

Colorado Transportation Commission Schedule & Agenda

October 16-17, 2024
12:30 p.m.

Transportation Commission Workshops

Wednesday, October 16, 2024

Time	Topic	Speaker
12:30 p.m.	Lunch for Commissioners (optional)	None
1 p.m.	Budget Workshop <ul style="list-style-type: none"> • FY 25 Budget Supplement • FY 25 Budget Amendment • FY 26 Proposed Budget 	Jeff Sudmeier and Bethany Nicholas
2 p.m.	Fuel Impact Enterprise Workshop <ul style="list-style-type: none"> • FIE Program Update FIE Budget Workshop for FY 26 	Darius Pakbaz and Craig Hurst
2:30 p.m.	Bridge and Tunnel Enterprise Workshop <ul style="list-style-type: none"> • BTE Budget Workshop for FY 26 • BTE 10-Year Plan Financing Progress Update 	Patrick Holinda
3:15 p.m.	Audit Review Committee (ARC)	Frank Spinelli
4 p.m.	Fall Legislative Update	Emily Haddaway
4:20 p.m.	Mobility Systems Committee- Mountain Rail Update	Paul DesRocher
4:40 p.m.	Adjournment	None

Transportation Commission Meeting

Thursday, October 17, 2024

Time	Topic	Speaker
8 a.m.	Commission Breakfast	None
9 a.m.	Call to Order, Roll Call	Herman Stockinger
9:05 a.m.	Public Comments	Various
9:15 a.m.	Comments of the Chair and Commissioners	Commissioners
9:25 a.m.	Executive Director's Management Report	Shoshana Lew
9:30 a.m.	Chief Engineer's Report	Keith Stefanik
9:35 a.m.	CTIO Director's Report	Piper Darlington
9:40 a.m.	FHWA Division Administrator Report	John Cater
9:45 a.m.	STAC Report	Gary Beedy
9:50 a.m.	Act on Consent Agenda: <ul style="list-style-type: none"> • Proposed Resolution #1: Approve the Regular Meeting Minutes of September 19, 2024 • Proposed Resolution #2: IGA Approval >\$750,000 • Proposed Resolution #3: Acknowledgement of FY 25 Transportation Commission Committee Assignments 	Herman Stockinger Lauren Cabot Herman Stockinger

	<ul style="list-style-type: none"> Proposed Resolution #4: Reaffirm Abandonment U.S. 6 North Frontage Road 	Jessica Myklebust
9:55 a.m.	Discuss and Act on Proposed Resolution #5: 3 rd Budget Amendment of FY 25	Jeff Sudmeier and Bethany Nicholas
10 a.m.	Discuss and Act on Proposed Resolution #6: 4 th Budget Supplement of FY 25	Jeff Sudmeier and Bethany Nicholas
10:05 a.m.	Recognitions <ul style="list-style-type: none"> Winners for the FY 24 CDOT Innovations Challenge Region 1 Professional Maintainer Mike Martinez 	Gary Vansuch, Shawn Smith
10:25 a.m.	Other Matters	None
10:30 a.m.	Adjournment	None

The Bridge and Tunnel Enterprise Board of Directors will not be meeting in October.
 The Fuels Impact Enterprise Board of Directors will not be meeting in October.

Information Only

- Project Budget/Expenditure Memo (Jeff Sudmeier)
- Quarterly Revenue Forecast Update (Jeff Sudmeier)
- October 2024 TC Grants Memo (Hannah Reed and Anna Dunn)
- Transportation Trends Report (Darius Pakbaz)
- BTE FY2023-2024 Year End Reconciliation Report (Patrick Holinda)



Transportation Commission Memorandum

To: The Transportation Commission
From: Jeff Sudmeier, Chief Financial Officer
 Bethany Nicholas, CDOT Budget Director
Date: October 16, 2024

Subject: Fiscal Year (FY) 2024-25 Budget Amendment

Purpose

To review the third budget amendment to the FY 2024-25 Annual Budget in accordance with Policy Directive (PD) 703.0.

Action

The Division of Accounting and Finance (DAF) is requesting the Transportation Commission (TC) to review and adopt the third budget amendment to the FY 2024-25 Annual Budget, which consists of nine items that require TC approval. The third budget amendment includes the following requests that total \$3.4 million coming from the TC Program Reserve Fund:

Budget Line	Line	FY25 Budget Amendment Summary	Amount
Faster Safety	Line 15	Return State Backfill to TC Program Reserve from FASTER Safety	(\$9.7 M)
Maint. Reserve	Line 36	FY25 MLOS Personal Services Shortfall	\$8.0 M
Agency Operations	Line 66	JOA per diem and hotel costs	\$0.3 M
Property	Line 34	Operating budget for employee housing	\$0.2 M
Property	Line 34	Employee housing construction costs - Basalt	\$1.3 M
Property	Line 34	Rest Area improvements	\$0.9 M
Agency Operations	Line 66	Installation of EV charging stations for CDOT trucks	\$0.5 M
Agency Operations	Line 66	Asset extraction project for new work order system	\$0.5 M
Agency Operations	Line 66	Correct Accounting for dark fiber lease / small cell permit revenue	\$1.4 M
Commission Reserve	Line 73	Proposed Budget Amendments from TC Program Reserve	\$3.4 M



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Budget Amendments

The third budget amendment contains nine items that require TC approval. All of these requests impact the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) in the Amended FY 2024-25 Revenue Allocation Plan (Attachment A). If these requests are approved, the net impact is a reduction of \$3.4 million resulting in a balance of \$50.4 million.

Description	Amount
Beginning Balance - September 2024	\$4.4 M
Revenue Reconciliation	-\$16.5 M
Residual SHF Budget after Roll Forwards	\$15.0 M
FHWA Redistribution	\$50.9 M
October Balance after FY24 year end processes	\$53.8 M
FY25 Budget Amendments	(\$3.4 M)
Ending TC Program Reserve Balance	\$50.4 M

Return State Backfill to the TC Program Reserve from FASTER Safety

Staff is proposing to return \$9.7 million in flexible state funds to the TC Program Reserve Fund that were initially allocated to the FASTER Safety Program in FY 2023-24. Senate Bill 21-260 and HB 22-1351 temporarily reduced the Road Safety Surcharge fee for two years resulting in a projected revenue shortfall of approximately \$20.0 million for FY 2023-24. House Bill 22-1351 provided \$47.1 million during FY 2022-23 to backfill lost revenue, of which \$10.2 million was intended to partially backfill lost FASTER revenue in FY 2023-24. During budget development for FY 2023-24, the decision was made to provide an additional \$9.7 million in flexible state funds as additional backfill to keep the FASTER Safety Program near its historical allocation at \$69.2 million.

Actual FASTER revenue collected in FY 2023-24 was \$13.8 million higher than forecasted. As an inflexible revenue source, this additional revenue is credited to the FASTER Safety Program in FY 2024-25 as part of the annual revenue reconciliation process. Since the FASTER Safety Program will have sufficient funding after revenue reconciliation, staff recommends returning the \$9.7 million in state funds to the TC Program Reserve to be used for future allocation as determined by the TC.

The third budget amendment reallocates \$9,700,000 from the FASTER Safety Program



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(Line 15) to the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to return flexible state funds that were allocated to backfill lost FASTER revenue in FY 2023-24.

FY25 Maintenance Levels of Service (MLOS) Personal Services Shortfall

Staff is requesting \$8.0 million to partially address a personal services budget shortfall in MLOS for FY 2024-25. MLOS received an additional \$13.0 million for FY 2024-25 to cover increases associated with salaries and benefits; however, staff is forecasting a shortfall of approximately \$13.9 million. In prior years, high levels of turnover in transportation maintenance staffing resulted in substantial vacancy savings that were largely sufficient to cover overtime, shift differentials, and housing stipends. Recent initiatives to improve turnover have reduced available vacancy savings, and while that has a positive impact for operations, it has added a significant constraint to the Maintenance Levels of Service budget. MLOS ended FY 2023-24 in deficit despite the additional funding provided through a budget amendment because the overall MLOS budget is highly variable and difficult to predict. Staff will continue to monitor the budget and update the Commission if more funds are needed. While the current forecasted deficit is \$13.9 million, the current request of \$8 million provides relief in the MLOS budget while preserving a healthy balance in the TC Program Reserve to address unforeseen needs during the fiscal year.

The third budget amendment reallocates \$8,000,000 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Maintenance Reserve Fund (Line 36) to address a personal services budget shortfall for the Maintenance Levels of Service program.

Joint Operations Area (JOA) Per Diem and Hotel Costs

The Division of Maintenance and Operations (DMO) is requesting \$0.3 million to fund JOA per diem and hotel costs for FY 2024-25. JOA Operations per diem and hotel costs are centralized to one area for payment to keep it separate from normal operating expenses when JOA is above normal workload due to position vacancies and other factors. Budget amendments have been approved to fund this need annually since FY 2021-22. If this request is not approved, costs for lodging would be pulled from Region 1 and Region 3 MLOS budgets, which are already underfunded for FY25.

The third budget amendment reallocates \$300,000 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Agency Operations line (Line 66) to provide funding for Joint Operations Area (JOA) per diem and hotel costs.

Operating Budget for Employee Housing

The DMO is requesting \$0.2 million to provide an operating budget for employee housing in FY 2024-25. DMO is forecasting \$0.5 million in rental income for FY 2024-25. DMO estimates expenses in FY 2024-25 of \$0.2 million to pay for property



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management fees, HOA fees, services such as trash and water, snow plowing, and other operational expenses related to employee housing. This will be built into DMO's budget beginning in FY 2025-26. If the request is not approved, Property will need to delay a Property Management asset management-funded project to fund these expenses.

The third budget amendment reallocates \$200,000 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Property line (Line 34) to provide an operating budget for employee housing costs in FY 2024-25.

Employee Housing Construction Costs for Basalt

The DMO is requesting \$1.3 million to construct employee housing in Basalt, Colorado. Construction housing in Basalt will allow CDOT to permanently staff a critical mountain corridor and save money on overtime by eliminating costly travel expenses. CDOT has funded \$6.7 million of this project through the sale of excess property in Vail. If funds are not received, CDOT would need to construct fewer units at this location resulting in less optimal staffing for one of CDOT's most important tourism and economic mountain corridors.

The third budget amendment reallocates \$1,300,000 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Property line (Line 34) to construct employee housing in Basalt, Colorado.

Rest Area Improvements

DMO is requesting \$0.9 million to make rest area improvements at multiple rest areas in FY 2024-25. Of the total requested, \$0.6 million is needed to reconstruct the wastewater treatment plant at No Name in Glenwood Canyon and reconstruct the Shaw Creek Rest Area near South Fork. The treatment system at No Name is failing and the rest area at South Fork is not ADA compliant. Without funding, these projects will be delayed to FY 2025-26. The remaining \$0.3 million will allow Grizzly Creek design to begin in FY 2024-25. This rest area is also failing. Funding will prevent these rest areas from being shut down until new systems can be designed and installed.

The third budget amendment reallocates \$900,000 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Property line (Line 34) to make critical improvements to multiple rest areas in FY 2024-25.

Installation of Electric Vehicle (EV) Charging Stations for CDOT Trucks

DMO is requesting \$0.5 million to install EV charging stations to support the battery electric vehicle (BEV) truck orders from FY 2022-23 and FY 2023-24. DMO received 74 electric trucks and needs a way for maintenance staff to charge them. The original cost estimate was \$2.9 million; recognizing that funds available to repurpose are limited, DMO has scaled the request back to the minimum amount needed and will



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absorb the remaining cost within the existing DMO operating budget.

The third budget amendment reallocates \$500,000 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Agency Operations line (Line 66) to install electric vehicle charging stations to support the battery electric vehicle (BEV) truck orders.

Asset Extraction Project for New Work Order System

DMO is requesting \$0.5 million to support an asset extraction project for the new work order system that is being implemented for MLOS. DMO will be switching to a new work order system which will contain data on CDOT's roadway infrastructure. The current asset inventory was last updated using 2020 imagery. DMO would like to complete an updated extraction to load the most up-to-date asset inventory to reflect the most recent roadway configuration. Without funds, the roadway configuration that will be loaded into the new work order system will be five years old.

The third budget amendment reallocates \$500,000 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Agency Operations line (Line 66) to support an asset extraction project for the new work order system that is being implemented for MLOS.

Correct Accounting for Dark Fiber Lease / Small Cell Permit Revenue

DMO is requesting \$1.4 million to correct an accounting issue for dark fiber lease and small cell permit revenue. Per TC resolution, (TC- 1853 April 15, 2010) any money, revenue or income resulting from a Public-Private Initiatives Program (PPIP) project pertaining to intelligent transportation systems (ITS) shall, following deposit into the State Highway Fund, be used only for ITS purposes and projects (TC-16-11-3). Instead of being credited to the cost centers, funds were inadvertently credited to miscellaneous revenue and swept to the TC Program Reserve at the end of the fiscal year for FY 2020-21 through FY 2022-23. Staff is requesting \$1.4 million to correct this issue and comply with the PD. Funds are used to repair and maintain the fiber spans being leased. DAF worked with program staff to identify a new process that will prevent this from occurring in the future.

The third budget amendment reallocates \$1,413,097 from the TC Program Reserve Fund in the Commission Reserve Funds line (Line 73) to the Agency Operations line (Line 66) to ensure dark fiber lease and small cell permit revenue is available for the intelligent transportation systems (ITS) per TC direction.

Next Steps

October 2024 - Staff will complete any actions for approved budget amendments.

Attachments

Attachment A - Amended FY 2024-25 Revenue Allocation Plan



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Attachment A: Fiscal Year (FY) 2024-25 CDOT Amended Annual Budget (October 2024)

Line	Budget Category / Program	Rollforward from FY 2023-24	FY 2024-25 Final Allocation Plan	Proposed TC Amendments	Approved TC Amendments	EMT and Staff Approved Adjustments	Total FY25 Program Budget Available including Changes	Directed By	Funding Source
1	Colorado Department of Transportation (CDOT)								
2	Capital Construction	\$1,284.4 M	\$717.0 M	-\$9.7 M	\$1.7 M	\$101.5 M	\$2,095.0 M	-	-
3	Asset Management	\$268.8 M	\$423.5 M	\$0.0 M	\$0.6 M	-\$8.7 M	\$684.2 M	-	-
4	Surface Treatment	\$44.5 M	\$229.0 M	\$0.0 M	\$0.0 M	\$1.1 M	\$274.6 M	TC	FHWA / SH / SB 09-108
5	Structures	\$89.1 M	\$63.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$152.5 M	TC	FHWA / SH / SB 09-108
6	System Operations	\$6.2 M	\$27.3 M	\$0.0 M	\$0.0 M	-\$0.1 M	\$33.4 M	TC	FHWA / SH
7	Geohazards Mitigation	\$7.9 M	\$9.7 M	\$0.0 M	\$0.0 M	\$0.0 M	\$17.6 M	TC	SB 09-108
8	Permanent Water Quality Mitigation	\$1.1 M	\$6.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$7.6 M	TC	FHWA / SH
9	Emergency Relief	\$5.5 M	\$0.0 M	\$0.0 M	\$0.0 M	-\$5.2 M	\$0.3 M	FR	FHWA
10	10 Year Plan Projects - Capital Asset Management	\$114.6 M	\$87.7 M	\$0.0 M	\$0.6 M	-\$4.5 M	\$198.4 M	TC / FR	FHWA
11	Safety	\$95.9 M	\$132.0 M	-\$9.7 M	\$0.0 M	\$16.2 M	\$234.4 M	-	-
12	Highway Safety Improvement Program	\$37.9 M	\$43.1 M	\$0.0 M	\$0.0 M	-\$1.2 M	\$79.7 M	FR	FHWA / SH
13	Railway-Highway Crossings Program	\$0.0 M	\$3.8 M	\$0.0 M	\$0.0 M	-\$0.3 M	\$3.5 M	FR	FHWA / SH
14	Hot Spots	\$1.8 M	\$2.7 M	\$0.0 M	\$0.0 M	-\$0.1 M	\$4.4 M	TC	FHWA / SH
15	FASTER Safety	\$39.3 M	\$75.2 M	-\$9.7 M	\$0.0 M	\$17.8 M	\$122.6 M	TC	SB 09-108
16	Americans with Disabilities Act Compliance	\$16.9 M	\$7.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$24.1 M	TC	FHWA / SH
17	Mobility	\$919.7 M	\$161.5 M	\$0.0 M	\$1.1 M	\$94.0 M	\$1,176.3 M	-	-
18	Regional Priority Program	\$46.9 M	\$50.0 M	\$0.0 M	\$1.7 M	-\$1.9 M	\$96.7 M	TC	FHWA / SH
19	10 Year Plan Projects - Capital Mobility	\$848.8 M	\$87.7 M	\$0.0 M	-\$0.6 M	\$97.5 M	\$1,033.4 M	SL	FHWA / SB 17-267 / SB 21-260
20	Freight Programs	\$24.0 M	\$23.8 M	\$0.0 M	\$0.0 M	-\$1.6 M	\$46.2 M	FR	FHWA / SH / SL
21	Maintenance and Operations	\$45.7 M	\$405.1 M	\$10.4 M	\$0.0 M	-\$0.3 M	\$460.4 M	-	-
22	Asset Management	\$38.3 M	\$368.5 M	\$10.4 M	\$0.0 M	\$4.6 M	\$421.2 M	-	-
23	Maintenance Program Areas	\$0.6 M	\$297.9 M	\$0.0 M	\$0.0 M	\$4.5 M	\$302.4 M	-	-
24	Roadway Surface	\$0.0 M	\$41.7 M	\$0.0 M	-\$7.4 M	\$0.0 M	\$34.3 M	TC	SH
25	Roadside Facilities	\$0.0 M	\$23.8 M	\$0.0 M	-\$0.7 M	\$0.0 M	\$23.1 M	TC	SH
26	Roadside Appearance	\$0.0 M	\$11.9 M	\$0.0 M	-\$4.0 M	\$0.0 M	\$7.9 M	TC	SH
27	Structure Maintenance	\$0.0 M	\$6.0 M	\$0.0 M	-\$0.1 M	\$0.0 M	\$5.9 M	TC	SH
28	Tunnel Activities	\$0.0 M	\$6.0 M	\$0.0 M	-\$1.4 M	\$0.0 M	\$4.6 M	TC	SH
29	Snow and Ice Control	\$0.0 M	\$92.3 M	\$0.0 M	\$12.9 M	\$0.0 M	\$105.2 M	TC	SH
30	Traffic Services	\$0.0 M	\$77.4 M	\$0.0 M	\$0.6 M	\$0.0 M	\$78.0 M	TC	SH
31	Materials, Equipment, and Buildings	\$0.0 M	\$20.9 M	\$0.0 M	-\$1.0 M	\$0.0 M	\$19.9 M	TC	SH
32	Planning and Scheduling	\$0.0 M	\$17.9 M	\$0.0 M	\$1.1 M	\$0.0 M	\$19.0 M	TC	SH
33	Express Lane Corridor Maintenance and Operations	\$3.5 M	\$12.7 M	\$0.0 M	\$0.0 M	\$0.0 M	\$16.2 M	TC	SH
34	Property	\$0.1 M	\$22.7 M	\$2.4 M	\$0.0 M	\$0.0 M	\$25.3 M	TC	SH
35	Capital Equipment	\$34.0 M	\$23.3 M	\$0.0 M	\$0.0 M	\$0.0 M	\$57.3 M	TC	SH
36	Maintenance Reserve Fund	\$0.0 M	\$12.0 M	\$8.0 M	\$0.0 M	\$0.0 M	\$20.0 M	TC	SH
37	Safety	\$2.6 M	\$12.2 M	\$0.0 M	\$0.0 M	-\$4.6 M	\$10.2 M	-	-
38	Strategic Safety Program	\$2.6 M	\$12.2 M	\$0.0 M	\$0.0 M	-\$4.6 M	\$10.2 M	TC	FHWA / SH
39	Mobility	\$4.8 M	\$24.4 M	\$0.0 M	\$0.0 M	-\$0.2 M	\$29.0 M	-	-
40	Real-Time Traffic Operations	\$0.2 M	\$14.4 M	\$0.0 M	\$0.0 M	-\$0.2 M	\$14.4 M	TC	SH
41	Intelligent Transportation System Investments	\$4.5 M	\$10.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$14.5 M	TC	FHWA / SH
42	Multimodal Services & Electrification	\$233.5 M	\$57.1 M	\$0.0 M	\$0.0 M	\$4.1 M	\$294.5 M	-	-
43	Mobility	\$233.5 M	\$57.1 M	\$0.0 M	\$0.0 M	\$4.1 M	\$294.5 M	-	-
44	Innovative Mobility Programs	\$18.5 M	\$9.3 M	\$0.0 M	\$0.0 M	\$0.0 M	\$27.8 M	TC	FHWA / SH
45	National Electric Vehicle Program	\$14.5 M	\$14.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$29.0 M	FR	FHWA
46	10 Year Plan Projects - Multimodal	\$131.0 M	\$19.5 M	\$0.0 M	\$0.0 M	\$2.5 M	\$153.0 M	TC	FHWA / SB 17-267, SB 21-260
47	Rail Program	\$14.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$14.1 M	SL	SL
48	Bustang	\$55.4 M	\$13.7 M	\$0.0 M	\$0.0 M	\$1.5 M	\$70.6 M	TC	SB 09-108 / Fare Rev. / SB 21-260
49	Suballocated Programs	\$645.0 M	\$327.5 M	\$0.0 M	\$0.0 M	-\$18.6 M	\$953.8 M	-	-
50	Aeronautics	\$37.5 M	\$57.4 M	\$0.0 M	\$0.0 M	-\$11.5 M	\$83.4 M	-	-
51	Aviation System Program	\$37.5 M	\$57.4 M	\$0.0 M	\$0.0 M	-\$11.5 M	\$83.4 M	AB	SA
52	Highway	\$227.5 M	\$155.4 M	\$0.0 M	\$0.0 M	-\$16.4 M	\$366.4 M	-	-
53	Surface Transportation Block Grant - Urban	\$117.7 M	\$66.9 M	\$0.0 M	\$0.0 M	-\$10.5 M	\$174.1 M	FR	FHWA / LOC
54	Congestion Mitigation and Air Quality	\$72.1 M	\$53.8 M	\$0.0 M	\$0.0 M	-\$5.7 M	\$120.2 M	FR	FHWA / LOC
55	Metropolitan Planning	\$1.2 M	\$12.1 M	\$0.0 M	\$0.0 M	\$0.3 M	\$13.6 M	FR	FHWA / FTA / LOC
56	Off-System Bridge Program	\$36.5 M	\$22.5 M	\$0.0 M	\$0.0 M	-\$0.6 M	\$58.4 M	TC / FR	FHWA / SH / LOC
57	Transit and Multimodal	\$379.9 M	\$114.7 M	\$0.0 M	\$0.0 M	\$9.3 M	\$504.0 M	-	-
58	Recreational Trails	\$1.3 M	\$1.6 M	\$0.0 M	\$0.0 M	-\$1.2 M	\$1.7 M	FR	FHWA
59	Safe Routes to School	\$9.5 M	\$3.1 M	\$0.0 M	\$0.0 M	-\$0.1 M	\$12.5 M	TC	FHWA / LOC
60	Transportation Alternatives Program	\$45.9 M	\$22.8 M	\$0.0 M	\$0.0 M	-\$3.2 M	\$65.5 M	FR	FHWA / LOC
61	Transit Grant Programs	\$160.4 M	\$53.9 M	\$0.0 M	\$0.0 M	-\$0.1 M	\$214.2 M	FR/SL/TC	FTA / LOC / SB 09-108
62	Multimodal Options Program - Local	\$118.8 M	\$16.4 M	\$0.0 M	\$0.0 M	\$15.3 M	\$150.6 M	SL	SB 21-260
63	Carbon Reduction Program - Local	\$12.3 M	\$9.9 M	\$0.0 M	\$0.0 M	-\$0.6 M	\$21.6 M	FR	FHWA / LOC
64	Revitalizing Main Streets Program	\$31.7 M	\$7.0 M	\$0.0 M	\$0.0 M	-\$0.8 M	\$37.9 M	SL / TC	SB 21-260
65	Administration & Agency Operations	\$10.2 M	\$128.0 M	\$2.7 M	\$2.5 M	\$1.5 M	\$144.8 M	-	-
66	Agency Operations	\$9.5 M	\$77.5 M	\$2.7 M	\$1.4 M	\$1.2 M	\$92.3 M	TC / AB	FHWA / SH / SA / SB 09-108
67	Administration	\$0.0 M	\$48.8 M	\$0.0 M	\$1.1 M	\$0.0 M	\$49.9 M	SL	SH
68	Project Initiatives	\$0.7 M	\$1.7 M	\$0.0 M	\$0.0 M	\$0.2 M	\$2.6 M	TC	SH
69	Debt Service	\$140.3 M	\$44.5 M	\$0.0 M	\$0.0 M	-\$7.1 M	\$177.7 M	-	-
70	Debt Service	\$140.3 M	\$44.5 M	\$0.0 M	\$0.0 M	-\$7.1 M	\$177.7 M	DS	SH
71	Contingency Reserve	\$25.8 M	\$15.0 M	-\$3.4 M	-\$4.1 M	\$49.2 M	\$82.5 M	-	-
72	Contingency Fund	\$6.8 M	\$15.0 M	\$0.0 M	-\$1.7 M	\$0.0 M	\$20.1 M	TC	FHWA / SH
73	Commission Reserve Funds	\$19.1 M	\$0.0 M	-\$3.4 M	-\$2.5 M	\$49.2 M	\$62.4 M	TC	FHWA / SH
74	Other Programs	\$50.6 M	\$34.6 M	\$0.0 M	\$0.0 M	\$2.9 M	\$88.2 M	-	-
75	Safety Education	\$36.5 M	\$16.0 M	\$0.0 M	\$0.0 M	\$1.1 M	\$53.6 M	TC/FR	NHTSA / SSE
76	Planning and Research	\$4.9 M	\$17.7 M	\$0.0 M	\$0.0 M	-\$0.8 M	\$21.8 M	FR	FHWA / SH
77	State Infrastructure Bank	\$9.2 M	\$0.9 M	\$0.0 M	\$0.0 M	\$2.7 M	\$12.8 M	TC	SIB
78	Total - CDOT	\$2,435.4 M	\$1,728.8 M	\$0.0 M	\$0.0 M	\$133.2 M	\$4,297.4 M	-	-

79 Colorado Bridge & Tunnel Enterprise (BTE)									
80	Capital Construction	\$19.2 M	\$109.8 M	\$0.0 M	-\$6.8 M	\$0.0 M	\$122.2 M	-	-
81	Asset Management	\$19.2 M	\$109.8 M	\$0.0 M	-\$6.8 M	\$0.0 M	\$122.2 M	-	-
82	10-Year Plan Projects- BTE	\$16.3 M	\$11.4 M	\$0.0 M	\$37.0 M	\$0.0 M	\$64.6 M	BEB	SB 09-108, SB 21-260
83	Safety Critical and Asset Management Projects	\$2.9 M	\$98.4 M	\$0.0 M	-\$43.8 M	\$0.0 M	\$57.6 M	BEB	SB 09-108, SB 21-260
84	Maintenance and Operations	\$0.5 M	\$2.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$2.6 M	-	-
85	Asset Management	\$0.5 M	\$2.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$2.6 M	-	-
86	Maintenance and Preservation	\$0.5 M	\$2.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$2.6 M	BEB	SB 09-108
87	Administration & Agency Operations	\$4.7 M	\$2.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$7.1 M	-	-
88	Agency Operations-BTE	\$4.7 M	\$2.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$7.1 M	BEB	SB 09-108, SB 21-260
89	Debt Service	\$0.4 M	\$49.3 M	\$0.0 M	\$6.8 M	-\$17.2 M	\$39.3 M	-	-
90	Debt Service-BTE	\$0.4 M	\$49.3 M	\$0.0 M	\$6.8 M	-\$17.2 M	\$39.3 M	BEB	FHWA / SH
91	Total - Bridge & Tunnel Enterprise (BTE)	\$24.7 M	\$163.5 M	\$0.0 M	\$0.0 M	-\$17.2 M	\$171.2 M	-	-

92 Colorado Transportation Investment Office (CTIO)									
93	Maintenance and Operations-CTIO	\$333.3 M	\$123.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$456.7 M	-	-
94	Express Lanes Operations	\$333.3 M	\$123.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$456.7 M	HPTEB	Tolls / Managed Lanes Revenue
95	Administration & Agency Operations-CTIO	\$0.0 M	\$4.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$4.1 M	-	-
96	Agency Operations-CTIO	\$0.0 M	\$4.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$4.1 M	HPTEB	Fee for Service
97	Debt Service-CTIO	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	-	-
98	Debt Service-CTIO	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	HPTEB	Fee for Service
99	Total - Colorado Transportation Investment Office (CTIO)	\$333.3 M	\$127.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$460.7 M	-	-

100 Clean Transit Enterprise (CTE)									
101	Suballocated Programs	\$0.0 M	\$16.6 M	\$0.0 M	\$0.0 M	\$0.0 M	\$16.6 M	-	-
102	Transit and Multimodal	\$0.0 M	\$16.6 M	\$0.0 M	\$0.0 M	\$0.0 M	\$16.6 M	-	-
103	CTE Projects	\$0.0 M	\$16.6 M	\$0.0 M	\$0.0 M	\$0.0 M	\$16.6 M	CTB	SB 21-260
104	Administration & Agency Operations	\$0.0 M	\$1.6 M	\$0.0 M	\$0.0 M	\$0.0 M	\$1.6 M	-	-
105	Agency Operations-CTE	\$0.0 M	\$0.6 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.6 M	CTB	SB 21-260
106	Contingency Reserve-CTE	\$0.0 M	\$1.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$1.0 M	CTB	SB 21-260
107	Debt Service	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	-	-
108	Debt Service-CTE	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	CTB	SB 21-260
109	Total - Clean Transit Enterprise (CTE)	\$0.0 M	\$18.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$18.2 M	-	-

110 Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME)									
111	Multimodal Services & Electrification	\$0.0 M	\$10.7 M	\$0.0 M	\$0.0 M	\$2.4 M	\$13.1 M	-	-
112	Mobility	\$0.0 M	\$10.7 M	\$0.0 M	\$0.0 M	\$2.4 M	\$13.1 M	-	-
113	NAAPME Projects	\$0.0 M	\$10.7 M	\$0.0 M	\$0.0 M	\$2.4 M	\$13.1 M	NAAPMEB	SB 21-260
114	Administration & Agency Operations	\$0.0 M	\$0.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.2 M	-	-
115	Agency Operations-NAAPME	\$0.0 M	\$0.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.2 M	NAAPMEB	SB 21-260
116	Contingency Reserve-NAAPME	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	NAAPMEB	SB 21-260
117	Debt Service	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	-	-
118	Debt Service-NAAPME	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	NAAPMEB	SB 21-260
119	Total - Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME)	\$0.0 M	\$10.9 M	\$0.0 M	\$0.0 M	\$2.4 M	\$13.3 M	-	-

120 Fuels Impact Enterprise (FIE)									
121	Suballocated Programs	\$0.0 M	\$14.8 M	\$0.0 M	\$0.0 M	\$0.0 M	\$14.8 M	-	-
122	Highway	\$0.0 M	\$14.8 M	\$0.0 M	\$0.0 M	\$0.0 M	\$14.8 M	-	-
123	Fuels Impact Grants	\$0.0 M	\$14.8 M	\$0.0 M	\$0.0 M	\$0.0 M	\$14.8 M	FIEB	SB 23-280
124	Administratin & Agency Operations	\$0.0 M	\$0.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.2 M	-	-
125	Agency Operations-FIE	\$0.0 M	\$0.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.2 M	FIEB	SB 23-280
126	Contingency Reserve-FIE	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	FIEB	SB 23-280
127	Debt Service	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	-	-
128	Debt Service-FIE	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	FIEB	SB 23-280
129	Total - Fuels Impcat Enterprise (FIE)	\$0.0 M	\$15.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$15.0 M	-	-
130	Total - CDOT and Enterprises	\$2,793.5 M	\$2,063.8 M	\$0.0 M	\$0.0 M	\$118.4 M	\$4,975.9 M	-	-

* Roll forward budget is budget from a prior year that hasn't been committed to a project or expended from a cost center prior to the close of the fiscal year.

Key to Acronyms:
 - = Empty Cell With No Applicable Data or Description
 AB = Aeronautics Board
 BEB = Bridge Enterprise Board
 CTB = Clean Transit Board
 DS = Debt Service
 FR = Federal
 HPTEB = High Performance Transportation Enterprise Board
 LOC = Local
 M = millions in dollar amount
 NAAPMEB = Nonattainment Area Air Pollution Mitigation Enterprise Board
 SA = State Aviation
 SB = Senate Bill
 SH = State Highway
 SIB = State Infrastructure Bank
 SL = State Legislature
 TC = Transportation Commission



COLORADO

Department of Transportation

October 2024 Budget Workshop FY 2024-25 Budget Amendment



Agenda

Agenda:

- TC Program Reserve Reconciliation
- FY25 Budget Amendment Summary
- FY25 Budget Amendment Requests:
 - FASTER Safety Program - Return State Backfill to TC Program Reserve
 - Maintenance Levels of Service (MLOS) Budget Shortfall
 - Division of Maintenance and Operations Requests



Colorado Mountains



TC Program Reserve Reconciliation

Beginning Balance Sept 2024	\$4.4 M
Revenue Reconciliation	-\$16.5 M
Residual SHF Budget after Roll Forwards	\$15.0 M
FHWA Redistribution	\$50.9 M
Ending TC Program Reserve Balance	\$53.8 M



The October Budget Amendment contains a package of requests to repurpose a portion of these funds for critical initiatives.



FY25 Budget Amendment Summary

Budget Line	Line Number	FY25 Budget Amendment Summary	Amount
Faster Safety	Line 15	Return State Backfill to TC Program Reserve from FASTER Safety	(\$9.7 M)
Maint. Reserve	Line 36	FY25 MLOS Personal Services Shortfall	\$8.0 M
Agency Operations	Line 66	JOA per diem and hotel costs	\$0.3 M
Property	Line 34	Operating budget for employee housing	\$0.2 M
Property	Line 34	Employee housing construction costs - Basalt	\$1.3 M
Property	Line 34	Rest Area improvements	\$0.9 M
Agency Operations	Line 66	Installation of EV charging stations for CDOT trucks	\$0.5 M
Agency Operations	Line 66	Asset extraction project for new work order system	\$0.5 M
Agency Operations	Line 66	Correct Accounting for dark fiber lease / small cell permit revenue	\$1.4 M
Commision Reserve	Line 73	Proposed Budget Amendments from TC Program Reserve	\$3.4 M

Each of these requests would come from / impact the TC Program Reserve, and would therefore required TC Approval per PD 703.0



TC Program Reserve Reconciliation

Beginning Balance - Sept 2024	\$4.4 M
Revenue Reconciliation	-\$16.5 M
Residual SHF Budget after Roll Forwards	\$15.0 M
FHWA Redistribution	\$50.9 M
Balance after FY24 year end processes	\$53.8 M
FY25 Budget Amendments	(\$3.4 M)
Ending TC Program Reserve Balance	\$50.4 M



If all budget amendments are approved, the ending balance in the TC Program Reserve will be \$50.4 M. OFMB recommends keeping this balance for unforeseen needs in FY25.



Return State Backfill from FASTER

FY24 Faster Safety Program Allocation:

Description	Budget
FY23 Roll Forward - backfill from HB 22-1351	\$10.2 M
FY24 Initial Allocation	\$49.3 M
Additional backfill of state funds	\$9.7 M
Total FASTER Safety Allocation for FY24	\$69.2 M

FY25 Faster Safety Program Allocation:

Description	Budget
FY25 FASTER Safety Allocation	\$70.2 M
FY24 Revenue Reconciliation Adjustment	\$13.8 M
FY25 Amendment: return backfill to Reserve	(\$9.7 M)
Total FASTER Safety Allocation for FY25	\$74.3 M

- SB 21-260 and HB 22-1351 temporarily reduced the Road Safety Surcharge fee for two years resulting in a projected revenue shortfall of approximately \$20.0 M total for FY24. HB 22-1351 provided \$10.2 M to partially backfill lost FASTER revenue for FY24.
- An additional \$9.7 M in flexible state funds was provided as additional backfill in FY24 to keep the program near its historical allocation.
- Actual FASTER revenue collected in FY24 was \$13.8 million higher than forecasted, and this amount was credited to the FASTER Safety Program in FY25 as part of the annual revenue reconciliation process.
- Staff now recommends returning the original \$9.7 M in state funds to the TC Program Reserve.



MLOS - FY25 Personal Services Shortfall

OFMB and DMO are forecasting a budget shortfall of \$13.9 million for MLOS in FY25:

- OFMB pushed \$171.2 million for personal services, which includes
 - 3% for across the board salary increases,
 - 4% for step pay salary increases, and
 - 3% for increases to health, life and dental benefits.
- The total FY25 budget pushed is \$13.0 M more than the FY24 initial budget.
- Based on the first two months of payroll in FY25, we're projecting \$185.1 million in personal services expenses, which includes all of the above and housing stipends and overtime.
- The MLOS budget is highly variable and difficult to project.

Budget	Amount
Total FY25 Personal Services Budget	\$171.2 M
Salaries and Benefits Projection	\$185.1 M
Budget Shortfall	-\$13.9 M
Proposed Budget Amendment Request	\$8.0 M

Although the current projected shortfall is \$13.9 million, DAF is comfortable requesting \$8 million from the TC Program Reserve for the October amendment.

- This leaves a balance of \$50.4 million in the Reserve for unforeseen needs during the remainder of FY25.
- OFMB and DMO will continue to monitor the MLOS budget and communicate if further changes are needed.



DMO Budget Amendment Summaries

Short Title: JOA per diem and hotel costs

Budget Line: Agency Operations

Amount: \$0.3 M

Summary of Request:

- JOA Operations per diem and hotel costs are centralized to one area for payment to keep it separate from normal operating expenses when JOA is above normal workload due to position vacancies and other factors.
- Budget amendments have been approved to fund this need annually since FY22.
- If this request is not approved, costs for lodging would be pulled from Region 1 and Region 3 MLOS budgets, which are already underfunded for FY25.

Short Title: Operating budget for employee housing

Budget Line: Property

Amount: \$0.2 M

Summary of Request:

- DMO is forecasting \$471,434 in rental income for FY25.
- DMO estimates a need of \$0.2 M in FY25 to pay for property management fees, HOA fees, services such as trash and water, snow plowing, and other operational expenses related to employee housing.
- This will be built into the budget beg. in FY26.
- If the request is not approved, Property will need to delay a Property Management asset management-funded project to fund these expenses.



DMO Budget Amendment Summaries

Short Title: Employee housing construction - Basalt

Budget Line: Property

Amount: \$1.3 M

Summary of Request:

- Construction housing in Basalt will allow CDOT to permanently staff a critical mountain corridor and save money on overtime by eliminating costly travel expenses.
- CDOT has funded \$6.7 M of this project through the sale of excess property in Vail.
- If funds are not received, CDOT would need to construct fewer units at this location resulting in less optimal staffing for one of CDOT's most important tourism and economic mountain corridors.

Short Title: Rest area improvements

Budget Line: Property

Amount: \$0.9 M

Summary of Request:

- \$0.6 M is needed to reconstruct the wastewater treatment plant at No Name in Glenwood Canyon and reconstruct the Shaw Creek Rest Area near South Fork.
- The treatment system at No Name is failing and the rest area at South Fork is not ADA compliant.
- Without funding, these projects will be delayed to FY26.
- The remaining \$0.3 M will allow Grizzly Creek design to begin in FY25. This rest area is also failing.
- Funding will prevent these rest areas from being shut down until new systems can be designed and installed.



DMO Budget Amendment Summaries

Short Title: Installation of EV charging stations

Budget Line: Agency Operations

Amount: \$0.5 M

Summary of Request:

- Funds are needed to install EV charging stations to support the FY23 and FY24 battery electric vehicle (BEV) truck orders.
- DMO received 74 electric trucks and needs a way for maintenance staff to charge them.
- The original cost estimate was \$2.9 M; recognizing that funds available to repurpose are limited, DMO has scaled the request back to the minimum amount needed and will absorb the remaining cost within the existing DMO operating budget.

Short Title: Asset extraction project

Budget Line: Agency Operations

Amount: \$0.5 M

Summary of Request:

- DMO will be switching to a new work order system which will contain data on CDOT's roadway infrastructure.
- The current asset inventory was last updated using 2020 imagery. DMO would like to complete an updated extraction to load the most up-to-date asset inventory to reflect the most recent roadway configuration.
- Without funds, the roadway configuration that will be loaded into the new work order system will be five years old.



DMO Budget Amendment Summaries

Short Title: Correct budget for dark fiber lease / small cell permit revenue

Budget Line: Agency Operations

Amount: \$1.4 M

Summary of Request:

- Per TC resolution, ([TC- 1853 April 15, 2010](#)) any money, revenue or income resulting from a Public-Private Initiatives Program (PPIP) project pertaining to intelligent transportation systems (ITS) shall, following deposit into the State Highway Fund, be used only for ITS purposes and projects. ([TC-16-11-3](#)).
- Instead of being credited to the cost centers, funds were inadvertently credited to miscellaneous revenue and swept to the TC Program Reserve at the end of the fiscal year for FY21 through FY23.
- Staff is requesting \$1.4 million to correct this issue and comply with the PD. Funds are used to repair and maintain the fiber spans being leased.
- DAF worked with program staff to identify a new process that will prevent this from occurring in the future.



Maintainer installing conduit



Next Steps



Next Steps:

- October 2024 - Staff will complete any actions for approved budget amendments.



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: The Transportation Commission

From: Jeff Sudmeier, Chief Financial Officer
Bethany Nicholas, CDOT Budget Director

Date: October 16, 2024

Subject: Proposed FY 2025-26 Annual Budget

Purpose

To review the Proposed FY 2025-26 Annual Budget, set for approval in November 2024.

Action

The Division of Accounting and Finance (DAF) is requesting Transportation Commission (TC) review of the Proposed FY 2025-26 Annual Budget Allocation Plan, and feedback to the Department in preparation for the approval of the Proposed FY 2025-26 Annual Budget Allocation Plan in November 2024. Staff will return in February 2025 to present the draft Final Budget Allocation Plan and the TC will be asked to adopt the final budget in March 2025.

Proposed FY 2025-26 Annual Budget Allocation Plan

The draft Proposed FY 2025-26 Annual Budget Allocation Plan is available on the Department's website: <https://www.codot.gov/business/budget/cdot-budget>. The Proposed Budget Allocation Plan is a comprehensive annual budget that includes a Budget Narrative, Revenue Allocation Plan, Spending Plan, and supplemental reports.

- The Budget Narrative includes current program descriptions and funding detail supporting the annual budget.
- The Revenue Allocation Plan (Attachment A), often called the “one-sheet budget”, shows how one year of revenue is allocated to CDOT's programs, including cost centers and program pools.
- The Spending Plan estimates operating and capital program expenditures during the fiscal year using new revenue and cash balances rolled forward from previous fiscal years (this report will be available for review in November 2024).

The Proposed FY 2025-26 Annual Budget is balanced using the September 2024 revenue forecast, which reflects \$2,215.8 million in total revenue that is available for programming in FY 2025-26 for CDOT and the enterprises. Revenues specific to a program that are considered inflexible (i.e. federal and state mandated programs) have been automatically adjusted based on the FY 2025-26 revenue forecast. Asset Management and Maintenance programs are funded according to the FY 2025-26 Asset Management Planning Totals,

approved by the TC in September 2022. All other program revenues are flexible and are initially set based on the FY 2024-25 budget amounts as adopted by the TC in March 2024 (and amended in July and September 2024), with some exceptions which are detailed below.

Proposed Budget Highlights

Obligation Limitation for FHWA Funds

Annual Transportation Appropriations Acts place a limitation on the amount of base federal formula funding a state may obligate during a fiscal year. This limitation impacts the amount of reimbursements the federal government may make to the state or its subrecipients. This limit is used to develop the Department's annual budget since it restricts the federal revenues that will be available to the Department. CDOT forecasts the limitation as a proportion of the multiyear federal Authorization Act. This is known as the Obligation Limitation Percentage. Historically the Obligation Limitation Percentage ranges between 85-95% often depending on the off-the-top allocations the USDOT must make to discretionary or non-formula programs. The more discretionary programs needing funding nationally, the less formula limitation available for the base programs in the respective states.

For the FY 2025-26 budget, staff is reducing the assumption for federal obligation limitation based on recent trends, which reduces allocations of flexible and inflexible federal funds in the budget. In previous years, the budget assumed that FHWA would allow CDOT to obligate 93% of its federal apportionments; however, FHWA has been dropping the actual obligation limitation percentage annually and in FY 2023-24 it fell to a record low of 85%. Therefore, for FY 2025-26, staff is reducing the assumption for obligation limitation to 87%, which will still provide a reasonable planning total for each program but mitigate against large reductions when the allocations are tried-up during revenue reconciliation.

After allocations to asset management and other federally-funded programs, any residual flexible federal funds are typically allocated to the 10 Year Plan during budget development. With an obligation limitation assumption of 87%, the current residual flexible federal funds available for the 10 Year Plan is only \$7.6 million. For comparison, the FY 2024-25 Final Budget included approximately \$32.0 million in flexible federal funds in the 10 Year Plan. If the Department receives FHWA redistribution in 2025, staff recommends that the TC consider allocating a portion of the funds to the 10 Year Plan to offset this loss.

Budget for 10 Year Plan Projects (Lines 10, 19 and 46)

The total budget allocated for the 10 Year Plan for FY 2025-26 is currently \$169.0 million. This is the sum of the three 10 Year Plan Projects budget lines, with 10% of this total allocated to 10 Year Plan Projects - Multimodal line (Line 46) and the remaining funds split equally between the 10 Year Plan Projects - Asset Management line (Line 10) and the 10 Year Plan Projects - Capital Mobility line (Line 19). This amount will likely change through the budget process.

Of the total allocation, approximately \$7.6 million represents the balance of flexible federal revenue (STBG and NHPP) that was available after funding asset management, and other programs that use flexible federal funds. Other funding sources for the 10 Year Plan include

the FHWA PROTECT and Bridge Formula Programs, and the CDOT share of the FHWA Carbon Reduction Program. These programs total \$76.4 million for FY 2025-26. Additionally, SB 21-260 transfers \$100.0 million in General Fund to the State Highway Fund in FY 2025-26, of which \$10.0 million is to be used for projects that reduce vehicle miles traveled or that directly reduce air pollution. Of the \$100.0 million available, \$15.0 million was allocated to the TC Contingency Fund (see below), leaving \$85.0 million available for 10 Year Plan Projects.

Maintenance Program Areas (MPAs, Lines 23 through 32)

The current total budget allocated to the MPAs for FY 2025-26 is \$312.8 million, which is a \$14.9 million (5.0%) increase over the FY 2024-25 budget that was approved by the TC in March 2024. This increase is primarily intended to cover any increases to staff salaries and benefits in FY 2025-26, and to partially cover costs associated with overtime pay. In prior years, high levels of turnover in transportation maintenance staffing resulted in substantial vacancy savings that was largely sufficient to cover overtime, shift differentials, and housing stipends. Recent initiatives to improve turnover have reduced available vacancy savings, and while that has a positive impact for operations, it has added a significant constraint to the Maintenance Levels of Service budget. Later in the budget development process, the Commission may be asked to consider options to allocate additional residual flexible HUTF funding to the MPAs.

Maintenance Reserve Fund and Contingency Reserve Funds (Lines 36 and 72)

The draft Proposed Budget currently includes the full historical allocations of \$12.0 million to the Maintenance Reserve Fund (Line 36), and \$15.0 million to the Contingency Fund line (Line 72). The \$15.0 million allocation to the Contingency Fund comes from the \$100.0 million in General Fund that was transferred to the State Highway Fund in FY 2025-26 pursuant to SB21-260, as noted above.

Debt Service (Line 70)

The Proposed Budget for debt service is currently \$44.5 million, which includes \$9.0 million for debt service on CDOT HQ COPs, and \$35.5 million for debt service on SB267 COPs. Senate Bills 21-260 and 21-265 provided a combined total of \$265 million to cover debt service on SB 17-267 COPs beginning in FY 2021-22. After covering debt service payments in FY 2021-22 through FY 2024-25, staff anticipates that \$89.6 million will roll forward and be available to cover the remaining debt service obligation in FY 2025-26, and subsequent years until exhausted.

Commission Reserve Funds (Line 73)

The draft budget currently reflects a surplus of flexible state funds of \$18.4 million that is temporarily allocated to the Commission Reserve Funds line (Line 73) pending further changes and decisions. A portion of these funds may be required to address changes identified in the following section, such as increases to statewide common policies, and other critical initiatives that are identified during the budget setting process. When the

draft Final Budget is presented to the TC in February 2025, staff will include recommendations for allocating any residual flexible state and federal funds, which may include increases to the MPAs, asset management, the 10 Year Plan, or other critical programs.

Additional Potential Changes for the FY 2025-26 Budget

DAF identified the following outstanding issues or questions that will likely result in further changes to the FY 2025-26 Annual Budget Allocation Plan:

- *Statewide common policies, and increases to staff salaries and benefits:* Additional funds may be needed for statewide common policies, especially salary and benefits increases to align with the Governor's Budget Request. Statewide common policies are costs or services that are centrally managed or provided by other state agencies (e.g. the Department of Personnel and Administration, or the Governor's Office of Information Technology). CDOT's share of each cost or service is built into the Governor's Budget Request each year and updated throughout the legislative budget setting process.

These changes are not reflected in the Proposed Budget, but they will primarily impact the Maintenance Program Areas (Lines 23 - 32), Agency Operations (Line 66) and Administration (Line 67), all of which are funded with flexible state funds. Staff incorporated a 5% increase for these lines as a placeholder until actual increases for common policies are known.

- *Administration (Line 67):* Legislative and Office of State Planning & Budget (OSP) actions during the budget-building cycle may require changes in Administration spending for CDOT. The Administration line, which is annually appropriated by the General Assembly, has not yet been updated to reflect actions resulting from the legislative budget process. As noted above, staff built in a 5% increase over the FY 2024-25 Administration budget that was adopted by the TC in March 2024 as a placeholder. The CDOT legislative budget request will be submitted to the Joint Budget Committee as part of the Governor's Budget request on November 1, 2024. Staff anticipates adjustments prior to November 1 as statewide common policies are finalized and these adjustments will be incorporated into the Proposed Budget prior to the TC's adoption of the budget in November 2024. There will likely be additional adjustments throughout the legislative budget process and the Administration line will be updated accordingly.
- *Legislative Changes:* The Governor's FY 2025-26 Budget Request that is submitted to the legislature on November 1, 2024 may contain proposed legislative changes that impact the CDOT budget. Any legislative changes would be considered by the General Assembly during the 2025 legislative session starting in January 2024. Staff will monitor any proposed legislation that impacts the budget and incorporate any impacts into the FY 2025-26 budget for bills that are passed, though changes may be incorporated into the budget sooner to reflect bills that are likely to pass if the change would have a material impact on the budget.

- *Decision Items:* During the FY 2025-26 budget-building process, CDOT divisions and regions can request decision items, which are requests for funding that represent a significant change to a division's current program (e.g., new or expanded programs or investments). In accordance with Policy Directive (PD) 703.0, decision item requests of less than \$1 million are reviewed and subject to approval by the EMT, while decision items of \$1 million or greater are reviewed by the EMT and then forwarded to the TC for consideration, with final approval with the Final Annual Budget Allocation Plan in March 2025. The TC will have an opportunity to review any potential decision item requests during the February 2025 Budget Workshop, prior to the March adoption of the Final FY 2025-26 Annual Budget Allocation Plan.

Next Steps

In November 2024, DAF will:

- Update the Administration budget (Line 67) based on final Common Policy updates provided by the Governor's Office. This update may impact other line items, including Agency Operations (Line 66) and the Commission Reserve Funds line (Line 73).
- Incorporate increases to state employee salaries and benefits to align with the Governor's Budget Request.
- Present the Proposed FY 2025-26 Annual Budget Allocation Plan for TC approval, including any changes related to topics discussed during October, for submission to the OSPB and General Assembly on or before December 15, 2024.

After November, DAF will continue to address the following items for the FY 2025-26 Annual Budget:

- In January 2025, the FY 2025-26 Annual Budget Allocation Plan will be updated, if necessary, to reflect the most recent revenue forecast.
- In February 2025, the TC will be asked to review and approve any decision items of \$1 million or more, and additional changes related to common policy updates, or updated forecasts of revenues. The TC will also be asked to review and approve any final actions to balance the budget based on decision items, and the most recent revenue forecast.
- In March 2025, the TC will be asked to review and adopt the Final FY 2025-26 Annual Budget Allocation Plan.

Attachments

Attachment A - Draft FY 2025-26 Revenue Allocation Plan

Attachment B - Presentation

Fiscal Year (FY) 2025 -26 Revenue Allocation Plan							
Line	Budget Category / Program	A. Rollforward from FY 2024-25*	B. FY 2024-25 Final Allocation Plan	C. FY 2025-26 Proposed Allocation Plan	FY 2025-26 Total Final Available Budget (A+C)	Directed By	Funding Source
1	Colorado Department of Transportation (CDOT)						
2	Capital Construction	\$0.0 M	\$717.0 M	\$698.7 M	\$698.7 M		
3	Asset Management	\$0.0 M	\$423.5 M	\$415.9 M	\$415.9 M		
4	Surface Treatment	\$0.0 M	\$229.0 M	\$233.0 M	\$233.0 M	TC	FHWA / SH / SB 09-108
5	Structures	\$0.0 M	\$63.4 M	\$63.4 M	\$63.4 M	TC	FHWA / SH / SB 09-108
6	System Operations	\$0.0 M	\$27.3 M	\$27.3 M	\$27.3 M	TC	FHWA / SH
7	Geohazards Mitigation	\$0.0 M	\$9.7 M	\$9.7 M	\$9.7 M	TC	SB 09-108
8	Permanent Water Quality Mitigation	\$0.0 M	\$6.5 M	\$6.5 M	\$6.5 M	TC	FHWA / SH
9	Emergency Relief	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	FR	FHWA
10	10 Year Plan Projects - Capital Asset Management	\$0.0 M	\$87.7 M	\$76.1 M	\$76.1 M	TC / FR	FHWA
11	Safety	\$0.0 M	\$132.0 M	\$134.1 M	\$134.1 M		
12	Highway Safety Improvement Program	\$0.0 M	\$43.1 M	\$40.2 M	\$40.2 M	FR	FHWA / SH
13	Railway-Highway Crossings Program	\$0.0 M	\$3.8 M	\$3.5 M	\$3.5 M	FR	FHWA / SH
14	Hot Spots	\$0.0 M	\$2.7 M	\$2.7 M	\$2.7 M	TC	FHWA / SH
15	FASTER Safety	\$0.0 M	\$75.2 M	\$80.5 M	\$80.5 M	TC	SB 09-108
16	Americans with Disabilities Act Compliance	\$0.0 M	\$7.2 M	\$7.2 M	\$7.2 M	TC	FHWA / SH
17	Mobility	\$0.0 M	\$161.5 M	\$148.7 M	\$148.7 M		
18	Regional Priority Program	\$0.0 M	\$50.0 M	\$50.0 M	\$50.0 M	TC	FHWA / SH
19	10 Year Plan Projects - Capital Mobility	\$0.0 M	\$87.7 M	\$76.1 M	\$76.1 M	SL	FHWA / SB 17-267 / SB 21-260
20	Freight Programs	\$0.0 M	\$23.8 M	\$22.6 M	\$22.6 M	FR	FHWA / SH / SL
21	Maintenance and Operations	\$0.0 M	\$405.1 M	\$420.5 M	\$420.5 M		
22	Asset Management	\$0.0 M	\$368.5 M	\$384.0 M	\$384.0 M		
23	Maintenance Program Areas	\$0.0 M	\$297.9 M	\$312.8 M	\$312.8 M		
24	Roadway Surface	\$0.0 M	\$41.7 M	\$36.0 M	\$36.0 M	TC	SH
25	Roadside Facilities	\$0.0 M	\$23.8 M	\$24.3 M	\$24.3 M	TC	SH
26	Roadside Appearance	\$0.0 M	\$11.9 M	\$8.3 M	\$8.3 M	TC	SH
27	Structure Maintenance	\$0.0 M	\$6.0 M	\$6.2 M	\$6.2 M	TC	SH
28	Tunnel Activities	\$0.0 M	\$6.0 M	\$4.8 M	\$4.8 M	TC	SH
29	Snow and Ice Control	\$0.0 M	\$92.3 M	\$110.5 M	\$110.5 M	TC	SH
30	Traffic Services	\$0.0 M	\$77.4 M	\$81.9 M	\$81.9 M	TC	SH
31	Materials, Equipment, and Buildings	\$0.0 M	\$20.9 M	\$20.9 M	\$20.9 M	TC	SH
32	Planning and Scheduling	\$0.0 M	\$17.9 M	\$19.9 M	\$19.9 M	TC	SH
33	Express Lane Corridor Maintenance and Operations	\$0.0 M	\$12.7 M	\$13.2 M	\$13.2 M	TC	SH
34	Property	\$0.0 M	\$22.7 M	\$22.7 M	\$22.7 M	TC	SH
35	Capital Equipment	\$0.0 M	\$23.3 M	\$23.3 M	\$23.3 M	TC	SH
36	Maintenance Reserve Fund	\$0.0 M	\$12.0 M	\$12.0 M	\$12.0 M	TC	SH
37	Safety	\$0.0 M	\$12.2 M	\$12.2 M	\$12.2 M		
38	Strategic Safety Program	\$0.0 M	\$12.2 M	\$12.2 M	\$12.2 M	TC	FHWA / SH
39	Mobility	\$0.0 M	\$24.4 M	\$24.4 M	\$24.4 M		
40	Real-Time Traffic Operations	\$0.0 M	\$14.4 M	\$14.4 M	\$14.4 M	TC	SH
41	Intelligent Transportation System Investments	\$0.0 M	\$10.0 M	\$10.0 M	\$10.0 M	TC	FHWA / SH
42	Multimodal Services & Electrification	\$0.0 M	\$57.1 M	\$54.5 M	\$54.5 M		
43	Mobility	\$0.0 M	\$57.1 M	\$54.5 M	\$54.5 M		
44	Innovative Mobility Programs	\$0.0 M	\$9.3 M	\$9.3 M	\$9.3 M	TC	FHWA / SH
45	National Electric Vehicle Program	\$0.0 M	\$14.5 M	\$14.5 M	\$14.5 M	FR	FHWA
46	10 Year Plan Projects - Multimodal	\$0.0 M	\$19.5 M	\$16.9 M	\$16.9 M	TC	FHWA / SB 17-267, SB 21-260
47	Rail Program	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	SL	SL
48	Bustang	\$0.0 M	\$13.7 M	\$13.7 M	\$13.7 M	TC	SB 09-108 / Fare Rev. / SB 21-260
49	Suballocated Programs	\$0.0 M	\$327.5 M	\$320.7 M	\$320.7 M		
50	Aeronautics	\$0.0 M	\$57.4 M	\$68.1 M	\$68.1 M		
51	Aviation System Program	\$0.0 M	\$57.4 M	\$68.1 M	\$68.1 M	AB	SA
52	Highway	\$0.0 M	\$155.4 M	\$148.7 M	\$148.7 M		
53	Surface Transportation Block Grant - Urban	\$0.0 M	\$66.9 M	\$63.8 M	\$63.8 M	FR	FHWA / LOC
54	Congestion Mitigation and Air Quality	\$0.0 M	\$53.8 M	\$51.4 M	\$51.4 M	FR	FHWA / LOC
55	Metropolitan Planning	\$0.0 M	\$12.1 M	\$11.4 M	\$11.4 M	FR	FHWA / FTA / LOC
56	Off-System Bridge Program	\$0.0 M	\$22.5 M	\$22.1 M	\$22.1 M	TC / FR	FHWA / SH / LOC
57	Transit and Multimodal	\$0.0 M	\$114.7 M	\$103.8 M	\$103.8 M		
58	Recreational Trails	\$0.0 M	\$1.6 M	\$1.6 M	\$1.6 M	FR	FHWA
59	Safe Routes to School	\$0.0 M	\$3.1 M	\$3.1 M	\$3.1 M	TC	FHWA / LOC
60	Transportation Alternatives Program	\$0.0 M	\$22.8 M	\$21.8 M	\$21.8 M	FR	FHWA / LOC
61	Transit Grant Programs	\$0.0 M	\$53.9 M	\$43.1 M	\$43.1 M	FR / SL / TC	FTA / LOC / SB 09-108
62	Multimodal Options Program - Local	\$0.0 M	\$16.4 M	\$17.8 M	\$17.8 M	SL	SB 21-260
63	Carbon Reduction Program - Local	\$0.0 M	\$9.9 M	\$9.4 M	\$9.4 M	FR	FHWA / LOC
64	Revitalizing Main Streets Program	\$0.0 M	\$7.0 M	\$7.0 M	\$7.0 M	SL / TC	SB 21-260
65	Administration & Agency Operations	\$0.0 M	\$128.0 M	\$136.0 M	\$136.0 M		
66	Agency Operations	\$0.0 M	\$77.5 M	\$81.9 M	\$81.9 M	TC / AB	FHWA / SH / SA / SB 09-108
67	Administration	\$0.0 M	\$48.8 M	\$52.5 M	\$52.5 M	SL	SH
68	Project Initiatives	\$0.0 M	\$1.7 M	\$1.7 M	\$1.7 M	TC	SH
69	Debt Service	\$89.6 M	\$44.5 M	\$44.5 M	\$134.1 M		
70	Debt Service	\$89.6 M	\$44.5 M	\$44.5 M	\$134.1 M	DS	SH

71	Contingency Reserve	\$0.0 M	\$15.0 M	\$33.4 M	\$33.4 M		
72	Contingency Fund	\$0.0 M	\$15.0 M	\$15.0 M	\$15.0 M	TC	FHWA / SH
73	Commission Reserve Funds	\$0.0 M	\$0.0 M	\$18.4 M	\$18.4 M	TC	FHWA / SH
74	Other Programs	\$0.0 M	\$34.6 M	\$36.8 M	\$36.8 M		
75	Safety Education	\$0.0 M	\$16.0 M	\$17.4 M	\$17.4 M	TC/FR	NHTSA / SSE
76	Planning and Research	\$0.0 M	\$17.7 M	\$18.2 M	\$18.2 M	FR	FHWA / SH
77	State Infrastructure Bank	\$0.0 M	\$0.9 M	\$1.2 M	\$1.2 M	TC	SIB
78	Total - CDOT	\$89.6 M	\$1,728.8 M	\$1,745.1 M	\$1,834.7 M		

79 Colorado Bridge & Tunnel Enterprise (BTE)							
80	Capital Construction	\$0.0 M	\$109.8 M	\$121.5 M	\$121.5 M		
81	Asset Management-BTE	\$0.0 M	\$109.8 M	\$121.5 M	\$121.5 M		
82	10-Year Plan Projects	\$0.0 M	\$72.8 M	\$84.5 M	\$84.5 M	BEB	SB 09-108, SB 21-260
83	Safety Critical and Asset Management Projects	\$0.0 M	\$37.0 M	\$37.0 M	\$37.0 M	BEB	SB 09-108, SB 21-260
84	Maintenance and Operations	\$0.0 M	\$2.1 M	\$2.1 M	\$2.1 M		
85	Asset Management-BTE	\$0.0 M	\$2.1 M	\$2.1 M	\$2.1 M		
86	Maintenance and Preservation	\$0.0 M	\$2.1 M	\$2.1 M	\$2.1 M	BEB	SB 09-108
87	Administration & Agency Operations	\$0.0 M	\$2.4 M	\$2.4 M	\$2.4 M		
88	Agency Operations-BTE	\$0.0 M	\$2.4 M	\$2.4 M	\$2.4 M	BEB	SB 09-108, SB 21-260
89	Debt Service	\$0.0 M	\$49.3 M	\$61.5 M	\$61.5 M		
90	Debt Service-BTE	\$0.0 M	\$49.3 M	\$61.5 M	\$61.5 M	BEB	FHWA / SH
91	Total - Bridge & Tunnel Enterprise (BTE)	\$0.0 M	\$163.5 M	\$187.4 M	\$187.4 M		

92 Colorado Transportation Investment Office (CTIO)							
93	Maintenance and Operations-CTIO	\$0.0 M	\$123.4 M	\$181.2 M	\$181.2 M		
94	Express Lanes Operations	\$0.0 M	\$123.4 M	\$181.2 M	\$181.2 M	HPTEB	Tolls / Managed Lanes Revenue
95	Administration & Agency Operations-CTIO	\$0.0 M	\$4.1 M	\$4.1 M	\$4.1 M		
96	Agency Operations-CTIO	\$0.0 M	\$4.1 M	\$4.1 M	\$4.1 M	HPTEB	Fee for Service
97	Debt Service-CTIO	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M		
98	Debt Service-CTIO	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	HPTEB	Fee for Service
99	Total - Colorado Transportation Investment Office (CTIO)	\$0.0 M	\$127.4 M	\$185.2 M	\$185.2 M		

100 Clean Transit Enterprise (CTE)							
101	Suballocated Programs	\$0.0 M	\$16.6 M	\$68.1 M	\$68.1 M		
102	Transit and Multimodal	\$0.0 M	\$16.6 M	\$68.1 M	\$68.1 M		
103	CTE Projects	\$0.0 M	\$16.6 M	\$68.1 M	\$68.1 M	CTB	SB 21-260
104	Administration & Agency Operations	\$0.0 M	\$1.6 M	\$1.6 M	\$1.6 M		
105	Agency Operations-CTE	\$0.0 M	\$0.6 M	\$0.6 M	\$0.6 M	CTB	SB 21-260
106	Contingency Reserve-CTE	\$0.0 M	\$1.0 M	\$1.0 M	\$1.0 M	CTB	SB 21-260
107	Debt Service	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M		
108	Debt Service-CTE	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	CTB	SB 21-260
109	Total - Clean Transit Enterprise (CTE)	\$0.0 M	\$18.1 M	\$69.7 M	\$69.7 M		

110 Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME)							
111	Multimodal Services & Electrification	\$0.0 M	\$10.7 M	\$13.2 M	\$13.2 M		
112	Mobility	\$0.0 M	\$10.7 M	\$13.2 M	\$13.2 M		
113	NAAPME Projects	\$0.0 M	\$10.7 M	\$13.2 M	\$13.2 M	NAAPMEB	SB 21-260
114	Administration & Agency Operations	\$0.0 M	\$0.2 M	\$0.2 M	\$0.2 M		
115	Agency Operations-NAAPME	\$0.0 M	\$0.2 M	\$0.2 M	\$0.2 M	NAAPMEB	SB 21-260
116	Contingency Reserve-NAAPME	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	NAAPMEB	SB 21-260
117	Debt Service	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M		
118	Debt Service-NAAPME	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	NAAPMEB	SB 21-260
119	Total - Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME)	\$0.0 M	\$10.9 M	\$13.4 M	\$13.4 M		

120 Fuels Impact Enterprise (FIE)							
121	Suballocated Programs	\$0.0 M	\$14.8 M	\$14.8 M	\$14.8 M		
122	Highway	\$0.0 M	\$14.8 M	\$14.8 M	\$14.8 M		
123	Fuels Impact Grants	\$0.0 M	\$14.8 M	\$14.8 M	\$14.8 M	FIEB	SB 23-280
124	Administratin & Agency Operations	\$0.0 M	\$0.2 M	\$0.2 M	\$0.2 M		
125	Agency Operations-FIE	\$0.0 M	\$0.2 M	\$0.2 M	\$0.2 M	FIEB	SB 23-280
126	Contingency Reserve-FIE	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	FIEB	SB 23-280
127	Debt Service	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M		
128	Debt Service-FIE	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	FIEB	SB 23-280
129	Total - Fuels Impcat Enterprise (FIE)	\$0.0 M	\$15.0 M	\$15.0 M	\$15.0 M		
130	Total - CDOT and Enterprises	\$89.6 M	\$2,063.8 M	\$2,215.8 M	\$2,290.4 M		

* Roll forward budget is budget from a prior year that hasn't been committed to a project or expended from a cost center prior to the close of the fiscal year.

Key to Acronyms:
 AB = Aeronautics Board
 BEB = Bridge Enterprise Board
 CTB = Clean Transit Board
 DS = Debt Service
 FR = Federal
 HPTEB = High Performance Transportation Enterprise Board
 LOC = Local
 M = millions in dollar amount
 NAAPMEB = Nonattainment Area Air Pollution Mitigation Enterprise Board
 SA = State Aviation
 SB = Senate Bill
 SH = State Highway
 SIB = State Infrastructure Bank
 SL = State Legislature
 TC = Transportation Commission



COLORADO

Department of Transportation

October 2024 Budget Workshop Draft Proposed FY26 Annual Budget



Agenda

- FY26 Revenue Forecast
- FY26 Proposed Budget Allocation Plan
 - Revenue Allocation Plan
 - Spending Plan
 - Budget Narrative and Other Budget Appendices
- Budget Development Process
- Additional Adjustments Coming
- Timeline and Next Steps



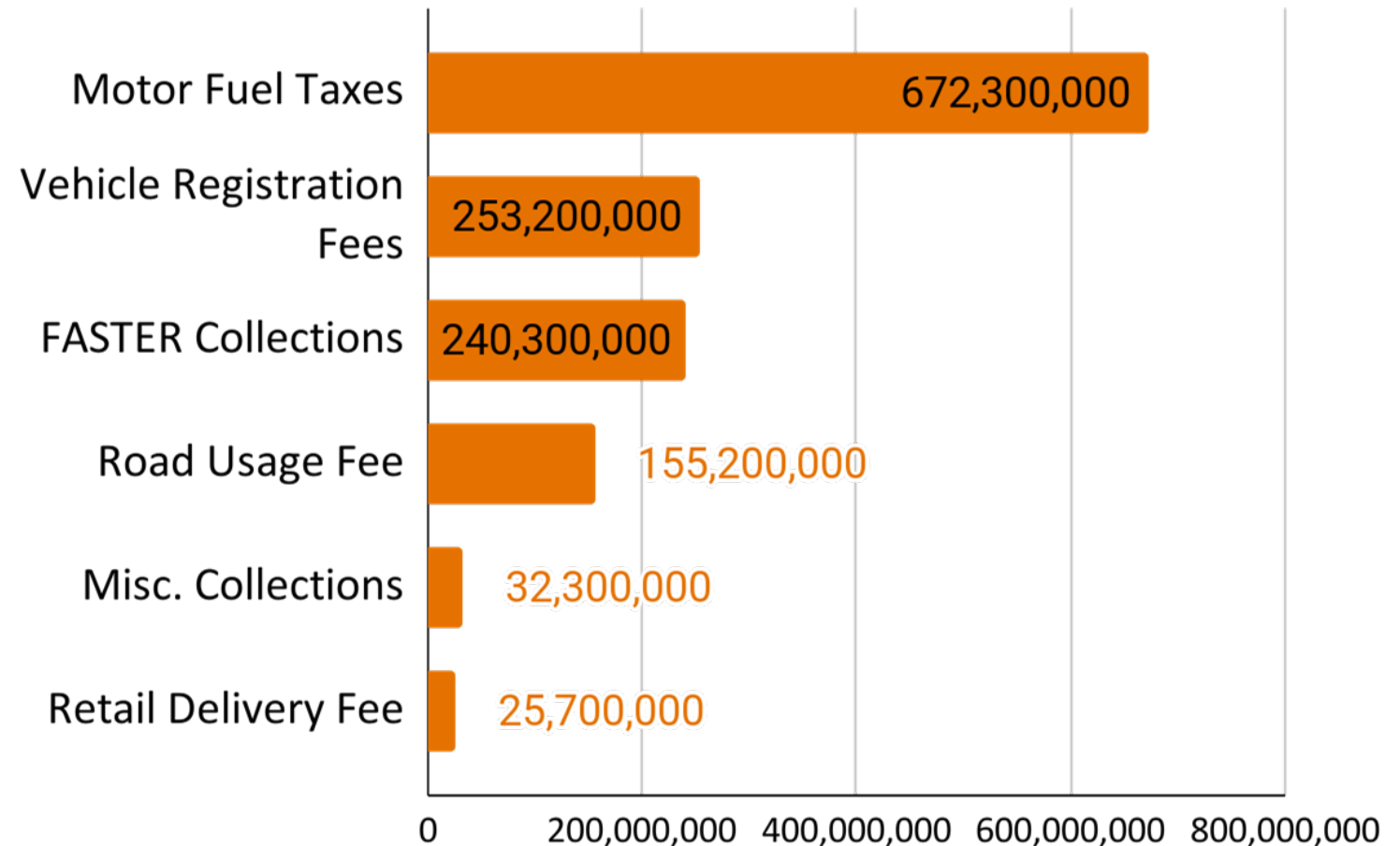
Fire engine at Eisenhower-Johnson memorial tunnel



HUTF Revenue Forecast Update

- Overall revenue expectations for all HUTF revenue sources have increased compared to the FY 2023-24 Q4 forecast
- FASTER revenue expectations have increased significantly. This increase is largely driven by a significant increase in in Late Registration Fees.
- Additionally information on CDOT's revenue forecast can be found in the [Quarterly Forecast Narrative](#).

Statewide HUTF Revenue Forecast by Source - FY 2025-26



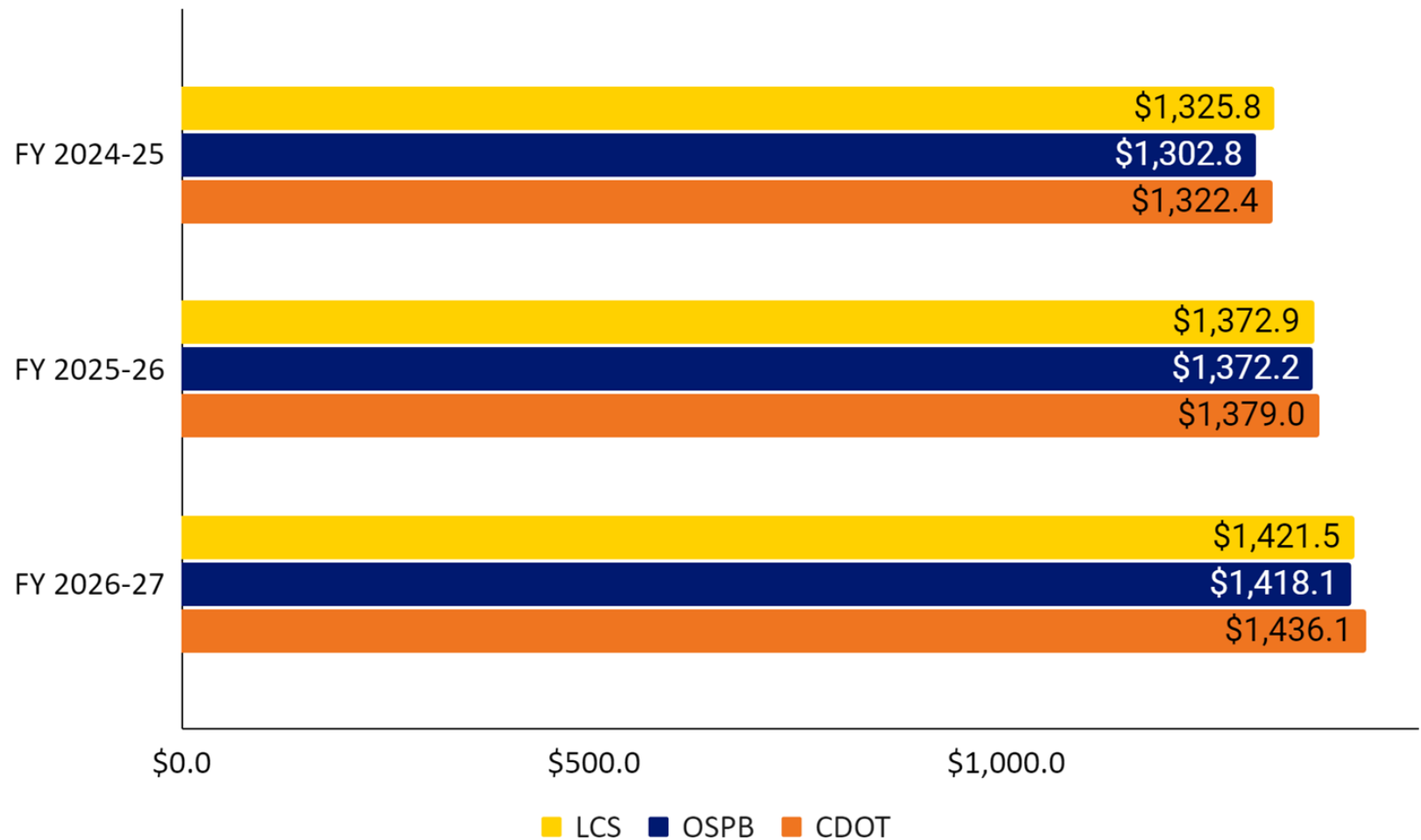


OSP and LCS Revenue Forecasts

The statewide revenue forecasts from the Office of State Planning and Budget (OSP) and Legislative Council Staff (LCS) are forecasting that state revenue will surpass the TABOR cap through at least FY 2025-26. Since TABOR refunds are paid with General Funds, any increase in state cash fund revenue will decrease the availability of General Funds in future years.

While surpassing the TABOR cap does not directly impact CDOT's revenue, there is a risk that the decreasing availability of General Funds may impact future General Fund transfers to State Highway Fund. Any actual changes would depend on actions taken by the General Assembly to balance the budget.

Statewide HUTF Forecast Comparison (Millions)





Sources of CDOT Funding FY 2025-26

Federal Programs

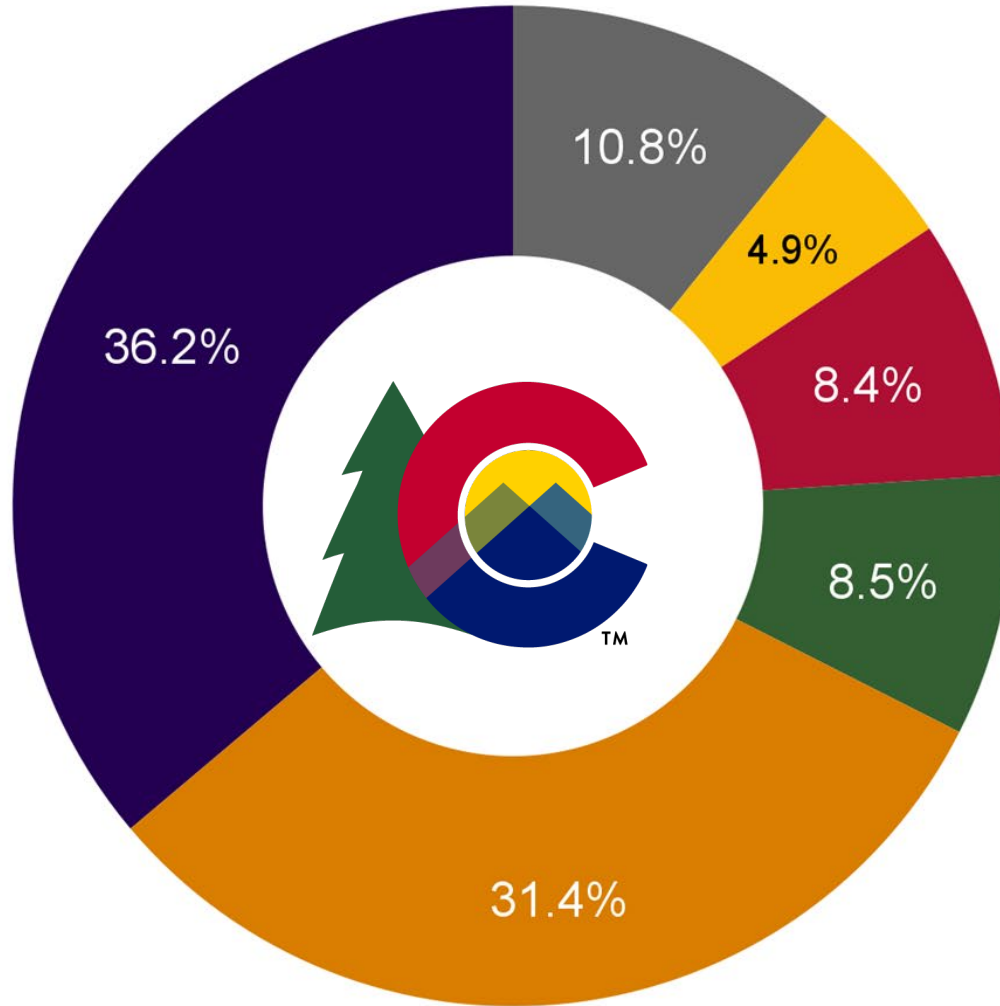
\$801.0 million - 36.2%
18.4 cents per gallon paid at the pump

Highway Users Tax Fund

\$695.5 million - 31.4%
Fuel Taxes and Fees, vehicle registrations, traffic penalty revenue, FASTER, Retail Delivery Fee

Bridge & Tunnel Enterprise

\$187.4 million - 8.5%
FASTER fees, Bridge Impact Fee, Retail Delivery Fees



Other State Funds

\$238.0 million - 10.8%
Aviation fuel taxes, appropriated special programs, miscellaneous revenue, Clean Transit Enterprise, Nonattainment enterprise, Clean Fuels Enterprise

Legislative Initiatives

\$107.5 million - 4.9%
General Fund Transfers to the State Highway Fund, Capital Development Committee funds

Colorado Transportation Investment Office

\$185.2 million - 8.4%
Tolling and managed lane revenue



Uses of CDOT Funding FY 2025-26

Multimodal Services

\$65.2 million - 2.7%

Innovative Mobility, NEVI, 10-Year Plan Projects (Transit), Rail Commission, Bustang

Administration and Agency Operations

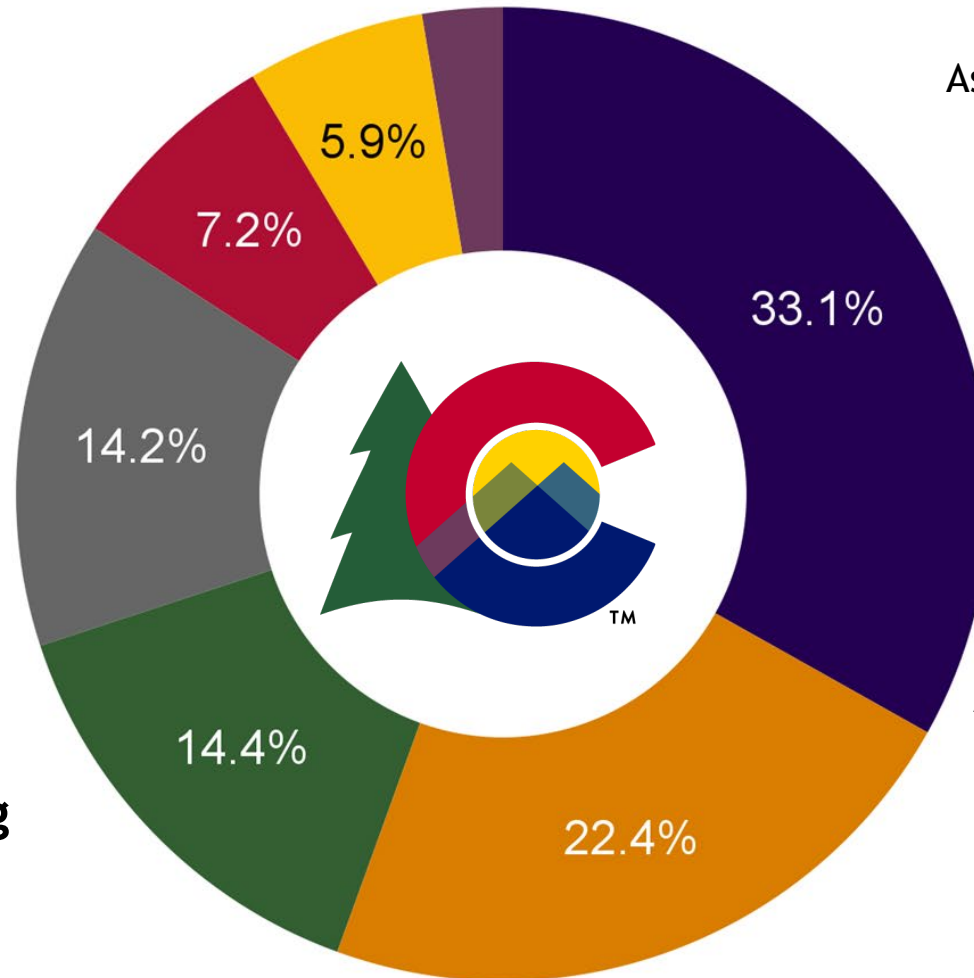
\$144.4 million - 5.9%

Appropriated Administration budget, agency operations and project initiatives

Other Programs, Debt Service, Contingency Funding

\$176.3 million - 7.2%

State safety education, planning and research, State Infrastructure Bank, Debt Service, Contingency and Reserve funds



Capital Construction

\$808.5 million - 33.1%

Asset Management, Safety Programs, 10-Year Plan projects, Regional Priority Program

Maintenance and Operations

\$545.9 million - 22.4%

Maintenance Program Areas, Strategic Safety Program, Real-time Traffic Operations, ITS Investments

Suballocated Programs

\$352.0 million - 14.4%

Aeronautics funding, sub allocated federal programs, Revitalizing Main Streets

CDOT Enterprises

\$347.1 million - 14.2%

Bridge and Tunnel Enterprise, Colorado Transportation Investment Office, Clean Transit Enterprise, Nonattainment Enterprise, Fuels Impact Enterprise

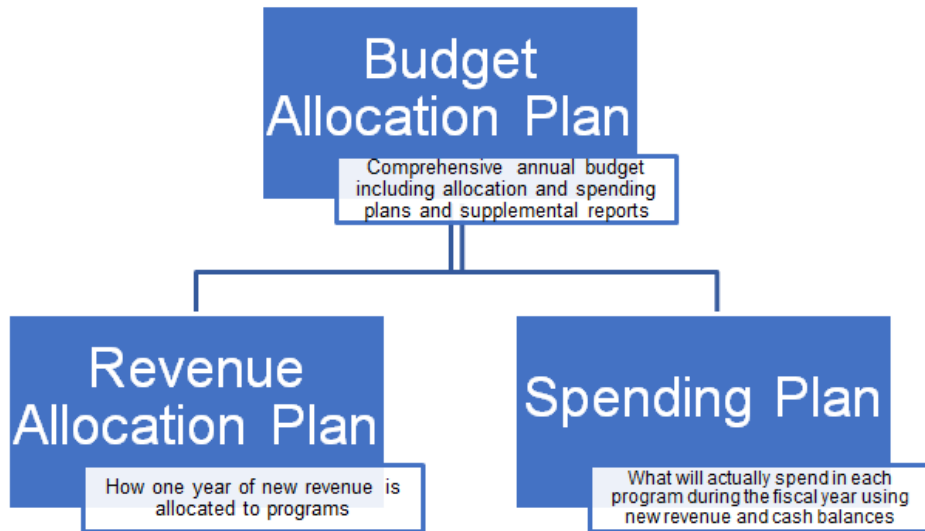


Narrative and Other Budget Appendices



CDOT Final Budget Allocation Plan

Fiscal Year 2025-26



Review the Narrative and Revenue Allocation Plan on CDOT's Website:

<https://www.codot.gov/business/budget/cdot-budget>

- Appendix A - Revenue Allocation Plan
- Appendix B - Spending Plan (available in Nov 2024)
- Appendix C - Open Projects & Unexpended Project Balances
- Appendix D - Planned Projects
- Appendix E - Total Construction Budget
- Appendix F - Project Indirects & Construction Engineering
- Appendix G - CDOT Personnel Report
- Appendix H - Update on 10 Year Plan



FY 2025-26 Revenue Allocation Plan

FY 2025-26 Revenue Allocation Plan

Line	Budget Category / Program	A. Estimated Rollforward from FY 2024-25*	B. FY 2024-25 Final Allocation Plan	FY 2025-26 Proposed Allocation Plan	FY 2025-26 Total Final Available Budget (A-C)	Directed By	Funding Source
1 COLORADO DEPARTMENT OF TRANSPORTATION							
2	Capital Construction	\$0.0 M	\$717.0 M	\$698.7 M	\$698.7 M		
3	Asset Management	\$0.0 M	\$423.5 M	\$415.9 M	\$415.9 M		
4	Surface Treatment	\$0.0 M	\$229.0 M	\$233.0 M	\$233.0 M	TC	FWMA / SH / SB 09-10B
5	Structures	\$0.0 M	\$63.4 M	\$63.4 M	\$63.4 M	TC	FWMA / SH / SB 09-10B
6	System Operations	\$0.0 M	\$27.3 M	\$27.3 M	\$27.3 M	TC	FWMA / SH
7	Geohazards Mitigation	\$0.0 M	\$9.7 M	\$9.7 M	\$9.7 M	TC	SB 09-10B
8	Permanent Water Quality Mitigation	\$0.0 M	\$6.5 M	\$6.5 M	\$6.5 M	TC	FWMA / SH
9	Emergency Relief	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M		FWMA
10	10 Year Plan Projects - Capital AM	\$0.0 M	\$87.7 M	\$76.1 M	\$76.1 M	TC / FR	FWMA
11	Safety	\$0.0 M	\$132.0 M	\$134.1 M	\$134.1 M		
12	Highway Safety Improvement Program	\$0.0 M	\$43.1 M	\$40.2 M	\$40.2 M	FR	FWMA / SH
13	Railway-Highway Crossings Program	\$0.0 M	\$3.8 M	\$3.5 M	\$3.5 M	FR	FWMA / SH
14	Hot Spots	\$0.0 M	\$2.7 M	\$2.7 M	\$2.7 M	TC	FWMA / SH
15	FASTER Safety	\$0.0 M	\$75.2 M	\$80.5 M	\$80.5 M	TC	SB 09-10B
16	ADA Compliance	\$0.0 M	\$7.2 M	\$7.2 M	\$7.2 M	TC	FWMA / SH
17	Mobility	\$0.0 M	\$161.5 M	\$148.7 M	\$148.7 M		
18	Regional Priority Program	\$0.0 M	\$50.0 M	\$50.0 M	\$50.0 M	TC	FWMA / SH
19	10 Year Plan Projects - Capital Mobility	\$0.0 M	\$87.7 M	\$76.1 M	\$76.1 M	SL	FWMA / SB 17-267 / SB 21-260
20	Freight Programs	\$0.0 M	\$33.8 M	\$32.8 M	\$32.8 M	FR	FWMA / SH / SL
21	Maintenance and Operations	\$0.0 M	\$405.1 M	\$420.5 M	\$420.5 M		
22	Asset Management	\$0.0 M	\$368.5 M	\$384.0 M	\$384.0 M		
23	Maintenance Program Areas	\$0.0 M	\$297.9 M	\$312.8 M	\$312.8 M		
24	Roadway Surface	\$0.0 M	\$41.7 M	\$36.0 M	\$36.0 M	TC	SH
25	Roadside Facilities	\$0.0 M	\$23.8 M	\$24.3 M	\$24.3 M	TC	SH
26	Roadside Appearance	\$0.0 M	\$11.9 M	\$8.3 M	\$8.3 M	TC	SH
27	Structure Maintenance	\$0.0 M	\$6.0 M	\$6.2 M	\$6.2 M	TC	SH
28	Tunnel Activities	\$0.0 M	\$6.0 M	\$4.8 M	\$4.8 M	TC	SH
29	Snow and Ice Control	\$0.0 M	\$92.3 M	\$110.5 M	\$110.5 M	TC	SH
30	Traffic Services	\$0.0 M	\$77.4 M	\$81.9 M	\$81.9 M	TC	SH
31	Materials, Equipment, and Buildings	\$0.0 M	\$20.9 M	\$20.9 M	\$20.9 M	TC	SH
32	Planning and Scheduling	\$0.0 M	\$17.9 M	\$19.9 M	\$19.9 M	TC	SH
33	Express Lane Corridor Maintenance and Operations	\$0.0 M	\$12.7 M	\$13.2 M	\$13.2 M	TC	SH
34	Property	\$0.0 M	\$22.7 M	\$22.7 M	\$22.7 M	TC	SH
35	Capital Equipment	\$0.0 M	\$23.3 M	\$23.3 M	\$23.3 M	TC	SH
36	Maintenance Reserve Fund	\$0.0 M	\$12.0 M	\$12.0 M	\$12.0 M	TC	SH
37	Safety	\$0.0 M	\$12.2 M	\$12.2 M	\$12.2 M		
38	Strategic Safety Program	\$0.0 M	\$12.2 M	\$12.2 M	\$12.2 M	TC	FWMA / SH
39	Mobility	\$0.0 M	\$24.4 M	\$24.4 M	\$24.4 M		
40	Real-Time Traffic Operations	\$0.0 M	\$14.4 M	\$14.4 M	\$14.4 M	TC	SH
41	ITS Investments	\$0.0 M	\$10.0 M	\$10.0 M	\$10.0 M	TC	FWMA / SH
42	Multimodal Services & Electrification	\$0.0 M	\$57.1 M	\$54.5 M	\$54.5 M		
43	Mobility	\$0.0 M	\$57.1 M	\$54.5 M	\$54.5 M		
44	Innovative Mobility Programs	\$0.0 M	\$9.3 M	\$9.3 M	\$9.3 M	TC	FWMA / SH
45	National Electric Vehicle Program	\$0.0 M	\$14.5 M	\$14.5 M	\$14.5 M	TC	FWMA
46	10 Year Plan Projects - Multimodal	\$0.0 M	\$19.5 M	\$16.9 M	\$16.9 M	TC	FWMA / SB 17-267, SB 21-260
47	Rail Program	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	SL	
48	Bustang	\$0.0 M	\$13.7 M	\$13.7 M	\$13.7 M	TC	SB 09-10B / Fare Rev. / SB 21-260
49	Suballocated Programs	\$0.0 M	\$327.5 M	\$320.7 M	\$320.7 M		
50	Aeronautics	\$0.0 M	\$57.4 M	\$68.1 M	\$68.1 M		
51	Aviation System Program	\$0.0 M	\$57.4 M	\$68.1 M	\$68.1 M	AB	SA
52	Highway	\$0.0 M	\$155.4 M	\$148.7 M	\$148.7 M		
53	STBG-Urban (STP-Metro)	\$0.0 M	\$66.9 M	\$63.8 M	\$63.8 M	FR	FWMA / LOC
54	Congestion Mitigation and Air Quality	\$0.0 M	\$53.8 M	\$51.4 M	\$51.4 M	FR	FWMA / LOC
55	Metropolitan Planning	\$0.0 M	\$12.1 M	\$11.4 M	\$11.4 M	FR	FWMA / FTA / LOC
56	Off-System Bridge Program	\$0.0 M	\$22.5 M	\$22.1 M	\$22.1 M	TC / FR	FWMA / SH / LOC
57	Transit and Multimodal	\$0.0 M	\$114.7 M	\$103.8 M	\$103.8 M		
58	Recreational Trails	\$0.0 M	\$1.4 M	\$1.4 M	\$1.4 M	FR	FWMA
59	Safe Routes to School	\$0.0 M	\$3.1 M	\$3.1 M	\$3.1 M	TC	FWMA / LOC
60	Transportation Alternatives Program	\$0.0 M	\$22.8 M	\$21.8 M	\$21.8 M	FR	FWMA / LOC
61	Transit Grant Programs	\$0.0 M	\$53.9 M	\$43.1 M	\$43.1 M	FR / SL / TC	FTA / LOC / SB 09-10B
62	Multimodal Options Program - Local	\$0.0 M	\$16.4 M	\$17.8 M	\$17.8 M	SL	SB 21-260
63	Carbon Reduction Program - Local	\$0.0 M	\$9.9 M	\$9.4 M	\$9.4 M	FR	FWMA / LOC
64	Revitalizing Main Streets Program	\$0.0 M	\$7.0 M	\$7.0 M	\$7.0 M	SL / TC	SB 21-260
65	Administration & Agency Operations	\$0.0 M	\$128.0 M	\$136.0 M	\$136.0 M		
66	Agency Operations	\$0.0 M	\$77.5 M	\$81.9 M	\$81.9 M	TC / AB	FWMA / SH / SA / SB 09-10B
67	Administration	\$0.0 M	\$48.8 M	\$52.5 M	\$52.5 M	SL	SH
68	Project Initiatives	\$0.0 M	\$1.7 M	\$1.7 M	\$1.7 M	TC	SH
69	Debt Service	\$0.0 M	\$44.5 M	\$44.5 M	\$44.5 M		
70	Debt Service	\$0.0 M	\$44.5 M	\$44.5 M	\$44.5 M	DS	SH
71	Contingency Reserve	\$0.0 M	\$15.0 M	\$33.4 M	\$33.4 M		
72	Contingency Fund	\$0.0 M	\$15.0 M	\$15.0 M	\$15.0 M	TC	FWMA / SH
73	Commissioner Reserve Funds	\$0.0 M	\$0.0 M	\$18.4 M	\$18.4 M	TC	FWMA / SH

- Balanced using September 2024 revenue forecast
- Flexible revenue allocated based on FY25 budget amounts adopted by TC in March 2024 (and subsequently amended), with some adjustments to balance
- Inflexible revenue automatically adjusted based on FY26 revenue forecast
- Asset Management and Maintenance programs funded according to the FY26 Asset Management Planning Totals, approved by the TC in September 2022.
- The FY26 Revenue Allocation Plan reflects:
 - \$1,745.1 million for CDOT programs
 - \$470.7 million for transportation enterprises
 - \$2,215.8 million total CDOT and enterprises



Developing the Revenue Allocation Plan



Programs with Dedicated Revenue Sources

Examples include
HSIP (line 12)
CMAQ (line 54)
Metropolitan
Planning (line 55)

Programs with Pre-Established Funding Levels

Can be modified
by Commission
request or a
decision item.
Examples include
Innovative
Mobility and RPP

Programs Based on CDOT Internal Budget Process

These are
typically annual
operating
budgets,
including Agency
Operations and
Administration

Programs Based on a Set Schedule

Example includes
Debt Service

Asset Management

Approved by the
Commission in
September 2022



Federal Obligation Limitation Assumption

- In prior years, the Department assumed it could obligate 93% of apportionments during the budget development process, and then performed a true-up to the actual obligation limitation percentage during revenue reconciliation.
- Flexible federal funds are reconciled within the TC Program Reserve so a high assumption results in a negative adjustment. This has historically been offset by a higher FHWA redistribution.
- For FY26, staff will reduce the obligation limitation assumption to 87% to mitigate against large reductions to the TC Program Reserve during revenue reconciliation.
- Residual flexible FHWA revenues are typically allocated to the 10 Year Plan, so this change will reduce available funds to the 10 Year Plan in FY26. This could be addressed by allocating a portion of future redistribution funds.

Fiscal Year	Obligation Limitation Assumption	Actual Obligation Limitation	Revenue Recon - Impact to TC Program Reserve	FHWA Redistribution Amount Received
FY25	93.0%	TBD	TBD	TBD
FY24	93.0%	85.9%	(\$33.9 M)	\$51.0 M
FY23	93.0%	86.8%	(\$22.7 M)	\$179.0 M
FY22	93.0%	90.2%	(\$32.1 M)	\$102.0 M
FY21	93.0%	87.7%	(\$31.4 M)	\$59.8 M

Type	93% Ob Limit	87% Ob Limit	Difference
FHWA Flexible	\$460.4 M	\$430.4 M	(\$30.0 M)
FHWA Inflexible	\$317.9 M	\$301.4 M	(\$16.5 M)
Total FHWA	\$778.3 M	\$731.8 M	(\$47.6 M)



FY26 Funds for 10 Year Plan

10 Year Plan One Sheet Line	Allocation
10 Year Plan Projects - Capital AM (Line 10)	\$76.1 million
10 Year Plan Projects - Capital Mobility (Line 19)	\$76.1 million
10 Year Plan Projects - Multimodal (Line 46)	\$16.9 million
Total Allocations to 10 Year Plan Projects Lines	\$169.0 million

- Total current funding to the 10 Year Plan Projects lines is \$169.0 M. This amount will be updated throughout the budget setting process.
- Programs include: PROTECT, Bridge Formula Program, CDOT share of Carbon Reduction Program, and any available flexible federal revenue (STBG and NHPP) not allocated to other programs (i.e. any remaining flexible federal funds).
- This also includes \$85.0 M in General Fund that was transferred to the State Highway Fund per SB21-260. The remaining \$15.0 M is allocated to the Contingency line (Line 72).



Update on 10 Year Plan Funding

From FY22 through FY26, \$1.1 B in strategic funds were allocated to the 10 Year Plan, ~85% of the planning total

Strategic Funding for 10 Year Plan:	FY22	FY23	FY24	FY25	FY26	Cumulative Total
Original Planning Total		\$325,000,000	\$325,000,000	\$325,000,000	\$325,000,000	\$1,300,000,000
<i>Actual Funding Allocated in Budget:</i>						
<i>FHWA PROTECT</i>	\$17,204,628	\$19,834,540	\$19,050,288	\$20,616,720	\$20,979,515	\$97,685,691
<i>FHWA Bridge Formula Program</i>	\$38,250,000	\$57,181,730	\$46,201,232	\$46,201,232	\$46,201,232	\$234,035,426
<i>FHWA Carbon Reduction - CDOT share</i>	\$7,571,466	\$8,557,575	\$20,700,263	\$9,055,721	\$9,223,306	\$55,108,331
<i>Flexible FHWA Revenue</i>	\$54,874,809	\$63,388,262	\$20,326,128	\$31,767,084	\$7,612,369	\$177,968,652
<i>General Fund SB 21-280</i>	\$0	\$0	\$0	\$85,000,000	\$85,000,000	\$170,000,000
<i>SB267 proceeds</i>	\$241,930,703	\$0	\$0	\$0	\$0	\$241,930,703
<i>SB267 Interest</i>	\$17,000,000	\$0	\$16,184,547	\$46,284,740	\$46,284,740	\$125,754,027
Total Funding Allocated in the Budget	\$376,831,606	\$148,962,107	\$122,462,458	\$238,925,497	\$215,301,162	\$1,102,482,830
Difference between Planned and Actual	\$376,831,606	-\$176,037,893	-\$202,537,542	-\$86,074,503	-\$109,698,838	-\$197,517,170



Surplus of Flexible State Funds

The draft budget includes a 5% increase for the following lines:

- Maintenance Program Areas (Lines 23-32) - \$13.8 M
- Agency Operations (Line 66) - \$4.4 M
- Administration (Line 67) - \$3.7 M

This is a placeholder intended to account for statewide common policies and increases to salaries and benefits. These lines will be adjusted when more information is available with the Governor's FY26 Budget Request.

After these allocations, the budget currently has a surplus of flexible state funds of \$18.4 M:

- Temporarily allocated to the Commission Reserve Funds (Line 73)
- A portion of this will likely be needed for statewide common policies and other changes and critical initiatives that arise during the budget development process



Additional Adjustments Coming

Still to come....

- ❖ **Statewide common policies, and increases to staff salaries and benefits** - Additional funds may be needed for statewide common policies, especially salary and benefits increases to align with the Governor's Budget Request.
- ❖ **Decision items** - Per PD 703.0, requests of less than \$1 million are reviewed and subject to approval by the Executive Management Team (EMT), while decision items of \$1 million or greater are reviewed by the EMT and then forwarded to the TC for consideration, with final approval with the Final Annual Budget Allocation Plan in March 2025. The TC will have an opportunity to review any potential decision item requests during the February 2025 Budget Workshop, prior to the March adoption of the Final FY 2025-26 Annual Budget Allocation Plan.
- ❖ **Administration Budget (Line 67)** - Legislative and Office of State Planning & Budget (OSP) actions during the budget-building cycle may require changes in Administration spending for CDOT. There will likely be additional adjustments throughout the legislative budget process and the Administration line will be updated accordingly.
- ❖ **Maintenance Reserve and Contingency Reserve Funds (Lines 36 and 72)** - The draft Proposed Budget currently reflects the full historical allocation of \$12.0 million to the Maintenance Reserve Fund (Line 36) and \$15.0 million to the Contingency Reserve line (Line 72). These allocations may be reduced for the Final Budget if additional funds are needed for increases to state employee salaries and benefits, other statewide common policies, or other critical initiatives
- ❖ **Legislative and other potential changes**, including updates after the next revenue forecast in December 2024.



Timeline and Next Steps

In November 2024, DAF will:

- Update the Administration budget based on final statewide common policies (changes may impact other lines), and incorporate increases to state employee salaries and benefits to align with the Governor's Budget Request.
- Present the Proposed FY 2025-25 Annual Budget Allocation Plan for TC approval.

After November, DAF will continue to address the following items for the FY 2025-26 Annual Budget:

- January 2025: The Proposed Annual Budget Allocation Plan may be updated to reflect the most current revenue forecast.
- February 2025: The TC will be asked to review and approve any decision items of \$1 million or more, and additional changes as necessary.
- March 2025: The TC will be asked to review and adopt the FY 2025-26 Final Annual Budget Allocation Plan.



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Questions?



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Board of Directors Memorandum

To: Fuels Impact Enterprise Board of Directors

From: Darius Pakbaz, Program Administrator & Craig Hurst, DTD Freight Mobility & Safety Branch

Date: 16 October 2024

Subject: Fuels Impact Enterprise Fiscal Year 2025-26 Draft Budget and Program Update

Purpose

This memorandum outlines the proposed budget for the Fuels Impact Enterprise for fiscal year 2025-26, allocating anticipated revenues of \$15,000,000. Additionally staff will give an update on enterprise program activities, including the execution of local agency allocations from FY2024.

Action

No formal action requested.

Background

Senate Bill 23-280, signed into law on June 6, 2023, established the Fuels Impact Enterprise within the Colorado Department of Transportation. This enterprise is tasked with improving the transportation of fuel and motor vehicle emissions. To allow the enterprise to accomplish this business purpose and fully exercise its powers and duties, the enterprise may:

- Impose a fuels impact reduction fee as authorized by C.R.S. 43-4-1505(1), which was completed at the August board meeting.
- Issue grants as authorized by the fuels impact reduction grants program created in section 43-4-1506; and
- Issue revenue bonds payable from fuels impact reduction fee revenue and other available money of the enterprise.

To carry out its duties and its business enterprise, the enterprise adopted a fuels impact reduction fee per gallon, beginning on September 1, 2023, to be paid by licensed fuel excise tax distributors within Colorado and licensed fuel distributors who ship products from outside of Colorado to a point within Colorado. This fee cannot be more than six thousand one hundred twenty-five millionths of a dollar (\$0.006125) per gallon of fuel products delivered for sale or use in Colorado.

The enterprise will be tasked to administer the fuels impact reduction grant program, to provide grants to certain critically impacted communities, governments and transportation corridors for the improvement of hazardous mitigation corridors and to support local and state government projects related to emergency responses, environmental mitigation, or projects related to transportation fuel within the state. C.R.S. 43-4-1506 (2) requires the distribution of the first \$10 million of funds from the grant program to the following:

- \$6,400,000 to Adams County (64%)
- \$2,000,000 to the City of Aurora (20%)
- \$1,300,000 to El Paso County (13%)
- \$240,000 to Mesa County (2.4%)
- \$60,000 to Otero County (0.6%)

On anticipated revenues of \$15,000,000 in fiscal year 2025-26, these are the proposed allocations for consideration by the Board of Directors:

- \$10,000,000 for Local Agency Allocations per C.R.S. 43-4-1506 (2)
- \$4,795,000 for Statewide Fuel Movement and Freight Projects and Programs
- \$104,500 for Enterprise Administration and Operations
- \$100,000 for Board Contingency Funds

Other program updates at the October 2024 Board of Directors workshop, staff will give an update on the allocation of funds from fiscal year 2024 to local agencies, as required by statute, and the development of programs for allocation of funds for statewide fuel movement and freight projects.

Next Steps

While there are no requested actions needed at this month's meeting, future meetings will bring forth a final budget for consideration by the Board of Directors. Additionally, continued conversations with the Board of Directors will occur for the allocation of funds for Board directed statewide fuel movement and freight projects.

Attachments

- A - Memorandum - FIE Budget and Program Updates
- B - Presentation - FIE FY2026 Budget and Program Updates
- C - Fiscal Year 2025-26 Draft FIE Revenue Allocation Plan



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Fuels Impact Enterprise Board of Directors Meeting October 16, 2024



Fuels Impact Reduction Grant Program

C.R.S. 43-4-1506

Fuels Impact Reduction Grant Program
\$15 million

First “Allocation”
\$10 million
Allocation to Specific Local Governments

Second “Allocation”
\$5 million
Statewide Projects & Administration

The Enterprise is tasked with administration of the Fuel Impact Reduction Grant Program. Its purpose is to provide grants to certain impacted communities, governments, and transportation corridors for:

- Hazardous Mitigation Corridors
- Support Local and state products
 - Emergency Responses
 - Environmental Mitigation
 - Projects related to transportation of fuel within Colorado



FIE FY2026 Draft Budget Overview

Anticipated Revenue for FY 2025-26: \$15 million

Budget Line Item	Dollars
Local Government Allocations - per statute	\$10,000,000
Adams County	\$6,400,000
City of Aurora	\$2,000,000
El Paso County	\$1,300,000
Mesa County	\$240,000
Otero County	\$60,000
Statewide Fuel Movement and Freight Projects and Programs	\$4,795,500
Enterprise Administration & Operations	\$104,500
Board Contingency Funds	\$100,000
Total FIE Allocations for Fiscal Year 2025-26	\$15,000,000



Fuels Impact Reduction Grant Program

Political Subdivision Allocation - \$10 million

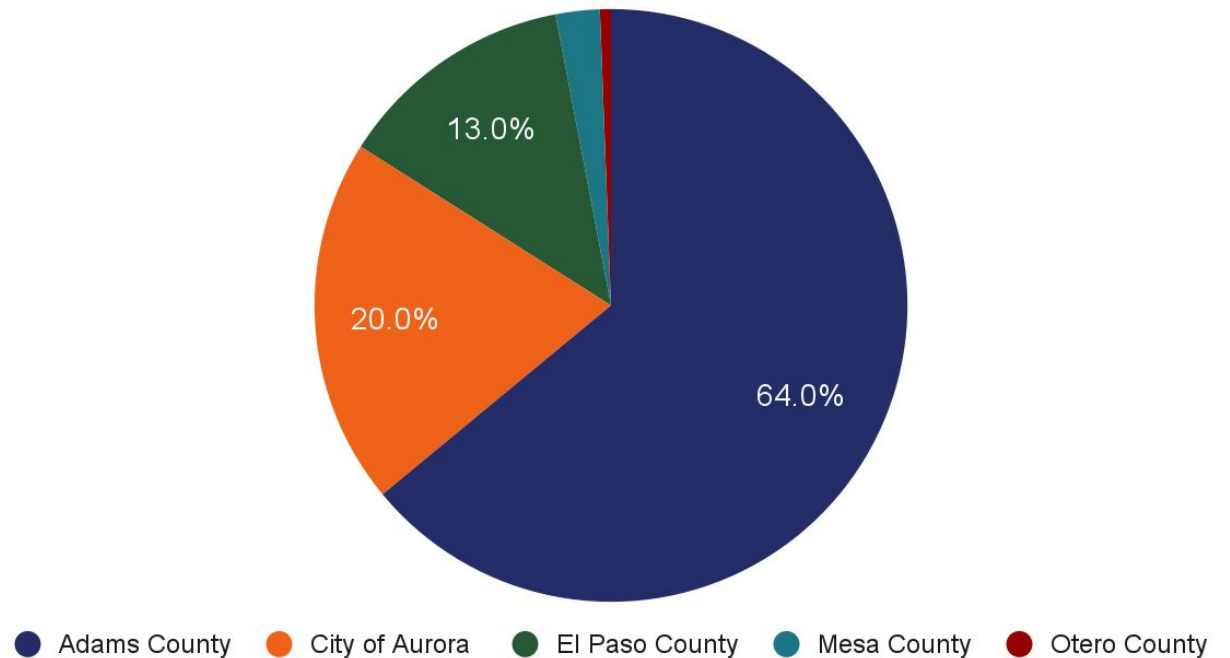
The first allocation of funds, as required by statute, are to the following political subdivisions for the improvement of hazardous mitigation corridors in the state prioritizing uses related to safety and environmental impacts.

- Adams County - \$6,400,000 - 64%
- City of Aurora - \$2,000,000 - 20%
- El Paso County - \$1,300,000 - 13%
- Mesa County - \$240,000 - 2.4%
- Otero County - \$60,000 - 0.6%

If the enterprise is unable to distribute \$10 million, funds will be distributed in proportion described above.

If a political subdivision is unable to accept these funds, unacceptable amounts will be distributed to the other political subdivisions on a proportionate basis.

Political Subdivision Allocation - \$10 million





Fuels Impact Reduction Grant Program

FI Enterprise Administered Funds

The enterprise can allocate \$5 million dollars from the fuels impact cash fund, after the initial transfers to political subdivisions, and after providing for administrative expenses, to the enterprise for the following:

- Commercial Freight Corridors;
- State government projects related to emergency responses;
- State government projects related to environmental mitigation; or
- Support projects related to the transportation of fuel within the state on routes necessary for the transportation of hazardous materials.





Fuels Impact Reduction Grant Program

FI Enterprise Administration & Operations

The enterprise can allocate funds towards administration and operations functions of the business. Draft allocations for administration & operations:

- \$75,000 for Fuels Impact Staff Compensation.
- \$25,000 for FIE Program Support
- \$3,000 for services provided by other state agencies
- \$1,500 for other operating expenses
- \$100,000 for Board Contingency Funds



Fuels Impact Enterprise Program Update

- Staff implementing agreements for transfers to local agencies as required in Statute
- Determining program requirements and procedures for development of statewide funding opportunities consistent with state law and the Enterprise's business purpose
- Reconciliation of revenue collections from Fiscal Year 2024





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Department of Transportation

Next Steps & Questions?

Next Steps

- Adoption of Final FY2026 Enterprise Budget in Spring 2025.
- Briefing on allocation of programing funds for statewide fuel movement and freight projects.



Fuels Impact Enterprise Fuels Impact Enterprise Cash Fund (Fund 548)			
Line Item	Budget Item	Estimated Revenues	Proposed Allocations
1	<u>Estimated Fiscal Year 2024-25 Revenue</u>		
2	Fuels Impact Reduction Fee	\$ 15,000,000	
3	Total Estimated Revenue	\$ 15,000,000	
4			
5	<u>Estimated Allocations</u>		
6	Programming & Projects		
7	<u>Local Agency Allocations</u>		
8	Adams County Allocation		\$ (6,400,000)
9	City of Aurora Allocation		\$ (2,000,000)
10	El Paso County Allocation		\$ (1,300,000)
11	Mesa County Allocation		\$ (240,000)
12	Otero County Allocation		\$ (60,000)
13	<u>Board Directed Allocations</u>		
14	Statewide Fuel Movement and Freight Projects and Programs		\$ (4,795,500)
15	Miscellaneous Project and Program Support Services		\$ -
16	Total Project and Program Support Services		\$ (14,795,500)
17			
18	Administrative & Operating Activities (Cost Center FI280-548)		
19	Fuels Impact Enterprise Staff Compensation		\$ (75,000)
20	Fuels Impact Enterprise Program Support		\$ (25,000)
21	Attorney General's Office Legal Services		\$ (1,000)
22	Annual Audit		\$ (2,000)
23	Travel Expenses		\$ (500)
24	Operating Expenses		\$ (1,000)
25	Other Consulting Expenses		\$ -
26	Total Administrative & Operating Activities		\$ (104,500)
27			
28	Debt Service		
29	Debt Service		\$ -
30	Total Debt Service		\$ -
31			
32	Contingency Reserve		
33	Board Contingency Reserve		\$ (100,000)
34	Total Contingency Reserve		\$ (100,000)
35			
Total Fund 548 Revenues			\$ 15,000,000
Total Fund 548 Allocations			\$ (15,000,000)
Remaining Unbudgeted Funds			\$ -



COLORADO

Department of Transportation

Bridge and Tunnel Enterprise Board of Directors Memorandum

To: The Bridge and Tunnel Enterprise Board of Directors

From: Patrick Holinda, Bridge and Tunnel Enterprise Manager

Date: October 16, 2024

Subject: BRIDGE AND TUNNEL ENTERPRISE FISCAL YEAR 2025-26 DRAFT PROPOSED ANNUAL BUDGET

Purpose

This month the Bridge and Tunnel Enterprise Board of Directors (Board) is being presented with a Statewide Bridge and Tunnel Enterprise fiscal year (FY) 2025-26 Draft Proposed Annual Budget for Special Revenue Fund (C.R.S 43-4-805(3)(a) 538) (Fund 538) for review and comment.

Action

The Board is being asked to review and comment on the FY 2025-26 Draft Proposed Annual Budget. No approval action is being requested at this time.

Background

In coordination with the Office of Financial Management and Budget (OFMB), Bridge and Tunnel Enterprise (BTE) is presenting a FY 2025-26 Draft Proposed Annual Budget. BTE will return in November with the Final Proposed Annual budget for review and approval. Additional detail regarding the sources and uses for the \$187.4 million in forecast FY 2025-26 BTE revenues can be found in the attached BTE FY 2025-26 Draft Proposed Annual Budget and FY 2025-26 Draft Budget Workshop.

Next Steps

- 1) BTE program staff will return in November requesting the review and approval of the final proposed budget for FY 2025-26.
- 2) In the following months, OFMB and BTE program staff will be finalizing the budget. Key tasks will include reviewing updated FY 2025-26 revenue projections, aligning both the final BTE budget with the CDOT narrative budget and one-sheet, and reviewing all budget allocations.
- 3) In February 2025, BTE will present the Board with a final budget for review and comment, and in March 2025, staff will request approval and adoption of the final FY 2025-26 budget.

Attachments

Attachment A: Bridge and Tunnel Enterprise Fiscal Year 2025-26 Draft Proposed Annual Budget

Attachment B: Bridge and Tunnel Enterprise Fiscal Year 2025-26 Draft Budget Workshop

**Bridge and Tunnel Enterprise Fiscal Year 2025-26 Draft Proposed Annual Budget
Statewide Bridge and Tunnel Enterprise Special Revenue Fund (C.R.S 43-4-805(3)(a) 538)**

Line	Fiscal Year 2024-25 Revenue Source	Estimated Revenue
1	FASTER Bridge Safety Surcharge Fee	\$ 117,599,801
2	Bridge & Tunnel Impact Fee	\$ 35,565,716
3	Bridge & Tunnel Retail Delivery Fee	\$ 11,609,476
4	Interest Earnings	\$ 2,450,000
5	US Treasury Subsidy for Build America Bonds	\$ 5,148,202
6	Federal Funds for 2010A Bond Debt Service	\$ 15,000,000
7	Central 70 Conduit Issuer Fee	\$ 50,000
8	Total Estimated Revenue	\$ 187,423,195
9	Proposed Program Allocation Type	Proposed Allocations
10	Administrative & Operating Activities	
11	Bridge and Tunnel Enterprise Staff Compensation	\$ (968,761)
12	Bridge and Tunnel Enterprise Program Support	\$ (1,550,000)
13	Attorney General Legal Services	\$ (50,000)
14	Annual Audit	\$ (35,000)
15	In-state Travel Expenses	\$ (6,700)
16	Out of State Travel Expenses	\$ (10,000)
17	Employee Appreciation	\$ (140)
18	Operating Expenses	\$ (4,000)
19	Trustee Fee	\$ (10,000)
20	Other consulting	\$ (150,000)
21	Total Administrative & Operating Activities	\$ (2,784,601)
22	Support Services	
23	Additional Project and Program Support Services	\$ -
24	Total Support Services	\$ -
25	Maintenance	
26	Routine Maintenance on Bridge and Tunnel Enterprise Structures	\$ (1,362,318)
27	Total Maintenance	\$ (1,362,318)
28	Preservation	
29	Bridge and Tunnel Preservation	\$ (1,000,000)
30	Total Preservation	\$ (1,000,000)
31	Debt Service and Availability Payments	
32	2010A and 2019A Bond Debt Service	\$ (29,352,600)
33	Central 70 Availability Payment	\$ (32,743,837)
34	2024A Infrastructure Revenue Bond Debt Service	\$ (7,960,975)
37	Total Debt Service and Availability Payments	\$ (70,057,412)
38	Construction Program	
39	10-Year Plan Projects	\$ (62,272,063)
40	Safety Critical and Asset Management Projects	\$ (49,946,801)
41	Total Construction Program	\$ (112,218,864)
	Total Fund 538 Revenues	\$ 187,423,195
	Total Fund 538 Allocations	\$ (187,423,195)
	Remaining Unbudgeted Funds	\$ -



CDOT

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Department of Transportation

Statewide Bridge and Tunnel Enterprise FY 2025-26 Proposed Budget Workshop

October 2024



Agenda

1. BTE Budget Setting Basics
2. BTE FY 2025-26 Proposed Annual Budget
3. BTE Capital Project Funding Allocations Planned for FY 2025-26
4. Potential Budgetary Impacts from BTE's Plan of Finance
5. Next Steps





BTE Budget Setting Basics

- BTE is a self-supporting, government-owned business that receives fee revenue in return for the provision of a good or service.
- In accordance with statute and enterprise bylaws, BTE has the authority to set its own budget within the constraints of the revenue forecast for the Fiscal Year.
- The Enterprise coordinates with the Office of Financial Management and Budget to ensure its budget is accurately reflected in the Department-wide budget allocation plan prior to final approval in March.



BTE FY 2025-26 Forecast Revenue

1) SB09-108- Bridge Safety Surcharge

- Use limited to eligible bridge projects
- Annual fee of vehicle registrations ranging from \$13-\$32 based on vehicle weight

2) SB21-260- Bridge and Tunnel Impact Fee

- Use limited to eligible bridge and tunnel projects
- 5.0 cents per gallon special fuel fee phased into a max of 8.0 cents by FY32. Indexed to inflation annually FY33+

3) SB21-260- Bridge and Tunnel Retail Delivery Fee

- Use limited to eligible bridge and tunnel projects
- Flat fee of 3.0 cents on retail deliveries. Indexed to inflation annually

4) FHWA Reimbursement and Build America Bonds Subsidy

- Use limited to debt service on prior bond issuances

Bridge and Tunnel Enterprise Fiscal Year 2025-26 Draft Annual Budget Statewide Bridge and Tunnel Enterprise Special Revenue Fund (C.R.S 43-4-805(3)(a) 538)		
Line	Fiscal Year 2025-26 Revenue Source	Estimated Revenue
1	FASTER Bridge Safety Surcharge Fee	\$ 117,599,801
2	Bridge & Tunnel Impact Fee	\$ 35,565,716
3	Bridge & Tunnel Retail Delivery Fee	\$ 11,609,476
4	Interest Earnings	\$ 2,450,000
5	US Treasury Subsidy for Build America Bonds	\$ 5,148,202
6	Federal Funds for 2010A Bond Debt Service	\$ 15,000,000
7	Central 70 Conduit Issuer Fee	\$ 50,000
8	Total Estimated Revenue	\$ 187,423,195



BTE FY 2025-26 Program Allocations

- **Administrative & Operating-** Allocation for expenses such as staff compensation, program support, and financing programs.
- **Support Services-** As-needed supplemental staffing or services (e.g. project scoping, bridge instrumentation, testing and monitoring, and grant writing support) for BTE-eligible projects.
- **Maintenance-** Funds BTE/CDOT agreement to perform routine maintenance of all BTE bridges. Examples of major activities include snow removal, sweeping, and trash removal.
- **Bridge Preservation-** Funding will be used to perform more extensive bridge preventative maintenance treatments, such as joint repair or replacement, waterproofing, and deck overlays, on aging BTE-owned bridges.
- **Debt Service & Availability Payments-** Debt service for the Series 2010A and 2019A bonds, the BTE share of the Central 70 availability payment, and debt service for the recent Series 2024A Infrastructure Revenue Bonds.
- **Construction Program-** Programmed for BTE-eligible capital construction projects based on the BTE Capital Project Plan and the CDOT Ten-Year Plan.

Line	Proposed Program Allocation Type	Proposed Allocations
10	Administrative & Operating Activities	
11	Bridge and Tunnel Enterprise Staff Compensation	\$ (968,761)
12	Bridge and Tunnel Enterprise Program Support	\$ (1,550,000)
13	Attorney General Legal Services	\$ (50,000)
14	Annual Audit	\$ (35,000)
15	In-state Travel Expenses	\$ (6,700)
16	Out of State Travel Expenses	\$ (10,000)
17	Employee Appreciation	\$ (140)
18	Operating Expenses	\$ (4,000)
19	Trustee Fee	\$ (10,000)
20	Other consulting	\$ (150,000)
21	Total Administrative & Operating Activities	\$ (2,784,601)
22	Support Services	
23	Additional Project and Program Support Services	\$ -
24	Total Support Services	\$ -
25	Maintenance	
26	Routine Maintenance on Bridge and Tunnel Enterprise Structures	\$ (1,362,318)
27	Total Maintenance	\$ (1,362,318)
28	Preservation	
29	Bridge and Tunnel Preservation	\$ (1,000,000)
30	Total Preservation	\$ (1,000,000)
31	Debt Service and Availability Payments	
32	2010A and 2019A Bond Debt Service	\$ (29,352,600)
33	Central 70 Availability Payment	\$ (32,743,837)
34	2024A Infrastructure Revenue Bond Debt Service	\$ (7,960,975)
37	Total Debt Service and Availability Payments	\$ (70,057,412)
38	Construction Program	
39	10-Year Plan Projects	\$ (62,272,063)
40	Safety Critical and Asset Management Projects	\$ (49,946,801)
41	Total Construction Program	\$ (112,218,864)
	Total Fund 538 Revenues	\$ 187,423,195
	Total Fund 538 Allocations	\$ (187,423,195)
	Remaining Unbudgeted Funds	\$ -



Construction Program - 10-year Plan Projects

Project Name	BTE Eligible Scope	Structure Number(s)	Phase	Planned Budget (\$ in Millions) ^{1 2}
I-25 Interchange Reconstruction at Speer Boulevard and 23rd Avenue	Speer Blvd WB/EB and 23rd Ave over I-25 Bridge Replacement	E-16-EW, E-16-EO, F-16-DA	Design	\$3
US 6 and Wadsworth Boulevard Interchange	US 6 over SH 121 (Wadsworth Blvd) Bridge Replacement	F-16-O	Constr.	\$4
I-76 Phase V Reconstruction from Fort Morgan to Brush	I-76 WB over BNSF, Beaver Creek and I 76 EB over US 34 Spur Bridge Replacement	C-22-AY, C-22-BG	Constr.	\$3
I-70 West: Floyd Hill	Construction Package 4 Bridge Replacements	F-15-BL, F-15-BM, F-15-D	Constr.	\$30
Eisenhower-Johnson Memorial Tunnel Repairs and Maintenance	Generator Upgrade	F-13-X, F-13-Y	Constr.	\$5
Eisenhower-Johnson Memorial Tunnel Repairs and Maintenance	LED Lighting Upgrade	F-13-X, F-13-Y	Constr.	\$18
			Total	\$62

1. Planned budget allocations shown are not intended to provide the total project budget (i.e. projects may be funded from multiple fiscal years and funding programs).
2. Planned budget allocations shown do not include projects funded through BTE's Plan of Finance.



Construction Program - Safety Critical and Asset Management Projects

Project Name	Structure Number(s)	Phase	Planned Budget (\$ in Millions) ^{1 2}
US285 over Rio Conejos River Overflow Bridge Replacement	P-12-A	Construction	\$5
Holyoke Bridge Replacement Bundle	B-27-F, B-27-D, B-27-A, A-27-A	Construction	\$13
US 6 over Elk Creek Bridge Replacement	F-06-A	Construction	\$6
SH86 over Kiowa Creek Bridge Replacement	G-19-B	Construction	\$11
CO 96 Critical Bridges Replacement Feasibility Analysis	K-18-BT, K-18-AD	Design	\$2
Future Infrastructure Revenue Bond Debt Service	N/A	N/A	\$12
Unprogrammed	N/A	N/A	\$2
		Total	\$50

1. Planned budget allocations shown are not intended to provide the total project budget (i.e. projects may be funded from multiple fiscal years and funding programs).
2. Planned budget allocations shown do not include projects funded through BTE’s Plan of Finance.



BTE Plan of Finance - Potential Budgetary Impacts

- BTE is contemplating refunding the remaining outstanding Series 2010A Build America Bonds and issuing additional new money bonds over the next two years.
- These transactions are not accounted for in the draft FY 2025-26 Budget.
- If BTE moves forward with these transactions, updates to the FY 2025-26 BTE budget to account for bond proceeds and debt service will be captured through the budget amendment process.
- BTE and CDOT will coordinate to add the new bond revenue and corresponding debt service payments to the CDOT budget allocation plan.



Next Steps

November	December	January	February	March
<p>BTE will return requesting review and approval of the final proposed FY 2025-26 budget.</p>	<p>After approval of the final proposed budget, BTE will coordinate with OFMB to incorporate updates to the budget. Updates will include but not be limited to:</p> <ul style="list-style-type: none"> • Revised revenue forecasts • Changes to programmatic allocations 		<p>BTE will request review and comment of the final FY 2025-26 budget.</p>	<p>BTE will request approval and adoption of the final FY 2025-26 budget.</p>
	<p>BTE and OFMB will align the final proposed BTE budget with the CDOT narrative budget and budget allocation plan.</p>			



COLORADO

Department of Transportation

Questions or comments?





COLORADO
Department of Transportation

Bridge and Tunnel Enterprise Board of Directors Memorandum

To: The Bridge and Tunnel Enterprise Board of Directors

From: Patrick Holinda, Bridge and Tunnel Enterprise Manager

Jeff Sudmeier, Chief Financial Officer

Katie Carlson, Bridge and Tunnel Enterprise Financial Manager

Date: October 16, 2024

Subject: Bridge and Tunnel Enterprise 10-Year plan Financing Workshop

Purpose

Staff has prepared this workshop to provide the Bridge and Tunnel Enterprise (“BTE” or the “Enterprise”) Board of Directors (Board) with information relating to the contemplated bond issuances in December 2024 and Spring 2025 which will restructure the Enterprise’s outstanding debt service and fund BTE eligible portions of the CDOT 10-Year Plan.

Action

No approval action is being requested this month. Staff requests Board feedback on ongoing Enterprise planning activities.

Background

The passage of SB21-260 established BTE as a key strategic business partner and funding source for the CDOT 10-Year Plan. The timing and size of CDOT 10-Year Plan projects with BTE eligible scope created a significant funding gap for the Enterprise over the next four years. In consultation with its Board of Directors, BTE developed a Plan of Finance to address the funding gap that anticipates between \$400M and \$500M in financing through three separate tranches over the next three to four years to meet its CDOT 10-Year Plan funding commitments. Due to its Enterprise status, BTE is authorized to issue revenue bonds and enter into agreements with governmental and non-governmental entities for loans or grants.

The Enterprise completed the first tranche of its Infrastructure Revenue Bonds (“IRBs”) in Spring 2024, which generated approximately \$163 million in project funds to support CDOT with the funding and delivery of the 10-Year Plan and the US 50 Blue Mesa Bridges Emergency Response Project. These funds are fully budgeted to BTE’s calendar year 2024 construction projects. The Enterprise continues to evaluate its debt capacity for future new money issuances planned in 2025 and 2026.

Details

BTE currently has Senior Lien Revenue Bonds outstanding in the amount of \$295,920,000, Infrastructure Revenue Bonds outstanding in the amount of \$150,000,000, and obligations for the Central 70 Project in the form of availability payments which increase annually through fiscal year 2052.

BTE is planning to address a debt service bottleneck that occurs in FY2041. This is due to the Central 70 Note, which has availability payments that increase annually. From FY2025 to FY2051, the annual availability payments will increase by over \$20 million. While restructuring of the Note is not advantageous at this time, BTE has the opportunity to execute a refunding of the 2010A Build America Bonds (“BABs”) and restructure the aggregate outstanding debt service to level payments of approximately \$70 million each year (reduction of the maximum annual debt service (“MADS”) by approximately \$7 million) starting in FY2029 prior to the next issuance of IRBs.

The second IRB new money issuance is estimated to be approximately \$200 million based on current cost estimates, schedules, and construction expenditure forecasts for BTE’s calendar year 2025 projects with the need for a third bond issuance in calendar year 2026 based on project needs in future fiscal years.

With the nature of the outstanding BTE obligations and the identified funding needs over the next four fiscal years, the following considerations for future financing needs are being evaluated.

- **Debt Service Coverage:** BTE’s refunding of the BABs would increase debt service coverage from FY2033 - FY2041, which is viewed as a credit strength by the rating agencies.
- **Pay-Go:** By reducing the maximum annual debt service payment by \$7 million, the Enterprise would have increased pay-go capacity for annual projects.
- **Risk Reduction:** The BABs subsidy is subject to sequestration (currently 5.7% through FY2030), and refunding would eliminate this risk. Lost BAB subsidy earnings on the bonds are equal to \$1.9 million since the 2019 refunding.
- **Savings:** Based on current market conditions, the BAB refunding is not expected to generate net savings in isolation and will ultimately be for restructuring purposes. It should be noted that refunding would provide BTE the opportunity to amortize more principal in FY 2029 - FY2051 on the proposed IRB new money issuance, which will in turn lower borrowing costs and reduce the Enterprise’s long term debt burden. Through FY2041, the refunding will need to generate positive average annual savings to meet the requirements of the closed lien.
- **Future Borrowing Capacity:** While the Enterprise does not have plans for future debt beyond its current Plan of Finance at this time, the refunding of the BABs is estimated to increase future borrowing capacity by 12%, providing the Enterprise with more flexibility to address future needs as they arise.

At the November Board Meeting, the Board will be provided with drafts of a Parameters Resolution (delegating the authority to staff for issue the refunding bonds within certain not to exceed parameters related to costs and interest rate), the Preliminary Official Statement

(offering document used to market the bonds to investors) and the Bond Indentures. Current financing timing contemplates issuing the Series 2024 Refunding Bonds in December to take advantage of current market conditions, optimize the Enterprise's debt portfolio and increase debt service coverage in advance of the upcoming new money issuance.

Next Steps

1. Staff will continue to work with the underwriting syndicate, its Municipal Advisor, and Bond Counsel to prepare all necessary financing documents.
2. Staff will evaluate and refine restructuring considerations to balance overall debt service costs with pay-go targets.
3. Staff will work with its Municipal Advisor to present the financing to the rating agencies in November, receiving the ratings for the Series 2024 BAB Refunding ahead of the POS posting.

Attachments

Attachment A: BTE 10-Year Plan Financing Workshop



COLORADO

Department of Transportation

Statewide Bridge and Tunnel Enterprise 10-Year Plan Financing Progress Update

October 16, 2024



Agenda

1. Financial Status Update
2. Series 2010A BABs Refunding Opportunity
3. New Money Financing
4. Refined Schedule and Next Steps





BTE Financial Baseline Updates

- Proceeds and debt service from the Series 2024A bond transaction are now included
- Project cost, schedule, and drawdown information updated
- Revenue forecast updated based on most recent data provided by OFMB
- The following projects are now included in the Safety Critical and Asset Management Project line item:
 - US50 Blue Mesa Bridges Emergency Response - \$96M
 - Glenwood Canyon Bridge Rehab Scope - \$40M



Programmatic Baseline

FY24-FY32 Available Revenues vs. Project Commitments by FY (\$ in Millions)

Column 1	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	Total
Revenues ¹	\$ 153	\$ 163	\$ 178	\$ 189	\$ 200	\$ 211	\$ 216	\$ 218	\$ 222	\$ 225	\$ 1,975
2024A Bond Proceeds	164										\$ 164
Surplus/Deficit from Prior FY ²	15	0	(189)	(194)	(302)	(293)	(209)	(72)	66	207	\$ (968)
Non-Project Expenses ³	(51)	(52)	(66)	(66)	(67)	(70)	(69)	(70)	(71)	(71)	(653)
10-Year Plan Projects (FY23-FY26) ⁴	(172)	(220)	(70)	(202)	(101)	(47)	-	-	-	-	\$ (812)
Safety Critical & Asset Management Projects ⁴	(109)	(71)	(39)	(21)	(15)	(2)	(2)	(2)	(2)	(2)	\$ (265)
2024A Infrastructure Revenue Bonds Debt Service ⁵	-	(9)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	\$ (73)
Cumulative Capacity/Deficit	\$ 0	\$ (189)	\$ (194)	\$ (302)	\$ (293)	\$ (209)	\$ (72)	\$ 66	\$ 207	\$ 351	



Estimated Maximum
BTE Deficit

Source: Various, see below

¹ Source: OFMB revenue forecasts and pertinent debt service schedules. Assumes a \$15M cap on FHWA participation in debt service on the Series 2010A/2019A bonds.

² Source: Amounts reflected are annual year- end roll forwards from the prior fiscal year.

³ Source: BTE Staff and Pertinent Debt Service Schedules

⁴ Source: Region staff. Based on current project expenditure forecasts. Subject to change.

⁵ Source: Series 2024A IRB Debt Service Schedule



BTE Plan of Finance

- BTE’s current Plan of Finance contemplates three “new money” transactions totaling \$400M to \$500M in value that will be used to fund the CDOT 10-year Plan
- The first of the three transactions, the BTE Senior Infrastructure Revenue Bond Series 2024A transaction, closed in April 2024 and resulted in \$163.8M in net proceeds
- All proceeds have been budgeted to BTE CY 2024 construction projects
 - Vail Pass Safety and Operations Improvement Project - Construction Package #5
 - I-70 Floyd Hill - Construction Package #3
 - I-25 through New Pueblo Freeway - Advancing Transportation Safety
 - US 50 Blue Mesa Bridges Emergency Response Project
- Planning for the second transaction, currently estimated at \$200M, is underway



Baseline with Current Plan of Finance

\$450M Par Value Bonding Scenario

FY24-FY33 Available Revenues and Potential Debt Issuance vs. Project Commitments by FY (\$ in Millions)

Column 1	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	Total
Revenues ¹	\$ 153	\$ 163	\$ 178	\$ 189	\$ 200	\$ 211	\$ 216	\$ 218	\$ 222	\$ 225	\$ 1,975
Total Planned Bonding Program	164	200	100		-	-		-	-	-	\$ 464
Surplus/Deficit from Prior FY ²	15	0	7	90	(33)	(39)	30	152	271	391	\$ 887
Non-Project Expenses ³	(51)	(52)	(66)	(66)	(67)	(70)	(69)	(70)	(71)	(71)	\$ (653)
10-Year Plan Projects (FY23-FY26) ⁴	(172)	(220)	(70)	(202)	(101)	(47)	-	-	-	-	\$ (812)
Safety Critical and Asset Management Projects ⁴	(109)	(71)	(39)	(21)	(15)	(2)	(2)	(2)	(2)	(2)	\$ (265)
Total Estimated Infrastructure Revenue Bonds Debt Service ⁵	-	(13)	(20)	(23)	(23)	(23)	(23)	(27)	(29)	(29)	\$ (210)
Cumulative Capacity/Deficit	\$ 0	\$ 7	\$ 90	\$ (33)	\$ (39)	\$ 30	\$ 152	\$ 271	\$ 391	\$ 514	



Estimated Maximum BTE Deficit

Source: Various, see below

1 Source: OFMB revenue forecasts and pertinent debt service schedules. Assumes a \$15M cap on FHWA participation in debt service on the Series 2010A/2019A bonds.

2 Source: Amounts reflected are annual year- end roll forwards from the prior fiscal year.

3 Source: BTE Staff and Pertinent Debt Service Schedules

4 Source: Region Staff. Based on current project expenditure forecasts and subject to change.

5 Source: Estimates by BTE Staff



Contemplated FY 2025 Financings

December
2024

Restructure Series 2010A
Bonds

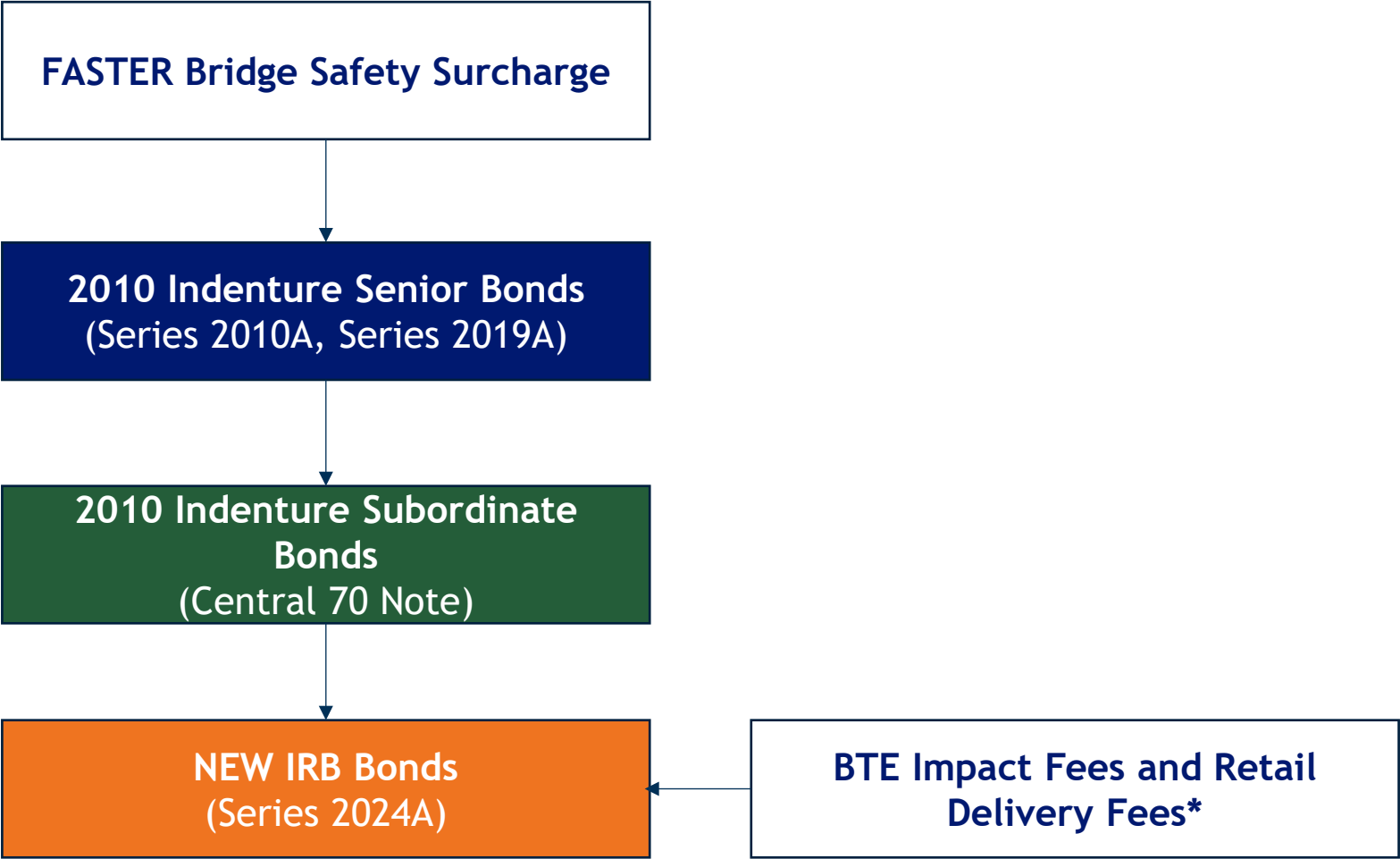
- Remove bottleneck
- Increase debt service coverage prior to next issuance

Spring
2025

Issue second tranche of BTE's Infrastructure Revenue Bonds (~\$200M) for select 10-Year Plan projects



Summary of Outstanding BTE Debt



* Subject to resolution of litigation



Background

- In 2010, BTE issued \$300M in Build America Bonds (Series 2010A Bonds) to accelerate the replacement of poor-rated bridges
- The Bonds were issued with a 10-year par call option
- In 2019, BTE exercised the par call option and issued bonds to refund \$38.74M of the Series 2010A bonds for \$4.9M of PV savings (11.63% of refunded bonds)
- There is an current opportunity to refund the remaining \$257.18M of Series 2010A Bonds to restructure the overall debt profile of the Enterprise



Debt Service Considerations

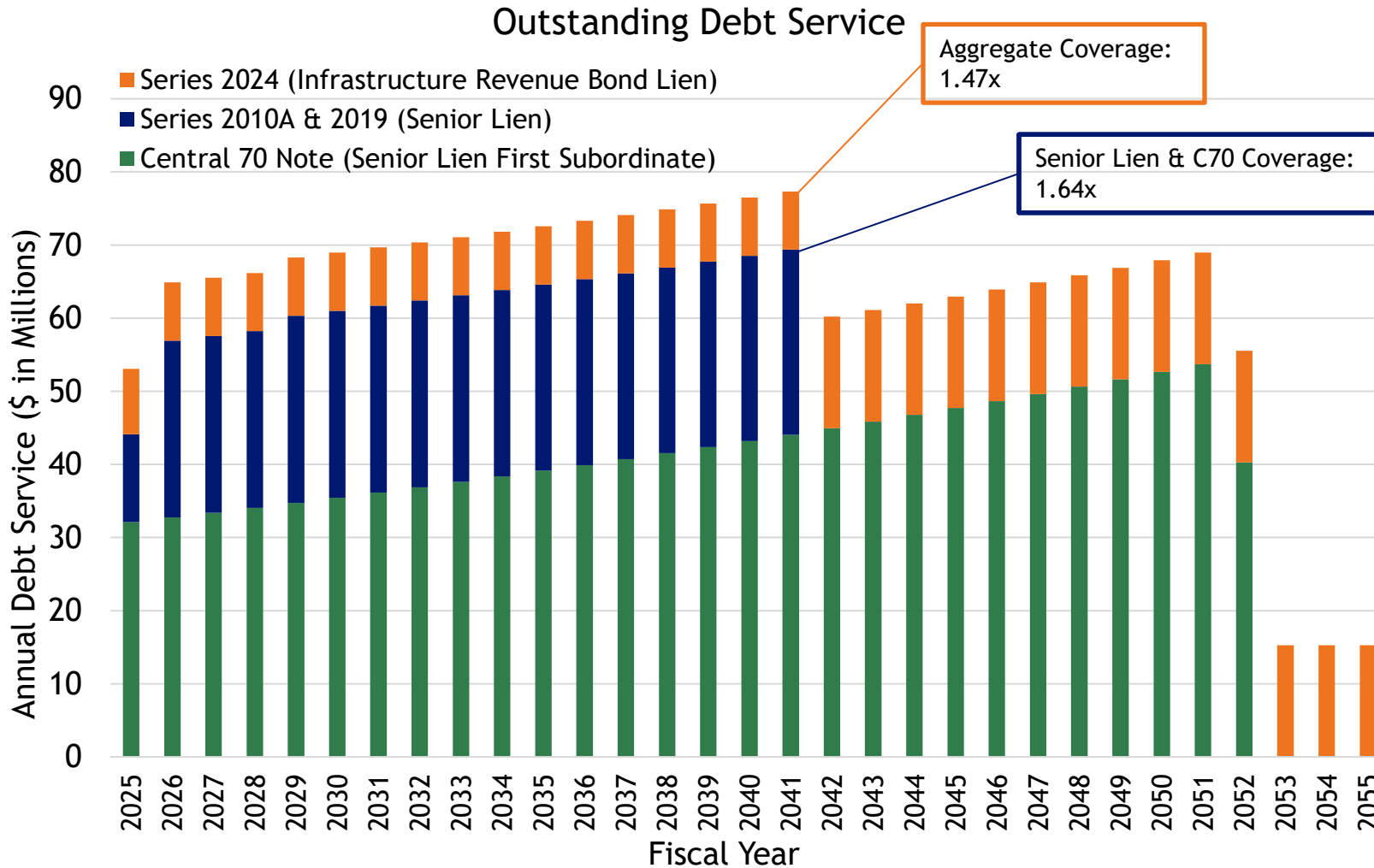
BTE's current debt service structure has increasing debt service payments from the Central 70 Note, with a peak in FY 2041.

While BTE continues to meet and exceed coverage requirements on its outstanding debt, a strategic refunding of the Series 2010A Bonds would provide additional flexibility for future debt obligations connected to the Enterprise's 10-Year Plan, notably the second tranche of the Senior Infrastructure Revenue Bonds slated to come to market in Spring 2025.





Current Debt Service Obligations



- Rating analysts evaluate BTE’s credit based on the debt service coverage across its obligations, especially where the Maximum Annual Debt Service (“MADS”) occurs, which is in FY 2041
- The increasing debt service structure reduces available revenues for pay-go projects, further putting pressure on the Enterprise



Preliminary Refunding Statistics and Debt Service Schedule

Refunding Statistics - Series 2024 Refunding	
Status	Tax-exempt
Dated Date	12/4/2024
Par Amount of Refunded Bonds	\$257,180,000
Par Amount of Refunding Bonds	\$241,715,000
Maturities Refunded (Series 2010A BABs)	2040 Term Bond
True Interest Cost	3.354%
Average Annual Savings Through Final Maturity of Refunded Bonds	\$2,125,481
Savings	(\$17,398,064)
Net Present Value Savings (\$)	(\$6,775,864)
Net Present Value Savings (%)	(2.634%)

Refunding statistics reflect the BAB subsidy received for the refunded bonds.

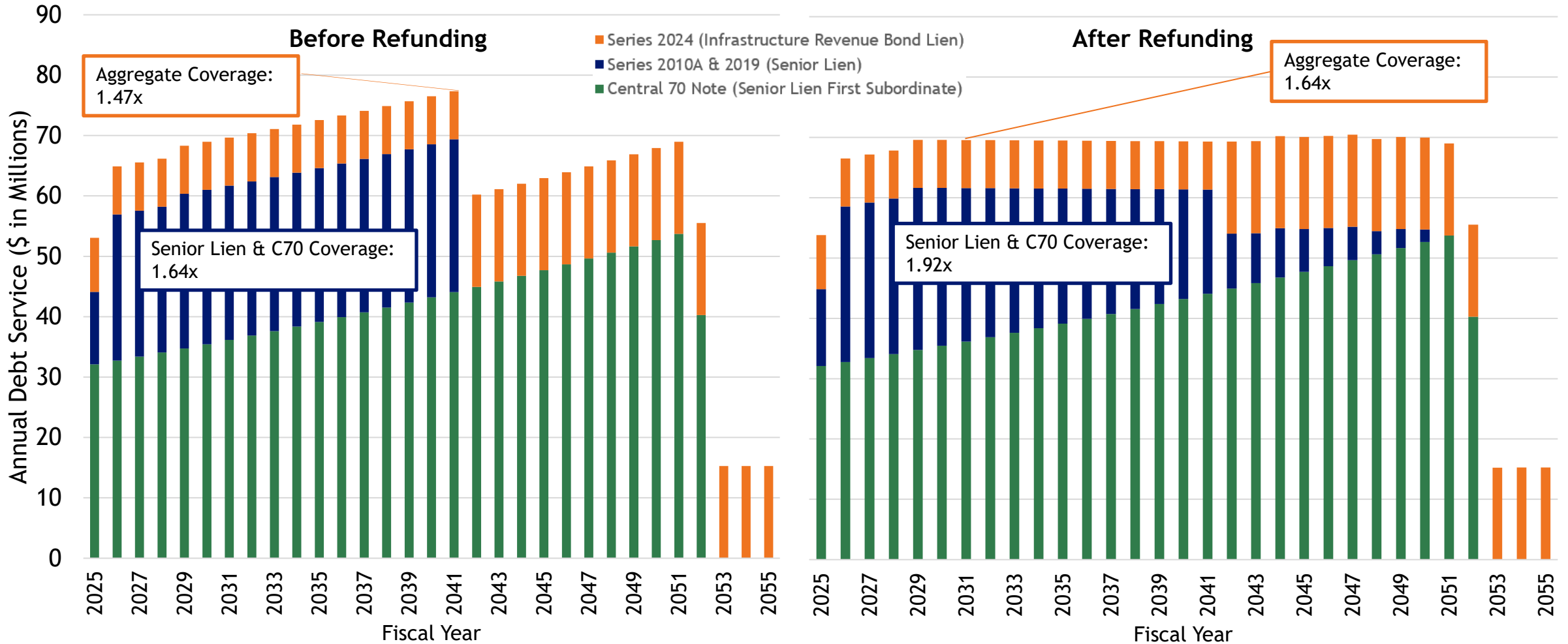
Preliminary and subject to change. The use of the Aa1/AA+ Senior Lien rating is consistent with the ratings of the outstanding prior bonds. Interest rate assumptions are based on current market conditions. Actual results may differ. MMD and Treasury rates as of 9/19/2024 COB.

FYE 6/30	Principal	Interest	Debt Service	Savings
2025		5,942,160	5,942,160	(705,641)
2026		12,085,750	12,085,750	(1,612,712)
2027		12,085,750	12,085,750	(1,612,712)
2028		12,085,750	12,085,750	(1,612,712)
2029	15,180,000	11,706,250	26,886,250	(1,287,590)
2030	15,220,000	10,946,250	26,166,250	(588,971)
2031	15,255,000	10,184,375	25,439,375	120,664
2032	15,275,000	9,421,125	24,696,125	839,797
2033	15,280,000	8,657,250	23,937,250	1,576,661
2034	15,270,000	7,893,500	23,163,500	2,329,282
2035	15,240,000	7,130,750	22,370,750	3,100,566
2036	15,195,000 C	6,369,875	21,564,875	3,878,516
2037	15,130,000 C	5,611,750	20,741,750	4,680,934
2038	15,040,000 C	4,857,500	19,897,500	5,495,372
2039	14,935,000 C	4,108,125	19,043,125	6,324,507
2040	14,800,000 C	3,364,750	18,164,750	7,170,787
2041	14,645,000 C	2,628,625	17,273,625	8,036,437
2042	7,000,000 C	2,087,500	9,087,500	(9,087,500)
2043	6,500,000 C	1,750,000	8,250,000	(8,250,000)
2044	6,750,000 C	1,418,750	8,168,750	(8,168,750)
2045	6,000,000 C	1,100,000	7,100,000	(7,100,000)
2046	5,500,000 C	812,500	6,312,500	(6,312,500)
2047	5,000,000 C	550,000	5,550,000	(5,550,000)
2048	3,500,000 C	337,500	3,837,500	(3,837,500)
2049	3,000,000 C	175,000	3,175,000	(3,175,000)
2050	2,000,000 C	50,000	2,050,000	(2,050,000)



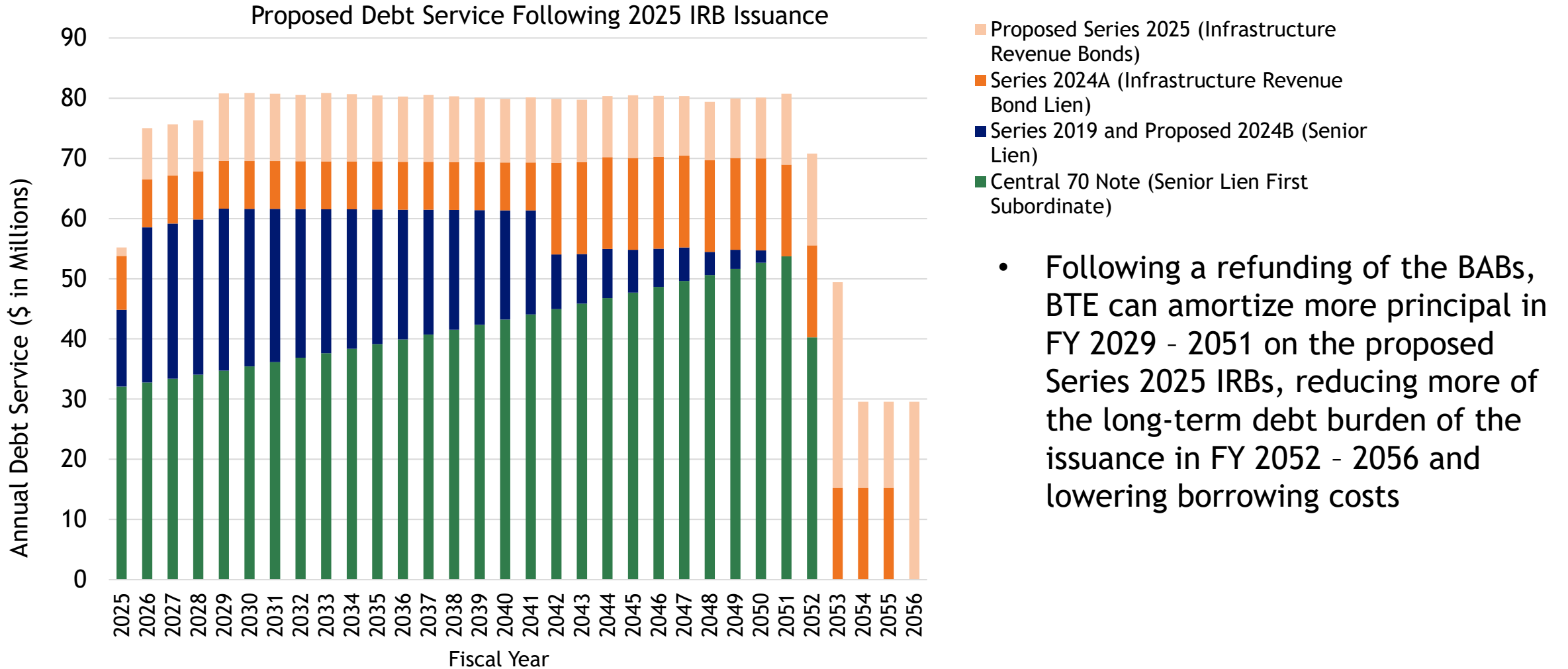
Comparison of Aggregate Debt Service Before and After the Contemplated Refunding

The proposed structure allows BTE to preserve pay-go revenues through FY2041





New Debt Service Structure with the Issuance of the Series 2025 IRBs

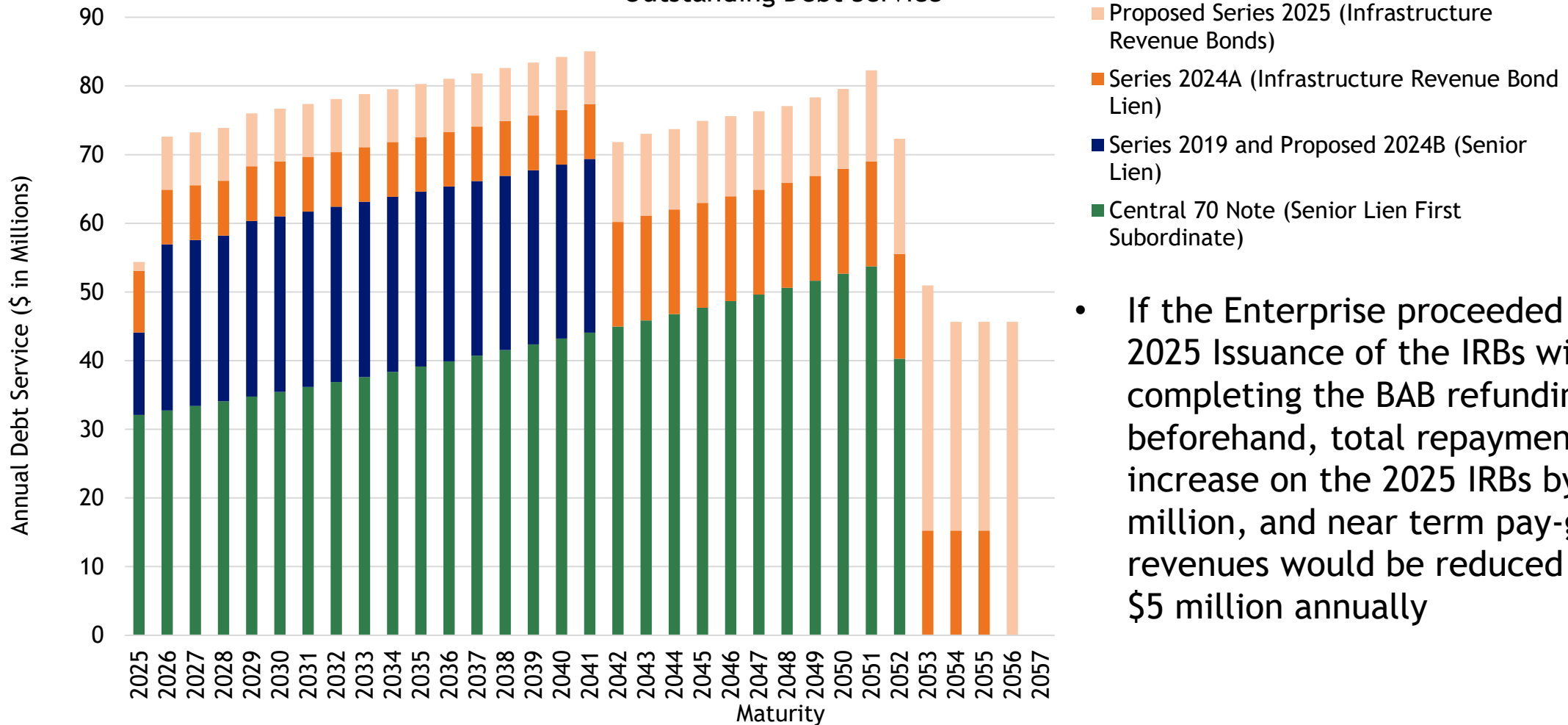


Preliminary and subject to change. The use of the Aa1/AA+ Senior Lien and A1/A- IRB ratings are consistent with the ratings of the outstanding prior bonds. Interest rate assumptions are based on current market conditions. Actual results may differ. MMD and Treasury rates as of 9/19/2024 COB.



Impact to IRB Issuance Without BAB Refunding

Outstanding Debt Service



- If the Enterprise proceeded with the 2025 Issuance of the IRBs without completing the BAB refunding beforehand, total repayment would increase on the 2025 IRBs by over \$20 million, and near term pay-go revenues would be reduced by up to \$5 million annually

Preliminary and subject to change. The use of the Aa1/AA+ Senior Lien and A1/A- IRB ratings are consistent with the ratings of the outstanding prior bonds. Interest rate assumptions are based on current market conditions. Actual results may differ. MMD and Treasury rates as of 9/19/2024 COB.



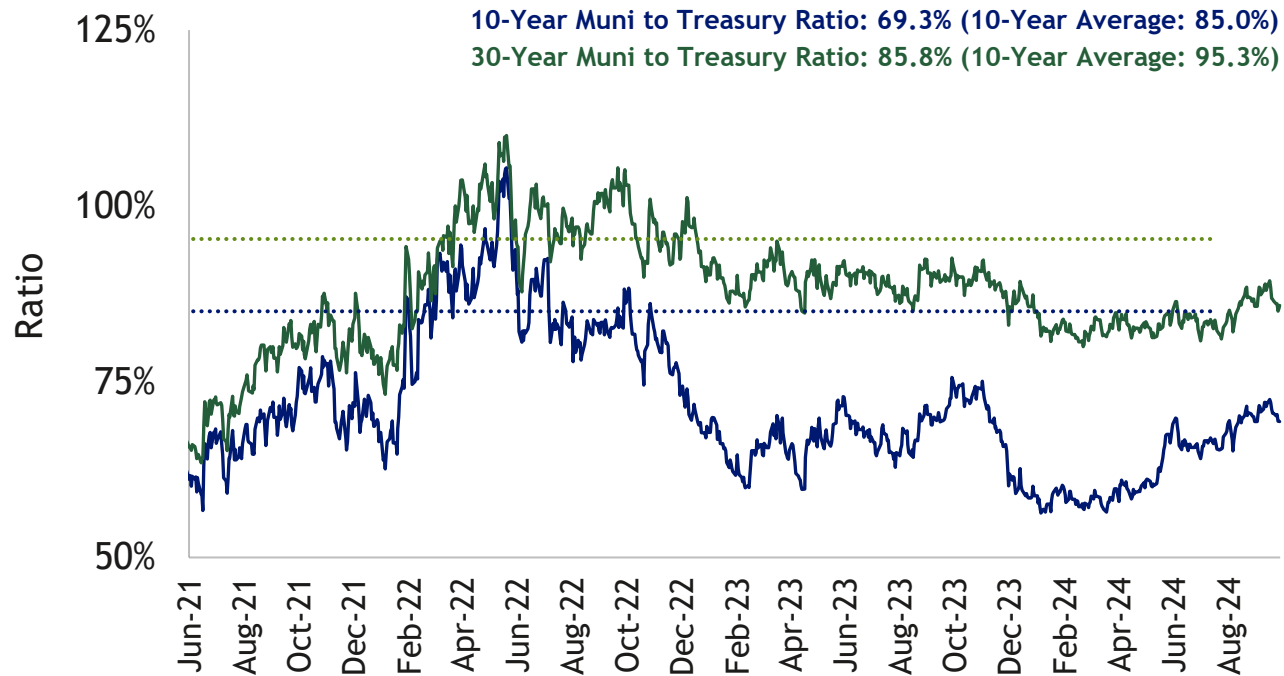
Benefits and Trade Offs

Benefits	Trade Offs
<ul style="list-style-type: none"> • BAB subsidy is subject to sequestration • Lost BAB subsidy earnings on the bonds are equal to \$1.9 million since the 2019 refunding, with \$3.4 million expected to be lost through the life of the Bonds. • Average annual savings of \$2,125,481 through the final maturity of refunded bonds to meet refunding requirements • New structure would reduce BTE's MADS • Increased pay-go capacity through FY 2041 • Increased debt capacity for new money issuances by 12% • Opportunity to refund \$135 million of principal in 2034 	<ul style="list-style-type: none"> • Net present value dissavings of \$6,775,864 on the transaction • Reduced pay-go capacity beyond FY 2041 • Market risk: As with any refunding, refunding opportunities may produce higher savings should market conditions and MMD/UST ratios change



Market Conditions

- BAB refundings are sensitive to the ratio between municipal rates (tax-exempt) and treasury (taxable) rates, with low ratios being advantageous to the proposed refunding
- While this ratio has increased since its 2024 YTD lows, the ratio still remains lower than historical averages



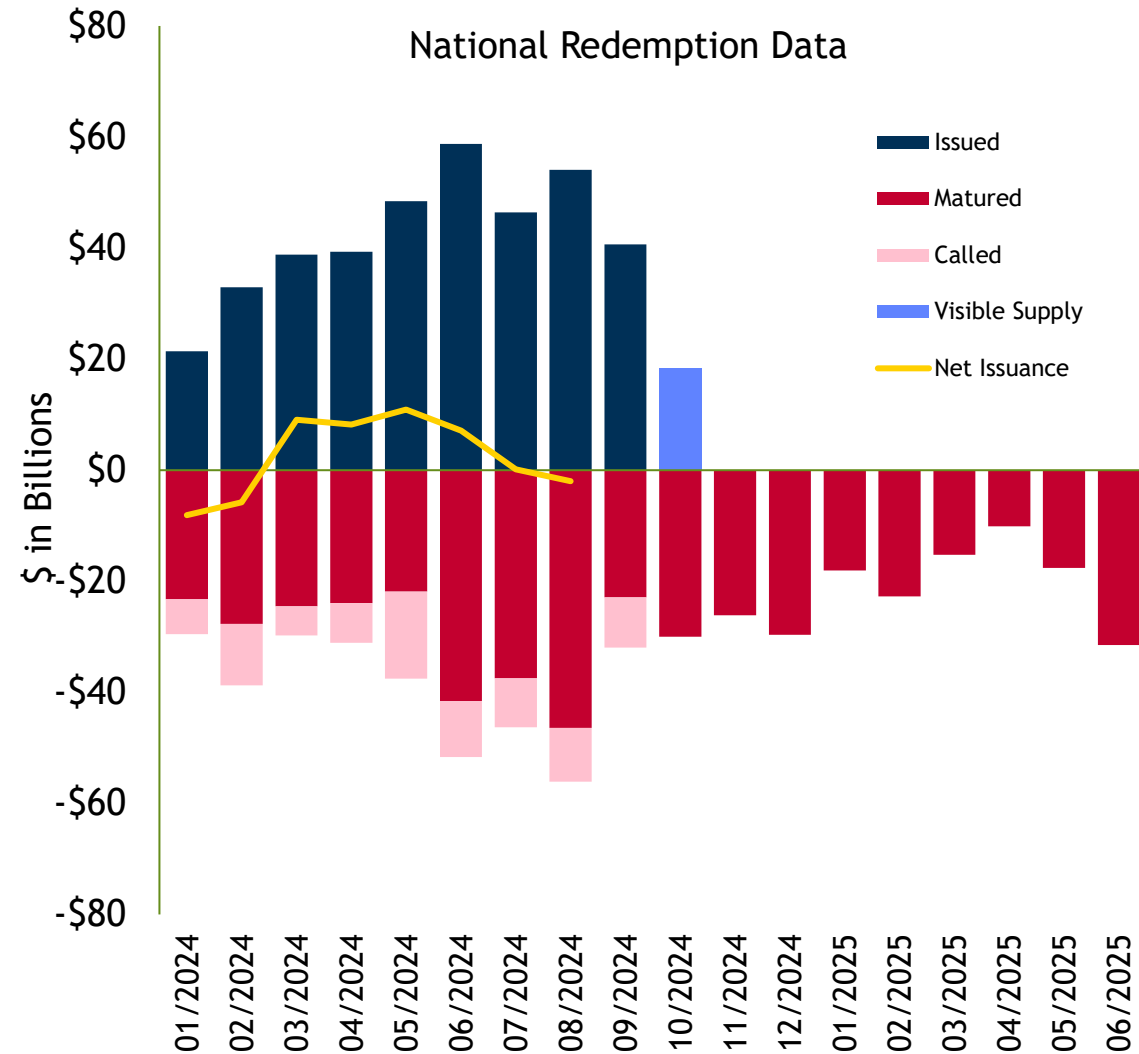


Why Now?

Supply/Demand for Colorado Municipal Bond Supply

- December is a large redemption month Nationally and in Colorado
 - In December 2024, **\$1.5B of bonds mature across the state**, and almost **\$30B maturing across the US**
 - Current expectations in Colorado are for lower supply in December 2024 compared to January 2025 (dependent on bond election question outcomes)
- **Investors will be seeking opportunities in Colorado to reinvest their money**

National Redemption Data





Increased Flexibility for Upcoming IRB Issuances

- By executing this refunding for the purpose of flattening debt service, future financings will have more structuring flexibility to amortize more principal in earlier years, lowering the borrowing cost
 - Prior to issuing the 2025 IRBs, we expect debt capacity to increase by 12%
 - **The growth in structuring flexibility is viewed as a credit strength by rating analysts**



Prospective Timing and Key Steps for the Series 2024 BAB Refunding and Series 2025 IRBs

- As BTE and CDOT continue to evaluate financing options and funding timing needs for the Series 2024 Refunding and Series 2025 IRBs, the timeline below outlines the key steps and general timing for the issuance. Events involving the Board have been bolded and underlined.

November	December	January	February	March	April
<ul style="list-style-type: none"> Draft of POS and financing documents distributed Document review Rating agency calls BTE Board adopts parameters resolution for Series 2024 Refunding 	<ul style="list-style-type: none"> Due diligence call Post preliminary official statement Pricing Final official statement posted Closing 	<ul style="list-style-type: none"> BTE Workshop for Series 2025 IRBs 	<ul style="list-style-type: none"> Draft of POS and financing documents distributed Document review Rating agency calls BTE Board adopts parameters resolution for Series 2025 IRBs 	<ul style="list-style-type: none"> Due diligence call Post preliminary official statement Pricing Final official statement posted Closing 	<ul style="list-style-type: none"> Funds needed for construction



COLORADO

Department of Transportation

Questions or comments?





COLORADO
Department of Transportation

Transportation Commission Memorandum

To: Transportation Commission

From: Frank Spinelli, Audit Director

Date: October 16, 2024

Subject: Update the Audit Review Committee (ARC) on CDOT overall audit coverage, division staffing demographics, and metrics.

Purpose

To inform the ARC on the overall audit coverage by discussing the methods used by different government bodies to better understand how a 2 billion dollar a year operation with all its different entities, projects, and sources of funding is covered from an audit standpoint. Also, provide minutes from the last ARC meeting, several Audit Division metrics, and recent results from various audit activities.

Action

Request approval of February 14, 2024 ARC Minutes

Background

CDOT along with its own operations has five Enterprise Funds (High Performance Transportation, Clean Transit, Nonattainment Area Air Pollution Mitigation, Statewide Bridge and Tunnel, and Fuels Impact). CDOT receives approximately 2 billion dollars of funds each year and is subject to different types of reviews performed by OSA, Federal Transit Administration (FTA), Federal Highway Administration (FHWA), and CDOT Audit Division, which helps achieve the overall coverage.

Decision

N/A

Attachments

PowerPoint presentation

**Colorado Transportation Commission
Audit Review Committee Agenda
Wednesday, October 16, 2024**

**Eula Adams, Chair
District 3**

**Rick Ridder
District 6**

**Hannah Parsons
District 9**

All commissioners are invited to attend this Committee meeting

1.	Call to Order	Verbal
2.	Motion to Approve February 14, 2024 Minutes	p. 1
3.	Colorado Department of Transportation (CDOT) Audit Coverage External Auditors	Verbal
4.	Recent Financial and Single Audit Results	Verbal
5.	CDOT Audit Coverage - Internal Audit	Verbal
6.	Audit Division Staffing Demographics & Metrics	Verbal
7.	External Audit Team Results and Approach	Verbal
8.	Internal Audit (IA) Team Approach and Selection Process	Verbal
9.	FY 2025 Internal Audit Selection	Verbal
10.	Current Audit Overview	Verbal

THE AGENDA MAY BE ALTERED AT THE CHAIR'S DISCRETION



COLORADO

Department of Transportation

Audit Review Committee
October 16, 2024



Agenda

- Call to Order
- Motion to Approve February 14, 2024, Minutes
- Colorado Department of Transportation (CDOT) Audit Coverage - External Auditors
- Recent Financial and Single Audit Results
- CDOT Audit Coverage - Internal Audit
- Audit Division Staffing Demographics & Metrics
- External Audit Team Results and Approach
- Internal Audit (IA) Team Approach and Selection Process
- FY 2025 Internal Audit Selection
- Current Audit Overview



CDOT Audit Coverage - External Auditors' Role

Financial internal controls are annually assessed by Colorado Office of State Auditor (OSA)'s contracted partner, CliftonLarsonAllen (CLA), performing a:

- Statewide financial statement audit, including CDOT and its enterprise funds
- Statewide Single Audit, which may include CDOT federal award pass-through programs based on OSA's risk assessment and major programs determination
- CLA is under contract for audits performed for FY 2023 - FY 2027

CLA's approach includes:

- Reviewing internal controls and compliance with OSA's Fiscal Procedure Manual, Uniform Guidance, and federal and state laws
- Reviewing CDOT progress on prior audit recommendations
- Conducting audits based on GASB, GAAP, and AICPA audit standards
- Performing a risk assessment and employing statistical sampling
- Communicating significant deficiencies or material weakness to both CDOT and the Legislative Audit Committee



Motion to Approve Minutes

Motion to Approve February 14, 2024, Minutes



CDOT Audit Coverage - External Auditors' Role (cont'd)

Other internal controls are periodically assessed by various agencies including:

- OSA conducting or contracting out performance audits, information technology (IS), information systems (IS), or Cybersecurity Resiliency audits
- Federal Transit Administration (FTA) conducting state management reviews of DTR
- Federal Highway Administration (FHWA) conducting reviews



Financial and Single Audit Results for Fiscal Year Ending June 30, 2023 - CDOT Specific Findings

Audit findings are communicated to the Transportation Commission either through an informative memo or if warranted, TC briefing.

Financial Statement Findings

- Improve internal controls over its financial accounting related to:
 - Accounts payable estimates and timeliness
 - Diagnostic report reviews and timeliness
 - Cross training more staff on year-end process
 - Exhibit preparation and year-end procedures
- Improve overall IT governance and information security IT general controls for the SAP system by formalizing and communicating to department staff IT policies and procedures

Single Audit Federal Award Findings

- Improve internal controls over and ensure compliance with federal subrecipient monitoring requirements for the Highway Planning and Construction, Formula Grants for Rural Areas, and Tribal Transit Programs by:
 - Updating current subrecipient monitoring and risk assessment policy
 - Providing training to staff responsible for subrecipient monitoring activities



Financial Audit Results for Fiscal Years Ending June 30, 2023 - Enterprise Funds

- CliftonLarsonAllen (CLA), contracted by the Office of State Auditor (OSA), completed the High-Performance Transportation Enterprise (dba Colorado Transportation Investment Office-CTIO) Financial Audit
 - Issued an unmodified opinion
 - No instances of noncompliance considered material to the financial statements were disclosed by the audit
- CLA also completed the Statewide Bridge and Tunnel Enterprise (BTE) Financial Audit
 - Issued an unmodified opinion
 - No material weakness in internal control over financial reporting were identified
 - No instances of noncompliance considered material to the financial statements



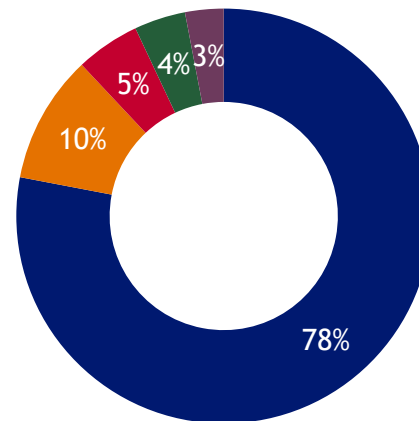
CDOT Audit Coverage - Internal Audit Division's Role

- Performance audits of:
 - Internal controls
 - Process efficiency and effectiveness
 - Compliance with CDOT, state, and federal policies and procedures, statutes, and regulations
- Investigate allegations of fraud
- Follow up on internal audit findings to ensure recommendations are implemented
- Track, monitor, and report on recommendations made by external auditors



Audit Division Staffing Demographics & Metrics

Percent of Hours by Activity

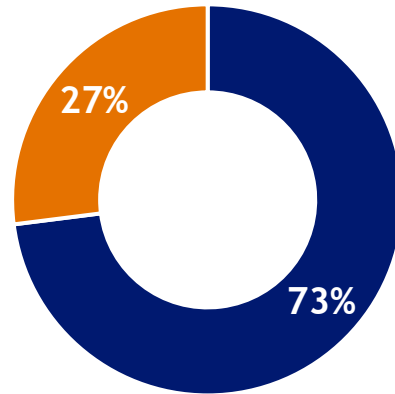


- Direct Projects
- Personal Leave/Holidays
- Other Administrative Tasks
- Consulting Activities
- CPE & CDOT Required Training



Staffing Demographics & Metrics - Continued

Audit Management to Staff

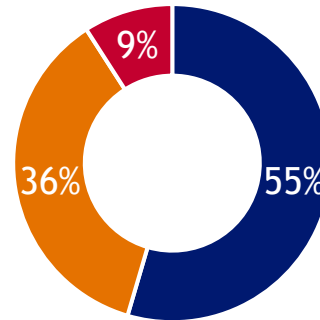


- Non-supervisory Audit Staff
- Audit Management



Staffing Demographics & Metrics - Continued

Highest Education Level

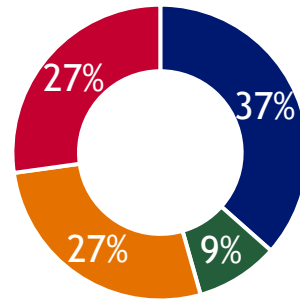


- Bachelor's Degree
- Master's Degree
- PhD



Staffing Demographics & Metrics - Continued

Total Audit Experience

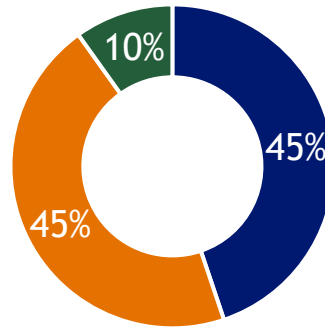


- Less than 5 Years
- 5 to less than 10 Years
- 10 to less than 20 Years
- 20 or More Years



Staffing Demographics & Metrics - Continued

CDOT Audit Division Experience



- Less than 5 Years
- 5 to less than 10 Years
- 10 to less than 20 Years



Staffing Demographics & Metrics - FY 2024 & Return on Investment (ROI)

External Team

- Averaged 5.5 employees during fiscal year with salaries and fringe benefit costs of \$664,567
- Currently 6 employees (manager, MPA specialist/subject matter expert, 4 staff)
- 1 staff vacancy
- Estimated savings of \$5M
- ROI - 752% (for every \$1 external team cost, \$7.52 in estimated savings generated)

Internal Team

- Averaged 4.8 employees during fiscal year with salaries and fringe benefit costs of \$708,155
- Currently 4 employees (director, manager, 2 staff) with 1 entry level staff vacancy filled 7/28
- 2 management vacancies (supervisor and IT specialist/subject matter expert)
- Estimated savings of \$2M from the Emergency Project Process audit
- ROI - 282% (for every \$1 internal team cost, \$2.82 in estimated savings generated)



Fiscal Year (FY) 2024 External Team Products Completed

Products	Number Completed	Expenditures ¹	% of CDOT Final FY 2024 Budget ²	Savings Estimate ³
Master Pricing Agreement (MPA) Reviews	204	\$129M	8.1%	\$5M
Subrecipients Monitored for 2022 Single Audit Compliance	180	\$149M	9.3%	N/A
Single Audits Reviewed	101	\$139M	8.7%	
Grant Reviews on Subrecipients without Single Audits	2	\$54k	<1%	
Indirect Cost Rate Reviews ⁴	13	\$22M	1.4%	N/A
Special Projects				
1) MPA indirect cost rate adjustment impact review	3	N/A	N/A	\$19k
2) Division of Aeronautics grant administration process				
3) Florida Department of Transportation Benchmarking Project				
TOTALS	400	\$300M	18.8%	\$5.019M

Footnotes:

¹ MPA reviews - FY 2024 professional services projected expenditures per CDOT's FY 2024 Spending Plan

Subrecipients monitored expenditures - calendar year (CY) 2022 federal award payments to subrecipients per Division of Accounting and Finance (DAF)

Single Audits reviewed expenditures - CY 2022 federal award payments to the subrecipients with 2022 Single Audits

Grant reviews expenditures - dollar value of invoices reviewed

Indirect cost rate reviews expenditures - FY 2024 federal award payments (note that indirect cost reimbursements are a percentage of the \$22M amount)

² CDOT's FY 2024 final budget, excluding enterprises, was approximately \$1.6B (excluding enterprises) per the FY 2024 Final Budget Allocation Plan

³ MPA savings estimate calculation: total indirect cost and direct salary rate adjustments/hour x 2080 available work hours x 10%

⁴ Completed 11 requested reviews, and accepted 1 entity's federally approved rate and 1 entity's request to use the 10% de minimis rate



External Team Review Approach

Products	Identified / Requested By	Purpose	Testing / Validation Approach	Estimated % of Review Hours Spent on Testing / Validation by Product Type
MPA Reviews	Consulting Firm	Determine fair and reasonableness and federal compliance of proposed rates	Risk-based Approach	80%
Subrecipients Monitored for Single Audit Compliance	DAF - Accounting	Determine Single Audit risk to CDOT federal award programs and provide management decision on CDOT federal award findings' corrective actions	100% Compliance Testing	70%
Grant Reviews on Subrecipients without Single Audits	Audit	Determine CDOT personnel's federal requirements with subrecipient monitoring procedures	Judgmental Sampling	60%
Indirect Cost Rate Reviews	Local or Transit Agency, Nonprofit Organization	Determine federal compliance of proposed indirect cost rates	Risk-based Approach, Trend Analysis	80%
Construction Dispute/ Claim Reviews	Construction Company or CDOT Project Management	Determine reasonableness of claimed additional costs calculation methodology, validate additional costs, and provide best estimate of quantum value	Risk-based Approach, Judgmental or Statistical Sampling	70%
Sole Source Cost Price Analysis Reviews	DAF - Procurement and Contract Services	Determine cost price analysis CDOT performed supports proposed procurement price is fair and reasonable	100% Testing	80%
Advance Vehicle Payment Requests	Division of Transit & Rail (DTR)	Determine local or transit agency's procedures and financial information comply with DTR requirements	100% Testing	80%
Special Projects	Audit, Hotline, CDOT Management, External Parties	Determined at time of request	Varies	Varies



IA Selection Process

- Audits chosen based on 40 risk factors that are ranked in a heatmap as well as input from CDOT Executive Management, Transportation Commission, and hotline complaints
- Risks are identified and ranked based on:
 - Impact and likelihood of occurrence
 - External and internal audit results
 - Audit Division risk assessment performed every 3 years
 - External auditors' risk assessments
- 5 highest FY 2025 risk factors include:
 - 1) Staffing
 - 2) Employee Cross Training
 - 3) Policies and Procedures
 - 4) Regulatory
 - 5) Technology

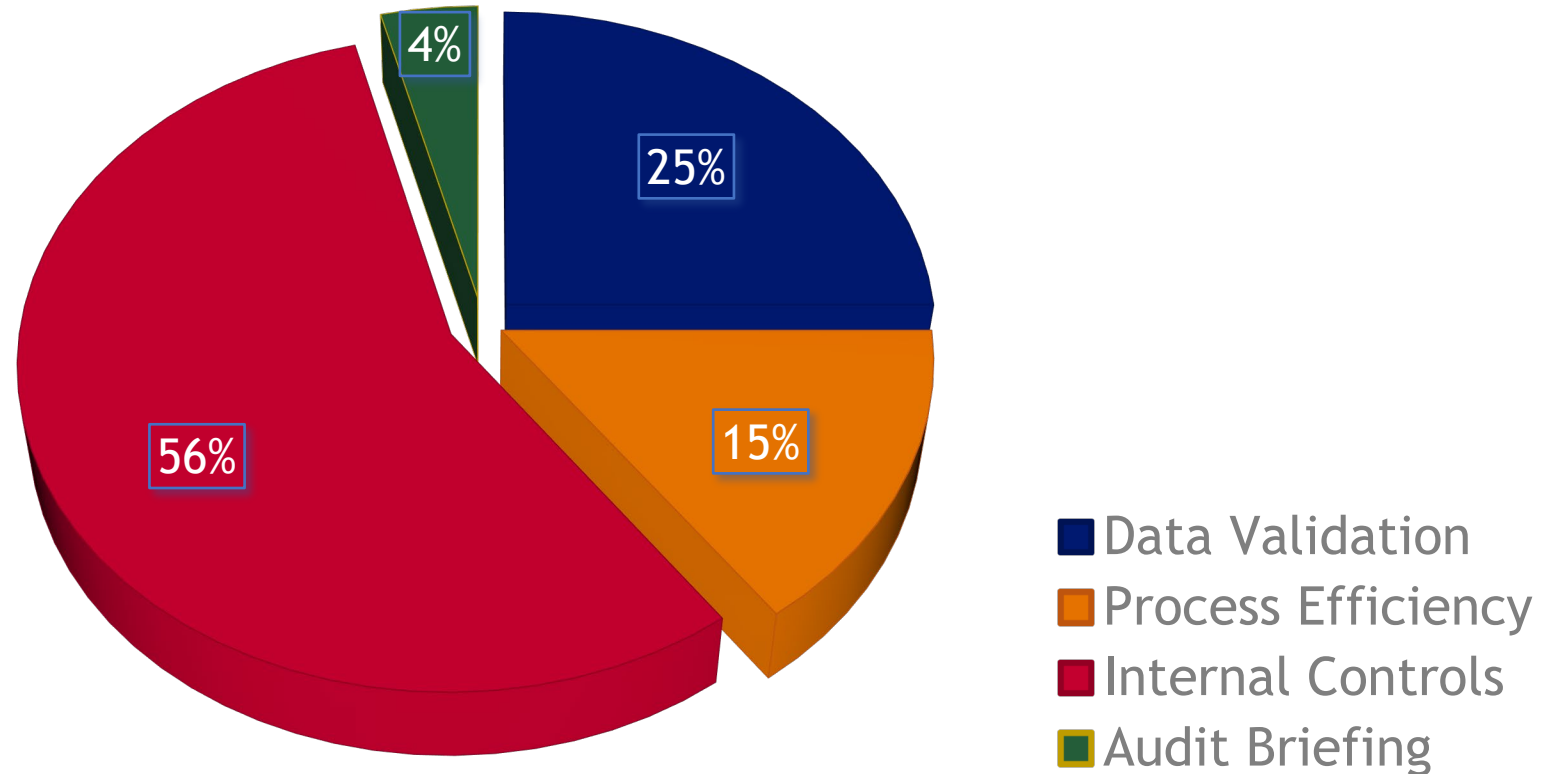


FY 2024 CDOT Risk Assessment and Heat Map

Impact of Occurrence	Severe		RF6 Road Safety RF13 Employee Safety RF9 Weather Preparedness RF27 Cash Mgt. RF29 Cyber Security	RF5 Contracting Process RF4 Revenue RF10 Talent Mgt. RF17 Project Mgt RF18 Staffing
	High		RF11 Resource Allocation RF16 Stakeholder Relations RF21 Performance Mgt. RF22 Transparency.	RF19 Contract Cost RF24 Cross Training RF28 Regulatory
	Moderate	RF15 Ethics RF14 Maintenance RF8 Reputation RF12 Business Continuity RF1 Gov Grants RF2 Customer Service RF3 Information Systems RF7 Assets RF20 Expenditures		RF23 Budget RF25 Local Agencies RF26 Polices/Procedures RF30 Technology
		Possible	Probable	Highly Probable
		Likelihood of Occurrence		



Internal Audit (IA) Project Time by Activity



Note: Percentages by activities encompass time spent in all phases of the audit, including planning, fieldwork, and reporting



Current Audit Overview

- Objective
 - To evaluate DAF's operations with respect to statutory violations, year-end close-out, and subrecipient list reporting processes
- Scope
 - Statutory violations from FY 2020 - FY 2024
 - FY 2023 year-end close-out process
 - FY 2023 subrecipient list development process
- Collaborative effort between DAF and Internal Audit:
 - Initiated at the request of the Chief Financial Officer (CFO)
 - Regular briefings to DAF (CFO, Accounting Director, Controllers) and Executive Management, as well as when issues arise



FY 2025 IA Selection - DAF Operations

Audit Objective	Risk Factors (RF) Addressed ¹
Evaluate DAF Operations with Respect to Subrecipient Reporting, Statutory Violations, and Year-end Close-out Procedures	<ul style="list-style-type: none">• RF8 Reputation• RF18 Staffing (Skills, Alignment, and Adequacy)• RF20 Expenditures• RF22 Transparency• RF24 Employee Cross Training• RF26 Policies and Procedures• RF28 Regulatory• RF30 Technology

Footnote:

¹ RF18, 24, 26, 28, and 30 were identified as the top 5 CDOT risk factors for FY 2025 and are all addressed in this audit selection.



Current Audit - Sample Methodology

Sample ¹	Total Population	\$ Value	% of CDOT Budget ²	Sample Size
FY 2023 Accruals	3,558 Transactions	\$185M	12%	368
FY 2023 Subrecipient Expenditures	5,549 Records	\$389M	25%	1,070
FY 2020 - 2024 Statutory Violations	171 Incidents	\$21.6M	1%	171

Footnotes:

- ¹ Two samples were selected based on a 95% confidence interval having a margin of error rate of about 5%
Accrual and subrecipient samples were chosen using a random number generator
Accrual transaction invoices with a dollar value greater than \$25k were more heavily weighted
Statutory violations sample was comprised of the entire population, representing a 100% confidence interval
- ² FY 2024 CDOT budget of \$1.6B (excluding enterprises) was used in this calculation

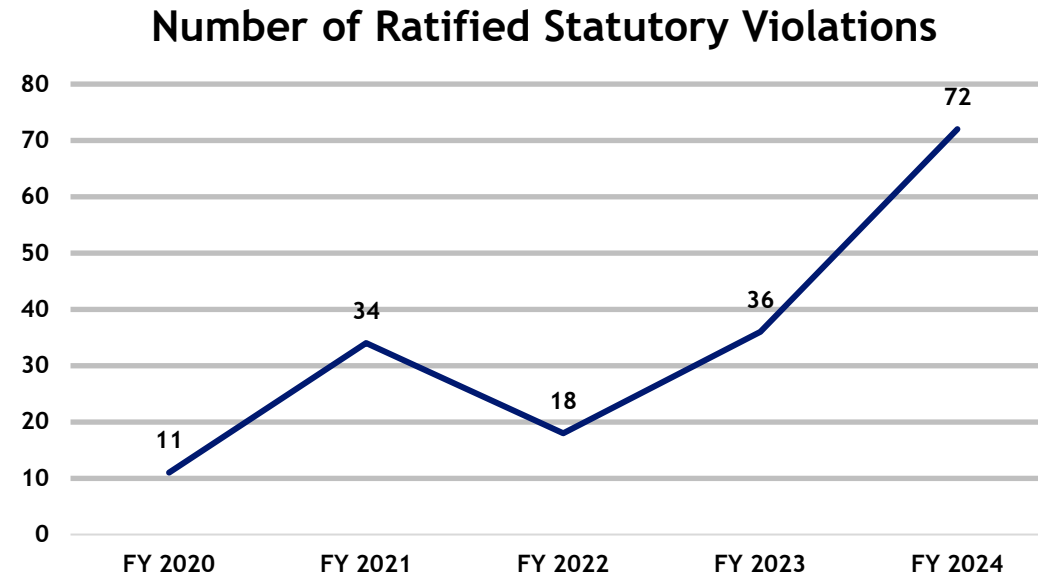


Audit Observations - Statutory Violations

- Division of Transit and Rail (DTR) identified as the unit with the greatest risk in FY 2024:
 - Has the highest number, accounting for 29% of the total and 60% of the total dollar amount
 - Increased from 1 in FY 2023 to 21 in FY 2024
 - Dollar value increased from \$175k in FY 2023 to over \$2.9M in FY 2024
- Conditions that increased DTR's risk of statutory violations:
 - High staff turnover resulting in a loss of knowledge
 - Significant increase in budget from \$65M in FY 2019 to \$347M in FY 2024:
 - Due to expansion of Federal programs
 - Necessitating an increase in number of full-time equivalent staff positions
 - Difficulty filling vacancies with necessary skillset and insufficient training
 - Organizational changes in staff reporting structure and roles
 - Grant requirements not contained in COTRAMS
 - Lack of reconciliation of TrAMS funds “applied for” to “obligated by” FTA, and to DTR's budget
 - Lack of support to local agencies unfamiliar with grant requirements



Audit Observations - Statutory Violations



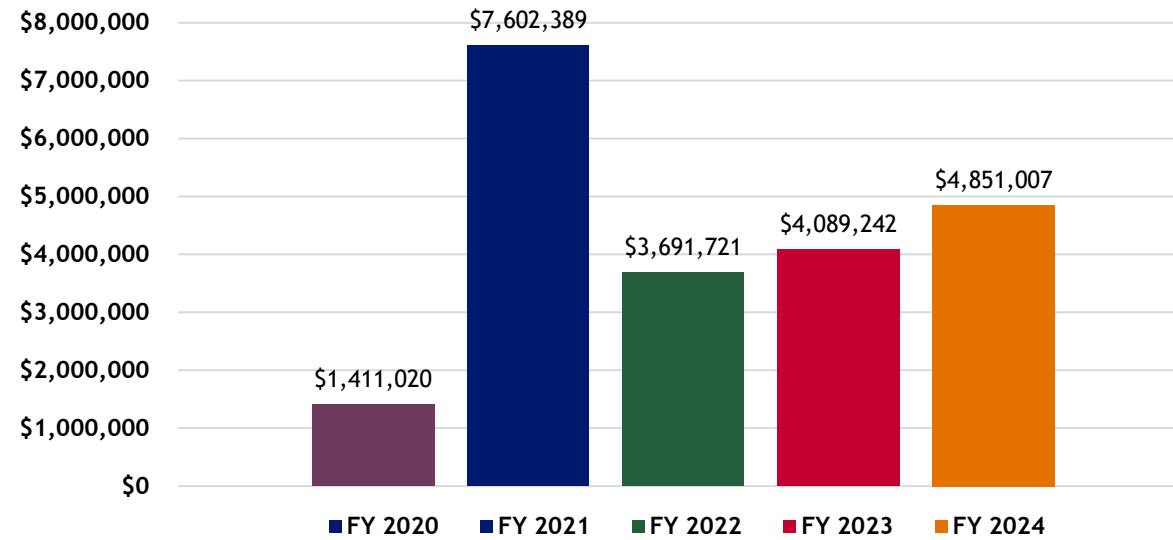
Note: 70% of the total violations were caused by:

- 1) the task order, contract, or purchase order (PO) had expired
- 2) work was being performed without a contract, task order, or PO in place.



Audit Observations - Statutory Violations - Continued

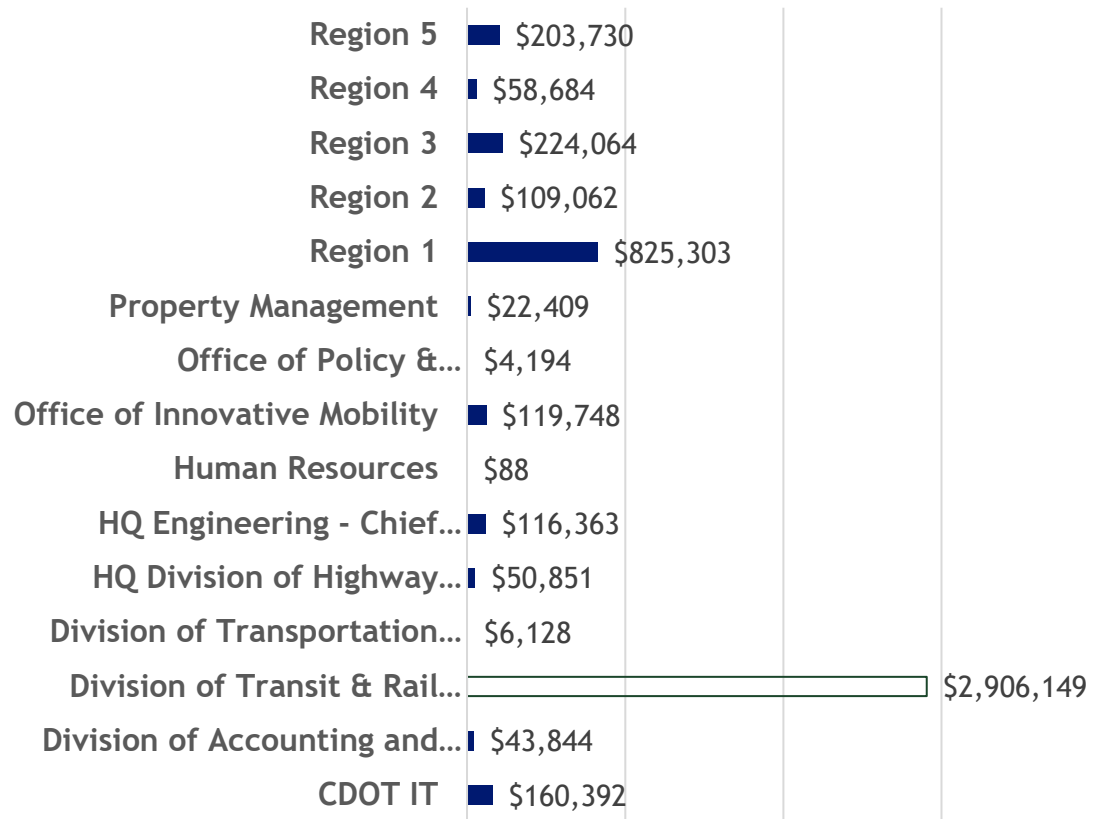
Dollar Value of Ratified Statutory Violations





Audit Observations - DTR Statutory Violations

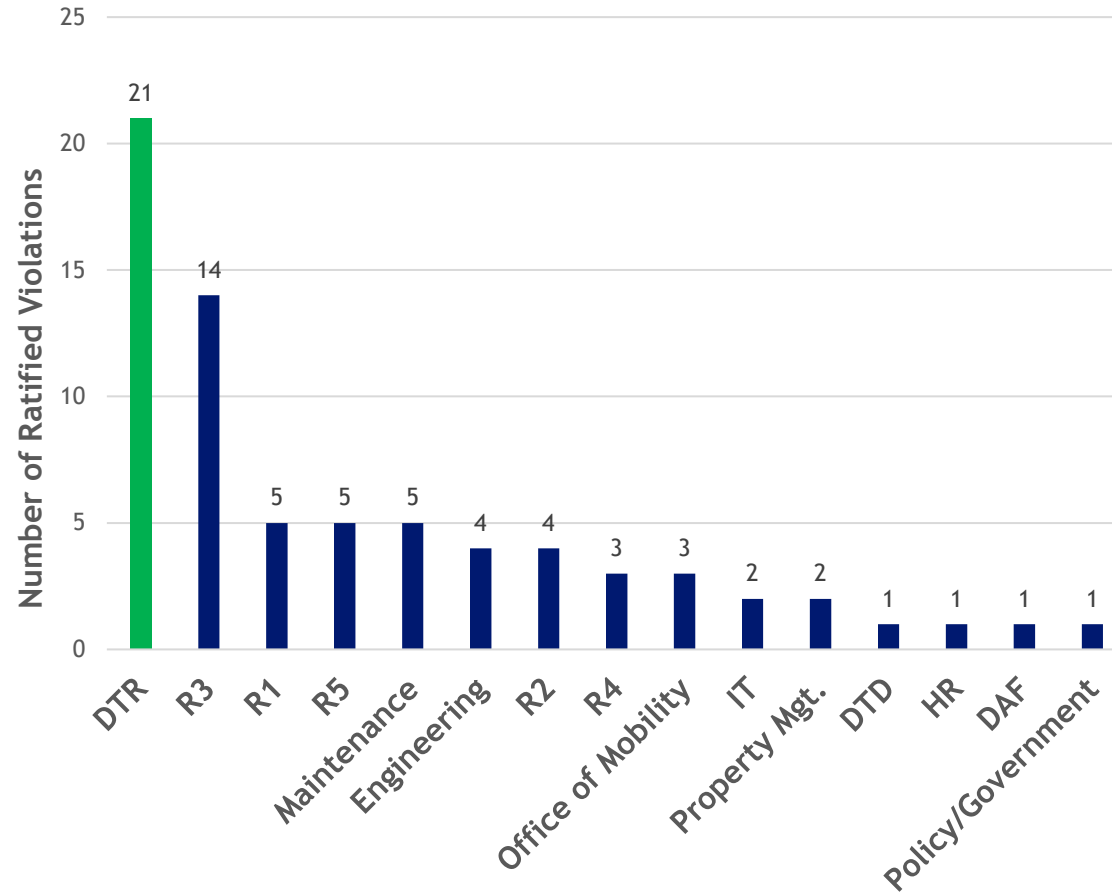
**Statutory Violation Unit Ranking by Dollar Amount
FY 2024**





Audit Observations - DTR Statutory Violations - Continued

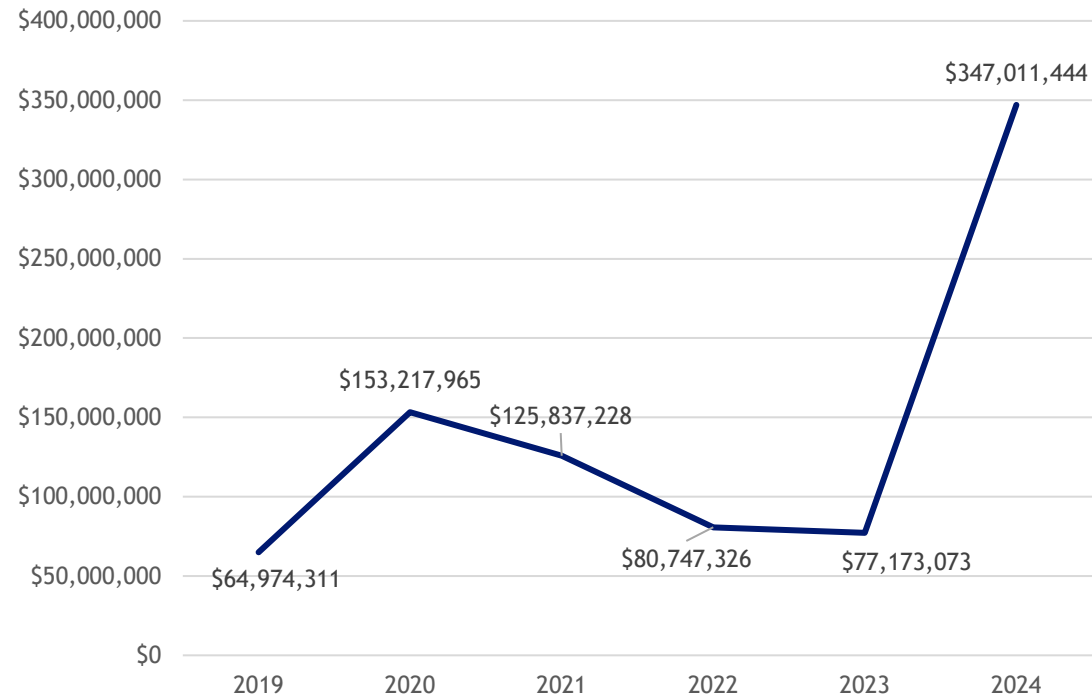
Statutory Violation Unit by Number
FY 2024





Audit Observations - DTR Statutory Violations Risk Factors

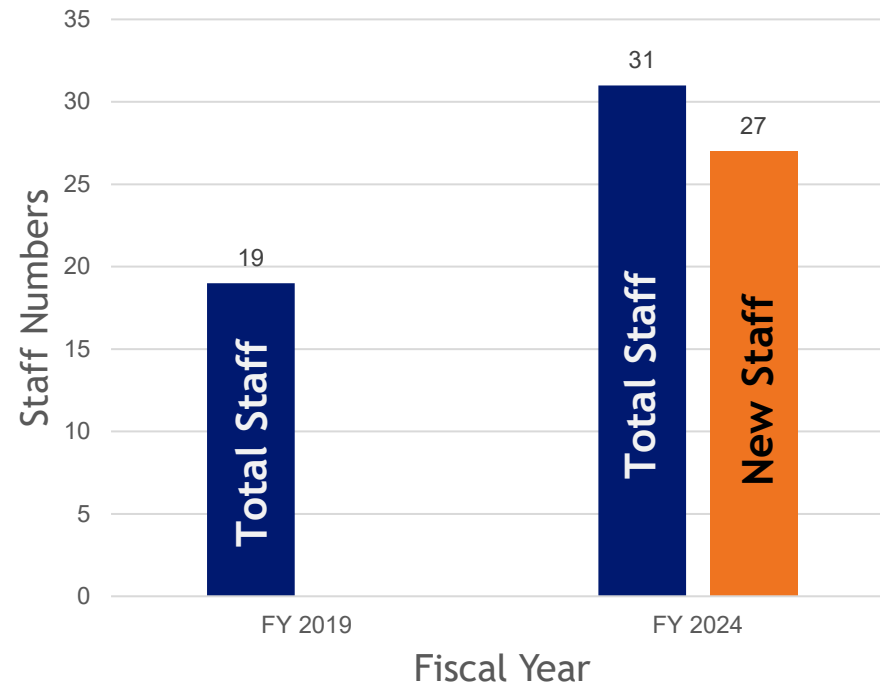
**DTR Budget Amount
FY2019-FY2024**





Audit Observations - DTR Statutory Violations Risk Factors - Continued

DTR Staff Comparison
FY 2019 VS 2024





Audit Observations - Year-end Close-out - FY 2023 Accruals

Dollar Range	Number	% of Total Number	\$ Value	% of Total \$ Value
\$.01 to \$4,999	1,987	56%	\$1,585,992	1%
\$5,000 to \$9,999	491	14%	\$1,909,046	1%
\$10,000 to \$24,999	372	10%	\$6,015,218	3%
\$25,000 to \$49,999	175	5%	\$8,589,562	5%
\$50,000 to \$99,999	241	7%	\$12,253,677	7%
\$100,000 to \$249,999	140	4%	\$22,902,441	12%
\$250,000 to \$499,999	68	2%	\$25,420,730	14%
\$250,000 to \$499,999	48	1%	\$33,294,046	18%
> \$1,000,000	36	1%	\$73,250,208	40%
Totals	3,558	100%	\$185,220,918	100%

- State Controller approved audit recommendation to increase materiality amount to \$5k.



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: Transportation Commission
From: Emily Haddaway, Legislative Liaison
Date: October 17, 2024

Subject: Fall Legislative Update

Purpose

To update Transportation Commission members on the outcome of the 2024 Transportation Legislation Review Committee (TLRC) bill drafting process and to discuss the 2025 Legislative session.

Action

No action is needed at this time.

Background

The Transportation Legislation Review Committee (TLRC) is a bicameral committee that convenes in the interim to review transportation, traffic, and motor vehicle legislation. The TLRC has concluded its 2024 schedule and has voted to adopt five bills that will be introduced in the next legislative session. The 2025 legislative session will begin on January 8th, 2025, and the Governor's office is still finalizing the administration's 2025 transportation agenda. The legislative prioritization process closely intertwines with the administration's budget-setting process, which is currently underway. After the Governor's budget proposal is finalized on November 1st, the department will have a clearer sense of our priorities next year.

Next Steps

None

Attachments

A corresponding slide deck is attached.



COLORADO
Department of Transportation

Fall Legislative Update
Emily Haddaway | October 16, 2024



2024 Transportation Legislation Review Committee (TLRC)



Bill 1: Vehicle Emission Measures

Description: The bill establishes a variety of requirements to reduce emissions of ozone precursors in the state's ozone nonattainment area.

- Directs CDPHE to adopt rules limiting emissions in the nonattainment area from indirect sources
- Raises the Motor Vehicle Emissions Inspection fee from \$25 to \$35
- Directs CDPHE to develop annual decreasing budgets for nitrogen oxides and volatile organic compounds from 2026 through 2050 for on- and off-road vehicles in the nonattainment area
- Permits CDLE to construct a new Petroleum Fuel Laboratory

Status: Was not selected as a TLRC bill, but is likely to be introduced next year independently.



Bill 2: Increase Transportation Mode Choice Reduce Emissions

Description: The bill requires the CDOT, MPOS, subject local governments, and subject transit providers to implement plans to increase transportation mode choice.

- Mode choice targets are the share of total trips within a specific area completed using biking, carpooling, public transit, single-occupancy vehicles, or walking.
- CDOT is required to present a statewide mode choice assessment to the TLRC and the Transportation Commission by October 31, 2025.
- CDOT must then conduct a rulemaking to establish mode choice targets by July 1, 2026;
- The Governor's Office has taken a support position for this legislation.

Status: Will be introduced next session as a TLRC bill.



Bill 3: Motor Vehicle Regulation Administration

Description: The bill makes various changes to policy on motor vehicle registration and state identification credentials, and establishes vehicular document piracy as a new civil infraction. The bill also allows any responsible adult to authorize a minor's driving log beginning April 1, 2026. The Polis administration has taken a support position for this legislation.

Status: Will be introduced next session as a TLRC bill.



Bill 4: Local Funding for Vulnerable Road User Protection

Description: The bill authorizes local governments to impose vehicle registration fees to fund vulnerable road user protection strategies.

- Fees must defray only the costs of funding vulnerable road user protection strategies, must impose higher fees on heavier motor vehicles, and may impose higher fees on less fuel-efficient vehicles.
- The bill establishes maximum fee amounts, based on vehicle weights, for the first year of fees beginning January 1, 2026.

Status: Will be introduced next session as a TLRC bill.



Bill 5: Railroad Investigative Report Confidentiality

Description: The bill repeals the requirement that investigative reports of railroads made for the Public Utilities Commission (PUC) be kept confidential, and gives the PUC authority to create rules making certain ongoing investigations and security information confidential.

Status: Will be introduced next session as a TLRC bill.



Bill 6: Paratransit Services

Description: The bill imposes new duties on any entities providing paratransit services in the state. Entities must:

- Coordinate with local public emergency services providers to create a plan to communicate information and provide paratransit services during emergencies;
- Ensure fare collection technology for paratransit is comparable to the options offered for regular or fixed route transit;
- Consult with impacted community members and conduct an impact analysis before reducing the service area for paratransit.

The bill also creates the 16 member Paratransit Task Force, which must study and make recommendations on standardization and best practices for paratransit services.

Status: Will be introduced next session as a TLRC bill.



“Rumor Mill” Topics in Review

Below is a list of legislative topics that have been mentioned by internal and external stakeholders for 2025. CDOT’s legislative agenda will not be finalized in November

- Wildlife Crossing Funding
- Engine Brake Noise
- Outdoor Advertising
- Transit Tuesday Discussions
- Creation of 16th TPR
- Bustang Funding
- CTE Continuous Appropriation



Questions and Discussion



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: Transportation Commission

From: Paul DesRocher, Director, Division of Transit and Rail

Date: October 10, 2024

Subject: Mountain Rail Project Update

Purpose

The Division of Transit and Rail is in the process of creating a Service Development Plan (SDP) for the Mountain Passenger Rail corridor between Denver and Craig. This memo summarizes the information to be presented during the October Transportation Commission workshop.

Action

None. Presentation only.

Background

In October of 2023, the Transportation Commission approved a FY 24 Budget Amendment that included \$5 million from the TC Program Reserve to accelerate transit and rail planning, including the development of an SDP for mountain rail. CDOT staff began working draft documentation and procuring a consultant for development of this SDP to achieve a target completion date of the end of CY 24. Consultant assistance (WSP) was procured in July 2024 to continue the work started by CDOT staff.

The purpose of the SDP is to study how Colorado can enhance passenger rail connectivity between Denver and Craig. To date, route selection has been completed, while Service Options and Stations Markets are underway. One round of Open Houses have been completed, on September 10th, 11th, and 12th in Craig, Granby, and Arvada, respectively. A second round of Open Houses will occur on October 28th, 29th, and 30th in Hayden, Fraser, and Arvada, respectively, with a final round occurring in December of 2024.

Next Steps

CDOT staff will continue to work with the WSP consultant team to complete the SDP for the Denver to Craig Mountain Passenger Rail corridor. This will involve continued discussions with Union Pacific Railroad to determine infrastructure needs and Operational capacity, considerations around fleet acquisition, preliminary assessment of environmental impacts, and the outlining of financial options for the future

implementation of the project. An additional presentation to the TC should be expected in late winter or early spring of 2025.

Attachments

Mountain Rail Project Update Presentation



Photo Credit: Chris Enright/CDOT



COLORADO

Department of Transportation

Mountain Rail Project Update October 2024



Mission and Objectives

Enhance passenger rail connectivity between Denver and Craig



Improve reliable, safe and congestion free, mobility and multimodal travel options



Connect diverse communities with unique needs



Foster economic vitality through improved transportation equity and a Just Transition away from fossil fuels



Support environmental goals including greenhouse gas (GHG) reduction



Elements of Service Development Plan



Route



Service



Stations



Operations



Infrastructure



Fleet



Environmental



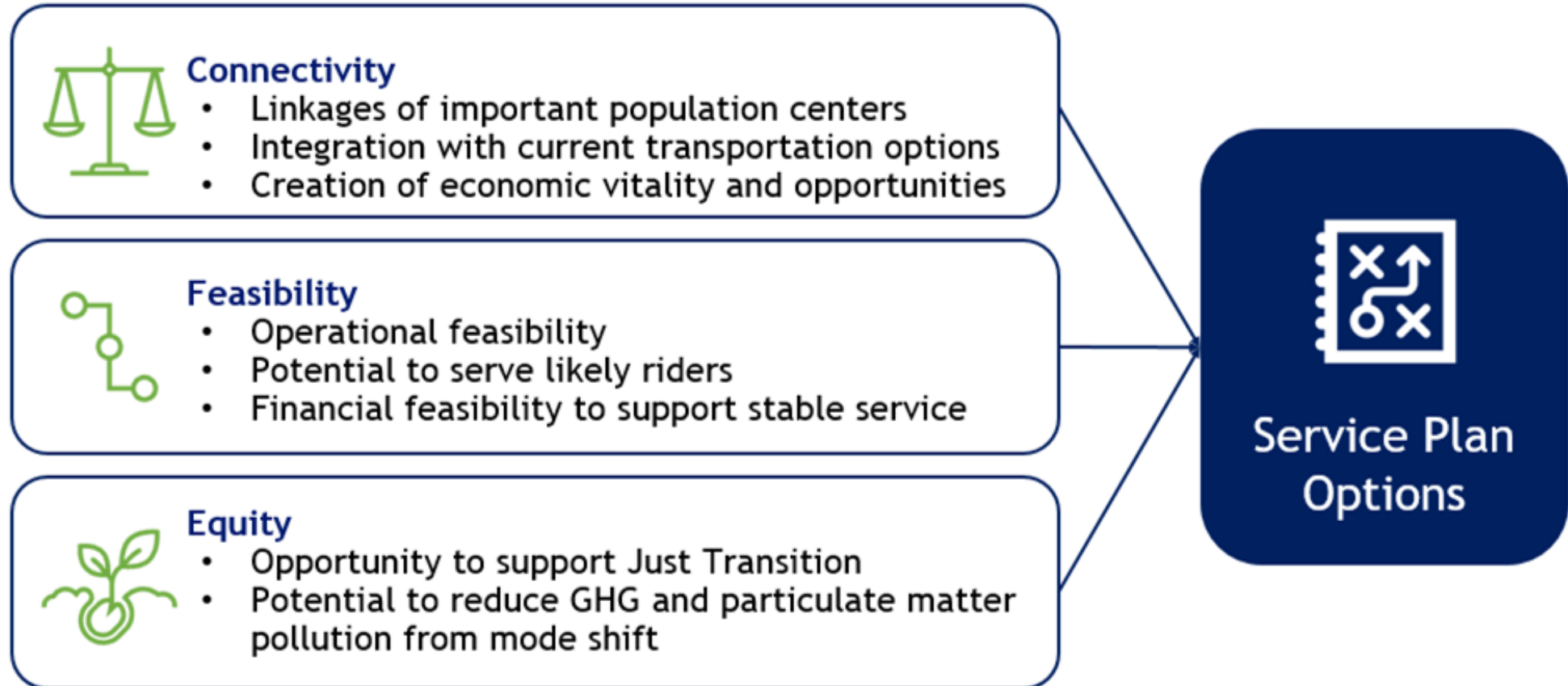
Finance

Complete

In Progress

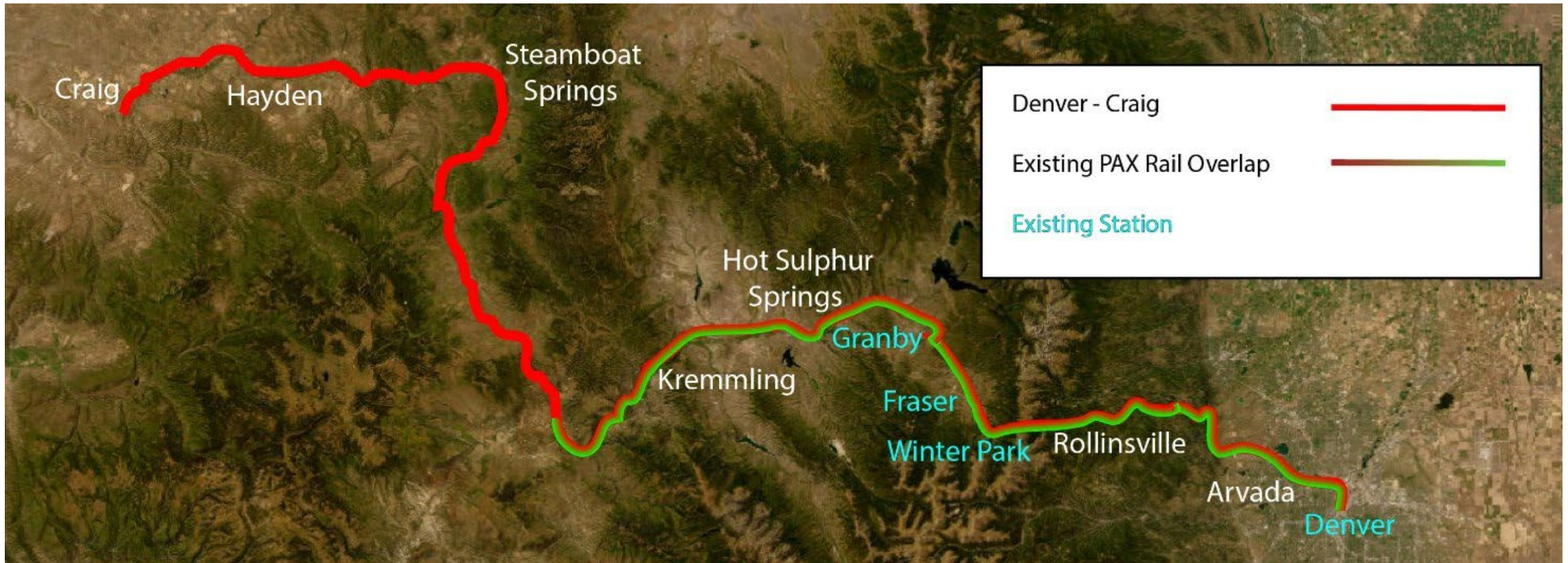
Next Steps

Developing Service Options





Phased Implementation





Stations Screening Criteria



**Station
Constraints**



**Railroad
Operations**

**Regional
Connectivity**



Connections to
Activity Centers

**Economic
Development**



Development
Potential

**Environmental
Sustainability**



Natural and Built
Environment

**Multimodal
Choice**



Transit
Access

**Existing
Infrastructure**



Parcel
Considerations



Access, Parking,
and Circulation



Zoning
Considerations



Social Equity and
Resilience



Multimodal
Connections



Construction
Complexity



Next Steps Timeline





Upcoming Open Houses

- **Hayden High School,**
October 28, 5:30 to 7:30 p.m.
- **Fraser Valley Elementary,**
October 29, 5:30 to 7:30 p.m.
- **Arvada Van Arsdale Elementary,**
October 30, 5:30 - 7:30 p.m.





Questions and Discussion



Photo Credit: Chris Enright/CDOT

Paul DesRocher

Director, Division of Transit and Rail

paul.desrocher@state.co.us

Project Website:

www.coloradomountainrail.org

Transportation Commission (TC) Meeting Notes

September 18, 2024 - September 19, 2024

Workshops - Wednesday, September 18, 2024

Attendance:

Eight Transportation Commissioners were present: Chair: Terry Hart, Vice Chair: Eula Adams, James Kelly, Yessica Holguin, Mark Garcia, Shelley Cook, Karen Stuart, Hannah Parsons, Barbara Bowman and Rick Ridder. Commissioner Holguin and Commissioner Garcia were excused.

Budget Workshop - Jeff Sudmeier and Bethany Nichols

FY 2023-24 Year End Budget Processes

Purpose:

- Provides an overview of the FY 2023-24 year end budget process. The forecasted revenue which is calculated at the beginning of the fiscal year is compared against the actual revenues from the fiscal year. The 2024 federal redistribution is reviewed which typically results in CDOT receiving additional federal dollars. The remainder of the budget can then be rolled into FY2025.

Discussion:

- Commissioner Stuart: What is the status of CDOT getting those FY24 sub-allocated program funds out? Sudmeier: These specific pass-through programs have not had issues being backlogged. Transit and MMOF and CMAQ grants did get backlogged but by and large these backlogs have been addressed.
- Commissioner Bowman: What is a healthy reserve balance? Sudmeier: The unofficial target is about \$40 million. This is the average amount of spending from the reserve.

FY 2024-25 Approval of Clean Transit Enterprise (CTE) Loan

Purpose and Action:

- Requesting Approval for a loan from the TC to the Clean Transit Enterprise. The CTE board met in August and approved the loan. The loan is for \$600,000 dollars and will cover CDOT staff time and meeting-related expenses, consultant support for meeting facilitation, stakeholder engagement, formula development, etc. The loan is needed because the SB-24-230 Oil and Gas Production Fees, which fund the program, will not begin collection until July 1, 2025 and will not produce revenues until early 2026.

Discussion:

- Commissioner Stuart: What is the likelihood that this oil and gas tax will be legally challenged? Response: It seems very unlikely.
- Commissioner Stuart: Did CDOT hire a CTE director? Sudmeier: The CTE staff PDQ roles have been posted and recently closed, so those positions are anticipated to be filled shortly.
- Commissioner: What will SB23-230 generate? Sudmeier: In the first year of collections the oil and gas tax is estimated to generate about \$90-100 million. These funds go towards the CTE.

FY 2025-26 Budget Development

Purpose:

- Overview of budget development for the 2025-2026 fiscal year. Discusses the statutory deadlines which include the legislative budget due November 1, 2024, the FY26 Proposed Annual Budget due December 15, 2024, the FY26 Final Annual Budget is due on April 15, 2025, along with the governor's approval of the FY26 Final Annual Budget.

Discussion:

- No substantial discussion among the Commissioners occurred.

2050 Long Range Revenue Forecast

Purpose:

- Overview of the CDOT 2050 long range revenue forecast and revenue allocation.

Discussion:

- Commissioner Ridder: Asked If you were performing a strengths, weaknesses, opportunities and threats (SWOT) analysis, what is the biggest threat and what is the biggest opportunity for change? CDOT Chief Financial Officer (CFO) Sudmeier: The biggest threat is the keeping adequate levels of funding in the Highway Users Tax Fund (HUTF) funding. SB260 created a medium term fix with the electric vehicle (EV) registration tax, but over time the HUTF isn't growing at the rate necessary to maintain existing funding levels or cover costs increases related to inflation. Flexible state funds are vital to the functioning of the organization. The biggest opportunity would be in addressing targeted funding needs at the Department. There has been a lot of growth in specific targeted areas such as the funding for the CTE.
- Commissioner Cook: Is CDOT able to model the proportion of paving done with asphalt versus concrete and how this affects our long term finances? CDOT Chief Engineer Stefanik: We do not track that specifically, but we track all of our pavement life cycle within our pavement model. Lately, we have repaired roads with more asphalt than concrete. The asset management program typically calls for lower cost repairs as opposed to full road reconstructions where concrete slabs could be laid. We do track

what we do on a yearly basis, but we don't look very closely into the financial differences between asphalt and concrete.

- CDOT Executive Director Lew: Most of the statistics presented by the concrete industry are gathered from the country as whole, which does not experience the weather extremes of Colorado. Concrete does require repairs and experiences many of the same issues as asphalt during the freeze/thaw cycle. There are definite instances where concrete is preferable, but once installed, maintenance is still required and CDOT maintenance crews do not have the equipment or resources to repair concrete in-house.
- Commissioner Bowman: Requested CDOT staff to conduct a workshop on the trade-offs between asphalt and concrete.

US 50 Blue Mesa Bridge Update and Funding Request - Jason Smith

Purpose and Action:

Provide the TC with an update on the US 50 Blue Mesa emergency bridge repair and the request for additional funding. On the middle bridge, all top flange locations and crossmembers are complete. The global plating bottom flange is 25% complete. Overall, the permanent fix is about 50% complete. On the lake fork bridge, cross members are 100% complete and work has begun on top flange locations, and the global plating of the bottom flange. The time frame has been pushed back slightly due to changes in the repair design. The globalized plating fix has been adopted as opposed to the original local plating fix which increases steel tonnage and adds complexity. The duration of the bridge being open to the public has also increased. The request is for \$15 million to be allocated to the permanent repair packages from the Series 2024A bond proceeds and unprogrammed pay-go revenues.

Discussion:

- Commissioner Stuart: Was any of this money requested originally identified for other projects? Bridge and Tunnel Enterprise Manager Holinda: They were but they were returned as savings. Another portion was identified for the 10-Year Plan projects.
- Commissioner Bowman: Thanks to the team for the amazing work. Local businesses and tourism beneficiaries have been very grateful for the effective communication and the rapid response.

Alternative Delivery (Design Built) Request for US 160, Elmore's East Project - Julie Constan

Purpose and Action:

Region 5 received a \$59 million INFRA grant to improve a seven-mile stretch of US 160 east of Durango. The presentation provided an overview of the scope of the project, the delivery selection process and the requested approval from the TC to move forward with construction with the approved funding increase. The project aims to improve safety, reduce travel times, and improve system resilience.

Discussion:

No substantial discussion occurred among the TC members.

Thursday, September 19, 2024

Call to Order, Roll Call

Eight Transportation Commissioners were present: Chair: Terry Hart, Vice Chair: Eula Adams, James Kelly, Yessica Holguin, Mark Garcia, Shelley Cook, Karen Stuart, Hannah Parsons, Barbara Bowman and Rick Ridder. Commissioner Holguin and Commissioner Garcia were excused.

Public Comments

- Lance Waring, San Miguel County Commissioner and the president of Colorado Communities for Climate Action, with a coalition of 43 cities, counties and towns working towards effective climate policy.
 - Thanked the Commission for including important greenhouse gas targets in PD14.
 - August was the 14th straight month of record breaking high temperatures.
 - The most effective way to reduce emissions is to reduce vehicle miles traveled.
 - It is also fundamentally important to protect vulnerable road users.
- Jon Mallo, Loveland Mayor Pro tem, North Front Range MPO Chair,
 - The Statewide Transportation Advisory Committee (STAC) voted not to recommend PD14 due to the concern that projects may not be funded if they do not align with the goals in PD14. North Front Range shares these concerns regarding the need for completion and enhancement of regional roadway connections. It is a matter of equity that PD14 recognizes the needs of all regions.
 - North Front Range urges the TC to recognize the importance of capacity projects for our regions and their contribution to broader state objectives.
- Maddie Godby, Policy and Communications coordinator for PeopleForBikes Coalition
 - Urged the TC to adopt the proposed version of PD14. When people have the ability to safely walk, bike and use transit, communities experience remarkable transformations that benefit everyone.
 - Active transportation infrastructure benefits roadway safety, public health and reduces transportation costs for users.
 - Increased active transportation use reduces congestion which benefits motorists.
- Alana Miller, Colorado Policy Director of the National Resources Defence Council
 - Urges TC to adopt the proposed version of PD14.
 - The investments of the past century have led transportation to be the leading source of carbon emissions, and a leading source of air pollution. Car crashes are a leading cause of death for children, and transportation costs are often the second highest household expense.
 - By voting on the proposed version of PD14, the TC is voting for a safer, cleaner, more efficient, more equitable, and more sustainable transportation future for Colorado
- Danny Katz, Executive Director of Colorado Public Interest Research Group (CoPIRG)

- Urges TC to adopt the proposed version of PD14.
- The emphasis on safety, especially for vulnerable road user safety, is essential
- Important to highlight air quality enhancements in addition to greenhouse gas emissions reduction
- Creating alternate transportation options will also give potential impaired drivers a safe alternative
- Highway capacity is very expensive, and transit will be a better long term alternative
- Matt Frommer, Transportation and Land use policy manager for the Southwestern Energy efficiency Project (SWEEP)
 - Urged the TC to adopt the proposed version of PD14.
 - An 11% reduction in vehicle miles traveled (VMT) would save Coloradans \$11 billion
 - The three most popular transportation options are fixing roads, transit, and land use changes that reduce travel distance. In a national survey, only 10% of respondents felt that expanding roads was a good option.
- Huong Dang, Highlands Neighborhood Resident
 - Huong asks that the TC advocate for a dedicated bus lane in the Federal bus rapid transit (BRT) project, without widening the roadway. This will help reduce the unacceptable level of traffic fatalities, reduce greenhouse gasses, and foster positive growth in the community through land use changes.
 - Huong has experienced the dangers of Federal Blvd., which is one of Denver's hazardous roadways.
 - A dedicated bus lane is the best solution, but widening the road is not feasible due to limited space.
 - The Near Northwest Area Plan advocates rezoning parts of Federal Blvd. to be mixed use so that people can walk and shop.

Comments of the Chair and Commissioners

- Commissioner Kelly: Received a tour of the US 34 Greeley Merge which is a 1601 project. It has great promise to reduce VMT and improve safety. In regards to the letter from Jon Mallo and the North Front Range MPO, Kelly feels that the PD14 targets should be revisited so that they are perfected for the years in transportation planning that it will be a guiding document. The concerns listed by North Front Range MPO mirrors the concerns that led the Statewide Transportation Advisory Committee to reject PD14.
- Commissioner Ridder: Thanked CDOT staff.
- Vice Chair Adams: Noted regrets about being unable to attend the field trip to Grand Junction. Adams expressed great concern for the safety of CDOT workers and all of the roadway workers throughout the state. CDOT, through the Colorado Transportation Investment Office (CTIO), received a DRCOG Denver Metro Vision award. Former Chair of the TC, Commissioner Stuart, was rightfully given credit for all of the wonderful work she has done in transportation in Washington DC, for the dedication of the people's house, and having dinner at the white house with President Biden and First Lady Biden.
- Commissioner Parsons: Comments were not captured due to a malfunctioning microphone.

- Commissioner Cook: Underscored the award given to Karen Stuart which is the highest honor given by DRCOG to community members, who embodies the ideal of promoting regionalism. Cook also attended a Mountain Rail forum.
- Commissioner Bowman: Commended the great service that Bustang provided and highly recommended the service. Thanked the CDOT and local staff that worked to fix the Blue Mesa Reservoir Bridge.
- Commissioner Stuart: Has learned much from the TC road trip to Grand Junction and the trip has inspired great discussions and ideas amongst the Commissioners. On the topic of PD14, Stuart reinforced the importance of ensuring that roadways are in good condition and that there are budgetary and policy decisions that have to be weighed appropriately to achieve those goals. Stuart reminded everyone that PD14 and the 10-Year Plan are living documents that can be changed by the TC whenever the need arises.
- Chair Hart: Reminded everyone in terms of transportation safety that it is better to be late and apologize for being late than speed and never make it to one's destination.

The Commissioners offered their condolences for the families of Trent Umberger and Nathan Jones and recognized them for their ultimate sacrifice. They also thanked CDOT staff for the Grand Junction field trip and tours.

Executive Director's Management Report - Shoshana Lew

- Executive Director Lew offered her condolences for everyone that is impacted by the loss of Trent Umberger and Nathan Jones.
- The wholeheartedness and effort of colleagues and community members to support the families has been astounding and heartwarming.

Chief Engineer's Report - Keith Stefanik

- The traffic safety and engineering group is traveling throughout the state to listen to regional partners to coordinate the update to the Strategic Highway Safety Plan.

Colorado Transportation Investment Office (CTIO) Director's Report - Piper Darlington

- The CTIO Board has pushed its meeting to Monday. CTIO will be asking the Board to adopt a resolution that would allow a new congestion management fee. A new Board member will be sworn in from the Pikes Peak region.

FHWA Division Administrator Report - John Cater

- Thanked CDOT to organizing the TC tour to Grand Junction
- Federal Highway Administrator, Shailen Bhatt, resigned and is going back to work in the private sector, and the Acting Administrator is Kristin White from the State of Minnesota
- John attended a workshop in Denver - where Vision Zero targets were discussed with several other states, 23 people attended.

Statewide Transportation Advisory Committee (STAC) Report - Vincent Rogalski

- STAC members are concerned that the performance measures matrix is in the appendix of PD 14 and not included up front in the policy.
 - There are concerns about the 83% increase in transit service revenue miles.
 - There is no goal on highway expansion to support population growth.
 - Many feel it is unreasonable to accommodate the growing population with a focus on transit only and not consider highway expansion as one solution.
 - Members feel that the focus on transit should shift to pavement improvements.
 - Members feel that the 10-Year Plan will not be based on needs and will instead be based on this policy.
 - Concerns were expressed that the interstate system would take the entire budget.
 - STAC rejected the proposed revised PD14 policy.
- STAC Bylaws:
 - A revision is that the chair of the Transit and Rail Advisory Committee (TRAC) is included as a non-voting member of the STAC.
 - The Chair and Vice Chair will serve for no more than two consecutive, two year terms. No more than 4 combined terms (eight years) for a person to serve as STAC Chair and STAC Vice Chair consecutively.
 - The intent is for the STAC Chair and Vice Chair - one represent a rural area and the other an urban area of the state, to ensure both urban and rural concerns are adequately considered in STAC decision making.

Discuss and Act on Consent Agenda - Herman Stockinger

- Proposed Resolution #1: Approve the Regular Meeting Minutes of August 15, 2024 - Herman Stockinger
- Proposed Resolution #2: IGA Approval >\$750,000 - Lauren Cabot
- Proposed Resolution #3: Repeal of PD 1300.0 - Herman Stockinger and Darius Pakbaz

A motion by Commissioner Bowman was raised to approve, and seconded by Commissioner Stuart, and passed unanimously.

Discuss and Act on Proposed Resolution #4: Approve MMOF Match Reduction Request (Michael Snow)

A motion by Commissioner Kelly was raised to approve, and seconded by Commissioner Cook, and passed unanimously.

Discuss and Act on Resolution #5: Clean Transit Enterprise Loan (Jeff Sudmeier and Bethany Nichols)

A motion by Commissioner Ridder was raised to approve, and seconded by a TC Commissioner, and passed unanimously.

Discuss and Act on Resolution #6: 3rd Budget Supplement (Jeff Sudmeier and Bethany Nichols)

A motion by Commissioner Cook was raised to approve, and seconded by Commissioner Stuart, and passed unanimously.

Discuss and Act on Proposed Resolution #7: Adoption of PD 14.0 (Darius Pakbaz)

- Commissioner Kelly: Would like to give STAC and other stakeholders the opportunity to submit specific language changes that would address their concerns.
- A motion by Commissioner Kelly was made to postpone the adoption of PD14 to next month's meeting. The motion died for the lack of a second.
- Commissioner Parsons: Was initially planning on supporting a motion to postpone adoption. Considering the project prioritization timeline and the living nature of the document, Parsons will support adoption. It is important to recognize that much of the transit funding will not address capacity problems in rural parts of the state. It is vital to ensure capacity projects can be pursued on an as needed basis.
- Commissioner Bowman echoed Commissioner Parsons comments.
- Commissioner Stuart: Showed support for much of the contents of PD14. Emphasized that capacity projects are necessary at times. The document will change and approve as it is used.
- Commissioner Cook: A large part of the responsibility is on the TC to be attuned to how PD14 is impacting the issues mentioned. An important note is that there are different buckets of money, so increasing transit does not inherently take away from pavement.
- Chair Hart: This document represents statewide guidance that caters to statewide needs.

A motion by Commissioner Stuart was raised to approve, and seconded by Commissioner Cook, and passed seven to one. Commissioner Kelly voted against.

Discuss and Act on Proposed Resolution #8: Adoption of FY 28 and FY 29 Asset Management Planning Budgets (Darius Pakbaz)

A motion by Commissioner Bowman was raised to approve, and seconded by Commissioner Adams, and passed unanimously.

Discuss and Act on Proposed Resolution #9: Approval of Design/Build for US 160 Elmore's East (Julie Constan)

A motion by Commissioner Bowman was raised to approve, and seconded by Commissioner Parsons, and passed unanimously.

Adjournment

The meeting was adjourned at 10:30. The next Transportation Commission meetings will be held on Wednesday, October 16 and Thursday, October 17.



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: Transportation Commission

From: Lauren Cabot

Date: October 2, 2024

Subject: Intergovernmental Agreements over \$750,000.00

Purpose

Compliance with CRS §43-1-110(4) which requires intergovernmental agreements involving more than \$750,000 must have approval of the Commission to become effective. In order stay in compliance with Colorado laws, approval is being sought for all intergovernmental agencies agreements over \$750,000 going forward.

Action

CDOT seeks Commission approval for all IGAs contracts identified in the attached IGA Approved Projects List each of which are greater than \$750,000. CDOT seeks to have this approval extend to all contributing agencies, all contracts, amendments, and option letters that stem from the original project except where there are substantial changes to the project and/or funding of the project.

Background

CRS §43-1-110(4) was enacted in 1991 giving the Chief Engineer the authority to negotiate with local governmental entities for intergovernmental agreements conditional on agreements over \$750,000 are only effective with the approval of the commission.

Most contracts entered into with intergovernmental agencies involve pass through funds from the federal government often with matching local funds and infrequently state money. Currently, CDOT seeks to comply with the Colorado Revised Statutes and develop a process to streamline the process.

Next Steps

Commission approval of the projects identified on the IGA Project List including all documents necessary to further these projects except where there are substantial changes to the project and/or funding which will need re-approval. Additionally, CDOT will present to the Commission on the Consent Agenda every month listing all the known projects identifying the region, owner of the project, project number, total cost of the project, including a breakdown of the funding source and a brief description of the project for their approval. CDOT will also present any IGA Contracts which have already been executed if there has been any substantial changes to the project and/or funding.

Attachments

IGA Approved Project List



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: Transportation Commission

From: Herman Stockinger, Transportation Commission Secretary

Date: October 17, 2024

Subject: Transportation Commission member's committee assignments

Purpose

To confirm Transportation Commission member's committee assignments.

Action

Approve a Consent Agenda resolution confirming appointments to the various TC committees.

Background

The Commission Rules state how committees should be filled: "...Members shall be appointed by the Chairman with consent of the full Commission, to all Standing Committees... The Commission shall ratify the appointments of members to Standing Committees by resolution." While other committee assignments need not be ratified by the full Commission, it makes sense to handle all appointments at the same time, and similarly.

Next Steps

None

Attachments

Committee assignments may be found as Appendix A of Proposed Resolution #3 in the Resolutions packet.



COLORADO

Department of Transportation

Transportation Commission Memorandum

To: The Transportation Commission

From: Keith Stefanik, P.E. Chief Engineer

Date: September 24, 2024

Subject: Reaffirm Abandonment US 6 North Frontage Rd

Purpose

CDOT Region 1 is proposing an abandonment of approximately 0.49 miles of the U.S. 6 North Frontage Road from Eldridge St. (MM 276.84 +/-) to Alkire St. (MM 277.34 +/-) to the City of Lakewood for control and maintenance.

Action

This request is made that Transportation Commission reaffirm that this portion of U.S. Highway 6 North Frontage Road beginning at Eldridge St. (MM 276.84 +/-) and ending at Alkire St. (MM 277.34 +/-) is no longer needed for State Highway purposes and that the new resolution will supersede Transportation Commission Resolution #TC-2023-08-03 dated August 16, 2023.

Background

Region 1 and the City of Lakewood negotiated an IGA dated February 8, 2024 for CDOT to abandon a portion of U.S. 6 North Frontage Road to the City for local control and maintenance. CDOT paid the City of Lakewood \$485,259 to assume responsibility for the roadway, which is no longer needed for State Highway transportation purposes. Abandoning the roadway to the City of Lakewood will relieve CDOT of the ongoing maintenance.

The governing body of the City of Lakewood passed and adopted ordinance # O-2023-39 on September 25, 2023 agreeing to the State's abandonment of the portion of U.S. Highway 6 North Frontage Road and agreeing that said roadway segment no longer serves the ongoing purposes of the State Highway system; committing the City of Lakewood to assume ownership of said highway segment in the "as is" condition.

Transportation Commission previously determined in TC resolution TC-2024-01-05 dated January 18, 2024, that 0.49 linear miles of U.S. Highway 6 North Frontage Road beginning at Eldridge St. and ending at Alkire St. is no longer needed for State Highway purposes and could be abandoned to the City of Lakewood.

After Resolution TC-2024-01-05 was approved by Transportation Commission on January 18, 2024, it was discovered that, due to a surveying error, the legal description began at centerline of Eldridge St. excluding approximately thirty (30) feet of abandoned state highway that was intended to be part of the abandonment of

roadway from CDOT to the City. The beginning point of the abandoned portion of U.S. 6 North Frontage Road is located at the west right-of-way line of Eldridge St. (MM 276.84+/-)

Both parties desire to enter into an Intergovernmental Agreement (IGA) amendment to correct the legal description and convey the abandonment of the entire portion of U.S. 6 North Frontage Rd. beginning at Eldridge St. and ending at Alkire St. and agree upon the condition of the abandonment of said highway segment by the State and acceptance by the City of Lakewood.

As a result, the governing body of the City of Lakewood passed and adopted ordinance #O-2024-21 dated September 9, 2024 amending ordinance #O-2023-39 and agreeing to accept the State's abandonment of the additional portion of U.S. Highway 6 North Frontage Road.

Next Steps

Subject to the Transportation Commission reaffirming the abandonment and execution of the IGA Amendment, CDOT will execute conveyance that will include a reversion provision stating that if the portion of the abandoned highway ceases to be used for the purposes of a city street, title to the abandoned state highway or portion thereof shall revert to the department of transportation.

Attachments

Updated Legal Description
Updated Exhibit

EXHIBIT "A"
DESCRIPTION

COLORADO DEPARTMENT OF TRANSPORTATION
ABANDONMENT – PART OF WEST 6TH AVENUE NORTH FRONTAGE ROAD
ELDRIDGE STREET (MM 276.84 +/-) TO ALKIRE STREET (MM 277.34 +/-)
JEFFERSON COUNTY, COLORADO
DATE: JUNE 21, 2024

A portion of highway frontage road right-of-way of the Department of Transportation, State of Colorado, known as U.S. Highway No. 6, same being a portion of parcels 105 and parcel 106 per Colorado Department of Transportation project no. SN_FAP_67-A(4); located in the South Half of Section 6, Township 4 South, Range 69 West of the 6th Principal Meridian, in Jefferson County, Colorado, described as follows:

That portion of U.S. Highway No. 6 northerly frontage road, as it currently exists, beginning at the west right-of-way line of Eldridge Street (MM 276.84 +/-), running easterly and terminating at the approximate easterly right-of-way line of Alkire Street (MM 277.34 +/-).

The limits of this abandonment are generally described and bounded as follows:

The northerly line of said roadway to be abandoned, is the existing northerly right-of-way line of U.S. Highway No. 6.

The southerly line of said roadway to be abandoned, lies in the common roadside ditch between the U.S. Highway No. 6 westbound edge of paving and the frontage road southerly edge of paving.

This roadway strip of land is generally 67 feet wide at the centerline of Eldridge Street/58 feet wide at the west right-of-way line of Eldridge Street, and 48.5 feet wide at Alkire Street. The overall length of said strip is 2,610 feet +/- in length.

The above description is intended to give up all of CDOT's interest in the frontage road with the above-described locations.

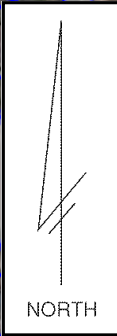
For and on behalf of the
Colorado Department of Transportation
Dane M. Courville, PLS 38548
Region 1 West Right-of-Way Unit
Phone: (720) 672.0231
425A Corporate Circle
Golden, CO 80401



COLORADO DEPARTMENT OF TRANSPORTATION
ABANDONMENT - PART OF WEST 6TH AVENUE NORTH FRONTAGE ROAD
ELDRIDGE STREET (MM 276.84+/-) TO ALKIRE STREET (MM 277.34+/-)
JEFFERSON COUNTY, COLORADO
DATE: MARCH 1, 2023

7TH AVENUE

SECTION 6
TOWNSHIP 4 SOUTH
RANGE 69 WEST



ELDRIDGE ST.

ALKIRE ST.

EXISTING NORTH RIGHT-OF-WAY LINE



See Detail:

67' FROM EXISTING NORTH ROW LINE (ABANDONMENT WIDTH VARIES)

64.5' FROM EXISTING NORTH ROW LINE (ABANDONMENT WIDTH VARIES)

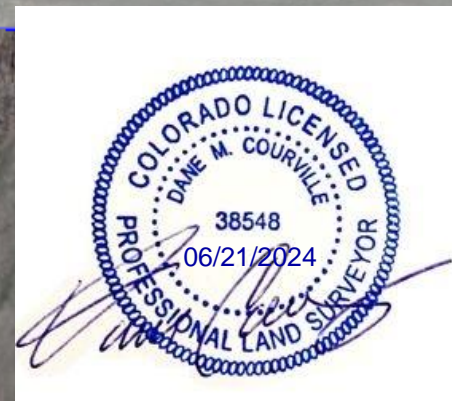
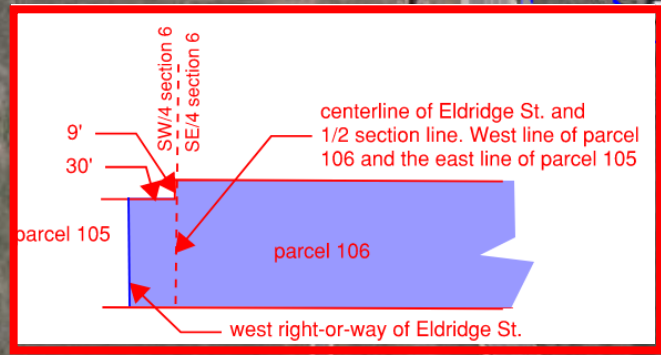
48.5' FROM EXISTING NORTH ROW LINE (ABANDONMENT WIDTH VARIES)

U.S. HIGHWAY NO. 6 (6TH AVENUE)

SOUTHERLY LINE OF ABANDONMENT (BOTTOM OF ROADSIDE DITCH)
SOUTHERLY LINE OF PARCEL 106 (92' FROM EXISTING NORTH ROW LINE)

Mile Marker No. 276.84 +/-

Mile Marker No. 277.34 +/-





Transportation Commission Memorandum

To: The Transportation Commission
From: Jeff Sudmeier, Chief Financial Officer
 Bethany Nicholas, Colorado Department of Transportation Budget Director
Date: October 17, 2024
Subject: Fiscal Year (FY) 2024-2025 Fourth Budget Supplement

10 Year Plan Project Changes

Region 4 10 Year Plan Changes. Corrections to last month’s resolution.

The following actions are correcting project re-allocations executed during the September 2024 Supplement due to inaccurate data readings, additional reductions were needed for actions 1023 and 2596 to account for regional funding used to deliver the project in lieu of the 10-Year Plan funding. 0057/2601 is being reset to the pre-September amount.

Project #	Name	September Approved Total	Correcting Prior Change	Corrected Amount
1023	CO 71 Corridor Improvements	\$22,045,072	-\$2,930,144	\$19,114,928
2596	CO 7 Corridor Improvements	\$17,105,000	-\$3,610,000	\$13,495,000
0057 2601	CO 119 Bus Rapid Transit, Safety and Mobility Improvements	\$61,680,000	+\$3,200,000	\$64,880,000
2769*	I-70 Corridor Improvements and Preservation (Bethune to Burlington Phase I)	\$36,737,224	+\$1,820,000	\$38,557,224
	Net Savings		-\$1,520,144	

*US 24 is the identified detour route for the work being done on I-70. The pavement on US 24 has experienced high deterioration and stress due to the increased detour traffic. The contractor on I-70 has agreed to resurface US 24 to address the deteriorated roadway condition at a substantial cost savings to CDOT.

1456- US 287 Passing Lanes and Safety Improvements -This project was previously selected to receive Strategic funds in the order of \$8M in the present years and \$8M in FY27+, but due to other project savings in the present years (including those detailed above) the region would like to advance the whole project now. The total Strategic Funds for the project will remain \$16M and the region will bank the FY27+ funding for a future selection.

Region 5 10 Year Plan Changes.

The \$6.7M available to fund this increase is available due to multiple projects being funded with regional funding in lieu of 10 Year Plan funds, including Rural Paving projects on CO141 and CO17.

Project #	Name	Current Approved Total	Proposed Change	Revised Amount
1315 2783	US 160 East of Fort Garland Safety and Wildlife Mitigation and Advancing Transp. Safety	\$9,382,000	+\$6,790,375	\$16,172,375
	Net Change		\$6,790,375	

Transportation Commission Contingency Reserve Fund Reconciliation

Date	Transaction Description	Amount	Balance
June-24	Balance 12S24		\$3,677,851
July-24	Balance 1S25		\$19,972,392
August-24	Balance 2S25		\$19,972,392
September-24	Balance 3S25		\$20,017,044
	Region 3 Project Savings	\$85,500	
October-24	Pending Balance 42S25		\$20,102,544

Cost Escalation Fund Reconciliation

Date	Transaction Description	Amount	Balance
June-24	Balance 12S24		\$9,608,937
July-24	Balance 1S25		\$9,698,442
August-24	Balance 2S25		\$9,879,960
September-24	Balance 3S25		\$7,597,670
October-24	Pending Balance 4S25		\$6,136,803

Transportation Commission Program Reserve Fund Reconciliation

Date	Transaction Description	Amount	Balance
June-24	Balance 1S24		\$6,870,207
July-24	Balance 1S25		\$5,015,869
August-24	Balance 2S25		\$4,415,869
September-24	Balance 3S25		\$55,339,033
	Revenue Reconciliation	(\$16,500,000)	
	Residual SHF Budget after Roll Forwards	\$15,000,000	
	FY25 Budget Amendments	(\$3,400,000)	
October-24	Pending Balance 4S25		\$50,439,033

Transportation Commission Maintenance Reserve Fund Reconciliation

Date	Transaction Description	Amount	Balance
June-24	Balance 12S24		\$0
July-24	Balance 1S25		\$12,000,000
August-24	Balance 2S25		\$12,000,000
September-24	Balance 3S25		\$12,000,000
October-24	Balance 4S25		\$12,000,000



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: The Transportation Commission

From: Gary Vansuch, Director of Process Improvement

Date: October 17, 2024

Subject: Recognizing the Winners of the 2024 CDOT Innovations Challenge

Purpose

To recognize the innovators who are the winners of the 2024 CDOT Innovations Challenge.

Action

The Office of Process Improvement is requesting the opportunity to highlight for the Commission the individuals and teams who developed and implemented the innovations which won the FY24 CDOT Innovations Challenge.

Those innovators and their awards are listed below.

Statewide Judges Panel Awards:

Outstanding Tool Improvement: [Corbel Installation Tool](#) by Randy Foose and Josh Horton in Region 4.

Outstanding Productivity Improvement: [Deicer Leak / Spill Catcher Containment](#) by James Buford, Aaron Adame, Danny Stithem, Matt Morgan and Steve Medina from Region 2.

Outstanding Business Process Improvement Project: [Digitization of the 568 Form and Streamlining of the Temporary Speed Limit Reduction Process](#) by Jonathan Woodworth, Melissa Gende, Benjamin Acimovic, San Lee, and Katrina Klobberdanz - a cross-discipline team from Region 4 and the Division of Engineering.

People's Choice Awards:

1st Place: [Automated Truck Rodeo Scoring System](#) by Katy Bovee from Region 3

2nd Place: [Deicer Leak / Spill Catcher Containment](#) by James Buford, Aaron Adame, Danny Stithem, Matt Morgan and Steve Medina from Region 2.

3rd Place: [Corbel Installation Tool](#) by Randy Foose and Josh Horton from Region 4.

Background

The CDOT Innovations Challenge is an internal CDOT statewide competition to highlight and recognize the “Best of the Best” improvements and innovations which are developed and implemented by members of Team CDOT. [Click here for more information on our website.](#)

Next Steps

None.

Attachments

Google Slides presentation.



COLORADO

Department of Transportation

CDOT Innovations Challenge Winners 2024

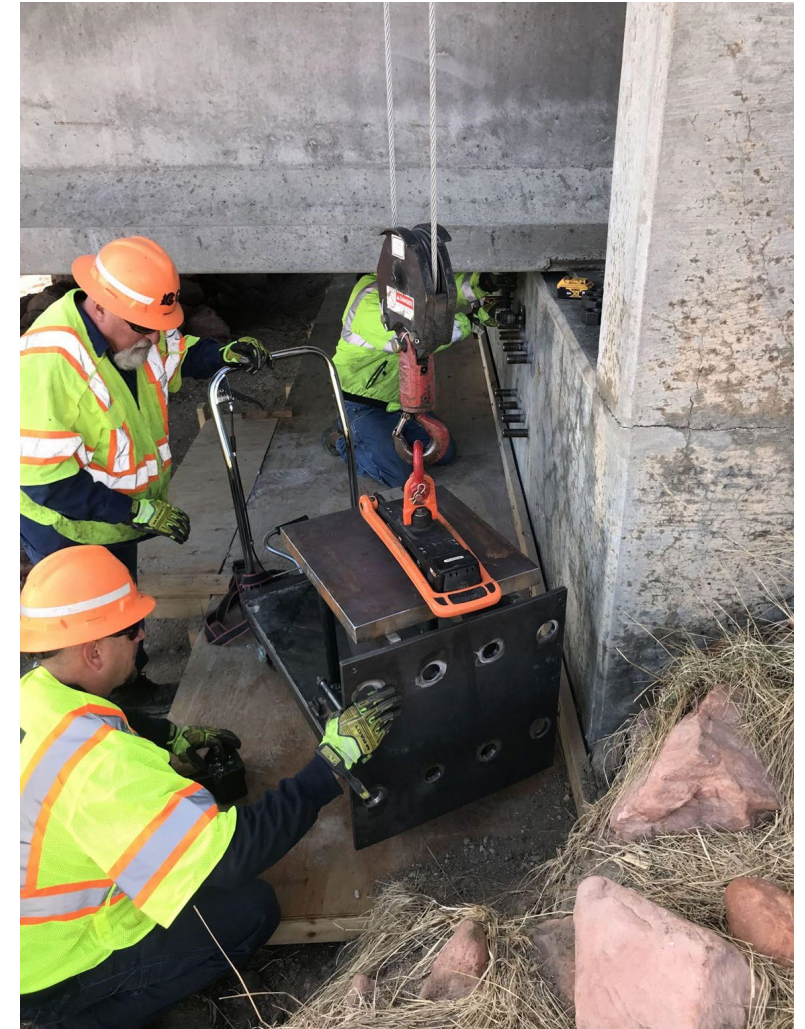


Corbel Installation Tool

OUTSTANDING TOOL IMPROVEMENT AND PEOPLE'S CHOICE - 3RD PLACE

Innovators from Region 4:

- Randy Foose
- Josh Horton



INNOVATIONS CHALLENGE
Innovate Your State



Deicer Leak/Spill Catcher Containment System

OUTSTANDING PRODUCTIVITY IMPROVEMENT

AND PEOPLE'S CHOICE - 2ND PLACE Innovators from Region 2:

- James Buford
- Aaron Adam
- Danny Stithem
- Matt Morgan
- Steve Medina





Digitization of the 568 Form and Streamlining of the Temporary Speed Limit Reduction Process

OUTSTANDING BUSINESS PROCESS IMPROVEMENT PROJECT

Collaboration of Innovators from Region 4 and Division of Engineering:

- Jonathan Woodworth
- Melissa Gende
- Benjamin Acimovic
- San Lee
- Katrina Kloberdanz

The screenshot displays a web application interface for CDOT. The top navigation bar includes 'Dashboard', 'Summary', and 'Documents'. A search bar is present. The main area features a map of Colorado with a highlighted route. Below the map is a table titled 'Form 568' with columns for Action, Requesting Agency, CDOT Project Engineer or Manager, Request Type, CDOT Section/Dept Name, Route Number, Work Extension Start Date, Begin Mile Point, and Work Extension End Date. The table contains several rows of data, including requests for 'Region 4 Central P', 'Maintenance', 'Permits', and 'Region 4 Traffic P'.

Action	Requesting Agency	CDOT Project Engineer or Manager	Request Type	CDOT Section/Dept Name	Route Number	Work Extension Start Date	Begin Mile Point	Work Extension End Date
Update Requested	CDOT Region 4	Michael Schleich	Standard Request	Region 4 Central P	144A		23.5	25.5
Submitted	CDOT Region 4	Jason Kugler	Maintenance	006J			407.3	415.775
Approved	CDOT Region 4	Bruce Barnett	Standard Request	Permits	014C		138.0	138.5
Approved	CDOT Region 4	Michael Keen	Standard Request	Region 4 Traffic P	287C		338.9	340.3
Approved	CDOT Region 4	Eric Riblett	Maintenance	076A			66	108
Approved	CDOT Region 4	Michael Grover	Extension Request	Permits	056B	06-24-2024	29.00	06-24-2024 29.45



INNOVATIONS CHALLENGE
Innovate Your State



Automated Truck Rodeo Scoring System

PEOPLE'S CHOICE - 1ST PLACE

Innovator from Region 3

- Katy Bovee





2025 Innovations Challenge Has Begun!

ACCEPTING INNOVATIONS UNTIL JUNE 30, 2025

- Head to:
leanideas.codot.gov
- Submit your innovations
- Learn from other CDOTer's



INNOVATIONS CHALLENGE

Innovate Your State



Thank you for celebrating our CDOT Innovators!

- We look forward to seeing your innovations in the coming year!
- For questions or comments, please contact:

Gary Vansuch
Director, Office of Process Improvement
gary.vansuch@state.co.us | 303.913.1773





COLORADO
Department of Transportation

Transportation Commission Memorandum

To: The Transportation Commission

From: Jeff Sudmeier, Chief Financial Officer

Date: October 16, 2024

Subject: Monthly Cash Balance Update

Purpose

To provide an update on cash management, including forecasts of monthly revenues, expenditures, and cash balances for the State Highway Fund, SB 17-267 Trustee Account, and American Rescue Plan Act funds.

Action

No action is requested at this time.

Summary

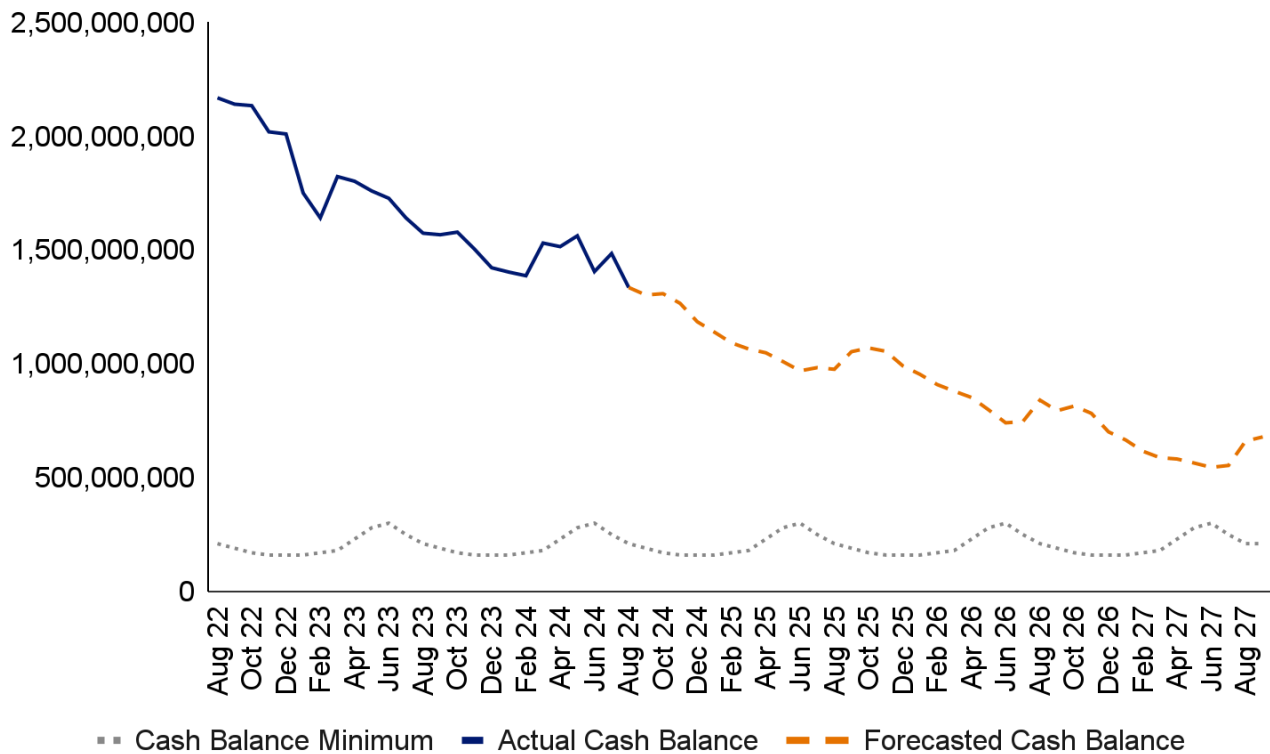
The actual cash balance for August 2024 was \$1.34 billion; \$1.13 billion above that month's minimum cash balance target of \$210 million. August's cash balance includes \$625.32 million in the State Highway Fund and \$713.98 million in the Senate Bill 267 trustee account.

Figure 1 below outlines the Department's 36-month cash forecast. The primary drivers in this forecast include revenue from the state Highway Users Tax Fund (HUTF), federal reimbursements, payments to contractors, and General Fund transfers made pursuant to SB 21-260.

The Fund 400 Cash Balance is expected to gradually decrease over the forecast period as projects funded with SB 17-267 and other legislative sources progress through construction. The sections below provide additional information on the revenues and expenditures forecasted for this memo.

Beginning in March 2024, the Office of Financial Management and Budget (OFMB) implemented a new statistical forecasting model to forecast future cash balances. This model uses Anaplan, a business planning and forecasting tool which allows OFMB more control over the statistical methods used for forecasting each revenue and expenditure source.

Figure 1 - Fund 400 Cash Forecast



Cash Balance Overview

The Transportation Commission’s directive (Policy Directive 703.0) outlines targeted minimum cash balances to limit the risk of a cash overdraft at the end of a month to, at most, a probability of 1/1,000 (1 month of 1,000 months ending with a cash overdraft). The forecasted cash balance is expected to remain above the targeted minimum cash balance through the forecast period.

The cash balance forecast is limited to the State Highway Fund (Fund 400 and affiliated funds and trustee accounts). This forecast does not include other statutory Funds, including the Multimodal Mitigation and Transportation Options Fund and funds associated with CDOT enterprises.

Revenue Sources Forecasted

The State Highway Fund revenues forecasted in this cash balance include:

- Highway Users Tax Fund - This primarily includes Motor Fuel Taxes, Vehicle Registration Fees, Road Usage Fees, and Retail Delivery fees.
- Miscellaneous State Highway Fund Revenue - This revenue includes proceeds from the sale of state property, interest earned on balances in the cash fund, the issuance of oversize/overweight permits, and revenue from various smaller sources.
- SB 17-267 - This bill directed the State Treasurer to execute lease-purchase agreements on existing state facilities to generate revenue for priority transportation projects.

- General Fund Transfers- Pursuant to SB 21-260, annual General Fund transfers will be made to the State Highway Fund between FY 2024-25 to FY 2031-32. This cash forecast assumes these transfers will be made in July of each year.

Expenditure Sources Forecasted

The State Highway Fund expenditures forecasted in this cash balance include:

- Payments to construction contractors (described in more detail in the section below)
- Staffing expenses and program-related professional services
- Right of Way Acquisition
- Debt Service
- Transfers between CDOT and other state entities
- Maintenance and facilities expenditures
- Grant expenditures
- Other expenditures related to services and equipment.

Cash Payments to Construction Contractors

The current forecast of payments to construction contractors under state contracts (grants paid out under inter-government agreements for construction are accounted for elsewhere in the expenditure forecast) from Fund 400 is shown in Figure 2 below.

Figure 2 - Cash Payments to Construction Contractors (millions)

CY 2019 (actual)	CY 2020 (actual)	CY 2021 (actual)	CY 2022 (actual)	CY 2023 (actual)	CY 2024 (forecast)
\$669	\$774	\$615	\$841	\$860	\$801*

*This is a preliminary forecast that will be updated as additional project schedule detail becomes available.

Figure 3 details CY23 baseline and actual expenditures for the State Highway Fund (see Figure 2 above) as well as Bridge and Tunnel Enterprise. CDOT sets the CY baseline in January each year, using the best estimates, forecast, and schedule information available at the time.

Including Bridge Enterprise, August month end expenditures were corresponding to an Expenditure Performance Index (XPI) of 0.98 (actual expenditures vs. baseline). There were 423.5\$M actual expenditures YTD vs. the baseline of \$433.2M. The CY 23 baseline included expenditures from 169 projects, while the current CY 24 baseline includes expenditures from 196 projects. Figure 4 details the current CY24 baseline and actual expenditures.

Figure 3 - Dashboard View, CY 23 Year End

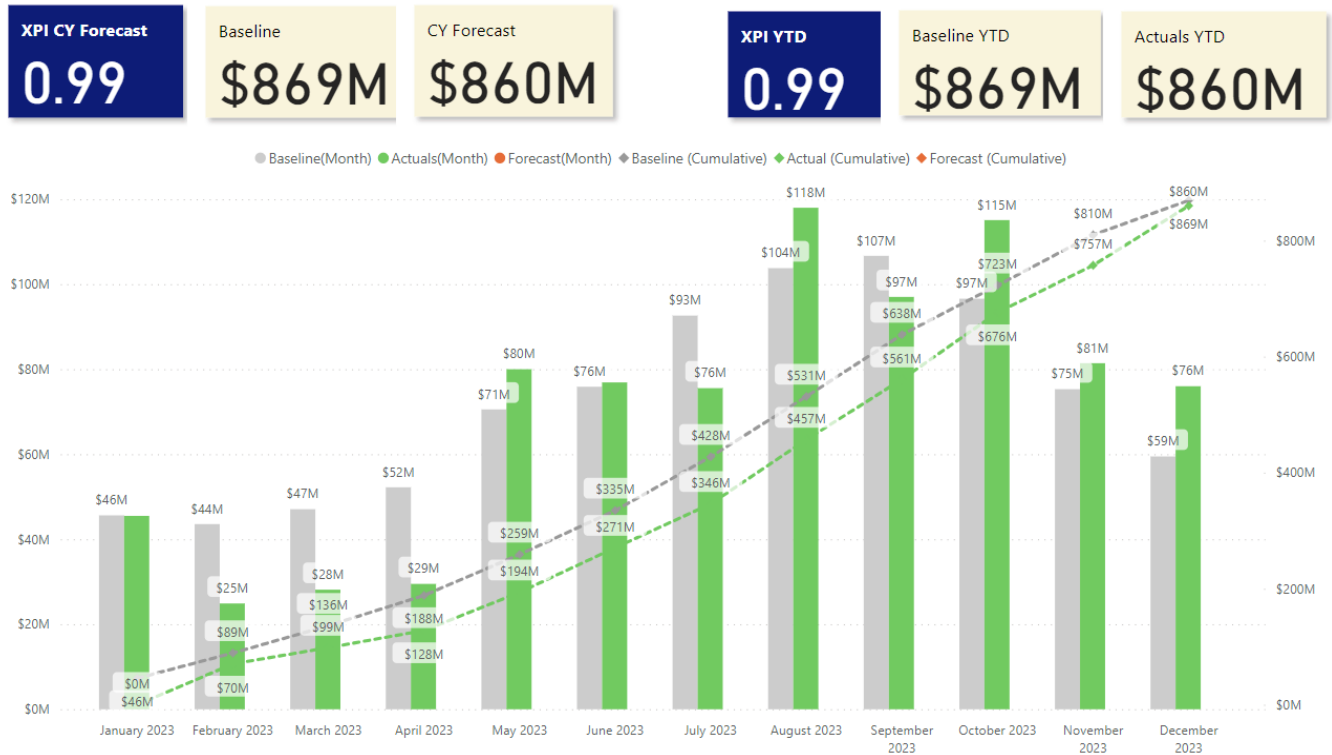
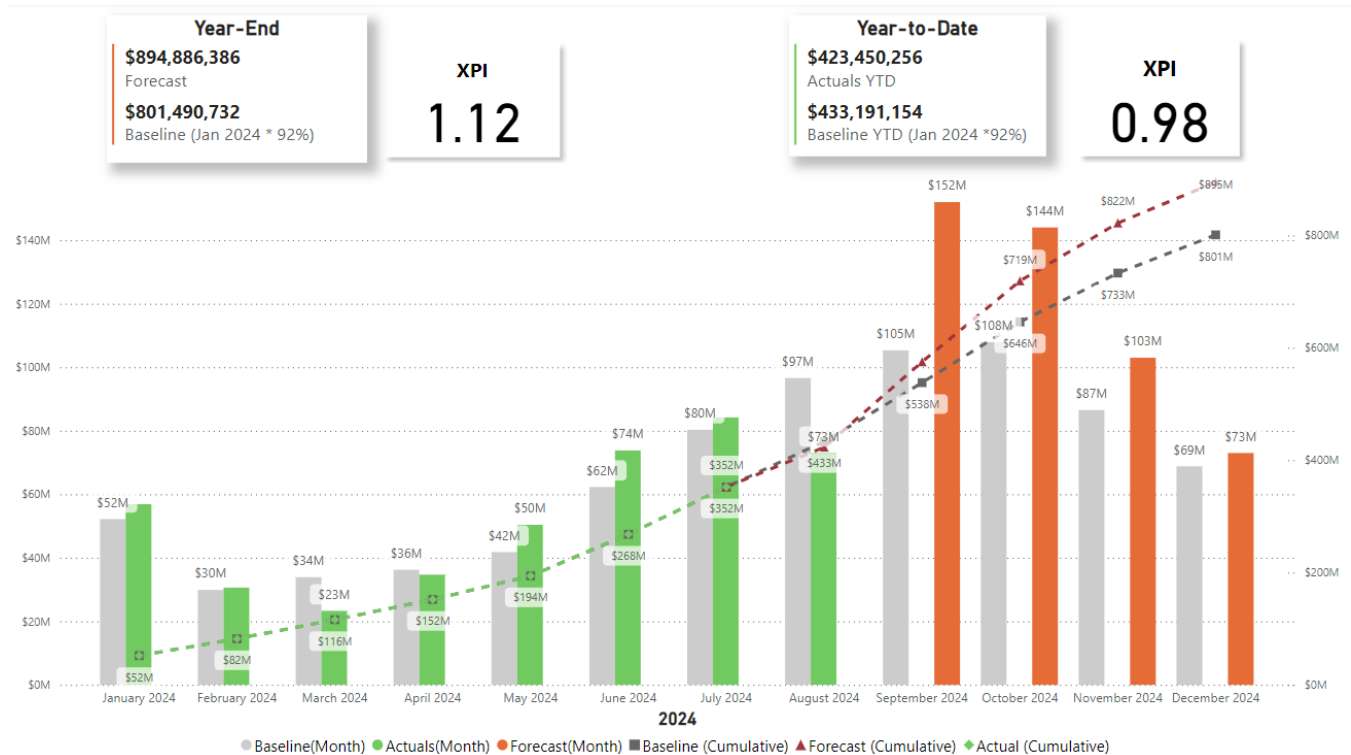


Figure 4 - Dashboard View, CY 24





COLORADO
Department of Transportation

Transportation Commission Memorandum

To: The Transportation Commission

From: Jeff Sudmeier, Chief Financial Officer

Ryan Long, Revenue and Policy Analyst

Date: October 16, 2024

Subject: FY 2024-25 Q1 Highway Users Tax Fund Forecast

Purpose

To provide a quarterly update to the annual Highway User Tax Fund (HUTF) revenue forecast.

Action

This is for information purposes only. No action is requested from the Transportation Commission at this time.

Background

The Office of Financial Management and Budget (OFMB) maintains an annual revenue model that is used to guide CDOT's budget-setting process. OFMB's revenue team updates the model each quarter to monitor the course of a current year's fiscal performance, as well as inform the budget for future out-years. Some of the data used by the model includes, but is not limited to:

- Historical performance of fee revenues
- National economic performance indicators, such as the year-over-year percent change in real U.S. GDP growth
- Inflation estimates based on data from Moody's and the National Highway Cost Construction Index (NHCCI)
- State population and demographic data from the Department of Local Affairs
- Data on annual vehicle miles traveled (VMT) in Colorado from the CDOT Division of Transportation Development
- Estimated vehicle costs, including federal or state rebates for certain vehicles
- Vehicle sales and energy consumption data from the Energy Information Administration
- State fleet data from the Colorado Department of Revenue
- Colorado Clean Cars standard as baseline for estimation of electric vehicle adoption

The Department uses the revenue forecast to develop the Annual Revenue Allocation Plan using outputs from this model. During the annual budget development process, CDOT staff reconcile annual projected revenues with approved requests for expenditures. Staff provides draft and final versions of the Revenue Allocation Plan for formal review and approval by the Transportation Commission. The final plan becomes CDOT’s official budget for the next fiscal year.

Summary

The tables below summarize CDOT’s FY 2023-24 Quarter 4 statewide HUTF forecast.

Revenue increases in future years are primarily attributed to increased revenue from FASTER fees, the Road Usage Charge, Electric Vehicle fees, and the Retail Delivery Fee.

A more detailed forecast narrative can be found on CDOT’s website.

Statewide HUTF Forecasted Revenue (millions)

Revenue Source	FY 2024-25	FY 2025-26	FY 2026-27
Motor Fuel Taxes	\$662.0	\$672.3	\$679.3
Vehicle Registration Fees	\$247.2	\$253.2	\$262.6
FASTER Collections	\$235.6	\$240.3	\$245.0
Road Usage Fee	\$122.3	\$155.2	\$188.2
Miscellaneous Collections	\$32.3	\$32.3	\$32.3
Retail Delivery Fee	\$23.0	\$25.7	\$28.6
Statewide HUTF Revenue	\$1,322.4	\$1,379.0	\$1,436.1

Statewide HUTF Forecasted Distributions (millions)

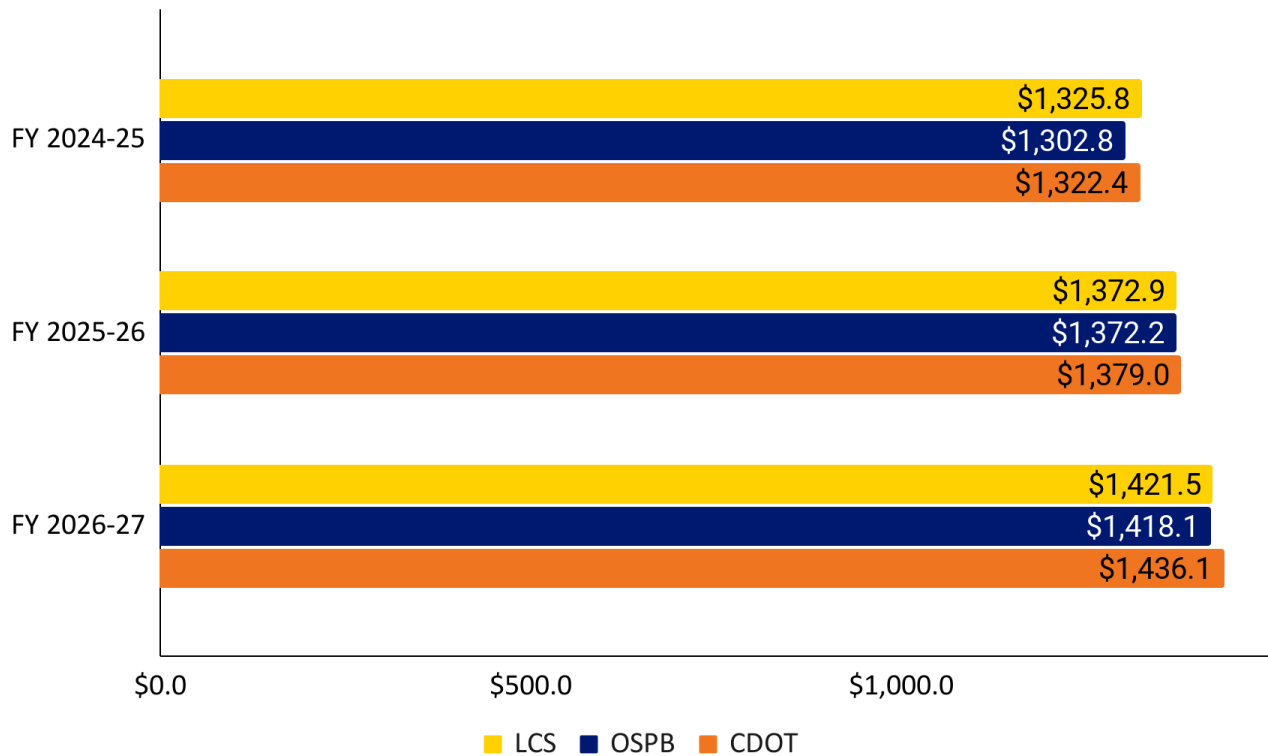
Recipient	FY 2024-25	FY 2025-26	FY 2026-27
Off-the-Top Appropriations	\$213.2	\$225.7	\$238.9
CDOT	\$675.0	\$700.5	\$725.7
DNR Capital Construction	\$0.3	\$0.3	\$0.3
Counties	\$251.3	\$260.9	\$270.5
Municipalities	\$182.6	\$191.6	\$200.6
Total HUTF Distributions	\$1,322.4	\$1,379.0	\$1,436.1

Statewide Forecast Comparison

The forecasts presented by OSPB and LCS are used as the basis for statewide budget planning, and both forecasts estimate statewide transportation revenue.

CDOT’s budget is primarily driven by the Revenue Allocation Plan approved by the Transportation Commission, which is developed using CDOT’s independent quarterly forecast. The chart below provides a comparison of CDOT’s forecast to the other statewide forecasts.

Statewide HUTF Forecast Comparison (millions)



Transportation Revenue and TABOR

TABOR, which was approved by voters in 1992, limits the amount of revenue that the state can retain and spend. Both OSPB and LCS are forecasting that state revenue will surpass the TABOR cap through at least FY 2025-26. In general, increasing cash fund revenue is putting pressure on the state budget. Since TABOR refunds are paid with General Funds, any increase in state cash fund revenue will decrease the availability of General Funds in future years.

The primary sources driving the increase in state cash fund revenue include transportation revenues from SB 21-260 fees, severance tax revenues, and several smaller cash funds. While surpassing the TABOR cap does not directly impact CDOT's revenue, there is a risk that the decreasing availability of General Funds may impact future General Fund transfers to State Highway Fund. Any actual changes would depend on actions taken by the General Assembly to balance the budget.



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: Colorado Transportation Commission

From: Hannah L. Reed, Federal Grants Manager in OPRG and Anna Dunn, Grants Coordinator in OPRG

Date: October 16th, 2024

Subject: Update to the Transportation Commission on CDOT's submitted, in progress, and forthcoming grant applications

Purpose

To share progress on submitted applications, as well as current and future coordination of proposals to anticipated federal discretionary programs, primarily under the Infrastructure Investment Jobs Act (IIJA).

Action

Per PD 703.0, when the department intends to apply for grants with a match consisting of previously approved funding, no action is necessary by the Commission, but we provide the Commission with the projects we intend to pursue. If the match requires an additional commitment of funds not already approved by the Commission, or Bridge & Tunnel Enterprise (BTE), staff brings the projects to the Commission as an action item, with the additional funding being made contingent on a successful application and grant award.

This month, a BTE resolution is prepared requesting the BTE Board to commit >\$20M in state match for the US 50 Blue Mesa Bridges Emergency Repairs Project. This funding commitment is contingent upon the successful award of a grant.

As always, Commissioners and CDOT staff are encouraged to contact CDOT's in-house grant team with questions, comments, and suggestions.

Background

For information on closed 2022 and 2023 grant programs and awarded proposals, please refer to archived TC Grants Memos from December 2023 or prior.

The following discretionary grant programs have closed and awards have been announced:

1. MULTIMODAL PROJECT DISCRETIONARY GRANTS (MPDG): A multi-billion dollar "umbrella" program that contains Mega, INFRA, and Rural Surface Transportation.
 - I-76 Phase IV Reconstruction in Region 4
 - \$29.1M Awarded!
 - US 160 Safety & Mobility Improvements in Region 5
 - \$58.9M Awarded!
2. RECONNECTING COMMUNITIES AND NEIGHBORHOODS (RCN)

- Federal & Colfax Cloverleaf Interchange Planning Grant in Region 1
 - \$2M Awarded!
- 3. STRENGTHENING MOBILITY AND REVOLUTIONIZING TRANSPORTATION (SMART)
 - I-25 Coordinated Adaptive Ramp Metering (CARM) Expansion in Region 1
 - \$1.4M Awarded!
- 4. RAISE
 - I-270 & Vasquez Interchange Planning in Region 1 w/ Adams County
 - \$4.8M Awarded!
- 5. BIP Planning
 - CO 96 Critical Bridges Replacement Feasibility Analysis
 - \$760,000 Awarded!
- 6. 5339s (Low-No Emissions and Bus & Bus Facilities)
 - CDOT submitted applications for 11 agencies, and were awarded the following to support local agencies in grant administration and project delivery:
 - \$1,951,080 awarded for Telluride to modernize the Galloping Goose Transit Maintenance Facility
 - \$418,359 awarded for Archuleta County Mountain Express Transit to build a new park-and-ride facility in Aspen Springs, and support a new bus route from Aspen Springs to Pagosa Springs, Bayfield, and Durango.
 - \$4,573,000 awarded for Eagle Valley Transportation Authority to buy hybrid-electric buses to replace older diesel vehicles
 - \$32,837,664 awarded for Roaring Fork Transportation Authority (RFTA) to modernize its Glenwood Springs Operations and Maintenance Facility to support its planned zero-emission bus fleet.
 - \$659,089 awarded for Durango Transit to replace aging buses and improve safety at several bus stops
 - \$1,516,108 awarded for Gunnison Valley Rural Transportation Authority to purchase new buses and expand the Gunnison Valley RTA's fleet.

The following discretionary grant programs have closed, but applications are still being reviewed:

1. BRIDGE INVESTMENT PROGRAM (BIP) - LARGE BRIDGE
 - CDOT revised the Region 1 I-270 Corridor Improvements Bridge Bundle application
 - In addition to the original eight critical bridges, the scope was competitively expanded to include four other bridges on / connecting to the corridor.
2. ADVANCED TRANSPORTATION TECHNOLOGY and INNOVATION (ATTAIN)
 - CDOT's Traffic Safety and Engineering Services Branch submitted an application to purchase equipment, software, and training materials to establish CDOT's first LiDAR and Photogrammetry technology program.
3. CONGESTION RELIEF PROGRAM (CRP)
 - The Federal Blvd BRT Service Builder Project in Region 1
4. VEHICLE TECHNOLOGIES OFFICE (VTO) TECHNOLOGY INTEGRATION (TI)
 - OIM submitted two applications to two different "areas of interest"
 - Community-Driven Data Solutions: Using Advanced Artificial Intelligence to Address Transportation Equity in Colorado
 - Colorado ZEV Emergency Responder Safety Training Program
5. MULTIMODAL PROJECT DISCRETIONARY GRANTS (MPDG): A multi-billion dollar "umbrella" program that contains Mega, INFRA, and Rural Surface Transportation.

- Kings Valley Drive & US 285 Grade-Separation in Region 1 w/ Jefferson County
 - US 50 Safety & Highway Improvements for Freight and Travel (SHIFT) in Region 2 w/ Otero County
 - I-70 Glenwood Canyon RESCUE in Region 3
 - State-Wide Avalanche Protocol (SWAP) in Regions 3 & 5
 - US 287 Corridor Safety Project in Region 4
 - N I-25 N Seg. 5 Project in Region 4 w/ NFRMPO
 - US 550 & Animas River Crossing Project in Region 5 w/ La Plata County
6. CONSOLIDATED RAIL INFRASTRUCTURE & SAFETY IMPROVEMENTS (CRISI) GRANT PROGRAM: A large rail program intended to improve railroad safety, efficiency, and reliability.
 - CDOT partnered with BNSF to Submit:
 - Modernizing Rail on the Front Range: PTC Installation & Grade Crossing Safety and Operational Improvements
 7. LOW CARBON TRANSPORTATION MATERIALS (LCTM)
 - CDOT's Chief Engineer's Office submitted a proposal to support CDOT's burgeoning LCTM Review and Implementation Process
 8. ACTIVE TRANSPORTATION INFRASTRUCTURE INVESTMENT PROGRAM (ATIIP)
 - CO 7 Bike and Ped Improvements in Regions 1 & 4
 - Bridging Denver Area Network Gaps in R1
 - CO 145 Rural Active Connection and Equity in R5
 9. ADVANCING DIGITAL CONSTRUCTION MANAGEMENT SYSTEMS (ADCMS)
 - Revised application to establish CDOT's first vehicle-mounted LiDAR and Photogrammetry program.
 10. WILDLIFE CROSSINGS PILOT PROGRAM (WCPP)
 - US 40 Empire Crossing in R1
 - I-25 Raton Pass Multi-State Network Connectivity in R2
 - I-70 East Vail Pass Wildlife Crossings in R3
 - US 287 Wildlife Crossing Infrastructure in R4
 11. RAILROAD CROSSING ELIMINATION (RCE)
 - US 40 Crossings East & West of Craig Planning Project in R3
 12. RECONNECTING COMMUNITIES PROGRAM (RCP)
 - Federal Blvd & US 36 BRT Connection Planning Project in R1
 - US85 Bridge Replacement & Multimodal Connections - Venetucci Blvd to Fountain Creek in R2
 - CO 119 / Hover St Pedestrian Crossing in R4
 13. BRIDGE INVESTMENT PROGRAM (BIP) - PLANNING
 - I-70 West Applewood to Lakewood Critical Bridges Planning in R1

IN PROGRESS

CDOT is actively pursuing the following discretionary grant program(s):

1. BRIDGE INVESTMENT PROGRAM (BIP) - OTHER than LARGE BRIDGE (>\$100M)
 - Through an approved letter of no prejudice with FHWA, CDOT is preparing a proposal for the US 50 Blue Mesa Bridge Emergency Repairs
 - Due to the limited amount of opportunities to apply remaining, CDOT is considering other competitive, priority bridge proposals

NEW & FORTHCOMING OPPORTUNITIES

The following discretionary programs are newly released or are expected to release in the near future. CDOT is interested in pursuing eligible and competitive projects or partnerships for each program:

1. PROMOTING RESILIENT OPERATIONS FOR TRANSFORMATIVE, EFFICIENT, AND COST-SAVING TRANSPORTATION PROGRAM (PROTECT)
 - NOFO anticipated in October 2024
2. REBUILDING AMERICAN INFRASTRUCTURE FOR SUSTAINABILITY AND EQUITY (RAISE)
 - NOFO anticipated in November 2024

CDOT DISCRETIONARY GRANT SUCCESS BY THE NUMBERS

Since the IIJA was signed into law in November 2021...

- CDOT has been awarded \$394M, including both direct and indirect via local agency partnerships
- 17 priority projects featured in our 10 Year Plan have won a federal discretionary grant
- The Floyd Hill to Veterans Memorial Tunnels Improvements Project received CDOT's largest award to date at \$100M

Next Steps

BIP "Other Bridge" applications are due November 1st, 2024



COLORADO
Department of Transportation

Transportation Commission Memorandum

To: Transportation Commission

From: Darius Pakbaz, Director, Division of Transportation Development; William Johnson, Performance and Asset Management Branch Manager; Jane Hann, Environmental Programs Branch Manager

Date: October 16, 2024

Subject: 2024 Transportation Trends Report (Informational Item)

Purpose

The Colorado Department of Transportation (CDOT) provides an annual report to the Transportation Commission (TC) on factors relevant to the Greenhouse Gas (GHG) reduction provisions outlined in 2 Code of Colorado Regulations (CCR) 601-22. The report helps the TC evaluate whether current trends in key performance indicators suggest the need for policy changes.

Action

No action is requested at this time. The report is submitted for informational purposes.

Background

Beginning October 1, 2022, and annually thereafter, Section 8.06.2 of 2 CCR 601-22 (Rules Governing Transportation Planning Process and Transportation Planning Regions) requires CDOT to provide the TC with a report on key performance indicators related to GHG reduction provisions.

The report covers a comprehensive set of performance indicators, including population growth, Vehicle Miles Traveled, Electric Vehicle registrations, statewide transit usage, bicycle use, and key economic indicators. The report offers insights into transportation trends and their implications for GHG emissions, supports Colorado's goal of reducing pollution from the transportation sector, and improves multimodal options.

The TC reviews the report annually to assess whether trends in these key performance indicators may necessitate policy adjustments to ensure the state's GHG reduction goals are met.

Next Steps

The TC will review the 2024 Transportation Trends Report and determine if the existing trends in key performance indicators warrant any consideration of policy adjustments.

Attachments

Attachment A: 2024 Transportation Trends Report



COLORADO

Department of Transportation

2024

Transportation Trends Report

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Introduction

The Colorado Department of Transportation (CDOT) provides an annual report to the Transportation Commission (TC) on factors pertinent to the Greenhouse Gas (GHG) reduction provisions outlined in [2. Code of Colorado Regulations \(CCR\) 601-22](#). The report helps the TC to evaluate whether current trends in key performance indicators warrant consideration of policy changes. It aligns with the requirements of the transportation planning rule and is made available for review by the Colorado TC.

The report covers a comprehensive set of performance indicators that highlight the transportation sector's impact on GHG emissions, as well as broader economic and societal trends. While the data year may differ for each indicator, the report features the most recent available data for each indicator. Key indicators include:

- **Population Growth:** Monitoring demographic changes to assess transportation demand.
- **Vehicle Miles Traveled (VMT):** Evaluating the total miles driven within the state to understand travel behavior.
- **Electric Vehicle (EV) Registrations:** Tracking the adoption of EVs as a key indicator of progress toward lower emissions.
- **Statewide Transit:** Assessing the use of public transportation as a sustainable travel option.
- **Bicycle Usage:** Measuring the prevalence of cycling as an alternative mode of transportation.
- **Economic Factors:** Including metrics such as Jobs and Unemployment, Gross Domestic Product (GDP), Consumer Price Index (CPI), Transportation Fuel Prices, and Personal Income to understand the economic conditions influencing transportation patterns.

Where applicable, performance indicators are summarized for Colorado's Metropolitan Planning Organizations (MPOs). The table below lists these MPOs with their full and abbreviated names.

Table 1

Colorado's Metropolitan Planning Organizations (MPOs)

Metropolitan Planning Organization	Abbreviation
Denver Regional Council of Governments	DRCOG
Grand Valley Metropolitan Planning Organization	GVMPO
North Front Range Metropolitan Planning Organization	NFRMPO
Pikes Peak Area Council of Governments	PPACG
Pueblo Area Council of Governments	PACOG

Population Growth

The State Demography Office, part of the Colorado Department of Local Affairs, provides annual population estimates and forecasts for Colorado’s regions, counties, and municipalities. Population growth plays a critical role as it directly influences greenhouse gas (GHG) emissions. As the population increases, so does the demand for transportation. By closely monitoring population trends, CDOT can better anticipate changes in transportation needs and adjust its strategies to meet GHG reduction targets effectively. Below are the latest population estimates for Colorado and its Metropolitan Planning Organizations (MPOs).

Figure 1
Colorado and MPO Population Estimates

The following chart illustrates the population estimates for Colorado and its MPOs from 2014 to 2023.

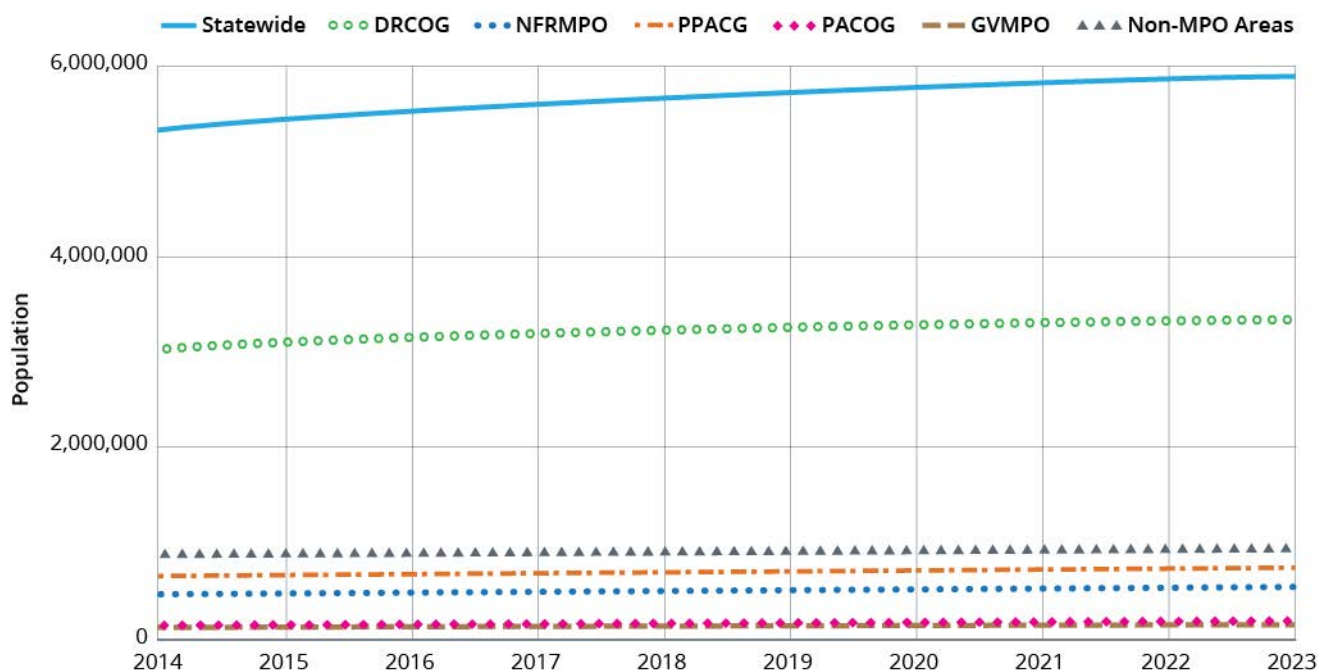


Table 2
Population Estimates, Change from Prior Year and 2014

The following table illustrates the population estimates for Colorado and its MPOs, along with the percentage changes from the prior year and from 2014:

Geography	2023 Data	Percent Change from 2022	Percent Change from 2014
Colorado	5,876,300	0.6%	9.9%
DRCOG	3,348,452	0.6%	9.5%
NFRMPO	557,749	1.5%	18.8%
PPACG	740,343	0.5%	11.7%
PACOG	158,261	0.1%	5.2%
GVMPO	144,783	0.7%	8.6%
Non-MPO Areas	926,711	0.4%	5.9%

Table 3

Historical Colorado and MPO Population Estimates

The table below provides a historical view of population estimates from 2014 to 2023 for the entire state as well as for each MPO and non-MPO areas.

Year	Statewide	DRCOG	NFRMPO	PPACG	PACOG	GVMPO	Non-MPO Areas
2014	5,347,655	3,056,645	469,488	662,967	150,413	133,376	874,766
2015	5,446,594	3,121,159	483,297	675,023	151,878	134,276	880,961
2016	5,529,631	3,168,887	493,552	689,262	153,425	135,721	888,784
2017	5,599,588	3,205,653	503,653	701,717	154,734	137,419	896,412
2018	5,676,912	3,248,912	514,545	714,596	155,771	139,219	903,869
2019	5,734,909	3,282,361	525,136	722,192	156,521	140,224	908,475
2020	5,784,970	3,312,404	533,141	728,896	157,252	141,296	911,980
2021	5,811,121	3,317,324	540,241	733,667	158,081	142,657	919,151
2022	5,840,234	3,328,221	549,239	736,882	158,210	143,720	923,962
2023	5,876,300	3,348,452	557,749	740,343	158,261	144,783	926,711

Data Source

Colorado Department of Local Affairs | State Demography Office

<https://demography.dola.colorado.gov/assets/html/population.html>

Updated: July 31, 2024

Summary of Population Trends

Over the past decade, Colorado has experienced consistent population growth. From 2014 to 2023, the state’s population increased by approximately 9.9%. The growth rate has been relatively steady, with a slight annual increase. Notably, the North Front Range MPO (NFRMPO) has seen the highest growth rate among MPOs, with an 18.8% increase since 2014. In contrast, the Pueblo Area Council of Governments (PACOG) has had the smallest growth, at 5.2% over the same period. The non-MPO areas also exhibit a modest growth trend, reflecting broader demographic shifts across the state.

Vehicle Miles Traveled (VMT)

VMT data is provided by the CDOT Division of Transportation Development through its annual traffic counting program. By tracking VMT, the report assesses travel behavior trends and their potential impact on the state's overall carbon footprint, providing insights necessary for effective GHG reduction strategies. The following figures and tables illustrate VMT and VMT per capita for Colorado and its MPOs.

Figure 2

Colorado and MPO VMT

This figure illustrates the total VMT for Colorado and its MPOs for the years 2014-2023.

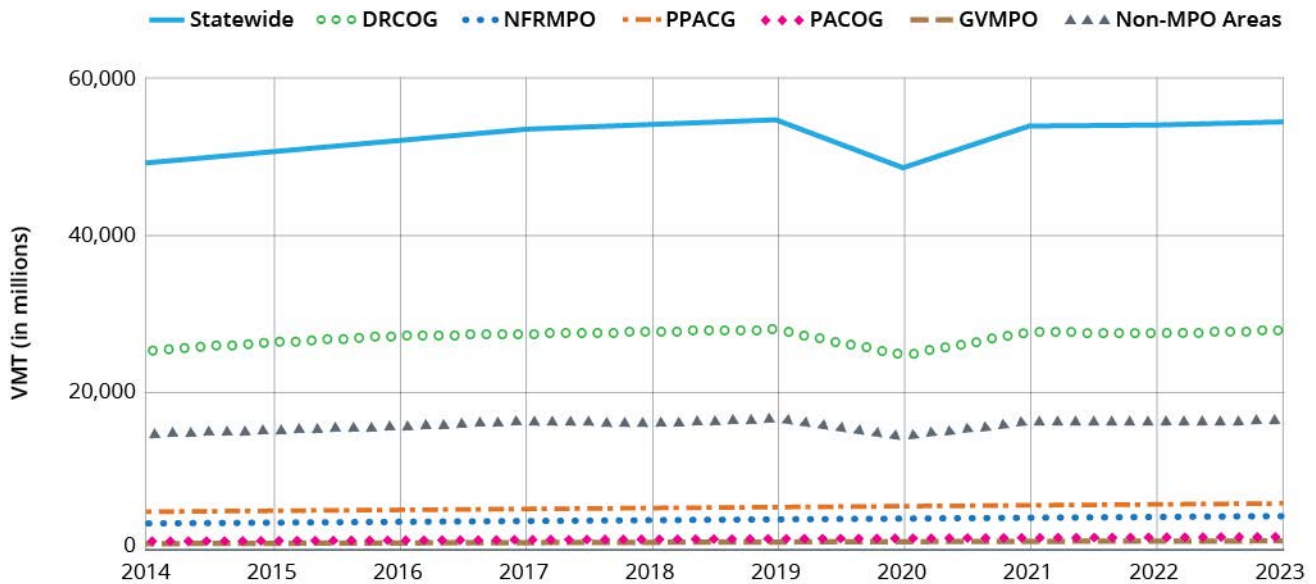


Table 4

VMT, Change from Previous Year and 2014

Table 4 displays the total VMT for Colorado and its MPOs for 2023, along with the percentage change from the previous year and from 2014.

Geography	2023 Data	Percent Change from 2022	Percent Change from 2014
Colorado	54,661,702,815	1.3%	11.6%
DRCOG	27,434,622,280	1.2%	9.7%
NFRMPO	3,914,959,547	1.9%	23.1%
PPACG	5,494,365,021	1.3%	20.6%
PACOG	1,125,579,586	1.8%	12.1%
GVMPO	880,181,614	1.3%	7.3%
Non-MPO Areas	15,811,994,766	1.4%	9.8%

Table 5

Historical Colorado and MPO VMT (millions)

Table 5 shows the historical VMT data from 2014 to 2023, highlighting the changes over time for Colorado and its MPOs.

Year	Statewide	DRCOG	NFRMPO	PPACG	PACOG	GVMPO	Non-MPO Areas
2014	48,985.1	25,018.4	3,179.8	4,556.6	1,004.1	820.6	14,405.5
2015	50,437.3	25,858.5	3,301.4	4,748.7	1,018.8	837.0	14,672.6
2016	52,009.1	26,645.8	3,419.9	4,824.8	985.3	850.3	15,282.9
2017	53,382.1	27,151.0	3,548.7	4,960.3	1,002.2	869.6	15,850.2
2018	53,953.6	27,523.7	3,751.3	5,187.3	1,030.4	870.9	15,590.4
2019	54,633.6	27,760.4	3,774.2	5,179.0	1,034.5	869.2	16,016.7
2020	48,509.4	24,429.9	3,381.3	4,629.9	954.6	779.6	14,333.7
2021	53,839.3	27,125.3	3,747.8	5,114.4	1,040.1	861.3	15,980.1
2022	53,935.3	27,099.4	3,840.9	5,422.0	1,106.0	869.2	15,597.7
2023	54,661.7	27,434.6	3,915.0	5,494.4	1,125.6	880.2	15,812.0

Vehicle Miles Traveled per Capita

Figure 3

Colorado and MPO VMT per Capita

This figure illustrates the vehicle miles traveled per capita for Colorado and its MPOs for the year 2023. VMT per capita measures the average number of miles traveled by each person within a given area, helping to gauge the relationship between travel behavior and population size. Population data from the State Demographer’s Office is used to calculate VMT per capita.

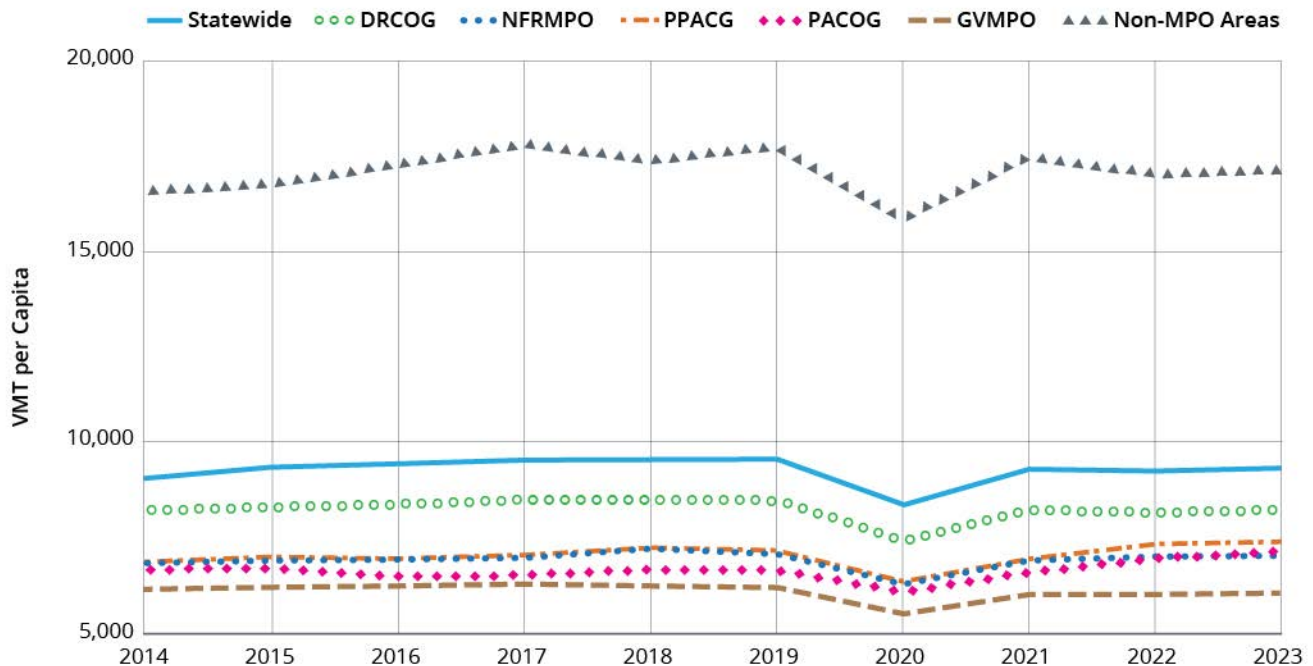


Table 6

VMT per Capita, Change from Previous Year and 2014

Table 6 presents the VMT per capita for Colorado and its MPOs for 2023, including the percentage change from the previous year and from 2014.

Geography	2023 Data	Percent Change from 2022	Percent Change from 2014
Colorado	9,302	0.7%	1.5%
DRCOG	8,193	0.6%	0.1%
NFRMPO	7,019	0.5%	3.6%
PPACG	7,421	0.9%	8.0%
PACOG	7,112	1.7%	6.5%
GVMPO	6,079	0.5%	-1.2%
Non-MPO Areas	17,062	0.9%	3.6%

Table 7

Historical Colorado and MPO VMT per Capita

Table 7 shows historical VMT per capita data from 2014 to 2023, illustrating the changes over time for Colorado and its MPOs.

Year	Statewide	DRCOG	NFRMPO	PPACG	PACOG	GVMPO	Non-MPO Areas
2014	9,160	8,185	6,773	6,873	6,675	6,153	16,468
2015	9,260	8,285	6,831	7,035	6,708	6,234	16,655
2016	9,406	8,409	6,929	7,000	6,422	6,265	17,195
2017	9,533	8,470	7,046	7,069	6,477	6,328	17,682
2018	9,504	8,472	7,290	7,259	6,615	6,256	17,249
2019	9,526	8,457	7,187	7,171	6,609	6,198	17,630
2020	8,385	7,375	6,342	6,352	6,070	5,518	15,717
2021	9,265	8,177	6,937	6,971	6,580	6,037	17,354
2022	9,235	8,141	6,983	7,358	6,992	6,044	16,903
2023	9,302	8,193	7,019	7,421	7,112	6,079	17,062

Data Source

Colorado Department of Transportation | Online Transportation Information System (OTIS)
<https://dtdapps.coloradodot.info/otis> Updated: August 5, 2024

Summary of Vehicle Miles Traveled Trends

The data for VMT indicates a general increase in both total VMT and VMT per capita from 2014 to 2023. In 2023, VMT increased by 1.3% from the previous year and 11.6% from 2014. This upward trend is consistent across most MPOs, with notable increases in the NFRMPO and PPACG areas. VMT per capita also saw a slight rise of 0.7% statewide from the previous year, reflecting a moderate growth in road use per person. The GVMPO area, however, experienced a slight decline in VMT per capita. This overall increase in VMT suggests a growing demand for road infrastructure and increased mobility options, though regional variations highlight differing transportation dynamics across the state.

Electric Vehicle (EV) Registrations

EV data tracks the original registrations of electric vehicles in Colorado, capturing both new sales and out-of-state transfers. The data includes battery electric vehicles (BEV) and plug-in hybrid electric vehicles (PHEV), providing insight into the adoption of EV technology and its impact on reducing GHG emissions.

Figure 4

EV Original Registrations, Total and Major Vehicle Categories

This figure illustrates the total number of original electric vehicle registrations in Colorado, including battery electric vehicles (BEV) and plug-in hybrid electric vehicles (PHEV), showing trends over time.

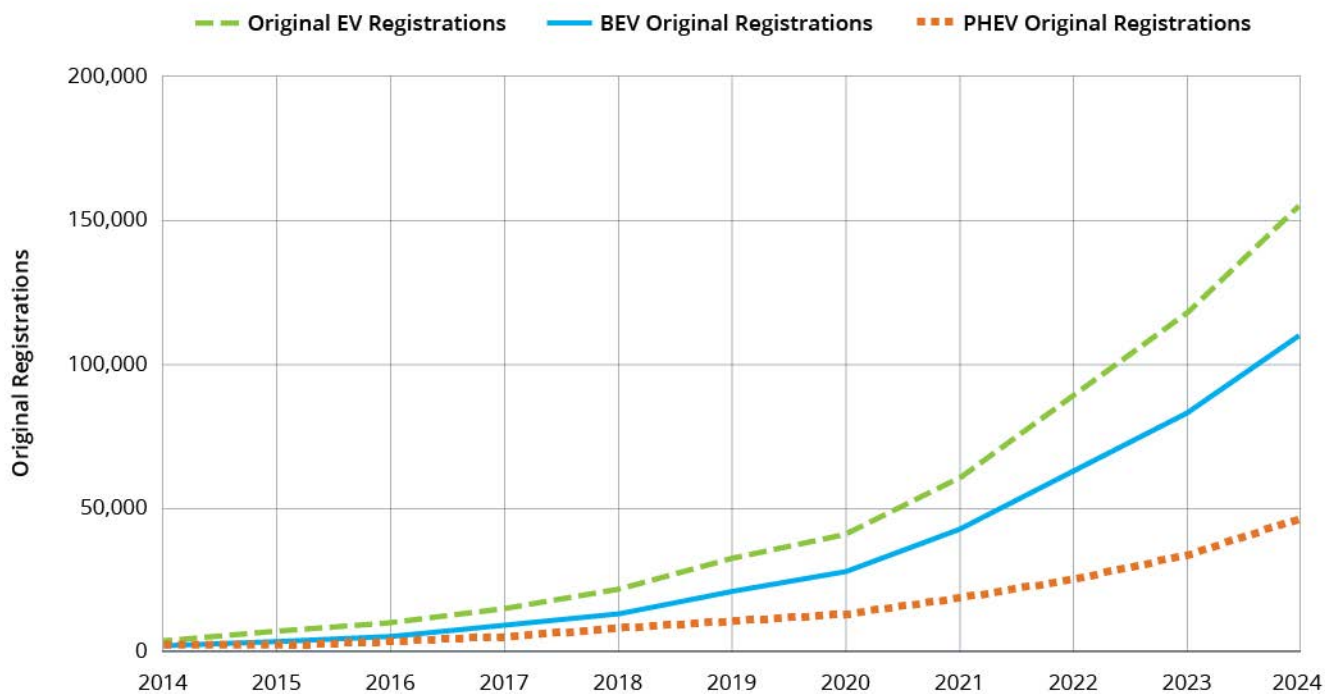


Table 8

Original EV Registrations, Change from 2023 and 2014

Table 8 provides the 2024 data for original EV registrations, including both BEV and PHEV categories, with percentage changes from 2023 and 2014.

Vehicle Category	2024 Data	Percent Change from 2023	Percent Change from 2014
EV Original Registrations	155,558	21.1%	3,464.6%
BEV Original Registrations	109,039	19.4%	4,901.8%
PHEV Original Registrations	46,519	25.3%	2,030.0%

Table 9

Historical Original EV Registrations, Total and Major Vehicle Categories (cumulative)

Table 9 shows the cumulative data for original EV registrations, including BEV and PHEV categories, from 2014 to 2024.

Year	EV Original Registrations	BEV Original Registrations	PHEV Original Registrations
2014	4,364	2,180	2,184
2015	6,698	3,690	3,008
2016	10,008	5,674	4,334
2017	15,001	8,948	6,053
2018	21,513	13,149	8,364
2019	31,857	20,958	10,899
2020	40,234	27,458	12,776
2021	60,291	41,861	18,430
2022	86,046	61,175	24,871
2023	128,407	91,291	37,116
2024	155,558	109,039	46,519

Data Source

Atlas Public Policy Group, Colorado Energy Office
EValueCO
<https://atlaspolicy.com/evaluateco/>
Updated: July 18, 2024

Summary of Electric Vehicle Trends

The data for EV registrations demonstrates significant growth in Colorado. As of 2024, total original EV registrations have reached 155,558, marking a 21.1% increase from the previous year and a remarkable 3,464.6% increase from 2014. Battery electric vehicles (BEV) and plug-in hybrid electric vehicles (PHEV) have both seen substantial growth, with BEVs increasing by 19.4% from 2023 and 4,901.8% from 2014, and PHEVs rising by 25.3% from 2023 and 2,030.0% from 2014. The cumulative data from 2014 to 2024 shows a consistent upward trend in registrations, reflecting a growing adoption of electric vehicles in the state.

Statewide Transit

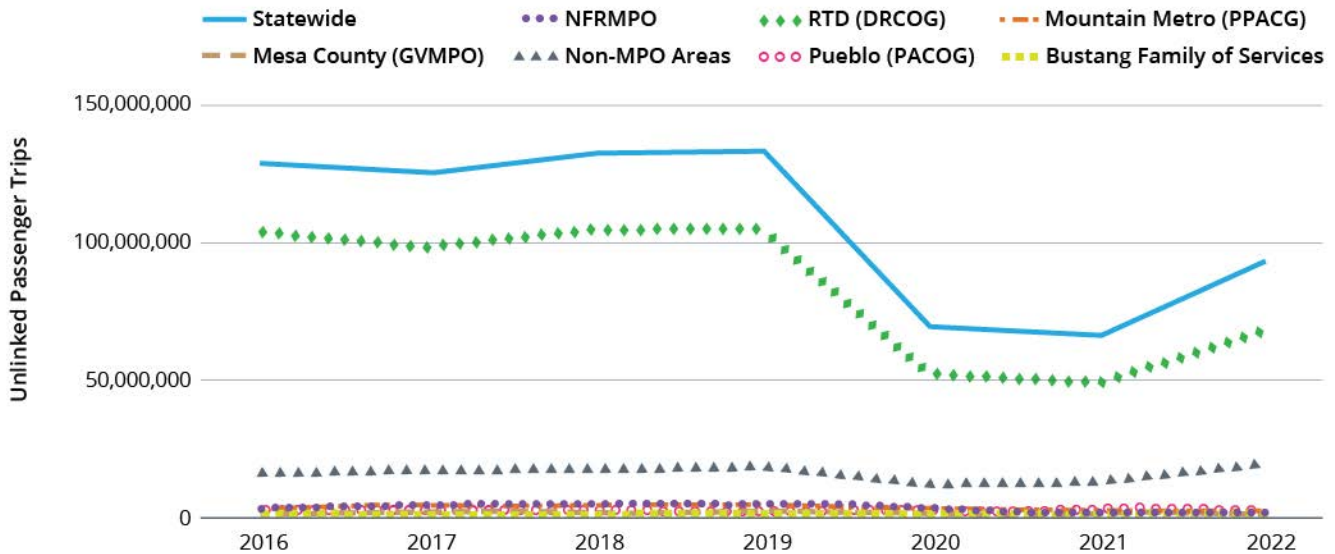
Statewide transit data includes unlinked passenger trips and revenue service miles. Unlinked passenger trips count each trip made by a rider, regardless of the mode of transit. The data is provided by the National Transit Database (NTD) and is reported by each transit agency that receives federal funds. Revenue service miles represent the total miles traveled by transit vehicles while in service and available to carry passengers. These performance indicators are crucial for assessing the use of public transportation and its effectiveness in reducing reliance on personal vehicles, thereby contributing to lower GHG emissions.

Unlinked Passenger Trips

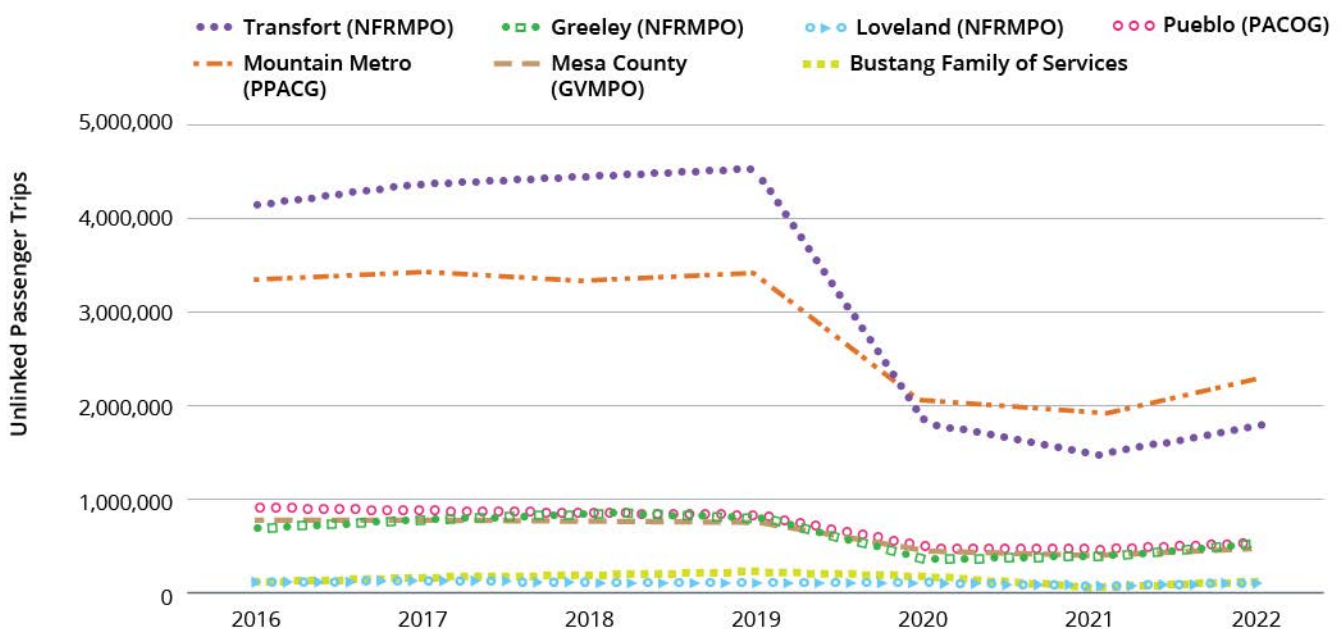
Figure 5

Unlinked Passenger Trips, Statewide and Major Colorado Transit Agencies

This figure illustrates the number of unlinked passenger trips for major Colorado transit agencies, with a zoomed-in view for agencies with trips below 5,000,000.



Unlinked Passenger Trips* (zoomed in)



* Chart is zoomed in to display major Colorado transit agencies with unlinked passenger trips below 5,000,000.

Table 10

Unlinked Passenger Trips, Change from Previous Year and 2016

Table 10 shows the number of unlinked passenger trips for various transit agencies in Colorado for the year 2022, including the percentage change from the previous year and from 2016.

Geography	2022 Data	Percent Change from 2021	Percent Change from 2016
Colorado	94,232,348	40.9%	-26.9%
RTD (DRCOG)	68,303,370	28.6%	-33.9%
Transfort (NFRMPO)	1,776,206	17.4%	-56.8%
City of Greeley (NFRMPO)	550,412	24.4%	-17.5%
Loveland Transit (NFRMPO)	98,616	19.1%	-15.7%
Mountain Metro (PPACG)	2,315,479	16.7%	-31.3%
Pueblo Transit (PACOG)	543,077	13.5%	-39.9%
Mesa County (GVMP)	487,738	17.5%	-38.5%
Non-MPO Areas	20,157,450	33.9%	29.2%
Bustang Family of Services	146,111	165.9%	42.5%

Table 11

Unlinked Passenger Trips, Statewide and Major Colorado Transit Agencies

Table 11 provides a historical view of unlinked passenger trips from 2016 to 2022 for Colorado and major transit agencies.

Year	Statewide	RTD (DRCOG)	Transfort (NFRMPO)	Greeley (NFRMPO)	Loveland (NFRMPO)	Mountain Metro (PPACG)	Pueblo (PACOG)	Mesa County (GVMP)	Non-MPO Areas	Bustang Family of Services
2016	128,900,802	103,340,797	4,112,808	667,532	116,964	3,372,415	903,046	792,946	15,594,294	102,503
2017	125,463,344	98,077,504	4,378,724	774,651	105,917	3,439,405	877,227	792,946	17,016,970	155,864
2018	132,727,049	104,708,480	4,444,532	842,132	104,115	3,346,182	864,290	777,384	17,639,934	194,064
2019	134,188,182	105,207,476	4,503,616	829,337	118,236	3,411,436	831,954	760,788	18,525,339	238,135
2020	70,052,872	52,314,687	1,796,952	369,725	74,213	2,063,408	496,659	459,351	12,477,877	189,533
2021	66,857,905	48,777,163	1,466,945	416,010	79,754	1,930,060	469,908	402,300	13,315,765	54,946
2022	94,232,348	68,303,370	1,776,206	550,412	98,616	2,315,479	543,077	487,738	20,157,450	146,111

Table 12

Annual Percentage Change in Unlinked Passenger Trips, Statewide and Major Colorado Transit Agencies

Table 12 provides the annual percentage change in unlinked passenger trips from 2017 to 2022 for Colorado and major transit agencies.

Year	Statewide	RTD (DRCOG)	Transfort (NFRMPO)	Greeley (NFRMPO)	Loveland (NFRMPO)	Mountain Metro (PPACG)	Pueblo (PACOG)	Mesa County (GVMPO)	Non-MPO Areas	Bustang Family of Services
2017	-2.7%	-5.1%	6.5%	16.1%	-9.4%	2.0%	-2.9%	0.0%	9.1%	52.1%
2018	5.8%	6.8%	1.5%	8.7%	-1.7%	-2.7%	-1.5%	-2.0%	3.7%	24.5%
2019	1.1%	0.5%	1.3%	-1.5%	13.6%	2.0%	-3.7%	-2.1%	5.0%	22.7%
2020	-47.8%	-50.3%	-60.1%	-55.4%	-37.2%	-39.5%	-40.3%	-39.6%	-32.6%	-20.4%
2021	-4.6%	-6.8%	-18.4%	12.5%	7.5%	-6.5%	-5.4%	-12.4%	-6.7%	-71.0%
2022	40.9%	40.0%	21.1%	32.3%	23.7%	20.0%	15.6%	21.2%	51.4%	165.9%

Data Source

Federal Transit Administration
National Transit Database
<https://www.transit.dot.gov/ntd>
Updated: August 1, 2023

Summary of Unlinked Passenger Trip Trends

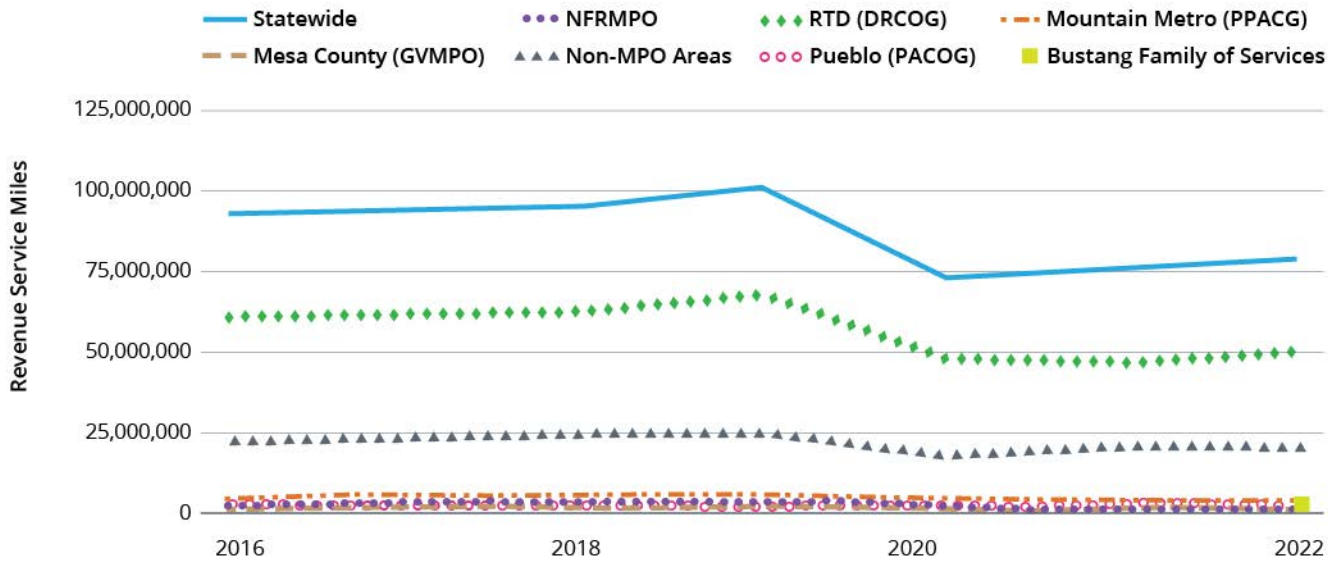
Unlinked passenger trips in Colorado saw a significant increase in 2022, with total unlinked passenger trips rising to 94,232,348, a 40.9% increase from the previous year. The increase in 2022 reflects a recovery from the sharp declines experienced during the COVID-19 pandemic. Major transit agencies such as RTD (DRCOG) and Transfort (NFRMPO) also experienced increases in ridership, though overall figures remain lower than pre-pandemic levels. Non-MPO areas showed a notable increase of 33.9% from the previous year, highlighting a recovery trend in less urbanized regions.

Revenue Service Miles

Figure 6

Revenue Service Miles, Statewide and Major Colorado Transit Agencies

This figure illustrates revenue service miles for major Colorado transit agencies, with a zoomed-in view for agencies with revenue service miles below 5,000,000.



Revenue Service Miles, Statewide and Major Colorado Transit Agencies (zoomed in)

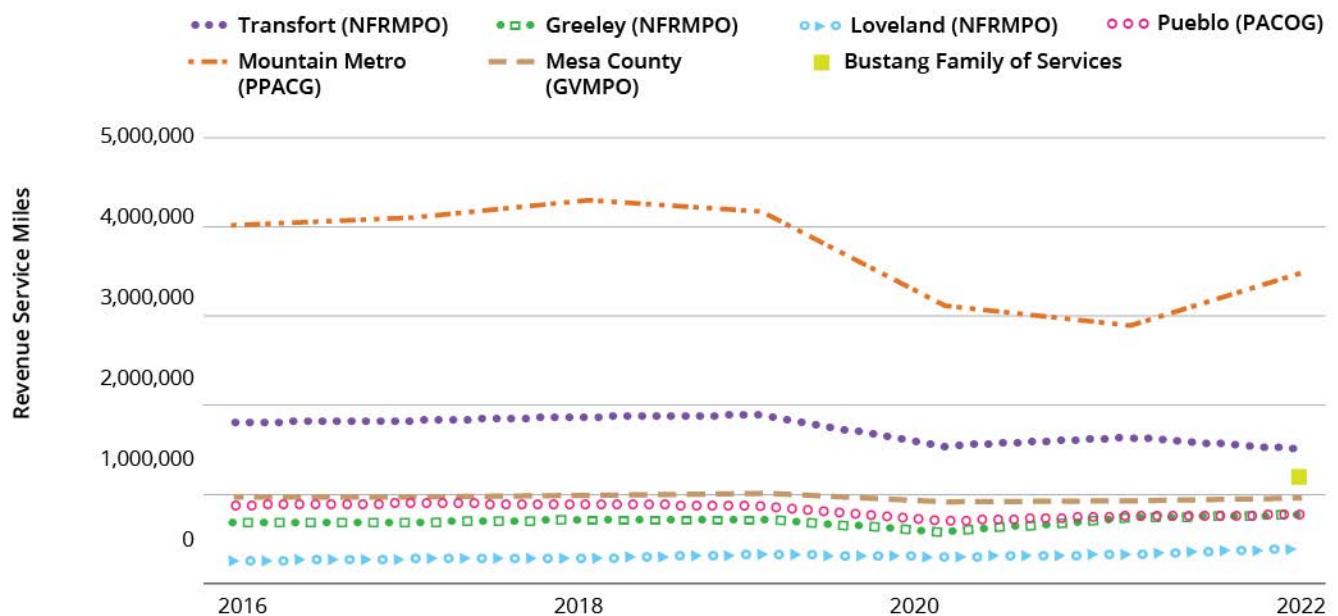


Table 13

Revenue Service Miles, Change from Previous Year and 2016

Table 13 shows revenue service miles for various transit agencies in Colorado for the year 2022, including the percentage change from the previous year and from 2016.

Geography	2022 Data	Percent Change from 2021	Percent Change from 2016
Colorado	78,990,248	6.51%	-13.9%
RTD (DRCOG)	49,664,445	6.92%	-18.3%
Transfort (NFRMPO)	1,483,253	-8.24%	-18.1%
City of Greeley (NFRMPO)	751,257	6.97%	10.7%
Loveland Transit (NFRMPO)	361,862	13.27%	51.9%
Mountain Metro (PPACG)	3,487,358	21.38%	-13.6%
Pueblo Transit (PACOG)	715,160	-2.80%	-18.0%
Mesa County (GVMPO)	925,833	-1.08%	-4.5%
Non-MPO Areas	20,313,534	-1.05%	-9.3%
*Bustang Family of Services	1,287,546	—	—

*Note: Bustang Family of Service revenue service mile data is only available for 2022.

Table 14

Revenue Service Miles, Statewide and Major Colorado Transit Agencies

Table 14 provides a historical view of revenue service miles from 2016 to 2022 for Colorado and major transit agencies.

Year	Statewide	RTD (DRCOG)	Transfort (NFRMPO)	Greeley (NFRMPO)	Loveland (NFRMPO)	Mountain Metro (PPACG)	Pueblo (PACOG)	Mesa County (GVMPO)	Non-MPO Areas	*Bustang Family of Services
2016	91,760,059	60,758,347	1,810,797	678,983	238,217	4,038,002	872,538	968,921	22,394,254	—
2017	93,659,898	62,299,415	1,815,737	680,660	236,905	4,084,702	886,352	953,365	22,702,762	—
2018	95,281,540	62,210,005	1,870,828	683,786	280,062	4,309,677	867,724	986,612	24,072,846	—
2019	100,618,172	66,983,759	1,876,398	685,915	305,416	4,162,905	854,233	1,012,156	24,737,390	—
2020	72,992,114	48,137,569	1,516,609	577,456	298,701	3,096,484	676,332	928,826	17,760,137	—
2021	74,161,941	46,449,928	1,616,486	702,291	319,457	2,873,179	735,768	935,923	20,528,909	—
2022	78,990,248	49,664,445	1,483,253	751,257	361,862	3,487,358	715,160	925,833	20,313,534	1,287,546

*Note: Bustang Family of Service revenue service mile data is only available for 2022.

Data Source

Federal Transit Administration | National Transit Database | <https://www.transit.dot.gov/ntd>
Updated: August 1, 2024

Summary of Revenue Service Mile Trends

In 2022, Colorado saw a modest recovery in unlinked passenger trips, with the total reaching 78,990,248, a 6.5% increase from the previous year. This reflects a gradual rebound from the sharp declines experienced during the COVID-19 pandemic. Bustang reported its first significant data with 1,287,546 trips in 2022. RTD recorded a 6.9% increase, while Transfort saw a decrease in ridership by 8.2% compared to the previous year. Non-MPO areas experienced a slight decrease of 1.0%, indicating varied recovery rates across different regions of the state. Despite these gains, overall figures remain below pre-pandemic levels.

CDOT is currently working on establishing a statewide bicycle and pedestrian count program to improve the accuracy and consistency of bicycle and pedestrian volume data collection. The unique nature of active transportation presents challenges in detecting and tracking these modes, necessitating the development of a systematic approach. The CDOT Active Transportation Program is collaborating with the CDOT Information Management and Applied Research and Innovation branches to explore effective technologies for this purpose.

In the interim, CDOT relies on census data, national surveys, and publicly available micromobility usage data to assess bicycle usage. According to the American Community Survey, the share of Coloradans using bicycles or walking as their primary commute mode was approximately 3.5% in 2022, down from 4.9% in 2012 but still above the national average of 2.9%. The decline in active transportation commuting is partly attributed to a significant increase in telework.

For non-commute trips, active transportation mode share tends to be higher due to greater flexibility and shorter trip lengths. The National Household Travel Survey's NextGen data shows that in 2022, active transportation accounted for over 12% of all trips within Colorado's ten zones, with Boulder having the highest mode share at 17.1%. Nationally, the active transportation mode share was 12.7%.

Economic indicators provide valuable insights into current economic conditions and help forecast future economic performance. Analyzing these indicators allows for a comprehensive understanding of the economic environment and its potential impact on the transportation sector. The following economic indicators are included in this report:

- Colorado Labor Force
- Gross Domestic Product (GDP)
- Consumer Price Index (CPI)
- Transportation Fuel Prices
- Personal Income Per Capita

Colorado Labor Force

The Colorado labor force is assessed using the unemployment rate as a key economic indicator. This rate, provided by the U.S. Bureau of Labor Statistics (BLS), is updated monthly and offers insights into employment conditions within the state. The unemployment rate is a critical factor in understanding economic stability and its indirect impact on transportation-related GHG emissions.

Figure 7

Colorado Unemployment Rate

Figure 7 illustrates the seasonally adjusted unemployment rate in Colorado over time, showing the monthly changes and trends from January 2015 to January 2024. The data reflects adjustments for seasonal patterns to provide a clearer view of underlying economic trends.

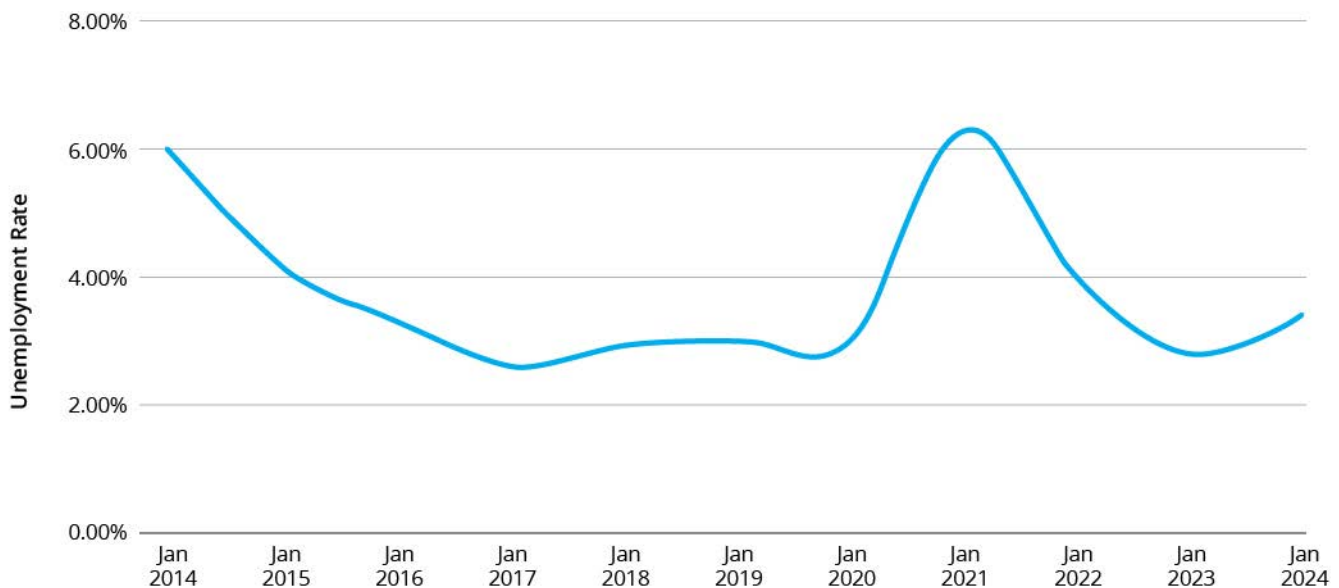


Table 15

Colorado Labor Force and Unemployment Rate, Change from Previous Year and 2014

Table 15 provides data on Colorado's labor force, including the number of employed and unemployed individuals, and the unemployment rate for January 2024. It also shows the percent change from the previous year and from 2014, highlighting recent shifts and longer-term trends. Data is seasonally adjusted.

Statistic	January 2024	Percent Change from 2023	Percent Change from 2015
Colorado Labor Force	3,237,237	1.0%	15.1%
Total Labor Force Employed	3,127,024	0.6%	16.0%
Total Labor Force Unemployed	110,213	15.1%	-5.3%
Unemployment Rate	3.4%	0.4%	-0.7%

Table 16

Colorado Labor Force and Unemployment Rate, as of January each Year

Table 16 displays annual data on Colorado's labor force, including the number of employed and unemployed individuals, and the unemployment rate for January of each year from 2015 to 2024. It provides a historical perspective on employment conditions and the unemployment rate. Data is seasonally adjusted.

Month and Year	Labor Force	Employed	Unemployed	Unemployment Rate
January 2015	2,812,740	2,696,305	116,435	4.1%
January 2016	2,862,652	2,767,788	94,864	3.3%
January 2017	2,911,905	2,836,089	75,816	2.6%
January 2018	3,016,639	2,929,572	87,067	2.9%
January 2019	3,083,056	2,991,441	91,615	3.0%
January 2020	3,135,542	3,041,660	93,882	3.0%
January 2021	3,110,572	2,915,414	195,158	6.3%
January 2022	3,189,963	3,063,149	126,814	4.0%
January 2023	3,204,571	3,108,787	95,784	3.0%
January 2024	3,237,237	3,127,024	110,213	3.4%

Data Source

U.S. Bureau of Labor Statistics
 Local Area Unemployment Statistics
[Local Area Unemployment Statistics Home Page \(bls.gov\)](https://www.bls.gov/louis/)
 Updated: July 24, 2024

Summary of Colorado Labor Force Trends

- **Labor Force Growth:** Colorado's labor force has steadily increased from 2.8 million in January 2015 to over 3.2 million in January 2024, reflecting a 15.1% growth over the period.
- **Employment Trends:** The number of employed individuals rose from approximately 2.7 million in January 2015 to about 3.1 million in January 2024. The employment rate has shown a consistent upward trend with occasional dips during economic downturns.
- **Unemployment Rate:** The unemployment rate has generally decreased from 4.1% in January 2015 to 3.4% in January 2024. However, there was a significant spike to 6.3% in January 2021 due to the COVID-19 pandemic, with a subsequent decrease as the economy recovered.
- **Recent Data:** The January 2024 unemployment rate of 3.4% represents a 0.4% increase from the previous year, highlighting a rise in unemployment rates despite a relatively low overall rate compared to historical highs.

Gross Domestic Product

Gross Domestic Product (GDP) measures the total value of goods and services produced within the state, serving as a key economic indicator of overall economic health. Reported in real, inflation-adjusted dollars with 2017 as the base year, GDP data helps assess economic growth and its potential influence on transportation patterns and GHG emissions. The data is provided by the Bureau of Economic Analysis within the U.S. Department of Commerce and is presented annually in this report to reflect Colorado's economic performance.

Figure 8

Colorado GDP in Real, Inflation-Adjusted Dollars

Figure 8 illustrates the trend of Colorado's GDP in real, inflation-adjusted dollars from 2014 to 2023. It highlights the annual changes and overall economic growth within the state.

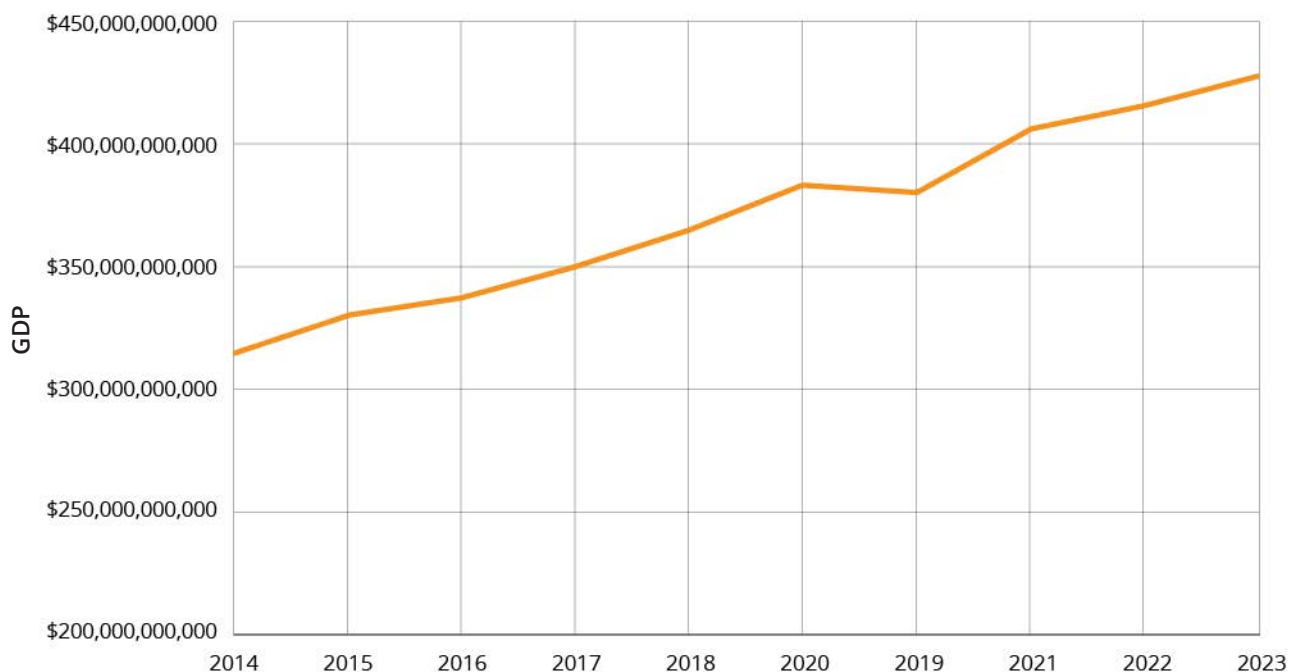


Table 17

Colorado GDP in Real, Inflation-Adjusted Dollars, Change from Previous Year and 2014

Table 17 presents the GDP for Colorado in real, inflation-adjusted dollars for the year 2023. It includes percent changes from the previous year and from 2014, showing recent economic growth and longer-term trends.

Statistic	2023	Percent Change from 2022	Percent Change from 2014
GDP (Real Dollars, Inflation-Adjusted)	\$428,040,400,000	2.9%	35.7%

Table 18

Colorado GDP in Real/Inflation-Adjusted Dollars

Table 18 provides the historical GDP data for Colorado, adjusted to 2017 dollars, from 2014 to 2023. It shows the year-over-year changes in real GDP, reflecting the economic growth and fluctuations over the past decade.

Year	GDP (Real dollars, Inflation-Adjusted)
2014	\$315,399,000,000
2015	\$330,526,100,000
2016	\$337,685,200,000
2017	\$350,209,100,000
2018	\$365,204,500,000
2019	\$383,596,000,000
2020	\$380,921,900,000
2021	\$406,961,500,000
2022	\$416,114,400,000
2023	\$428,040,400,000

Data Source

U.S. Bureau of Economic Analysis | Real Gross Domestic Product by State

[GDP by State](#) | [U.S. Bureau of Economic Analysis \(BEA\)](#)

Updated: July 30, 2024

Summary of Gross Domestic Product Trends

From 2014 to 2023, Colorado’s GDP has shown a consistent upward trend when adjusted for inflation. The state’s real GDP increased from approximately \$315.4 billion in 2014 to about \$428.0 billion in 2023. This represents a significant overall growth of 35.7% over the decade. The annual growth rate in GDP has generally been positive, with a notable increase of 2.9% from 2022 to 2023, indicating continued economic expansion.

Throughout the years, Colorado’s GDP growth has been relatively steady, with some fluctuations during the period, particularly during the COVID-19 pandemic in 2020. However, the GDP rebounded strongly in subsequent years, reflecting economic recovery and growth.

Consumer Price Index

The Consumer Price Index (CPI) tracks the price changes of a weighted average market basket of consumer goods and services purchased by households, serving as a critical measure of inflation and cost of living. This data is provided by the Bureau of Labor Statistics (BLS) within the U.S. Department of Labor, using 1982 as the base year (1982=100). The report focuses on the CPI for the Denver-Aurora-Lakewood metropolitan area, highlighting regional economic conditions that may impact transportation behaviors and GHG emissions.

Figure 9

Denver-Aurora-Lakewood Consumer Price Index and Inflation Rate

Figure 9 displays the trends in the Consumer Price Index (CPI) and the inflation rate for the Denver-Aurora-Lakewood area. It shows how the cost of living has changed over time, alongside annual inflation rates.

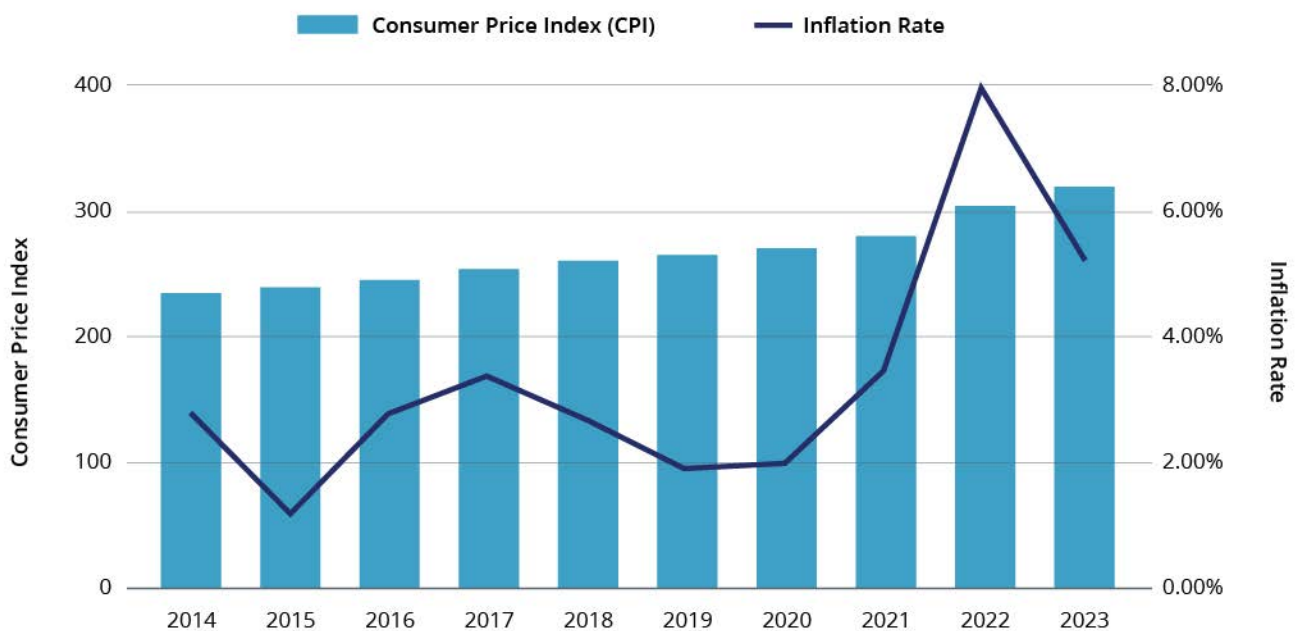


Table 19

Denver-Aurora-Lakewood Consumer Price Index (CPI) and Inflation Rate, Change from Previous Year and 2014

Table 19 summarizes the CPI and inflation rate for Denver-Aurora-Lakewood for 2023, including percent changes from the previous year and from 2014.

Statistic	2023 Data	Percent Change from 2022	Percent Change from 2014
Consumer Price Index	320.3	5.2%	35.0%
Inflation Rate	5.2%	-3.2%	2.2%

Table 20

Historical Denver-Aurora-Lakewood Consumer Price Index (CPI) and Inflation Rate

Table 20 provides historical CPI and inflation rate data for the Denver-Aurora-Lakewood area from 2014 to 2023. Data is seasonally adjusted.

Year	Consumer Price Index (CPI)	Inflation Rate
2014	237.2	2.8%
2015	240.0	1.2%
2016	246.6	2.8%
2017	255.0	3.4%
2018	262.0	2.7%
2019	267.0	1.9%
2020	272.2	2.0%
2021	281.8	3.5%
2022	304.4	8.0%
2023	320.3	5.2%

Data Source

U.S. Bureau of Labor Statistics
Consumer Price Index - Regional Resources
[Regional Resources: U.S. Bureau of Labor Statistics \(bls.gov\)](https://www.bls.gov/regional-resources/)
Updated: July 29, 2024

Summary of Consumer Price Index Trends

The Consumer Price Index (CPI) for the Denver-Aurora-Lakewood area has generally increased over the past decade, rising from 237.2 in 2014 to 320.3 in 2023, a 35.0% increase. The inflation rate has varied considerably, with a significant peak of 8.0% in 2022, before decreasing to 5.2% in 2023. The most recent data shows a notable rise in the cost of living in 2023, following a period of higher inflation in 2022. This upward trend in CPI reflects ongoing increases in prices for consumer goods and services, with marked fluctuations in the inflation rate indicative of broader economic conditions.

Consumer Price Index and Construction Industry Trends

Economic conditions influence both the cost of living and infrastructure development. This section analyzes how Consumer Price Index (CPI) trends compares to key construction industry trends such as the Producer Price Index (PPI) and the Colorado Construction Cost Index (CCCI). The relationship between these metrics offers insights into broader economic pressures affecting both general inflation and the specific costs of transportation infrastructure projects. The rising costs in construction can also impact the transportation sector’s ability to deliver infrastructure projects aimed at reducing vehicle emissions. Delays or reductions in these projects may slow progress in reducing transportation-related greenhouse gas (GHG) emissions, further linking economic trends with environmental goals.

Figure 10
Annual Percentage Change for CPI and PPI

Figure 10 illustrates the annual percentage change in mountain region CPI compared to various construction-related PPI indices, showing that prices for materials like concrete and asphalt have increased at a significantly faster rate than general inflation.

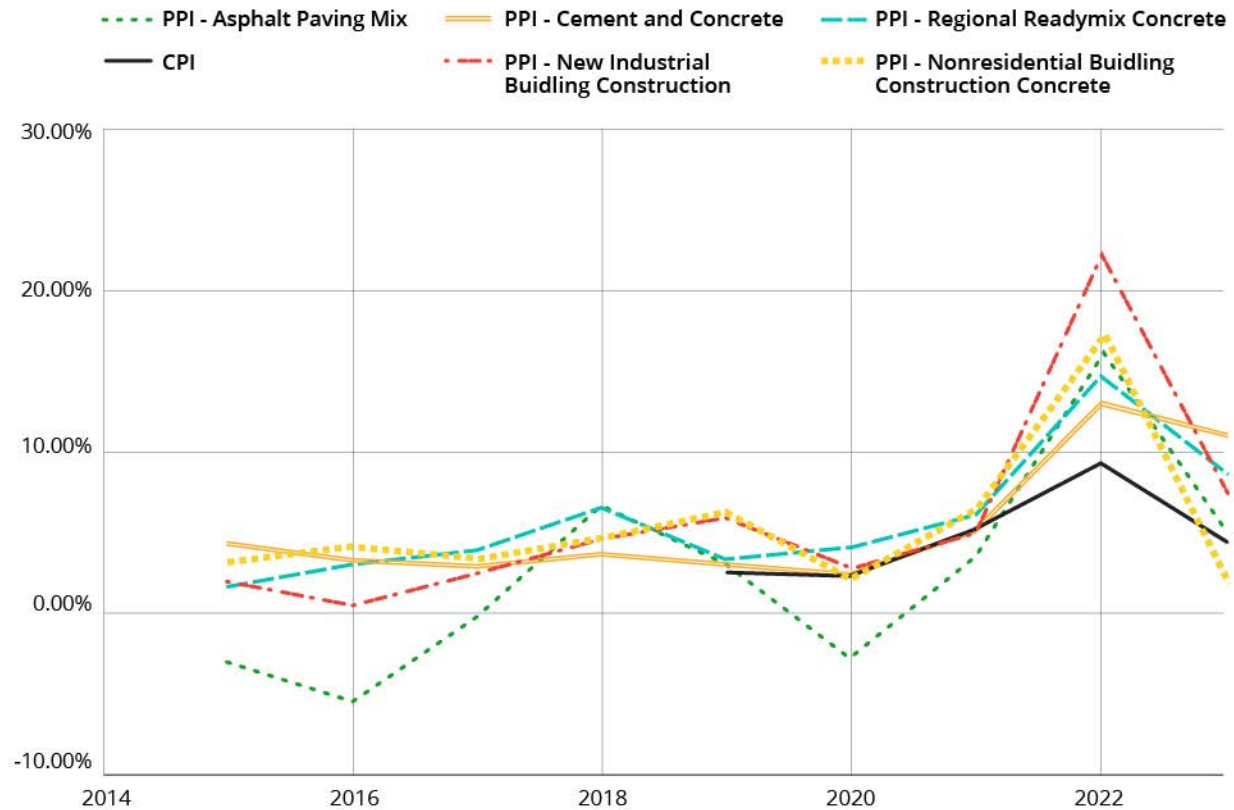


Table 21

Annual Percentage Change for CPI and PPI

Table 21 provides the annual percentage change for CPI and PPI from 2019 to 2023. The CPI reflects overall general inflation, while the PPI values indicate industry-specific trends.

Year	CPI	PPI - New Industrial Building Construction	PPI - Non-Residential Building Construction Concrete	PPI - Asphalt Paving Mix	PPI - Cement and Concrete	PPI - Regional Ready-mix Concrete
2019	2.60%	5.95%	6.39%	2.97%	3.02%	3.39%
2020	2.20%	2.95%	2.08%	-2.65%	2.47%	4.16%
2021	5.00%	5.24%	6.82%	3.58%	4.91%	6.35%
2022	9.30%	22.29%	17.58%	16.14%	12.96%	14.73%
2023	4.50%	7.58%	1.96%	5.00%	11.00%	8.69%

Data Source

[CPI](#)

[PPI- New Industrial Building Construction](#)

[PPI- Non-Residential Building Construction Concrete](#)

[PPI- Asphalt Paving Mix](#)

[PPI- Cement and Concrete](#)

[PPI- Regional Ready-mix Concrete](#)

Updated: July 29, 2024

Summary of Consumer Price Index and Construction Industry Trends

The comparison between CPI and construction industry trends shows that the prices of materials critical to transportation infrastructure have risen at a significantly faster rate than overall inflation since 2020. These rising costs pose challenges for transportation infrastructure projects by increasing the financial burden, potentially causing delays in execution of transportation construction projects.

Transportation Fuel Prices

Transportation fuel prices, particularly for conventional retail gasoline, are monitored weekly by the U.S. Energy Information Administration (EIA) within the U.S. Department of Energy. This data reflects the average prices for all grades of gasoline sold at retail outlets across Colorado. The report also includes details on the highest and lowest gasoline prices recorded weekly within the state, providing insights into fuel cost trends that influence transportation patterns and GHG emissions.

Figure 11

Colorado Weekly Conventional Retail Gasoline Prices

Figure 11 illustrates the weekly average retail gasoline prices across Colorado. It provides a visual representation of how gasoline prices have fluctuated over time, showing trends and seasonal variations.

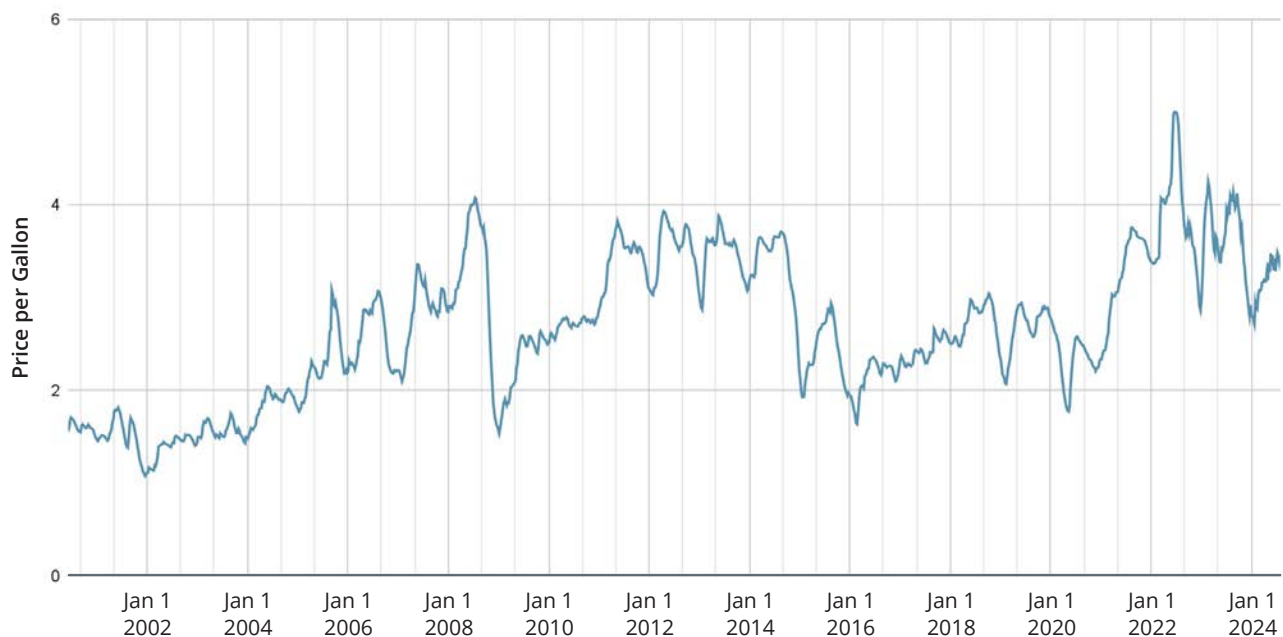


Table 22

Colorado Weekly Conventional Retail Gasoline Prices, Change from Latest Reported Week, Previous Year and 2013

Table 22 summarizes the average conventional retail gasoline price in Colorado for the week of July 29, 2024. It shows the percent change from the previous year and from 2014.

Statistic	Week of July 29, 2024	Percent Change from 2023	Percent Change from 2014
Conventional Retail Gasoline Price	\$3.46	-15.7%	-4.3%

Table 23

Colorado Weekly Conventional Retail Gasoline Prices, Highest and Lowest Weekly Price

Table 23 provides the highest and lowest weekly gasoline prices recorded in Colorado for each year from 2014 to 2024. It highlights the range of gasoline prices experienced throughout the year, capturing both the peak and trough of prices.

Year	Lowest Gasoline Price	Highest Gasoline Price
2014	\$2.21 (Dec. 29, 2014)	\$3.71 (Aug. 18, 2014)
2015	\$1.93 (Jan. 19, 2015)	\$2.94 (Aug. 17, 2015)
2016	\$1.64 (Feb. 22, 2016)	\$2.36 (Jun. 20, 2016)
2017	\$2.25 (Feb. 13, 2017)	\$2.66 (Sep. 4, 2017)
2018	\$2.35 (Dec. 31, 2018)	\$3.04 (Oct. 8, 2018)
2019	\$2.07 (Feb. 11, 2019)	\$2.94 (Jun. 3, 2019)
2020	\$1.77 (May 11, 2020)	\$2.77 (Jan. 6, 2020)
2021	\$2.33 (Jan. 4, 2021)	\$3.76 (Aug. 16, 2021)
2022	\$2.87 (Dec. 26, 2022)	\$5.00 (Jun. 20, 2022)
2023	\$2.98 (Jan. 2, 2023)	\$4.25 (Feb. 20, 2023)
2024	\$2.72 (Jan. 22, 2024)	\$3.51 (Aug. 5, 2024)

Data Source

U.S. Energy Information Administration
Petroleum and Other Liquids - Weekly Colorado All Grades Conventional Retail Gasoline Prices
[Weekly Colorado All Grades Conventional Retail Gasoline Prices \(Dollars per Gallon\) \(eia.gov\)](https://www.eia.gov/energy/price/weekly-colorado-all-grades-conventional-retail-gasoline-prices-dollars-per-gallon)
Updated: August 5, 2024

Summary of Transportation Fuel Price Trends

Gasoline prices in Colorado have shown significant variation over the past decade. In 2023, prices ranged from a low of \$2.98 per gallon to a high of \$4.25 per gallon, reflecting fluctuations driven by market conditions. In 2024, prices decreased to a range of \$2.72 to \$3.51 per gallon. Comparing the most recent data with historical figures, the average price for July 2024 is lower than the peak prices observed in 2022 but remains above the levels seen in 2014. The trends indicate a volatile fuel market with periodic spikes and drops influenced by various economic factors and supply chain dynamics.

Personal Income Per Capita

Personal Income per Capita represents the average income earned by each individual in Colorado, calculated by dividing the state's total personal income by its midyear population. This measure includes wages and salaries, Social Security and other government benefits, dividends, interest, business ownership income, and other sources. Understanding personal income per capita is crucial for assessing economic well-being and its impact on transportation choices and GHG emissions.

Figure 12

Colorado Personal Income per Capita

Figure 12 shows the trend of personal income per capita in Colorado over recent years. It illustrates how the average income per person has evolved, highlighting increases or decreases over time.

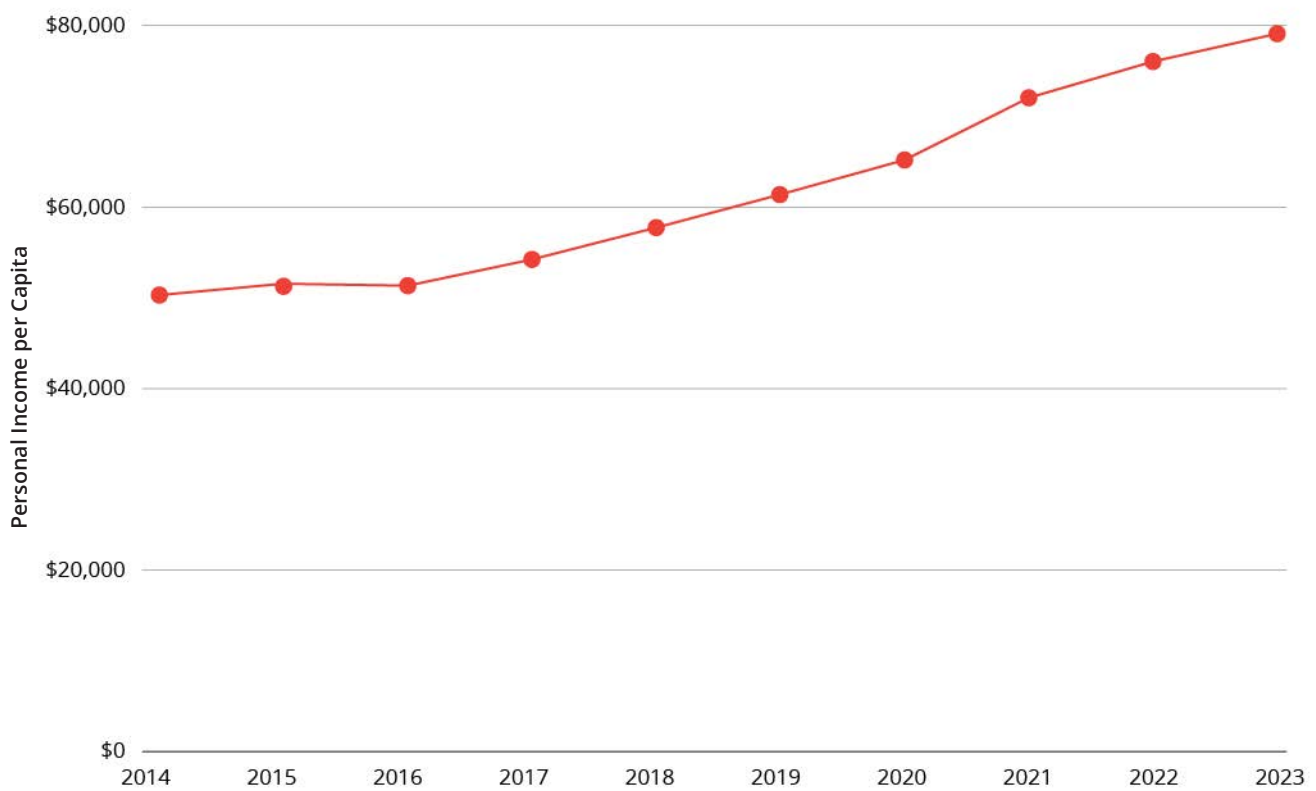


Table 24

Colorado Annual Personal Income per Capita

Table 24 presents the annual personal income per capita for Colorado from 2014 to 2023. The figures are reported in current dollars, not adjusted for inflation.

Year	Personal Income per Capita (Current Dollars, Not adjusted for Inflation)
2014	\$50,244
2015	\$51,394
2016	\$51,306
2017	\$54,171
2018	\$57,794
2019	\$61,258
2020	\$64,848
2021	\$71,920
2022	\$75,708
2023	\$78,918

Data Source

U.S. Bureau of Economic Analysis
GDP and Personal Income - Regional Data
[SAINC1 State Annual personal income summary: personal income, population, per capita personal income | U.S. Bureau of Economic Analysis \(BEA\)](#)
Updated: July 29, 2024

Summary of Personal Income per Capita Trends

Colorado's personal income per capita has consistently risen over the past decade. Starting at \$50,244 in 2014, it increased to \$78,918 by 2023. This upward trend indicates a significant growth in the average income of Coloradans, reflecting both economic expansion and rising income levels across various sources. The increase is consistent year-over-year, with notable jumps in income levels from 2020 to 2023, suggesting a recovery and growth phase post-pandemic.

Conclusion

To conclude, CDOT's annual Transportation Trends report to the Transportation Commission (TC) provided an in-depth analysis of performance indicators in alignment with the Greenhouse Gas (GHG) reduction provisions outlined in [2 Code of Colorado Regulations \(CCR\) 601-22](#). This report examined key performance indicators such as population growth, VMT, EV registrations, statewide transit, bicycle usage, and relevant economic indicators. By assessing these indicators, the report offered valuable insights into the state's transportation trends and their implications for GHG emissions. It aims to support the TC in determining whether existing performance trends suggest a need for policy adjustments, thereby contributing to Colorado's efforts in reducing GHG pollution from the transportation sector and enhancing mobility options.



COLORADO

Department of Transportation

Bridge and Tunnel Enterprise Board of Directors Memorandum

To: The Bridge and Tunnel Enterprise Board of Directors

From: Patrick Holinda, Bridge and Tunnel Enterprise Manager

Date: October 16, 2024

Subject: Bridge and Tunnel Enterprise Fiscal Year 2023-2024 Revenue Reconciliation Report

Purpose

This memorandum provides a Fiscal Year (FY) 2023-24 year-end reconciliation report for the Bridge and Tunnel Enterprise (BTE) Fund 538. This report includes FY 2023-24 unaudited revenue reconciliation information and remaining program balances eligible to be rolled into FY 2024-25.

Action

The purpose of this memo is informational only. No action is required.

Background

At the close of each fiscal year, the Division of Accounting and Finance (DAF) compares the forecasted revenues to the actual revenues received, and reviews all remaining cost center and budget pool balances to determine if they are eligible to roll forward to the next fiscal year.

FY 2023-24 Revenue Reconciliation

The Office of Financial Management and Budget (OFMB) forecasted \$152.9 million in BTE revenues for FY 2023-24, BTE received \$169.8 million. Table 1 on the following page provides a comparison of FY 2023-24 estimated revenues to revenues received. Although FY 2023-24 has closed, figures are unaudited and subject to change. Should there be any notable changes following the annual audit, staff will provide an update to the Board at that time.

Table 1: Bridge and Tunnel Enterprise Revenue Reconciliation Summary

Revenue Source	FY 2023-24 Budgeted Revenue	FY 2023-24 Actual Revenue	Difference
Bridge Safety Surcharge	\$ 109,000,000	\$ 113,858,762	\$ 4,858,762
Bridge and Tunnel Impact Fee	\$ 19,080,000	\$ 21,692,678	\$ 2,612,678
Bridge and Tunnel Retail Delivery Fee	\$ 8,219,585	\$ 8,550,787	\$ 331,202
Build America Bonds Credit	\$ 5,148,202	\$ 5,180,657	\$ 32,455
FHWA Transfer from CDOT	\$ 9,626,239	\$ 14,692,310	\$ 5,066,071
Interest Earned	\$ 1,800,000	\$ 4,070,476	\$ 2,270,476
Handling Fees	\$ -	\$ 50,000	\$ 50,000
Reimbursement of Expenditures	\$ -	\$ 78,849	\$ 78,849
Interest Earned on Bond Proceeds	\$ -	\$ 1,642,678	\$ 1,642,678
Total	\$ 152,874,026	\$ 169,817,197	\$ 16,943,171

BTE staff is coordinating with OFMB to complete the FY 2023-24 revenue reconciliation adjustments. Additional received revenues above the estimated FY 2023-24 budgeted amount of \$152.9 million will be added to the BTE FASTER, SB21-260, and Enterprise Bonds project pools during the revenue reconciliation process where it will be available for future program needs.

FY 2023-24 Cost Center Roll Forward

In accordance with Policy Directive PD 703.0, all BTE cost center and project pool balances are eligible for automatic roll forward to the current fiscal year. Table 2 provides a summary of the remaining cost center and pool budget balances that were available to roll forward from FY 2023-24 to the current FY 2024-25. It should be noted that the roll forward BTE FASTER, SB21-260, and Enterprise Bonds project pool balances are programmed for planned and active projects as part of the multi-year planning process.

Table 2: Bridge and Tunnel Enterprise Roll Forward Detail

Budget Category	Cost Center and/or Pool Program	Amount Remaining in FY 2023-2024
Program Administration	B8800-538	\$ 3,717,212.97
Program Administration	B88AD-538	\$ 31,206.82
Program Administration	B88AT-538	\$ 112,133.71
BTE IRB Debt Service Payments	B538C-538	\$ 261,655.25
Scoping Pools	B88SP-538	\$ 830,083.87
Maintenance	B88MS-538	\$ 4,419.89
Bridge Preservation	B88BP-538	\$ 458,879.79
Central 70 Availability Payments	B88AP-538	\$ 0.62
Fund 400 Tunnel Projects	B88TS-538	\$ 10,486,330.42
BTE FASTER Project Pool	SSR	\$ -
BTE SB21-260 Project Pool	BTE	\$ 658,264.00
BTE Enterprise Bonds Project Pool	FBB	\$ 4,624,061.93
Overall BTE	Total	\$ 21,184,249.27

Next Steps

BTE staff will coordinate with OFMB staff to complete the revenue reconciliation process and adjust the cost centers and pool budgets as appropriate.