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MEMORANDUM

To: Transportation Commission (TC)
From: Herman Stockinger, Acting Chief Financial Officer
Date: October 19, 2017
Subject: Fourth Budget Supplement - FY 2017-2018

Road X

\$12,000,000 – CDOT *Connected Vehicle Ecosystem* – **Highway Safety Improvement Program** (HSIP). This request is to utilize the HSIP funding that was part of the recent reversal of the Section 164 Penalty related to DUI laws for multiple offenders. These funds would be reallocated to the RoadX Program and would be used for developing the framework, systems requirements, and a working demonstration of a Connected Vehicle Ecosystem. The project is being requested for Transportation Commission approval per PD703.0, as the project is currently not on the approved HSIP list, or within typical program metrics for the amount being requested.

Please refer to memo in Road X Presentation found in this month's TC packet of materials.

Region 1

\$1,500,000 - I-25/ARAPAHOE RD INTERCHANGE- **RAMP Partnership Contingency, Regional Priority Program (RPP)** – In summary, \$1.5 million additional funds for ROW acquisition within this project are being requested in two parts; (1) requesting the TC approve of using the remaining \$119,000 of RAMP contingency funds (which, if approved, will bring that fund balance to zero), and (2) a notification that Region 1 is prepared to provide the difference of \$1,381,000 of need from their RPP pool.

Please see Attachment #1 for more detailed information.

Region 4

\$7,500 - US 34 Canyon Hydrologic Modeling – **TCCRF** – Region 4 is requesting State funds needed to provide 20% match to a recent \$30,000 grant received from Federal Highway Administration for "Hydraulic Engineering of Highways in the River Environment - Floodplains, Extreme Events, Risk, and Resilience."

Supplement Attachment 1: Project Management Office I/25 Arapahoe RD memo

Transportation Commission Contingency Reserve Fund Reconciliation				
Fourth Supplement FY 2018 Budget				
Transaction Date	Transaction Description	Amount	Balance	Reference Document
June-17	<i>Ending Balance 12S17</i>		\$81,939,976	
July-17	<i>Balance 1S18</i>		\$40,013,000	
August-17	<i>Balance 2S18</i>		\$37,956,053	
September-17	<i>Balance 3S18</i>		\$37,357,901	
	<i>State match for ER permanent repair projects</i>	\$ 16,639		Multiple
	<i>Region 4 Flood Related Study Guide</i>	\$ (7,500)		1000243184
	<i>Project savings from Region 4</i>	\$ 96,430		1000243335
October-17	<i>Pending Balance 4S18</i>		\$37,463,470	

Transportation Commission Program Reserve Fund Reconciliation				
Fourth Supplement FY 2018 Budget				
Transaction Date	Transaction Description	Amount	Balance	Reference Document
July-17	<i>Balance 1S18</i>		\$83,431,059	
August-17	<i>Balance 2S18</i>		\$22,881,059	
September-17	<i>Balance 3S18</i>		\$81,519,084	
	<i>Miscellaneous Revenue Reduction from FY 2017 Over Allocation</i>	\$ (4,953,007)		Pending
October-17	<i>Pending Balance 4S18</i>		\$76,566,077	

Transportation Commission Contingency Snow & Ice Fund Reconciliation				
Fourth Supplement FY 2018 Budget				
Transaction Date	Transaction Description	Amount	Balance	Reference Document
	<i>FY18 Budget Allocation</i>	\$10,000,000		1000240904
July-17	<i>Balance 1S18</i>		\$10,000,000	
August-17	<i>Balance 2S18</i>		\$10,000,000	
September-17	<i>Balance 3S18</i>		\$10,000,000	
October-17	<i>Balance 4S18</i>		\$10,000,000	

Transportation Commission Contingency RAMP Reserve				
Fourth Supplement FY 2018 Budget				
Transaction Date	Transaction Description	Amount	Balance	
June-17	<i>Rollforward Balance 12S17</i>		\$119,839	
July-17	<i>Balance 1S17</i>		\$119,839	
August-17	<i>Balance 2S17</i>		\$119,839	
September-17	<i>Balance 3S17</i>		\$119,839	
	<i>I-25 / Arapahoe Interchange ROW Acquisition</i>		\$119,839	
October-17	<i>Pending Balance 4S17</i>			\$0

**Transportation Commission Contingency Reserve Fund
Emergency and Permanent Repairs-Nonparticipating costs and state match**

September 11, 2013 Flood Related Monthly Activity

Reg	State Highway	Mileposts	Project Description	County	Total Budget TCCRF
4	060B	11.380 - 12.040	SH257 and SH60 Replace Bridges	Weld	\$ (57,996)
Total					\$ (57,996)

Spring 2015 Flood Related Monthly Activity

Reg	State Highway	Mileposts	Project Description	County	Total Budget TCCRF
4	NA	Local	North Creek Road Repair Roadway	Pueblo	\$ 74,635
Total					\$ 74,635

Grand Total TCCRF Activity for Emergency Relief Since Last Reporting

\$ 16,639

FY 2017-2018 Contingency Reserve Fund Balance Projection		
September TC Contingency Balance (Emergencies)	\$37,357,901	
<i>Pending Requests:</i>		
State match for ER permanent repair projects	\$16,639	
Region 4 Flood Related Study Guide	(\$7,500)	
Project savings from Region 4	\$96,430	
Pending October TC Contingency Reserve Balance	\$37,463,470	
<i>Projected Outflow:</i>		
	Low Estimate	High Estimate
State Match for Emergency Relief/Permanent Recovery	(\$2,000,000)	(\$5,000,000)
State Match for Spring 2015 Floods	\$0	(\$2,500,000)
Projected FY 2017-2018 YE Contingency Balance	\$35,463,470	\$29,963,470
<i>TCCRF Surplus (Deficit) to Reach \$40M Balance July 1, 2018</i>	<i>(\$4,536,530)</i>	<i>(\$10,036,530)</i>
FY 2017-2018 Program Reserve Fund Balance Projection		
September TC Program Reserve Balance	\$81,519,084	
Miscellaneous Revenue Reduction from FY 2017 Over Allocation	(\$4,953,007)	
Pending October TC Program Reserve Fund Balance	\$76,566,077	
<i>Projected Outflow:</i>		
	Low Estimate	High Estimate
FY17-18 Estimated Misc TCCRF Funding Requests	(\$16,000,000)	(\$16,000,000)
Right of Way Acquisitions	(\$27,100,000)	(\$34,900,000)
US 550/US160 FASTLANE Grant Match (Potential funding from SB17-267 Rev.)	\$0	(\$32,000,000)
FY 2018-2019 MS4 Water Quality Work Required by EPA	\$0	(\$3,500,000)
<i>Projected Inflow:</i>		
	High Estimate	Low Estimate
US 34 Big Thompson Canyon Flood Recovery Project (R4)	\$53,000,000	\$0
Projected FY 2017-2018 YE Program Reserve Balance	\$86,466,077	(\$9,833,923)



MEMORANDUM

TO: TRANSPORTATION COMMISSION
FROM: JOSHUA LAIPPLY, CHIEF ENGINEER
HERMAN STOCKINGER, ACTING CHIEF FINANCIAL OFFICER
JANE FISHER, OFFICE OF PROGRAM MANAGEMENT DIRECTOR
CC: PAUL JESAITIS, REGION 1 TRANSPORTATION DIRECTOR
DATE: OCTOBER 19, 2017

SUBJECT: I-25/ARAPAHOE ROAD RAMP PROJECT BUDGET CHANGE

Purpose

Region 1 requests approval to increase the budget for the I-25/Arapahoe Road RAMP Public-Private Partnership Project by \$1.5 million to finalize right-of-way (ROW) acquisitions.

Action

Per P.D. 703.0, staff is requesting Transportation Commission (TC) approve expenditure of remaining \$119,000 RAMP contingency funds towards a \$1.5 million budget increase. This will conclude all RAMP spending; Region 1 will fund the difference of \$1,381,000.

Background

The \$83 million dollar I-25/Arapahoe Project is a RAMP Public-Private Partnership project funded by a combination of RAMP partnership, Highway Safety Improvement Program (HSIP), Regional Priority Program (RPP), and local funds. The project is currently 90% complete, ahead of schedule and within the construction budget. It is being delivered using the Construction Manager/General Contractor (CM/GC) method, which has enabled construction to begin before all required ROW is obtained.

Originally, the project included \$10.5 million dollars for right-of-way (ROW) acquisitions from 56 owners. An additional \$1.5 million was requested in May 2017 for increased ROW costs. It has now been determined that another \$1.5 million will be needed to complete ROW acquisitions with Motel 6 and three other ownerships.

Details

The original \$10.5 million ROW budget was established in 2013 based on estimates for all 56 acquisitions. The real estate boom began in 2014, accelerating Fair Market Value (FMV) and P&U Agreement values considerably above original estimates. Due to recent escalations and additional damages, the Motel 6 settlement has been finalized at \$3.2 million, \$1.7 million above the original P&U Agreement. Negotiations on three more unsettled ownerships are estimated to bring required funds \$2.0 million above original estimate. The \$0.5 million remaining in the current ROW phase will be expended, so ROW is requesting \$1.5 million in additional funds from the RAMP Governance Committee to finalize the ROW phase of the project.

RAMP Governance has nearly exhausted all its funds, with \$119,000 remaining in RAMP contingency funds. No other additional contingency requests are anticipated. The RAMP Governance Committee is willing to contribute this \$119,000 for necessary ROW acquisitions, leaving Region 1 responsible for the remaining funds.

Key Benefits

Approval of the additional funds enables project to proceed with the necessary ROW acquisitions.

Options

1. Approve the request for \$119,000 RAMP Reserve funds, with the Region responsible for the remaining \$1,381,000 (staff recommendation).
2. Deny the request and ask the Region to fund all remaining ROW acquisitions from other sources.

Next Steps

Upon approval of the funding request, the project team will proceed to finalize ROW acquisition activities.

Resolution # 17-8-XX

Approval and Adoption of the Fourth Supplement to the Fiscal Year 2017-2018 Budget for the Colorado Department of Transportation

Approved by the Transportation Commission on (Insert Date).

WHEREAS, the budget requests being presented to the Transportation Commission this month have been reviewed and were determined to meet the criteria outlined in Policy Directive 703.0, requiring approval by the Transportation Commission; and

WHEREAS, the project requests included in the Supplement are consistent with the FY 2018 through FY 2021 STIP, and funds are available from the Regions' allocations unless otherwise indicated.

NOW THEREFORE BE IT RESOLVED, after review and consideration, the Fourth Supplement to the Fiscal Year 2017-2018 Budget is approved by the Transportation Commission.

Herman Stockinger, Secretary
Transportation Commission of Colorado

Date