, Drainage, and Paving Plan** – immediate site prep for storage by 2027, stormwater management, paving options (asphalt/chipseal), cost estimates.  
**Deliverables:** Drainage report, grading/paving plan, cost and timeline.

### • Ridership 2025 January through August

The following graphs illustrate ridership from January 2025 through August 2025.

#### Down Valley

**Ridership patterns:** Strong weekday commuter peaks (AM/PM) with totals dropping in the offseason (April – May).

**Trend:** Ridership dropping from January through Offseason and then coming back up in the summer.

**Insight:** Down Valley is showing consistent demand with summer stabilizing ridership, suggesting both commuter reliance and seasonal tourist use. The Bivi contributes significantly to Down Valley Ridership.

#### Lawson Hill

**Ridership patterns:** Lawson Hill has the highest among all routes, consistently above 2,500 monthly riders during times when the regular route is not being replaced with the Offseason route.

**Trend:** Like other services, there is more ridership in the winter. Student ridership also contributes to higher ridership during the months that school is in session.

**Insight:** Lawson Hill serves as a backbone commuter line. Its ridership patterns align with workforce commuting, with midday service reflecting student usage.

#### Lawson Hill/Mountain Village

**Ridership:** Smaller volumes (200–400 per month).

**Trend:** Winter sees much higher ridership on this route. This is due to parking charges in the Mountain Village.

**Insight:** This corridor is secondary compared to Lawson Hill proper, but still demonstrates steady demand.

## • Ridership 2025 through August Continued

### Nucla/Naturita

**Ridership:** Ranging 900–1,200 monthly, ridership on this route tends to be more stable than ridership on other routes.

**Trend:** Higher ridership in the winter, with a smaller dip during offseason.

**Insight:** The pattern suggests sustained commuter ridership.

### Rico

**Ridership:** Smaller volumes (200–600 riders monthly).

**Trend:** Rico ridership drops significantly during offseason and the summer. Students are the largest user group on this route.

**Insight:** Route has modest but consistent demand; commuter-oriented and student with some seasonal spikes.

### Montrose

**Ridership:** So far, the Montrose ridership has been variable.

**Trend:** Montrose ridership shot up in July and came back down in August.

**Insight:** This route is growing. The bump in July and the nature of the phone calls I get about this service suggests that there are quite a few tourists that use it.

### Norwood

**Ridership:** Consistently high, ranging 700–1,450 monthly riders depending on the time.

**Trend:** This service typically gets the most riders in the winter, drops during April and May and picks back up in the summer.

**Insight:** Norwood AM ridership is the highest of the trips. This the bus that the students use to get to Telluride MSHS. They often take the Nucla/Naturita bus home.

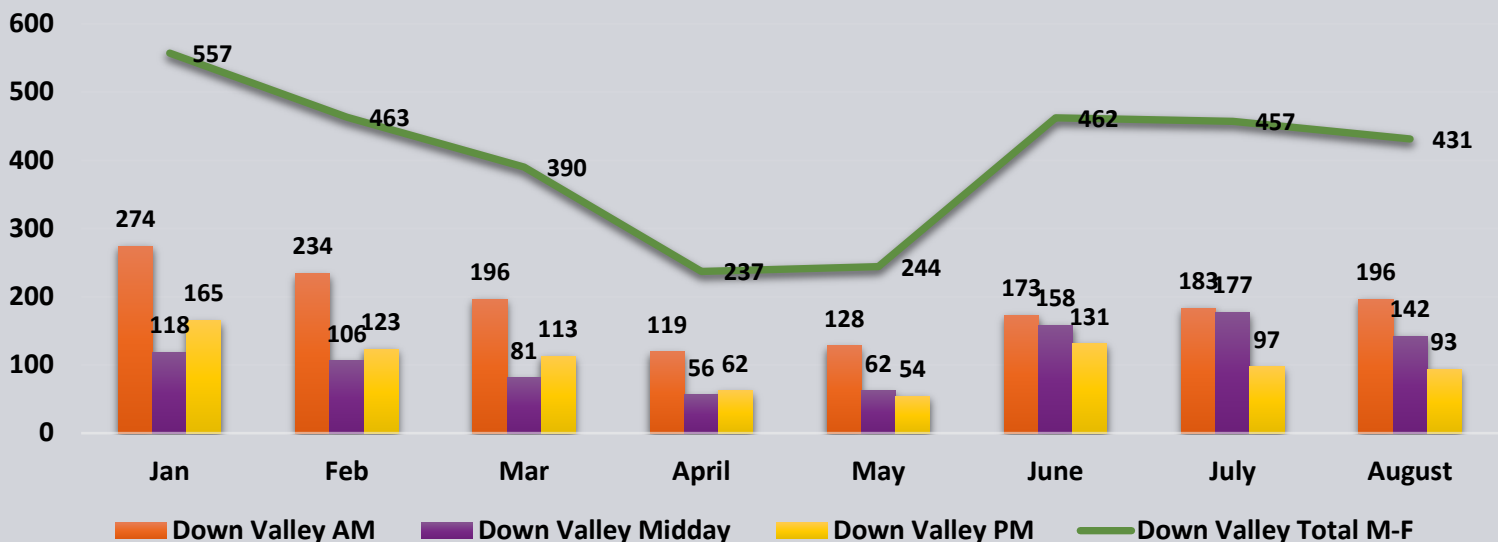
### Offseason Local & Express

**Ridership:** (April total ~4,000; May total ~4,500). This route includes Lawson Hill and Lawson/Hill Mountain Village riders during offseason.

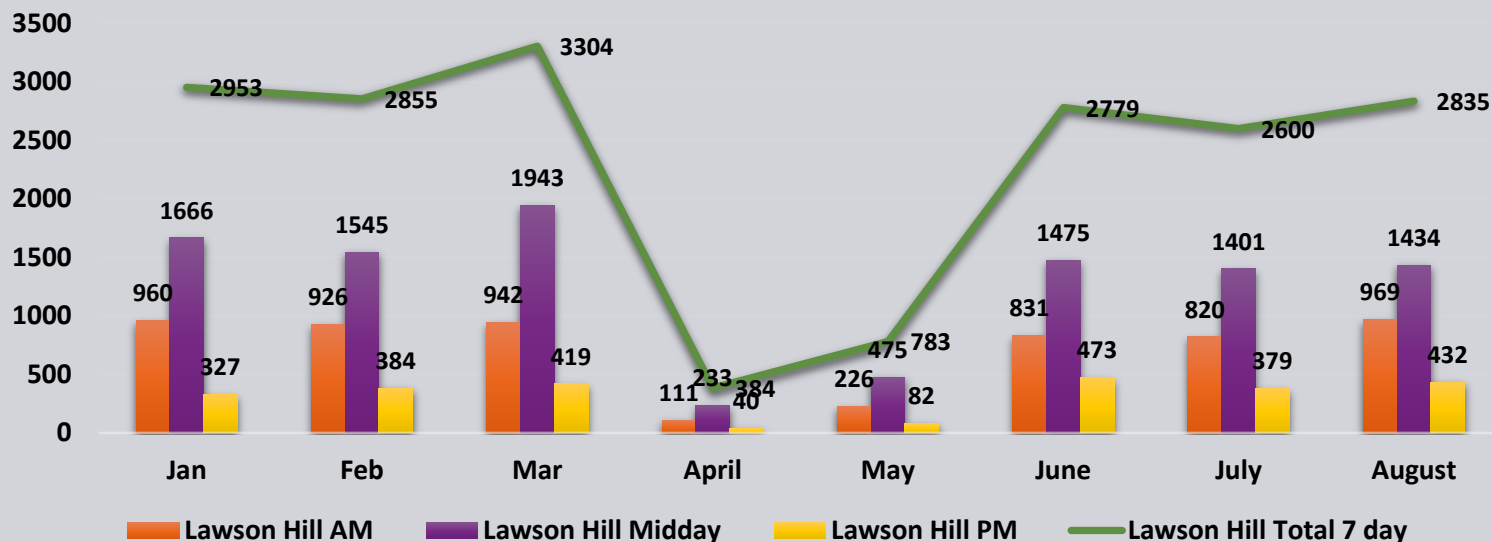
**Trend:** The spring offseason is typically a little longer than the fall offseason, but there is less activity.

**Insight:** While the hours of service on the Lawson Hill Route are unequally distributed, the three shifts on the Offseason route have the same number of hours. The fact that the midday shift has the most riders, suggests that we may be missing people that go to work later on other routes.

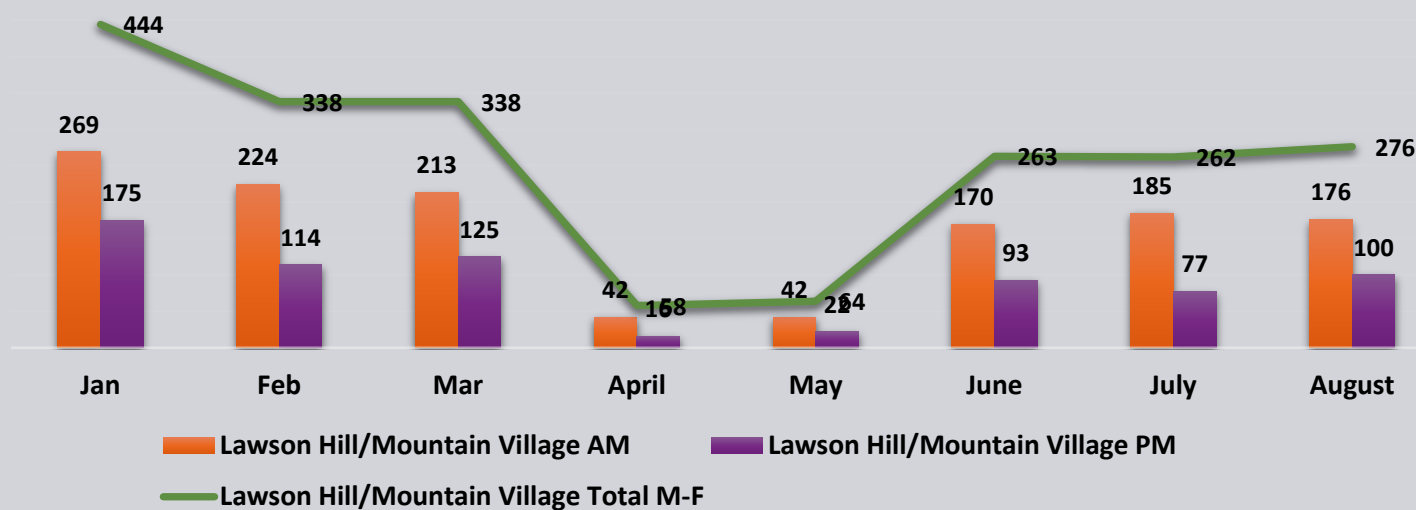
**Down Valley Ridership Jan 2025 – August 2025**



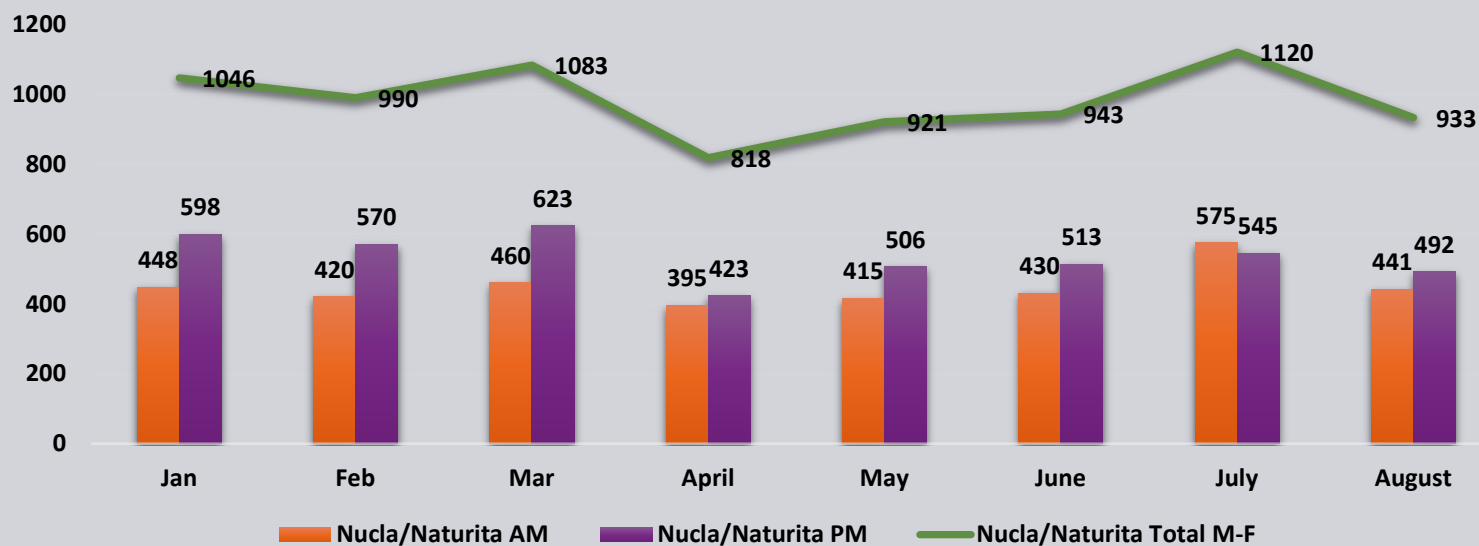
Lawson Hill Ridership Jan 2025 – August 2025



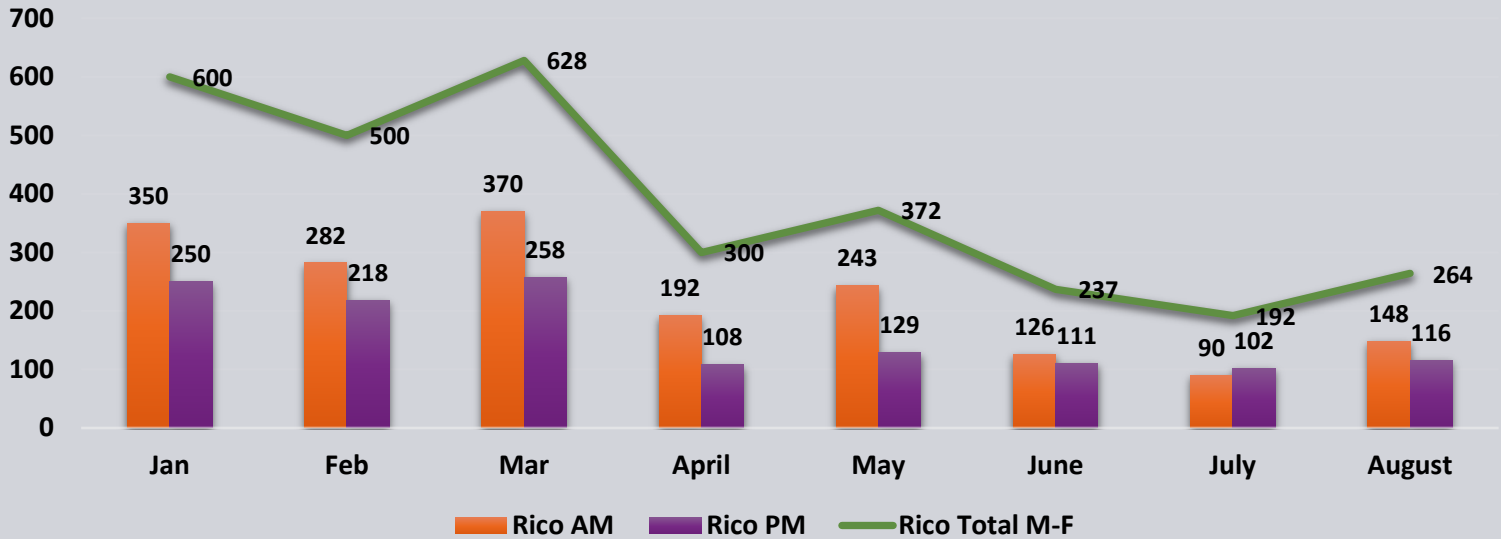
Lawson Hill/Mountain Village Ridership Jan 2025 – August 2025



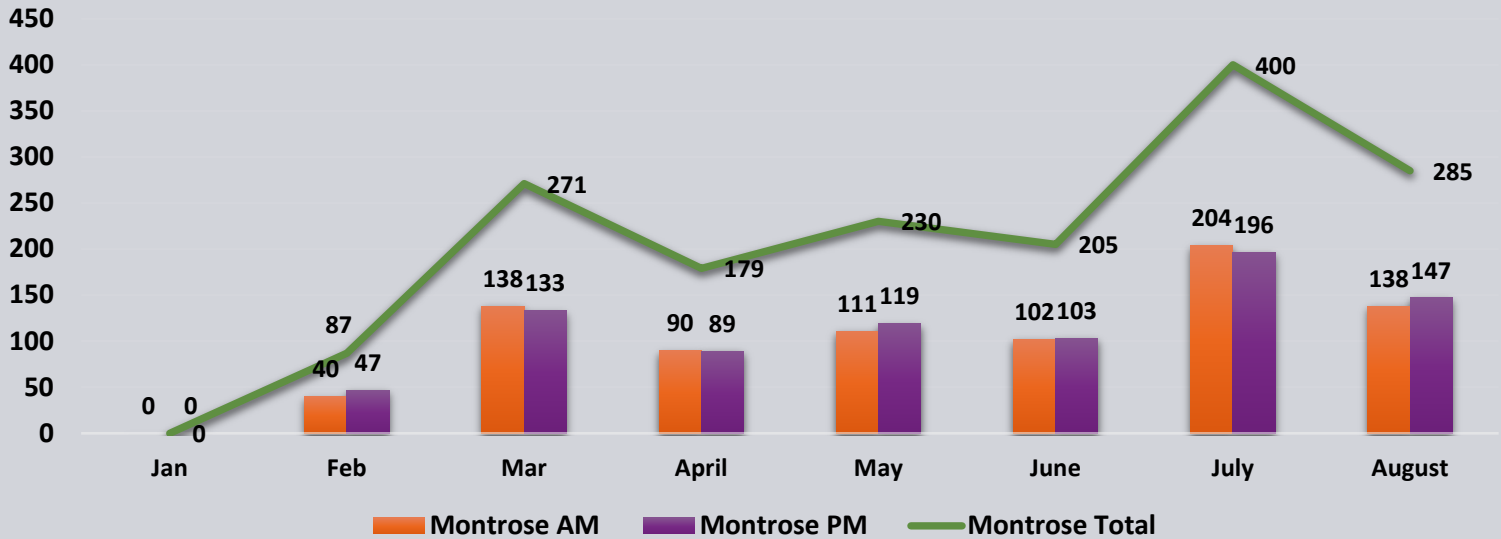
Nucla/Naturita Ridership Jan 2025 – August 2025



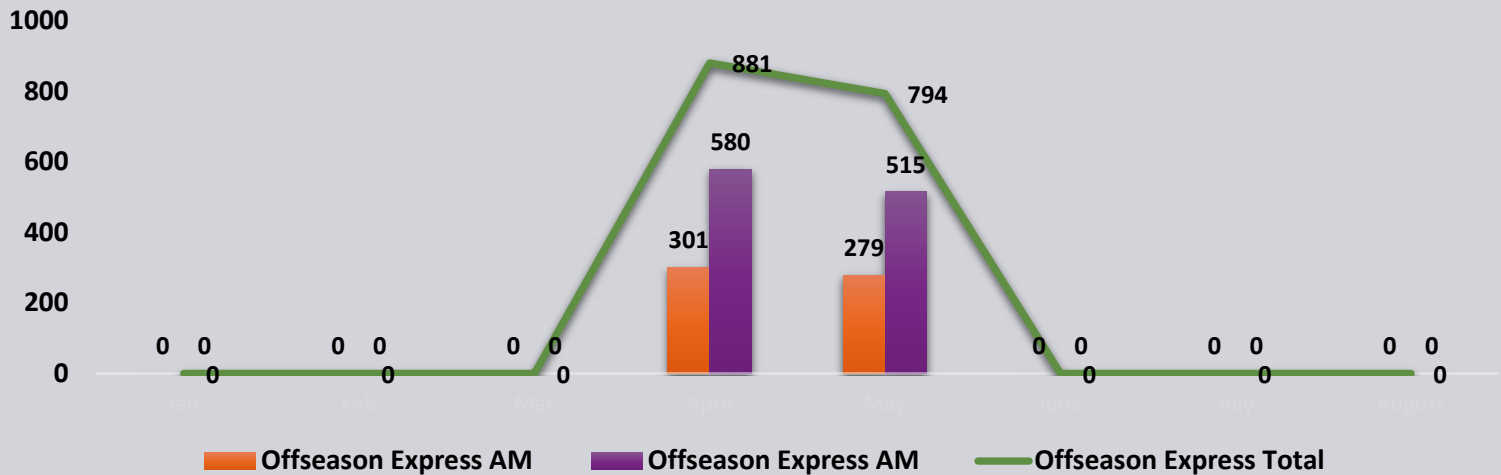
Rico Ridership Jan 2025 – August 2025



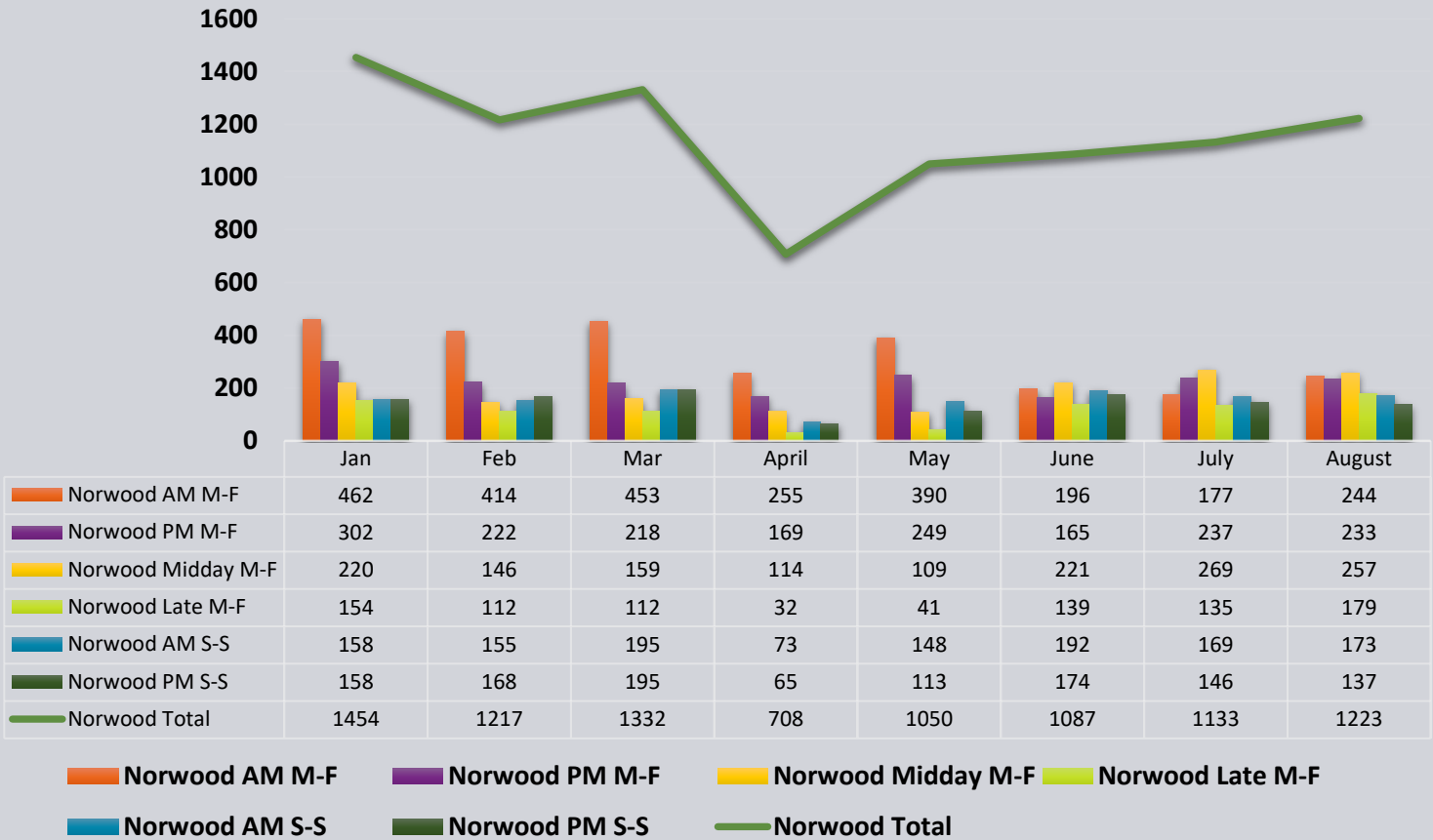
Montrose Ridership Jan 2025 – August 2025



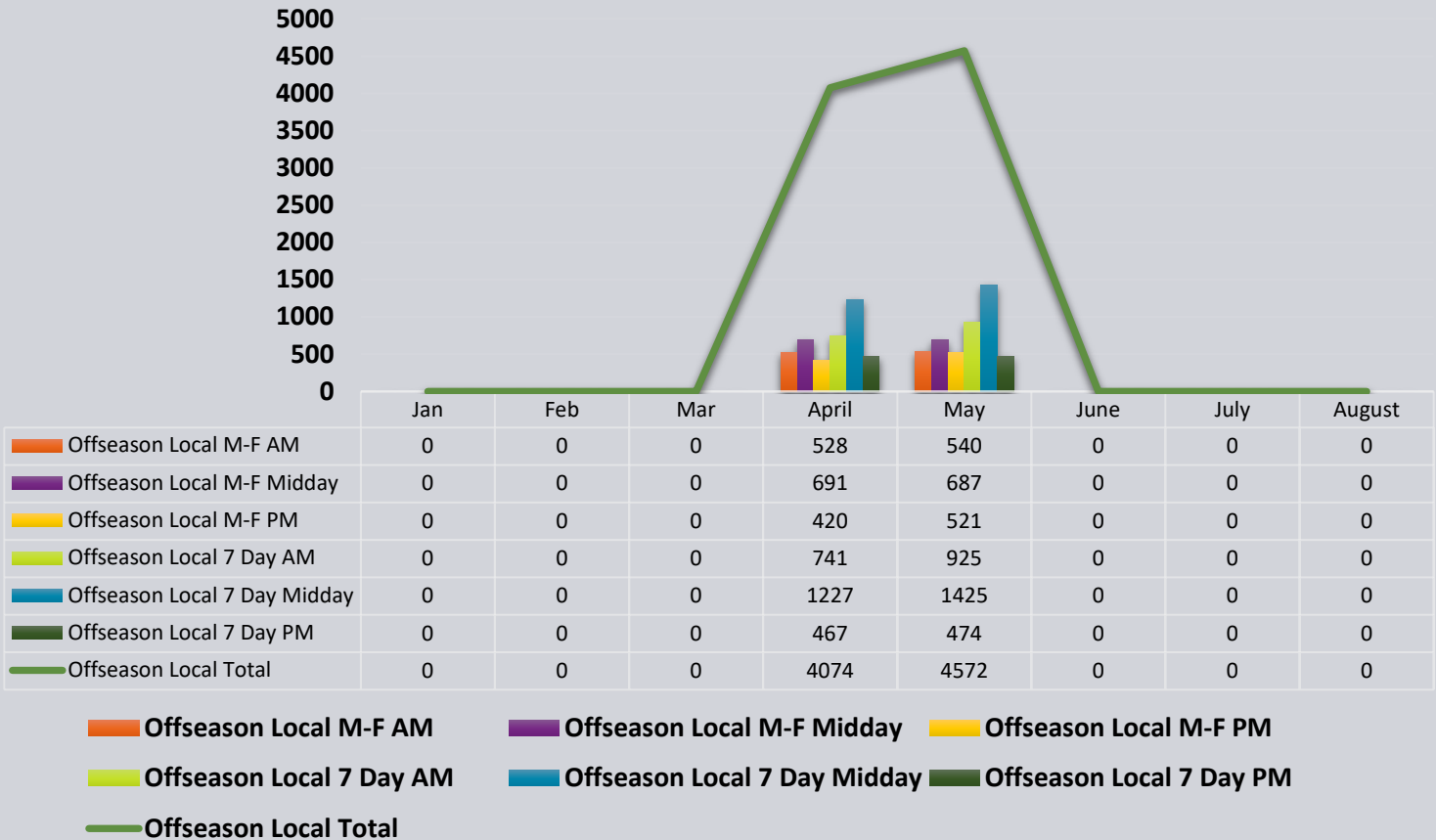
Offseason Express Ridership Jan 2025 – August 2025



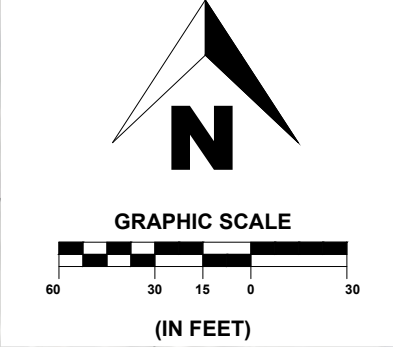
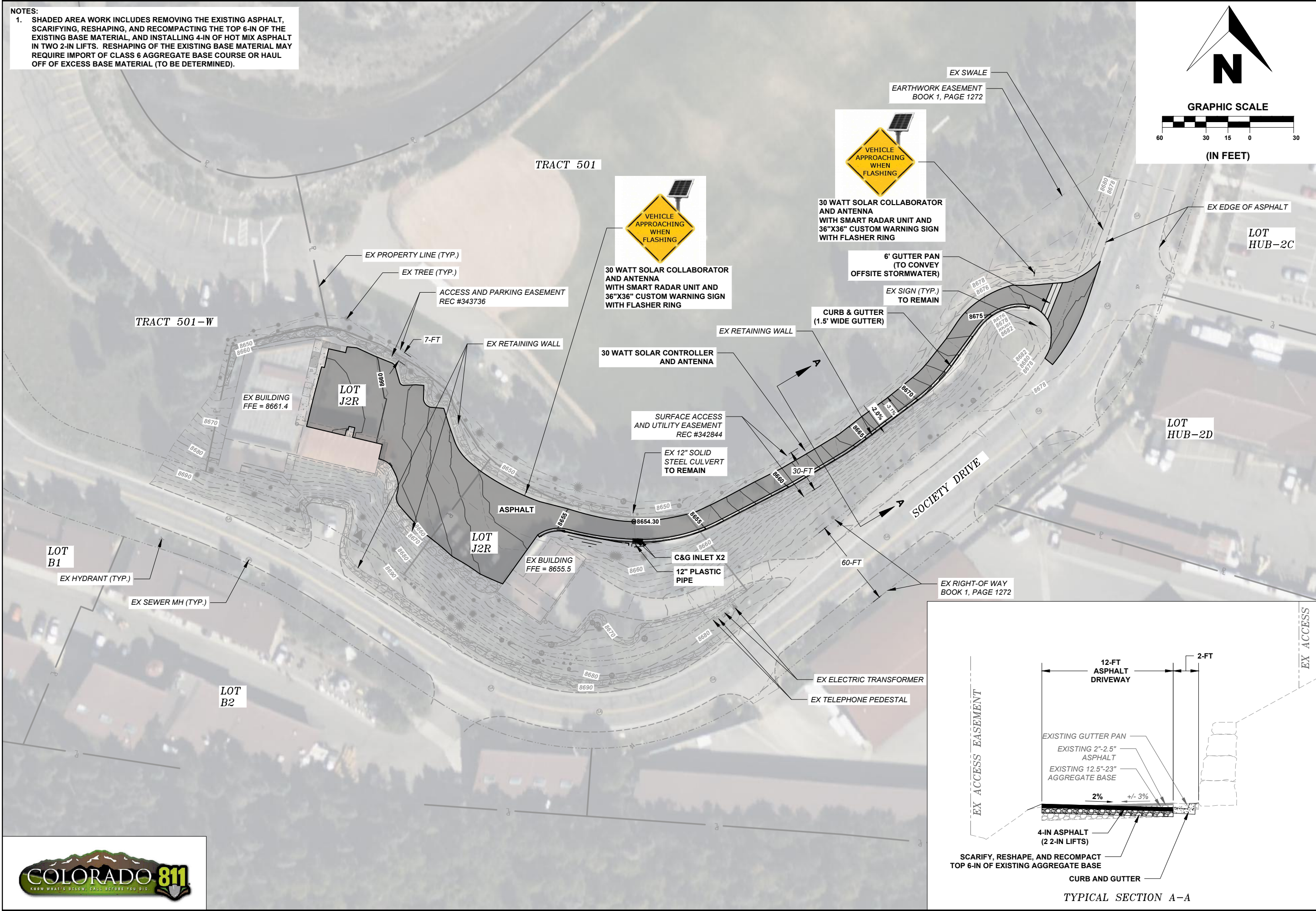
### Norwood Ridership Jan 2025 – August 2025



### Offseason Ridership Jan 2025 – August 2025



NOTES:  
1. SHADED AREA WORK INCLUDES REMOVING THE EXISTING ASPHALT, SCARIFYING, RESHAPING, AND RECOMPACTING THE TOP 6-IN OF THE EXISTING BASE MATERIAL, AND INSTALLING 4-IN OF HOT MIX ASPHALT IN TWO 2-IN LIFTS. RESHAPING OF THE EXISTING BASE MATERIAL MAY REQUIRE IMPORT OF CLASS 6 AGGREGATE BASE COURSE OR HAUL OFF OF EXCESS BASE MATERIAL (TO BE DETERMINED).



SHEET  
1 OF 1

PST ENGINEERING, LLC  
2615 MAIN AVE. SUITE 209  
DURANGO, CO 81301  
970-403-5492

ENGINEERING

SMART LAWSON HILL FACILITY  
PARKING REHABILITATION  
141 SOCIETY DRIVE  
TELLURIDE, CO 81435  
SITE PLAN

REVISIONS:		SHEET
#	DESCRIPTION	

DATE: 8/18/2025  
DRAWN BY: AM  
CHECKED BY: SP

CONCEPTUAL



SMART - Lawson Hill

Opinion of Probable Infrastructure Construction Cost (Conceptual Plan)

Prepared on : 8-18-25

Prepared By: AJM

Checked by: SP



Contract Item	Unit	Quantity	Unit Cost	Total Cost	Comments
<b>Lower Lot - Driveway Improvements</b>					
Removal of Sidewalk	SY	120	\$ 105.00	\$ 12,600.00	
Removal of Asphalt Mat	SY	1900	\$ 15.00	\$ 28,500.00	
Unclassified Excavation (Complete In Place)	CY	150	\$ 85.00	\$ 12,750.00	Remove 2" under existing asphalt to accommodate new 4" asphalt.
Muck Excavation	CY	100	\$ 100.00	\$ 10,000.00	Contingency
Proof Rolling	HOUR	8	\$ 120.00	\$ 960.00	
Aggregate Base Course (Class 6)	TON	250	\$ 100.00	\$ 25,000.00	Assumed 2" for modifying road cross slope. 6" under flatwork.
Hot Mix Asphalt (Grading SX) (75) (PG 58-28)	TON	420	\$ 275.00	\$ 115,500.00	4" on existing aggregate base per geotech report.
12 Inch Plastic Pipe	LF	10	\$ 200.00	\$ 2,000.00	
Inlet Special (5 Foot)	EACH	2	\$ 7,500.00	\$ 15,000.00	
Curb and Gutter Type 2 (Section II-B) (Special)	LF	400	\$ 60.00	\$ 24,000.00	
Gutter Type 2 (6 Foot)	LF	25	\$ 80.00	\$ 2,000.00	
<b>Subtotal</b>				<b>\$ 248,310.00</b>	
<b>Contingency (30% at Conceptual)</b>				<b>\$ 74,493.00</b>	
<b>Total Construction Cost for Driveway Improvements</b>				<b>\$ 322,803.00</b>	

<b>Lower Lot - Vehicle Detection</b>					
Steel Signpost (2.5X2.5 Inch Tubing)	LF	36	\$ 30.00	\$ 1,080.00	Sign Posts are not included in quote TrafficCalm quote. \$30/lf includes furnish and install.
Vehicle Detection System (Furnish Only)	LS	1	\$ 5,000.00	\$ 5,000.00	Quote from TrafficCalm. FOB to jobsite. Excludes signposts.
Vehicle Detection System (Install Only)	LS	1	\$ 6,500.00	\$ 6,500.00	Installation of controllers, collaborators, radar units, signs, flashing ring, and posts.
<b>Subtotal</b>				<b>\$ 12,580.00</b>	
<b>Contingency (30% at Conceptual)</b>				<b>\$ 3,774.00</b>	
<b>Total Construction Cost for Vehicle Detection System</b>				<b>\$ 16,354.00</b>	

<b>Total Construction Costs</b>				<b>\$ 339,157.00</b>	
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