

# Tolling Equipment Financing Agreement Overview

CTIO Board of Directors

December 17, 2025

# Background

As an Enterprise, CTIO must own the tolling equipment on all Express Lanes projects. Historically, CTIO has funded the early capital costs related to installing, testing and integrating tolling equipment on the Express Lanes in two ways:

1. **Utilize financing proceeds.** This is the strategy used on I-70 Mountain Express Lane (MEXL) Eastbound, C470: I-25 to Wadsworth and I-25 North Segment 3. CTIO and its lender enter into a formal financing agreement. CTIO then repays lenders using tolls generated from the project.
2. **Borrow money from CDOT.** This the strategy used on I-70 MEXL Westbound, Central 70 and I-25 South Gap. CTIO and CDOT enter into a formal agreement to document the terms and conditions of the loans. CTIO then repays CDOT with toll revenue generated from the project.

# Agreement Terms

In 2019, CDOT and CTIO executed a Tolling Equipment Financing Agreement (TEFA) to help facilitate the purchase of needed equipment for upcoming projects. Key Terms agreed to under the agreement include:

- I. CDOT will charge the current State Infrastructure Bank (SIB) interest rate at the time funds are requested which will accrue upon CTIO's acceptance of the funds;
- II. CTIO may repay any amounts accrued with no prepayment penalty;
- III. The cost of the equipment and accrued interest must be paid in full within ten (10) years from the date CTIO accepts the funds; and
- IV. CTIO will stagger its request for funds between Fiscal Year 2019 through Fiscal Year 2022.

# Summary of Outstanding Obligations

Between 2021 and 2022, four loans were established under the TEFA as summarized below:

Project Loan	Acceptance Date	Principal	Interest	Total
ETC Software Integration	2/11/21	\$950,000.00	\$98,256.96	\$1,048,256.96
I-70 MEXL WB	2/11/21	\$2,000,000.00	\$206,856.76	\$2,206,856.76
I-25 South Gap	7/1/21	\$4,000,000.00	\$380,499.16	\$4,380,499.16
Central 70	3/1/22	\$4,000,000.00	\$322,983.43	\$4,322,983.43
Total		\$10,950,000.00	\$1,008,596.30	\$11,958,596.30

Assumes a 1/31/2026 payoff date

# Staff Recommendation

CTIO recommends paying off all current obligations under the TEFA agreement with CDOT for the following reasons:

- Loans were intended to be paid off once corridors were open and generating revenue
- All corridors have generated sufficient funding to cover these payments with excess tolls
- CTIO will save \$1.2 M in interest costs by paying off the loans now



Questions?