



## Colorado Transportation Investment Office Memorandum

**To:** CTIO Board of Directors  
**From:** Meredith Moon, Deputy Director, CTIO  
Sam Foster, Budget and Policy Analyst, CTIO  
**Date:** June 17, 2026

**Subject:** Fiscal Year 2026-27 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) 2026-27 budget for Fund 536 (Special Revenue Fund).

### **Requested Action:**

The Board is requested to review the proposed amendment and approve Resolution #499, as included in Attachment A, which approves the first budget amendment to the FY 2026-27 budget.

### **Background:**

This budget amendment covers multiple items:

#### **Central Services Cost Allocation Plan**

This is a new set of costs for CTIO starting with FY27. These funds will cover a portion of administrative costs incurred by CDOT, which provides services to programs not funded by the State Highway Fund. CDOT's Division of Accounting and Finance reviewed its total cost pool forecast and has revised CTIO's portion down since it was initially approved in March. CTIO's total cost for FY27 has decreased due to these revisions.

#### **Pikes Peak Area Council of Governments (PPACG) Feasibility Analysis**

In December 2025 Director Sacripanti received a letter from the executive director of the PPACG requesting that I-25 through El Paso County be included in a future traffic and revenue study. The Board voiced support for this request during the May board meeting.

#### **Courtesy Patrol Sponsorship**

CTIO began sponsoring the courtesy patrol vehicles in the mountain express lanes (MEXL) corridor in FY26. This sponsorship includes express lanes advertisements on the exteriors of the courtesy patrol vehicles. The total cost for the first year of the sponsorship was \$450,000. Funding for year two of the agreement was discussed and supported by the Board during the May meeting.

### Joint Service Initial Design

The Joint Service Executive Oversight Committee (JSEOC) successfully negotiated a term sheet that will allow the use of freight rail lines operated by BNSF to implement passenger rail service from Denver Union Station to Fort Collins. The Board reviewed and approved resolution #495 during the Board meeting on April 28, 2026. This resolution authorized the execution of the term sheet with BNSF Railroad and approved funds for the initial design costs identified to ensure safety and mobility of both passenger and freight trains on BNSF rail lines.

### Granby Layover Facility

The Board received an updated presentation on Mountain Rail during the March 2026 board meeting. Phase 1A of Mountain Rail will provide one daily roundtrip from Denver to Granby: Denver to Granby in the morning and Granby to Denver in the afternoon. Trains and crew members will layover in Granby during the day in between trips. A layover facility is required in Granby because it is the station at the end of the line. The layover facility will include siding track to store the train off the main line and a facility for crew members to prepare for their next trip. The cost estimate provided for the layover facility in March was at 25% design totaling \$11,300,000. Staff have been tracking changes to the cost estimate and have an updated amount to share with the Board.

### Details:

Specific changes related to the proposed first budget amendment are highlighted yellow in Exhibit A of Attachment A. Proposed changes are as follows with tables breaking down costs where applicable:

- Lines 27, 56, 76, 98, 127, and 145 Central Services Cost Allocation Plan: CTIO’s total cost decreased from \$985,260 to \$931,898. This reduction is shown across the associated line items. Also, CTIO’s internal allocation methodology of this cost is changing from an even split across revenue sources to the percentage of total forecasted gross revenue per revenue source. Below is a table showing the change in cost per revenue source from the March budget to now.

Revenue Source	March Amount	June Amount	Change
I-25 North	\$164,210	\$344,549	\$180,339
I-25 South GAP	\$164,210	\$84,678	-\$79,532
MEXL	\$164,210	\$23,717	-\$140,493
C-470	\$164,210	\$109,303	-\$54,907
Central 70	\$164,210	\$147,990	-\$16,220
Congestion Impact Fee	\$164,210	\$221,661	\$57,451
<b>Total</b>	<b>\$985,260</b>	<b>\$931,898</b>	<b>-\$53,362</b>

- Line 57 Pikes Peak Area Council of Governments Feasibility Analysis: Cost projections from CTIO’s consultant partner C&M Associates put the price of a Level 1 traffic and revenue study between \$85,000 and \$90,000.
- Line 77 Courtesy Patrol Sponsorship: Year two of the sponsorship includes \$309,000 for six light duty trucks and \$154,500 for three flatbed trucks totaling \$463,500.
- Line 147 Granby Layover Facility: The Mountain Rail program has an updated cost estimate for the layover facility needed to get starter service operational. The cost estimate totals \$17,757,587 million at 90% design. Increases in costs from the initial 25% estimate include a new signal system and grade crossing.

Project Element	Cost
Early Procurement Items (Turnouts & Derails)	\$500,000
Construction	\$14,151,518
Crew Building	\$1,000,000
Mobilization & Construction Management	\$1,404,046
Contingency & Escalation	\$702,023
<b>Total</b>	<b>\$17,757,587</b>

- Line 148 Joint Service Initial Design: The total of the initial costs is approximately \$9 million with \$3.83 million funded by CTIO Congestion Impact Fee revenues. The remaining amount is funded by the Denver Regional Transportation District (RTD).

### Options/Decision Matrix:

1. **Staff Recommendation:** Approve Resolution #499, adopting the amended budget.
2. Request additional information on any items requested as part of the amendment.
3. Deny the request.

### Next Steps:

- CTIO staff will work with the Office of Financial Management and Budget to align any agreements required to meet the obligations approved by this amendment.
- 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 #499 Approval of the First Amendment to the FY 2026-27 Final Budget Allocation Plan