



## MEMORANDUM

**TO:** HPTE BOARD OF DIRECTORS  
**FROM:** PIPER DARLINGTON, ENTERPRISES BUDGET & SPECIAL PROJECTS MANAGER  
**DATE:** FEBRUARY 16, 2022  
**SUBJECT:** HPTE FISCAL YEAR 2022-23 FINAL ANNUAL BUDGET ALLOCATION PLANS

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### Purpose

This memorandum presents Fiscal Year (FY) 2022-23 Final Annual Budget Allocation Plans for Fund 536 (Statewide Transportation Enterprise Special Revenue Fund) and Fund 537 (Statewide Transportation Enterprise Operating Fund). Staff requests that the High-Performance Transportation Enterprise (HPTE) Board of Directors (the Board) review.

### Action Requested

The purpose of this memo is informational only, and no action this month is required. A budget review this month ensures:

- HPTE is in alignment with its internal annual budget timeline.
- HPTE accurately communicates between HPTE and the CDOT Office of Financial Management & Budget (OFMB) regarding the annual fee for service request.
- HPTE complies with internal CDOT annual budget processes and legislative deadlines.

### Background and Details

In November 2021, staff presented the Board with FY 2022-23 Proposed Annual Budget Allocation Plans for Fund 536 and Fund 537. Over the past several months, staff has worked to integrate changes and updates to projected revenues and allocations for the upcoming fiscal year. A comparison between the proposed FY 2022-23 budgets presented in November and the updated budgets being offered this month are shown in Attachment A and B.

### Changes highlighted in yellow and numbered on Attachment A: FY 2022-23 Proposed Budget for Fund 536 are:

- *Line Items 24, 41, 71, and 89: General Reimbursable Expenses and Toll Processing Costs.* HPTE has updated its toll-processing costs based on new estimates developed and approved by HPTE and E470 for 2022. The budget identified will be used to support all tolling operations on the corridor, including mailing of transponders, processing of tolls, and providing customer service support to all Express Lane customers.
- *Line Items 27, 43, 73, and 91: Operations.* HPTE has updated its estimates for Express Lane operating costs based on hiring contractors to provide regular oversight of the Express Lanes. Duties will include opening and closing the I-70 MEXL lanes, voiding tolls, and learning the dynamic tolling system. This budget item aligns with the 2022-23 Tolling Operations Staffing Plan previously presented to the Board. In addition to contractor support, the budget identified for operations will be used to monitor and maintain tolling equipment and safety enforcement and patrol by the Colorado State Patrol (CSP).
- *Line Items 81 and 82: C-470 Tolling Revenue and Draws on Project Reserve Accounts.* HPTE has monitored toll collections through Q2 of FY 2021-22, updated toll revenue estimates, and accordingly draws on project reserve accounts. Staff anticipates hiring a Traffic and Revenue advisor within the next six months to understand better how the COVID-19 pandemic has changed travel patterns on the corridor and how HPTE could adjust toll rates to react to the new conditions. Current toll revenue estimates are still conservative, pending new information.
- *Line 92: Debt Monitoring and Surveillance Fees.* This line has been added to reflect toll revenue allocated to required debt monitoring by rating agencies and other annual fees for servicing the TIFIA loan and toll revenue-backed bonds on C-470.

Details are outlined in Attachment A: Fiscal Year 2022-23 Final Annual Budget Allocation Plan for Fund 536.



**Changes highlighted in yellow and numbered on Attachment B: FY 2022-23 Final Budget for Fund 537 are:**

- *Lines 18, 20, 30, and 32: Various.* HPTE staff has zeroed out or reduced these lines as it currently has budget allocated to these items that it anticipates rolling forward at the end of FY 2021-22.
- *Lines 19: Toll Operations Advisor.* Budget identified for this line has been increased based on new estimates to support the new tolling back-office procurement. In addition to the tolling back-office, budget will also continue to support ongoing integration and oversight work with HPTE's new tolling equipment and software vendor, including system design, maintenance, and lifecycle planning.
- *Line 24: Surveillance and Ratings Fees.* HPTE has zeroed out this line as all debt-related costs are now being paid for by toll revenue.
- *Line 27: Outside Legal Services.* Budget identified for this line item has been increased based on estimates to support the new tolling back-office procurement.
- *Line 32: Tolling Equity Program:* Budget identified for this line item has been zeroed out in anticipation of a new Central 70 Tolling Equity Program Intra-Agency Agreement slated to be approved in April by the Transportation Commission and the HPTE Board. Under this IAA, the existing Central 70 Project contingency will fund the administration of the new program. If this IAA is not approved, staff will have roll forward budget available to allocate to the program.

Details are outlined in Attachment B: Fiscal Year 2022-23 Final Annual Budget Allocation Plan for Fund 537

**Options and Recommendations**

The Board is being asked to review the attached budgets and provide feedback if necessary.

**Next Steps**

- HPTE staff will integrate any requested changes and return to the Board in March for final adoption of FY 2022-23 Final Annual Budget Allocation Plans Fund 536 and Fund 537.
- HPTE staff will work with CDOT to finalize the FY 2022-23 Scope of Work, which will be integrated into the FY 2022-23 Fee for Service Intra-Agency Agreement (IAA). Staff will return to the Board for approval of the IAA in March.

**Attachments**

Attachment A: Fiscal Year 2022-23 Final Annual Budget Allocation Plan for Fund 536

Attachment B: Fiscal Year 2022-23 Final Annual Budget Allocation Plan for Fund 537



**Attachment A: Fiscal Year 2022-23 Final Annual Budget Allocation Plan for Fund 536**

Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536

Line Item		Proposed Revenues-Nov	Proposed Allocations-Nov	Final Revenues	Final Allocations
1	<b>US 36 Express Lanes (Cost Center T8620-536)</b>				
2	<b>Fiscal Year Revenues</b>				
3	Annual Concessionaire Management Fee	\$ 400,000		\$ 400,000	
4	Interest Earnings	\$ 15,000		\$ 15,000	
5	<b>Total US 36 FY 2022-23 Available Revenue</b>	<b>\$ 415,000</b>		<b>\$ 415,000</b>	
6	<b>Fiscal Year Allocations</b>				
7	CDOT Staff Consulting		\$ (15,000)		\$ (15,000)
8	Project Oversight		\$ (388,500)		\$ (388,500)
9	Annual Audit		\$ (1,500)		\$ (1,500)
10	Attorney General Fees		\$ (10,000)		\$ (10,000)
11	Miscellaneous Corridor Studies		\$ -		\$ -
12	<b>Total US 36 FY 2022-23 Allocations</b>		<b>\$ (415,000)</b>		<b>\$ (415,000)</b>
13	<b>Remaining Balance</b>		<b>\$ -</b>		<b>\$ -</b>
14	<b>I-25 Express Lanes</b>				
15	<b>US36 to Fort Collins (Cost Center T8630-536)</b>				
16	<b>Fiscal Year Revenues</b>				
17	Tolling Revenue	\$ 16,646,000		\$ 16,646,000	
18	Transponder Revenue	\$ 600,000		\$ 600,000	
19	Interest Earnings	\$ 200,000		\$ 200,000	
20	<b>Total I-25 North FY 2022-23 Available Revenue &amp; Funds</b>	<b>\$ 17,446,000</b>		<b>\$ 17,446,000</b>	
21	<b>Fiscal Year Allocations</b>				
22	HPTE and CDOT Staff Time		\$ (210,000)		\$ (210,000)
23	Attorney General Fees		\$ (10,000)		\$ (10,000)
24	<b>General Reimbursable Expenses and Toll Processing Costs</b>		<b>\$ (4,000,000)</b>		<b>\$ (4,712,818)</b>
25	Sales Tax and Sales Tax Processing Costs		\$ (162,300)		\$ (162,300)
26	Routine Maintenance		\$ (213,034)		\$ (213,034)
27	<b>Operations</b>		<b>\$ (350,000)</b>		<b>\$ 451,000</b>
28	Capital Replacement-Tolling Equipment		\$ -		\$ -
29	Miscellaneous Corridor Studies		\$ -		\$ -
30	Tolling System and Software Development		\$ -		\$ -
31	<b>Total I-25 North FY 2022-23 Allocations</b>		<b>\$ (4,945,334)</b>		<b>\$ (4,857,152)</b>
32	<b>Remaining Balance</b>		<b>\$ 12,500,666</b>		<b>\$ 12,588,848</b>
33	<b>Monument to Castle Rock (the GAP) (Cost Center T8655-536)</b>				
34	<b>Fiscal Year Revenues &amp; Funds</b>				
35	Tolling Revenue	\$ 3,678,000		\$ 3,678,000	
36	Interest Earnings	\$ 60,000		\$ 60,000	
37	<b>Total GAP FY 2022-23 Available Revenue &amp; Funds</b>	<b>\$ 3,738,000</b>		<b>\$ 3,738,000</b>	
38	<b>Fiscal Year Allocations</b>				
39	HPTE and CDOT Staff Time		\$ (210,000)		\$ (210,000)
40	Attorney General Fees		\$ (5,000)		\$ (5,000)
41	<b>General Reimbursable Expenses and Toll Processing Costs</b>		<b>\$ (500,000)</b>		<b>\$ (1,767,730)</b>
42	Routine Maintenance		\$ (229,694)		\$ (229,694)
43	<b>Operations</b>		<b>\$ (364,480)</b>		<b>\$ (465,480)</b>
44	Capital Replacement-Tolling Equipment Reserve		\$ -		\$ -
45	Loan Expenses (Note Registrar, Refinancing)		\$ -		\$ -
46	Tolling System and Software Development		\$ -		\$ -
47	<b>Total GAP FY 2022-23 Allocations</b>		<b>\$ (1,309,174)</b>		<b>\$ (2,677,904)</b>
48	<b>Remaining Balance</b>		<b>\$ 2,428,826</b>		<b>\$ 1,060,996</b>



**Attachment A: Fiscal Year 2022-23 Final Annual Budget Allocation Plan for Fund 536**  
 Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536

49	<b>Burnham Yard (Cost Center T8600-536)</b>			
50	<b>Fiscal Year Revenues &amp; Funds</b>			
51	CDOT Payment for Project Expenses per IAA	\$ 4,500,000		\$ 4,500,000
52	Proceeds for Debt Service (Capitalized Interest)	\$ 4,379,437		\$ 4,379,437
53	Interest Earnings	\$ 50,000		\$ 50,000
54	<b>Total Burnham Yard FY 2022-23 Available Funds</b>	<b>\$ 8,929,437</b>		<b>\$ 8,929,437</b>
55	<b>Fiscal Year Allocations</b>			
56	Eligible Property Expenditures for Planning Activities		\$ (500,000)	\$ (500,000)
57	Security Services		\$ (484,775)	\$ (484,775)
58	FY2022-23 Debt Service		\$ (1,094,859)	\$ (1,094,859)
59	<b>Total Burnham Yard FY 2022-23 Allocations</b>	<b>\$ (2,079,634)</b>		<b>\$ (2,079,634)</b>
60	<b>Remaining Balance</b>		<b>\$ 6,849,803</b>	<b>\$ 6,849,803</b>
61	<b>I-70 West Mountain Express Lanes (MEXL)</b>			
62	<b>MEXL Eastbound and Westbound (Cost Center T8640-536)</b>			
63	<b>Fiscal Year Revenues &amp; Funds</b>			
64	Tolling Revenue	\$ 4,560,816		\$ 4,560,816
65	Interest Earnings	\$ 120,000		\$ 120,000
66	<b>Total MEXL Eastbound FY 2022-23 Available Revenue &amp; Funds</b>	<b>\$ 4,680,816</b>		<b>\$ 4,680,816</b>
67	<b>Fiscal Year Allocations</b>			
68	MEXL Loan Payment		\$ (191,558)	\$ (191,558)
69	HPTE and CDOT Staff Time		\$ (210,000)	\$ (210,000)
70	Attorney General Fees		\$ (5,000)	\$ (5,000)
71	General Reimbursable Expenses and Toll Processing Costs		\$ (500,000)	\$ (482,602)
72	Routine Maintenance		\$ (450,381)	\$ (450,381)
73	Operations		\$ (364,480)	\$ (465,480)
74	Capital Replacement-Tolling Equipment Reserve		\$ -	\$ -
75	Loan Expenses (Note Registrar, Refinancing)		\$ (75,000)	\$ (75,000)
76	Tolling System and Software Development		\$ -	\$ -
77	<b>Total MEXL Eastbound FY 2022-23 Allocations</b>	<b>\$ (1,796,419)</b>		<b>\$ (1,880,020)</b>
78	<b>Remaining Balance</b>		<b>\$ 2,884,397</b>	<b>\$ 2,800,796</b>
79	<b>C-470 Express Lanes (Cost Center T8650-536)</b>			
80	<b>Fiscal Year Funds and Revenue</b>			
81	Tolling Revenue	\$ 4,939,500		\$ 9,653,840
82	Draws on Project Reserve Accounts	\$ 5,287,897		\$ 1,761,408
83	Interest Earnings	\$ 100,000		\$ 100,000
84	<b>Total C-470 FY 2022-23 Available Funds</b>	<b>\$ 10,327,397</b>		<b>\$ 11,515,248</b>
85	<b>Fiscal Year Allocations</b>			
86	Bond Debt Service		\$ (8,089,750)	\$ (8,089,750)
87	HPTE and CDOT Staff Time		\$ (210,000)	\$ (210,000)
88	Attorney General Fees		\$ (10,000)	\$ (10,000)
89	General Reimbursable Expenses and Toll Processing Costs		\$ (1,000,000)	\$ (1,986,851)
90	Routine Maintenance		\$ (537,647)	\$ (537,647)
91	Operations		\$ (480,000)	\$ (581,000)
92	Debt Monitoring and Surveillance Fees		\$ -	\$ (100,000)
93	Tolling System and Software Development		\$ -	\$ -
94	<b>Total C-470 FY 2022-23 Allocations</b>	<b>\$ (10,327,397)</b>		<b>\$ (11,515,248)</b>
95	<b>Remaining Balance</b>		<b>\$ -</b>	<b>\$ 0</b>
96	<b>Central 70 (Cost Center T8660-536)</b>			
97	<b>Fiscal Year Funds and Revenue</b>			
98				
99	<b>Total Central 70 FY 2022-23 Available Revenue &amp; Funds</b>			
100	<b>Fiscal Year Allocations</b>			
101				
102	<b>Total Central 70 FY 2022-23 Allocations</b>			
103	<b>Remaining Balance</b>			
	<b>Total Fund 536 Revenues &amp; Funds</b>	<b>\$ 45,536,650</b>		<b>\$ 46,724,501</b>
	<b>Total Fund 536 Allocations</b>	<b>\$ (20,872,958)</b>		<b>\$ (23,424,958)</b>
	<b>Remaining Unbudgeted Funds</b>	<b>\$ 24,663,692</b>		<b>\$ 23,299,543</b>



Attachment B: Fiscal Year 2022-23 Final Annual Budget Allocation Plan for Fund 537					
Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537					
Line Item		Proposed Revenues-Nov	Proposed Allocations-Nov	Final Revenues	Final Allocations
1	<b>Fiscal Year Revenues</b>				
2	Fee for Service Payment	\$ 4,000,000		\$ 4,000,000	
3	Interest Earnings	\$ 50,000		\$ 50,000	
4	<b>Total FY 2022-23 Revenue</b>	<b>\$ 4,050,000</b>		<b>\$ 4,050,000</b>	
5	<b>Fiscal Year Allocations</b>				
6	<b>Administrative Cost Center ( T8700-537)</b>				
7					
8	<b>Overall Program Operations</b>				
9	HPTE Staff Compensation		\$ (780,000)		\$ (780,000)
10	CDOT Staff		\$ (100,000)		\$ (100,000)
11	Board Expenses		\$ -		\$ -
12	Staff Training and Certifications		\$ (10,000)		\$ (10,000)
13	Administrative and Office Needs		\$ (5,000)		\$ (5,000)
14	Conferences and Industry Memberships		\$ (10,000)		\$ (10,000)
15	In and Out of State Travel		\$ (10,000)		\$ (10,000)
16	<b>Technical Services</b>				
17	Program Management		\$ -		\$ -
18	Express Lanes Communications and Public Affairs Support		\$ (300,000)		\$ -
19	Toll Operations Advisor		\$ (750,000)		\$ (1,050,000)
20	Traffic & Revenue Advisor		\$ (50,000)		\$ -
21	Aconex Document Management System		\$ (573,000)		\$ (573,000)
22	<b>Financial Services</b>				
23	Accounting Advisors and Annual Audit		\$ (20,000)		\$ (20,000)
24	Surveillance and Ratings Fees		\$ (100,000)		\$ -
25	General Financial Advisor		\$ (100,000)		\$ (100,000)
26	<b>Legal Services</b>				
27	Outside Legal Services		\$ (450,000)		\$ (1,000,000)
28	Attorney General Fees		\$ (92,000)		\$ (92,000)
29	<b>Strategic Project Development</b>				
30	Transportation Infrastructure and P3 Advisor		\$ (300,000)		\$ -
31	Strategic Partnerships and CDOT Project Support		\$ (300,000)		\$ (300,000)
32	Central 70 Tolling Equity Program		\$ (100,000)		\$ -
33	Miscellaneous		\$ -		\$ -
34	<b>Total FY 2022-23 Estimated Revenues</b>	<b>\$ 4,050,000</b>	<b>.</b>	<b>\$ 4,050,000</b>	<b>.</b>
35	<b>Total FY 2022-23 Proposed Allocations</b>		<b>\$ (4,050,000)</b>		<b>\$ (4,050,000)</b>
	<b>Total Fund 537 Revenue</b>	<b>\$ 4,050,000</b>	<b>.</b>	<b>\$ 4,050,000</b>	<b>.</b>
	<b>Total Fund 537 Allocations</b>	<b>\$ (4,050,000)</b>		<b>\$ (4,050,000)</b>	
	<b>Remaining Unbudgeted Funds</b>	<b>\$ -</b>		<b>\$ -</b>	