



Colorado Transportation Investment Office Memorandum

To: CTIO Board of Directors

From: Piper Darlington, Director, CTIO

Date: September 17, 2025

Subject: Fiscal Year 2025-26 First Budget Amendment

Purpose:

This memo provides information to the Colorado Transportation Investment Office (CTIO) Board of Directors (the Board) regarding proposed changes to the fiscal year (FY) 2025-26 budget for Fund 536 (Special Revenue Fund).

Requested Action:

The Board is requested to review the proposed amendments and approve Resolution #479, as included in Attachment A, which approves the first budget amendment to the FY 2025-26 budget.

Background:

Staff has been tracking budgetary changes resulting from changes to key workstreams and programs, including the implementation of Senate Bill 184, the expansion of the Globeville and Elyria-Swansea (GES) Tolling Equity Program, and ongoing work with CDOT's Division of Maintenance and Operations (DMO). Those changes have been integrated into an amended budget to support these efforts and are being presented for review and approval by the Board.

Details:

Specific changes related to the proposed first budget amendment are highlighted in yellow on Exhibit A of Attachment A. Proposed changes are as follows:

- Lines 32,52,124: Sales Tax and Sales Tax Processing Costs: Have been updated to reflect updated processing costs under a newly procured vendor and updated monthly sales tax costs. The total cost is estimated at \$207,000 per year and is shared among the corridors that have HOV lanes and support the transponder program.
- Lines 35 and 87: Capital Replacement-Tolling Equipment: In FY 2022-23, the CTIO Board approved funding for the replacement of tolling equipment on both I-25 North Segments 2 and 3 and I-70 MEXL Eastbound. Following that approval, the work was put

on hold while CTIO and its tolling and software vendor worked through a contract amendment that impacted the final pricing for this work. Replacing the tolling equipment on these corridors is essential to CTIO making the transition to the new tolling back office and integrating dynamic tolling across its entire network.

- Line 57: HB 1074 Implementation and Backoffice Costs: Staff has updated its projections for the costs related to operating the Safety and Tolling Enforcement (STEP) on I-25 South Gap based on the current violation rates.
- Lines 33,53,85,105, and 125: Routine Maintenance: This covers all maintenance work provided by CDOT, including roadway maintenance (such as snowplowing), lane re-stripping, ITS maintenance and monitoring, and operations support (such as courtesy patrol) across the Express Lanes network. Staff has been working with CDOT DMO to update its cost sharing mechanisms on Express Lanes corridors so CTIO is equitably offsetting CDOTs cost of supporting the Express Lanes program.
- Line 127: Tolling Equity Program Administration: Staff has updated this line to reflect the approval of the new GES Connector partnership with the City and County of Denver and the funding needed for the first year of service, which is estimated to be \$144,000. Staff have also allocated additional funds for bus passes and overhead.
- Lines 140 and 145: Mountain Rail and Legal Support for Overall 184 Implementation: These lines have been updated to reflect updated cost estimates for upcoming work anticipated this fiscal year. Legal support has been updated to reflect a \$2.0 million budget for Joint Service work related to negotiations with the BNSF railroad and securing an access agreement. The Mountain Rail program also has updated estimates for all preliminary engineering work and procurement support that will be needed to get starter service operational by November 2026.

Options/Decision Matrix:

1. **Staff Recommendation:** Approve Resolution #479, adopting the amended budget.
2. Request additional information on any items requested as part of the amendment.
3. Deny the request.

Next Steps:

- CTIO will continue implementing the Senate Bill 184 work plan and continue to update the Board on the progress being made on required deliverables and high-priority projects.

Attachments:

- **Attachment A:** Resolution #479 Approval of the First Amendment to the FY 2025-26 Final Budget Allocation Plan