



COLORADO
Department of Transportation
Division of Transit & Rail

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DATE: January 16, 2019
TO: Transit and Intermodal Committee
FROM: David Krutsinger, Director, Division of Transit & Rail
Sharon Terranova, Planning Manager
SUBJECT: Senate Bill 17-267 Project Evaluation and Selection

Purpose

The purpose of this memo is to provide additional information for selecting strategic transit projects using FY1819 SB 267 transit funds. Staff seeks input from the Transit and Intermodal Committee to help establish the list of priority projects, with expectation that partial approval will be sought in March, and the remainder of the funds approved in May.

Action

Informational, policy discussion requested.

Background

SB 17-267 “Concerning the Sustainability of Rural Colorado” (SB 267) authorizes the execution of lease-purchase agreements on state facilities totaling \$2 billion, to be issued over four years, beginning in FY 2018-19. CDOT will be the steward of \$1.88 billion of those proceeds, of which 10% must go to transit (\$188 million) and a minimum of 25% to rural counties with a population of less than 50,000 as of July 2015. The first tranche of SB 267 funding became available in October 2018: \$380 Million = \$38 Million for transit + \$342 for highways.

In September 2018, DTR first began discussing the transit component with the Transit & Intermodal Committee (T&I). September’s meeting included an illustrative set of projects based on Bustang and Bustang Outrider park-and-rides across the state. In November 2018, the conversation continued with discussion about what “appropriate match” should be for new park-and-rides that CDOT builds alone or in partnership.

Since that time, Proposition 110 failed, making it even more critical to direct limited funds to the highest priority set of strategic investments. At present, SB 267 funding is available for year 1 only, and in FY 18-19 a total of \$38.0 million is available for transit projects. Of the total, \$9.5 million of which must be reserved for rural infrastructure projects and program support. Candidate projects for the rural \$9.5 Million were solicited through the fall Consolidated Capital Call for Projects which was “open” from October 19, 2018 through December 14, 2018. This memo focuses on how the remaining \$28.5 Million of non-rural funding should be allocated to projects.

Details

Eligible Projects

In November 2017, DTR presented the Transportation Commission with an approach to manage and administer all transit funds collectively as a program. DTR recommended that recurring, sustainable funds, such as FTA Section 5311 and FASTER, should be used for ongoing operational support of local, regional, and interregional transit services while other one-time funding sources, such as SB 228 and SB 267, should be used for capital purchases. SB 267 funds are further limited because the Certificates of Participation (COPs) associated with the legislation have a 20-year payback period whereas most buses and small capital items have an expected useful life of no more than 10 to 15 years. Based on this, DTR recommends SB 267 funds be used for transit infrastructure projects such as facilities, park and rides, and other assets that typically have a 40- or 50-year useful life.

Selection Criteria

The following criteria were presented in September 2018, and this version provides additional detail to guide future project evaluation.

- Project Readiness
 - The project has already undergone a significant level of planning.
 - The project is ready to proceed to construction in the short term (0-18 months)
 - The project may be combined with another project to achieve cost savings (i.e. highway + transit at the same time, or fiber installation + transit at the same time)
- Strategic Nature
 - The project is of regional or statewide significance or is part of a statewide programmatic need.
 - There is local financial support in the form of matching funds for construction and/or on-going maintenance of the investment.
 - This project is highly correlated to selection criteria for competitive grant funding such as Federal TIGER, INFRA, BUILD, or other programs makes
- Planning Support
 - The project is supported by relevant planning documents (Transit Development Program, Intercity Bus Plan, corridor NEPA documents)
 - The planning documents conclude that there is “good” ridership improvement (where applicable) for this project, meaning better than average or higher than industry norms for this project type.
 - The planning documents conclude that there are sufficient travel time savings (translates to cost savings) and/or travel time reliability (translates to customer confidence) for the project.
- Statewide Transit Plan Goal Areas
 - Supports statewide plan goal areas of system preservation / state of good repair.
 - Supports mobility/accessibility improvements with documentation about riders or needs served
 - Supports transit system development and partnerships benefitting customer connectivity
 - Supports environmental stewardship of cleaner air, lower energy use, and/or reduces waste.
 - Supports economic vitality by increasing employment, inducing investment, or reducing other social costs.
 - Supports safety of transit users, whether on the vehicle, or accessing the transit services through auto-access (park and rides) or non-motorized access (pedestrian/bicycle connections)
- Supports Statewide System
 - Makes meaningful connections with other services, completing a network.
 - Serves needs throughout the state
 - More activity centers are served: hospital/medical, military installations, downtowns, shopping centers, human or veteran service locations.

Determine the Appropriate Mix, “Program,” or “Portfolio” of Projects

Several different options may be considered to establish the preferred list of projects. For example, CDOT may choose a set of projects consisting entirely of CDOT Park-n-Rides. Another option might be that the mix of projects is some combination of CDOT Park-n-Rides with other CDOT transit capital projects (i.e. transit centers, maintenance facilities, operational street or highway ramp improvements). A third option might be that the list is some mix of CDOT projects and local agency partner projects in which CDOT has some stake. Examples of Partner Agency Projects include: RFTA Maintenance Facility, Colorado Springs Downtown Transit Center, Rifle park-and-ride, Thornton Slip-Ramp Rebuild and the Pueblo Rail Station. The table below is illustrative of the types of projects and groupings that could be considered and selected by CDOT. Please note that these projects, while planned, have not yet been programmed. Staff would like to gauge the T & I Committee’s support for the options.

Should the legislative and financial environment suggest that three additional years of SB 267 will be funded, CDOT DTR staff would evolve the year-by-year selection process into more of a “Portfolio Management” process. Portfolio management would look at individual projects (i.e. a single park-and-ride, or a single maintenance facility, etc.), in the context of all projects proposed for that project type (i.e. all park-and-rides, all maintenance facilities, etc.).

Portfolio Management enables better comparisons (i.e. park-and-ride “A” vs park-and ride “B”) within a project type rather than comparing across project types (i.e. park-and-ride “A” vs maintenance facility “A”).

SB 267 Strategic Transit Portfolio Comparison					
All CDOT Projects 100% Park-n-Rides		~ 55/45 Split CDOT PnRs & Facilities / Partner Agency Projects		Minimal CDOT Projects & Majority Local Partner Agency Projects	
Monument (I-25/SH 105) bus slip ramps	\$4.0 M	Longmont (SH 119/I-25) PnR	\$5.0 M	Kendall (near US 34/I-25) PnR	\$5.8 M
Longmont (SH 119/I-25) PnR	\$5.0 M	Kendall (near US 34/I-25) PnR	\$5.8 M	Pueblo PnR	\$2.5 M
Kendall (near US 34/I-25) PnR*	\$5.8 M	Pueblo PnR	\$2.5 M	Monument (I-25/SH 105) bus slip ramps	\$4.0 M
Berthoud (SH 56/I-25) Park-n-Ride	\$12.4 M	Troy Hill Garage (new)	\$2.4 M	Total CDOT	\$12.3 M
Pueblo PnR	\$2.5 M	Non-Rural Program Support	\$1.3 M	Grants & Partner Agency Projects	\$18.7 M
Non-Rural Program Support	\$1.3 M	Total CDOT	\$17.0 M		
Total CDOT	\$31.0 M	Grants & Partner Agency Projects	\$14.0 M		

*This table totals \$31 Million = \$28.5 Million of SB 267 + \$2.5 Million of unallocated SB 228 funds

Next Steps

DTR will present an update on development of a single year project list for FY2018-19 funds at the March T&I meeting. At that meeting, DTR staff are likely to ask for approval to fund \$5.8 M to Kendall park-and-ride, based on the opportunity to combine its construction with North I-25 segments 7 & 8, while all other project selections would be requested for approval at the May meeting.