



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Board Directors Meeting | March 28, 2024 | 3:00 PM - 4:30 PM

Schedule and Agenda

- | | | |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| I. | Convene Meeting & Roll Call
Kristin Stephens, NAAPME Chair | 3:00 PM - 3:05 PM |
| II. | Public Comments
Kristin Stephens, NAAPME Chair | 3:05 PM - 3:10 PM |
| III. | Decision Item:
Approval of Minutes from the February 22, 2024, Board of Directors Meeting
Kristin Stephens, NAAPME Chair | 3:10 PM - 3:15 PM |
| IV. | Legislative Session Update
Emily Haddaway, CDOT Legislative Liaison | 3:15 PM - 3:30 PM |
| V. | Decision Item:
Board Chair and Vice-Chair Elections
Darius Pakbaz, NAAPME Program Administrator | 3:30 PM - 3:40 PM |
| VI. | Decision Item:
Determine cadence and schedule meetings for FY 2024-25
Darius Pakbaz, NAAPME Program Administrator | 3:40 PM - 3:50 PM |
| VII. | Allocation of NAAPME Program Funds (continued)
Darius Pakbaz, NAAPME Program Administrator | 3:50 PM - 4:15 PM |
| VIII. | Budget Amendment and Enterprise Program Updates
Darius Pakbaz, NAAPME Program Administrator | 4:15 PM - 4:30 PM |
| IX. | Adjournment
Kristin Stephens, NAAPME Chair | 4:30 PM |
-

Next Governing Board Meeting: April 25, 2024, 3:00 PM - 4:30 PM



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Nonattainment Area Air Pollution
Mitigation Enterprise

Nonattainment Area Air Pollution Mitigation Enterprise - Meeting Minutes

Board of Directors Meeting
February 22, 2024, 3:00 PM to 4:30 PM
Location: CDOT HQ/Virtual
Recording: ([Recording](#))

Attendance

Present

Chair Stephens
Vice Chair Baca
Director Stockinger
Director Suniga
Director Wheeler
Director Ferko
Director Holguin

Guests

Kathy Young - Colorado Office of the Attorney General
Toni Wines - CDOT Office of Accounting and Finance
Kay Hruska - CDOT Office of Accounting and Finance
Bethany Nichols - CDOT Office of Accounting and Finance
Sam Foster - CDOT Office of Accounting and Finance
Bryan Stelmack - Stifel Wealth Management Firm

NAAPME Staff:

NAAPME Administrator Darius Pakbaz
Phil von Hake
NAAPME Board Secretary Suzanna Alvarado

- I. Convene Meeting & Roll Call** Chair Stephens convened the meeting and Roll Call was conducted. ([Video 3:30](#))
- II. Public Comments:** Chair Stephens asked if there was any public comment, Administrator Pakbaz confirmed there was no public comment received through the NAAPME public email address. ([Video 4:22](#))
- III. Decision Item: Approval of Minutes from the January 25, 2024, Board of Directors Meeting.** Director Wheeler made a motion to approve the minutes, Director Vice Chair Baca seconded the motion, all in favor, no one opposed, minutes approved. ([Video 4:44](#))
- IV. Decision Item: Adoption of FY 2024-25 Budget.** Administrator Pakbaz reviewed the final presentation of the FY 2024-25 budget for next year's revenue allocation plan. This allows the enterprise to allocate funds to programs and projects, pay for administrative expenses,

and conduct its business purpose. The Board reviewed the draft revenue allocation in October 2023 for fiscal year 2024-25. Quarterly, the Board has the opportunity to review and amend the plan as needed throughout the fiscal year. The motion passed unanimously. ([Video 5:23](#))

V. Decision Item: Review and adoption of recommendations for Rideshare and Retail Delivery Fee adjustments for FY 2024-25

Administrator Pakbaz did an overview explaining the rules and statutes governing the Rideshare and Retail Delivery Fees and the recommended adjustments. 43-4-1303 (8)(c)(I) & (II) allows for the adjustment of both the retail delivery fee and the prearranged ride fee on an annual basis based on inflation. New fee levels must be approved by the Enterprise Board (no new rulemaking) and inform the Department of Revenue by March 15th. Director Wheeler had a question if the fees could ever be adjusted down for deflation. Council Kathy Young explained that within statutes most likely adjustments would remain the same in lieu of decreasing the fee and that the Board has the discretion to adjust fees up or down as they find necessary. The motion passed unanimously. ([Video 11:17](#))

VI. Allocation of NAAPME Program Funds: In January 2024, the Board approved general eligibility and evaluation criteria for programs and projects funded by the Enterprise. Administrator Pakbaz continued the discussion on potential programs the Board might be interested in funding. A long-range revenue forecast was presented, and an open program discussion was available for several key points. Director Wheeler expressed interest in exploring bonding revenue resources. A supplemental presentation was given by Bryan Stelmack of Stifel Wealth Management providing an overview of financing and funding options with bonding. Council Kathy Young gave an update on the pending lawsuit with the NAAPME enterprise. ([Video 19:41](#))

VII. Revenue & Budget and Enterprise Program Updates: Administrator Pakbaz reviewed the FY 2023-24 budget to actual report for funds collected so far and the total amount of revenue spent. Mr. Pakbaz provided an update on SB24-095 (Air Quality Ozone Levels) that was introduced to the Colorado state senate and would potentially be administered by NAAPME in coordination with Department of Revenue contractors. It is now in committee and no action has been done on it. Director's Suniga, Wheeler and Stephens would like to have more information on how NAAPME was named as an administrator in SB24-095 and if it can be declined. Mr. Pakbaz will inquire with NAAPME staff for more information about SB24-095 and provide updates as they are available. Future Board meeting dates were proposed, and an outline of objectives provided. Director Stockinger encouraged getting a NOFO out before taking any monthly Board meetings off and it was agreed. ([Video 1:06:08](#))

VIII. Adjournment: ([Video 1:23:04](#))

Next Governing Board Meeting: Thursday, April 25, 2024, 3:00 - 4:30 PM



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Nonattainment Area Air Pollution
 Mitigation Enterprise

COLORADO NONATTAINMENT AREA AIR POLLUTION MITIGATION ENTERPRISE

REGISTRY OF ACTIONS

DATE OF MEETING: February 22, 2024

Action Number	Action	Decision
2024-5	Motion to approve minutes from January 25th, 2024, Board of Directors Meeting. <ul style="list-style-type: none"> • Motion made by Director Wheeler, seconded by Vice Chair Baca. • All in favor, motion passed. 	Approved
2024-6	Motion of Adoption of Fiscal Year 2024-25 NAAPME Revenue Allocation Plan (Annual Budget). <ul style="list-style-type: none"> • Motion made by Director Wheeler, seconded by Director Suniga. • All in favor, motion passed. 	Approved
2024-7	Motion to adopt new rideshare and retail delivery fee levels for fiscal year 2024-25, based on the recommendation from the Department of Revenue and NAAPME staff. <ul style="list-style-type: none"> • Motion made by Director Holguin, seconded by Director Stockinger. • All in favor, motion passed. 	Approved

Suzanna Alvarado
 Nonattainment Area Air Pollution Mitigation Board Secretary

Date: 3/1/2024

Nonattainment Area Air Pollution Mitigation Enterprise



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**Board of Directors Meeting
March 28, 2024**



Meeting Agenda

	I. Convene Meeting & Roll Call Kristin Stephens, NAAPME Chair	3:00 PM - 3:05 PM
	II. Public Comments Kristin Stephens, NAAPME Chair	3:05 PM - 3:10 PM
Decision Item	III. Approval of Minutes from the February 22, 2024, Board of Directors Meeting Kristin Stephens, NAAPME Chair	3:10 PM - 3:15 PM
	IV. Legislative Session Update Emily Haddaway, CDOT Legislative Liaison	3:15 PM - 3:30 PM
Decision Item	V. Board Chair and Vice-Chair Elections Darius Pakbaz, NAAPME Program Administrator	3:30 PM - 3:40 PM
Decision Item	VI. Determine cadence and schedule meetings for FY 2024-25 Darius Pakbaz, NAAPME Program Administrator	3:40 PM - 3:50 PM
	VII. Allocation of NAAPME Program Funds (continued) Darius Pakbaz, NAAPME Program Administrator	3:50 PM - 4:15 PM
Decision Item	VIII. Budget Amendment and Enterprise Program Updates Darius Pakbaz, NAAPME Program Administrator	4:15 PM - 4:30 PM
	IX. Adjournment Kristin Stephens, NAAPME Chair	4:30 PM



Public Comments

Kristin Stephens, NAAPME Chair



Decision Item

Approval of Minutes from the February 22, 2024, Board of Directors Meeting

Kristin Stephens, NAAPME Board of Directors Chair



Legislative Session Update

Emily Haddaway, CDOT Legislative Liaison



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Nonattainment Area Air Pollution
Mitigation Enterprise

Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: 28 March 2024

Subject: Election of NAAPME Board Officers

Overview:

Per Article IV of the Enterprise Bylaws, the NAAPME Board of Directors is required to hold elections for Board officers every two years for a new term of office. This includes the Board Chair and Board Vice-Chair officers, with the Board secretary selected through a different process from a non-member of the board. Since Board Officer elections were last held in February 2022, terms for the current officers are once again up for election.

Proposal(s) / Recommendation(s):

Hold elections for both the NAAPME Board of Directors Chair and NAAPME Board of Directors Vice-Chair for the term serving from March 2024 through January 2026.

Actions By Others:

N/A

Previous Discussions / Actions:

[February 2022](#): Initial Election of NAAPME Board Chair and Vice Chair.

Proposed Motion(s):

N/A

Attachments:

N/A

Additional Information:

Please contact [Darius Pakbaz](#) (720.241.8097) for further information.



Decision Item

Board Chair and Vice-Chair Elections

Darius Pakbaz, NAAPME Program Administrator



Board Chair and Vice-Chair Elections

Bylaws Rules

Article IV. Officers and Staff

- A. General. The Chair and Vice-Chair shall be the officers of the Enterprise Board. The Enterprise Board shall appoint a Secretary who shall not be a Member of the Enterprise Board. The Chair and Vice-Chair shall be elected by the Enterprise Board at its meeting in January 2022 and shall serve two (2) year terms in office or until a successor is elected by a vote of the Members of the Enterprise Board. Thereafter, the Enterprise Board shall elect a Chair and Vice-Chair in January in even-numbered years. If the election of such officers is not held at such meeting, such election shall take place as soon thereafter as a meeting may be conveniently held.



Board Chair and Vice-Chair Elections Procedure

- Request for Nominations from Board Members for a Chair for the next two year term.
- Nomination must be seconded.
- If only one candidate is nominated, vote will be called. Candidate is named chair with a affirmative vote by 4 out 7 Board members.
- If more than one nomination, the Program Administrator will conduct a secret ballot through zoom.
- The winning candidate will immediately take over as the Board Chair until January 2026, unless they vacate their position during the term.
- Procedure will repeat for the position of Vice-Chair with the new Chair presiding.



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Nonattainment Area Air Pollution
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Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: 28 March 2024

Subject: NAAPME Board of Directors Meeting Cadence for FY 2025

Overview:

Per Article II of its Bylaws, the Nonattainment Area Air Pollution Mitigation Enterprise shall hold regular meetings at such dates, times, and locations, including virtual meetings, as the Enterprise Board shall determine, but no less than four (4) times per calendar year. Members of the Enterprise Board are expected to attend all regular Enterprise Board meetings unless excused in advance. As fiscal year 2024 ends, staff requests direction for a draft schedule of meeting dates for the upcoming fiscal year.

Proposal(s) / Recommendation(s):

Determine appropriate cadence of meetings for the next fiscal year, with a recommendation that the Board meet, at a minimum, on 25 July 2024, 24 October 2024, 27 February 2025, and 22 May 2025, to fulfill the minimum requirements of enterprise's bylaws.

Actions By Others:

N/A

Previous Discussions / Actions:

[June 2023](#): Board Meeting Cadence and Schedule for fiscal year 2024.

Proposed Motion(s):

Motion to select [dates to be determined by the board] as the proposed meeting dates for the NAAPME Board of Directors for Fiscal Year 2025.

Attachments:

N/A

Additional Information:

Please contact [Darius Pakbaz](#) (720.241.8097) for further information.



Decision Item

Determine Cadence and Schedule Meetings for Fiscal Year 2024-25

Darius Pakbaz, NAAPME Program Administrator



Determine Cadence and Schedule Meetings for FY25

If we keep fourth-Thursday-of-each-month cadence:

July 25, 2024	January 23, 2025
August 22, 2024	February 27, 2025
September 26, 2024	March 27, 2025
October 24, 2024	April 24, 2025
November 21, 2024 *	May 22, 2025 *
December 19 2024 *	June 26, 2025
* Adjusting for holidays	



Determine Cadence and Schedule Meetings for FY25

Additional Considerations:

- Which meeting(s) to hold in-person?
- Which month(s) to not hold meetings?
- Switch to quarterly or less-than-monthly cadence?
(Bylaws require “no less than four (4) meetings per calendar year”)
- Other suggestions?



Proposed Motion

Motion to select [dates to be determined by the Board] as the proposed meeting dates for the NAAPME Board of Directors for fiscal year 2025.



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Nonattainment Area Air Pollution
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Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: 28 March 2024

Subject: Allocation of Program Funds (continued)

Overview:

This workshop continues the discussion started in February 2024 about how to allocate current and anticipated funds for programs and projects funded by the enterprise, within the business purpose of the Enterprise and the three funding focus areas outlined in the NAAPME ten year plan. This workshop will provide additional feedback to staff to bring forward proposals at a future Board of Directors meeting.

Proposal(s) / Recommendation(s):

No recommendations at this time.

Actions By Others:

N/A

Previous Discussions / Actions:

- [February 2024 - Initial "Allocation of Program Funds" Discussion](#): The Board of Directors began discussing how to allocate current and anticipated funds for programs and projects funded by the enterprise.
- [January 2024 - Approval of Program Eligibility and Evaluation Criteria](#): The Board of Directors approved a specific set of Eligibility and Evaluation Criteria for NAAPME program funding.
- [November 2023 - Evaluating Programs & Projects Discussion](#): The Board of Directors continued discussing potential eligibility and evaluation criteria for programs and projects funded through NAAPME, with additional emphasis on final details before presenting a proposal to the Board.
- [October 2023 - Evaluating Programs & Projects Discussion](#): The Board of Directors continued discussing potential eligibility and evaluation criteria for programs and projects funded through NAAPME, with additional emphasis on final details before presenting a proposal to the Board.
- [September 2023 - Enterprise Program Discussion](#): The Board of Directors discussed potential eligibility and evaluation criteria for programs and projects funded through NAAPME.
- [July 2023: Enterprise Program Discussion](#): In review of a potential funding proposal, the Board of Directors have requested that a further discussion on



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evaluation criteria would be helpful and for NAAPME staff to provide examples of similar programs that could help with this discussion.

- [May 2023: Enterprise Program Discussion](#): A proposed funding program proposal was brought forward for review by the Board of Directors. Initial evaluation criteria was presented as possible options for evaluating the specific proposal during the discussion.
- [June 2022: NAAPME 10-Year Plan](#): The NAAPME 10-Year Plan, adopted by the Board of Directors in June 2022, outlined funding focus areas that meet the business purpose of the Enterprise and specifically notes that all funding needs to be allocated to areas within the ozone nonattainment area.

Proposed Motion(s):

N/A

Attachments:

Presentation - Allocation of Program Funds (continued) - March 2024

Additional Information:

Please contact [Darius Pakbaz](#) (720.241.8097) for further information.



Allocation of Program Funds (continued)

Darius Pakbaz, NAAPME Program Administrator



Long Range Revenue Forecasting to 2050

2050 Long Range Forecast - Q2									
	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Nonattainment Area Enterprise									
Air Pollution Mitigation Retail Delivery Fee	2,355,182	2,543,596	2,809,835	3,099,451	3,418,755	3,772,632	4,164,598	4,597,716	5,074,875
Air Pollution Mitigation Per Ride Fee	6,818,011	8,338,066	10,170,251	12,364,329	15,004,277	18,184,687	22,002,155	26,568,490	27,282,263
NAAPME Total	9,173,193	10,881,662	12,980,086	15,463,780	18,423,032	21,957,320	26,166,753	31,166,207	32,357,138

2050 Long Range Forecast - Q2										
	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42
Nonattainment Area Enterprise										
Air Pollution Mitigation Retail Delivery Fee	5,316,966	5,573,412	5,845,364	6,132,357	6,434,622	6,753,181	7,088,786	7,442,898	7,816,033	8,208,350
Air Pollution Mitigation Per Ride Fee	27,961,841	28,608,332	29,260,913	29,911,686	30,558,828	31,202,168	31,841,135	32,476,467	33,106,965	33,727,311
NAAPME Total	33,278,808	34,181,744	35,106,277	36,044,042	36,993,450	37,955,350	38,929,922	39,919,366	40,922,998	41,935,661

2050 Long Range Forecast - Q2									
	FY43	FY44	FY45	FY46	FY47	FY48	FY49	FY50	
Nonattainment Area Enterprise									
Air Pollution Mitigation Retail Delivery Fee	8,619,058	9,048,171	9,498,353	9,971,891	10,469,229	10,991,206	11,538,044	12,110,792	
Air Pollution Mitigation Per Ride Fee	34,328,868	34,905,735	35,460,748	35,996,245	36,507,791	36,991,543	37,440,592	37,448,603	
NAAPME Total	42,947,926	43,953,907	44,959,101	45,968,136	46,977,021	47,982,749	48,978,636	49,559,395	

- Total Available for Programing at the Start of Fiscal Year 2025 - up to \$26 million
- Estimated Revenue Available through Fiscal Year 2031-32 - \$184.1 million
- Estimated Revenue Available through Fiscal Year 2041-42 - \$559.4 million
- Estimated Revenue Available through Fiscal Year 2049-50 - \$930.7 million



Evaluating Proposals and Funding Programs

Official Eligibility Criteria

- **Projects are eligible if the activities in the submitted application meet the requirements for the funding program outlined by the Board of Directors and meet eligibility requirements set forth in 43-4-1302 C.R.S. and federal statute.**
- **Projects must be located in or benefit a nonattainment area.**
- **Eligible project sponsors meet eligibility criteria under 43-4-1302 C.R.S. to apply for funding, or partner with an eligible entity and have the authority to enter into a contract with the State.**
- **Eligible project sponsors are in good standing with the Colorado Secretary of State, have no projects on the federal inactive list with the Colorado Department of Transportation, and have not had a non-compliance determination on a sub-allocated recipient audit/visit.**
- **Applications for funding will only be considered through an open project call as approved by the Board of Directors for specific programs established by the Enterprise.**
- **Projects must demonstrate emissions reduction benefits and report those benefits to the Enterprise, as a condition for approval.**
- **Applications for infrastructure projects (professional services) must complete an engineering assessment with an professional engineering entity identified by the Board.**
- **A completed infrastructure project is open to the general public and meets the accessibility standards of the Americans with Disabilities Act (ADA) of 1990.**
- **All projects and project sponsors must follow and be in compliance with all applicable federal, state and local laws and regulations that would apply to the project.**
- **Applicants must be able to supply cash local matching funds for the projects as required by the specific Enterprise program, or apply for a reduction waiver, approved by the Board of Directors.**



Evaluating Proposals and Funding Programs

Official Evaluation Criteria

- Project Sponsors provide a reported amount of emissions benefit reduction expected with the completion of the proposed project, measured in kilograms per day (kg/day).
- Project Sponsors have provided documented outreach to engage with disproportionately impacted communities and how the project would help address identified needs and/or issues.
- An articulation to what degree the project would improve economic opportunities for individuals in disproportionately impacted communities.
- If the project is located within or supports a transportation need within a disproportionately impacted community as outlined in state statute.
- How the project meets the business purpose of the enterprise and its three funding focus areas and/or the objectives outlined with the specific Enterprise funding program.
- Does the project improve the safety of the traveling public or has elements of safety improvement, especially vulnerable users?
- Documented commitment for long-term maintenance of infrastructure projects.
- Demonstrated likelihood of successful project delivery, including completion of the engineering evaluation by a licensed engineer.
- If the project is a part of, or is a portion of a project that was prioritized in an MPO Regional Transportation Plan (in MPO areas) and/or the CDOT 10-Year Plan (rural areas) or local government strategic transportation plan.
- Demonstrates improvement in, or expands transportation choice in the region/community as opposed to increasing single occupancy vehicle travel in the community.
- Quality of the Application, dependent on the specific program.
- Evaluation Criteria may be added to specific funding programs, as approved by the Board of Directors.



Allocation of Program Funds



Sustainably reduce traffic congestion



Reduce the environmental and health impacts of transportation



Improve neighborhood connectivity for communities adjacent to highways

Bus Rapid Transit Assistance Program



Transit Facilities and Connectivity between Modes (First/Last Mile)



Pedestrian & Bicycle Facilities





Allocation of Program Funds

Open Program Discussion

- Previously, Board members discussed & agreed with the idea of two separate programs. One would fund larger priorities in the nonattainment area, such as BRT, and another program would fund smaller projects and community needs.
- Based on the identified needs (previous slide), the Board continues to believe that these are appropriate needs for the Denver Metro and North Front Range Areas.
- Due to project construction and delivery timelines the Board may need to consider bonding in order to deliver the funds when the projects need them.
- The Board should consider the maximum amount of revenue to utilize for larger Bus Rapid Transit Projects to ensure a smaller program has funding available for annual or “pay as you go” programs.



Bonding Revenue

- “43-4-1303 (3)(c) - Issue revenue bonds payable from the revenue and other available money of the enterprise.”
- Bonding is available tool to use to make an impact today.
- Specific costs, interest rates, and other matters will be assisted by a financial advisor firm, if chosen.
- Used by similar entities such as the Colorado Transportation Investment Office (CTIO) and the Colorado Bridge and Tunnel Enterprise.
- Timelines can vary from 10-Years, 20-Years, or longer, depending on the advice of council and financial advisor.
- Amounts between \$100 million and \$300 million could be available through bonding based on the current forecast to fund large priorities (depending on timescale, interest rates, and other factors).
- Will have to navigate any current legal matters ahead of issuance.



Staff Proposal for Programming Allocation

Allocation of Current Funds

- Current Available Funding (End of FY24): up to \$17.3 million
- Anticipated available funding (End of FY25): up to \$28.0 million*
- Allocate programming funding as follows:

Option 1	Option 2
<p>“Small Grant Program” Initial Allocation \$17.3 million allocation.</p>	<p>“Small Grant Program” allocation of \$28.0 million dollars.</p>
<p>Initial Call for projects in late Summer (after approval of a call by the Board of Directors meeting). Decision on Notices of Award by end of year.</p>	<p>Conduct a larger call for projects, (after approval of a call by the Board of Directors meeting). starting in the fall with awards decided in Spring 2025, using all available programming funding.</p>
<p>Allocate remaining \$11.0 million to “Small Grant Program” with a further call in summer 2025.</p>	



Staff Proposal for Programming Allocation

Allocation of Future Fiscal Year Funds

Starting fiscal year 2026 and going forward:

- **Allocate \$4.2 million annually for a “Smaller Grant Program,” with a call for projects conducted every other year.**
 - Allowing for a larger pot of funds to be available for projects through a two year call.
- **Allocate remainder of programming funds toward a Larger Projects such as Bus Rapid Transit**
 - Options of either pay-as-you go funding for projects OR allocation of bond proceeds and repayment of any potential bonds.

These would be planning budgets, with final allocations to be determined by the Board of Directors with the adoption of the annual budget for each fiscal year.



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Nonattainment Area Air Pollution
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Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Samuel Foster, CDOT Division of Accounting and Finance

Date: 28 March 2024

Subject: Amendment to Fiscal Year 2024 Budget & Program Update

Overview:

Staff periodically asks the Board to consider amendments to the current budget for adjustments to revenue collection and expenditures. These are anticipated to occur quarterly, but the Board has the discretion to adjust the budget at any time through a majority vote. CDOT Division of Accounting of Finance staff has finished reconciliation of revenues collected in fiscal year 2023 against estimates and has determined that revenue collections from that previous fiscal year are \$1,613,825 higher than originally estimated. Additionally, the Program Administrator will provide the Board with an update on future discussion items and other notable items related to the Enterprise.

Proposal(s) / Recommendation(s):

To align the NAAPME Budget with current revenue estimates, staff is recommending adjusting the total available revenue for fiscal year 2024 by \$1,613,825, increasing total revenues collected to \$17,510,270.

Actions By Others:

N/A

Previous Discussions / Actions:

[January 2024](#): Quarterly Budget Amendment for NAAPME Fiscal Year 2024 Budget.

Proposed Motion(s):

Motion to adopt the NAAPME Revenue Allocation Plan, as presented, for Fiscal Year 2023-24.

Attachments:

Attachment A - Revised NAAPME Fiscal Year 2024 Revenue Allocation Plan

Attachment B - NAAPME Budget to Actual Report - February 2024

Additional Information:

Please contact [Darius Pakbaz](#) (720.241.8097) or [Samuel Foster](#) (303.757.9585) for further information.



Decision Item

Revenue & Budget Update and Budget Amendment

Darius Pakbaz, NAAPME Program Administrator
Samuel Foster, CDOT Division of Accounting and Finance



Fiscal Year 2024 Revised Budget

Estimated Revenues

Fiscal Year 2024 Budget Overview - Estimated Revenues

Budget Line Item	Total Estimated Revenues	Total Estimated Expenditures
Air Pollution Per Ride (Standard Rate)	\$6,818,011	
Air Pollution Mitigation Retail Delivery Fee	\$2,128,758	
Roll-Forward from Previous Fiscal Year - Administrative & Operating	\$348,585	
Roll-Forward from Previous Fiscal Year - Programming Funds	\$6,621,090	
Fiscal Year 2023 Revenue Reconciliation	\$1,613,825	
TOTAL REVENUES	\$17,510,270	

Please see Attachment A in the packet for the full, proposed budget.



Revised Fiscal Year 2024 Budget

Fiscal Year 2024 Budget Overview

Budget Line Item	Total Estimated Revenues	Total Estimated Expenditures
Total Estimated Revenues	\$17,510,270	
Total Programmed & Project Support Services		\$0
Total Administrative & Operating Activities		\$169,438
Total Debt Service		\$0
Total Board Contingency Reserve		\$200,000
TOTAL REVENUES	\$17,510,270	
TOTAL EXPENDITURES		\$369,438
UNBUDGETED REVENUES	\$17,340,832	

Please see Attachment A in the packet for the full, proposed budget.



Proposed Motion

**Motion to adopt the NAAPME Revenue Allocation Plan,
as presented, for Fiscal Year 2023-24.**



Nonattainment Area Air Pollution Mitigation Enterprise Air Pollution Mitigation Enterprise Revenue Fund (Fund 542)			
Line Item	Budget Item	Estimated Revenues	
1	Estimated Fiscal Year 2023-24 Revenues		
2	Air Pollution Per Ride	\$	6,818,011.00
3	Air Pollution Mitigation Retail Delivery Fee	\$	2,128,759.00
4	Roll-Forward from Previous Fiscal Year - Administrative & Operating	\$	328,585.04
5	Roll-Forward from Previous Fiscal Year - Programming Funds	\$	6,621,089.75
6	FY23 Revenue Reconciliation	\$	1,613,825.00
7	Total Estimated Revenue	\$	17,510,269.79
8			
Line Item	Budget Item	Allocation	Expenses
9	Estimated Fiscal Year 2023-24 Allocations and Expenses		
10	Programming & Projects (Pool PST-NAP-24)	\$	-
11	Additional Project and Program Support Services		\$ -
12	Total Programming & Projects Estimated Expenses		\$ -
13			
14	Administrative & Operating Activities (Cost Center APME0-542)	\$	-
15	Nonattainment Enterprise Staff Compensation		\$ (63,588)
16	Nonattainment Enterprise Program Support		\$ (100,000)
17	Attorney General's Office Legal Services		\$ (2,500)
18	Annual Audit		\$ (2,000)
19	Travel Expenses		\$ (500)
20	Operating Expenses		\$ (850)
21	Other Consulting Expenses		\$ -
22	Total Administrative & Operating Activities Estimated Expenses		\$ (169,438)
23			
24	Debt Service (Cost Center NAPDS-542)	\$	-
25	Debt Service		\$ -
26	Total Debt Service Estimated Expenses		\$ -
27			
28	Contingency Reserve (Cost Center NAP50-542)	\$	200,000
29	Contingency Reserve		\$ -
30	Total Contingency Reserve Estimated Expenses		\$ -
31			
Total Fund 542 Revenues		\$	17,510,270
Total Fund 542 Expenses		\$	(169,438)
Remaining Funds		\$	17,340,832

**Fiscal Year 2023-24 Budget to Actual for Fund 542-Ongoing
Nonattainment Area Air Pollution Mitigation Enterprise**

Line Item		Approved Budget	Total Quarter 1	Total Quarter 2	February 2024	Total	Remaining Funds
1	Fiscal Year Revenues						
2	NAAPME Retail Delivery Fee	\$ 14,898,163	\$ 519,887	\$ 631,739	\$ 193,937	\$ 1,586,989	
3	NAAPME Rideshare Fee	-	1,640,939	1,940,652	-	5,487,951	
4	Interest Income	-	47,032.00	87,838	34,731	209,836	
5	Total FY 2023-24 Revenue	\$ 14,898,163	\$ 2,207,858	\$ 2,660,229	\$ 228,668	\$ 7,284,776	\$ 7,613,387
6	Fiscal Year Allocations						
7	Administration & Agency Operations						
8	Staff Salaries	\$ 75,068	\$ 3,789	\$ 11,070	\$ -	\$ 16,346	\$ 58,722
9	State Agency Support	\$ 75,068	\$ 3,789	\$ 22,125	\$ -	\$ 16,346	\$ 58,722
10	Attorney General Fees	\$ 2,500	1,186.37	306.57	213.28	\$ 1,786	\$ 714
11	Office of the State Audit-Annual Financial Audit	\$ 2,000	-	-	-	-	2,000
12	Total State Agency Support	\$ 3,000	\$ 1,186	\$ 387	\$ 213	\$ 1,786	\$ 1,214
13	Enterprise Support Initiatives						
14	Language Translation Services	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
15	Consultant Services	150,000	-	-	-	-	150,000
16	Total Enterprise Support Initiatives	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ 225,000
17	Board Meeting Expenses						
18	Board Travel	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
19	Board Meeting Expenses	\$ 500	-	-	-	-	500
20	Presentation Support	\$ 350	-	-	-	-	350
21	Total Board Meeting Expenses	\$ 5,850	\$ -	\$ -	\$ -	\$ -	\$ 5,850
22	Total Administration and Agency Operations	\$ 308,918	\$ 4,976	\$ 11,456	\$ 213	\$ 18,132	\$ 290,786
26	Contingency Reserve						
27	Enterprise Reserve Fund (>\$200,000.01)	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
28	Total Contingency Reserve	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
29	Total FY 2023-24 Allocations	\$ 508,918					

NAAPME
Budget to
Actual Report

February 2024



Enterprise Program Update

Darius Pakbaz, NAAPME Program Administrator



Enterprise Program Update

Future Board of Directors Meeting Business

- **April 25, 2024, Board of Directors Meeting**
 - Allocation of Program Funds (continued)
 - Board Policies regarding Financial Management
- **May 23, 2024, Board of Directors Meeting**
 - Review potential Notice of Funding Opportunity for funding programs
- **June 27, 2024, Board of Directors Meeting**
 - Review revised NAAPME 10-Year Plan



Board Meeting Schedule

Upcoming Board of Directors Meeting Dates (held virtually and at 3:00 - 4:30 PM, unless otherwise noted):

- April 25, 2024
- May 23, 2024
- June 27, 2024



Adjournment

NAAPME Board of Directors Chair