

**DRAFT STAC
July 16, 2010 Meeting Minutes**

Location: CDOT Headquarters Auditorium
Date/Time: July 16, 2010 9:00 a.m. – 12:00
Chairman: Vince Rogalski
Attendance: A sign-in sheet was distributed to note attendance at the meeting.

| Agenda Items/Presenters/Affiliations | Presentation Highlights | Actions |
|--|--|--------------------------------|
| Introductions | Everyone in the room gave self-introductions. | No action taken |
| June Meeting Minutes | <i>June minutes approved.</i> | <i>Minutes approved</i> |
| Transportation Commission Report- Vince Rogalski | Items discussed at last month's Transportation Commission meeting included: <ul style="list-style-type: none"> • ARRA Status • Bridge Enterprise <ul style="list-style-type: none"> ○ Board has indicated a goal of having all 128 poor bridges repaired or reconstructed by 2017 ○ Enterprise has the ability to bond and has discussed a number of financing options ○ Uncertainty surrounding FASTER Bridge funding and fall elections and initiatives ○ Enterprise negotiated with a number of banks and secured a \$40 million short term, 3 year loan at 1.19% ○ Program will be statewide and funds allocated based on priority, not regional allocation ○ Long-term bonding will be examined, but the short term loan will allow for progress while bonding is explored • Maintenance Equipment <ul style="list-style-type: none"> ○ FY 2010- 37% of fleet is over 120% of planned life cycle and 53% is over 100% of its planned life cycle | No action taken |

| | | |
|--|--|------------------------|
| | <ul style="list-style-type: none"> ○ \$26 million has been allocated by the Commission to replace fleet ● TIGER Discretionary Grants ● STAC Role <ul style="list-style-type: none"> ○ Commission was very receptive to STAC's interest in how it can be of assistance ○ Commission has asked the STAC to begin discussions on the 7th Pot ○ At Commission luncheon meeting, the history, current status, and funding of 7th Pot program was discussed ○ How do we move forward with those projects that are not completed or have not been started? | |
| <p>Strategic Projects Discussion- Jennifer Finch</p> | <p>As part of the first planning process that came out of ISTEPA in 1991, CDOT developed State Significant Corridors (SSC). Recognizing that there were large projects that could not be funded out of the regional allocations or "six pots," in July 1996 the Commission created the 7th Pot with \$100 million annually in construction funds, and \$25 million annually for pre-construction activities. In August 1996 the Commission approved a set of 28 strategic projects- 22 were "base" projects and 6 were Major Investment Study (MIS) corridors which were in the conceptual phase. The total program was estimated to cost \$4.86 billion.</p> <p>In June 1997 Senate Bill 1 passed allowing for additional General Fund revenue to fund those projects. In May 1999 HB-1325 passed, allowing the state to bond for \$1.7 billion to accelerate the projects. The voters approved the issuance of "Trans Bonds" in November 1999. The "Blue Book" included cost estimates for 24 of the 28 projects (4 were already completed). The Blue Book noted that the bond issuance would not complete the 7th Pot projects. After the approval of Trans Bonds, control totals were created for each of those projects that allowed for inflation but capped the total cost to be allocated for each project.</p> <p>As Trans Bond moved forward, the Commission reduced the amount allocated to projects by the Commission from \$100 million annually to \$75 million annually. In 2001 Senate Bill 1 funding slowed dramatically. HB 1310 in 2002</p> | <p>No action taken</p> |

| | | |
|--|---|--|
| | <p>directed excess General Fund reserves to capital construction and transportation, and directed that a minimum of 10% of these funds go to “multi-modal strategic projects.” Prior to 2004 7th Pot truly was “off the top.” The November 2004 MOUs changed this- thereafter the allocation of 7th Pot funds to a region reduced the other funds available to it.</p> <p>The situation has changed significantly since the early years of 7th Pot, and we are struggling with what our commitment to 7th Pot should be, and what the priority of these projects are under the changed context. We need to explore all of our options. How do existing 7th Pot projects fit into our priorities given limited funding? Of the little amount of dollars that can go to projects, do we want these dollars to go to 7th Pot? Do we want to allow the Regions to decide what to do with these funds?</p> <p>You have been provided with a detailed chronology of 7th Pot history, as well as a copy of the original 7th Pot list from 1996, the 7th Pot list and status as of June 2010, and a list of Senate Bill 1 transit projects.</p> <p>Vince Rogalski: We are now back down to the same level of budget as we had in FY 1998. The Commission is looking for us to discuss how we proceed with 7th Pot given the scarce resources that are available.</p> <p>Question- Commissioner Wayne Williams: What was CDOT’s budget during the time we were allocating \$125 million annually to 7th Pot?</p> <p>Jennifer Finch: At that time the budget was somewhere close to \$800 million.</p> <p>Question- Commissioner Diane Mitsch Bush: Why did the public perceive that 7th Pot projects were fully funded in original scopes, as appears on page 4 of the chronology?</p> <p>Jennifer Finch: I think part of it has to do with the fact that the descriptions provided in the Blue Books were not very detailed and people included a lot of different things in what they thought these projects included.</p> | |
|--|---|--|

| | | |
|--|--|--|
| | <p>Vince Rogalski: Twenty one of those 22 “base projects” are finished or nearing completion. However, there is still a misperception among the public and even some here that that election was supposed to fund everything.</p> <p>Russell George: What did come out of this with respect to the major corridors is the investment in the NEPA process. You can now talk about projects on the major corridors because the NEPA processes on several are complete or nearing completion.</p> <p>Steve Rudy: There is the perception that these are capacity projects. With maybe an exception or two, the vast majority of the remaining 7th Pot projects have huge safety, reconstruction or system preservation issues.</p> <p>Commissioner Wayne Williams: I think the Blue Ribbon Panel recommendation on 7th Pot and funding levels needs to be added to this chronology.</p> <p>Commissioner Barbara Kirkmeyer: Maybe we need to go back to each TPR and find out what their priorities are now.</p> <p>Commissioner Wayne Williams: My preference is that we come up with some strategy to allocate these dollars to the remaining 7th Pot projects by 2035, recognizing that is about the time we said these projects would be completed before receiving SB-1 funds and before issuing the TRANS Bonds.</p> <p>Commissioner Barbara Kirkmeyer: I also think it would be helpful to go back and look at what will actually get funded within the remaining commitment.</p> <p>Commissioner Wayne Williams: I suggest that at our next STAC meeting we have presentations on the remaining corridors- here is what we are looking at, here are the significant parts, here is how much money there is and what we would likely do with that money. I would also be interested in what each of the 21 projects consisted of and what was completed.</p> <p>Steve Rudy: I support some type of funding support for 7th Pot projects. However, I would hesitate to open up a discussion about new priorities and lists</p> | |
|--|--|--|

| | | |
|---|--|------------------------|
| | <p>of projects with my Board just before I finalize an update to the 2035 Plan. I don't think that would be a beneficial exercise.</p> <p>Ben Stein: The OSPB forecast at the time of Resource Allocation showed SB 228 forecasts beginning in 2013, the latest forecast, however, does not. It is important to note that we are funding 7th Pot- \$168 million is coming off the top every year to pay debt service on 7th Pot projects that have already been completed and this will continue to 2017.</p> <p><i>Handouts: Chronology, Strategic Transportation Investment Program, Updated Status of 28 Strategic Corridors, SB1 Transit Complete Project List</i></p> | |
| <p>Federal & State Legislative Update- Herman Stockinger & Mickey Ferrell</p> | <p>CDOT will be submitting four TIGER II applications for the following projects:</p> <ul style="list-style-type: none"> • Region 1- North Clear Creek Corridor • Region 3- I-70B (24 3/4 Road to Rimrock Avenue) • Region 4- I-25/SH 392 Interchange • Region 6- I-25/Santa Fe Bridge <p>Applications must be submitted in grants.gov by August 26. Local projects seeking letters of support from CDOT must submit applications and recognition of TIFIA to the CDOT Office of Policy and Government Relations by August 9.</p> <p>It is looking like this program will continue with about \$400 million to be disbursed under a TIGER III.</p> <p>There is a FY 10 Emergency Appropriations Bill that is currently in the Senate. The bill includes funding for the wars in Iraq and Afghanistan, and also includes cuts including a \$2.2 billion rescission. Our two Senators have both talked to Majority Leader Reid and expressed their opposition to the rescission.</p> <p>Representative Markey has introduced a bill that would rescind old transportation earmarks amounting to roughly \$800 million.</p> | <p>No action taken</p> |

| | | |
|---|---|------------------------|
| <p>Options for state share of FASTER Transit Funds- Jennifer Finch & Tom Mauser</p> | <p>FASTER provides \$5 million per year for local transit grants and \$10 million per year for multimodal, transit-related projects. The Commission has approved a process for distributing and awarding the \$5 million local transit grant funds using a regional allocation and prioritization process. We now need to begin discussions on how to allocate the \$10 million state share. For FY 11, \$2.5 million will go to the new Division of Transit and Rail to pay for staff and studies. This still leaves the FY 10 funds, and the remaining FY 11 funds to be allocated. This issue will be addressed at the Intermodal Committee meeting next week.</p> <p>Funds can be used for the “planning, designing, engineering, acquisition, installation, construction, repair reconstruction, maintenance, operation or administration of transit-related projects, including, but not limited to, designated bicycle or pedestrian lanes of highway and infrastructure needed to integrate different transportation modes within a multimodal transportation system, that enhance the safety of state highways for transit users.”</p> <p>Key questions that need to be addressed include:</p> <ul style="list-style-type: none"> • For which years should these funds be awarded? Should it be awarded for FY 10 through FY 12? For the STIP period through FY 17? Just for FY 10? • Should these funds be awarded for CDOT projects or local agency projects or both? • Should the funds be used primarily for projects that “integrate different transportation modes within a multimodal transportation system,” as set forth in the FASTER statute, or should funding also be made available to transit projects considered local in nature, such as rolling stock and bus maintenance facilities? • What types of projects could and should be funded? • Questions about eligibility, prioritization criteria, process and methodology <p>Commissioner Diane Mitsch Bush: I think it is important that these funds are allowed to be used to match federal funds.</p> | <p>No action taken</p> |
|---|---|------------------------|

| | | |
|---|---|------------------------|
| | <p>Commissioner Wayne Williams: The critical need in transit right now is operations, not capital. I strongly urge that some of this money be allocated or made available for operations.</p> <p>Thad Noll: I would recommend focusing on the shorter range for now, FY 10 and FY 11, at least until we see what happens with the initiatives this fall. I also think that statewide rather than regional selection of projects might be the way to go.</p> <p>Steve Rudy: I think DROCG would support Cliff and Wayne's recommendation that some of the funds go to operating.</p> <p>Commissioner Barbara Kirkmeyer: I suggest a regional allocation to get the funds out the door this year, while we work over the next several months to put together a grant selection process for the subsequent years.</p> <p>Commissioner Wayne Williams: I still think that at least some of the funds need to go to a statewide allocation, even if you did a short-term regional allocation this year.</p> <p><i>Handout: Options for Awarding 2010 FASTER Multimodal Transit Funding</i></p> | |
| <p>Featured TPR Presentation- Diane Mitsch Bush</p> | <p>Diane Mitsch Bush delivered a presentation on Northwest TPR, which consists of Grand, Jackson, Moffat, Rio Blanco and Routt counties.</p> <p><i>Handout: Northwest TPR Snapshot</i></p> | <p>No action taken</p> |
| <p>Other Business</p> | <p>Vince Rogalski will provide the TPR Presentation next month on Gunnison Valley.</p> <p><i>Meeting adjourned.</i></p> | <p>No action taken</p> |