

Historical traffic volumes for all C-470 lanes were reviewed at two Colorado Department of Transportation (CDOT) continuous count locations, as shown in **Figure 1**. Average Weekday Traffic (AWDT) volumes in 2021 generally exhibit normal seasonal patterns, as compared to prior years which were impacted by construction of the C-470 Express Lanes and the COVID-19 Pandemic. AWDT volumes in 2021 on C-470 west of US 85/Santa Fe Drive exceeded 2016 levels (prior “high” traffic mark), while AWDT volumes east of Quebec Street came close to 2016 levels during the same time period. This recovery indicates a loss of five years of normal growth. While AWDT volumes for January through April 2022 generally exceeded those of the same months in 2021, traffic volumes in May, June, and July 2022 were generally comparable to 2021 levels. This is likely the result of rising gasoline prices during the same period.

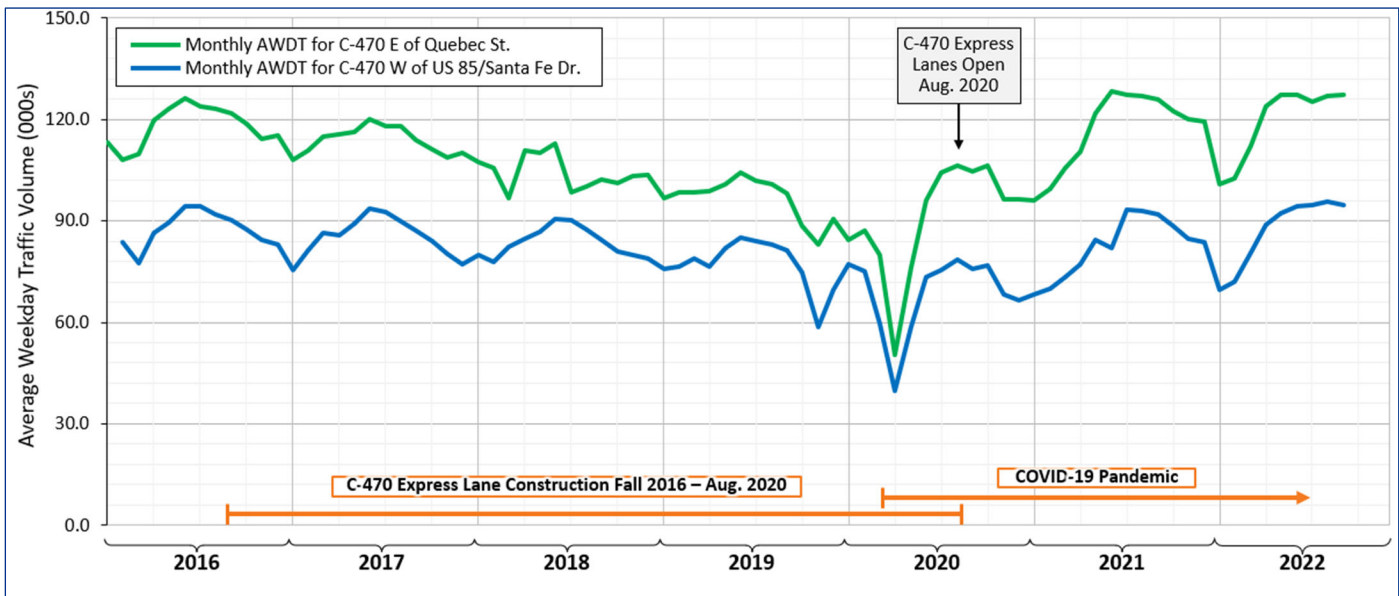


Figure 1: Historical Average Weekday Traffic Volumes by Month on C-470, 2016 – 2022

Available historical C-470 transactions and toll revenue are shown in **Figure 2** since August 18, 2020 (opening day). While transactions and toll revenues for 2022 through September are higher than same period in 2021, they remain below the 2016 forecasts. Toll rate changes were implemented at the end of July 2022, with resulting increases in transactions and revenues apparent in August and September (beyond comparable seasonal variations observed in 2021).

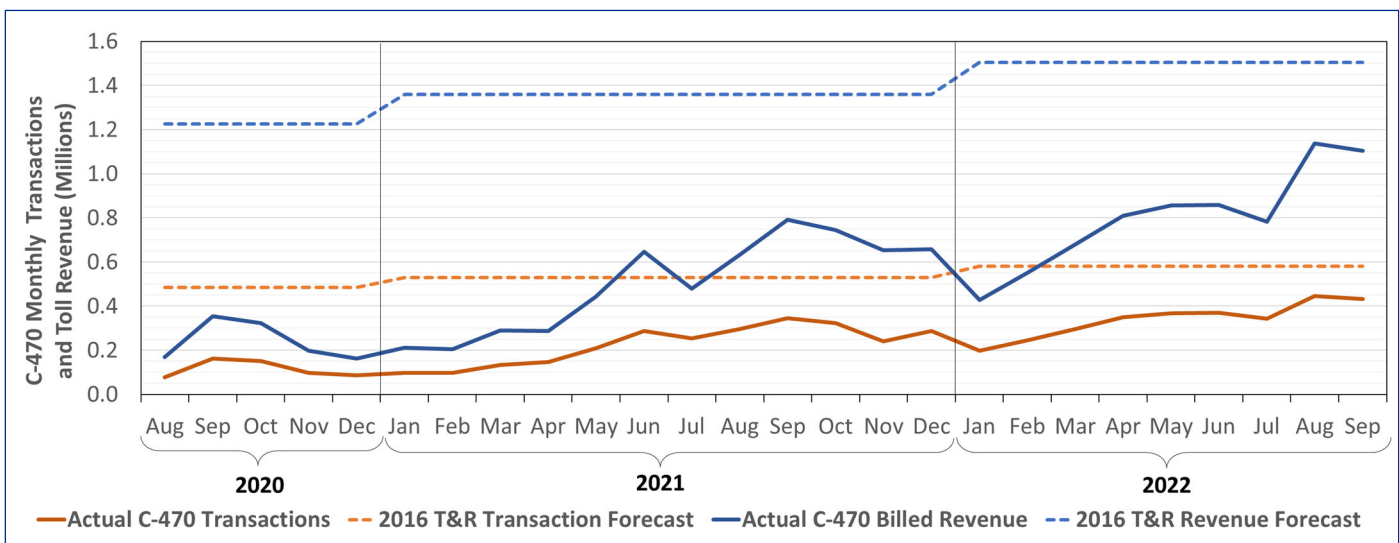


Figure 2: Historical Monthly C-470 Transactions and Toll Revenue with Comparison to Prior Forecast

Traffic volumes on C-470 were reviewed by hour (**Figure 3** and **Figure 4**) for Q3 2022 and compared against the same period in 2021. West of US 85/Santa Fe Drive, Q3 2022 C-470 EB volumes are slightly higher than Level of Service (LOS) C conditions during the PM Peak Period, while WB volumes are just below LOS C conditions. East of Quebec Street, PM Peak Period volumes just reached LOS C levels in Q3 2022. Peak period traffic has generally increased in Q3 2022, as compared to the prior year, and is indicating a trajectory of increased levels of general-purpose lane congestion in future years during peak periods that will begin to encourage more usage of the C-470 Express Lanes.

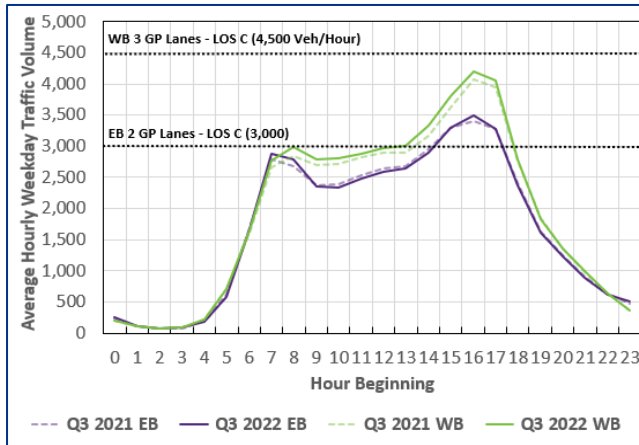


Figure 3: Average Weekday Daily Traffic for C-470 West of US85/Santa Fe Drive

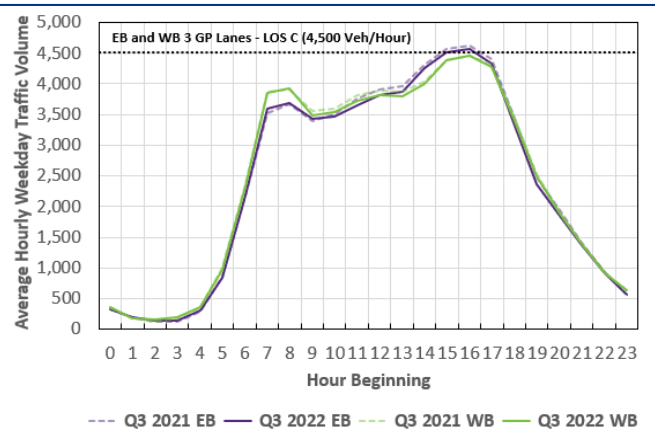


Figure 4: Average Weekday Daily Traffic for C-470 East of Quebec Street

Summary:

Traffic volumes along C-470, while recovered from the construction and COVID-19 Pandemic impacts, remained depressed between May and September 2022, due in part to factors such as increased gasoline prices and ongoing work-from-home trends. The trajectory of general-purpose lane volume growth occurring during the peak period (above LOS C conditions) suggests that an increased attractiveness of the C-470 Express Lanes, and therefore increased revenue generation, is likely in the near future (following the seasonally lower traffic volumes associated with the November-February months).

Employment: The Denver region returned to pre-COVID-19 employment levels as of November 2021, based on data from the Bureau of Labor Statistics (BLS). Since then, employment growth in the region has been robust, with Q3 2022 finishing 2.1 percent above November 2021. This level of growth is consistent with historical trends (~2.5 percent), indicating “work-from-home” trends have stabilized and will likely continue at current levels into the near future.

Gas Price Impacts: Recent spikes in gasoline prices have impacted the motoring public’s perception of gas affordability and led to decreased vehicular volumes and toll road attractiveness. Following a more than 5-year period of stable gas prices below \$3.00 per gallon (2016-2020), gas prices experienced significant increases in both the year-over-year and month-over-month prices over the last quarter (starting April 2022). The impacts of these increases can be seen in the traffic volumes, C-470 transactions, and C-470 billed revenue – especially during the summer months (June and July) - when instead of increasing values correlated to increased summer driving, all curves declined.

Toll Rate Change Impacts: New rates were implemented on the C-470 Express Lanes at the end of July 2022. Increased C-470 transactions and billed revenue are visible starting in August and continuing into September that, in addition to other ongoing impacts, incorporate the previously estimated impacts of the toll rate changes. These increases occurred against relatively flat vehicular volumes starting in Q2, extending through Q3.

Moving Forward: Assuming that gas prices continue to stabilize (or decline), COVID-19 infection rates are low and stable through the winter, and other corridor volume trends continue, toll revenue along the corridor should remain at current elevated values resulting from the recent toll rate changes (as compared to 2021). However, during the next two quarters, typical seasonal variation should be expected as less wintertime miles are driven (compared to peak summer volumes).