



COLORADO

Department of
Transportation

Statewide Transportation Advisory Committee (STAC)

June 22, 2018

9:00 AM – 12:00 PM

CDOT HQ Auditorium
2829 W. Howard Place
Denver, CO

Agenda

- 9:00-9:05 **Welcome and Introductions** – Vince Rogalski, STAC Chair
- 9:05-9:10 **Approval of May STAC Meeting Minutes** – Vince Rogalski
- 9:10-9:20 **Transportation Commission Report (Informational Update)** – Vince Rogalski
- Summary report of the most recent Transportation Commission meeting.
- 9:20-9:30 **Message from Executive Director** – Mike Lewis, CDOT Executive Director
- 9:30-9:50 **Senate Bill 1 (Action Item)** – Jeff Sudmeier, Chief Financial Officer (CFO) and Herman Stockinger, CDOT Office of Policy and Government Relations (OPGR)
- Overview of Senate Bill 1 and other possible funding scenarios.
- 9:50-10:05 **Draft Multi-Modal Projects for Ballot Initiative (Discussion)** – David Krutsinger, Division of Transit and Rail (DTR) and Herman Stockinger, OPGR
- Overview of multimodal projects intended for the bonded portion of ballot question.
- 10:05-11:05 **Ballot Initiative (Action Item)** – Herman Stockinger, OPGR
- Update on current ballot initiative activities.
- 11:05-11:10 **Break**
- 11:10-11:15 **Statewide Planning Rules (Action Item)** – Tim Kirby, Division of Transportation Development (DTD)
- Overview of public comments received for the Statewide Planning Rules and next steps.
- 11:15-11:25 **Discretionary Grants – BUILD (Action Item)** – Debra Perkins-Smith, DTD and Herman Stockinger, OPGR
- Review and approval of BUILD Discretionary Grants program projects.
- 11:25-11:45 **Multi Objective Decision Analysis (MODA) and the National Highway Freight Program (NHFP) (Action Item)** – Tim Kirby, DTD
- Overview of MODA methodology in the context of the NHFP and FY 18 project selection.
- 11:45-11:55 **TPR Reports (Informational Update)** – STAC Representatives
- Brief update from STAC members on activities in their TPRs.
- 11:55-12:00 **Other Business-** Vince Rogalski
- 12:00 **Adjourn**

STAC Conference Call Information: 1-877-820-7831 321805#

STAC Website: <http://www.coloradodot.info/programs/statewide-planning/stac.html>

New CDOT Region 1/ Headquarters Location: 2829 W Howard Place, Denver, CO 80204



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Senate Bill 18-001

Summary

Statewide Transportation Advisory Committee

June 22, 2018



Agenda

- General Fund (GF) Transfers
- Multimodal Fund Overview
- 2018 Ballot Initiatives (#153 and #167)
- 2019 Ballot Initiative (SB 18-001)
- Debt Service



Senate Bill 18-001 Overview

- Provides two years of General Fund transfers (\$451.5 million to CDOT)
- Authorizes 2019 ballot initiative for \$2.3 billion in bonds if 2018 ballot initiatives fail
- Retains first year of SB 17-267
 - Future years contingent on outcomes of ballot initiatives



General Fund Transfers

July 1, 2018



\$495.0 million from General Fund



- **\$346.5 million to CDOT**
- **\$74.25 million to Counties (50%) and Cities (50%)**
- **\$74.25 million to Multimodal Fund**

Late 2018/Early 2019 (TBD)

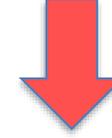


\$380.0 million Year 1 SB 17-267 transfer



- **All to CDOT**
 - **90% to Highways**
 - **10% to Transit**
- **\$1.5 billion in Years 2-4 transfers contingent on ballot initiatives**

July 1, 2019



\$150.0 million from General Fund



- **\$105.0 million to CDOT**
- **\$22.5 million to Counties (50%) and Cities (50%)**
- **\$22.5 million to Multimodal Fund**



Multimodal Fund Overview

Multimodal Fund: \$96.75 million in General Fund transfers in FY 2018-19 and FY 2019-20

15% - State Priorities

Same ratios for potential Sales Tax ballot initiative revenue

85% - MPO's/Locals

- Bustang
- Park and Rides
- “Multi-modal mobility projects enabled by new technology”
- “Other inter-regional public transit”
- Bicycle and pedestrian projects

- 50% match, however there can be exceptions
- Capital/operating costs for transit
- Bicycle and Pedestrian Projects
- Transportation demand management projects
- New technology projects
- Studies



2018 Ballot Initiatives

Ballot Initiative #153

- 20-year sales tax increase of 0.62%

State – 45%

Locals – 40%

Multimodal Fund - 15%

- \$345.0 million in Year 1
- Overall projected revenue of \$9.0 billion
- Up to \$5.2 billion in TRANs, up to \$9.4 billion in debt service
- SB 17-267 transfers continue

- \$306.7 million in Year 1
- Overall projected revenue of \$8.0 billion
- 50% to Counties
- 50% to Cities
- Based on HUTF formula

- \$115.0 million in Year 1
- Overall projected revenue of \$3.0 billion
- 15% for State Priorities
- 85% for Local Priorities
- \$30.0 million annually can be used for debt service

Ballot Initiative #167

- Bonding repaid by General Fund

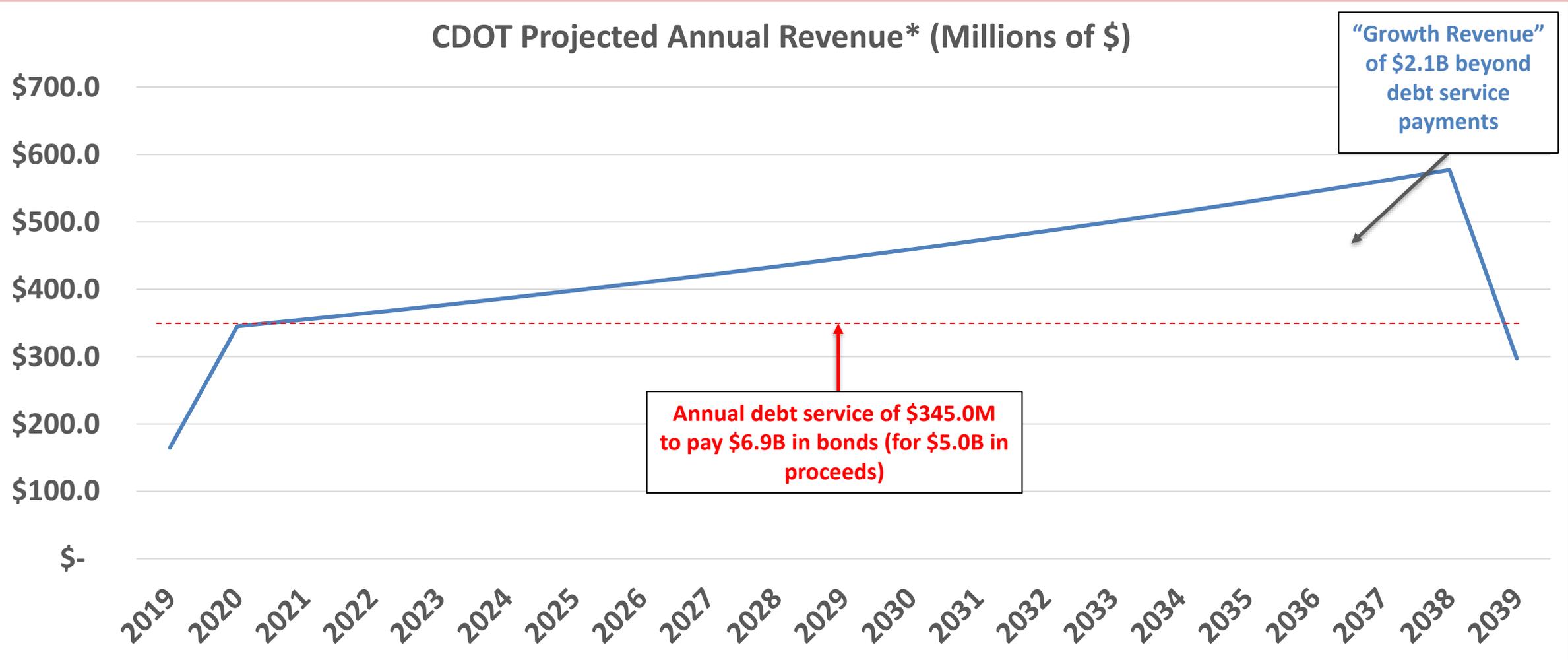
State – 100%

- \$3.5 billion bonds issued by CDOT
- \$5.2 billion in debt service
 - Repaid by General Fund and/or CDOT
- Includes state highway project list
- If approved, SB 17-267 Years 2-4 rescinded (loss of \$1.5 billion)



0.62% Sales Tax Increase

CDOT Projected Annual Revenue* (Millions of \$)



Annual debt service of \$345.0M to pay \$6.9B in bonds (for \$5.0B in proceeds)

"Growth Revenue" of \$2.1B beyond debt service payments

*Based on Historical Growth of 2.9%



2019 Ballot Initiative

- **IF** both 2018 ballot initiatives **FAIL**...
.....**THEN** 2019 ballot initiative from General Assembly
- SB 18-001 2019 Ballot Initiative
 - Bond proceeds = **\$2.337B**, debt service up to **\$3.25B**
 - **85%** to State Highway Fund for highway projects
 - **15%** to Multimodal Fund
 - **IF** 2019 ballot initiative **PASSES**.....
.....**THEN** Years 2-4 of SB 17-267 are rescinded



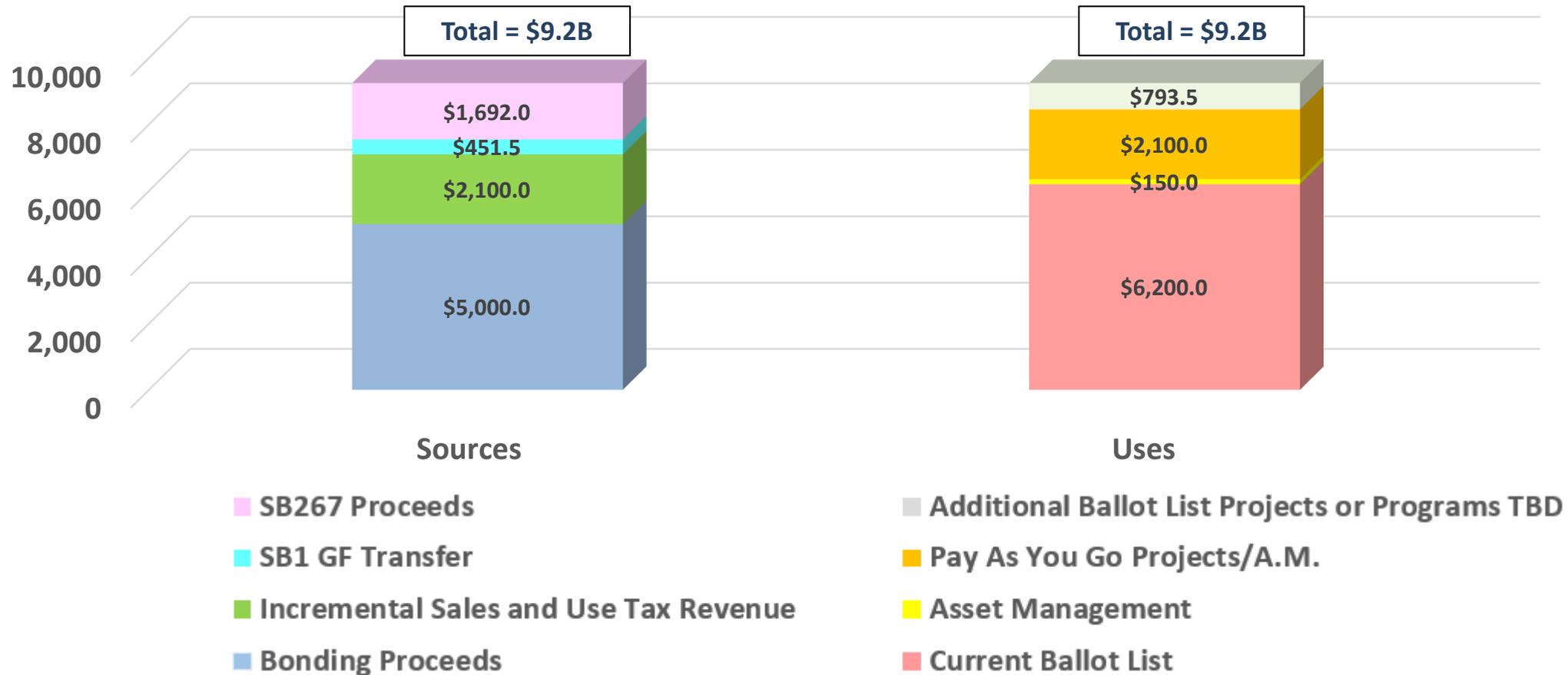
Debt Service Summary

Initiative/Result	CDOT SB267	General Fund SB267	CDOT Transbond	General Fund Transbond
#153 (Sales Tax) Passes	FY19 repayment up to \$28.5M; afterwards, \$50M from GF for 20 years	Up to \$100M annually, plus \$50M transfer to CDOT for 20 years	\$9B in sales tax revenue, with a \$9.4B limit in debt service	-
#167 (GF) Passes	\$10.1M annually, \$218.6M total	Up to \$18.4M annually, \$349.6M total	TBD	Up to \$260M annually, \$5.2B total
Both #153 and #167 Pass	\$10.1M annually, \$218.6M total	Up to \$18.4M annually, \$349.6M total	TBD for #167; for #153, \$9B in sales tax revenue, with a \$9.4B limit in debt service	Up to \$260M annually, \$5.2B total for #167
2019 Ballot Initiative Passes	\$10.1M annually, \$218.6M total	Up to \$18.4M annually, \$349.6M total	\$39.9M annually, up to \$798M total	\$122.6M annually, \$2.452B total
2019 Ballot Initiative Fails	FY19 repayment up to \$28.5M; afterwards, \$50M from GF for 20 years	Up to \$100M annually, plus \$50M transfer to CDOT for 20 years	-	-



CDOT Potential Highway Revenue

Initiative #153: Estimated Highway Sources of Revenue (millions of \$) vs. Potential Uses





July 2018 SB 18-001 General Fund – Staff Recommendations

Guidelines

- Move forward with SB 267 projects despite uncertainty
 - Preconstruction on projects in development
 - Construction on projects ready to proceed
- Maintain schedule on I-25 Gap project
- Make a significant commitment to Asset Management - support transition from RAMP and begin projects today that will improve condition of current system
- Maintain commitment to ADA improvements
- Consider Year 1 of SB 267 as well



July 2018 SB 18-001 General Fund – Staff Recommendations

Project / Area	Precon	Construction				Year 1 Total
	SB1 Year 1	SB1 Year 1	SB267 Year 1	Federal Grants	Construction Total	
I-25 Gap	\$2.0 M	\$92.0 M	\$25.0 M	\$65.0 M	\$182.0 M	\$184.0 M
I-25 Seg. 5 & 6	\$19.0 M	\$20.0 M	\$165.0 M		\$185.0 M	\$204.0 M
I-70 WB PPSL		\$25.0 M	\$20.0 M	\$25.0 M	\$70.0 M	\$70.0 M
I-70 Pavement	\$1.1 M	\$23.9 M	\$33.1 M		\$57.0 M	\$58.1 M
US 550/160	\$6.3 M		\$54.4 M	\$12.3 M	\$66.7 M	\$73.0 M
US 50 Pueblo	\$1.6 M					\$1.6 M
Towaoc		\$9.0 M		\$2.0 M	\$11.0 M	\$11.0 M
SH 9			\$9.5 M		\$9.5 M	\$9.5 M
US 50 Little Blue (fall 2019 construction start)						
SH 13 Rio Blanco		\$10.8 M	\$20.0 M		\$30.8 M	\$30.8 M
SH 13 Wyoming South		\$9.2 M	\$10.5 M		\$19.7 M	\$19.7 M
Ballot/Potential Grant Projects Preconstruction	\$21.6 M					\$21.6 M
ADA		\$5.0 M			\$5.0 M	\$5.0 M
Asset Mgmt		\$100.0 M			\$100.0 M	\$100.0 M
Total	\$51.6 M	\$294.9 M	\$337.5 M	\$104.3 M	\$736.7 M	\$788.3 M



Next Steps

- Decision on July 1, 2018 SB 18-001 funds (July TC)
- Update highway project list for November 2018 ballot initiatives (July TC)
- Update Multimodal Options Fund bonding projects for November 2018 ballot initiatives (July TC)
- Consider July 1, 2019 SB 18-001 funds (future)



Questions?



COLORADO

Department of Transportation

Division of Transit & Rail

4201 E. Arkansas Ave., Rm. 227
Denver, CO 80222

DATE: June 22, 2018
TO: STAC
FROM: David Krutsinger, Director, Division of Transit & Rail
Herman Stockinger, Policy Director
SUBJECT: Multimodal Funding Under Sales Tax Ballot Question

Purpose

The purpose of this memo is to inform STAC members about a Transportation Commission resolution selecting multimodal projects likely to be funded with the bonded portion of the sales tax ballot question, should it pass, and provide an update on the ongoing effort to identify a “Transit Development Program” that includes the top *transit* construction priorities associated with potential new revenues.

Action

Informational

Background

One possible new source of funding is a 0.62 percent statewide sales tax ballot measure sponsored by the Denver Metro Chamber of Commerce and others. If successful, 15 percent of the annual net revenue would be dedicated to the “multimodal transportation options fund” that is available for transit capital or operating expenses, transportation demand management programs, bicycle and pedestrian projects, and other multimodal projects. If successful, the sales tax increase would result in approximately \$105 million multimodal funds annually, with up to \$30 Million per year available for bond payments on priority construction projects.

This memo seeks to explain the rationale for identifying a set of construction projects as the projects to fund with the \$30 Million per year bond payment. When matched with local dollars at a 50/50 basis, \$30 Million can leverage a total *transit* construction program of up to \$800 Million in net present value, paid back over 20 years.

Details

The ballot measure divides the *multimodal* funding into three categories:

- **Bond for Multimodal Capital Projects:** Up to \$30 million per year is available for bond payments for multimodal infrastructure projects selected by the Transportation Commission. The local project sponsor would be responsible for paying 50 percent of the project costs.
- **Local Multimodal Projects:** Of the remaining funds, 85 percent will be used for local, non-bonded multimodal projects. The Commission will allocate the funds around the state based on population and transit ridership. A 50/50 local match is required, though the Commission may create a formula for reducing or exempting certain agencies from the local match requirement. For projects within an MPO, the MPO will select and manage the projects. For projects where no MPO exists, the Commission will select and manage the projects. The distribution formulas and variable match requirements require a variety of stakeholders to provide a recommendation to the Transportation Commission before the Commission acts. That group includes STAC, TRAC, transit advocacy organizations and bicycle and pedestrian advocacy organizations.
- **Statewide Multimodal Projects:** The Commission will use the remaining funds and choose projects of regional or statewide nature. For example, eligible projects include capital and operating costs of inter-regional transportation services such as Bustang and Outrider, transportation demand programs, and capital or operating costs for bicycle and pedestrian projects that further the state’s goals. There is no local match requirement for these projects.

As with highway projects, the ballot authors requested assistance from CDOT in identifying potential bonded transit projects. Staff used the following criteria to identify projects:

- **Local prioritization:** The TPR must prioritize the project as a Tier 1 project in the Transit Development Program.

- Project type: The project must be an infrastructure project with a useful life greater than 20 years. This eliminates operations, bus and equipment purchases, etc.
- Project size: Projects must be of sufficient size to justify bonding. Staff used \$10 million as a rule of thumb.
- Local match: The ballot assumes a 50 percent local match for bonded projects. Staff included projects where local officials could provide reasonable assurance the project sponsors will provide the local match. This local match can come from cities, counties, transit agencies or CDOT, and can be an existing revenue source or a share of their revenue from a successful ballot question.

Through conversations with transit officials and through ongoing work with the Transit Development Program, agency staff members were able to identify several candidate projects (Table 1). Over the next month, staff will continue to work with project sponsors to refine project costs and determine local match commitment.

One question to consider is how to balance equity at a statewide level. While the local multimodal funds will be allocated by formula to planning regions, there is no formula for choosing projects for bonding. Consequently, some regions may end up with higher investment levels because they have good candidates for bonding while other regions of the states, particularly rural areas with few capital investments, don't have those types of projects. It is expected that should the ballot question pass, the partner stakeholders identified in the ballot question will include this issue as one that is considered when providing the Commission with a recommendation on the distribution of funds.

Next Steps

Staff will present the Transportation Commission an updated list of candidate transit projects for bonding in July for adoption. A subsequent action and continued conversation may occur in August, particularly as we consider how to select projects with the already-approved SB 18-001 funds.

Attachment

Table 1 - Candidate list of bonded transit projects

Table 1: Candidate Bonded Transit Projects

Project	Description	Cost Est. (millions)	Funding Breakdown	Ballot Funding	Other Funding	Total Funding Anticipated	Match Status/Notes
SH 119- Downtown Boulder to Downtown Longmont	Regional arterial Bus Rapid Transit (BRT), commuter bikeways, managed/express lanes, and other multi-modal improvements	\$230-\$600M	\$120M CDOT sales tax + \$120M MMOF match \$30M RTD + \$30M MMOF match \$5M Local Funds + \$5M MMOF match \$9M CDOT RPP \$100M FTA Small Starts (competitive) Potential increase in funds to be proposed	\$275	\$144	\$419	Highway ballot funding identified in highway ballot projects (see project #74). RTD has committed \$30M. Other local funds provided by US 26 MMC governments.
SH 7, Downtown Boulder to Downtown Brighton	BRT, commuter bikeways, managed/express lanes and other multimodal improvements	\$352M	\$80M CDOT sales tax + \$40M MMOF match \$5M Local Funds + \$5M MMOF match \$12M CDOT R4 Surface Treatment	\$125	\$17	\$142	Highway ballot funding identified in highway ballot projects (see project #143). Other local funds provided by US 26 MMC governments
US 287- from SH 66 to US 36	BRT, commuter bikeways, managed/express lanes and other multimodal improvements	\$90M	\$45M Potential CDOT sales tax \$6M Local Funds + \$6M MMOF match	\$51	\$6	\$57	Local funds provided by US 36 MMC governments
SH 42/95th Street	BRT, commuter bikeways, managed/express lanes and other multimodal improvements	\$27.4M	\$7.3M Local Funds + \$7.3M MMOF match \$.5M CDOT FASTER Potential CDOT sales tax funds	\$7.30	\$7.80	\$15.10	Local funds provided by US 36 MMC governments
US 36/28th Street and SH 93/Broadway	Operation improvements for multiple regional BRT routes	\$26M	\$3M Local Funds + \$3M MMOF match Potential CDOT sales tax	\$3.00	\$3.00	\$6.00	Local funds provided by US 36 MMC governments
East Colfax BRT	Bus Rapid Transit from I-25 to I-225 with dedicated transit lanes from Broadway Ave to Yosemite Ave	\$184M	\$55M GO Bonds + \$55M MMOF match \$74M FTA Small Starts (competitive)	\$55.00	\$55.00	\$110.00	Bonds are earmarked for the project and the City will pursue FTA Small Starts for remainder of funds
Downtown Transit Center (Colorado Springs)	Purchase land, design, and construct a transit center in the downtown	\$20M	\$10M local funds + \$10M MMOF match	\$10.00	\$10.00	\$20.00	Local sources include federal formula transit funds and local transportation authority funds
West Elizabeth BRT (Fort Collins)	A series of capital and operating improvements along the West Elizabeth corridor	\$20M	\$10M local funds + \$10M MMOF match	\$10.00	\$10.00	\$20.00	Local sources include federal formula transit funds and local funds. The City plans to pursue competitive FTA Small Starts.
Maintenance and Administration Facility (Pueblo)	Replace and relocate the existing transit maintenance and administration building	\$15M	\$7.5M local funds + \$7.5M MMOF	\$7.50	\$7.50	\$15.00	Local sources include federal formula transit funds and local transportation ballot funds
North Avenue (US 6) Corridor Improvements (Grand Junction)	A series of transit accessibility/pedestrian improvements (MP 30.6 - 34.5)	\$14M	\$7M local funds + \$7M MMOF	\$7.00	\$7.00	\$14.00	Local sources include City sales tax, transportation impact fees, energy impact fees. Other local entities may also participate. The City intends to pursue federal competitive BUILD grant.
Parking and Transit Center (Idaho Springs)	Construct a parking garage and transit transfer center	\$15M	\$7.5M local funds + \$7.5M MMOF	\$7.50	\$7.50	\$15.00	Local sources include downtown improvement district funds, local transportation ballot funds, and private funds.
Glenwood Maintenance Facility Expansion (RFTA)	Expansion of existing maintenance and administration facility	\$30M	\$15M local funds + \$15M MMOF	\$15.00	\$15.00	\$30.00	Local sources include remaining local bonding authority and/or agency reserves
Transit Station Rebuild (Breckenridge)	Rebuild the Town's intermodal transit center	\$10M	\$5M local funds + \$5M MMOF	\$5.00	\$5.00	\$10.00	Local sources include general fund revenues from the City and other partner transit agencies
ADA Accessibility Upgrades (Durango)	A series of transit accessibility improvements around the city such as improved bus stops and access to bus stops.	\$20M	\$10M local funds + \$10M MMOF match	\$10.00	\$10.00	\$20.00	Local source is existing, dedicated .05 sales tax. The City may also seek additional local sales tax funds.
Transit Center Renovation (Steamboat Springs)	Reconstruct a major transit center	\$18M	\$9M local funds + \$9M MMOF match	\$9.00	\$9.00	\$18.00	Local sources include the Urban Redevelopment Authority, city transit funds, and private contributions
				\$597	\$314	\$911	Total MMOF: \$546M of estimated \$800M bonding capacity



DATE: June 19, 2018
TO: STAC
FROM: Herman Stockinger, Director, Office of Policy and Government Relations
SUBJECT: Development of project list for potential 2018 ballot question

Purpose

To discuss staff recommendations regarding potential funding sources for unfunded projects, options for “right-sizing” the current list of project needs, and the approach to project and program selection leading into a July decision regarding use of potential ballot funds under a successful .62 cent sales tax increase.

Action

Review and discuss staff recommendation, and determine if STAC wishes to provide a recommendation to the TC.

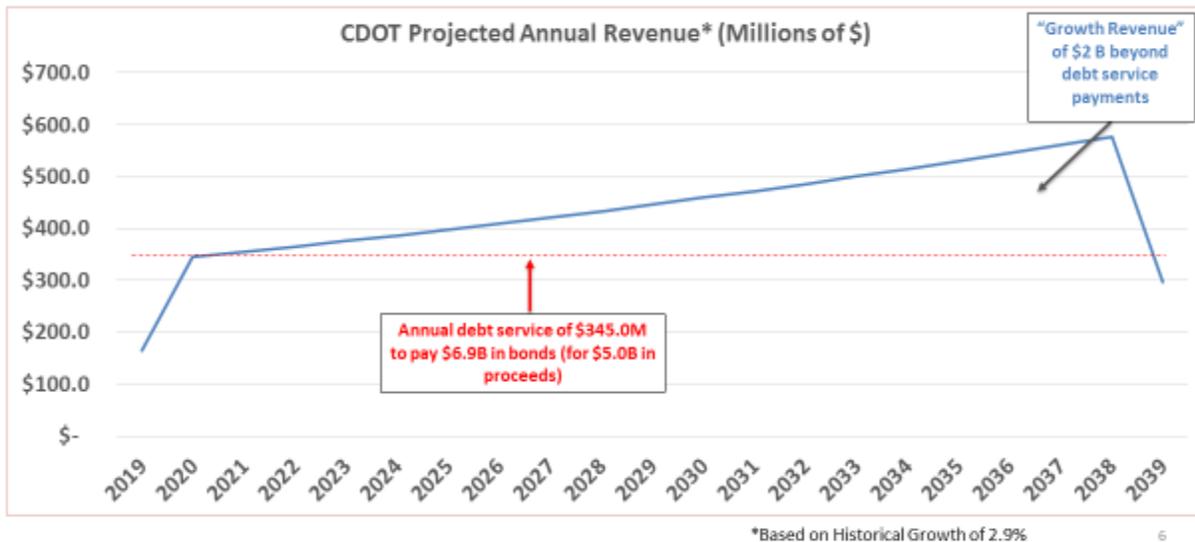
Background

Why Are We Having This Conversation?

Now that we know one group of proponents for a ballot question in 2018 have decided on a .62 cent sales tax increase, staff worked to determine how that would impact the \$6.2 billion list that already exists. First, we believe the following laws/funding sources will contribute to funding the \$6.2 billion list.

- SB 18-001: Could contribute approximately \$300 million toward the project list (one time funds over two years)
- SB 17-267: Could contribute approximately \$1.7 billion toward the project list (one time funds over four years)

A .62 cent sales tax increase would be expected to provide \$345 million to the highway portion of the question in the first year. The sales tax has been shown to grow at about a 2.9% rate annually over time. Staff must recommend to the Transportation Commission how much expected revenue should be added to the up-front project list, and how to allocate any growth in revenue over time. Staff seeks STAC guidance to potentially refine our staff recommendation, or provide their own recommendation to the Transportation Commission.



Between SB 18-001, SB 17-267 and a successful sales tax increase, staff believes the project list can reasonably grow from \$6.2 billion to \$7.0 billion. Additionally, staff projects less certain but likely revenue beyond the funding of a \$7.0 billion project list.

Staff will present our recommendations to STAC on:

- Projected revenues
- Size of the project list
- Distribution of new project list funds
- Distribution of additional funds beyond the project list