



MEMORANDUM

TO: STATEWIDE TRANSPORTATION ADVISORY COMMITTEE (STAC)
FROM: JEFF SUDMEIER, CHIEF FINANCIAL OFFICER (CFO)
DATE: OCTOBER 26, 2018
SUBJECT: FY 2019-20 ANNUAL BUDGET

The FY 2019-20 Proposed Annual Budget (One Sheet) and the FY 2019-20 Proposed Budget Allocation Plan (Narrative Budget) were presented to the Transportation Commission (TC) at their October meeting. In November, the TC will be asked to approve the FY 2019-20 Proposed Budget. The TC will be asked to adopt the final budget in March 2019, after updates are made to reflect updated revenue forecasts, decision items, and Common Policy decisions from the Joint Budget Committee and Office of State Planning and Budget. Staff will review the Proposed Annual Budget with STAC on October 26, and again in January or February to discuss anticipated updates.

Background & Details

FY 2019-20 Decision Items

Beginning with the FY 2016-17 Annual Budget, the Division of Accounting and Finance (DAF) moved to a Work Plan Budget process, whereby each Division/Region within CDOT would submit their own budget allocation plan. In FY 2017-18, DAF expanded this process to include all Division/Region Decision Items. In accordance with Policy Directive (PD) 703.0, all decision item requests will be reviewed by the Executive Management Team (EMT). Requests of \$1 million or greater will be presented to the TC (if necessary) in February 2019 for approval and placement into the FY 2019-20 Final Annual Budget. Requests for less than \$1 million will be considered for approval by the EMT. The results of decision items will be included in the final budget for approval in March of 2019.

FY 2019-20 Proposed Annual Budget

The FY 2019-20 Proposed Annual Budget is included as Attachment A. The accompanying Proposed Budget Allocation Plan (see <https://www.codot.gov/business/budget/cdot-budget/draft-budget-documents/fy-2019-20-proposed-narrative-budget/view>) contains current program description and funding detail supporting the annual budget.

The FY 2019-20 Proposed Annual Budget is balanced, with all flexible revenue allocated. Revenues specific to a program are considered inflexible (i.e., Fast Act and State mandated programs such as safety education and Aeronautics) and have been automatically adjusted based on the FY 2019-20 Revenue Forecast. Asset Management and Maintenance programs are funded according to the FY 2019-20 Asset Management Planning Totals, approved by the TC in August 2016. All other program revenues are considered flexible and are estimated based on the FY 2018-19 budget amounts as adopted by the TC in March 2018 (and amended in August 2018).



Changes to the FY 2019-20 Proposed Annual Budget since the initial draft presented to the TC in September are detailed below. Changes presented this month are technical changes that involve either updates to Budget Program names or changes to how allocated funds are broken out within the budget.

- **Maintenance Levels of Service (MLOS)** (Lines 3-12): As part of CDOT's agreement with Plenary on US 36, CDOT makes monthly payments for maintenance performed by Plenary on the General Purpose lanes on the US 36 corridor. Over the last few years, this amount has been taken "off the top" of MLOS. This amount (\$2.3 million) has now been broken out separately on Line 12, with each of the other Maintenance Program Areas (MPAs) reduced so that the total MLOS amount of \$265.7 million remains unchanged. Depending on an updated revenue forecast, decision items, and Common Policy changes, staff may return to the TC prior to approval of the FY 2019-20 Final Annual Budget with a recommendation to increase MLOS funding by \$2.3 million so that going forward this cost is not borne by the other MPAs.
- **Mobility Operations** (Lines 40-42): The Division of Transportation Systems Management and Operations (TSMO) recently rebranded as "Mobility Operations." As such, lines 40-42 have been updated to recognize the new name. As described last month, two separate budget programs - Congestion Relief and Traffic Incident Management, have been combined into a single budget program named "Real Time Operations."
- **ITS Asset Management** (Line 42): The ITS Asset Management budget program has in past years included certain ITS costs (i.e. staff salaries, etc.) in the ITS Asset Management budget which are not associated directly with ITS maintenance activities (i.e. on the ground staff costs) or capital replacement. In order to more accurately reflect the amount going exclusively to ITS maintenance, these costs have been separated out and added to the Maintenance Operations program described below. \$8 million has been moved from ITS Asset Management to Maintenance Operations. The total amount dedicated to these activities has not changed.
- **Department Operations and Maintenance Operations** (Lines 71-72): Operations (including maintenance support) has been broken into two different Budget Programs, Department Operations and Maintenance Operations, in order to provide greater visibility between the budget allocated to maintenance support activities and other operations activities. Maintenance Operations includes support costs for the Division of Highway Maintenance, and for ITS Maintenance. Department Operations include other support functions such as standards and specifications, materials testing, training, engineering estimates, etc. The total of these two programs is \$8 million higher than the single Operations budget program in the Proposed budget presented in September, reflecting the previously described shift of \$8 million from ITS Asset Management to Maintenance Operations.

Next Steps

In November 2018, DAF will:

- Update Administration (line 74) based on Common Policy updates provided by the Governor's Office. This update may alter other line items, including Department Operations (line 70) and TC Program Reserve (line 122).
- Request adoption of the FY 2019-20 Proposed Annual Budget for submission to the Office of State Planning and Budget (OSPB) on or before December 15, 2018.

Attachments

Attachment A - FY 2019-20 Proposed Annual Budget (One Sheet)



**State Bridge Enterprise
Attachment A: FY 2019-20 Proposed Annual Budget**

State Bridge	Budget Category	Program Area	Directed By	FY 2018-19 Budget	FY 2019-20 Budget	Variance	Funding Source
1	Maintain - Maintaining What We Have						
2		CDOT Performed Work					
3							
4		Maintenance	BEB	300,000	300,000	-	09-108
5		Support Services	BEB	350,000	350,000	-	09-108
6		Bridge Preservation		100,000	100,000	-	
7							
8		Contracted Out Work					
9							
10		Bridge Enterprise Projects	BEB	95,596,000	97,496,000	1,900,000	09-108
11				95,596,000	97,496,000	1,900,000	
12							
				Total:	96,346,000	98,246,000	1,900,000
13	Maximize - Safely Making the Most of What We Have						
14		CDOT Performed Work					
15							
16							
17		Contracted Out Work					
18							
19							
20							
21							
22							
23	Expand - Increasing Capacity						
24		CDOT Performed Work					
25							
26		Contracted Out Work					
27							
28							
29							
30							
31	Deliver - Program Delivery/Administration						
32							
33		Administration and Legal Fees		1,660,000	1,660,000	-	09-108
34							
35				1,660,000	1,660,000	-	
36							
37							
38	Pass-Through Funds/Multi-modal Grants						
39		Highway					
40							
41							
42							
43							
44	Bridge Enterprise Contingency / Debt Service						
45		Contingency					
46		Contingency	BEB				09-108
47							
48		Debt Service					
49		Debt Service	BEB	18,234,000	18,234,000	-	FHWA/SH
50							
51				18,234,000	18,234,000	-	
52							
53							
				Total:	18,234,000	18,234,000	-
				116,240,000	118,140,000	1,900,000	

Revenue **116,240,000** **118,140,000** **1,900,000**

Key to acronyms:

BEB= Bridge Enterprise Board

DS= Debt Service Covenants

**High Performance Transportation Enterprise
Attachment A: FY 2019-20 Proposed Annual Budget**

HPTE	Budget Category	Program Area	Directed By	FY 2018-19 Budget	FY 2019-20 Budget	Variance	Funding Source
1	Maintain - Maintaining What We Have						
2		CDOT Performed Work					
3							
4		Contracted Out Work					
5							
6							
7							
				Total:	-	-	
8	Maximize - Safely Making the Most of What We Have						
9		CDOT Performed Work					
10							
11							
12		Contracted Out Work					
13							
14		Property					
15							
16							
17	Expand - Increasing Capacity						
18		CDOT Performed Work					
19		Maintenance	HPTEB				Tolls/Managed Lanes Revenue
20							
21							
22		Contracted Out Work					
23		Express Lanes Operations	HPTEB	10,942,648	11,342,648	400,000	Tolls/Managed Lanes Revenue
24							
25				10,942,648	11,342,648	400,000	
26							
27							
28	Deliver - Program Delivery/Administration						
29							
30		Administration and Legal Fees		5,194,500	5,194,500	-	Fee for Service
31							
32							
33				5,194,500	5,194,500	-	
34							
35							
36	Pass-Through Funds/Multi-modal Grants						
37		Highway					
38							
39							
40							
41	HPTE Contingency / Debt Service						
42		Contingency					
43							
44		Debt Service					
45							
46							Fee for Service
47							
				Total:	-	-	
				16,137,148	16,537,148	400,000	

Revenue **16,137,148** **16,537,148** **400,000**

Key to acronyms:

HPTEB=High Performance Transportation Enterprise Board

HPTE Fee For Service Allocation Adjustment **(5,169,500)** **(5,169,500)** **-**

Total Consolidated Allocations 2,172,006,888 2,083,022,553 (88,984,335)

Total Consolidated Revenue 2,172,006,888 2,083,022,553 (88,984,335)



COLORADO
Department of Transportation
Division of Accounting and Finance

CDOT BUDGET

STATEWIDE TRANSPORTATION ADVISORY COMMITTEE (STAC)

JEFF SUDMEIER, CFO

OCTOBER 26, 2018



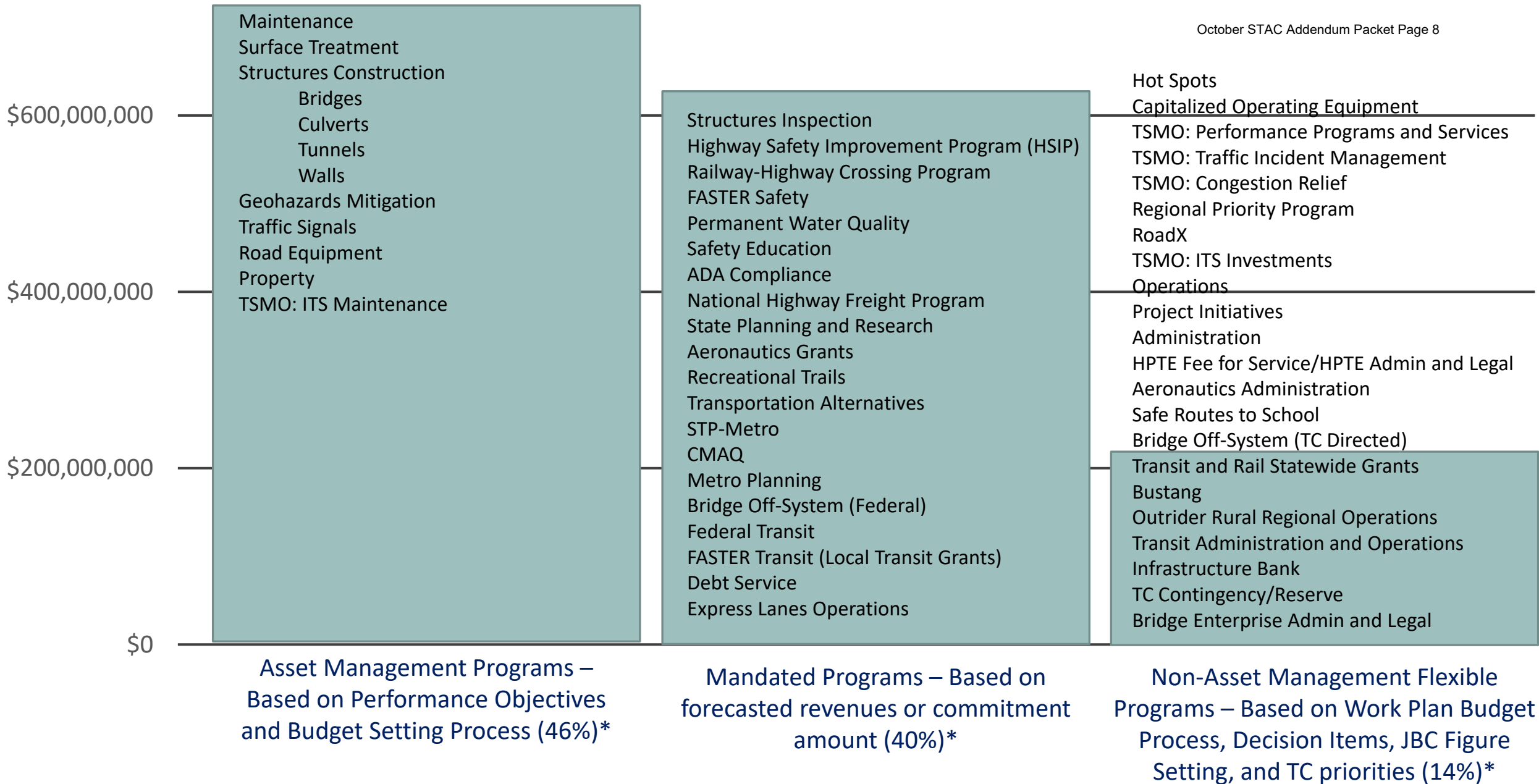
CDOT Budget: FY 2019-2020 Timeline

- **August 2018** – Kick off Budget Cycle
 - Begin Work Plan Budget Process with CDOT Regions, Divisions, and Offices.
 - Review current performance and funding levels as compared to performance objectives established in PD 14.
- **September 2018** – Review revenue projections and first draft of Proposed FY 2020 Annual Budget
- **October 2018** – Review second draft of Proposed FY 2020 Annual Budget
- **November 2018** – Approve final Proposed FY 2020 Annual Budget
- **December 2018** – Submit Proposed FY 2020 Annual Budget to OSPB



CDOT Budget: FY 2019-2020 Timeline

- **February 2019** – Update Proposed FY 2020 Annual Budget
 - Update revenue projections
 - Review and approve Decision Items
 - Adjust Administration and Operations budgets based on Common Policy, OSPB input, and Work Plan Budget process
- **March 2019** – Review and approve Final FY 2020 Annual Budget
- **April 2019** – Submit Final FY 2020 Annual Budget to OPSB for Governor’s approval
- **July 1, 2019** – Beginning of FY 2019-2020
- **August 2019** – Review and approve FY 2019-2020 rollforwards to FY 2020-2021



*Excluding SB 1 and SB 267



CDOT Budget: At a Glance

- Three entities, three budgets (CDOT, HPTE, Bridge Enterprise)
- FY 2019-2020 combined budget of \$2.08 billion
- Includes \$500 million in SB 17-267 funding and \$177.75 million in SB 18-001 funding.
- In a more typical year, combined budget is closer to \$1.4 billion.
- Allocates roughly 25 different funding programs to approximately 60 budget programs (budget “lines”)



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Colorado Department of Transportation



Budget
Narrative
Document

Final Budget Allocation Plan for Fiscal Year 2018-19

Governor John Hickenlooper

March 15, 2018



Colorado Department of Transportation

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CDOT- Program Fact Sheet

Surface Treatment

Web Page: <http://www.fhwa.dot.gov/fastact/factsheets/stbgfs.cfm>
 Statutory Authorization: Section 43-1-106 (8) (h), C.R.S. (2017)
 Governance: Colorado Transportation Commission, Section 43-1-106, C.R.S. (2017)
 Primary Funding Sources: State Highway Fund, Section 43-10-109, C.R.S. (2017)
 The Highway Trust Fund, 26 U.S.C. § 9503
 Budget Category: Maintain – Maintaining What We Have

Background

The objective of the Department's surface treatment program is to maintain the quality of the pavement on state highways at the highest level possible by allocating limited resources in a scientifically rigorous manner. Also, a small amount of program funds are allowed to mitigate safety issues discovered during the project development process. It is financially efficient for these safety issues to be addressed as part of a current resurfacing project rather than to create a standalone safety project.

Department staff utilizes pavement management software and exhaustive annual data collection to make recommendations as to which segments of the state highway system should be prioritized for rehabilitation.

Funding

The main sources of revenue to the surface treatment program are:

- The State Highway Fund
- Federal reimbursement for eligible expenditures

Surface Treatment Program Budget Allocations (in \$millions)				
	Actual	Actual	Budget	Proposed
Allocations	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Surface Treatment Allocation	149.5	145.1	226.5	225.4
TOTAL	149.5	145.1	226.5	225.4

Source: CDOT Office of Financial Management & Budget

COLORADO DEPARTMENT OF TRANSPORTATION



Legislative
Budget

LEGISLATIVELY APPROPRIATED BUDGET

FISCAL YEAR 2018-19

Governor John Hickenlooper

November 1, 2017



- Due November 1 to OSPB and JBC
- Majority of CDOT state funding is continuously appropriated
- Legislative Budget includes eight lines
 - Construction, Maintenance, and Operations
 - High Performance Transportation Enterprise
 - Statewide Bridge Enterprise
 - Administration
 - First Time Drunk Driving Offenders Account
 - Marijuana Impaired Driving Program
 - Southwest Chief and Front Range Passenger Rail Commission
 - Multimodal Options Fund
- Only five (**highlighted**) require appropriation (~2%)*, the others are provided for information
- Incorporated into Long Bill in Spring

*Based on FY 2018-2019 CDOT/HPTE/BE Budget excluding SB 1 and SB 267.

**MEMORANDUM**

TO: STATEWIDE TRANSPORTATION ADVISORY COMMITTEE (STAC)
FROM: JEFF SUDMEIER, CHIEF FINANCIAL OFFICER (CFO)
DATE: OCTOBER 26, 2018
SUBJECT: FY 2017-18 REVENUE RECONCILIATION / ALLOCATION OF PROGRAM RESERVE FUNDS

In the fall of each year, the Division of Accounting and Finance (DAF) reconciles revenue from the prior fiscal year, including any funds received through the annual federal redistribution process. Additional flexible funds resulting from revenue reconciliation and redistribution are deposited in the TC Program Reserve Fund, and potential allocation options presented for consideration by the TC.

Background & Details

At the close of each fiscal year, DAF compares the forecasted revenues to the actual revenues and presents to the TC for review and further action.

FY 2017-18 Revenue Reconciliation

Attachment A details the reconciliation of forecasted to actual revenues for FY 2017-18. Highlights include:

- CDOT had estimated revenues for the FY 2017-18 budget of \$1.56 billion and received actual revenues, including additional federal obligation authority (FY 2017-18 redistribution), in the amount of \$1.69 billion. The surplus is primarily due to federal redistribution, an additional allocation of federal Surface Transportation Black Grant (STBG) funding included in the FY 2017-18 appropriation act passed in March, and higher than forecasted local contributions to Bridge Enterprise (BE) projects.
 - **HUTF** revenues were \$9.9 million higher than forecasted in the FY 2017-18 Annual Budget, totaling \$469 million.
 - **Aeronautics revenue** was higher than anticipated, totaling \$29.2 million in FY 2017-18, an increase of \$6.2 million from the FY 2017-18 Annual Budget.
 - **Federal Highway Administration (FHWA) revenue** was \$11.4 million lower than forecasted, with federal funds, excluding additional federal obligation authority, totaling \$545.3 million.
 - **FHWA Redistribution** - CDOT is eligible to receive an increase in federal obligation authority through the annual Federal Redistribution process. The amount available to states varies each year. For FY2016-17, CDOT received \$44.9 million. CDOT has received a new record amount of \$69.6 million for FY 2017-18
 - **FHWA STBG Supplemental Allocation** - The FY 2017-2019 appropriations act included a supplemental allocation of STBG funding. For Colorado, this totaled \$27 million, with \$17.9 million of that flexible and \$9.1 million passed through via the STP-Metro program.
- The **Colorado Bridge Enterprise** estimated revenues for the FY 2017-18 of \$112.2 million, and received actual revenue in the amount of \$141.1 million, creating a surplus of \$28.9 million. The majority of this



amount is due to the receipt of \$24.9 million from Kiewit Meridiam Partners as part of the closing on the Central 70 project.

- The **Colorado High Performance Transportation Enterprise (HPTE)** estimated revenues for FY 2017-18 of \$18.7 million, and received actual revenues in the amount of \$17.3 million, a difference of \$1.46 million. The main factor behind the difference was that Tolling Revenues and related fees/fines came in lower than expected, totaling \$9.3 million for the year. A mid-year Fee for Service increase, miscellaneous charges and project revenue helped to offset the decrease in toll revenue.

CDOT Unused Cost Center Funds

At the end of each fiscal year, DAF reviews cost center budgets to determine the total amount of unspent funds, if any. Per Policy Directive (PD) 703, some cost centers rollforward automatically, for others a request can be made to rollforward, which requires either Executive Management or TC approval (if greater than \$1 million). Cost center balances that are not rolled forward are transferred into the TC Program Reserve. For FY 2017-18, the total amount of unspent funds transferred to TC Program Reserve was \$3,521,141.

TC Program Reserve Reconciliation

The TC Program Reserve shows a projected balance of \$144.4 million for the beginning of October 2018. Table 1 (below) reflects changes to the Program Reserve balance as a result of the FY 2017-18 revenue reconciliation and reconciliation of unused cost center funds. Reconciled revenues that result in transfers to Program Reserve are highlighted in grey in Attachment A. (Note the \$17.9 million in flexible federal funds on line 32 of Attachment A are not reflected below. These funds were received earlier this summer and are already included in the beginning balance of \$144.4 million.) Other revenues not resulting in a transfer to Program Reserve are those revenues dedicated to specific programs (i.e. non-flexible), which are carried forward and reconciled within that particular program. Reconciled revenues transferred to Program Reserve include:

- FY 2017-18 Highway Users Tax Fund Revenue Reconciliation - \$9.9 million
- FY 2017-18 CDOT Miscellaneous Revenue - (\$4.0 million)
- FY 2017-18 FHWA - Flexible - (\$9.4 million)
- FY 2017-18 FHWA Redistribution - \$69.6 million

Table 1: FY 2018-19 Transportation Commission Program Reserve Reconciliation

Beginning of October FY 2018-19 TC Program Reserve Balance		\$ 144,391,203
September Allocations to TC Program Reserve		\$ 69,617,062
· FY 2017-18 Revenue Reconciliation	\$ (3,477,440)	
· FY 2017-18 Federal Redistribution	\$ 69,573,361	
· FY 2017-18 Return of Unused Cost Center Funds (End-of-Year TC Allocation)	\$ 3,521,141	
Total FY 2017-18 TC Program Reserve Projected Working Balance		\$ 214,008,265
FY 2018-19 October Pending Budget Supplement Items:		\$ -
· No Actions Pending	\$ -	
FY 2018-19 End of October TC Program Reserve Balance[^]		\$ 214,008,265

[^]Does not include TC Contingency Balance of \$28.3 million

Options for the Allocation of TC Program Reserve Funds



The projected October 2018 ending TC Program Reserve balance, reflecting the additions associated with revenue reconciliation including federal redistribution, and return of unused cost center balances, totals \$214 million. Attachment C details some options available for the Commission to consider in allocating these funds and drawing the Program Reserve balance down to a target level. Staff recommends maintaining a balance of approximately \$60 million to accommodate anticipated TC Program Reserve requests in the next year. Potential requests include matching funds for federal grants, ADA Compliance, and additional costs associated with the Union Pacific Railroad settlement, agreed to by the Commission in July 2017.

Previously Planned “Draws”

Staff recommends that the Commission approve three previously planned “draws” on Program Reserve, which have been identified as forecasted expenditures on the monthly Program Reserve balance included in monthly Budget Supplements. Each of these items were previously approved for funding by the Commission, but have not yet been allocated from the Program Reserve balance. These include:

- Union Pacific Railroad (UPRR) Right of Way (ROW) Settlement - \$33.4 million
 - Remaining amount of previously approved payment to UPRR of \$34.9 million, to be utilized for siding extensions/improvements in order to offset the mobility impacts due to the close proximity of US 85 within the UPRR ROW.
- FY 2019 MS4 Water Quality Requirements - \$3.35 million
 - Remaining portion of one-time costs associated with diagnostic cleaning of Permanent Water Quality Facilities, identified as part of EPA Audit, and previously approved by TC in August 2017.
- FY 2019 ADA Compliance Program - \$15 million
 - Remaining FY 2019 ADA Compliance commitment. The TC approved \$5 million of SB 18-001 funding for ADA Compliance in July, leaving \$15 million of the planned FY 2019 ADA Compliance amount remaining.

Additionally, staff recommends allocating \$11.7 million to the TC Contingency in order to bring the TC Contingency back up to the target balance of \$40 million, previously established by the Commission as the targeted beginning of Fiscal Year balance.

Other Existing Commitments

Staff recommends that the Commission approve three other existing commitments. Although these have not been previously identified as planned “draws” on Program Reserve, each reflect existing commitments of the Department for which funding is needed. These include:

- MASH Safety Hardware Compliance - \$25.0 million
 - Funding needed to help address compliance with new Manual Assessment of Safety Hardware (MASH) roadside safety hardware (guardrail, cable barrier, concrete barrier, sign crash worthiness, crash cushions) standards, which were adopted by FHWA and AASHTO in 2017. The reason for the change to the new standard is due to the increased size of the current vehicle fleet and increased understanding of safety performance vehicle populations (vehicle height/size/weight changes) on the roadway resulting in height increase of MASH roadside safety hardware. CDOT is committed to the implementation of MASH roadside safety hardware on state highways and the national highway system. This funding will allow CDOT to prioritize corridors and locations statewide and accelerate the transition to the new standards.
- FY 2019 Surface Treatment - \$16.7 million



- Funding needed to complete restoration of asset management funding levels from reduced levels resulting from advancement of FY 2019 program under RAMP. The TC approved the allocation of \$100 million of SB 18-001 funds to Asset Management in July, which addressed the majority of the restoration of funding, but left a shortfall of \$16.7 million.
- FY 2019 Toll Corridor GP Lane Maintenance Agreement - \$1.8 million
 - Funding needed to address shortfall in Maintenance funding for maintenance agreement on US 36. CDOT makes monthly payments for maintenance performed by Plenary on the General Purpose lanes on the US 36 corridor. The FY 2019 budget for maintenance did not reflect a planned increase in monthly payments, resulting in a shortfall.

Additional Allocation Options

If the Commission concurs with a target ending balance of \$60 million, and allocating funds to previously planned draws totaling \$63.5 million, approximately \$90 million remains available to allocate to other existing commitments or other funding needs. Attachment C identifies some potential additional allocation options identified as priorities by the Executive Management Team in four different categories:

- Maintenance
- Asset Management / Construction
- Advanced Mobility/Mobility Operations
- Project/Program Development and Other Needs

Next Steps

Staff will return in November for approval of items identified as “previously planned draws.” An additional workshop will be held in a November or a subsequent month to discuss options for remaining funds.

Attachments

Attachment A - FY 2017-18 Revenue Reconciliation

Attachment B- Presentation

Attachment C - Additional Allocation Options



**Colorado Department of Transportation
Attachment A – FY 2017-18 Revenue Reconciliation**

REVENUE SOURCE	FY 2017-18		
	Budgeted	Actual Revenue	Variance
1 STATE FUNDS			
2 HUTF Revenue to CDOT	\$ 459,397,271	\$ 469,316,171	\$ 9,918,901
3 CDOT Miscellaneous Revenue	\$ 28,429,863	\$ 24,408,505	\$ (4,021,358)
4 General Fund Revenue to CDOT	\$ 79,000,000	\$ 79,000,000	\$ -
5 State Infrastructure Bank	\$ 400,000	\$ 533,560	\$ 133,560
6 State Safety Education Funds	\$ 3,870,410	\$ 2,314,123	\$ (1,556,287)
7 Aeronautics Funds	\$ 23,000,000	\$ 29,171,534	\$ 6,171,534
8 Bustang	\$ -	\$ 1,937,529	\$ 1,937,529
9 TOTAL STATE FUNDS	\$ 594,097,544	\$ 606,681,422	\$ 12,583,879
10 FASTER FUNDS			
11 FASTER Safety - State Share to CDOT	\$ 112,517,819	\$ 114,491,246	\$ 1,973,427
12 FASTER Safety - Local Share for Rail and Transit	\$ 5,000,000	\$ 5,000,000	\$ -
13 TOTAL FASTER FUNDS	\$ 117,517,819	\$ 119,491,246	\$ 1,973,427
14 FEDERAL FUNDS			
15 Federal Highway Administration - Flexible	\$ 408,198,018	\$ 398,823,035	\$ (9,374,983)
16 Federal Highway Administration - Inflexible	\$ 118,795,215	\$ 116,795,215	\$ (2,000,000)
17 Federal Transit Administration	\$ 19,555,230	\$ 20,870,759	\$ 1,315,529
18 National Highway Traffic Safety Administration	\$ 9,989,439	\$ 8,848,147	\$ (1,141,291)
19 Federal Aviation Administration	\$ 225,000	\$ -	\$ (225,000)
20 TOTAL NON- EMERGENCY FEDERAL FUNDS	\$ 556,762,902	\$ 545,337,157	\$ (11,425,745)
21 LOCAL MATCHING FUNDS			
22 Local Match for FHWA Funding	\$ 21,323,169	\$ 21,323,168	\$ (1)
23 Local Match for FTA Funding	\$ 10,619,782	\$ 11,819,188	\$ 1,199,405
24 TOTAL LOCAL MATCHING FUNDS	\$ 31,942,951	\$ 33,142,356	\$ 1,199,405
25 Certificates of Participation			
26 Certificates of Participation	\$ -	\$ -	\$ -
27 Total Certificates of Participation	\$ -	\$ -	\$ -
28 Total Colorado Department of Transportation Revenue	\$ 1,300,321,216	\$ 1,304,652,181	
29 ADDITIONAL FEDERAL FUNDING OBLIGATION AUTHORITY - PERMANENT RECOVERY & REDISTRIBUTION			
30 Federal Highway Administration - Permanent Recovery	\$ 131,669,300	\$ 131,669,300	
31 Federal Highway Administration - Redistribution	\$ -	\$ 69,573,361	\$ 69,573,361
32 Federal Highway Infrastructure Program Flexible	\$ -	\$ 17,850,572	\$ 17,850,572
33 Federal Highway Infrastructure Program Inflexible	\$ -	\$ 9,074,513	\$ 9,074,513
34 TOTAL ADDITIONAL FEDERAL OBLIGATION AUTHORITY	\$ 131,669,300	\$ 228,167,746	\$ 96,498,446
35 Total Colorado Department of Transportation Revenue &	\$ 1,431,990,516	\$ 1,532,819,927	\$ 100,829,411

Notes:

<i>Total CDOT Flexible Revenue & Federal Obligation</i>	\$ 975,025,152	\$ 1,058,971,644	\$ 83,946,492
<i>Total CDOT Inflexible Revenue & Federal Obligation</i>	\$ 456,965,364	\$ 473,848,283	\$ 16,882,919

Colorado Bridge Enterprise (CBE)			
Attachment A – FY 2017-18 Revenue Reconciliation			
REVENUE SOURCE	FY 2017-18		Variance
	Budgeted	Actual Revenue	
36 STATE FUNDS			
37 Interest Income - Exempt	\$ 1,711,000	\$ 3,413,647	\$ 1,702,647
38 Bond Interest Income-Exempt	\$ -	\$ 310,426	\$ 310,426
39 Reimbursement of Expenditures	\$ -	\$ 289,544	\$ 289,544
40 Miscellaneous/Local Project Contributions	\$ -	\$ 25,104,389	\$ 25,104,389
41 TOTAL STATE FUNDS	\$ 1,711,000	\$ 29,118,006	\$ 27,407,005
42 FASTER FUNDS			
43 FASTER - Bridge Surcharge	\$ 104,630,664	\$ 106,023,648	\$ 1,392,983
44 TOTAL FASTER FUNDS	\$ 104,630,664	\$ 106,023,648	\$ 1,392,983
45 FEDERAL FUNDS			
46 Buy America Bonds Credit	\$ 5,900,000	\$ 5,960,695	\$ 60,695
47 Project & Debt Service	\$ -	\$ -	\$ -
48 Re-distributed FHWA for BE Projects	\$ -	\$ -	\$ -
49 TOTAL FEDERAL FUNDS	\$ 5,900,000	\$ 5,960,695	\$ 60,695
50 Statewide Bridge Enterprise Revenue	\$ 112,241,665	\$ 141,102,348	\$ 28,860,683

Colorado High Performance Transportation Enterprise (HPTE)			
Attachment A – FY 2017-18 Revenue Reconciliation			
REVENUE SOURCE	FY 2017-18		Variance
	Budgeted	Actual Revenue	
51 STATE FUNDS			
52 Tolling Fee/Fines	\$ 12,831,849	\$ 9,347,563	\$ (3,484,286)
53 Managed Lanes	\$ 920,000	\$ 1,211,987	\$ 291,987
54 Interest Income - 536	\$ 177,500	\$ 1,473,913	\$ 1,296,413
55 Interest Income - 537	\$ 25,000	\$ 62,493	\$ 37,493
56 Fee for Service	\$ 4,774,500	\$ 5,169,500	\$ 395,000
57 TOTAL STATE FUNDS	\$ 18,728,849	\$ 17,265,456	\$ (1,463,393)
58 High Performance Transportation Enterprise Revenue	\$ 18,728,849	\$ 17,265,456	\$ (1,463,393)

59 Total Transportation Revenue & Federal Obligation \$ 1,558,186,529 \$ 1,686,018,231 \$ 127,831,702

60 Notes:

*Revenue is subject to change pending final audit.



COLORADO
Department of Transportation
Division of Accounting and Finance

Allocation of Program Reserve Funds

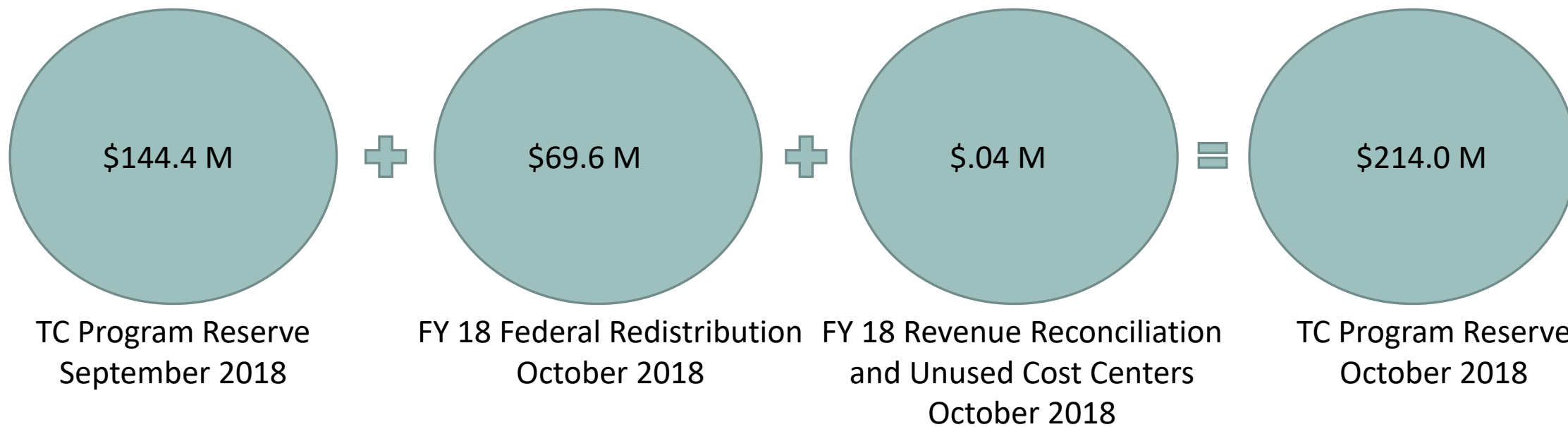
STATEWIDE TRANSPORTATION ADVISORY COMMITTEE

JEFF SUDMEIER, CFO

OCTOBER 26, 2018



TC Program Reserve





Allocation Options

- Consider previously planned “draws”
- Consider requests to address other existing commitments
- Consider additional allocation options
- Leave sufficient balance to address anticipated needs in FY 20.



Allocation Options

- Previously planned “draws” - \$63.5 M
 - UPRR ROW Settlement - \$33.4 M
 - Complete remaining settlement amount, approved by TC in July 2017.
 - FY 2019 MS4 Water Quality Requirements - \$3.35 M
 - Complete funding for FY 2019 MS4 water quality permit compliance at CDOT maintenance facilities, previously approved by TC in August 2017.
 - FY 2019 ADA Compliance Program - \$15 M
 - Complete remaining funding for FY 2019 ADA program pursuant to plan approved by TC in July 2016.
 - Backfill TCCRF balance to equal \$40 M - \$11.7 M
 - Backfill TCCRF to reach target level for FY 2019 of \$40 M.



Allocation Options

- Other Existing Commitments - \$43.5 M
 - MASH Safety Hardware Compliance - \$25.0 M
 - Provide initial funding to advance efforts to comply with new standards for safety hardware, including guardrail, cable barriers, and crash cushions)
 - FY 2019 Surface Treatment - \$16.7 M
 - Complete funding needed to restore asset management funding levels from reduced levels resulting from advancement of FY 2019 program under RAMP.
 - FY 2019 Toll Corridor GP Lane Maintenance Agreement - \$1.8 M
 - Address shortfall in Maintenance funding for maintenance agreement on US 36.



Allocation Options

\$214.0 M	TC Program Reserve Balance – October 2018
(\$33.4 M)	UPRR ROW Settlement
(\$3.35 M)	FY 19 MS4 Water Quality Requirements
(\$15.0 M)	FY 19 ADA Compliance
(\$16.7 M)	FY 19 Surface Treatment
(\$1.8 M)	FY 19 Toll Corridor GP Lane Maintenance Agreement

\$143.75 M

(\$60 M) Recommended minimum ending balance to accommodate anticipated requests in 2019

\$83.75 M Recommended maximum available to allocate to other needs

Maintenance

Striping - \$10,000,000

A statewide asset analysis has shown that regions are under-funded for properly striping the state by about \$10M annually. This has caused the regions to sacrifice either striping or other traffic control device asset replacement. This additional funding will help the regions replace aged and outdated striping, improve the overall life-cycle age of the system and performance condition of striping, and help the regions to implement recent statewide striping best practices (statewide interstate lane wet-reflective tape and localized wider shoulder lines). Not only will the additional striping support better visibility and safety on our roadways, it also lays the groundwork for our support of the automation framework that better enables technology enable driving systems like lane keeping assistance.

Maintenance Bridge Preservation - \$5,000,000

Requested funds would support an initial deployment of a maintenance preservation programs for bridges, which would include annual cleaning of bridges and a proactive expansion joint replacement program.

Maintenance Pavement Preservation - \$15,000,000

Requested funds would support an initial deployment of a Maintenance Pavement Preservation Program focused on crack sealing and chip sealing low and medium volume roadways.

Maintenance Equipment Replacement - \$15,000,000

Requested funds would advance efforts to achieving the goal of having no essential equipment older than 10 years. Funds would be used to replace essential equipment such as snowplows, and paint marking trucks.

Autonomous Impact Attenuators - \$1,400,000

In 2017 CDOT launched the world's first automated impact attenuator, a lead follow technology that enables the impact attenuator to follow and protect the vehicle and work crew in front of it. The vehicle is currently deployed in Region 4, where it has logged over 70 miles in its first season in support of a CDOT striping crew. Several maintenance team members have been trained in the operations of the vehicle. The requested amount would enable CDOT to deploy an automated attenuator in each region, training new maintenance team members on the technology, preparing for additional roll out of similar technologies to support mowing and other operations.

Asset Management

Rest Area Rehabilitation - \$5,000,000

CDOT Rest Areas are aging and in need of significant capital investments. CDOT recently concluded a Rest Area Study that identified approximately \$28 million dollars is needed to rehabilitate CDOT rest areas. This is in addition to the regular yearly maintenance needs. The requested amount will address some of the most critical rest area needs including waste water upgrades at the Vail Pass and Pueblo Rest Areas.

Noise Walls - \$5,000,000

CDOT completed a noise wall inventory last year, and in prior years investments went primarily to retaining walls. After analyzing the new noise wall inventory, additional needs are becoming more clear. The current performance metric is based on structural deficiency, and does not account for customer experience (such as noise abatement, safety hazards, and NEPA required mitigation) in prioritization of investments. A more robust performance metric is in development with Staff Bridge and DTD; however, there are some high priority needs for noise walls that have been identified now. The requested amount will be dedicated to noise walls, and will allow CDOT to get a start at replacing deficient noise walls as the program continues to mature.

Statewide Asset Data Collection/LIDAR - \$3,250,000

CDOT requires information about physical assets to inform the management, maintenance, and operations of the highway system. Current data collection practices include annual inventory and inspection of bridges, pavements, and other major asset classes; however, ancillary assets such as signs, runaway ramps, pavement markings, light poles, guardrails, and fences do not have a regular data collection activity. Staff have collected that information about ancillary assets manually. Two separate, but complementary projects are proposed to collect ancillary asset data. The first project will allow staff to immediately acquire and use the data. The second project will take more time to collect, extract, quality check, and produce useable data products for the initial collection.

1. Asset Data Extraction Project (\$750,000) – Leveraging the pavement data collection contract (current contract value = \$900k), staff would like to add-on services that will extract an ancillary asset inventory and condition data set. This process would use roadway images, GIS, and GPS coordinates to deliver a precise dataset based on CDOT needs. Additionally, the project will provide a GIS layer of ramp and frontage roads – this information has never been comprehensively inventoried.
2. Statewide LiDAR Data Collection Project (\$2,500,000) – Other state DOTs, such as UDOT, have been benefitting from the use of LiDAR data collection initiatives. In addition to having the ability to collect inventory and condition data for numerous ancillary assets, the data can be used to support 3-D modeling, engineering design, traffic safety assessments, and permit compliance. Staff recently completed a study on conducting an enterprise statewide LiDAR data collection and found that we could achieve a return on investment of 3.5 – the more we use various LiDAR data products across CDOT, the greater value can be realized. Additionally, the cost will decrease over time as the department moves from an initial data collection effort to just change detection – initial estimates are a 20-40% decrease in costs.

Advanced Mobility/Mobility Operations

Panasonic Connected/Autonomous Vehicle Partnership - \$20,000,000

The requested funds would fully pay for the FY 19 Phase III (of V) if the Panasonic Data Ecosystem. This phase will deliver up to 1700 connected vehicles along the I-70 corridor, quarterly software updates and rerouting, construction alerts, dynamic weather alerts, along with other basic safety message including crash notification, queue warnings, variable speeds.

Traffic Data Collection Device Connection to Fiber - \$2,000,000

As part of DTD's ongoing project with the ITS Branch, both groups have been working to connect DTD's approximately 110 automated traffic counters (ATRs) to ITS communications and data management systems. To better accomplish this task and improve communication to DTD devices, it would be beneficial to use the existing ITS fiber networks and connect select ATR's (about 50) to those systems, taking advantage of communications CDOT is already building, extending and maintaining. The fiber connections would enhance efficiency, reliability and consistency as well as produce monetary savings to DTD by eliminating the need for landline/cellular connection that are currently employed to connect to counting devices. Use of CDOT's fiber network also would advance CDOT toward our goal of being able to provide up-to-the-minute data internally and to private sector partners, as CDOT works toward a more actively managed, connected and automated transportation system.

I-76 Fiber Expansion - \$3,000,000

The requested funds would be used in conjunction with the P3 on I-76. We will leverage this money to add ITS & Network equipment along I-76 where the P3 gave us fiber for the use of our Right of Way. We will install such ITS devices like VMSs, cameras, RSUs and weather station between Hudson and Sterling. This equipment will improve the safety and operations of I-76 between Hudson and Sterling.

\$1.7M ITS Ethernet Conversion Phase III - \$1,700,000

A critical upgrade to legacy ITS infrastructure to support future technology in Denver and Pueblo. Ethernet communication is more reliable and secure than the current legacy systems, therefore providing us a stable communication for operations and safety of our roadways system. This deployment will also help these sites support CDOT's integration of Connected Vehicle Technology in its Internet of Roadways deployment.

Region 4 Joint Operations Center - \$10,000,000

The requested funds would support the construction of a Region 4 Joint Operations Center at the Region 4 Headquarters in Greeley. Purpose is to improve the safety and mobility of highways in Region 4, both urban and rural, through enhanced real-time operations focused on traffic incident management, managed lanes operations, public messaging, winter operations and maintenance dispatch. Building will also provide general meeting space for Region 4 for large meetings.

Project / Program Development and Other Needs

811 Utility Compliance - \$5,000,000

Funding for 811 Utility Compliance will provide for more detailed utility work on construction projects required by Senate Bill 18-167. Effective August 9, 2018, a majority of CDOT's projects will require a higher level of utility information, identified in SB 18-167 as a SUE Required Project, and CDOT's Professional Engineer ("PE") designing the project must:

- Notify 811 that there is a SUE Required Project is being designed. This is called a SUE Notification.
- Make sure the utilities/underground facilities in the stamped plans are depicted to meet or exceed the graphic standards of American Society of Civil Engineering (ASCE) 38, OR document the reasons why the stamped plans do not meet or exceed ASCE 38 Quality Level B

- Attempt to achieve ASCE 38 Quality Level B SUE investigation for the project or its successor utility level UNLESS a reasonable rationale by a licensed PE is given for not doing so; and
- Document reasons why any underground facilities depicted in stamped plans do not meet or exceed ASCE 38 utility Quality Level A or its successor level for underground facilities at the point of a potential conflict w/ installation of a gravity-fed system.

HPTE Development Fund - \$10,000,000

When RAMP began, a CDOT \$40m HPTE RAMP development fund was created as incubator funds for the development and implementation stages of projects that were likely to be financed in the future, in whole or in part, by HPTE. These funds were used to advance: Eastbound PPSL (\$4.6m); C-470 (\$20m); I-25 North 7&8 (\$25.1m); I-25 North Segment 3 \$2m); I-25 South Gap (\$22.8m); and the Northwest Parkway bid evaluation (\$1.5m). When the RAMP program ended in 2017 it was agreed that, notwithstanding the \$17.9M balance in the RAMP development, further requests of the fund would not be considered and that the development fund would be reevaluated as part of the FY2019-2020 annual budget process. The development fund concept has been an extremely useful tool, and has kept a number of projects moving forward when they otherwise would have stalled. Creating this development fund as part of the TC budget will mean that CDOT and HPTE will be able to move potential HPTE projects forward in the early stages of development and implementation.



COLORADO

Department of
Transportation

Statewide Transportation Advisory Committee

Senate Bill 1 – Multimodal Option Fund

October 26, 2018

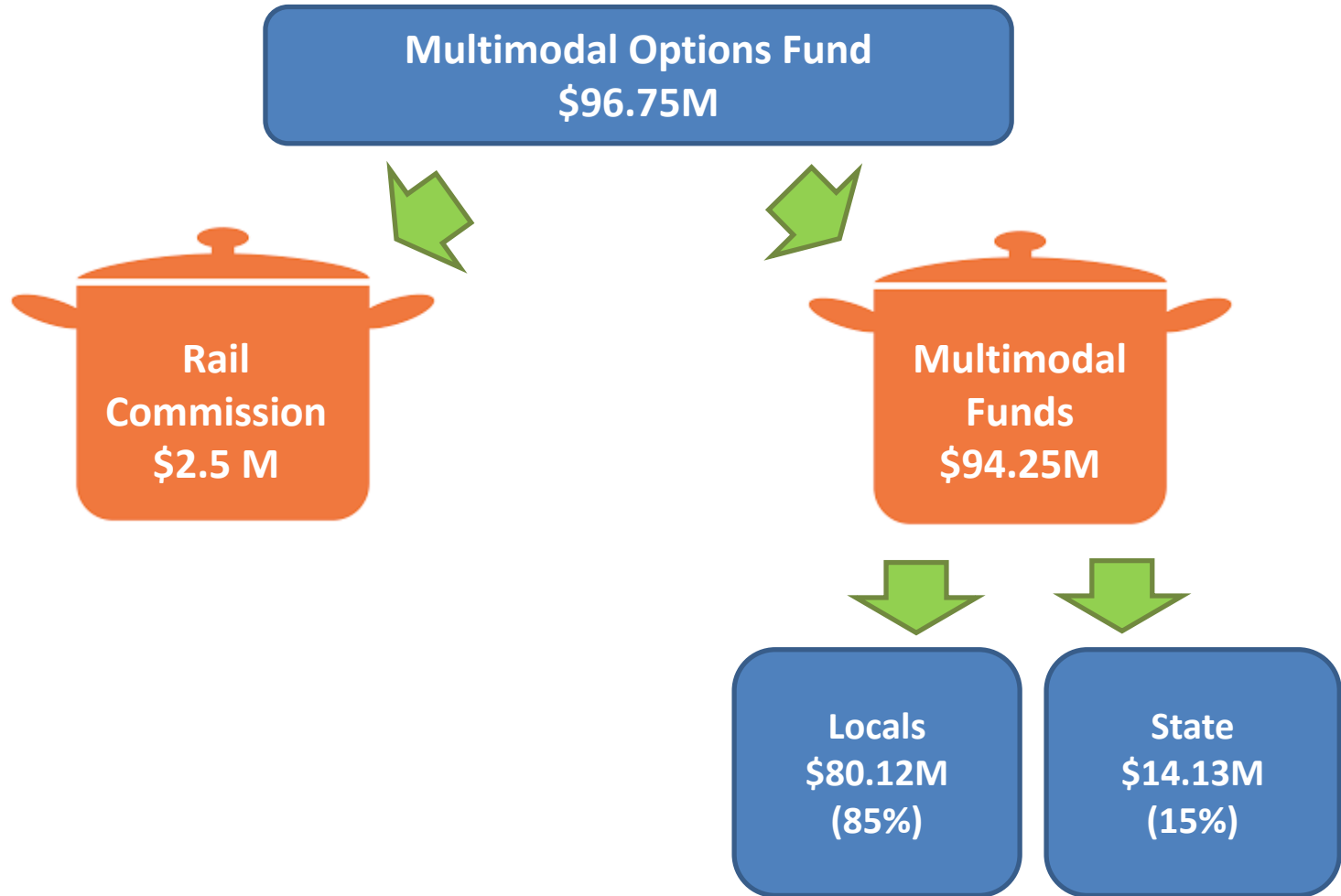


Senate Bill 1 – Multimodal Options Fund

- Multimodal Options Fund Overview
- Task Force Overview
- Roles and Responsibilities
- Entities
- STAC Participation



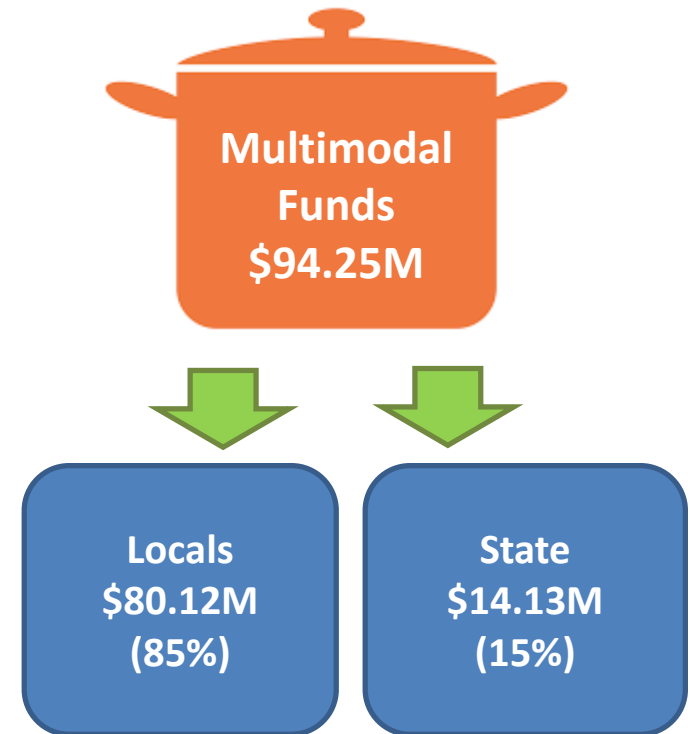
Multimodal Options Fund Overview





Task Force Overview

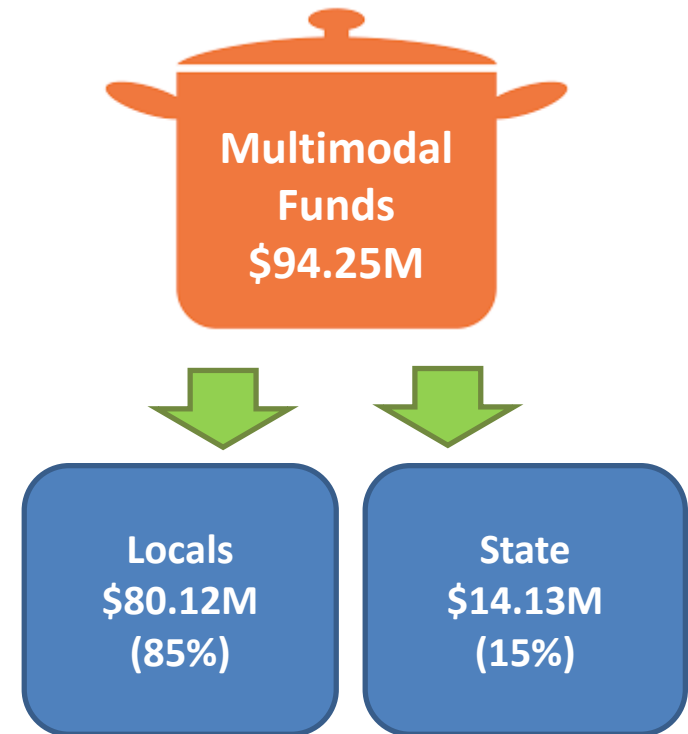
- Legislation requires:
 - Commission shall establish a distribution formula for the local portion.
 - Distribution formula based on population and transit ridership.
 - Distribution formula must be developed in consultation with the:
 - ❖ Transit and Rail Advisory Committee (TRAC)
 - ❖ Statewide Transportation Advisory Committee (STAC)
 - ❖ Transit Advocacy Organizations
 - ❖ Bicycle and Pedestrian Advocacy Organizations





Task Force Overview

- Additional Considerations:
 - Legislation states that a complete and integrated multimodal system benefits:
 - ❖ Benefits seniors by making aging in place more feasible
 - ❖ Benefits residents of rural areas by providing them with flexible public transportation services
 - ❖ Provides enhanced mobility for persons with disabilities
 - ❖ Provides safe routes to school for children





Entities

- **CDOT create a Local Funds Committee must include representatives from:**
 - STAC
 - TRAC
- **Other Potential Agencies:**
 - CASTA
 - Bicycle Colorado
 - WalkDenver
 - Colorado Cross Disability Coalition
 - COPIRG
 - LiveWell Colorado
 - Area Agency on Aging
 - American Association of Retired People
 - Strategic Action Planning Group on Aging
 - CDPHE - Health Equity Office
 - DOLA - Mainstreets
- **Others:**
 - Safe Routes to School Committee
 - Colorado Advisory Council for People with Disabilities



Roles and Responsibilities

- Committee Roles and Responsibilities
 - ❖ Advise the Transportation Commission on the distribution formula
 - ❖ Advise TC on Match Requirements (or exceptions)



COLORADO
 Department of Transportation
 Division of Transit & Rail

2829 W. Howard Place
 Denver, CO 80204

DATE: September 19, 2018
TO: Transit & Intermodal Committee
FROM: David Krutsinger, Director, Division of Transit & Rail
 Michael Timlin Bus Operations Manager
SUBJECT: Bustang Outrider Rural Regional Next Phase Prioritization Methodology

Purpose

The purpose of this memo is to provide information on the prioritization planning for phase III implementation of the Bustang Outrider Rural Regional System.

Action

Informational only, no action requested.

Background

Phase I was completed in Fiscal 2016-17 with stakeholder outreach and redeployment of FTA section 5311(f) intercity bus grant funding to enhance utilization, reliability as well as eliminating unproductive revenue miles. This eliminated or redeployed current FTA grants:

<u>Route</u>	<u>FTA \$\$ Saved/Redeployed</u>	<u>Comment</u>
I-76 Denver - Nebraska State Line (Omaha)	\$80,000	Route was reasonably profitable
US 50 Pueblo - Kansas State Line	\$100,000	Poor times and ridership
I-70 - Denver - Grand Junction	\$260,000	Bustang now operates the service

This phase also included the procurement of seven new motor coaches, six 35 foot and one 45 foot, outfitted with the same amenities as the Bustang Interregional fleet.

Phase II was completed June 29, 2018 with the launch and/or integration of new and current grant partners on four routes:

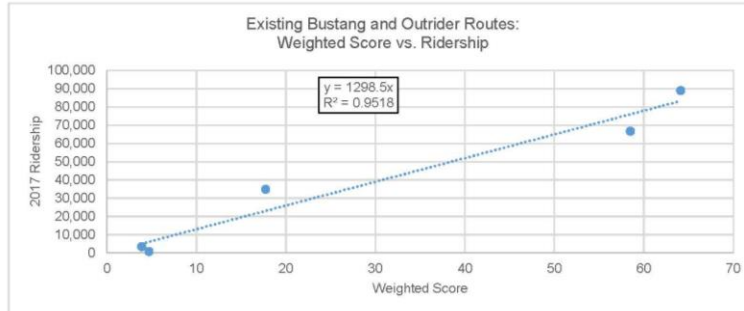
- Lamar - Pueblo one Monday - Friday round trip launched January 2 following the elimination of the poorly scheduled and utilized Bee Line service that operated between Wichita, KS and Pueblo in collaboration with Kansas DOT.
- Alamosa - Pueblo transitioned on May 1 with a new operator with larger bus capacity allowing for ridership growth. Senior Resource Development Agency (SRDA) of Pueblo operates both Lamar and Alamosa lines with an emphasis on essential service transit service from Pueblo, southern Colorado's urban service center.
- An RFP was awarded to Alpine Express Shuttle of Gunnison, CO to replace the existing carrier on the Gunnison - Denver route. This competitive selection process on this route ensures future viability and a renewed emphasis on customer service with a Colorado based carrier. Both Alamosa - Pueblo and Gunnison Denver routes connect in Salida to ensure access on both routes access to the Pueblo side and Denver side.
- The Durango - Grand Junction line transitioned to Outrider on July 1 and soon will return to daily service from 5 day per week service. The operator, Southern Ute Community Action Program (SUCAP) has recently transformed to Southern Colorado Community Action Agency (SoCoCAA).

Details

HDR was tasked to consider and prioritize the phase III routes (if excess funding is available) by gathering comment from stakeholders and develop a list of 21 Statewide routes and complete ridership demand using standard ridership demand models and present those results for further review.

Methodology

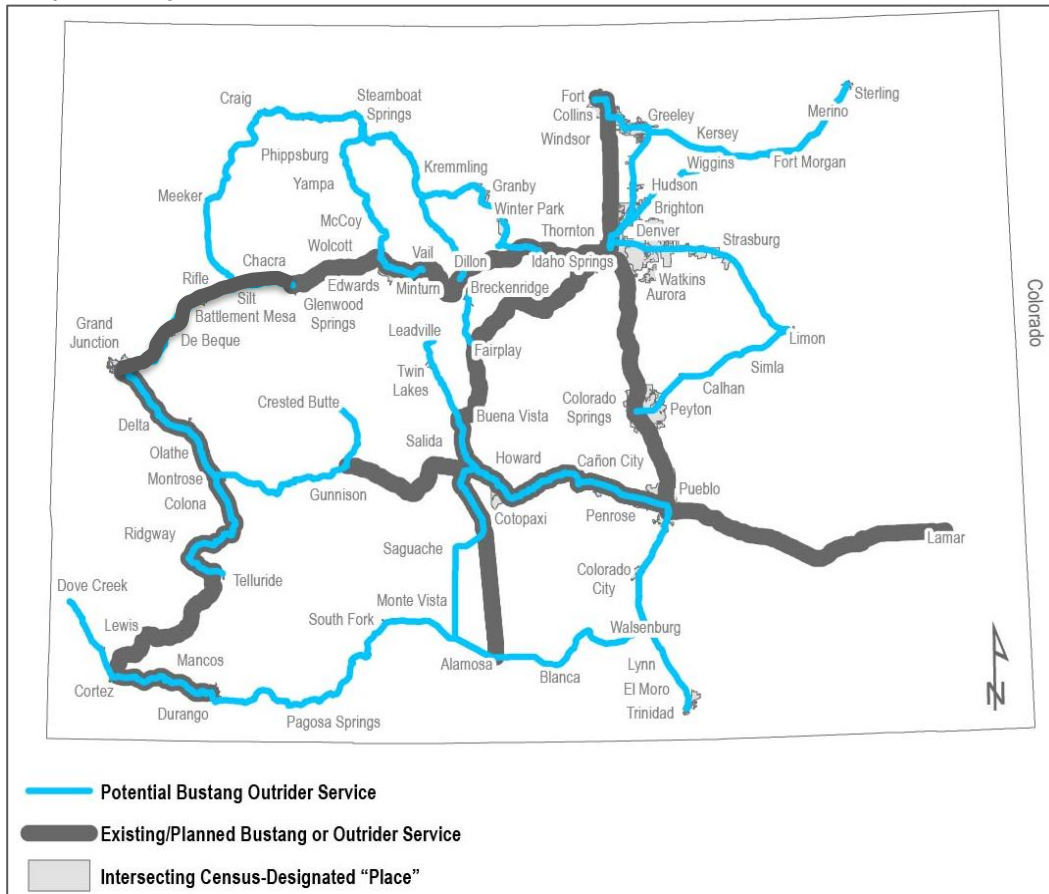
The scoring methodology used existing Bustang and Outrider ridership and the ridership’s relationship to census data to create a tool to estimate ridership on future routes. The census data were: total population, total employment, total disadvantaged populations (*seniors, below poverty line and/or disabled*) and total households without vehicles. Disadvantaged populations and total households without vehicles are leading contributors to determine potential demand for intercity transit services and in areas without existing service¹. The ridership estimates were also weighted by estimated travel time.



Routes Studied

The potential routes were identified through stakeholder phone interviews conducted between January and February 2018. See Figure 1 below for a map of the potential routes and current Bustang and Outrider routes

Figure 1-Map of Existing and Potential Outrider Services



¹ Transit Cooperative Research Program - Report 3: Workbook for Estimating Demand for Rural Passenger Transportation 1995

¹ Transit Cooperative Research Program - Report 147: Toolkit for Estimating Demand for Rural Intercity Bus Service 2011

¹ Transit Cooperative Research Program - Project B-36: Methods for Forecasting Demand and Quantifying Need for Rural Passenger Transportation

Priority Results

Table 1 below indicates the potential 21 routes ranked by their ridership estimates and weighted scores.

Table 1 - Route Priority for Potential Bustang Outrider Service

<u>Proposed Transit Route (ranked by score)</u>	<u>Weighted Score</u>	<u>Potential Annual Ridership Based on Best Fit Equation</u>	<u>Total Trips*</u>	<u>Daily Hours/Pre Layover*</u>	<u>Rides/Hr (Prod)*</u>
1. Between Greeley and Denver	49	63,112	1	2.4	89
2. Between Limon and Denver	43	56,445	1	2.8	67
3. Between Sterling and Denver	26	33,896	1	4.1	28
4. Between Limon and Colorado Springs	16	20,185	1	2.7	25
5. Between Greeley and Fort Collins	14	17,622	1	1.8	32
6. Between Trinidad and Pueblo	6	8,329	1	2.6	11
7. Between Salida and Pueblo	5	7,075	1	3.7	6
8. Between Glenwood Springs and Grand Junction	5	6,197	1	2.7	8
9. Between Sterling and Greeley	4	5,774	1	3.4	6
10. Between Grand Junction and Telluride	2	3,203	1	5.1	2
11. Between Craig and Grand Junction	3	3,268	1	4.9	2
12. Between Durango and Pueblo	2	2,700	1	9.8	1
13. Between Montrose and Gunnison	1	1,575	1	2.5	2
14. Between Durango and Dove Creek	1	1,235	1	2.8	1
15. Between Alamosa and Salida	1	1,159	1	3.4	1
16. Between Craig and Vail	1	981	1	5.3	1
17. Between Crested Butte and Gunnison	1	799	1	1.2	2
18. Between Craig and Frisco	1	755	1	2.2	1
19. Between Salida and Leadville	1	757	1	5.2	0
20. Between Fairplay and Breckenridge	0	615	1	1.2	2
21. Between Craig and Idaho Springs	0	539	1	7.1	0

The route list does not take into account additional considerations used to determine new transit service including social and geographic equity. Service terminating areas with large populations tend to rank the highest. The highest estimated ridership route, Denver - Greeley, is actually on the Bustang list, and is therefore removed from the Outrider list.

Next Steps

- Present to Stakeholders in October - December 2018
- Develop final phase III budget constrained list January 2019
- Report to T & I Committee March 2019