

MEMORANDUM

DEPARTMENT OF TRANSPORTATION

Office of Finance Management and Budget
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DATE: February 21, 2013

TO: Transportation Commission

FROM: Ben Stein, CFO

SUBJECT: February Budget Workshop

In the February Budget Workshop, staff will present information on the FY14 Budget. There are a few changes from the Final Draft for your review and approval. The first group of changes is highlighted below, and are a result of CDOT receiving final notices for federal funding received through March 27, 2013 (half the federal fiscal year). These final numbers came out slightly different than OFMB's figures from reading the legislation.

Program	Difference
Highway Safety Investment Program	(\$175,814)
Railway-Highway Crossings	\$220,587
DTD Planning and Research-SPR	\$213,668
Recreational Trails	(\$118,498)
Transportation Alternatives	\$148,783
STP-Metro	(\$3,758,798)
CMAQ	(\$21,512)
Bridge Off-System	\$1,100
Change in total revenue	(\$8,861)
TC Contingency	\$3,481,623

The next group of changes relates to staff recommendations to realign some program budgets, as follows:

Move \$7.2 Million from Surface Treatment to MLOS and realign MPAs. MLOS has not had an inflationary increase in two years, and since Surface Treatment is receiving additional funding through the RAMP program, it was seen as an opportunity to provide some relief to the MLOS budgets. A plan is being developed for the MPA areas of Maintenance Levels of Service (MLOS) that will likely raise the overall grade level of MLOS to a B-. This is not included in this version of the budget as that plan is still being developed, but will hopefully be ready in time for the Transportation Commission meeting.

Move \$1.8 Million from Bridge On-System to ITS Maintenance. Similar to above, except ITS has not only not received inflation, but has not increased their budget to keep up with new devices placed on the system by region construction projects.

The Tunnel program is now under the Bridge Program oversight, so that program has been moved to the Bridge On-System budget.

The Contingency budget request was reduced by \$5 Million for ITS Capital in the Operations Division.

Move \$2,148,423 from Transit Admin and Operations to Transit and Rail Statewide Grants. This is in line with the spending pattern for DTR in recent years and illustrates that more funding is made available to grants than was originally anticipated when the program was set up.

The proposed Budget is attached, and staff asks for TC direction as to any changes desired before final acceptance and forwarding to the Governor next month.

If you have any questions regarding the information provided prior to the meeting next week, please feel free to call me at (303) 757-9171 or email laurie.freedle@dot.state.co.us, or call Ben Stein at (303)757-9168 or email at ben.stein@dot.stat.co.us.

**Colorado Department of Transportation
Fiscal Year 2014 Draft Budget 2-21-13 Compared to 11-15-12**

Budget Category	Program Area	Directed by**	FY14 Allocations 11/15/12	FY14 Allocations 2/21/13	Difference
Maintain - Maintaining What We Have					
	CDOT Performed Work				
	Roadway Surface	TC	50,799,178		
	Roadside Facilities	TC	18,752,311		
	Roadside Appearance	TC	7,364,497		
	Structure Maintenance	TC	9,549,359		
	Tunnel Activities	TC	7,374,664		
	Snow and Ice Control	TC	60,909,752		
	Traffic Services	TC	59,751,474		
	Planning and Scheduling	TC	13,139,590		
	Material, Equipment and Buildings	TC	14,188,507		
			241,829,332	249,029,332	7,200,000
	Contracted Out Work				
	Surface Treatment*	TC	157,890,471	150,690,472	(7,199,999)
	Bridge On-System Construction	TC	22,048,610	20,248,610	(1,800,000)
	Bridge Inspection and Management	TC	10,425,262	10,603,687	178,425
	Rockfall Mitigation	TC	5,174,164	5,174,164	0
	Highway Safety Investment Program	FR	29,683,721	29,507,907	(175,814)
	Railway-Highway Crossings Program	FR	2,941,540	3,162,127	220,587
	Hot Spots	TC	2,167,154	2,167,154	0
	Traffic Signals	TC	1,472,823	1,472,823	0
	FASTER - Safety Projects	TC	86,900,000	86,900,000	0
	Tunnel Inspection	TC	178,425	-	
	Maintain-Related Indirects/Overhead		-	-	
	Maintain-Related CDOT Construction Engineering		-	-	
			318,882,170	309,926,944	(8,955,226)
	Capital Expenditure				0
	Road Equipment	TC	14,191,591	14,191,591	0
	Capitalized Operating Equipment	TC	5,530,258	5,530,258	0
	Property	TC	6,948,491	6,948,491	0
			26,670,340	26,670,340	0
		Total:	587,381,842	585,626,616	(1,755,226)
Maximize - Safely Making the Most of What We Have					
	CDOT Performed Work				
	Contracted Out Work				
	Safety Education	Comb	4,490,000	4,490,000	0
	ITS Maintenance	TC	9,385,068	11,185,068	1,800,000
	Congestion Relief	TC	4,000,000	4,000,000	0
	Regional Priority Program	TC	10,000,000	10,000,000	0
	Maximize-Related Indirect/Overhead		-	-	
	Maximize-Related CDOT Construction Engineering		-	-	
			27,875,068	29,675,068	1,800,000
	Capital Expenditure				
	ITS Investments	TC	5,000,000	10,000,000	5,000,000
			5,000,000	10,000,000	
		Total:	32,875,068	39,675,068	6,800,000
Expand - Increasing Capacity					
	CDOT Performed Work				
	Contracted Out Work				
	Strategic Projects	SL	-	-	
	Expand-Related Indirect		-	-	
	Expand-Related CDOT CE		-	-	
			-	-	
		Total:	-	-	
Deliver - Program Delivery/Administration					
	Operations [including maintenance support]	TC	28,158,528	28,158,528	0
	DTD Planning and Research - SPR	FR	12,636,806	12,850,474	213,668
	Administration (Appropriated)	SL	22,812,984	22,812,984	0
		Total:	63,608,318	63,821,986	213,668
Pass-Through Funds/Multi-modal Grants					
	Aeronautics				
	Division of Aeronautics to Airports	AB	42,200,000	42,200,000	0
	Division of Aeronautics Administration	AB	900,000	900,000	0
			43,100,000	43,100,000	0
	Highway				
	Recreational Trails	FR	1,710,150	1,591,652	(118,498)
	Transportation Alternatives Program	FR	11,569,200	11,717,983	148,783
	STP-Metro	FR	51,373,933	47,615,135	(3,758,798)
	Congestion Mitigation/Air Quality***	FR	45,095,909	45,074,397	(21,512)
	Metropolitan Planning	FR	7,678,040	7,678,040	0
	Bridge Off-System - TC Directed	TC	3,164,139	3,164,139	0
	Bridge Off-System - Federal Program	FR	6,284,129	6,285,229	1,100
			126,875,500	123,126,575	(3,748,925)
	Transit				
	Federal Transit	FR	23,050,856	23,050,856	0
	Strategic Projects -Transit	SL	-	-	
	Transit and Rail Local Grants	SL	5,000,000	5,000,000	0
	Transit and Rail Statewide Grants	TC	6,651,577	8,800,000	2,148,423
	Transit Administration and Operations	Comb	3,348,423	1,200,000	(2,148,423)
			38,050,856	38,050,856	0
	Infrastructure Bank				
	Infrastructure Bank	TC	500,000	500,000	0
		Total:	208,526,356	204,777,431	(3,748,925)
Transportation Commission Contingency / Debt Service					
	Contingency				
	TC Contingency	TC	27,408,485	25,898,968	(1,509,517)
	Snow & Ice Reserve	TC	10,000,000	10,000,000	0
			37,408,485	35,898,968	(1,509,517)
	Debt Service				
	Strategic Projects - Debt Service	DS	167,840,475	167,840,475	0
	Certificates of Participation-Property		2,277,530	2,277,530	0
	Certificates of Participation-Energy	DS	1,054,000	1,054,000	0
			171,172,005	171,172,005	0
		Total:	208,580,490	207,070,973	(1,509,517)
			1,100,972,074	1,100,972,074	0

* \$86M Surface Treatment advanced from FY14 to FY13. To maintain the \$150.7M program shown for FY14, \$86M must be advanced from FY15 to FY14.

**Any program designated as TC is fully at the discretion of the Transportation Commission

***Pass through amount is \$29.1M. The remainder is subject to future TC action.

Key to acronyms:

IDC=Indirect Costs

CE=Construction Engineering

TC=Transportation Commission

FHWA=Federal Highway

SH=State Highway funding

09-228=Funds from House Bill

09-108=Funds from House Bill

FTA=Federal Transit

TC=Transportation Commission

BEB= Bridge Enterprise Board

DS= Debt Service Covenants

AB=Aeronautics Board

FR=Federal Requirements

SL=State Legislation

HPTEB=High Performance Transportation Enterprise Board

Comb=Combination

**State Bridge Enterprise
Fiscal Year 2014 Draft Budget 2-21-13**

Budget Category	Program Area	Directed by	FY14 Allocations 11/15/12	FY14 Allocations 2/21/13	Difference
Maintain - Maintaining What We Have					
	CDOT Performed Work				
	Maintenance	BEB	350,000	350,000	0.00
	Scoping Pools	BEB	375,000	375,000	0.00
			725,000	725,000	0.00
	Contracted Out Work				
	Bridge Enterprise Projects	BEB	94,811,700	94,811,700	0.00
	Maintain-Related Indirects/Overhead		-	-	
	Maintain-Related CDOT Construction Engineering		-	-	
			94,811,700	94,811,700	0.00
		Total	95,536,700	95,536,700	0.00
Maximize - Safely Making the Most of What We Have					
	CDOT Performed Work				
	Contracted Out Work				
		Total	-	-	
Expand - Increasing Capacity					
	CDOT Performed Work				
	Contracted Out Work				
		Total	-	-	
Deliver - Program Delivery/Administration					
	Administration		1,711,200	1,711,200	0.00
		Total:	1,711,200	1,711,200	0.00
Pass-Through Funds/Multi-modal Grants					
	Highway				
		Total:	-	-	
Transportation Commission Contingency / Debt Service					
	Contingency				
	Bridge Enterprise - Contingency	BEB	-	-	
			-	-	
	Debt Service				
	Bridge Enterprise - Debt Service	DS	18,234,000	18,234,000	0.00
			18,234,000	18,234,000	0.00
		Total:	18,234,000	18,234,000	0.00
			115,481,900	115,481,900	

**High Performance Transportation Enterprise
Fiscal Year 2014 Draft Budget 2-21-13**

Budget Category	Program Area	Directed by	FY14 Allocations 11/15/12	FY14 Allocations 2/21/13	Difference
Maintain - Maintaining What We Have					
	CDOT Performed Work				
	Contracted Out Work				
		Total		-	
Maximize - Safely Making the Most of What We Have					
	CDOT Performed Work				
	Contracted Out Work				
		Total		-	
Expand - Increasing Capacity					
	CDOT Performed Work				
	High Performance Transportation Enterprise-Maintenance	HPTEB	2,500,000	2,500,000	0.00
			2,500,000	2,500,000	0.00
	Contracted Out Work				
	High Performance Transportation Enterprise-Projects	HPTEB	30,000,000	30,000,000	0.00
	Expand-Related Indirect		-	-	
	Expand-Related CDOT CE		-	-	
			30,000,000	30,000,000	0.00
		Total	32,500,000	32,500,000	0.00
Deliver - Program Delivery/Administration					
	High Performance Transportation Enterprise-Administration		1,000,000	1,000,000	0.00
		Total:	1,000,000	1,000,000	0.00
Pass-Through Funds/Multi-modal Grants					
	Highway				
		Total:	-	-	
Transportation Commission Contingency / Debt Service					
	Contingency				
	Debt Service				
		Total:	-	-	
			33,500,000	33,500,000	

Total Consolidated Allocations 1,249,953,974 1,249,953,974