



MEMORANDUM

TO: THE TRANSPORTATION COMMISSION
FROM: JEFF SUDMEIER, CDOT CHIEF FINANCIAL OFFICER
DATE: MARCH 17, 2022
SUBJECT: MONTHLY CASH BALANCE UPDATE

Purpose

To provide an update on cash management, including forecasts of monthly revenues, expenditures, and cash balances in Fund 400, the State Highway Fund.

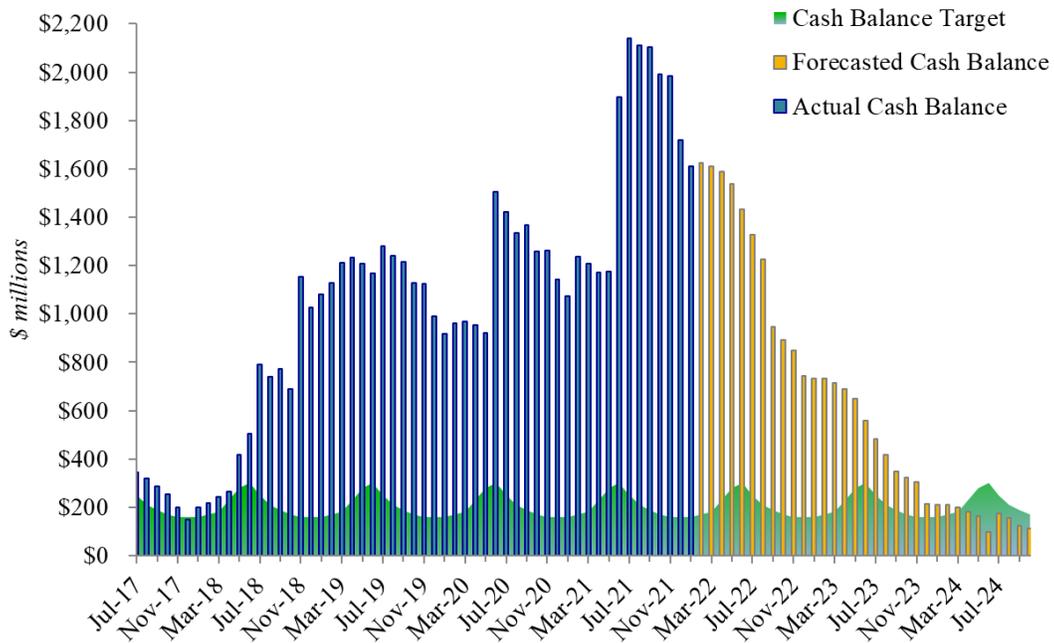
Action

No action is requested or required at this time.

Background

Figure 1 below depicts the forecast of the closing Fund 400 cash balance in each month, as compared to the targeted minimum cash balance for that month (green shaded area). The targeted minimum cash balances reflect the Transportation Commission’s directive (Policy Directive #703) to limit the risk of a cash overdraft at the end of a month to, at most, a probability of 1/1,000 (1 month of 1,000 months ending with a cash overdraft).

Figure 1 – Fund 400 Cash Forecast





Summary

Due to the events in response to the global COVID-19 pandemic, the Department anticipated a significant and immediate impact to revenue collections, followed by a longer downturn overall. The current forecast continues to assume a 2.5% reduction in pre-pandemic monthly gross gallons of gasoline consumed from July 2021 through June 2022. Staff will modify fuel sale assumptions as traffic patterns continue to adjust.

The actual closing cash balance for January 2022 was \$1.61 billion; \$1.45 billion above that month's cash balance target of \$160 million. January's cash balance is comprised of \$687 million in the State Highway Fund, and \$923 million in the Senate Bill 267 trustee account. January's closing cash balance for the State Highway Fund is \$99 million lower than December's forecast of that balance due to higher than expected construction expenditures and an adjustment to forecasting for local match.

The large cash balance results from the additional revenues listed below.

Cash Revenues

The forecast of revenues and capital proceeds includes:

Senate Bill 17-267: \$425 million in November 2018, \$560 million in June 2020, \$623 million in June 2021, and \$0 thereafter.

Senate Bill 18-001: \$346.5 million in July 2018, and \$105 million in July 2019.

Senate Bill 19-262: \$60 million in July 2019.

Senate Bill 21-110: \$30 million in May 2021

Senate Bill 21-260: \$182 million in June 2021, and \$170 million in July 2021

Senate Bill 21-265: \$124 million in July 2021

The forecast does not include \$500 million of revenues in FY22 from SB 17-267 COP proceeds. The cash balance forecast continues to report on only projects and revenues related to the State Highway Fund, and does not include revenue and expenditures associated with any pre-existing or new enterprises created through SB 21-260, including:

- Statewide Bridge and Tunnel Enterprise
- Clean Transit Enterprise
- Nonattainment Area Air Pollution Mitigation Enterprise

Cash balances will be drawn down closer to the target balances over the course of fiscal years 2022, 2023, and 2024 as projects funded with SB 18-001, SB 17-267, and SB 19-262 progress through construction.





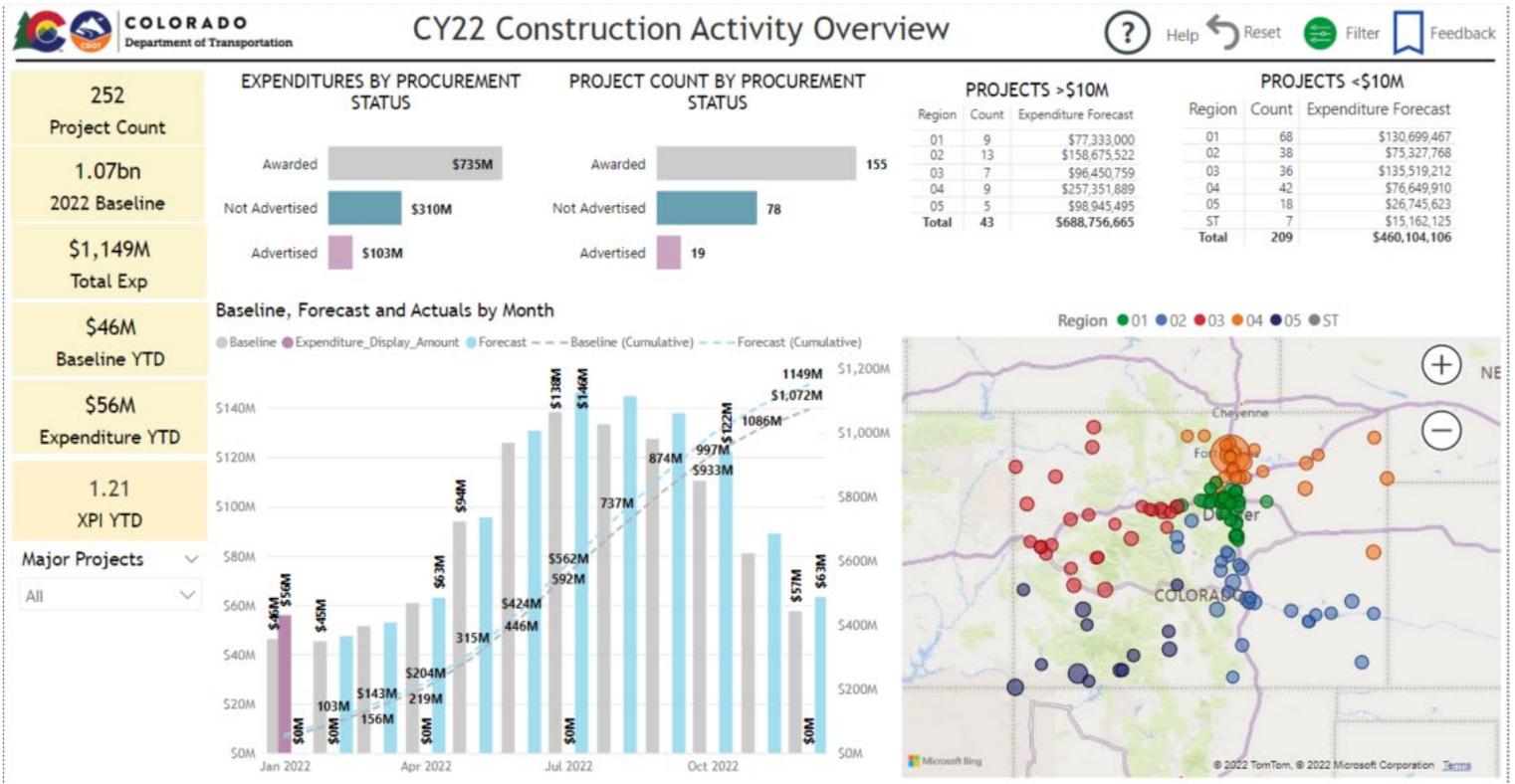
Cash Payments to Construction Contractors

The current forecast of payments to construction contractors under state contracts (grants paid out under inter-government agreements for construction are accounted for elsewhere in the expenditure forecast) from Fund 400 is shown in Figure 2 below.

Figure 2 – Forecasted Payments - Existing and New Construction Contracts

\$ millions	CY 2017 (actual)	CY 2018 (actual)	CY 2019 (actual)	CY 2020 (actual)	CY 2021 (actual)	CY 2022 (forecast)	CY 2023 (forecast)	CY 2024 (forecast)
Expenditures	\$642	\$578	\$669	\$774	\$714	\$1039.4	\$738	\$443

The graph below details CY22 baseline, forecast, and actual expenditures (based on January month end SAP data). Results to date correlate with an XPI of 1.21 (actual expenditures vs. baseline); listing of number of projects planned to incur construction expenditures in CY22; listing of CY22 baseline and project count by procurement status (awarded, not advertised and advertised); and count of projects by region that have CY22 forecast greater than \$10 million dollars and less than \$10 million dollars.





COLORADO
Department of Transportation
Office of Policy and Government Relations

MEMORANDUM

TO: COLORADO TRANSPORTATION COMMISSION
FROM: HERMAN STOCKINGER, DEPUTY DIRECTOR AND DIRECTOR OF POLICY
DATE: MARCH 17TH, 2022
SUBJECT: REBUILDING AMERICAN INFRASTRUCTURE WITH SUSTAINABILITY AND EQUITY
(RAISE) DISCRETIONARY GRANT PROGRAM

Purpose

To discuss projects for submittal and funding opportunities by CDOT under the RAISE discretionary grant program.

Action

Per PD 703.0, when the department intends to apply for grants with a match consisting of previously approved funding, no action is necessary by the Commission, but we provide the Commission with the projects we intend to pursue. If the match required necessitates an additional commitment of funds not already approved by the Commission, or Bridge & Tunnel Enterprise (BTE), staff brings the projects to the Commission as an action item, with the additional funding being made contingent on a successful application and grant award.

For RAISE grants in 2022, the staff requests BTE action this month to approve contingent funding for the 6th & Wadsworth project. We will also have a Commission workshop this month regarding Bustang expansion, which could support the “Westward 3” application.

Background

The U.S. Department of Transportation (USDOT) recently released the 2022 Notice of Funding Opportunity for RAISE. Eligible applicants can submit up to three applications each, due April 14th, 2022.

RAISE applications will be evaluated based on the following selection criteria and key objectives:

- Safety - how the project improves safety outcomes;
- Environmental sustainability - how the project will reduce emissions, promote energy efficiency, incorporate electrification or zero emission infrastructure, increase resiliency, improve stormwater management, and recycle or redevelop existing infrastructure;
- Quality of life - how the project increases or improves transportation choices, expands access to essential services, improved connectivity to critical destinations (jobs, health care), proactively addresses racial equity and barriers to opportunity;
- Improves mobility and community connectivity - how the project encourages free, accessible movement with or without a car, meets ADA requirements, and increases and improves freight mobility and supply chains.
- Economic competitiveness - how the project impacts the movement of goods and people; and
- State of good repair - improves the condition and resiliency of existing transportation facilities and systems.

Secondary selection criteria include partnership and collaboration with affected communities and innovation via technology, project delivery, and financing.

Additional information on funding amounts and match requirements include:

- Approximately \$1.5 billion will be available to be awarded in FY 2022.
- No more than \$75 million will be awarded to planning grants
- \$15 million will be specifically designated to projects in areas of persistent poverty or historically disadvantaged communities.
- Grants must be at least \$5 million unless located in a rural area, which has a minimum of \$1 million. Grants may not be greater than \$25 million.
- No more than 15 percent (or \$225 million) of the funds may be awarded to projects in a single State in FY22.
- Not less than 50% shall be for projects in rural areas.
- Projects must have a minimum of a 20 percent match.
- Funds must be obligated by September 2026 and expended by September 2031.

Details

Based on the criteria in the NOFO and discussions with executive management, three candidate projects have been identified for the RAISE solicitation:

1. Mobility Options for a Vibrant and Equitable (MOVE) Western Slope: The Westward Three
2. US 6th & Wadsworth Boulevard Interchange Improvements
3. SH/CO119 Safety and Mobility Project

1. **MOVE: Westward 3**

The MOVE application is a collaborative effort between CDOT, the city of Grand Junction, Roaring Fork Transit Authority, the city of Rifle, Mesa County, and the Grand Valley Transportation Planning Region. The project is divided into three components, each component focusing on the development of three new or existing “Mobility Hub” sites in the cities of Grand Junction, Glenwood Springs, and Rifle.

The Grand Junction project will convert a parcel of land owned by the city of Grand Junction and three small private parcels into a critically needed mobility hub that form the triangle-block between South 1st Street and South 2nd Street between Pitkin Avenue and Ute Avenue. This hub builds upon the final stage of CDOT’s I-70B project and will bring much needed convergence of mobility options for the region: Grand Valley Transit, Bustang, Greyhound, and Amtrak. Once built, the hub will also improve pedestrian and bike connectivity, as well as allow pick-up/drop/off zone for ride share businesses.

The Glenwood Springs project, in close collaboration with the Roaring Fork Transit Authority, will construct the West Glenwood Transit Station to address gaps in service at the intersection of the I-70 corridor and SH82. This hub will serve the I-70 corridor between Rifle and Glenwood Springs; the SH82 corridor between Glenwood Springs and Aspen; and a myriad of commuter services like the Valley, BRT, and Ride Glenwood Springs routes, CDOT’s Bustang and RFTA’s Grand Hogback regional routes, plus Greyhound and Amtrack.

The Rifle project will relocate and expand the existing Park-n-Ride. By shifting the Park-n-Ride to a larger parcel near its current location, the number of parking spaces will double and it will continue to offer the convenience of its proximity to downtown, but will also allow for redevelopment of the gateway to downtown to provide much-needed opportunities for more housing, restaurants, and retail.

Together, these three projects create a regional mobility system that will enable residents and tourists to travel within the region via transit, reducing the number of vehicles on the road, thereby relieving congestion and lowering greenhouse gas emissions, as well as connect within and beyond their communities through efficient, accessible commuting options.

2. **6th & Wadsworth**

The 6th and Wadsworth project will improve the US 6 and Wadsworth Blvd interchange in the city of Lakewood. Both arterial roadways serve a broad cross section of local and regional travelers. The main components of the project include reconstructing the interchange (bridge and ramps), adding one lane in each direction to Wadsworth Blvd, improving signalization and design to meet current standards, storm drainage improvements, implementing sound walls along 6th, and pedestrian/bikeway improvements.

This project will improve traffic flow and safety and increase multi-modal travel options and connections at the US 6 and Wadsworth Blvd interchange and along Wadsworth Blvd between 4th Avenue and 14th Avenue.

3. **CO119 Safety and Mobility**

The CO119 Safety and Mobility project is a combined delivery between CDOT and RTD. This project spans CO119 from CO157 on the south to Hover Street on the north. The project focuses on implementing Bus Rapid Transit (BRT) and safety and intersection improvements. The main components of the project will include: BRT stations at 63rd St, CO52, and Niwot Rd.; Park-n-Ride facilities at 63rd St and Niwot Rd.; implementation of safety recommendations throughout; intersection improvements at CO52, Airport Road and Hover St.; and queue bypass lanes at the signalized intersections in the corridor.

This project will improve the safety, convenience, and comfortability of traveling through the CO119 diagonal corridor, as well as encourage travel options beyond a personal vehicle to reduce GHG emissions and traffic congestion.

Options and Recommendation

The Bridge and Tunnel Enterprise (BTE) Board of Directors is supporting the 6th and Wadsworth RAISE application with a resolution to commit \$20M in BTE match funding to this project.

Next Steps

The RAISE grant applications are due for submission on April 14th, 2022.

Other NOFOs expected to be released in the coming weeks:

- Infrastructure for Rebuilding America (INFRA)
- National Infrastructure Project Assistance (MEGA)
- Rural Surface Transportation