

Resolution – HPTE #196

Approving and Adopting Fiscal Year 2016-17 HPTE Budgets

WHEREAS, the General Assembly of the State of Colorado created the Colorado High Performance Transportation Enterprise (“HPTE”) as a government-owned business within the Colorado Department of Transportation (“CDOT”); and

WHEREAS, Section 43-4-806(3)(a), C.R.S. created the Statewide Transportation Enterprise Special Revenue Fund in the state treasury (“Fund 536”) for the purpose of, *inter alia*, depositing user fee revenues received by the HPTE, and further provided for the establishment of separate accounts in connection with specific surface transportation infrastructure projects; and

WHEREAS, Section 43-4-806(4), C.R.S., separately created the Statewide Transportation Enterprise Operating Fund (“Fund 537”) for the HPTE; and

WHEREAS, pursuant to Section 43-4-806(6)(l), C.R.S., the HPTE Board of Directors (the “Board”) is empowered to set and adopt, on an annual basis, a budget for the HPTE.

NOW THEREFORE BE IT RESOLVED, the HPTE budgets for Fiscal Year 2016-17 for Fund 536 and Fund 537, attached hereto as **Exhibit A** and **Exhibit B** respectively, are hereby approved and adopted by the Board.

Signed as of March 16, 2016

Kari V. Grant
Secretary, HPTE Board

**Exhibit A to HPTE Resolution #196
(Adopted Fiscal Year 2016-17 Fund 536 Budget)**

| Fiscal Year 2017 Final Budget | | |
|--|--------------------------------|--------------------------------|
| Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536 | | |
| Expenses by Corridor | Estimated FY17 Revenues | Estimated FY17 Expenses |
| US 36 Managed Lanes (Cost Center T8620-536) | | |
| Fiscal Year 2017 Revenue | | |
| Transponder Revenue | \$ 225,000 | |
| Express Lanes Advertising Reimbursement from Plenary | \$ 70,000 | |
| Interest Earnings | \$ 200,000 | |
| Annual Concessionaire Management Fee | \$ 400,000 | |
| Total US 36 FY17 Available Revenue | \$ 895,000 | |
| Fiscal Year 2017 Expenses | | |
| CDOT Staff Consulting | | \$ (15,000) |
| Project Oversight | | \$ (400,000) |
| Toll Processing Oversight | | \$ (198,000) |
| Annual Audit | | \$ (5,100) |
| Attorney General Fees | | \$ (10,000) |
| Tolling Services Agreement- General Reimbursable Costs | | \$ (37,200) |
| Total US 36 FY17 Estimated Expenses | | \$ (665,300) |
| US36 Remaining Balance | | \$ 229,700 |
| I-25 North Managed Lanes (Cost Center T8630-536) | | |
| Fiscal Year 2017 Funds | | |
| Tolling Revenue | \$ 2,269,192 | |
| Transponder Revenue | \$ 225,000 | |
| Total I-25 N FY17 Available Revenue & Funds | \$ 2,494,192 | |
| Tolling Services Agreement- General Reimbursable Costs | | \$ (37,200) |
| Toll Processing | | \$ (1,388,999) |
| Courtesy Patrol | | \$ (150,000) |
| CSP Enforcement | | \$ (112,794) |
| General Operations & Maintenance | | \$ (340,000) |
| Note Registrar | | \$ (1,000) |
| Total I-25 N FY17 Estimated Expenses | | \$ (2,029,993) |
| I-25 N Remaining Balance | | \$ 464,199 |
| I-70 West PPSL (Cost Center T8640-536) | | |
| Fiscal Year 2017 Funds | | |
| Tolling Revenue | \$ 450,000 | |
| PPSL Loan Funds | \$ 697,500 | |
| Total I-70 W PPSL FY17 Available Revenue & Funds | \$ 1,147,500 | |
| Fiscal Year 2017 Expenses | | |
| PPSL Loan Interest Payment | | \$ (697,500) |
| E-470 Toll Processing Costs | | \$ (147,825) |
| General Operations & Maintenance | | \$ (67,000) |
| Note Registrar | | \$ (1,000) |
| Total I-70 W PPSL FY17 Estimated Expenses | | \$ (913,325) |
| I-70 W PPSL Remaining Balance | | \$ 234,175 |
| Total Fund 536 FY17 Revenues & Funds | \$ 4,536,692 | |
| Total Fund 536 FY17 Expenses | | \$ (3,608,618) |
| Remaining Unbudgeted Funds | | \$ 928,074 |

**Exhibit B to HPTE Resolution #196
(Adopted Fiscal Year 2016-17 Fund 537 Budget)**

| Fiscal Year 2017 Final Budget | | |
|--|----------------------------|----------------------------|
| Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537 | | |
| Operations Expenses | Estimated FY17 Revenues | Estimated FY17 Expenses |
| Fiscal Year 2017 Revenue | | |
| Interest Earnings | \$ 8,800 | |
| Fee for Consulting Services | \$ 2,080,000 | |
| Total FY2017 Operating Revenue | \$ 2,088,800 | |
| Fiscal Year 2017 Expenses | | |
| Administrative Cost Center (T8700-537) | | |
| | | |
| Overall Program Operations | | |
| HPTE Staff Costs | | \$ (436,800) |
| CDOT Staff Consulting | | \$ (61,500) |
| Attorney General | | \$ (75,000) |
| Annual Accounting & Audit Services | | \$ (80,100) |
| In-State Travel | | \$ (2,200) |
| Board Expenses | | \$ (10,000) |
| Staff Training and Certifications | | \$ (20,000) |
| Administrative and Membership Expenses | | \$ (20,000) |
| Miscellaneous | | \$ (2,200) |
| Program Planning & Development | | |
| Program Management | | \$ (50,000) |
| Transparency, Outreach and Communications Support | | \$ (282,000) |
| Community and Public Affairs Support | | \$ (115,000) |
| P3 Advisor | | \$ (150,000) |
| Toll Operations Advisor | | \$ (150,000) |
| Professional Services | | \$ (150,000) |
| Surveillance Fees | | \$ (75,000) |
| Long-Term Strategic Planning | | \$ (150,000) |
| Aconex Document Management System | | \$ (224,000) |
| Credit Ratings Services | | \$ (20,000) |
| Out of State Travel Expenses | | \$ (15,000) |
| Total FY2017 Operating Revenue | \$ 2,088,800 | |
| Total FY2017 Operating Expenses | | \$ (2,088,800) |
| | | |
| Total Fund 537 FY17 Revenues | \$ 2,088,800 | |
| Total Fund 537 FY17 Expenses | | \$ (2,088,800) |
| Remaining Unbudgeted Funds | | \$ - |



MEMORANDUM

TO: HIGH PERFORMANCE TRANSPORTATION ENTERPRISE BOARD OF DIRECTORS
FROM: PIPER FRODE, ENTERPRISES BUDGET ANALYST
DATE: MARCH, 16, 2016
SUBJECT: ADOPTION OF FINAL FISCAL YEAR 2016-17 BUDGETS FOR FUND 536 AND FUND 537

Requested Action

The HPTE Board of Directors is asked to approve Resolution #196 adopting final Fiscal Year 2016-17 for Fund 536 (Statewide Transportation Enterprise Special Revenue Fund) and Fund 537 (Statewide Transportation Enterprise Operating Fund).

Policy Implications:

Approval of a final budget this month by the Board:

- Ensures that HPTE is in alignment with its new annual budget timeline
- Improves communication and collaboration between HPTE and the CDOT Office of Financial Management & Budget (OFMB) and allows coordination with CDOT annual budget processes

Background and Details

In February 2016 staff presented the Board with versions of the FY 2016-17 operational budgets for Fund 536 and Fund 537 for comment. Following review and discussion, the Board had no suggested changes. Staff has made a few changes to the budgets presented in February and those changes are outlined below and reflected in the attached budgets.

Following a final review of the revenue and allocations for Fund 536 and Fund 537, staff has made several changes worth noting:

These changes are highlighted in Attachment A: FY 2016-17 Final Budget for Fund 536:

- Budget allocations presented in February were based on an estimated \$7.7 million of projected HPTE revenue for FY 2016-17. Those revenue estimates have been adjusted to \$5.7 million. This is due to an adjustment of previously presented tolling revenue projections. With I-25 North Segment 2 not yet operational and I-70 Mountain Express Lanes (PPSL) recently opened, HPTE does not have a robust set of data to base its estimates on and is therefore reducing its tolling revenue forecast in an effort to be conservative. HPTE now estimates that tolling revenue for FY 2016-17 will be \$2.7 million for FY 2016-17.
- Line items for Operations and Maintenance Expenses (O&M) have been added for both I-25 North Segment 2 and the I-70 Mountain Express Lane (PPSL). These estimated expenses are based on historical O&M expenditures for the I-25 HOT lanes.

These changes are highlighted in Attachment B: FY 2016-17 Final Budget for Fund 537.

- The line item for Board Expenses has increased by \$5,000 to reflect expenses related to packet printing costs. Budget for this item has been shifted from the Miscellaneous line item.

Recommendation

Staff recommends that the Board approves Resolution #196.

Attachments

Attachment A: FY 2016-17 Final Budget for Fund 536

Attachment B: FY 2016-17 Final Budget for Fund 537

Attachment A: FY 2016-17 Final Budget for Fund 536

| Fiscal Year 2017 Final Budget | | |
|--|-------------------------|-------------------------|
| Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536 | | |
| Expenses by Corridor | Estimated FY17 Revenues | Estimated FY17 Expenses |
| US 36 Managed Lanes (Cost Center T8620-536) | | |
| Fiscal Year 2017 Revenue | | |
| Transponder Revenue | \$ 225,000 | |
| Express Lanes Advertising Reimbursement from Plenary | \$ 70,000 | |
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| I-70 West PPSL (Cost Center T8640-536) | | |
| Fiscal Year 2017 Funds | | |
| Tolling Revenue | \$ 450,000 | |
| PPSL Loan Funds | \$ 697,500 | |
| Total I-70 W PPSL FY17 Available Revenue & Funds | \$ 1,147,500 | |
| Fiscal Year 2017 Expenses | | |
| PPSL Loan Interest Payment | | \$ (697,500) |
| E-470 Toll Processing Costs | | \$ (147,825) |
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| I-70 W PPSL Remaining Balance | | \$ 234,175 |
| Total Fund 536 FY17 Revenues & Funds | \$ 4,536,692 | |
| Total Fund 536 FY17 Expenses | \$ (3,608,618) | |
| Remaining Unbudgeted Funds | \$ 928,074 | |

Attachment B: FY 2016-17 Final Budget for Fund 537

| Fiscal Year 2017 Final Budget | | |
|---|-------------------------|-------------------------|
| Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537 | | |
| Operations Expenses | Estimated FY17 Revenues | Estimated FY17 Expenses |
| Fiscal Year 2017 Revenue | | |
| Interest Earnings | \$ 8,800 | |
| Fee for Consulting Services | \$ 2,080,000 | |
| Total FY2017 Operating Revenue | \$ 2,088,800 | |
| Fiscal Year 2017 Expenses | | |
| Administrative Cost Center (T8700-537) | | |
| Overall Program Operations | | |
| HPTE Staff Costs | | \$ (436,800) |
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| Total FY2017 Operating Expenses | | \$ (2,088,800) |
| Total Fund 537 FY17 Revenues \$ 2,088,800 | | |
| Total Fund 537 FY17 Expenses \$ (2,088,800) | | |
| Remaining Unbudgeted Funds \$ - | | |