

# MEMORANDUM

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**DEPARTMENT OF TRANSPORTATION**

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**DATE:** October 4, 2010

**TO:** Transportation Commission

**FROM:** Ben Stein, CFO

**SUBJECT:** FY 12 Third Budget Workshop

This will be the third budget workshop for FY 12. This workshop is designed to review the information provided in the past two months, go over the remaining issues and come to a tentative set of decisions. The objective is to ensure the Commission can approve a draft final FY12 budget at its November meeting for submission to the Governor and the General Assembly for their review.

Unfortunately the revenue picture on both the federal and state side remains as uncertain now as it did in August when we had our initial discussion. Consequently the Commission has selected revenue projections that are relatively conservative. As a result of those conservative assumptions the Commission has already significantly reduced the budget from the numbers generated by the Resource Allocation process. Nonetheless, it still needs to identify areas where it can reduce the budget by approximately \$44 million.

An additional issue the Commission will explore during this workshop relates to the Contingency. Current policy is to hold a 5% of highway related revenues contingency reserve. The snow and ice contingency is included in this total. There are some assumptions that surround this policy plus the fact that the current contingency is well above that dollar amount that are the basis for the discussion.

One alternative for the Contingency is to build it up to cope with potential cuts in federal appropriations or delays in the passage of federal continuing resolutions once the current bill expires in December. Another is to use all, or a portion, of the amount in excess of the required 5% immediately to augment the budget in FY11 of an essential program, and another is to retain it at a high level for now and reduce the budgeted amount to replenish the contingency in FY12. Other alternatives, combinations, or possibilities may emerge in the conversation.

On the bright side, the latest forecast from the Legislative Council (September 20, 2010) indicates that the Bridge Enterprise will have revenues somewhat higher than in the last presentation. The forecast, however, does not alter the numbers provided for either FASTER safety or HUTF so the forecast does not assist with the budget balancing requirement for the overall program.

Attached is a spreadsheet to assist the Commission in coming to resolution on the final decisions it needs to make to attain a balanced budget. The spread sheet has been split in two (one for revenues and one for allocations) so that larger type will make for easier reading. Also the items that are part of the maintenance budget are now highlighted in green to assist in seeing that portion of the budget as it is spread out in a number of areas. The light green items are part of the overall maintenance budget but not part of the MLOS.

We currently presume that the Transportation Commission will want to discuss the following programs and funding allocations:

- Gaming Maintenance
- Maintenance/MLOS
- Surface Treatment
- Regional Priority Programs
- Transportation Commission Contingency

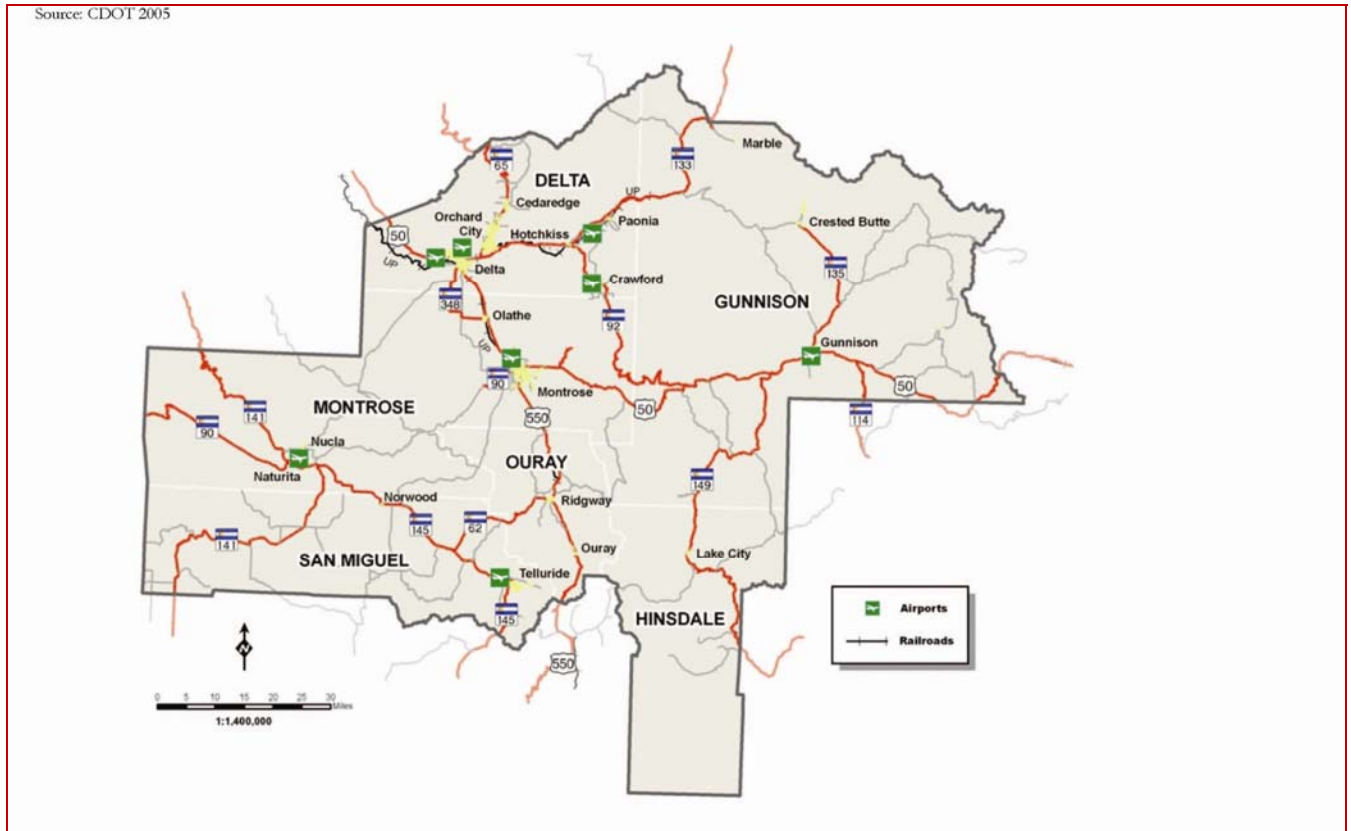
If there are other programs or topics you wish to discuss, as part of this process please let me know and we will make arrangements to provide the data for an informed discussion.

The Transportation Commission will be requested to adopt a draft budget at its November meeting and a final budget in March or April 2011.

If you have any questions regarding the information provided prior to the meeting next week, please feel free to call me at (303) 757-9168 or email at [ben.stein@dot.state.co.us](mailto:ben.stein@dot.state.co.us).

## SNAPSHOT –Gunnison Valley TPR

### Map of Gunnison Valley TPR



### Counties in Gunnison Valley TPR

Delta, Gunnison, Hinsdale, Montrose, Ouray and San Miguel

### Major Cities/Towns in Gunnison Valley TPR

County	City/Town	Location
Delta	Delta	At intersection of US 50 and SH 92
Gunnison	Gunnison	At intersection of SH 92 and SH 135
Hinsdale	Lake City	Along SH 149
Montrose	Montrose	At intersection of US 50 and US 550
Ouray	Ouray	Along US 550
San Miguel	Telluride	Along SH 145

**Population**

County	July, 2000	July, 2005	July, 2010	July, 2020	July, 2035
Delta	28,011	30,202	32,737	43,227	59,040
Gunnison	13,963	14,548	15,366	17,766	20,935
Hinsdale	790	825	901	1,107	1,378
Montrose	33,671	37,774	43,218	56,638	76,710
Ouray	3,768	4,273	4,946	6,430	6,963
San Miguel	6,663	7,312	8,165	10,952	15,281

Source: Preliminary Population Forecasts by County, 2000-2035, Table 3, prepared by DOLA, State Demography Office, Oct 2009 [http://www.dola.state.co.us/dlg/demog/pop\\_cnty\\_forecasts.html](http://www.dola.state.co.us/dlg/demog/pop_cnty_forecasts.html)

**Population Density**

County	Area (sq. miles)	Population/sq. Mile
Delta	1,142	29
Gunnison	3,260	5
Hinsdale	1,123	1
Montrose	2,243	19
Ouray	542	9
San Miguel	1,288	6

Source: DOLA Region 10

**Median Household Income**

County	Median Household Income, 2008
Delta	\$43,621
Gunnison	\$46,972
Hinsdale	\$50,692
Montrose	\$45,817
Ouray	\$59,725
San Miguel	\$61,074

Source: US Census Bureau, <http://quickfacts.census.gov/qfd/states/08000.html>

**Employment**

<b>County</b>	<b>Major Industry Groups (Top Three)</b>
Delta	Educational, health and social services (17.8%); Agriculture, forestry, fishing and hunting, & mining (13.4%); and Retail trade (13.1%)
Gunnison	Arts, entertainment, recreation, accommodation and food services (21.8%); Educational, health and social services (17.5%); and Retail trade (14.3%)
Hinsdale	Construction (18.7%); Retail Trade (16.7%); and Arts, entertainment, recreation, accommodation and food services (16.0%)
Montrose	Educational, health and social services (15.5%); Construction (15%); Retail Trade (13.6%)
Ouray	Construction (18.6%); Arts, entertainment, recreation, accommodation and food services (14.1%); and Educational, health and social services (13.7%);
San Miguel	Arts, entertainment, recreation, accommodation and food services (26.2%); Construction (16.2%); and Finance, insurance, real estate, and rental and leasing (11.1%)

Source: US Census Bureau, Profile of Selected Economic Characteristics,  
<http://quickfacts.census.gov/qfd/states/08000.html>

**Unemployment Rates**

<b>County</b>	<b>Unemployment Rate (%) As of June 2010</b>
Delta	8.7
Gunnison	6.1
Hinsdale	2.6
Montrose	10.2
Ouray	6.8
San Miguel	6.6
<b>Colorado</b>	<b>8.3</b>

Source: Colorado LMI Gateway, labor Market Services- June 2010 (not seasonally adjusted)  
<http://lmigateway.coworkforce.com/lmigateway/>

## **Air Quality**

The Telluride Area (San Miguel County) is located in a PM 10<sup>1</sup> Maintenance Area. Telluride was redesignated to attainment status by the EPA (66FR 32556) on June 15, 2001 (effective date, August 14, 2001). The plan demonstrated attainment/maintenance of the PM 10 National Ambient Air Quality Standard (NAAQS) through 2012 in accordance with CAAA Section 176A (a).

The revised PM10 Maintenance Plan for Telluride that demonstrates continued attainment/maintenance of the 24-hour PM 10 NAAQS through 2021 has been approved by the Air Quality Control Commission. Currently, the other counties in Gunnison Valley TPR do not have air quality issues.

## **Major Activity Centers**

The largest communities in the TPR are the City of Montrose, the City of Delta, and the City of Gunnison. These communities serve as county seats for the most populous counties and provide the only hospitals in the Region. The Delta and Montrose economies are based on the provision of consumer retail and wholesale goods, consumer services, farm equipment and supplies, government services, and medical services. Delta and Montrose also provide most of the manufacturing employment in the Region.

## **2009 Transit Providers**

The *Colorado Transit Resource Directory*, published by the Colorado Association of Transit Agencies and CDOT in summer 2009, provides the following information about transit services within Gunnison Valley TPR:

- All Points Transit
- Gunnison County Seniors
- Hinsdale County
- Hinsdale Lake City Seniors
- Mountain Express
- Mountain Village Metropolitan District
- Ouray County Council on Aging/Neighbor to Neighbor
- Town of Telluride

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<sup>1</sup> PM 10 refers to particulate matter that is 10 microns in diameter or smaller. The particles are created from road dust, automobile and diesel engine exhaust, soot, and sulfates and nitrates from combustion sources. When inhaled deeply into the respiratory system, PM 10 can affect lung and heart function, and weaken immune system defenses.

- Gunnison Valley Regional Transportation Authority
- San Miguel County Senior Transportation

GREYHOUND Intercity Bus Service from Denver to Gunnison via US 50 and US 285 began in 2008-09.

**Aviation Facilities**

General aviation facilities include:

- Crawford Airport
- Blake Field
- Westwinds Airpark
- Hopkins Field
- North Fork Valley

Primary Airports with Commercial Service:

- Montrose County Airport
- Telluride Airport
- Gunnison County Airport

**Major Highways (Limits in the 2035 Fiscally Constrained Plan)**

Highway	Limits
US 50 B	Montrose to Sargents
SH 62	Placerville to Ridgway)
SH 90 A/B	State line to SH 141 near Naturita to south of Grand Junction
SH 92A	Delta and Hotchkiss
SH 114	US 50 south to Highway 285
SH 133	Hotchkiss to Carbondale
SH 141	Dove Creek to US 50 through Naturita to south of Grand Junction
SH 145	US 160 through telluride to Jct. SH 141
US 550	Durango to Montrose

**Bridge and Highway Data**

<b>Highway</b>	<b>Delta</b>	<b>Gunnison</b>	<b>Hinsdale</b>	<b>Montrose</b>	<b>Ouray</b>	<b>San Miguel</b>	<b>Total</b>
Number of center line miles	115	191	40	195	48	101	690
Number of center line miles in poor condition	43	90	40	134	9	39	355
Number of Bridges (On-System)	19	27	3	36	14	7	106
Number of Bridges in poor condition (On-System)	0	2	0	0	2	1	5
Miles of congested corridors	0	2	0	0	0	2	4

**Bicycle/Pedestrian**

Continental Divide Trail – Gunnison and Hinsdale Counties

Colorado Trail – Gunnison and Hinsdale Counties

American Discovery Trail – Delta and Gunnison Counties

**Freight**

According to the Freight Technical Report, Colorado 2035 Statewide Transportation Plan, Figure 3, Page 5, in Western Colorado 18% of freight is domestic and 12% is North American Free Trade Agreement related. Top commodities are 1) Nonmetallic Minerals 2) Clay, Concrete, Glass, Stone 3) Coal, and 4) Petroleum or Coal Products.



### Tourist Attractions

County	Attraction
Gunnison	Mt. Crested Butte ski resort Gunnison National Forest Uncompahgre National Forest
Hinsdale	Uncompahgre National Forest
Montrose	Black Canyon of the Gunnison National Park Uncompahgre National Forest
Ouray	Ridgeway State Park Mount Sneffels Wilderness
San Miguel	Telluride and Mountain Village ski resorts

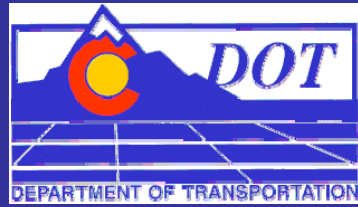
### Scenic Byways

San Juan Skyway, Unaweep/Tabeguache, Alpine Loop, West Elk Loop, Grand Mesa, Silver Thread



*Black Canyon of the Gunnison National Park, Inner Canyon*

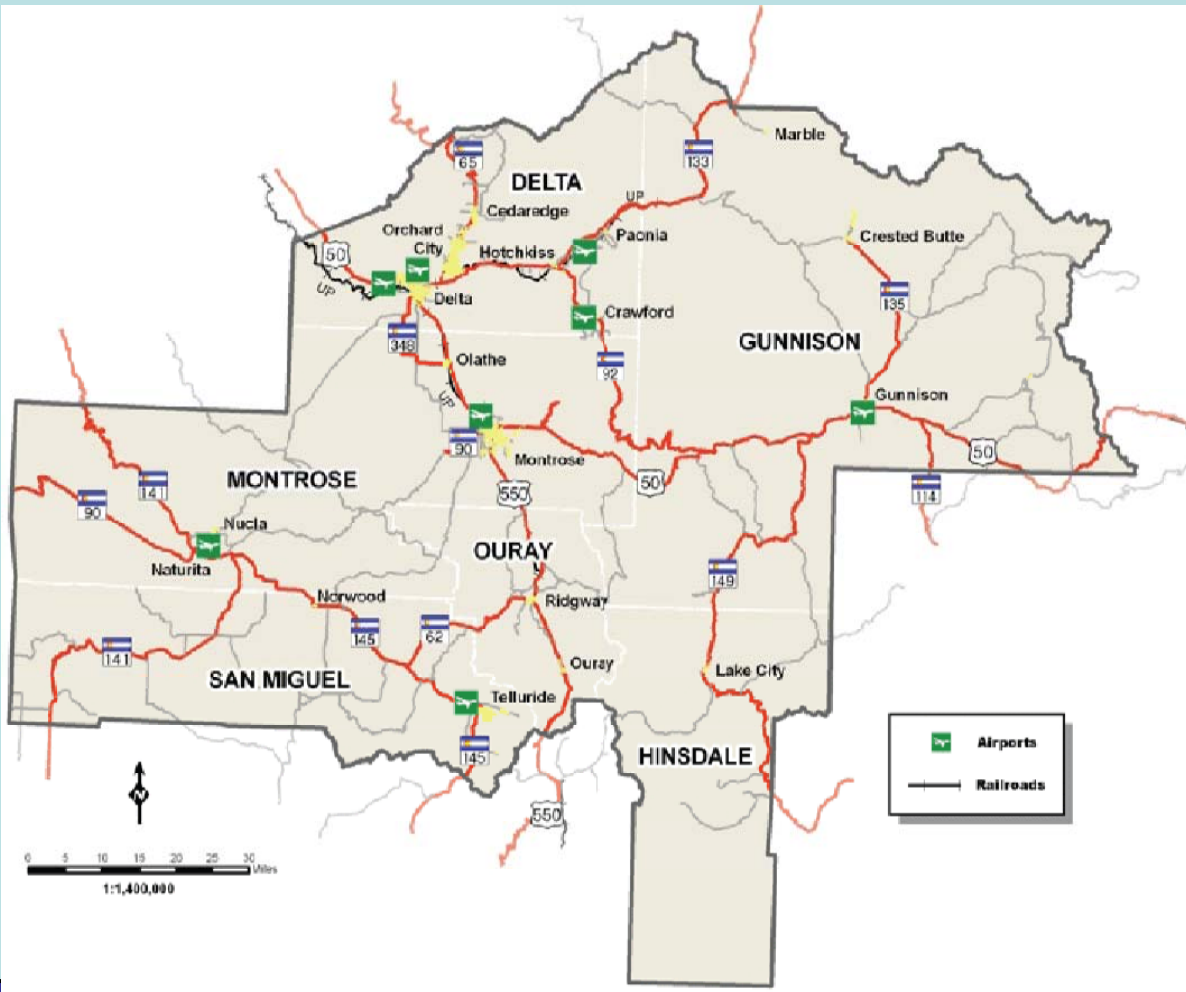
Source: <http://www.nps.gov/blca/photosmultimedia/index.htm>, Lisa Lynch



# GUNNISON VALLEY TRANSPORTATION PLANNING REGION



# Regional Map



## COUNTIES:

DELTA

GUNNISON

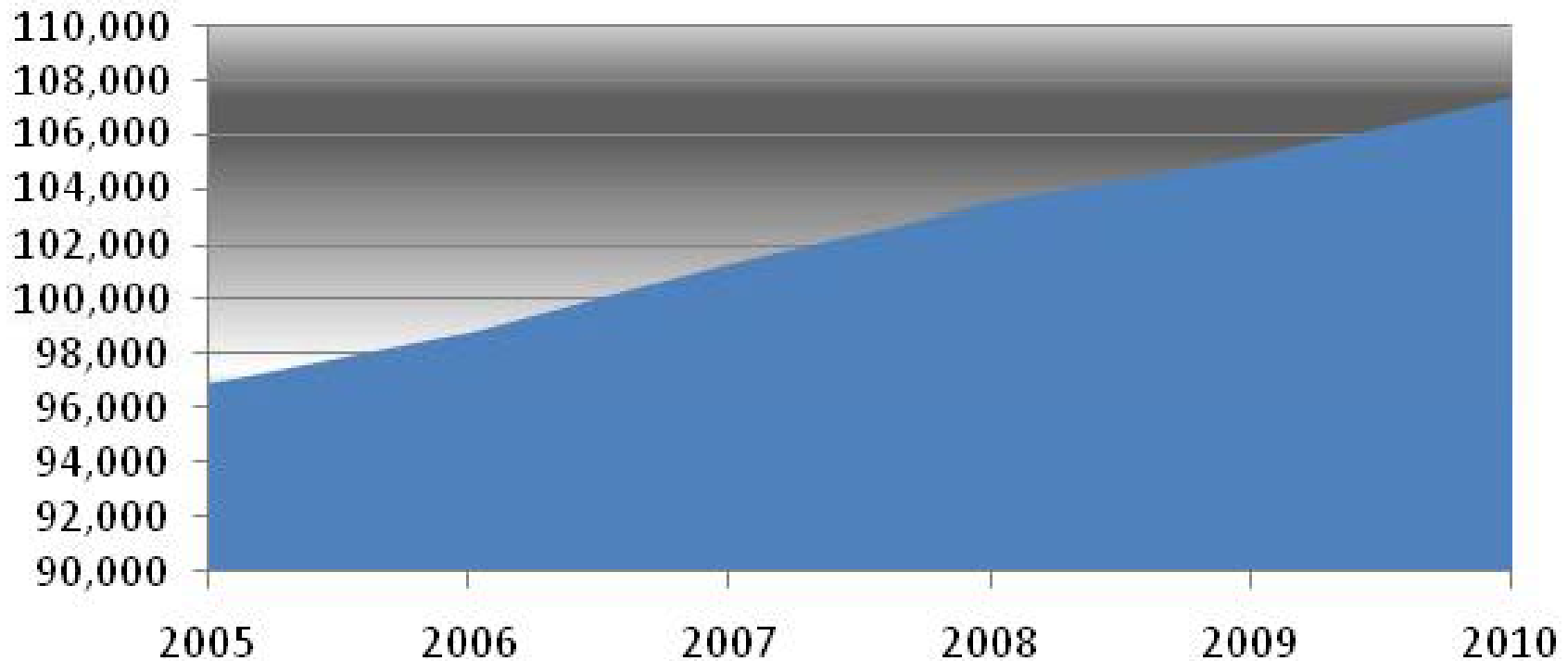
HINSDALE

MONTROSE

OURAY

SAN MIGUEL

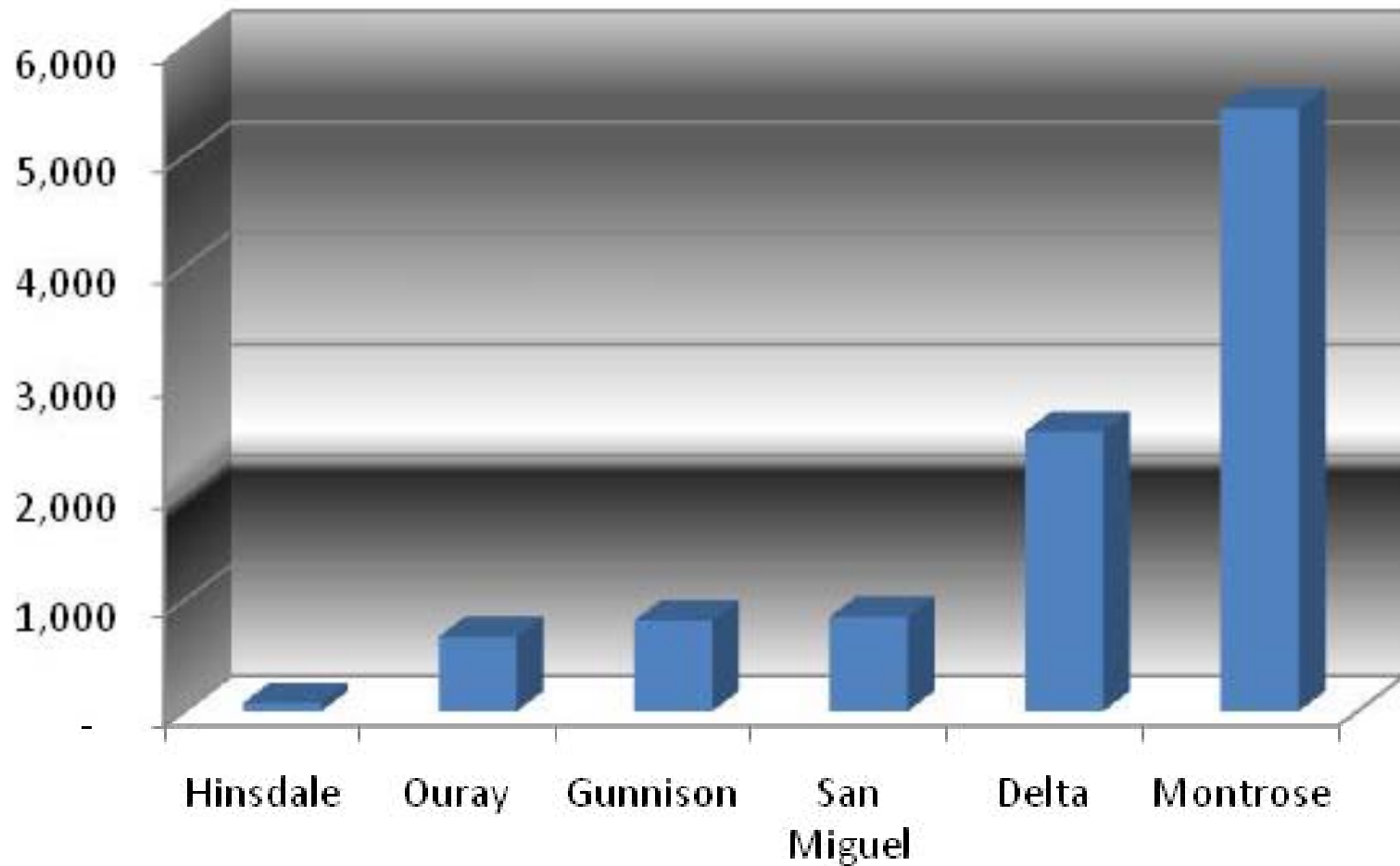
## GVTPR Population 2005-2010



Source: *Population Forecasts by County, 2000-2035*  
DOLA, State Demography Office, Oct 2009



## Population Growth 2005-2010

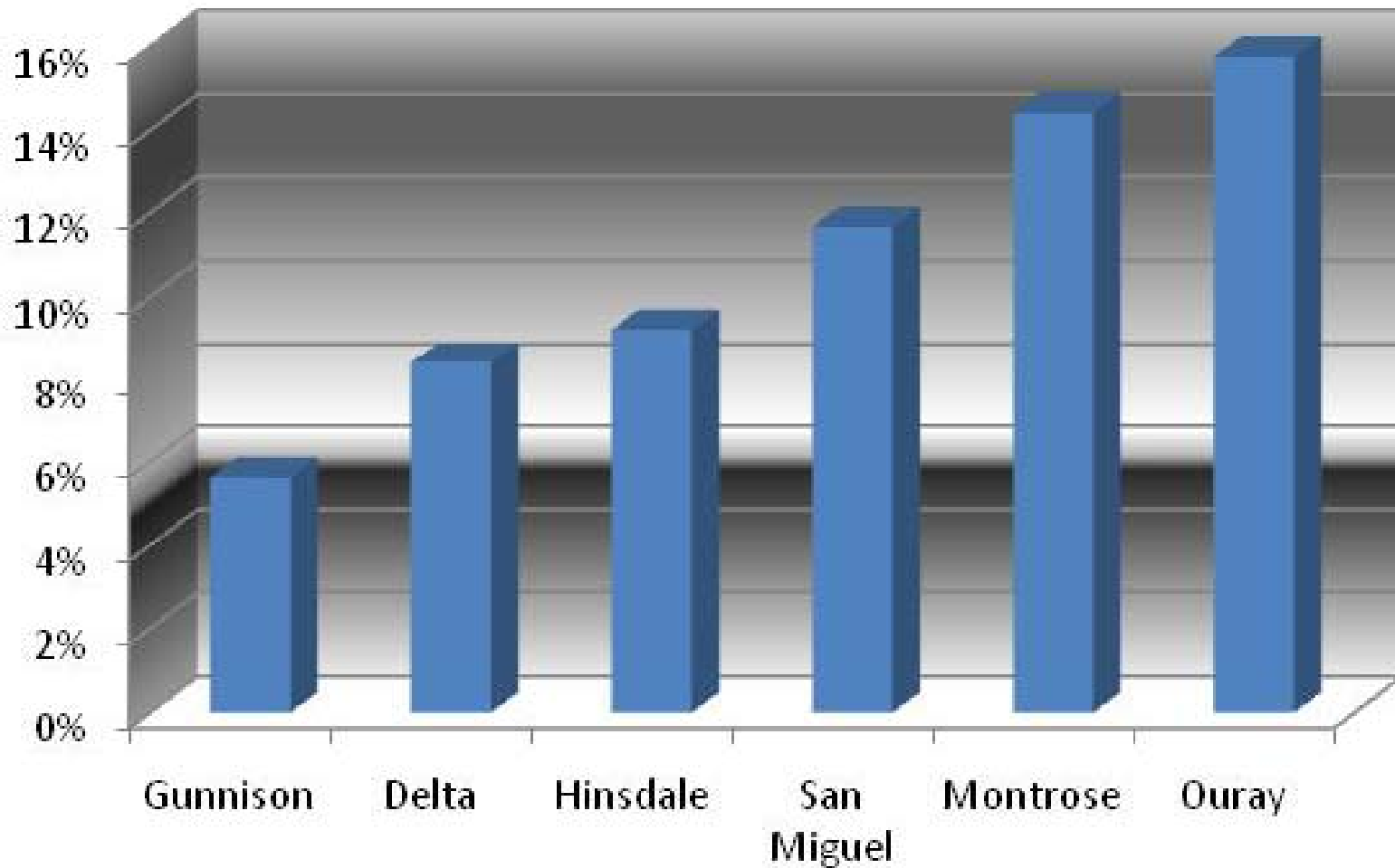


Source: *Population Forecasts by County, 2000-2035*  
DOLA, State Demography Office, Oct 2009





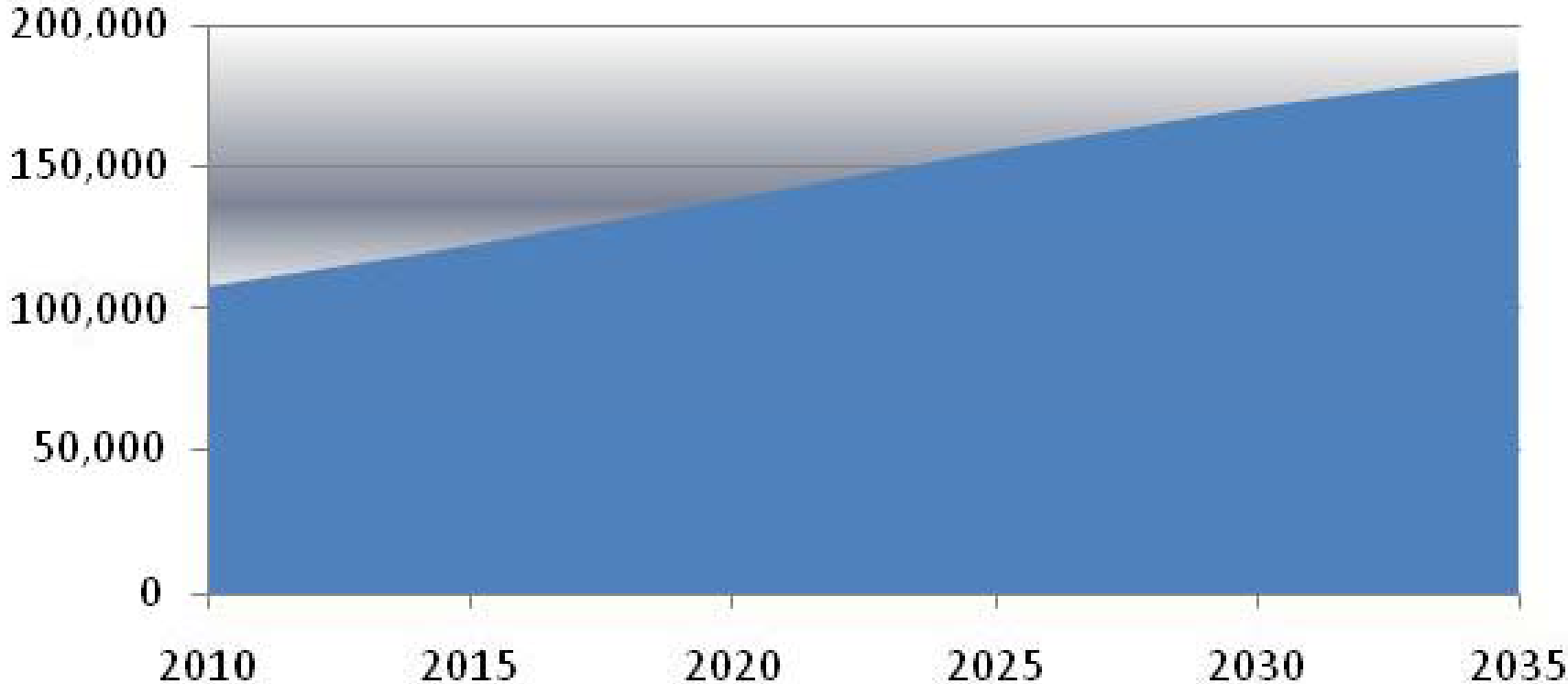
## Population Growth Rates 2005-2010



Source: *Population Forecasts by County, 2000-2035*  
DOLA, State Demography Office, Oct 2009



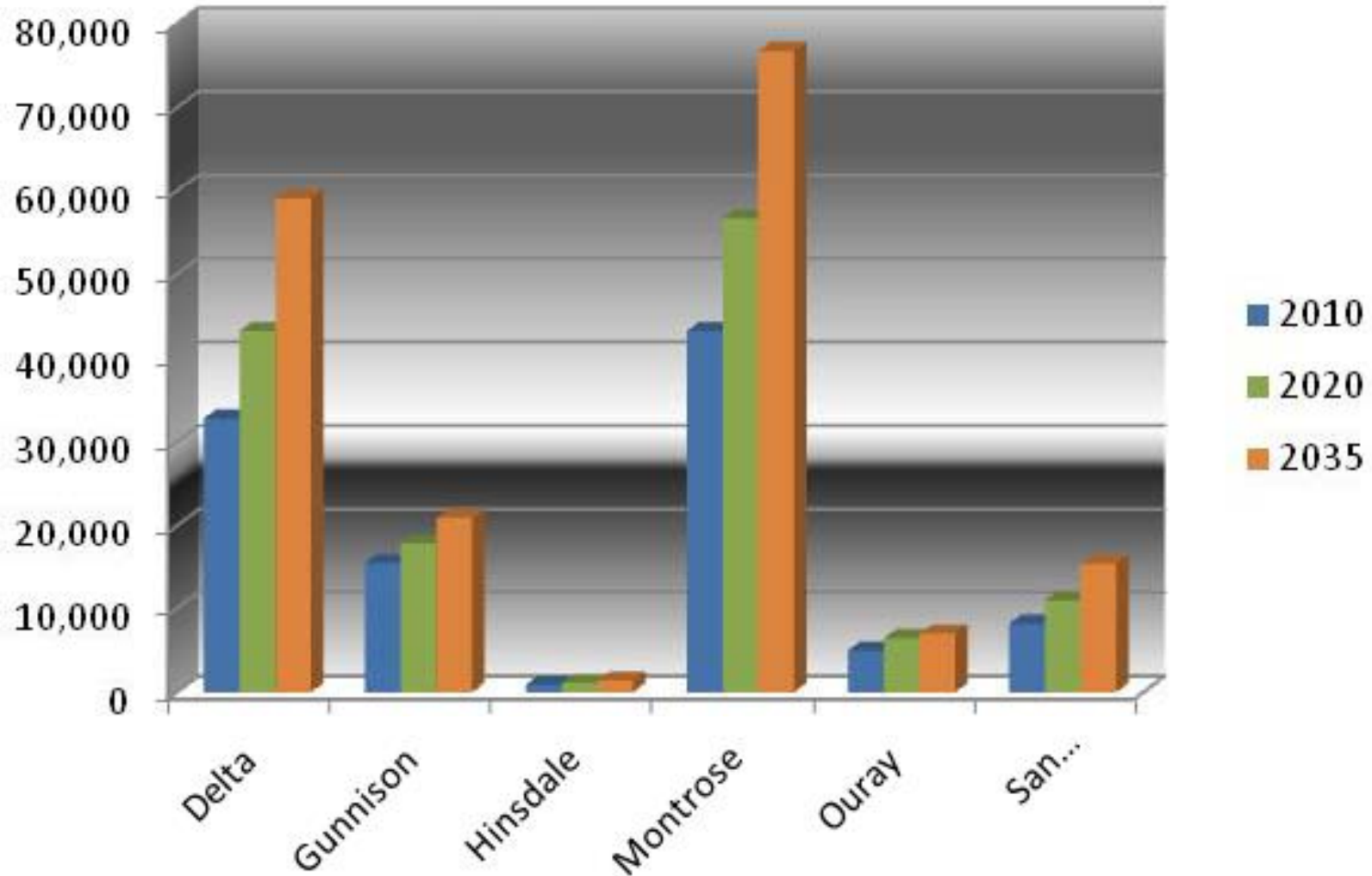
# GVTPR Population Growth 2010-2035



Source: *Population Forecasts by County, 2000-2035*  
DOLA, State Demography Office, Oct 2009



# Population Growth 2010 - 2035



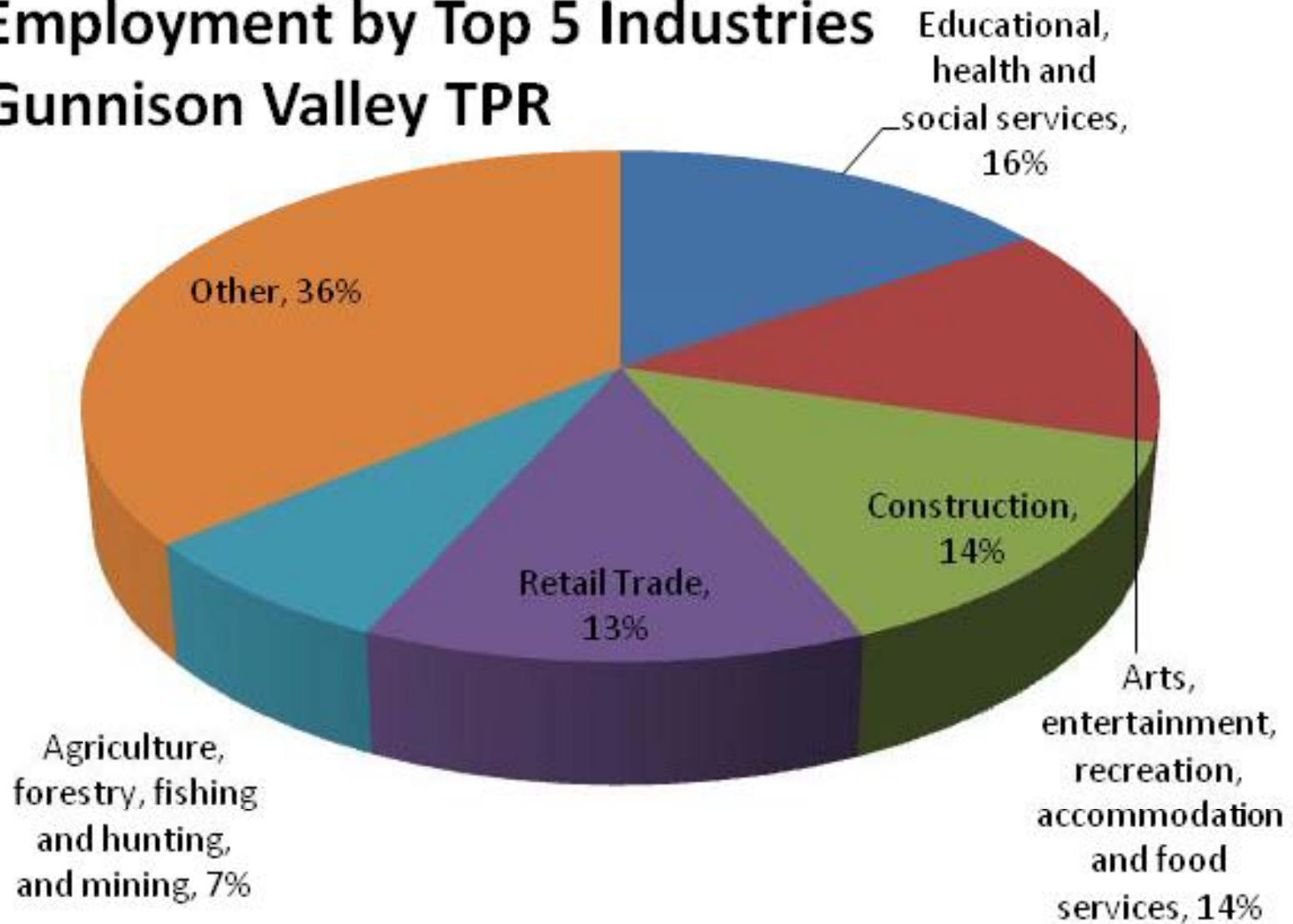
Source: Population Forecasts by County, 2000-2035  
DOLA, State Demography Office, Oct 2009





# Economic Drivers of Employment

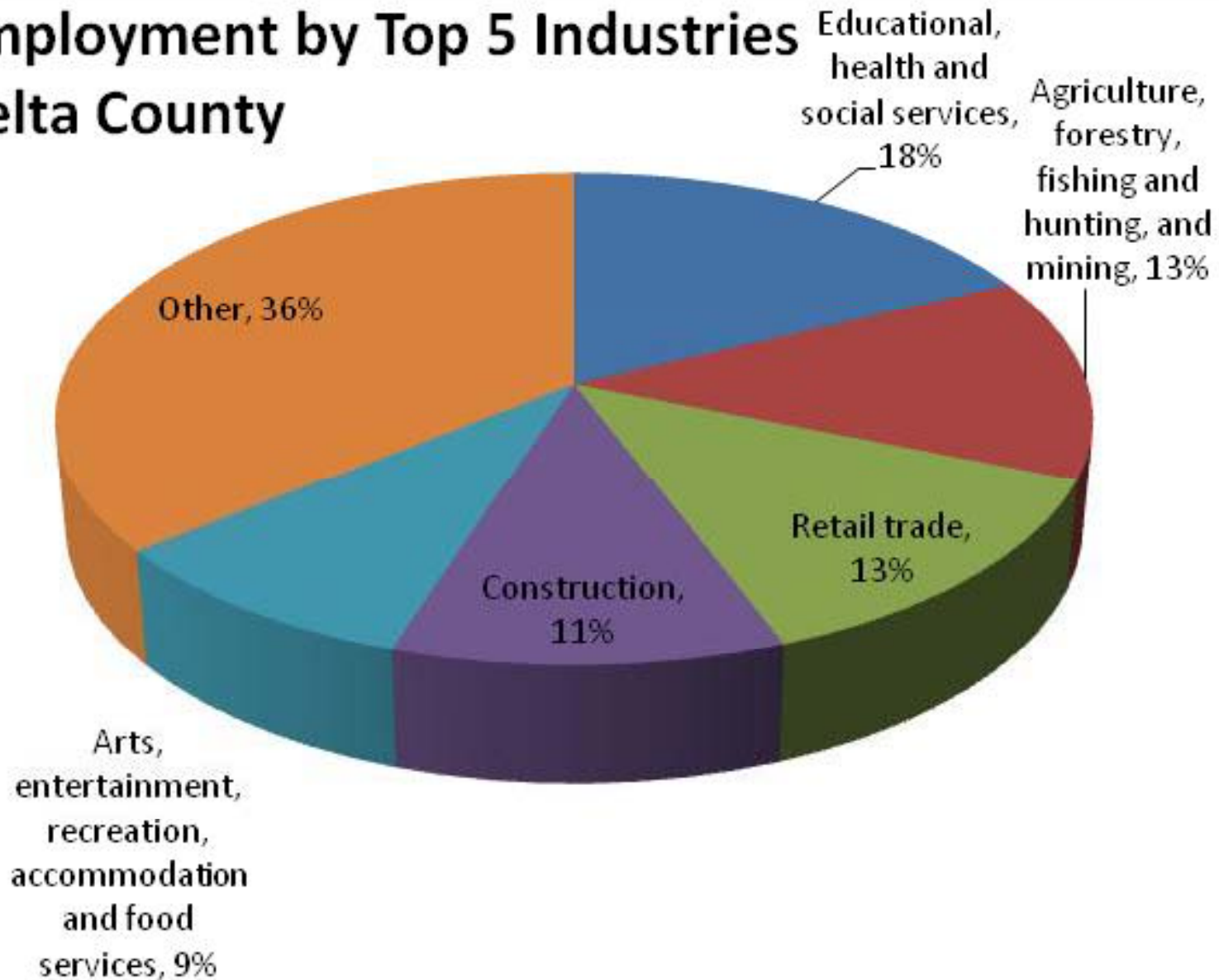
# Employment by Top 5 Industries Gunnison Valley TPR



Source: U.S. Census 2000



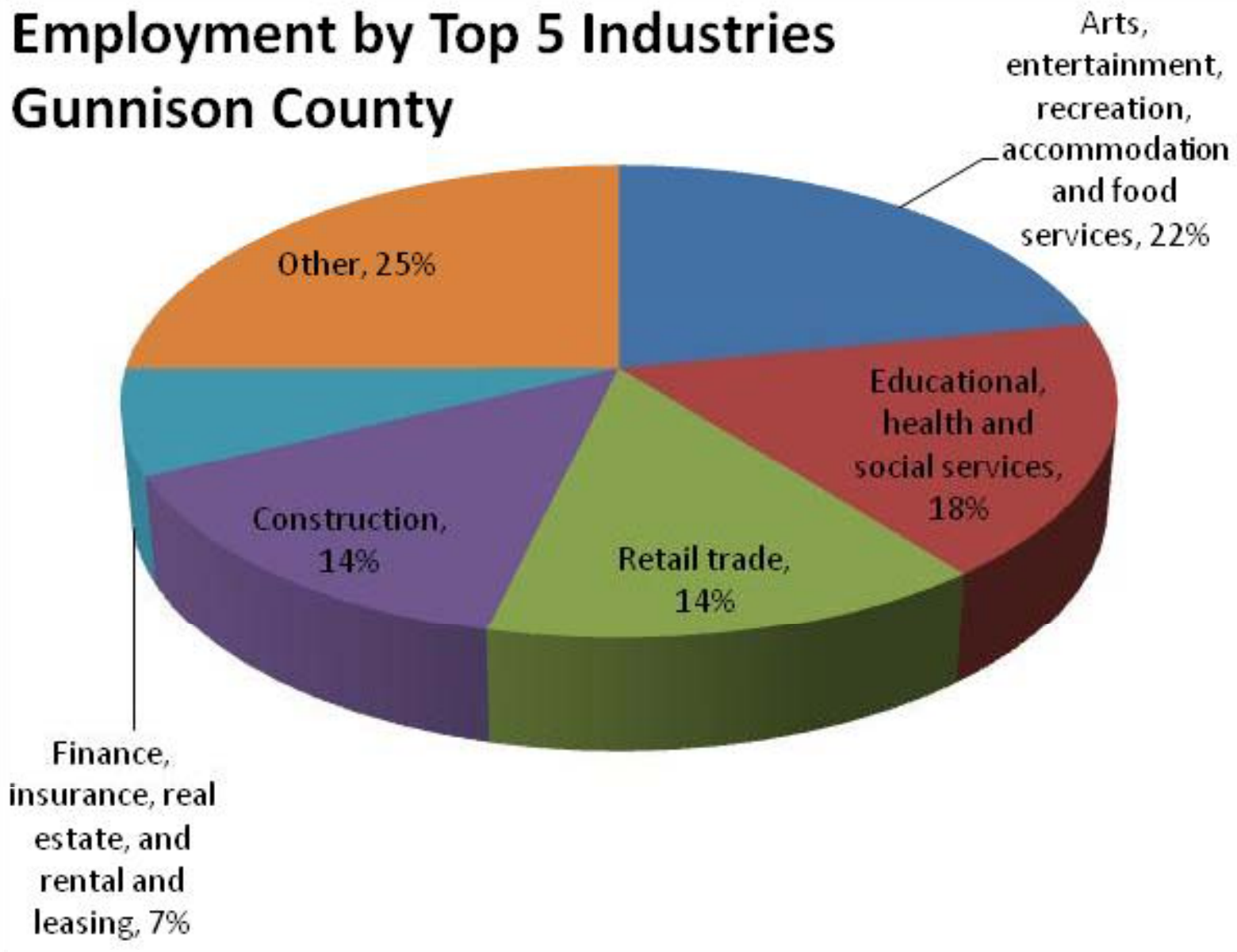
## Employment by Top 5 Industries Delta County



Source: U.S. Census 2000



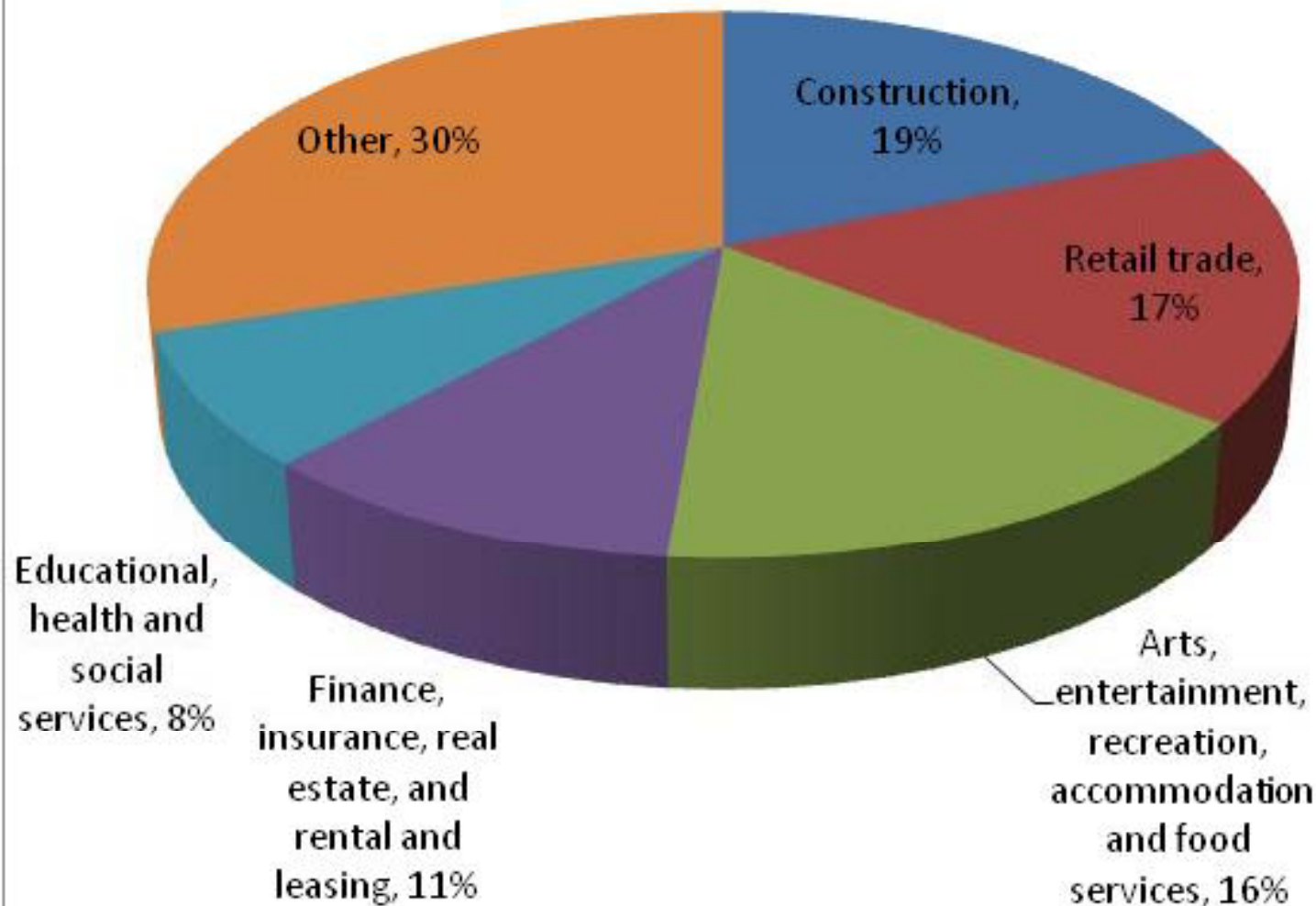
# Employment by Top 5 Industries Gunnison County



Source: U.S. Census 2000



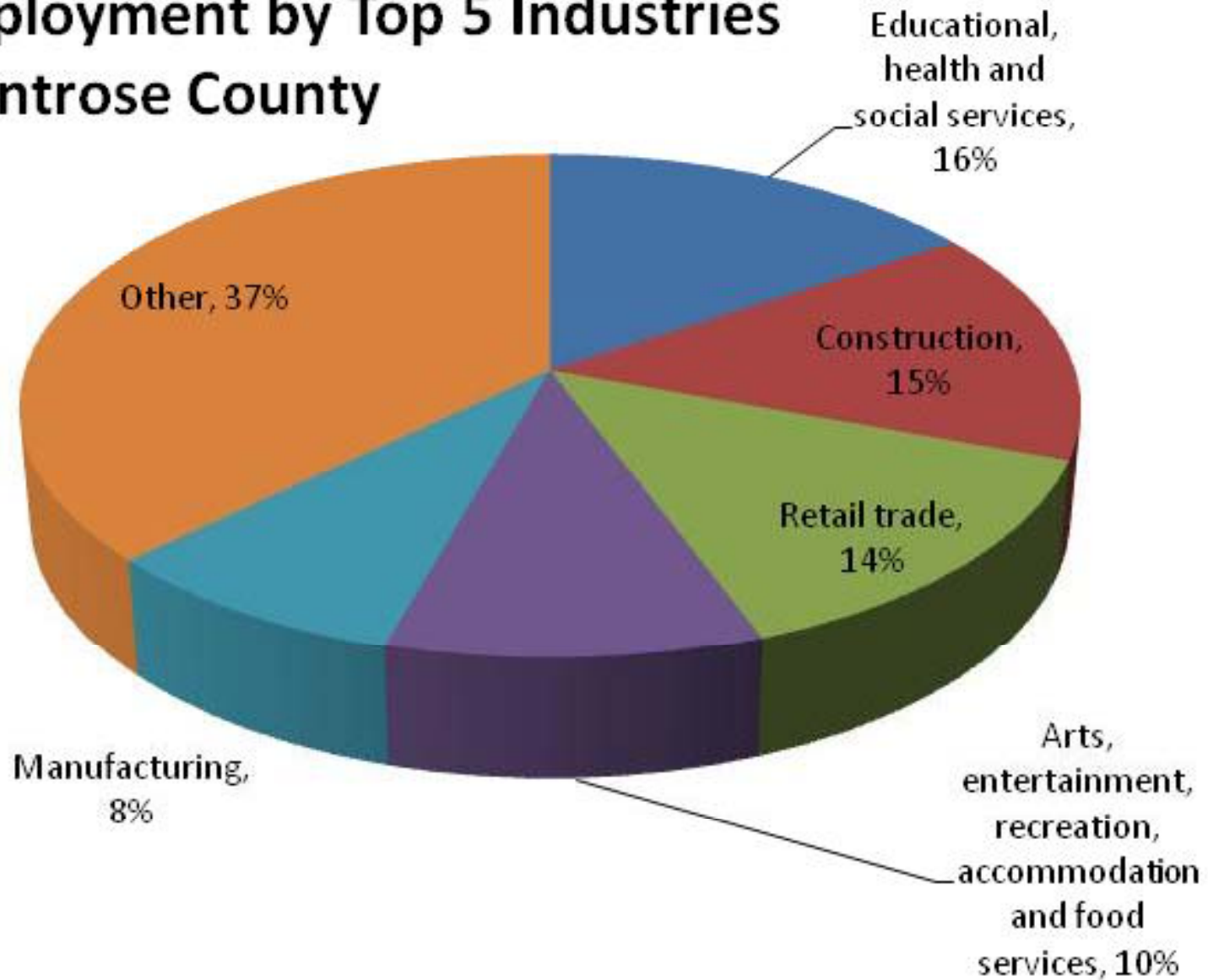
## Employment by Top 5 Industries Hinsdale County



Source: U.S. Census 2000



## Employment by Top 5 Industries Montrose County

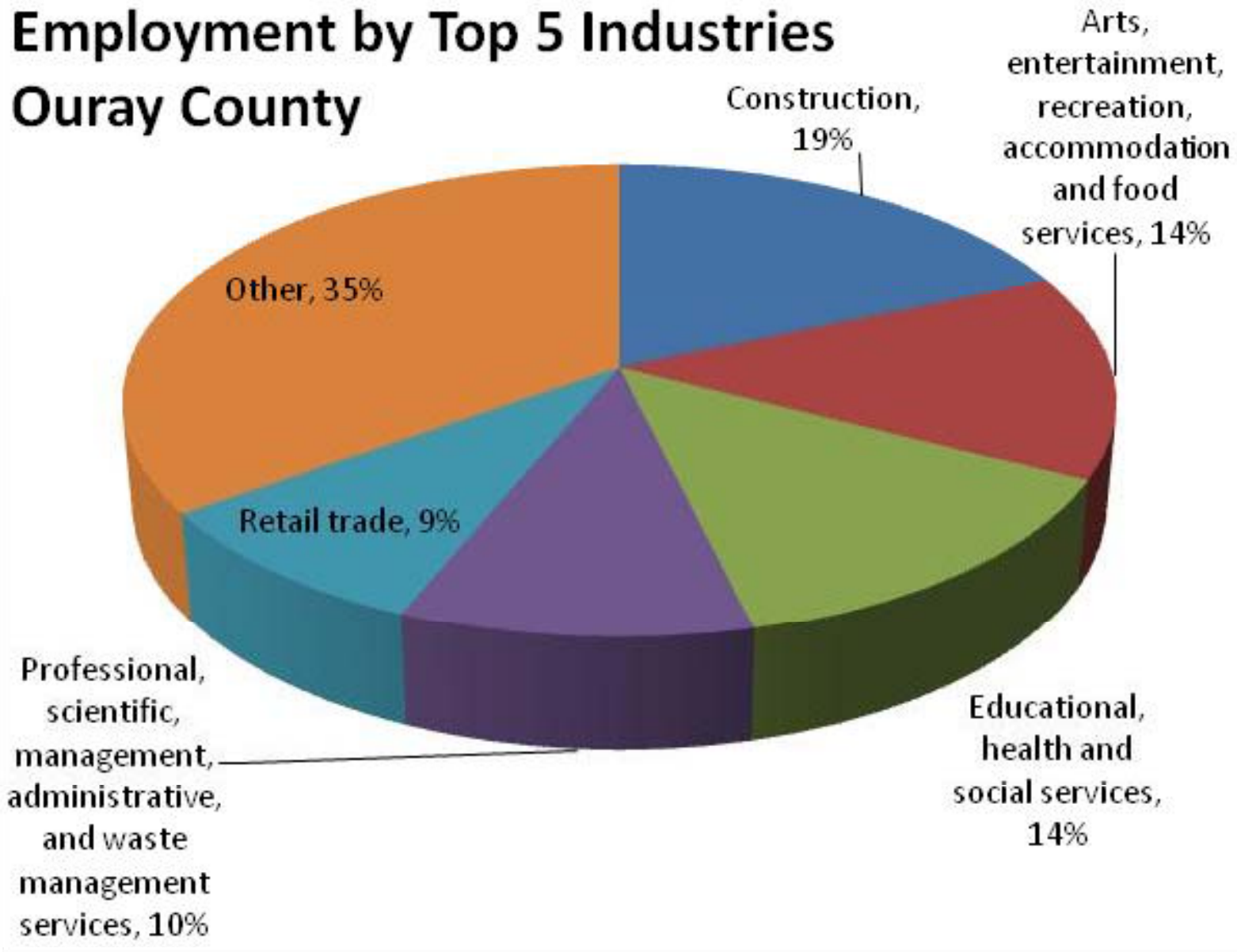


Source: U.S. Census 2000





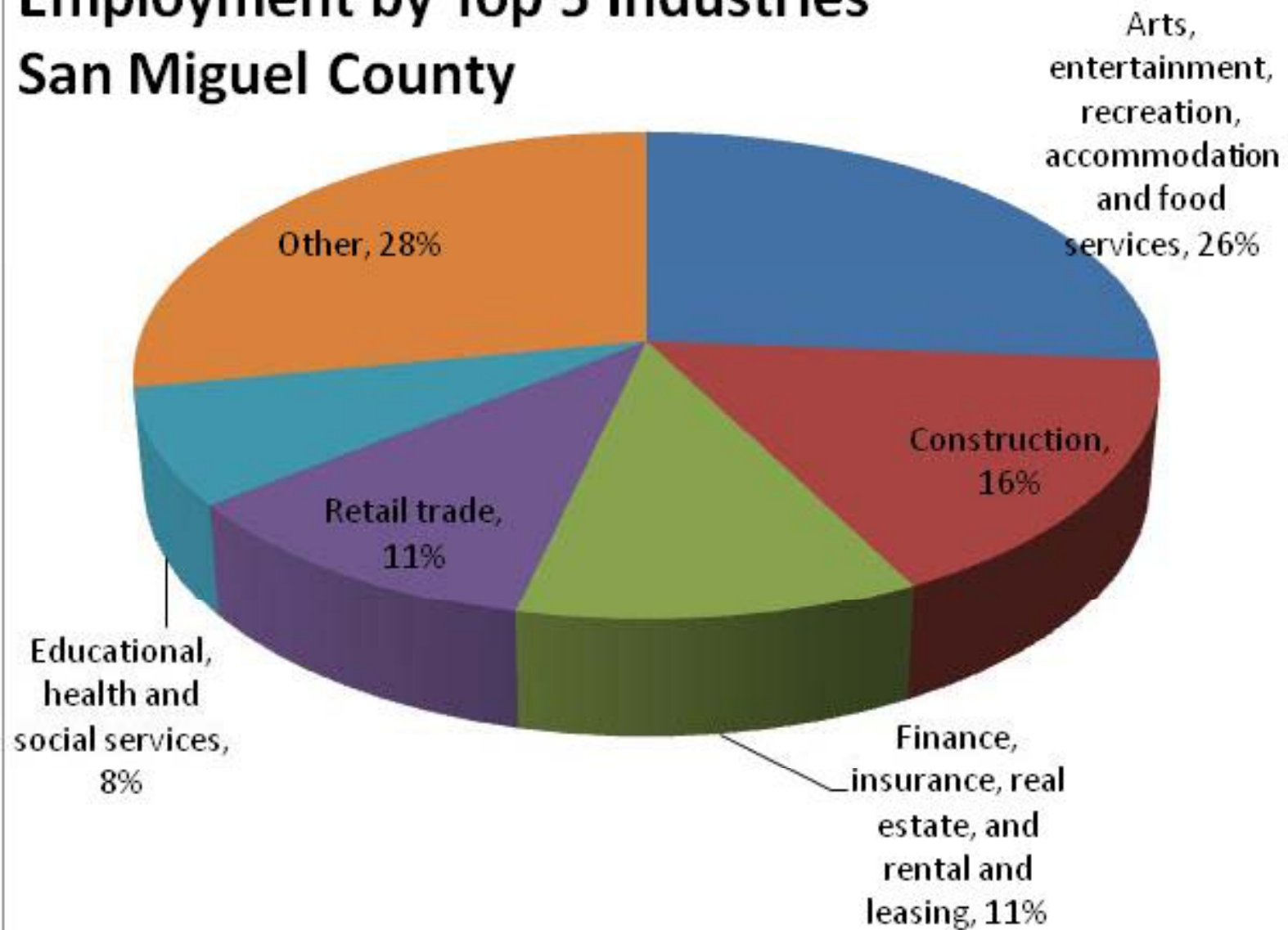
## Employment by Top 5 Industries Ouray County



Source: U.S. Census 2000



# Employment by Top 5 Industries San Miguel County



Source: U.S. Census 2000





# 2007 Region 10 Homeowners Survey



# HOMEOWNER VALUES

- For the most part, values of Full-time Residents and 2<sup>nd</sup> Homeowners are in sync:
  - Both groups assign top values to water quality/quantity, air quality, and scenic/visual quality
  - Full-time Residents place higher value on local economy, education (k-12), affordable housing, job opportunities, adult education and public transportation
  - 2<sup>nd</sup> Homeowners place higher value on parks & trails, open space, appearance of town, recreational opportunities, public safety and wildfire mitigation

# KEY POINTS

## HOMEOWNER'S SURVEY

- Most common “unmet aspirations” of local residents
  1. Affordable Housing
  2. Shopping Opportunities
  3. Public Transportation
  4. Job Opportunities



# Surface Treatment Needs

- State highways are “Main Street” in several of the towns in the TPR, and often the only route in/out of town.
- The TPR’s highways continue to deteriorate, due to increasing traffic from commuters, truck freight, and tourists.
- 50% of state highways in the Gunnison Valley TPR are in poor condition.
- Funding is not keeping up with the needs.



Alligator cracking on SH 90

# Wildlife/Vehicle Collisions

- The increasing number of animal/vehicle hits is a growing challenge for the GVTPR.
- In 2004, 45% of the accidents between Ridgway and Montrose were caused by collisions with wild animals.
- Mitigation measures being taken in the GVTPR include: wildlife escape ramps; deer and elk fencing; and installation of cattle guards and extension of wildlife fencing at the entrance to Ridgway State Park.



Wildlife escape ramp along US 550, north of Ridgway

## US 550 /SH 62 /SH 145 Commuter Route – Montrose to Telluride and Mountain Village

- Major route for service and construction workers employed in Telluride and Mountain Village.
- Employers have increased transit service for workers.
- CDOT built a climbing lane on SH 145 at Keystone Hill.
- Need funding for additional passing/climbing lanes and transit service.



Typical rush hour traffic at  
Society Turn, near Telluride



Keystone Hill climbing lane  
under construction



# Rockslides, Mudslides, and Failed Cribwalls

- In April of 2007, the westbound lane of SH 145 at Norwood Hill was closed, due to a failed cribwall.
- Lane closures = safety issues, travel delays, and very long detours.
- Need funding so maintenance and engineering staff can quickly address emergency road repairs.
- Need funding for ongoing rockfall mitigation.



Norwood Hill failed cribwall repair



Rockfall on SH 141

# Impacts of Energy Development

- Heavy oil and gas-related truck traffic on SH 141, SH 145, SH 90, and others.
- New uranium/vanadium ore-processing mill near Naturita may be constructed in 2011. Capacity of 1,000 tons per day.
- Need increased maintenance, overlays, and reconstruction.



Heavy truck  
on SH 141



Cracking on  
SH 141



# KEY ISSUES

- A desire for increasing public transportation and providing alternative modes to driving passenger vehicles has been identified.
- Wildlife crossings need to be maintained and potential wildlife/vehicle conflicts are a safety concern.
- Increases in truck traffic (primarily mining and logging) throughout the TPR are starting to and could continue to degrade and congest the roadways causing safety concerns, especially on highways with no shoulders.
- A designated truck route, which would bypass the populated areas, is needed throughout the TPR
- Improved roadway maintenance is needed to address poor roadway surface conditions in the TPR.
- Passing lanes and additional lanes are needed throughout the TPR to address safety issues

# IMPLEMENTATION STRATEGY

Corridor	Major Issues	Selected Strategies
US 50- Montrose to Canon City	Population Growth Employment Growth Congestion Safety	Add passing lanes Construct acceleration/deceleration lanes Develop a Regional Transportation Authority
SH 92/ SH 133- Delta to Hotchkiss	Safety	Add passing accel/decal and turn lanes Add and improve shoulders Add geometric improvements
US 550/SH 62/SH 145 – Montrose/Ridway/Ouray/Telluride	Population Growth Employment Growth Congestion Safety	Develop a Regional Transportation Authority Add passing lanes Construct accel/decal lanes





Songs of House