



## MEMORANDUM

TO: HIGH PERFORMANCE TRANSPORTATION ENTERPRISE BOARD OF DIRECTORS  
FROM: PIPER DARLINGTON, HPTE BUDGET AND SPECIAL PROJECTS MANAGER  
DATE: NOVEMBER 20, 2019  
SUBJECT: FIRST AMENDMENT TO THE FISCAL YEAR 2019-20 BUDGET

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### Requested Action

This memo provides information to the High Performance Transportation Enterprise (HPTE) Board of Directors (the Board) regarding proposed changes to the fiscal year (FY)2019-20 budgets for Fund 537 (Operating Fund) and Fund 536 (Special Revenue Fund). The Board is asked to review the proposed changes and approve Resolution #310, included as Attachment A, approving the First Budget Amendment of FY 2019-20.

### Background

Per the HPTE Budget Process and Reporting Guidelines, any changes to the current approved annual budget which result in a new expenditure must be presented to the HPTE Board for review and approval. At the October 2019 HPTE Board Meeting, the HPTE Director and staff discussed potential new expenditures for the 2019-20 fiscal year that were not part of the original annual budget approved in March 2019. Items brought forth for consideration included:

- Using remaining balances from the US 36 corridor budget to make a payment towards HPTE's outstanding Transportation Commission Loan balance.
- Using toll revenue from I-25 North Express Lanes US36 to 120<sup>th</sup> (Segment 2) to conduct an Intermediate Traffic and Revenue (T&R) analysis to understand the impact of construction of one additional general-purpose (GP) lane in each direction and evaluate the effect of this potential expansion on the forecasted toll revenue collections.
- Using toll revenue from I-25 North Segment 2 and the I-70 Mountain Express Lane Eastbound (MEXL), to purchase new equipment on those corridors including cameras.
- Other small changes to reflect updated expenditure information.

Based on positive feedback from the Board, staff has worked these changes into the first budget amendment being presented this month for approval. **Important to note:** although it was proposed for this month, the HPTE director has decided to postpone a request for I-270 NEPA direct connect funding while a more detailed scope of work is being worked on with CDOT. It is anticipated that a future budget supplement will be presented for BOD approval when the scope of work and associated costs are more certain.

### Details

Specific changes to Fund 536, HPTE Special Revenue Fund, that have been made and are highlighted in yellow on Exhibit A of Attachment A are as follows:

#### *US36 Express Lanes (Cost Center T8620-536)*

- **Line 12:** The Attorney General Fees line has been increased to reflect current rate of expenditure from quarter 1 of FY 2019-20 and additional anticipated legal work related to the US36 wall failure.
- **Line 14:** A new Transportation Commission Loan repayment line for \$2,142,472 has been added. From 2009-2014, HPTE received an annual operating loan from the Transportation Commission (TC). During that time, HPTE received a total of \$4.0 million in TC loans and inherited \$2,060,892 in transfers from the Colorado Tolling Enterprise (CTE), totaling \$6,060,892 of outstanding debt owed to the TC. HPTE has been making a concerted effort to pay down this debt over the last several years. By approving this payment of \$2,142,472 HPTE will have paid off all debt and interest related to the \$4.0 million in loans leaving the



remaining balance in transfers from CTE. See Attachment B for a summary of HPTE Transportation Commission Loan Debt as of November 30, 2019.

#### *I-25 North Express Lanes (Cost Center T8630-536)*

- **Line 22:** The CDOT Reimbursement for Debt Service Expenses per IAA line has been increased by \$155,973 to reflect the amount being requested this month for TC reimbursement under the I-25 North Segment 2 IAA. If approved, this payment will reimburse HTPE for its 2019 debt service payment of \$626,210 due in December (which includes \$155,973 for a margin rate payment) as well as its 2018 margin rate payment of \$155,973.
- **Line 30:** The Attorney General Fees line has been increased to reflect current rate of expenditure from quarter 1 of FY 2019-20.
- **Line 34:** A new Capital Replacement-Tolling Equipment line for \$75,000 has been added for the replacement of tolling cameras and other equipment along this corridor.
- **Line 35:** A new Traffic and Revenue Studies and General Advising line for \$550,000 has been added for the upcoming Segment 2 T&R work.

#### *I-70 West MEXL (Cost Center T8640-536)*

- **Line 54:** A new Capital Replacement-Tolling Equipment line for \$75,000 has been added for the replacement of tolling cameras and other equipment along this corridor.

Specific changes to Fund 537, HPTE Operating Fund, that have been made and are highlighted in yellow on Exhibit B of Attachment A are as follows:

#### *Operating Cost Center (T8700-537)*

- **Lines 4 & 5:** New lines have to been added to reflect new payments from CDOT per previously approved Intra-Agency Agreements.
- **Line 25:** The Aconex Document Management System (required by the US 36 Legislative Audit) line has been increased to \$672,725 reflecting the additional cost of adding new projects (I-25 South GAP, I-70 MEXL Westbound, etc.) that will be using the service.

#### Options and Recommendations

1. Act on Resolution #311 adopting amended budgets for fund 536 and 537. **Staff recommendation**
2. Request additional information on any of the requested amendments.
3. Deny the request.

#### Next Steps

- Staff will apply the approved TC payment to the existing loan balance and will update the Board on future payments.
- The new amended budget will be reflected in the second quarter budget to actual statement.

#### Attachment

Attachment A: Resolution #311 Approval of First Amendment to the Fiscal Year 2019-20 HPTE Budget

Attachment B: Summary of HPTE Transportation Commission Loan Debt: As of November 30, 2019