

**DRAFT STAC**  
**May 15, 2009 Meeting Minutes**

**Location:** CDOT Headquarters Auditorium  
**Date/Time:** May 15, 2009, 9:00 a.m. – 11:30 a.m.  
**Chairman:** Vince Rogalski  
**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	April minutes approved with changes.	Approved
State Legislative Update- Herman Stockinger	<p>We had a thin, but successful CDOT legislative agenda. We knew we would have a bill like FASTER, and so we tried to keep our agenda fairly small this year.</p> <p><b>Senate Bill 78 (Vaad/Gibbs- Signed by Gov. 4/02)</b> codified our Maintenance Incentive Highway Program.</p> <p><b>Senate Bill 94 (Newell/Rice- Signed by Gov. 4/22)</b> creates a Division of Transit and Rail within CDOT. This is probably our most historic legislative session with respect to transit. We haven't had a dedicated funding source at the state level for Transit before. This ensures that there will be transit funds to the tune of \$15 million per year for transit and other multi-modal activities.</p> <p><b>House Bill 1318 (Sonnenberg/McFadyen/Brophy/Shaffer- Awaiting signature)</b> is a technical clean up. In the rush to get FASTER passed there was a technical error that conflicted with existing law. The legislation restores legal weight limits to 85,000 pounds and creates a new overweight permit.</p> <p><b>Senate Bill 108 (Gibbs/Rice- Signed by Gov. 3/02)</b> is the FASTER bill, which will provide an estimated \$250 million annually for transportation infrastructure. If</p>	No Action Taken

there are any questions about this I'll be happy to answer them.

**Senate Bill 148 (Brophy/Merrifield- Awaiting signature)** made several changes to traffic laws that address the interaction between bicyclists and motor vehicles.

**Senate Bill 228 (Morse/Marostica/Court- Awaiting signature)** is the bill that eliminates Senate Bill 1 and House Bill 1310. This would protect transportation funding for five years, providing for 2% of General Fund revenues up to about \$170 million per year for five years, beginning in a few years. It will protect transportation funding for a few years to allow the legislature some time to determine what perhaps needs to go on the ballot in a few years to really address transportation in Colorado.

**Senate Bill 274 (Keller/Pommer- Signed by Gov. 5/01)** was a success for CDOT. We lost \$12.9 million to the cities, county and state. However, when the bill was introduced this was a permanent change. We were able to get it changed to a one year transfer to help address the budget shortfall.

**Senate Bill 296 (Boyd/Ryden- PI'd in House Appropriations 5/04)** was not a success. We have tried without success several times to create a primary seat belt law in Colorado. This would have entitled us to about \$12 million in safety funds, which will probably now expire.

**Senate Bill 297 (Sandoval/Judd- Awaiting signature)** is for the recovery projects. A few agencies, including CDOT, needed some changes to state law concerning approval of contracts for projects funded through ARRA.

**House Bill 1034 (Liston/Gibbs- Signed by Gov. 4/16)** will allow Regional Transportation Authorities (RTAs) to impose a property tax for transportation improvements, if approved by voters.

**House Bill 1134 (Kefalas- PI'd at request of sponsor 4/23)** was a counter proposal to the Division of Transit and Rail.

**House Bill 1284 (Levy/Williams- Failed on 2<sup>nd</sup> reading in Senate 4/30)** was Representative Levy's planning bill. Non-proponents of the bill voiced their concerns, which contributed to the defeat of the bill. We expect she will come back each year she is in the legislature to try to get something like this passed.

**House Bill 1302 and 1328 (Pace/Tapia- PI'd at request of sponsor 4/21)** concerned state agency purchasing preference to Colorado and U.S. steel producers.

Question- Diane Mitsch Bush: When will we know from the Department of Revenue what the pot for Senate Bill 108 will look like?

Herman Stockinger: I haven't heard anything from the Department of Revenue. The bill takes effect July 1, although we don't expect the collection of funds to be up and running smoothly until September or October. When we do hear something I'll be sure this is communicated with the STAC.

Question- Wayne Williams: Senate Bill 228 does not protect transportation funding. According to Legislative Council estimates it cuts transportation funding to CDOT by \$600 million and then goes away forever. This eliminates the only funding in CDOT's budget for the 7<sup>th</sup> Pot Projects. Does CDOT have a plan yet for how we are going to fulfill those promised projects?

Herman Stockinger: To my knowledge there hasn't been anything developed to fund the existing 7<sup>th</sup> Pot Corridors. I have mixed feelings about Senate Bill 228. I think we had already lost the fight for Senate Bill 1. I know the 2035 Plan had full funding for Senate Bill 1 for the life of the plan and that was an unrealistic outlook, but it was the outlook that was available based on the information at the time. Over the past several years the legislature figured out how to divert those dollars elsewhere. I would not have expected that in five years there would have been any money left from Senate Bill 1 anyway. If we get these dollars over the next few years that is going to help and I don't know that the Senate Bill 1 dollars would have been there. Now we need to really turn our attention to how we get a stable funding source.

	<p>Question- Craig Casper: On FASTER there is a 60/40 split between CDOT and counties. Will that 60% follow the new money policy that the Commission adopted a few years ago?</p> <p>Herman Stockinger: The Commission hasn't made a decision yet.</p> <p>Question- Bill Moore: Can you explain the limitation on the 2% transfer in Senate Bill 228?</p> <p>Herman Stockinger: The trigger to this bill is that personal income needs to grow by 5% in order to trigger the 2% transfer to transportation. In looking at the last few years. Personal income growth in 2005, 2006, and 2007 were around 6-7%, 2008 was 4.5%. This doesn't kick in until budget year 2013, which is when personal income growth is likely to return to 5% or above.</p> <p><i>See Handout: 2009 Legislative Summary Transportation Impacts</i></p>	
<p>Federal Legislative Update- Mickey Ferrell</p>	<p>Congress should have a final budget next week or the week after. The Highway Trust Fund is in trouble. We are anticipating the fund will go bankrupt in August. If Congress doesn't do an emergency action at that point, payments to the states will stop. We are watching this very, very closely. We are doing everything we can to bill now while there is money in the trust fund.</p> <p>There has been a lot of talk in recent weeks about the reauthorization bill. Yesterday the Senate Subcommittees released their principles regarding what they would like to see out of reauthorization- this includes reduced emissions, reduced VMT, and other environmental considerations.</p> <p>SAFETEA-LU was a \$286 billion bill. Chairman Oberstar would like to see a \$500 billion bill. However, the President has said he won't support a tax increase or a VMT system.</p> <p>A deal has been struck on the Carbon Tax bill. This doesn't mean there will be a bill passed anytime soon. A bill could include emissions control on automobiles, an upfront tax on the purchase of automobiles, etc.</p>	<p>No Action Taken</p>

	<p>Congress is getting set in June to turn to its appropriations process. Given that there is not an authorization bill, it will push the transportation bill back. What we will likely see is some sort of Continuing Resolution in September.</p> <p>Question- Bill Moore: Is there any discussion of unifying transit and highway committees in Congress to deal with transportation as a whole?</p> <p>Mickey Ferrell: The Committee Chairmen are usually pretty protective of their turf. That's pretty doubtful.</p> <p>Herman Stockinger: Congress just reorganized after the election and that is the time they would change committees. I don't think they will change midstream, so any changes probably wouldn't happen for another two years.</p> <p>Question- Steve Rudy: Is there any thought of funding transportation through annual appropriations instead of authorization?</p> <p>Mickey Ferrell: The administration did forward that as part of their budget. I doubt Congress will allow transportation into the General Fund. I think they like keeping it protected. The leadership of Congress soundly rejected the President's notion, but the administration is still interested in it.</p> <p>Bill Moore: I have heard rumors about changing the population limit on MPOs, which is currently areas 50,000 and above. I would hope that CDOT would support not raising the limit above 100,000.</p>	
<p>Reauthorization Earmarks- Herman Stockinger</p>	<p>For the House, we submitted all of our 7<sup>th</sup> Pot Projects. We decided with such a short time frame to prepare we would just submit the 7<sup>th</sup> Pot requests. We provided letters of support to local government projects. Adding the local government projects we supported and our 7<sup>th</sup> Pot Projects the total is over \$1 billion, and they probably received many more requests. We will continue to look at local government requests for support.</p> <p>We still don't know when the Senate is going to put out a call for projects. We</p>	<p>No Action Taken</p>

	<p>need to continue our conversation about what is the right approach to Senate earmark requests.</p> <p>Question- Diane Mitsch Bush: Are these projects in the 2035 Plan?</p> <p>Herman Stockinger: All of these projects would be in the funded portion of the 2035 Plan, except for a couple of enhancement projects, which appear only as a pool in the Plan.</p> <p><i>See Handout: CDOT Sponsored Re-Authorization Requests</i></p>	
<p>Safe Routes to School- Lenore Bates</p>	<p>Safe Routes to School has been around for about four years and I have been the Program Coordinator for about three years.</p> <p>Forty years ago nearly 50% of kids either walked or biked to school. Today the percentage is less than 15%. More than 25% of our morning traffic congestion is due to parents driving their kids to school. Safe Routes to School is about changing these behaviors and providing safe ways for children to bike or walk to school.</p> <p>SAFETEA-LU provided approximately \$8 million in funding to Colorado through 2009. Projects are small and divided between infrastructure and non-infrastructure projects. The minimum for infrastructure is \$50,000 and the maximum is \$250,000. The minimum for non-infrastructure, which is education, is \$3,500 with no maximum. Up to 30% of our funding can be awarded to non-infrastructure projects.</p> <p>We do a call for projects, typically on August 1<sup>st</sup>. These projects are reviewed and scored by our Advisory Committee and selected in February and taken to the Commission in March.</p> <p>To date, we have awarded 82 different projects, 16 have been completed, 38 are under contract, 19 are in progress, 7 have not started and 2 have been returned. Funding will reach 267 schools in Colorado.</p>	<p>No Action Taken</p>

	<p>State regulations require us to distribute funds on the basis of K-8 population. The majority of funding is basically directed along the Front Range, although the Committee works hard to ensure that funding also goes to many rural communities.</p> <p>Question- Vince Rogalski: How many applications do you typically receive in a year?</p> <p>Lenore Bates: We receive about 40 applications per year and award between 7 and 9 infrastructure projects, and between 7 and 12 non-infrastructure projects.</p> <p>Question- Ernest Williams: Can this money be used for bus stops also?</p> <p>I understand that is one item that might be added to the program with the new authorization legislation.</p> <p>Question- Wayne Williams: Years ago the Colorado legislature passed an anti-car pooling bill for high school students. 25% of morning traffic is made up of parents driving their children to school. Do we have statistics on how much of this additional traffic is attributable to the anti-car pooling bill?</p> <p>Lenore Bates: I would have to look into this. (Provided later via e-mail: The 25% figure does not include students driving themselves to school.)</p> <p><i>See Handout: Safe Routes to School Fact Sheet</i></p>	
Rescissions Update- Mickey Ferrell	<p>Normally rescissions don't directly affect real dollars, but only take back unobligated balances outside of the obligation limit. In the beginning of SAFETEA-LU states had the ability to choose which unobligated balances to use for rescissions. Congress changed the rules of the game with the proportionality rule. For this first \$3 billion rescission the proportionality rule was waived. The second rescission for \$8.7 billion on September 30 will be subject to proportionality. We are facing the potential loss of \$100 million in real dollars. We need to try to get our accounts back into proportionality, as best as we can, by September. We are working on a white paper right now outlining rescissions by account.</p>	No Action Taken

There are three accounts in the MPO areas that have large unobligated balances- STP, Enhancements and CMAQ. Rescinding from these accounts will help to protect us from real dollar cuts in Interstate Maintenance (IM) and National Highway System (NHS).

Question- Wayne Williams: Interstate Maintenance looks like it is taking over half the cut in the unobligated balance. Why are we taking so much out of a core category like IM, and leaving money in NHS and in a non-core category like Enhancements?

Mickey Ferrell: It is better to give up IM with a real dollar cut, than NHS because IM is the least flexible funding category.

Herman Stockinger: Between the current rescission and the SAFETEA-LU rescission the intention is to bring that unobligated balance for Enhancements down to 0.

Wayne Williams: To clarify, we are taking away all the Enhancement dollars that we can, that aren't already obligated. Then the choice is between NHS and IM, and we are taking the IM because those dollars are less flexible?

Mickey Ferrell: Correct. Unfortunately you'll notice a big balance in STP. That's off limits. We are seeking to get this changed. If we were able to rescind from this category we would almost be able to cover the full amount of the September rescission. We are discussing this with our delegation.

Diane Mitsch Bush: There are a number of CMAQ projects that I believe are obligated. They would not be touched, is that correct?

Mickey Ferrell: Correct.

Jennifer Finch: You have to leave some of the unobligated balances now, so that they can be rescinded according to the proportionality rule in September. Otherwise, we will have to use real dollars instead.



	<i>See Handout: U.S.D.O.T. FHWA Rescission of Unobligated Balances</i>	
ARRA Update- Herman Stockinger & Jennifer Finch	<p>Jennifer Finch: We have certified 129 projects worth \$947 million. We have a few projects left to certify. We also have done the Maintenance of Effort certification, which was done primarily on a dollar basis, not a project basis, and have also completed certification on jobs and economic growth. 90 projects were identified between CDOT and local agencies- 32 have been obligated, 26 advertised, 10 contracts have been awarded and 4 are pending. The 120 day goal of \$141 million was reached on May 12. We are currently scheduled to obligate nearly \$220 million in the first 120 days. The dollars that go to the MPOs do not have the 120 day requirement.</p> <p>The other major source of funding coming to the states is FTA funding. RTD gets the lion's share of this, with funds also going to Colorado Springs, Fort Collins, Mesa County, Greeley and Pueblo. CDOT manages \$12.5 million in funding for rural transit agencies. 50% of transit funds must be obligated by September 1. \$114.4 million (44 projects) of \$121.3 million have been certified. No projects have been obligated at this time.</p> <p>Guidance for a Multi-Modal Discretionary Grants Program with \$1.5 billion in funding just became available. It will be open to cities, counties, states and transit agencies. Applications are due in August. Projects can range from \$20 million to \$300 million.</p> <p>Colorado is one of a few states selected for additional GAO oversight. The GAO will be at CDOT next week. They will be looking very closely at how we selected projects and how we addressed economically distressed areas. We also have to complete an FHWA Project Plan Report, and on a monthly basis, an FHWA Status Report and a Monthly Jobs Report. A House Transportation and Infrastructure Report is also being completed on a monthly basis.</p> <p>We have been very anxious to hit the 50% so that we would be eligible for redistribution. FHWA is saying that all 50 states appear on track to hit the 50%, so the chances of us receiving a significant amount of redistribution funds are small. We might stand a better chance of getting redistribution funds at the 100%</p>	No Action Taken

	<p>deadline.</p> <p>Herman Stockinger: Hopefully in the next hour or so we'll be able to e-mail out information on the Multi-modal Discretionary Grants Program.</p> <p>Thad Noll: What is the plan for bid savings?</p> <p>Jennifer Finch: In some cases, it makes good economic sense to allow a project to expand if there are bid savings. A good example is a stretch of roadway that was originally planned for 12 miles of work, but when the estimate came back high, was scaled back. The bid savings could then be used to do the full 12 miles of work. Otherwise the bid savings are going back to the Regions. To a certain extent they are pooling funds in case there are overruns on bids further along. Somewhere around the 75-80% mark we are going to take a closer look at bid savings. We'll be looking at whether we need to do some reprogramming of funds, whether we can get some good projects in the regions, or whether we would want to look at pooling those funds together for a more suitable project.</p> <p>Last month we took several enhancement projects before the Commission for approval. The Commission took issue with four projects in Region 2 and 4 that included some historic renovation, a museum, and an informational kiosk. The Commission questioned the transportation connection and whether this was the best use of ARRA funds. It was probably an oversight on our part that we did not anticipate this, and come prepared with more information. We will be having a workshop for the Commission next week to review the Enhancement program and to go over these projects. Three of these projects are in economically distressed counties, and they all will create jobs, which is the primary intent of the act. We think that there is good justification for moving ahead with these projects.</p> <p><i>See Handout: ARRA Presentation to STAC</i></p>	
Other Business	<p><u>STAC Meetings</u></p> <p>Jennifer Finch raised for discussion the question of whether or not the STAC needed to meet every month, or if certain months could be skipped. June, September and December were discussed for potential cancellation. It was decided to wait until</p>	No Action Taken

	<p>closer to September and December to make decisions about those meetings. The June meeting will stay on the calendar for the time being, with an update on whether there will be a need to have the meeting or not sent out sometime next week.</p> <p>A short summary of the STAC meetings will be distributed to the STAC on the Wednesday after the STAC meeting.</p> <p>FASTER will be added to the agenda as a standing agenda item.</p> <p><u>Bill Signing</u> The Division of Transit and Rail bill will be signed at 8:30 AM at CDOT HQ Auditorium next Wednesday.</p>	
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