



Summit 2016

The Colorado Department of Transportation is proud to present the 3rd Annual Transportation Matters Summit. The focus of this year's meeting will be the Customer Experience. We will take a closer look at customer expectations and uses of all modes of transport in an effort to better deliver a high performing product/outcome for the State of Colorado. The Summit will examine how we all experience our transportation system and the effects that experience has on



our daily lives and our ability to conduct business to keep our state moving forward in a highly competitive world. We are once again partnering with the Denver Metro Chamber of Commerce in our efforts to expand the

conversation related to the needs of our state's transportation system. This year, the Summit will be held Tuesday, November 1st at the Grand Hyatt in downtown Denver.

The meeting will be a half day format with a lunch keynote followed by two rounds of break-out sessions. Spaces are going fast and the Summit is approaching sell out capacity, so register at the conference web site at this link today. <https://www.codot.gov/summit>

CDOT Offices

Colorado Department of Transportation (CDOT) headquarters offices will soon be moving with CDOT Region 1. Seeking ways to better invest building capital resources and better position the department as the largest engineering employer in the state, the Colorado Department of Transportation (CDOT) has undertaken an analysis to upgrade its offices. Following a multi-year effort, CDOT plans to relocate the Denver Headquarters as well as offices for Region 1 (Denver Metro Area) and Region 2 (SE Colorado). Offices in the NE part of the state, Region 4, were recently moved in November 2015.

An independent facilities assessment completed by JF Sato indicated that many of the buildings in the CDOT capital building program could not be elevated to Class B office standards regardless of renovation expenses. Before making decisions on the new buildings, CDOT procured an independent facilities condition assessment. In addition to the estimates of improvements, the operating and capital costs to operate and maintain the outdated facilities are considerably higher (\$27 million over twenty years) than in new buildings. Further, when comparing the value of the State property (land and buildings) after the twenty year financing is complete, the property value of the new buildings is \$65 million greater than the value of keeping the older facilities. If this "residual value" was considered in the overall financial value of building new buildings versus renovating, the "delta" between the two options goes from a \$42 million cost to build new, to a \$23 million positive financial impact. *cont. on page 2*

Road Usage Charge

The Western Road Usage Charge Consortium (RUC West) has been awarded \$1.5 million through the Surface Transportation System Funding Alternatives (STSFA) grant program within the Fixing America's Surface Transportation Act (FAST) Act. RUC West is a voluntary multi-state research consortium of western state DOTs. Members of RUC West work together to undertake collaborative research into systems and policy development of a potential new transportation funding method that would collect a RUC from drivers based on actual road use. Member states include: Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, Texas, Utah and Washington.

Colorado's portion of these funds will kick start the state's RUC Pilot Program which will develop, implement, and evaluate a RUC system for passenger vehicles in Colorado based on current operating environments and available technology. The pilot program will recruit approximately 100 participants for a period of four months and will evaluate a range of mileage collection methods.

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CDOT Offices

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The new Region 1 and state HQ site will be located south of Mile High Stadium, just south of Colfax Avenue and east of Federal Boulevard, located in the Sun Valley neighborhood. The proposed Region 2 site is located in north Pueblo near Outlook Boulevard and Wills Boulevard and will also include space for the local Colorado State Patrol offices and emergency dispatch center.

To pay for these new buildings, CDOT plans to issue \$108 million in Certificates of Participation (COPs). At the present time, historically low interest rates are close to typical construction inflation and by using COPs, CDOT avoids a large construction payment that would immediately reduce the road construction program. The existing CDOT capital building budget is \$22 million per year to maintain 1,600 facilities around the state. The annual COP expenditure for the full capital building headquarters program will add approximately \$7.8 million annually to that budget for twenty years. This additional investment represents 0.5% of CDOT's annual budget. Even if CDOT chose not to build new facilities but instead make repairs and renovations to the existing buildings, \$4.4 million annually for twenty years would still need to be added to the CDOT capital building budget.

Key Findings of CDOT building assessment

- Fire/life safety concerns
- Floodplain concerns
- ADA deficiencies
- Asbestos issues
- Costly capital improvement repairs including mechanical systems and glass/glazing past their useful life
- Location of Region 2 office is susceptible to future flooding



Artist rendering of the new CDOT HQ and Region 1 Offices scheduled to open in 2018

RUC

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Participants will create an account and register vehicle(s) with an account manager, select a mileage reporting option (GPS-enabled, Non-GPS-enabled, and Odometer Reading), install a mileage reporting device (if applicable to the reporting option chosen), report mileage on a periodic basis, receive/review invoices, and submit mock payments. At the conclusion of the pilot, the research team will prepare a final report that provides a summary of the pilot, lessons learned, and recommendations for future pilots and implementation.

As the average fuel economy of the American vehicle fleet continues to improve at the same time that more electric vehicles (EV) and plug-in hybrid electric vehicles (PHEVs) take to the road, it's clear that the current gas tax model – the primary source of funding for our nation's critical transportation infrastructure needs - is not a sustainable solution for future infrastructure funding. Colorado's annual funding for transportation can no longer keep pace with the costs of operating, maintaining, and improving the statewide transportation system. A recent needs and gaps analysis conducted as part of the 2040 Statewide Transportation Plan showed an estimated gap of \$1 billion annually over the next 25 years. In light of this ever growing gap in funding vs. needs, the Colorado Department of Transportation is currently exploring alternative funding methods. One such alternative is a Road Usage Charge (RUC) system. Under a RUC, highway users are charged their equitable share of using the road, instead of by the amount of fuel consumed.

For more information on the Pilot Program contact Tim Kirby, CDOT RUC Program Coordinator at 303-757-9619.

TRANSPORTATION MATTERS 2016 SUMMIT
November 1st
Grand Hyatt Denver

The Customer Experience

Does the transportation sector think enough about the customer? Millions of users experience our system—24/7. Transportation impacts nearly every aspect of their lives.

Join us as we showcase how technology and best practices in transportation (and other industries) can elevate and possibly even transform the customer experience.

REGISTER NOW
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