

**STAC  
April 10, 2009 Meeting Minutes**

**Location:** CDOT Headquarters Auditorium  
**Date/Time:** April 10, 2009, 9:00 a.m. – 12:00 p.m.  
**Chairman:** Commissioner Wayne Williams  
**Attendance:** A sign-in sheet was distributed to note attendance at the meeting.

<b>Agenda Items/Presenters/Affiliations</b>	<b>Presentation Highlights</b>	<b>Actions</b>
Introductions	Everyone in the room gave self-introductions.	No Action Taken
March Meeting Minutes	March minutes approved with changes.	Approved
Federal and State Legislative Update- Herman Stockinger	<p>The Long Bill was passed by the Senate last night, and included a budget balancing bill, Senate Bill 274. SB-274 would have reduced our HUTF dollars by taking out some fees and adding in some costs from the DMV. Over the long term, had this passed in its original form it would have meant a loss of about \$20 million annually to CDOT. We were able to get an amendment through that will just take about \$12 million for this fiscal year.</p> <p>The Division of Transit and Rail bill is through the Senate, and has made it through its first committee in the House. We expect the bill will be passed sometime in the next couple of weeks.</p> <p>Senate Bill 228 will likely be heard in the House the week after next.</p> <p>The House Transportation Chair has sent out a call for projects. Our members of Congress have until May 8<sup>th</sup> to submit authorization earmark requests to the Transportation Committee. That means we have a couple of weeks to get authorization earmarks requests to our members of Congress.</p> <p>The SAFETEA-LU reauthorization will likely be a six year authorization. Formula</p>	Motion Approved- 1. Recommend to TC an approach on submitting an earmark project list

driven funds would account for 95%-98% of the funds in the authorization. About 3%-5% would likely be in competitive earmarks. Congress has a few options when they go through the authorization process. The first option, which is not likely, is to not do earmarks and to leave all the funding in formula funding. The second option is "half and half," where half of the earmarked funds go to the authorizers to decide and half would be left for annual appropriations. This would probably be the best solution. The final option is what was done under SAFETEA-LU, the authorizers took all of the earmarked funds and did not leave any for the appropriators. If the authorizers take all of the earmark funding, and the appropriators still want earmarks, then they will take that from formula funds. If we have planned for a certain level of formula funding, and then that number is reduced for earmarks in the yearly appropriation process we are forced to remove projects from our STIP in order to accommodate those unexpected earmarks. That is why we ask our delegation to earmark projects we have already planned for. When a local government asks for an earmark in the yearly appropriations process, it is their responsibility to come up with the match.

The Commission will have to decide next week how to approach transportation earmarks. There are several options. It is a given that we need to give our members of Congress a list of the planned for projects which would include the STIP and any other projects in the first ten years of the 2035 Plan. In metro areas the plans have projects in the first ten years of the plan. In rural areas we have a pretty good idea of bridges, surface treatment, and regional priorities that we could probably list as well.

The next question is what should the Commission submit for projects? The state and local governments can submit their own projects. Do we want to submit applications for 7<sup>th</sup> Pot projects? Do we want to submit other projects? For the House, we need to decide before May 8. For the Senate, probably not until the fall. A lot of our planned for projects are not the high profile projects that will appeal to those making the earmarks. Do we stick to the planned for projects, or also request some projects that are outside of the plan process but are likely to be more attractive? There is also the option of doing nothing, not submitting or pushing projects.

	<p>Steve Rudy: I think limiting it to the first ten years of the 2035 Plan is probably not the best perspective. At least from our point of view, if it's a regionally significant project anywhere in our fiscally constrained plan it might be something that the Transportation Commission should support.</p> <p>Herman Stockinger: To follow up on Steve's comment. The second piece might be to support projects that are buildable in six years, because it is a six year authorization. So number one is it in the 2035 Plan, and number two is it buildable in six years?</p> <p>Heather Copp: We have earmarks from the last authorization that haven't been built because there wasn't match, or because they just weren't buildable within the period of the authorization.</p> <p>Commissioner Wayne Williams: Let me attempt a motion. First, CDOT submit a list by Congressional District. Second, that list should consist of projects in the fiscally constrained 2035 Plan. Third, the list should emphasize those projects that are within the next ten years of the plan, with the exception of DRCOG which may have some projects beyond the ten years, or are 7<sup>th</sup> Pot Projects. Fourth, the RTDs should confer with local governments, and with MPOs and TPRs, in coming up with that list, recognizing it is going to be a fairly fast process. Fifth, we do not support adding projects that are not in the fiscally constrained 2035 Plan.</p> <p>The motion was made by Diane Mitsch Bush and seconded by Dewayne Findley. All approved.</p> <p>Herman Stockinger: Clarification- the RTDs would confer with MPOs and TPRs for additional projects that the Commission would submit or that we would support via a letter or something?</p> <p>Commissioner Wayne Williams: Those that the commission would submit.</p> <p>Jennifer Finch: Outside of the MPOs, beyond the STIP there are not specific projects- it is core visions and strategies. In terms of consistency, we would be looking at those corridors and the priorities in that plan, and then look at what is</p>	
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	<p>being proposed for dollar allocations to corridors. It doesn't necessarily have to be project specific for it to be consistent with that fiscally constrained plan.</p> <p>Steve Rudy: I think we need to note that a "meaningful phase" of a project needs to be able to be completed within six years, because some projects might not be buildable in six years, but phases might be.</p> <p><b>Motion Approved:</b></p> <ol style="list-style-type: none"> <li><b>1. CDOT submits a list of projects to the Congressional Delegation</b></li> <li><b>2. The list should contain projects consistent with the fiscally constrained portion of the 2035 Plan.</b></li> <li><b>3. Emphasis should be placed on 7<sup>th</sup> Pot projects and on those projects in the first ten years of the plan.</b></li> <li><b>4. RTDs should, to the degree practicable, work with planning partners to develop a list of projects the Transportation Commission would submit as an earmark request.</b></li> <li><b>5. Transportation Commission/CDOT should only consider support for other project requests if they are consistent with the 2035 fiscally constrained plan.</b></li> <li><b>6. For all of the projects, whether CDOT submits or supports other submissions, a logical project must be able to be obligated in the six year authorization timeframe.</b></li> </ol>	
<p>SAFETEA-LU Reauthorization- Colorado Principles- Mickey Ferrell</p>	<p>About 18 months ago we sent out an invitation to about 250 people, including STAC members, to start a process to develop a principles document for our Congressional Delegation as they enter reauthorization. We met almost every month to develop this document and outline what was important to Colorado in the reauthorization process. The first several meetings included presentations by CDOT, federal agencies, and interest groups. We created two documents- a longer version and a shorter summary. We are hoping that the STAC would make a recommendation that the Commission support the Principles.</p> <p>The motion was made by Gary Beedy and seconded by Lorraine Anderson. All approved.</p>	<p>Motion Approved- 1. STAC adopts and recommends the SAFETEAU- LU Reauthorization Colorado Principles to the TC.</p>

	<p><b>Motion Approved- Adopt the SAFETEA-LU Reauthorization Colorado Principles and recommend the same to the Transportation Commission (see attached).</b></p> <p>Herman Stockinger: I expect we would like to take these out to your individual TPRs and MPOs. If you want to take this out yourself, that would be great. CDOT could also come out to the TPRs and MPOs if that is desired.</p>	
<p>Budget Update- Heather Copp</p>	<p>We are hopefully getting close to finalizing the budget. The main change to the budget is the addition of the FASTER dollars, along with the allocation of those funds as a lump sum. We are still a ways away from determining what to do with the FASTER money, so we have just offset the revenue with lump sum allocations for the meantime. I also want to point out that the Commission has been given the full narrative to the budget. It is available online.</p> <p>We mentioned at the last Transportation Commission Workshop that we still needed to discuss the Performance Report for FY 08 that is incorporated into the budget. There will be an upcoming workshop to review the performance report and how we achieved or failed to achieve our objectives given available resources.</p> <p>The Governor's Initiative to consolidate the Office of Information Technology with our IT staff has been postponed for another year. We thought we would have to address this topic with the Commission, but no longer need to at the current time.</p> <p>We did not feel that we received clear direction on what to do regarding the maintenance funds that would have come from gaming funds. This has been affecting Region 1 and 2, but will also affect Region 5. We will be bringing that back to the Commission for a final decision. This consists of \$305,000 in Region 1, \$690,000 in Region 2, and \$227,000 in Region 5 that would potentially come out of the Transportation Commission Contingency Fund. There will be a presentation at the Workshop on the pros and cons of this, and what it means to the maintenance budget in these regions.</p> <p>Commissioner Wayne Williams: DeWayne Findley proposes a motion supporting</p>	<p>Motions Approved-</p> <ol style="list-style-type: none"> <li>1. Replace gaming funds for maintenance activities with Contingency Funds</li> <li>2. Recommend the budget as amended.</li> <li>3. Add a statement to SAFETEA-LU Colorado Principles supporting the preservation of contract authority within the HUTF.</li> </ol>

the use of contingency funds to replace the gaming funds for maintenance activities in this region. Pete Frasier seconded the motion. All approved.

**Motion approved- Replace the gaming funds for maintenance activities in Regions 1, 2 and 5 with funds from the Transportation Commission Contingency Fund.**

Heather Copp: The legislature is currently trying to deal with the budget shortfall. Senate Bill 274 came out last week and proposed taking away driver's license fee revenue from the HUTF. We did get an amendment on the Senate side, but this may not be the last attempt to raid the HUTF in the next week or two. This current budget does not show any reduction in the HUTF. Furloughs and reductions in pay to state employees keep going in and out. Also, as I mentioned previously we have the numbers for FASTER in this budget, but have not determined where the FASTER dollars will go. We will do a Formal Addendum to address the question of FASTER dollars, as well as any of these other issues, if it becomes necessary.

Commissioner Wayne Williams: A motion has been made by Lorraine Anderson to recommend this budget as amended to the Transportation Commission. The motion passes unanimously.

**Motion approved- Recommend the budget as amended to the Transportation Commission.**

Heather Copp: Last month we discussed the contract authority issue. That was removed for FY 10. However, it has been made very clear that it will be an issue on the table for FY 11. The administration is very adamant about doing away with contract authority, and putting transportation on the same footing as other domestic programs.

Commissioner Wayne Williams: It strikes me that this issue is not addressed in the Colorado Principles. Motion proposed recommending the addition of language to the effect of "Preserve contract authority within the HUTF" to the SAFETEA-LU Reauthorization Colorado Principles.

	<p><b>Motion approved- Recommend the addition of a statement supporting the preservation of contract authority within the HUTF to the SAFETEA-LU Reauthorization Colorado Principles (see attached).</b></p>	
Revenue Model– Dye Management Group	<p>The purpose of the model is to make financial forecasts, principally the revenues of the HUTF, fuel tax, motor vehicle registrations, licenses, permits, federal aid, transit and aviation funding and other sources. The forecast period is up to 30 years forward and we are producing annual forecasts only. It can be run as often as you like, but the output is an annual figure.</p> <p>The model will be in MS Excel. Although there are other more sophisticated statistical programs available, we find that it is easier for our clients to use and understand how the model works in Excel.</p> <p>We are aware that your next major cycle starts in the fall. We are hoping to have the model components up and running this summer so that we can give you the first set of forecasts. I don't think we will have the integrated model together by that time.</p>	No Action Taken
American Recovery & Reinvestment Act- Jennifer Finch & Herman Stockinger	<p>A list will go before the Transportation Commission with ten projects to be approved for ARRA funding in Regions 2 and 4, and two projects to be added to the Foundation list for future consideration in Region 3. If necessary those approved projects will have to go through the STIP and TIP process.</p> <p>The motion was made by Bill Moore. All approved.</p> <p><b>Motion approved- Recommend to the Transportation Commission the adoption of the list of additional ARRA projects.</b></p> <p>Jennifer Finch: We are just short of reaching 50% of the 50% that must be obligated by the end of June. We hope that there will be the ability to capture some redistribution funds. In the first few weeks of advertising we have seen some significant bid savings, so we may have additional funds available as a</p>	Motion Approved- 1. Recommend to the TC the adoption of the list of additional ARRA projects.

	result. We might need to think about a little more deliberate process for the prioritization of projects if we receive redistribution funds. We don't have this process delineated at this time, but probably in the June or July timeframe we will be looking to select projects for the redistribution of funds.	
Other Business	None	



# **Investing in a 21<sup>st</sup> Century Transportation System** (THEMES FOR NEXT TRANSPORTATION AUTHORIZATION)

**SAFETEA-LU does not meet the needs and demands of transportation. We need to change the way we do business.**

## **Fund a 21<sup>st</sup> Century Transportation System**

### ❖ Funding Levels

- Because the gas tax is reaching the end of its effectiveness in funding transportation nationwide, Congress should explore short-range, intermediate-term and long-term financing solutions.
- As our nation's infrastructure ages, funding at all levels of government needs to increase for transportation. Congress should fund preservation and maintenance of the current system as a priority to help maintain our existing transportation infrastructure (federal, state, and local).
  - Nationally, transportation funding at all levels does not prioritize preservation and maintenance of the current system (based on performance goals); for Colorado, the Transportation Finance and Implementation Panel (Transportation Implementation and Finance Panel) identified that CDOT would need an additional \$500 million per year just to maintain our current transportation system.
  - The next federal authorization bill should provide a clear directive to states that the preservation and maintenance of the existing federal transportation system is a top funding priority.
- Colorado is facing a significant shortfall in funding for transportation. The Transportation Finance and Implementation Panel recommended an additional \$1.5 billion annually. The 2035 Statewide Transportation Plan (federally mandated 20 year planning document) identified a total transportation need in Colorado of an additional \$3.5 billion annually to build all the identified transportation improvements in Colorado.
- Transit is a growing part of the transportation system all across America, including in Colorado. Congress should increase

funding for transit by increasing overall federal transportation funding, rather than shifting funding from existing programs.

- Congress should authorize a full six year bill from the date of enactment.
- Funding mechanisms should allow Colorado to determine its transportation priorities.
- Congress should actually provide the funding to the States it promised.
  - SAFETEA-LU over allocated funds and forced year after year less than 100% obligation authority (restrictions imposed by Congress and FHWA on the percentage of funds that states can spend).
  - Even worse Congress was forced to implement major rescissions (cutting provisions of federal dollars that actually takes back money the states have on their books) each appropriation year of the authorization bill.
- Congress needs to provide stability in the year-to-year funding in the next authorization bill. Because SAFETEA-LU spent the federal highway trust fund to zero (actually overspent it) states are now subject to year-to-year instability for funding (funding levels will be subject to collections perhaps on a month-to-month basis).
- Federal funding formulas should recognize that rapidly growing states face a need for additional multimodal capacity funding.

#### ❖ Funding Sources

- **Short-term Funding**
  - Increase Gas Tax
    - Index the gas tax to keep pace with inflation (Construction Cost Index).
  - Expand Federal Tolling Authority
    - Combine, and make permanent, federal tolling programs that allow states to make local funding decisions on both federal and state highways.
  - Eliminate Exemptions for Motor Fuel Taxes
  - Public Private Partnerships (PPPs).
    - Create tax credit bonds to provide incentives for private investment.
  - Expand “Penta P” Program (FTA)

- **Intermediate-term Funding**

- Create National and Regional VMT Pilot Program
  - Program should be flexible to test the system (both rural and urban).
  - Program needs to recognize the difference between rural areas (where people do not have a choice to drive long distances for things) and urban areas (where people have more choice).
  - Program should explore dynamic pricing to help reduce congestion issues in small, medium and large metropolitan areas.
- Freight Container Fee for transportation (custom taxes and container fees for infrastructure related to freight transportation)
  - The United States will not be globally competitive without improving mobility and connecting destinations (both highway and rail) throughout the US to efficiently and effectively move freight away from the coasts and into the central part of the country.
- National Infrastructure Bank
  - Create with general fund money that would be repaid to the treasury over time (would not take away funding for transportation in the short or intermediate-term).
  - Very low interest rate bonds in which States and private capital could access large amounts of upfront money for projects (could add incentive for more private capital into projects, or at minimum, cost sharing with private industry).

- **Long-term Funding Solutions**

- [Congress should create a new long-term, dedicated, and sustainable funding source for transportation.](#)
- Congress should authorize and fund national pilot programs to explore and evaluate a national vehicle miles traveled (VMT) program as a possible long-range funding solution.
- Congress should explore a possible national sales tax

## Change the Way We Do Business

- Federal DOT Restructuring
  - Colorado believes Congress should consolidate the nearly 110 current federal programs into 10 broad programs, as the National Blue Ribbon Panel suggested.
  - Congress should work with States and stakeholders when drafting the next authorization bill that develops a 21st Century Transportation System (when national goals are created planning partners would like a place at the table)
  - Federal Role should help promote best practices from around the nation.
- Streamlining Project Delivery
  - While the goal of SAFETEA-LU was to help streamline the environmental process, the opposite has happened; Congress should make real changes to the environmental process in order to minimize the delay in construction.
  - While helping to streamline the environmental process Congress should also look at ways to further engage the public in the decision process for transportation projects by looking to innovative processes such as Context Sensitive Solutions (CSS).
- Transportation Finance and Implementation Panel
  - Colorado supports the Transportation Finance and Implementation Panel language for the vision of our transportation system. (Section 7- Panel Report- “The Panel’s vision”)
    - *“The Panel envisions a transportation system for Colorado that is safe, efficiently meets the needs of the traveling public and is supported by a reliable, inflation-proof revenue stream. The transportation network of the future will sustain a robust economy, a cleaner environment and thriving communities.”*
- New Energy Economy
  - Colorado supports a new energy economy, which includes increasing fuel efficiency, increasing the use of alternative fuels, and increasing non-motorized trips.
  - A new energy economy will require Congress to provide necessary and sustainable levels of investment for all modes of transportation including highways.

- Carbon Based Gas Emission (CBE)
  - Congress should address transportation’s contribution to carbon-based emissions by providing incentives to create strategies to reduce the overall carbon emissions from transportation at all levels.
  - Reducing carbon based emissions includes mass-transit options, measures aimed at congestion relief and the use of more efficient vehicles.
- Improving Mobility and Connecting Destinations
  - Colorado supports the development of a multi-modal transportation system that allows user choice – including public transportation, driving, bicycling, walking and telecommuting for both urban and rural areas - and has parity in the evaluation process.
  - Congress should allow States to develop transportation policies and implement seamless multimodal and travel demand strategies that best achieve transportation goals whether through traditional methods or innovative solutions like public transportation, non-motorized transportation, bicycling, walking, telecommuting or Intelligent Transportation Systems (ITS). These multimodal solutions need to have parity and equality in the evaluation process.
  - Congress must establish a long-range vision of surface transportation that considers all modes for moving people and goods, as well as the providers and customers of the transportation system.
  - The current transportation system was not designed to meet the demands of today’s society. Mobility (or lack there of) affects both urban and rural areas. This lack of mobility affects every aspect of our lives. In particular as the American economy and businesses have shifted to on-demand goods and services America’s transportation system has been stretched to the breaking point by congestion.
  - Colorado recommends all ‘surface’ transportation authorizations should be authorized together in one bill for a ‘One DOT’. Currently, all modes of surface transportation are not authorized together so that efficiencies are difficult to identify and pose a challenge

to incorporate alternative modes in vital transportation projects; an example of this is the emergence of passenger rail service as a vital alternative in connecting destinations across the country. However, rail is authorized through the Federal Rail Administration (FRA) with its authorization legislation whose primary mission is the movement of freight not people.

- **Colorado supports the One DOT Concept**
  - *One DOT is a management strategy that builds on the strength of mutual collaboration between the various agencies and functional "communities of interest" when those cross-cutting efforts reduce duplication and save resources. Collaboration enables modes to solve common problems and serve customers more effectively, thereby achieving the vision, mission, and goals specified in DOT's Strategic Plan.*
  - *Collaboration at all levels and an integrated approach, when necessary and applicable, will enable employees to solve problems by sharing ideas and resources. By increasing communication and cooperation across modes, DOT agencies can realize the promise of intermodalism and meet the transportation needs of an increasingly mobile population in an evermore global economy. This integrated approach to a changing world and a changing industry is the foundation of the One DOT management strategy.*

## **Set Goals to Help Achieve Our Vision**

- **National Goals**
  - The next Authorization should direct that national goals be set for transportation, and involve transportation partners at the federal, state, regional, and interest group levels, and provide adequate funding to achieve those goals.
  - Colorado supports a shift in the federal role for transportation from administrative oversight to providing visionary guidance for States.
  - Colorado has reservations in the creation of an independent Base Realignment and Closure (BRAC) type commission to oversee transportation (recommended by National Blue Ribbon Panel).
- **Mandates vs. Incentives**
  - Colorado supports incentives to achieve goals, such as national safety goals. Colorado does not support

adoption of mandates, sanctions or restrictions to compel states to achieve national goals.

- Technology and Innovation
  - Colorado supports a shift in the federal role for transportation from primarily administrative oversight into providing visionary guidance to assist States in implementing best practices and innovation.
  - Colorado supports the creation of national standards for emerging technologies such as advanced guide ways, and federal funding for technology transfers and emerging technologies.
  - How do we introduce new technology in a changing economy and global energy environment?
  - Congress should develop policies to promote new ideas and technologies into the transportation system. The system is no longer just engineers that manage roads, but a complex system of interrelated modes.
- Safety
  - Consideration of safety improvements is critical to every transportation improvement without regard to mode.
    - Colorado supports the continuation of the strategic highway safety plan.
    - In 2006, over 42,000 people lost their lives on American highways, and another 275,000 were injured. Highway travel accounts for 94% of the fatalities and 99% of the injuries.
    - In Colorado, improving and adding shoulders on rural highways is critical to improving safety.

## **Investing in a 21<sup>st</sup> Century Transportation System**

### **COLORADO'S THEMES FOR TRANSPORTATION AUTHORIZATION**

**SAFETEA-LU does not meet the needs and demands of transportation. We need to change the way we do business.**

### **Fund an Evolving 21<sup>st</sup> Century Transportation System**

- Because the gas tax is reaching the end of its effectiveness in funding transportation nationwide, Congress should explore short-range, intermediate-term and long-term financing solutions.
- As our nation's infrastructure ages, funding at all levels of government needs to increase for transportation. Congress should fund preservation and maintenance of the current system as a priority to help maintain our existing transportation infrastructure (federal, state, and local).
- Transit is a growing part of the transportation system all across America, including in Colorado. Congress should increase funding for transit by increasing overall federal transportation funding, rather than shifting funding from existing programs.
- Congress should authorize a full six year bill from the date of enactment.
- Funding mechanisms should allow Colorado to determine its transportation priorities.
- Federal funding formulas should recognize that rapidly growing states face a need for additional multimodal capacity funding.
- Congress should create a new long term dedicated sustainable funding source.

### **Change the Way We Do Business**

- Colorado believes Congress should consolidate the nearly 110 current federal programs into 10 broad programs, as the National Blue Ribbon Panel suggested.
- While helping to streamline the environmental process Congress should also look at ways to further engage the public in the decision process for transportation projects by looking to innovative processes such as Context Sensitive Solutions (CSS).



- Colorado supports a new energy economy, which includes increasing fuel efficiency, increasing the use of alternative fuels, and increasing non-motorized trips.
- Congress should address transportation's contribution to carbon-based emissions by providing incentives to create strategies to reduce the overall carbon emissions from transportation at all levels.
- Colorado supports the development of a multi-modal transportation system that allows user choice – including public transportation, driving, bicycling, walking and telecommuting for both urban and rural areas - and has parity in the evaluation process.
- Colorado supports the One DOT Concept.

### **Set Goals to Help Achieve Our Vision**

- The next Authorization should direct that national goals be set for transportation, and involve transportation partners at the federal, state, regional, and interest group levels, and provide adequate funding to achieve those goals.
- Colorado supports a shift in the federal role for transportation from primarily administrative oversight into providing visionary guidance to assist States in implementing best practices and innovation.
- Colorado supports the creation of national standards for emerging technologies such as advanced guide ways, and federal funding for technology transfers and emerging technologies.
- Consideration of safety improvements is critical to every transportation improvement without regard to mode.