

Resolution – HPTE #393

Approving First Amendment to Intra-Agency Agreement Between CTIO and CDOT regarding Floyd Hill Revenue Gap Study

WHEREAS, pursuant to C.R.S. § 43-4-806, *et seq.*, the General Assembly of the State of Colorado (“State”) created the Colorado High Performance Transportation Enterprise (“HPTE”) as a government-owned business within the Colorado Department of Transportation (“CDOT”) to pursue innovative means of more efficiently financing important surface transportation projects that will improve the safety, capacity, and accessibility of the surface transportation system; and

WHEREAS, pursuant to C.R.S. § 43-4-806(6)(h), HPTE is empowered to make and enter into all other contracts and agreements, including intergovernmental agreements under C.R.S. § 29-1-103, that are necessary or incidental to the exercise of its powers and performance of its duties; and

WHEREAS, CDOT is an agency of the State authorized under § 43-1-105, C.R.S., to plan, develop, construct, coordinate, and promote an integrated transportation system in cooperation with federal, regional, local, and other state agencies; and

WHEREAS, under § 43-1-110, C.R.S., the executive director of CDOT, is authorized to execute certain agreements on behalf of CDOT; and

WHEREAS, the Floyd Hill to Veterans Memorial Tunnels project is on I-70 West of Denver Metro in Clear Creek and Jefferson Counties. This corridor is critical for commuters, recreational travelers, and commerce and is the primary east-west route through Colorado. The project is currently only moving forward with the Canyon Viaduct Alternative, which is the preferred alternative in the Environmental Assessment completed for the project; and

WHEREAS, the Floyd Hill Project is currently projected to cost upwards of \$700 million dollars. CDOT has identified \$460 million in total funding, including \$135 million in SB17-267 strategic funds, and estimated enterprise financing. It is anticipated that the Bridge and Tunnel Enterprise (BTE) and HPTE will partner to finance approximately \$325 million in project costs based on the results of the Floyd Hill Funding Gap Study and preliminary BTE eligibility reviews. This total includes a maximum of \$260 million in BTE-eligible project scope to address two deficient bridges based on preliminary cost estimates; and

WHEREAS, CDOT and HPTE have entered into an Intra-Agency Agreement (IAA) to document the substantive terms of how CDOT and HPTE work together and allocate rights and responsibilities on shared projects. This IAA states because of HPTE’s expertise and legal powers, as well as HPTE’s experience in procuring innovative financing, CDOT desires to provide funding to HPTE for the procurement of a TIFIA Loan for the Floyd Hill project; and

WHEREAS, in May of 2020, HPTE embarked on a Floyd Hill Funding Gap Study with the assistance of the I-70 Collaborative Effort to determine how much HPTE could contribute to the project. The study assumed a full-time Express Lane on the Floyd Hill project and on the continuation of both the eastbound and westbound Mountain Express Lane day and hour restrictions. The Funding Gap Study finished earlier this year and identified that HPTE may be able to contribute an estimated \$60 and \$80 million through toll-backed revenue bonds or around an estimated \$165 million through a TIFIA loan. Based on the results of the Funding Gap Study, CTIO plans to pursue a TIFIA loan for the Floyd Hill project through the USDOT Build America Bureau (BAB); and

WHEREAS, based on the initial study HPTE and CDOT have agreed to amend the IAA to allow HPTE to commence the contracting process with a traffic and revenue advisor to begin an investment-grade traffic and revenue study, hire financial advisors to assist with the TIFIA loan procurement, and hire legal counsel to negotiate the loan between CTIO and the BAB; and

WHEREAS, the HPTE Board has reviewed the Amendment to the IAA, and by this Resolution accepts, and confirms the findings and statements contained in the recitals.

NOW THEREFORE BE IT RESOLVED, the HPTE Board hereby approves the First Amended Intra Agency Agreement between HPTE and CDOT for the Floyd Hill Funding Gap Study in substantially the form presented and authorizes the HPTE Director, or his designee, to execute the Agreement with such changes therein and additions thereto, including revisions or modifications to the Statement of Work, as the HPTE Director or his designee may determine to be necessary or appropriate.

Signed as of June 15, 2022

Simon Logan
Secretary, HPTE Board of Directors