



**COLORADO**  
**Department of Transportation**

Office of the Chief Engineer

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Denver, CO 80204

**MEMORANDUM**

**TO:** CDOT REGION STAFF AND PAVEMENT MANAGEMENT STAFF  
**FROM:** KEITH STEFANIK, DEPUTY CHIEF ENGINEER Keith J Stefanik  
**DATE:** DECEMBER 15, 2022  
**SUBJECT:** CHIEF ENGINEER MEMORANDUM - SURFACE TREATMENT PROGRAM DISTRIBUTION FOR REGIONAL PLANNING (FY 2027 & FY 2028)

Digitally signed by Keith J Stefanik  
Date: 2022.12.15 10:39:17 -0700

This memorandum is being issued to establish the Regional Planning Budgets for delivery of CDOT's Surface Treatment Program (SUR) for FY 2027 and FY 2028. This memorandum has been developed by the Engineering Specialty Services - Materials and Geotechnical/Pavement Management Services, with direction from the Pavement Management Technical Committee and CDOT Regional Transportation Directors. In addition, the methods for managing the statewide Surface Treatment design percentages and construction pools are included. This memorandum establishes Engineering Division practices in support of established pavement surface condition goals. Funding for the Surface Treatment Program is approved through the Asset Management Program. The Asset Management budget is approved by the Transportation Commission with the approval of CDOT's budget.

This memo establishes Regional planning budgets as percentages of the total annual SUR funds in order to:

- ensure that the Pavement Management Program (PMP) effectively directs project delivery,
- establish annual project plans that reflect statewide pavement asset needs,
- provide reliable annual planning budgets for effective project planning and delivery,
- recognize the optimal statewide design and construction budgeting methods,
- implement the Drivability Life (DL) analysis method and associated traffic-based pavement category condition targets and treatment guidelines, and
- meet the pavement asset practices and condition goals established in Policy Directive 14.

The need for statewide perspective in CDOT's application of asset management practices is established by both the Executive Director and the Transportation Commission (Policy Directive 14). This Memorandum establishes Regional planning budgets based directly on the recommendations of the PMP to ensure that PMP project recommendations determine statewide planning budgets for surface treatment project delivery.

Annual SUR funding is distributed for Regional planning purposes based on the total cost of PMP recommended treatments in each Region from the statewide network analysis conducted by the Materials and Geotechnical/Pavement Management Service staff. The PMP recommended Regional planning budgets from the analysis are the direct output from the network construction program



analysis as an eight-year average dollar value. The 2027 allocation percentages are based on the average model outputs from 2026 - 2033 and the 2028 allocation percentages are based on years 2027 - 2034 of the model outputs. This averaging technique is used to stabilize potential large annual planning budget fluctuations typically seen from individual-year PMP network analysis outputs.

Table 1 provides the recommended percentages for the Regional planning budgets utilizing the 2021 PMP model. Four years of SUR projects, from FY 22 to FY 25, and capital projects currently under construction were committed in the model. The budget used for this assessment is based upon an expected consistent allocation for FY 26 - FY 41 in the amount of \$225.63M (the average SUR allocations from FY22 - FY25). Changes to the model this year included:

- excluding highways not maintained by CDOT; 470B (MP 0 to 46.4), 470N (MP 46.4 to 54.5), 070A (MP 275.2 to 283.5), 036B (MP 37.4 to 56.5),
- a revised Chip Seal Model,
- a revised Minor Rehabilitation Model for Low volume roads, and,
- allowing committed projects to be selected for future treatments provided model criteria is met

**Table 1 - Statewide Distribution of Surface Treatment Funds for Regional Planning**

Region	Planning Budget for Fiscal Year (%)				Region Design Percentage (% of Region Budget) (3)
	2025 (1)	2026 (1)	2027 (2)	2028 (2)	
1	19.0	18.7	18.8	18.1	10
2	22.7	22.9	20.3	21.2	7
3	26.3	25.4	25.2	25.1	4
4	20.6	20.4	22.5	22.2	8
5	11.4	12.6	13.2	13.4	10

1. Final values based on 2019 DL PMP Analysis
2. Final values based on 2021 DL PMP Analysis
3. Design Percentage is the percentage of total planning budget assigned to each Region for preliminary engineering and design.

The planning budgets will be calculated every two years utilizing the latest Pavement Management model. Table 2 identifies the schedule for future recalculations of SUR allocation percentages to the Regions. Annually by December 30, Regions may request a change to their next fiscal year default design percentage amount. The Regional Pavement Manager shall submit a written request to the Surface Treatment Asset Manager requesting a change to the default design percentage shown.



**Table 2 - Future Schedule for calculation of Region Planning Budget percentages**

Planning Budget % calculation date (1)	Planning Budget % set for FY(2)
December 2022	FY 27, 28
December 2024	FY 29, 30
December 2026	FY 31, 32

1. Future planning budget changes will be presented at the October PE3 and November RTD meeting.
2. Each designated December, a revised Allocations Memo will be approved/released.

Changes in economic conditions, unforeseen system demands, and other budget variables that cannot be predicted allow the Executive Director, Chief Engineer, Director of Transportation Development, Chief Financial Officer and the Regional Transportation Directors the option to propose modifications to this program distribution policy memo at any time as required by changes in budget or other parameters. To facilitate CDOT’s 4-year planning and project delivery process, these modification requests will be submitted to the Materials and Geotechnical Services Manager before April 30th, and a minimum of five years prior to the fiscal year to be modified. (i.e., for modifications impacting FY 2028, the requests shall be submitted by the end of April of calendar year 2023).

The established Regional planning budgets shall be used to create four-year Regional project SUR treatment lists. The Regional lists shall consist of treatments that satisfy the requirements for system match and essential construction items. System match is defined in the [Chief Engineer Policy Memo 10 \(PM10\)- PMP Definition of Resurfacing Project Match](#). However, the match percentage now used is 80% as requested by former Executive Director Don Hunt. Essential construction items are defined in the Division of Project Support Memo (DPSM) 2017-02 - Surface Treatment Program Essential Items. SUR design percentages shall be used by each Region for the purpose of facilitation of the four-year project planning, design, and delivery of the Surface Treatment Program. Regional design percentages shall be equal to those shown in [Table 1](#) unless formally approved for an alternative amount. When possible, funding of a project Design Phase to facilitate Direct to Project Charging, should be utilized, unless otherwise approved.

All SUR construction funds will be administered Regionally from Regions’ SUR pools. Annually, all projects in the 4-year Regional plans shall be compiled to develop the annual Statewide Surface Treatment Program project portfolio. Construction budget actions will be executed for each project in the Surface Treatment project portfolio per PD 703.

Safety Surface Treatment funds are administered from the same central funding pool as the Surface Treatment funds. These funds have historically been approximately 3.3% of the total SUR funds. Region staff will estimate and report the total safety treatment project costs on each project and will be allowed up to 3.3% of their total assigned Regional planning budget to be utilized for safety treatment work on Surface Treatment Projects. See Division of Project Support Memorandum 2017-02 for guidance on appropriate use of Surface Treatment funds for project related safety work.

(CONCURRENCE SIGNATURES ON NEXT PAGE)



I concur \_\_\_\_\_  
Stephen Harelson, P.E., Chief Engineer

\_\_\_\_\_  
Date

I concur \_\_\_\_\_  
Jeffrey Sudmeier, Chief Financial Officer

\_\_\_\_\_  
Date

cc: Regional Transportation Directors  
Craig Wieden  
Regional Material Engineers  
Brian Dabling, FHWA Colorado Division

