



MEMORANDUM

TO: THE TRANSPORTATION COMMISSION
FROM: JEFF SUDMEIER, CHIEF FINANCIAL OFFICER
DATE: SEPTEMBER 17, 2020
SUBJECT: THIRD BUDGET SUPPLEMENT - FY 2020-2021

Region 3

\$8,000,000 - Transportation Commission Contingency Reserve - I-70 Grizzly Creek Fire - On August 10, 2020 a wildfire of unknown origin was discovered east of Glenwood Springs near Grizzly Creek in Glenwood Canyon. The fire burned along and across I-70 damaging the highway, bridges, fiber optic cable, rock fall fencing, signage, and other CDOT assets. These assets are essential to the function of the infrastructure system in this area. Due to the criticality of these assets, Region 3, and the Chief Engineer, have issued emergency contracting procedures to get these repairs completed as soon as possible. Region 3 is requesting \$8 Million of Transportation Commission Contingency Reserve funds to complete the emergency repairs.

Per Policy Directive 703.0, this project is being included in the Budget Supplement as an increase of greater than \$1 Million of Transportation Commission Contingency Reserve funds.



SB-267 Project Funding Changes

The following requests reflect the reallocation of Senate Bill (SB) 17-267 and SB 18-001 funding between projects resulting from recent efforts to update and prioritize the ~\$1.6 billion project list approved by the Transportation Commission in November 2019. The following changes will be reflected in the approved project list upon Transportation Commission approval of the 3rd Budget Supplement.

Region 1 Project Changes	Current Approved	Change	Revised Amount
I-25 Valley Highway Phases 3 and 4	\$ 60,000,000	\$ (56,000,000)	\$ 4,000,000
I-70 Corridor West Metro Bridges		\$ 35,191,935	\$ 35,191,935
I-70/Harlan Bridge Replacement		\$ 21,308,065	\$ 21,308,065
Region 2 Project Changes	Current Approved	Change	Revised Amount
SH 109 - SH 160 to Otero County Line	\$ 15,000,000	\$ (9,902,126)	\$ 5,097,874
Region 2 Misc. Rural Paving		\$ 9,902,126	\$ 9,902,126
SH 96 East of Ordway to Arlington	\$ 10,000,000	\$ (9,825,000)	\$ 175,000
SH 96 near Eads to Sheridan Lake	\$ 11,587,500	\$ 9,825,000	\$ 21,412,500
Region 3 Project Changes	Current Approved	Change	Revised Amount
I-70B East of 1st to 15th St.	\$ 16,000,000	\$ (7,343,264)	\$ 8,656,736
US 6 Fruita to Palisade Safety Improvements	\$ 36,000,000	\$ (8,179,234)	\$ 27,820,766
I-70 West Vail Pass Safety Improvements - Phase I	\$ 13,500,000	\$ 20,000,000	\$ 33,500,000
Region 4 Project Changes	Current Approved	Change	Revised Amount
SH 52 Resurfacing Prospect Valley (Phase I)	\$ 4,157,000	\$ (4,157,000)	
Region 4 Misc. Rural Paving		\$ 4,232,478	\$ 4,232,478
Region 5 Project Changes	Current Approved	Change	Revised Amount
CO 141 North of Naturita Resurfacing	\$ 12,000,000	\$ (7,770,000)	\$ 4,230,000
CO 370 Resurfacing	\$ 2,000,000	\$ (500,000)	\$ 1,500,000
US 160 MP 0-8 Aztec Creek Resurfacing	\$ 4,000,000	\$ 6,980,000	\$ 10,980,000
US 50/285 Interection Reconstruction (Round-a-bout)	\$ 5,400,000	\$ (1,493,000)	\$ 3,907,000
US 160 McCabe Creek Major Structure Replacement	\$ 6,000,000	\$ 1,370,000	\$ 7,370,000

Attachments

- a. Region 3 I-70 Grizzly Creek Fire Emergency Response memo
- b. SB267 memo



**Transportation Commission Contingency Reserve Fund Reconciliation
Third Supplement FY 2021 Budget**

Transaction Date	Transaction Description	Amount	Balance	Reference Document
June-20	Ending Balance 12S20		\$26,702,031	
July-20	Balance 1S21		\$43,816,921	
August-20	Balance 2S21		\$43,816,921	
	State match for ER permanent repair projects	\$ (128,489)		Multiple
	I-70 Grizzly Creek Fire Emergency Repair	\$ (8,000,000)		Pending
September-20	Pending Balance 3S21		\$35,688,432	

**Transportation Commission Contingency COVID Reserve Fund Reconciliation
Third Supplement FY 2021 Budget**

Transaction Date	Transaction Description	Amount	Balance	Reference Document
June-20	Ending Balance 12S20		\$1,000,000	Allocated from TCC pool
July-20	Balance 1S21		\$1,000,000	
August-20	Balance 2S21		\$1,000,000	
	No Requests this Month			
September-20	Pending Balance 3S21		\$1,000,000	

**Transportation Commission Program Reserve Fund Reconciliation
Third Supplement FY 2021 Budget**

Transaction Date	Transaction Description	Amount	Balance	Reference Document
June-20	Ending Balance 12S20		\$9,055,791	
July-20	Balance 1S21		\$8,105,791	
August-20	Balance 2S21		\$8,379,656	
	Roll forward prior year pool savings	\$ 3,021,365		Multiple
	Roll forward prior year cost center savings	\$ 16,153,610		Pending
	Transfer to TCI pool for FY21 revenue reduction	\$ 378,000		1000277311
	Repayment of defeasance loan	\$ 1,900,000		1000277393
	Reimbursement for Demolition of CDOT Headquarters	\$ 1,725,354		Pending
September-20	Pending Balance 3S21		\$31,557,985	

**Transportation Commission Maintenance Reserve Reconciliation
Third Supplement FY 2021 Budget**

Transaction Date	Transaction Description	Amount	Balance	Reference Document
June-20	Ending Balance 12S20		\$0	
July-20	Balance 1S21		\$12,000,000	
August-20	Balance 2S21		\$12,000,000	
	No Requests this Month			
September-20	Pending Balance 3S21		\$12,000,000	



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	007A	19.000 - 33.079	SH7 Permanent Repairs Dues to Flooding	Boulder	\$ (75,937)
4	119A	26.000 - 41.000	SH119 Partail Reconstruction	Boulder	\$ (52,552)
Total					\$ (128,489)

Spring 2015 Flood Related Monthly Activity

Reg	State Highway	Mileposts	Project Description	County	Total Budget TCCRF
Total					\$ -

Grand Total TCCRF Activity for Emergency Relief Since Last Reporting \$ (128,489)

FY 2020-2021 Contingency Reserve Fund Balance Projection		
August		
TC Contingency Balance (Emergencies)		\$43,816,921
<i>Pending Requests:</i>		
State match for ER permanent repair projects		(\$128,489)
I-70 Grizzly Creek Fire Emergency Repair		(\$8,000,000)
Pending September		
TC Contingency Reserve Balance		\$35,688,432
<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)
<i>Projected Inflow:</i>		
	Low Estimate	High Estimate
None	\$0	\$0
Projected FY 2020-2021 YE Contingency Balance	\$33,688,432	\$28,188,432
<i>TCCRF Surplus (Deficit) to Reach \$25M Balance July 1, 2021</i>	\$8,688,432	\$3,188,432

FY 2020-2021 Program Reserve Fund Balance Projection		
August		
TC Program Reserve Balance		\$8,379,656
<i>Pending Requests:</i>		
Roll forward prior year pool savings		\$3,021,365
Roll forward prior year cost center savings		\$16,153,610
Transfer to TCI pool for FY21 program reduction		\$378,000
Repayment of defeasance loan		\$1,900,000
Reimbursement for Demolition of CDOT Headquarters		\$1,725,354
Pending September		
TC Program Reserve Fund Balance		\$31,557,985
<i>Projected Outflow:</i>		
	Low Estimate	High Estimate
Balance FY21 Budget due to HUTF Shortfall	(\$13,000,000)	(\$3,000,000)
State Match for Region 5 ATCMDT Discretionary Grant	(\$4,400,000)	\$0
<i>Projected Inflow:</i>		
	Low Estimate	High Estimate
FHWA Redistribution	\$77,044,157	\$77,044,157
Projected FY 2020-2021 YE Program Reserve Balance	\$91,202,142	\$105,602,142





COLORADO
Department of Transportation

Region 3

Region Director
222 South 6th Street, #317
Grand Junction, CO 81501-2769

August 26, 2020

TO: Stephen Harelson, Chief Engineer

FROM: Mike Goolsby, Region 3 Director

RE: **I-70 GRIZZLY CREEK FIRE - Request for Emergency Contracting Authority for
Emergency Response and Permanent Repairs**

Pursuant to the provisions of State of Colorado Fiscal Rule 2-2 and Section 120.8.3 of the CDOT Construction Manual, Chief Engineer approval is requested to pursue emergency contracting for emergency response and permanent restoration of I-70 infrastructure within Glenwood Canyon due to the Grizzly Creek fire incident.

Emergency Conditions

On August 10, 2020 a wildfire of unknown origin was discovered east of Glenwood Springs near Grizzly Creek in Glenwood Canyon. Throughout the course of the incident, the wildfire has burned along and across I-70 damaging the highway, bridges, fiber optic cable, rockfall fencing, signage, and other CDOT assets. As a consequence of this wildfire, throughout the incident, rock debris fell upon the highway and the CDOT easement area resulting in the damage to the highway, structures, traffic control devices, and traffic safety devices along the highway as well as depositing debris along and in culverts.

Emergency Contracting Considerations

Pursuant to the provisions of State of Colorado Fiscal Rule 2-2 and Section 120.8.3 of the CDOT Construction Manual, Chief Engineer approval is requested to pursue emergency contracting for emergency response and permanent restoration repair projects for I-70 infrastructure.

The initial emergency repair project scope will include repairs to structures, pavements, fiber optic, signage, and other CDOT assets that can be contracted and work performed within an approximate 2 month time period, which is substantially less in duration as compared to a normal construction contract procurement process.

The second emergency repair project scope will be for rockfall fencing repairs which will require aerial mapping and surveying, design development, and consultation with the USFS for approval. Additionally, the fencing materials have a long lead time procurement for fabrication and delivery. In consideration of the pre-construction effort and long lead time procurement, the rockfall scope of repairs will be advertised as a separate project at a later date.



Emergency Scope of Work

We are anticipating the need to fund the following major items for the emergency repair; immediate stabilization of the area to include site erosion and perimeter control, permanent landscape restoration, rockfall fencing, structures, pavement, VSL equipment, fiber optic cables and conduits, debris flow, rockfall and mudslide mitigation including building berms to protect vital infrastructure, and final debris cleanup. The initial limits of the repair work are from approximately MP 119 to MP 131, and based on damages to date the cost is currently estimated at \$8M.

Region 3 is requesting to use Transportation Contingency Funds for the emergency repair work. It should also be noted that the CDOT OEM has initiated the process to declare this project eligible for Federal Emergency Funding and it is expected that this work will qualify for Federal emergency response and permanent restoration funding.

I concur: Stephen Harelson Date: _____
Stephen Harelson
Chief Engineer

Copy: Laura Zamora, Area Engineer
Liliya Gershman, CDOT Controller
Robert Jaros, State Controller
Jeff Sudmeier, CDOT CFO
Eric Ehrbar, OFMB
Zsofia Porter, Risk Manager
Roland Wagner, R3 Central Program Engineer
Andrew Knapp, R3 Glenwood Resident Engineer
Rocky Baker, R3 Business Manager
Kim Wood, R3 RTD Program Assistant
Kerry Kimble, CDOT OEM





COLORADO

Department of Transportation

Division of Transportation Development
2829 W. Howard Place 4th Floor
Denver, CO 80204

DATE: September 16, 2020
TO: Transportation Commission
FROM: Rebecca White, Director, Division of Transportation Development
Jeff Sudmeier, Chief Financial Officer
Marissa Gaughan, Manager, Statewide and Regional Planning Section
SUBJECT: Senate Bill 17-267 and Senate Bill 18-001 Project Changes

Purpose

This memorandum summarizes proposed changes to the list of Senate Bill 17-267 and Senate Bill 18-001 projects approved by the Commission in November 2019. These changes primarily occurred as a result of COVID-19 related budget cuts and resulting efforts to update and prioritize the project list.

Action

Approve project list revisions as provided in the Budget Supplement.

Background

In November 2019, the Transportation Commission approved resolution #TC-19-11-7, formally adopting a \$1.6 billion list of projects ("CDOT's 4-year capital program") based on expected revenues from SB 19-262, SB 18-1, and SB 17-267. The project list was developed in close coordination with members of STAC and local stakeholders, and 1) assumed continued SB 267 transfers out to FY 22; 2) included previously identified projects for SB 267 funding; and 3) adhered to the Commission's direction to create a list that dedicates 75% to urban/rural interstate projects, 25% to rural non-interstate pavement projects, and of the total investment 50% achieve asset management needs such as surface treatment or bridge projects.

In July 2020, the Commission adopted resolution #TC-20-07-08 which acknowledged the significant budget cuts due to the economy-wide impacts of COVID-19 and provided Commission's support for "the project phasing and prioritization as presented by staff recognizing that the long-term goal remains full delivery of the 4-year capital program and, ultimately, the 10-year vision."

The recently amended PD 703 also requires Commission approval for budget changes "Greater than or equal to 15% and greater than or equal to \$500,000; or 2) greater than or equal to \$5,000,000 above the original approved amount." Listed in the table below are project changes that meet these thresholds and are therefore being included in the fourth budget supplement for FY2021.

Details

The following changes reflect budget change to Senate Bill 17-267 and Senate Bill 18-001 funded projects as a result of COVID-19 related budget cuts and recent efforts to update and prioritize the approximately \$1.6 billion project list approved by the Transportation Commission in November 2019.

Region 1 Project Changes	Updated Project Name	Current Approved	Change	Revised Amount
I-25 Valley Highway Phases 3 and 4	Burnham Yard CRISI Grant Match	\$ 60,000,000	\$ (56,000,000)	\$ 4,000,000
I-70 Corridor West Metro Bridges	New Project		\$ 35,191,935	\$ 35,191,935
I-70/Harian Bridge Replacement	New Project		\$ 21,308,065	\$ 21,308,065
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US 160 McCabe Creek Major Structure Replacement		\$ 6,000,000	\$ 1,370,000	\$ 7,370,000

Next Steps

Staff will continue to brief the Commission as further changes are made and seek formal approval for budget adjustments as required by PD703.

Attachments

See FY2021 4th budget supplement.