



CLEAN TRANSIT ENTERPRISE BOARD MEETING - JUNE 07, 2024

SCHEDULE & AGENDA

- I. **Welcome, Roll Call, Agenda Review (5 minutes) 2:30 - 2:35 p.m.**
Matt Frommer, Chair
- II. **Public Comments (5 minutes) 2:35 - 2:40 p.m.**
- III. **Action Agenda (5 minutes) 2:40 - 2:45 p.m.**
Matt Frommer, Chair
 - A. **DECISION ITEM: Approval of Minutes - 2/20/2024 CTE Board Meeting**
- IV. **Program Administrator Update (10 minutes) 2:45 - 2:55 p.m.**
Kay Kelly, (CDOT)
- V. **Enterprise Financial Update (15 minutes) 2:55 - 3:10 p.m.**
Kay Hruska and Sam Foster (CDOT)
 - A. **DECISION ITEM: CTE Spending Authority Request for FY26**
- VI. **CTE Grants Update (15 minutes) 3:10 - 3:25 p.m.**
Paul DesRocher and Michael King (CDOT)
- VII. **SB24-230 Briefing (15 minutes) 3:25 - 3:40 p.m.**
Shoshana Lew (CDOT) and Lisa Kaufmann (OEDIT)
- VIII. **Transit Connections Study (15 minutes) 3:40 - 3:55 p.m.**
Paul DesRocher (CDOT)
- IX. **Adjournment (5 minutes) 3:55 - 4:00 p.m.**

Clean Transit Enterprise Board Meeting

Regular Board Meeting – Tuesday, February 20, 2024. 1:30 – 3:30pm, Virtual via Zoom Meeting

Video Recording: <https://www.youtube.com/watch?v=HBv48yreUB4>

1. Call to Order, Roll Call (Kay Kelly/Vice-Chair Averill) - Time 10:42

Chair Matthew Frommer,

Vice-Chair David Averill,

Director Erik Sabina,

Director Bonnie Trowbridge,

Director Dawn Block,

Director Mark Garcia,

Director Rick Coffin,

Director Cris Jones,

Director Kelly Blynn.

Confirmed: No public comments for this meeting.

2. Action Agenda (Chair Frommer) - Time 12:35

Proposed Motion: A motion by Director Garcia to approve the meeting minutes from the October 10, 2023 board meeting. Seconded by Director Trowbridge. Motion passes unanimously. No oppositions or abstentions.

Proposed Motion: A motion by Chair Frommer to approve the meeting minutes from the November 6, 2023 ad hoc board meeting. Seconded by Director Jones. Motion passes unanimously. No oppositions or abstentions.

3. Program Administrator Update (Kay Kelly) - Time 14:00

3.1 Update on First Round of CTE Funding Opportunities: Planning awards are in the award making process and will be fully awarded this fiscal year. Two awards within DRCOG (Laradon Hall Society for Exceptional Children and Adults and Via Mobility) are being added to DRCOG TIP prior to award.

3.2 Update on Second Round of CTE Funding Opportunities: Capital funding for vehicles, infrastructure and facilities is expected to be released on March 4, 2024 by the Division of Transit and Rail (DTR). Agencies will have 60 days to apply. Submitted applications will be reviewed at the spring CTE board meeting. The Consolidated Capital Call also includes \$16.8M from Volkswagen Settlement Funds for Zero Emissions (ZEV) Transit Buses. Any unused VW Funds will be returned to the Colorado Department of Public Health and the Environment (CDPHE) where they will be made available to school bus fleets.

3.3 Upcoming ZEV Listening Session: Hosted by FTA Region 8 on February 28, 2024 at 1:00pm. The call will address concerns about electric bus fleets, issues with electric bus manufacturers and how FTA can help provide guidance.

3.4 National Renewable Energy Laboratory (NREL) recently announced \$5M for [Clean Bus Planning Awards](#): Grants are from the Joint Office of Energy and Transportation (managed by NREL) and will provide free technical assistance for comprehensive bus transportation plans for agencies across the US. No further questions.

Action Item: *CDOT to reach out to NREL to join for a future CTE meeting.*

3.5 Board Member Feedback Summary: Zia O'Neill conducted individual check-ins with Board Members between February 7, 2024 and February 14, 2024. The key takeaways (provided anonymously) from the check-ins included:

1) Clean Transit Enterprise Board is confident in their current leadership, including Chair and Vice-Chair and grateful for work of CDOT staff.

2) Interested in a once-per-year in-person meeting in Denver to improve connection among board members.

3) Pleased with the progress of the Enterprise and the content covered in meetings.

4) Opportunities for Improvement: Round table updates; shorter meeting notes, increase engagement and understanding of small transit agencies in both their successes and barriers to the adoption of electric buses, use knowledge, data, and examples to share the potential of electrification of buses with a wider audience and combat misinformation.

Action Item: *CDOT staff will work to implement improvements and determine an in-person meeting for 2024.*

4. Election of CTE Chair and Co-Chair (Kay Kelly) - Time 23:35

4.1 Elections of Board Chair and Vice Chair: Per the bylaws of CTE, there are two elected positions (Chair and Vice Chair) and one appointed position (Secretary) on the board. Chair and Vice-Chair are to be elected every two years at the January meeting (or soon thereafter) of even-numbered years. The Secretary serves at the will of the board and Deseri Scott (Secretary) will continue in the capacity. Based on check-ins with board members there was a vote of confidence in current leadership and no other volunteers stepped forward. Director Garcia noted that he appreciated the work of both leaders and moved to nominate Chair Frommer and Vice-Chair Averill for a second two-year term. Both leaders voiced appreciation for the group and for the vote of confidence. Kay Kelly congratulated both for their service and continued work with CTE.

Proposed Motion: A motion by Director Garcia to appoint Matthew Frommer as CTE Chair and David Averill as CTE Vice-Chair for two-year terms concluding in January 2026. Seconded by Director Block. Motion passes unanimously. No oppositions or abstentions.

5. Clean Transit Retail Delivery Fee Inflationary Adjustments (Kay Kelly) - Time 28:25

5.1 Proposal to Increase the Retail Delivery Fee: CTE has the statutory authority to perform annual adjustments to the CTE retail delivery fee based on inflation and the consumer price index. The CTE board has to communicate these fees to the Department of Revenue (DOR) by March 15th in order to start collecting the new fee on July 1st, 2024. The initial fee was set to \$0.0300 and last year we raised it to \$0.0311. DOR is now asking us to do another adjustment to \$0.0322 for the fiscal year that starts on July 1, 2024. Director Garcia inquired if the other six groups that receive funding from the delivery fees also plan to increase their fees and Kay Kelly indicated that it is the intention of all other boards to increase their fees.

Proposed Motion: A proposed motion by Chair Frommer for the Clean Transit Enterprise to adopt a new retail delivery fee level of three and twenty-two one-hundredths cents (\$0.0322) for fiscal year 2025, based on the recommendation from the Department of Revenue and Enterprise staff. Seconded by Vice-Chair Averill. Motion passes unanimously. No oppositions or abstentions.

Action Item: Program Administrator to send the memorandum to the Department of Revenue this week outlining the Board's Decision of Fiscal Year 2025 fee levels beginning July 1, 2024.

Action Item: Update Enterprise fee level and fee collection forecasts developed by financial staff to be ready for review by the Board of Directors at the next CTE meeting.

6. Enterprise Financial Update (Kay Kelly) - Time 35:00

6.1 Year to Date Figures Through December 2023: Presented by Kay Hruska (Enterprise Controller) and Cassie Rutter (Budget and Policy Analyst). Through the month of December (January is not yet finalized), CTE collected \$4.5M, with interest earnings of \$1,054. Most of the costs to date are associated with staffing and Attorney General Fees. Director Garcia inquired about the awarded grants thus far and Kay Hruska answered that they will only be reflected on

the Budget to Actuals tracking once the funding physically leaves CDOT.

6.2 Actual Revenue vs Forecasted Revenue: The below chart displays the updated revenue forecast for retail delivery fees. This does not include the new proposed rate for FY25 that will be worked into the next quarterly forecast in March. We are on track with our forecast model and actuals. At the November 2023 meeting, the CTE Board approved spending authority on the cash balance moving forward. This increases the total amount available to spend from \$9,902,388 to \$18,134,32, with a current cash balance of ~\$14.8M.

6.3 Initial Proposed FY25 Budget: Actual revenue for FY23 was \$8.6M and this year the forecast is just under \$9M. This leaves \$17M that is available for future spending. The below budget was approved in FY23 based on a forecast for FY25 but it was recently revised to account for an increase in spending authority and actual fund balances. Spending authority for CTE is granted by the legislature based on forecasted revenue. For FY25, the original request was for \$9.9M and on January 2, 2024, a budget amendment was submitted to increase the spending by \$8.2M to a total of \$18.1M for FY25.

6.4 Updated FY25 Proposed Budget: On February 8, 2024, the Joint Budget committee formally adopted CTE's request for the FY25 Budget to reflect the \$18.1M updated spending authority. The full increase is reflected in the Programmed Funds category. The budget will only become official once the Long Bill goes through the legislature and is signed by the Governor. After the Long Bill is signed, the CTE board will adopt the Final FY25 budget that reflects the increased spending authority (Increase from \$8.2M to \$18.1M). Director Frommer asked a question about Prop 117, which placed a \$20M limit on the total amount of revenue for the first five years of the enterprises. Cassie Rutter clarified that the limit just applies to revenue collected and the spending authority amount is separate from that.

Proposed Motion: A proposed motion by Director Garcia for the Clean Transit Enterprise to adopt the FY25 FINAL budget as presented by Enterprise staff. Seconded by Chair Frommer. Motion passes unanimously. No oppositions or abstentions.

7. CTE Public Accountability Dashboard (Mike King) - Time 44:05

7.1 Demonstration of CTE Public Accountability Dashboard: Presentation of the draft of the CTE Public Accountability Dashboard. Per SB21-260: The Clean Transit Enterprise is required to: “Create, maintain, and regularly update on its website a public accountability dashboard that provides, at a minimum, accessible and transparent summary information regarding the implementation of its Ten-Year Plan, the funding status and progress towards completion of each project that it wholly or partly funds, and its per project and total funding and expenditures.” The purpose of the dashboard is to provide users a high level overview of where funding is going in the state and what the status of projects are so that they can have confidence that taxpayer money is being well spent or learn more about projects. Enterprise staff have been working with CDOT colleagues to create a mockup of this public facing dashboard. The dashboard included sample data. Once it’s published online, it will be regularly updated with award information. After the demonstration, there was an opportunity for board members to provide feedback.

Mike King conducted a demonstration of a mock-up of the CTE dashboard with sample datasets - Time 47:30

7.2 Features of the dashboard include: 1) Table with fiscal year, category, project name, awarded agency, award amount, project status, and enhanced incentive area (measure of equity of project). 2) Map with the locations of the projects and the size of the circle demonstrates the size of the project. Includes the ability to zoom in and out and click on projects. 3) Graphs that represent the distribution of funding between the four categories, the number of awards, and the total dollar amounts. Graphs also represent the amount of awards over each year, the projects by category, and the projects by status. The dashboard has the ability to filter based on selections a user makes. Meant to be interactive and future potential features include photos of projects and case studies.

7.3 Board Discussion on Dashboard: Director Garcia recommended adding narrative to help people understand the filters and navigate the dashboard. Director Block recommended adding

contact information for projects so that small agencies can communicate with successful applicants about how they completed their grant applications. After some discussion led by Kay Kelly, it was decided that a general CTE email through CDOT would be appropriate to provide on the web page to minimize excess emails to smaller agencies. Director Garcia asked about the export button and how that impacts the user experience. Mike King clarified that the export button was for placing the module itself on the website. However, it led to a conversation by Vice-Chair Averill about ensuring that the raw data was available for download by the public as a step towards transparency and a way to reduce CORA requests by the media or researchers. Chair Frommer asked about the Transit Emissions Dashboard that was previously on the CDOT website and requested clarification between the two dashboards. Mike King explained that the intent of the Transit Emissions Dashboard was to document the value of transit services on reducing carbon emissions both from electrifying vehicles and the daily use of transit to reduce single vehicle trips but it has not been maintained. It would be worth returning to the question of is there a way to integrate more data into this dashboard or another dashboard to show the full benefit of transit beyond just these funding sources. Within the Zoom chat, Director Sabina, Vice-Chair Averill, and Director Coffin expressed approval of the proposed dashboard.

Action Item: *Mike King to work with the team to post the initial version on the CTE Transit webpage, remove all sample dummy data, and add narrative on utilizing the filters.*

8. Meeting Adjourned (Kay Kelly and Matt Frommer) - Time 1:01:00

8.1 Final Meeting Items: The next board meeting will be in the May/June timeframe to discuss capital recommendations (applications due in May). The meeting will also discuss round 2 of Planning grants to be released in Fall 2024. Space was provided for CTE Board members to share out in a round table, there were no responses. Meeting adjourned by Chair Frommer and seconded by Sabina.

Action Item: *CTE staff will be looking closely at the feedback from the board members from the interviews to incorporate into future meetings. This includes reaching out to small rural agencies for presentations or the team at NREL to present on the ZEV planning projects.*

Action Item: Board members to reach out if they have any questions or suggestions.



COLORADO

Department of Transportation

Clean Transit Enterprise Board

June 27, 2024



AGENDA

- Welcome and Roll Call (Chair Frommer)
- Public Comments
- Action Agenda (Chair Frommer)
 - DECISION ITEM: Approval of Minutes - 2/20/24 CTE Board Meeting
- Program Administrator Update (Kay Kelly, CDOT)
- Enterprise Financial Update (Kay Hruska and Sam Foster, CDOT)
 - DECISION ITEM: CTE Spending Authority Request for FY26
- CTE Grants Update (Paul DesRocher and Mike King, CDOT)
- SB24-230 Briefing (Shoshana Lew, CDOT and Lisa Kaufmann, OEDIT)
- Transit Connections Study (Paul DesRocher, CDOT)
- Adjournment

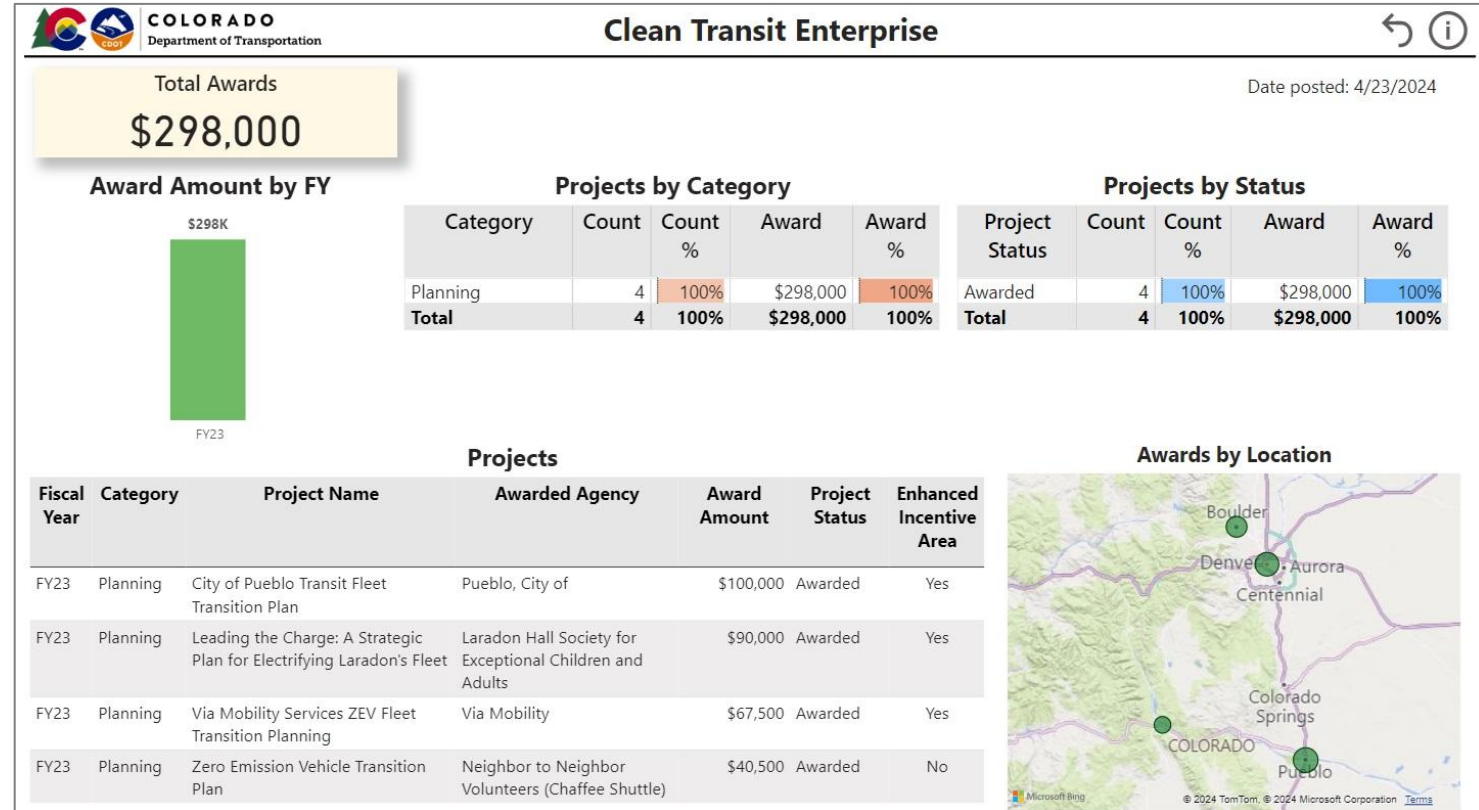
Program Administrator Update

Kay Kelly, CDOT



Program Administrator Update

- Additional CTE Business Purpose from SB24-230
- CTE Website Accessibility Efforts
- Public Accountability Dashboard
- August In-Person Meeting?



Enterprise Financial Update

Kay Hruska and Cassie Rutter, CDOT



Revenue Forecast - Retail Delivery Fee

FY 2022-23 Revenue (\$0.03 fee):

- Total Forecasted: \$8,280,329
- Total Collected: \$9,335,275
- Difference: \$1,054,946

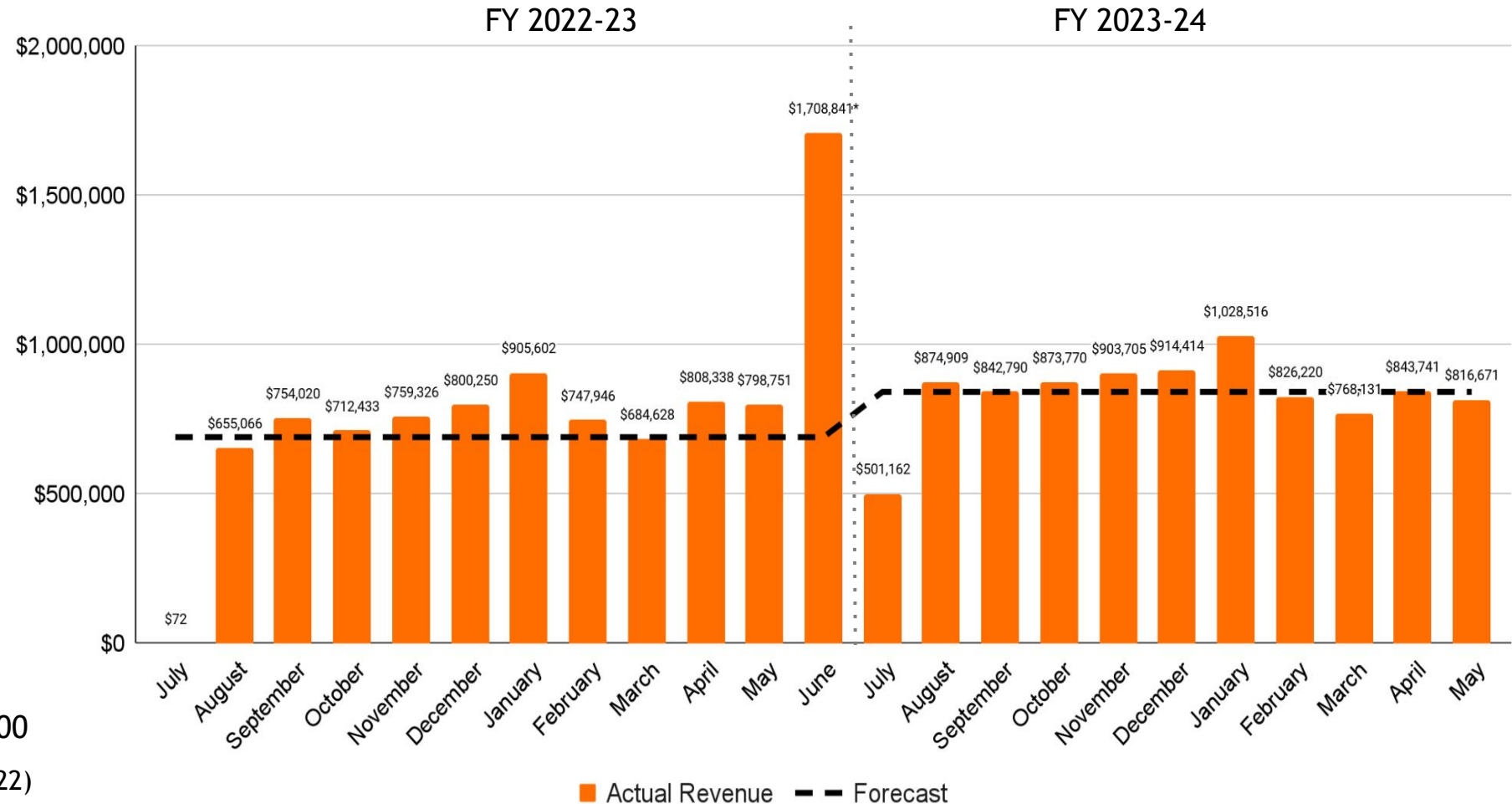
FY 2023-24 Revenue (\$0.0311 fee):

- Total Forecasted: \$8,982,450
- Collected up to 6/1: \$9,194,029

FY 2024-25 Revenue (\$0.0322 fee):

- Q1 Forecast: \$9,902,388
(based on estimated fee of \$0.0317)
- Updated Q4 Forecast: \$11,300,000
(based on final approved fee of \$0.0322)

Actual Revenue and Forecasted



*June 2023 includes \$928,515.29 in Period 13 accruals

Clean Transit Enterprise
Clean Transit Enterprise Fund 540
Fiscal Year 2024-25 Annual Budget 2/20/24

Fiscal Year 2024-25 Spending Authority			
Line	Authority Item	Amount	
1	Fiscal Year 2024-25 Clean Transit Retail Delivery Fee Revenue Projection	\$ 9,902,388.00	
2	Approved Spending Authority Increase for Fiscal Year 2024-25	\$ 8,231,933.00	
3	Total Spending Authority	\$ 18,134,321.00	
4			
Fiscal Year 2024-25 Allocations and Expenses			
Line	Budget Item	Allocation	Expenses
5	Programming & Projects (Pool PST-CTE-25)	\$ 16,583,632.00	
6			\$ -
7	Total Programming & Projects Expenses		\$ -
8			
9	Administrative & Operating Activities (Cost Center CTEON-540)	\$ 560,450.00	
10	Staff Salaries		\$ (450,250.00)
11	Attorney General's Office Fees		\$ (5,000.00)
12	Office of State Audit - Annual Financial Audit		\$ (2,000.00)
13	Professional Services		\$ (100,000.00)
14	Board/Staff Travel		\$ (2,000.00)
15	Board Meeting Expenses		\$ (200.00)
16	Supplies/Registration Fees/Etc.		\$ (1,000.00)
17	Total Administrative & Operating Activities Expenses		\$ (560,450.00)
18			
19	Debt Service (Cost Center CTE50-540)	\$ -	
20			
21	Total Debt Service Expenses		\$ -
22			
23	Contingency Reserve (Cost Center CTECR-540)	\$ 990,239.00	
24			
25	Total Contingency Reserve Expenses		\$ -
26			
Total Fund 540 Spending Authority			\$ 18,134,321.00
Total Fund 540 Expenses			\$ (560,450.00)
Total Remaining			\$ 17,573,871.00



Clean Transit Enterprise Cash Fund Status

Actual FY 2022-23 Year Ending Cash Balance	\$8,648,494
Cash Fund Balance as of June 17, 2024	\$18,263,303
Total FY25 Spending Authority Adopted by Joint Budget Committee 2/8/24	\$18,134,321



CTE Spending Authority Request for FY25

FY25 Budget Amendment:

- Spending authority is granted to CTE by the Colorado Legislature based on the annual revenue forecast.
- CTE requested a budget amendment on January 2, 2024 to increase the spending authority to \$18.1M for FY25.
- The request also included an additional year of spending authority for each appropriation beginning with the FY25 appropriation (i.e. one year of roll forward authority), and authority to update the annual request for spending authority based on planned grant awards and the forecast for encumbrances instead of forecasted revenues.

Status:

- The budget amendment was approved by the Joint Budget Committee (JBC); however, JBC staff inadvertently left out the footnote authorizing spending authority from the FY25 Long Bill.



CTE Spending Authority Request for FY26

FY26 Spending Authority Request:

Staff recommends that the CTE Board submit a decision item for FY26 that requests continuous spending authority for the Clean Transit Enterprise Cash Fund. This action requires legislation.

Justification:

- SB24-230 creates three new cash funds: 1) Local Transit Operations Cash Fund, and 2) Local Transit Grant Program Cash Fund, 3) Rail Funding Program Cash Fund
- These three cash funds are continuously appropriated to the CTE for purposes outlined in SB24-230.
- The grants awarded by CTE using revenue in the CTE Cash Fund are multi-year in nature so annual appropriation is difficult to administer.
- It is administratively burdensome to administer one program cash fund that is annually appropriated when the other funds are continuously appropriated.



Legislative Budget Process and Timeline

Governor's November 1 Budget Request:

- CTE would need to submit a formal decision item to the Governor's Office of State Planning and Budgeting (OSPB) for approval by August 1, 2024.
- OSPB will communicate approval / denial of the decision item by mid-October at the latest.
- If approved, the request will be submitted to the Joint Budget Committee (JBC) on November 1, as part of the Governor's FY26 Budget Request to the legislature.

After November 1:

- The Enterprise may be required to defend its request to the JBC during the Department's hearing, typically in November.
- If approved by the JBC, legislation would be introduced during the 2025 legislative session.



Proposed Motion for Board Consideration

Move for the Clean Transit Enterprise to direct enterprise staff to submit a decision item for FY26 that requests continuous spending authority for the Clean Transit Enterprise Cash Fund.

CTE Grants Update

Paul DesRocher and Mike King, CDOT



Round One CTE Grants Update

- **Planning Projects**

- Board approved 4 awards for funding in October 2023
- Contracting process is underway
- Expected notice to proceed - Fall 2024

- **Capital Projects**

- Notice of Funding Availability Closed May 3, 2024
- \$15,000,000 in CTE Funding Available
- \$27,320,142 in Applications Received:
 - Facilities - 2 applications
 - Infrastructure - 3 applications
 - Vehicles - 11 applications for 35 vehicles
- Scoring in progress with recommendations forthcoming



CTE Grant Applications for Infrastructure and Facility Modifications

	<u>Project Name</u>	<u>Requested Amount</u>
Charging/Fueling Infrastructure		
Avon, Town of	2024 EV Charging Equipment	\$384,000
Fort Collins, City of	Transfort Charging & Infrastructure	\$4,397,600
Roaring Fork Transportation Authority (RFTA)	Purchase Five (5) Dual Depot BEB Chargers	\$2,000,000
Facility Modifications		
Roaring Fork Transportation Authority (RFTA)	Regional Transit Center ZEV Support Facility	\$1,500,000
Via Mobility Services	Renewable Energy Microgrid Project	\$1,050,910
Total		\$9,332,510



CTE Grant Applications for Vehicles

Vehicle Acquisitions	<u>Project Title</u>	<u>Number</u>	<u>Requested Amount</u>
Aspen, City of	City of Aspen 5 Bus Replacement	1	\$1,250,000
Avon, Town of	Gap Project - Funding for Existing Award #14951	1	\$344,000
Avon, Town of	2024 2 BEV Buses	2	\$2,240,000
Boulder, City of	2 Battery Electric Buses - Expansion	2	\$1,281,500
*Breckenridge, Town of	Replace 7 Aging Diesel Buses	7	\$4,202,555
Developmental Disabilities Resource Center (DDRC)	DDRC Transit 4 Vehicle Replacements	4	\$352,910
Fort Collins, City of	Transfort 4 Bus Replacements	4	\$911,115
Mountain Valley Developmental Service	2024 Electric Van	1	\$229,952
*Roaring Fork Transportation Authority (RFTA)	Replace 10 Diesels with BEBs	10	\$5,520,000
Telluride, Town of	1 Bus Replacement with Chargers	1	\$325,000
*Winter Park, Town of	TWP 2 Electric Bus Purchase	2	\$1,380,600
Total	-	35	\$18,037,632

An asterisk (*) indicates that the applicant is also pursuing Settlement Program funding for the same project



Planning for Round 2 of CTE Grants

- CTE rules state that we will coordinate our CTE Notices of Funding Availability (NOFAs) with standing DTR consolidated calls for projects
- In FY24, DTR issued two calls for projects:
 - The Summer 2023 NOFA for Admin/Operating/Mobility Management included CTE ZEV Planning grant opportunities
 - The Spring 2024 NOFA for Capital projects included CTE Infrastructure, Facility Modification and Vehicle grant opportunities
- Timing of FY25 NOFAs are currently under discussion with consideration for:
 - Admin/Operating NOFA alignment with Federal Transit Administration appropriation timeline
 - Overall timing of grant-making activities within CDOT to improve efficiency (led by the new CDOT Subrecipient Grant Support Unit)



Feedback & Discussion



SB24-230 Update

Shoshana Lew, CDOT and Lisa Kaufmann, OEDIT



SB24-230 Oil and Gas Production Fees

The bill requires the Clean Transit Enterprise to impose a production fee for clean transit to be paid quarterly by every producer of oil and gas in the state. The production fee for clean transit applies to all oil and gas produced by the producer in the state on and after July 1, 2025.

Timeline

April 30, 2024 - Bill Introduced in Senate

May 1, 2024 - Fiscal Note Submitted

May 2, 2024 - Passed Senate Finance (3 amendments)

May 3, 2024 - Passed Senate Appropriations and Second Reading in Senate (2 amendments)

May 4, 2024 - Passed Third Reading in Senate; Introduced in House & Passed House Finance

May 5, 2024 - Passed House Appropriations and Second Reading in House

May 6, 2024 - Third Reading and Final Passage in House

May 16, 2024 - Bill Signed by the Governor



Anticipated Revenue

State Cash Fund Revenue Under SB 24-230

	FY 2025-26	FY 2026-27
Department of Revenue	\$68,291	\$7,328
Clean Transit Enterprise (see Table 6 for detail)	\$52.7 million	\$116.3 million
Colorado Parks and Wildlife	\$56.6 million	\$59.0 million
Fee Revenue Total	\$109.4 million	\$175.3 million

Clean Transit Enterprise revenue limit. The bill requires that the Clean Transit Enterprise board reduce fees to ensure that enterprise revenue from fees and surcharges does not exceed \$100 million in its first five years of operation (FY 2021-22 through FY 2025-26), to ensure that the enterprise remains compliant with Proposition 117. Under current law, retail delivery fee revenue credited to the enterprise is forecast to reach \$46.6 million over the five-year period. Accordingly, the bill is expected to allow the enterprise to collect \$53.4 million in additional oil and gas production fee revenue during FY 2025-26, or more if the excess amount is offset by reductions in the retail delivery fee in place in that year. The limit in Proposition 117 applies for the first five fiscal years for which an enterprise operates, so there is no limitation in place for FY 2026-27 or subsequent years.



CTE Retains its Existing Business Purpose and Clean Transit Retail Delivery Fee Revenue Stream

To support public transit electrification planning efforts, facility upgrades, fleet motor vehicle replacement, as well as construction and development of electric motor vehicle charging and fueling infrastructure. The bill allows the enterprise to impose a clean transit retail delivery fee to fund its operations, and to issue grants, loans or rebates to support electrification of public transit.

Clean Transit Retail Delivery Fee Revenue forecasts:

FY 2024-25	\$11.3 million
FY 2025-26	\$12.5 million
FY 2026-27	\$13.8 million



SB24-230 Adds a New CTE Business Purpose and Revenue Stream

To reduce and mitigate the adverse environmental and health impacts of air pollution and greenhouse gas emissions produced by oil and gas development by investing in public transit, including vehicles, infrastructure, equipment, materials, supplies, maintenance, and operations and staffing to achieve the level of frequent, convenient, and reliable transit that is known to increase ridership by replacing car trips with bus and rail trips and forms of transit known to support denser land use patterns that further reduce pollution due to shorter trip lengths and greater walking and cycling mode share.

Clean Transit Fees Breakdown Under SB 24-230

	FY 2025-26	FY 2026-27
Local Transit Operations Cash Fund	\$36.9 million	\$81.4 million
Local Transit Grant Program Cash Fund	\$5.3 million	\$11.6 million
Rail Funding Program Cash Fund	\$10.5 million	\$23.3 million
Total	\$52.7 million	\$116.3 million



New Local Transit Operations Cash Fund (Formula Grants)

- Local Transit Operations Cash Fund
 - Expand transit service, increase transit frequency, and improve system-wide transit network connectivity with the goal of maximizing transit ridership, therefore decreasing vehicle miles traveled, greenhouse gas emissions and air pollutants.
 - Prioritize transit service improvements in communities with high transit propensity, such as low income communities, communities of color, communities with high density populations, communities with zoning and other local policies that support higher density along transit lines, communities with low vehicle ownership rates, the disability community, seniors, and other populations that use transit more frequently than the general population.
- Statute states that the CTE Board shall develop a formula based on “population, population density, local zoning, transit ridership, vehicle revenue miles, share of disproportionately impacted community population and other transit-related criteria.”



Local Transit Grant Program Cash Fund (Competitive Grants)

- Local Transit Grant Program Cash Fund
 - Created to increase transit ridership and service, particularly in transit-reliant communities, therefore decreasing vehicle miles traveled, greenhouse gas emissions and air pollutants.
 - Grants to eligible entities for eligible operating expenses and capital expenses associated with providing public transportation including multimodal projects that improve accessibility and connectivity between transit services and safe access to transit for pedestrians and bicyclists.
- Eligible Entity: A local government, local or regional transportation district, or regional transportation authority service one or more counties, or non-profit organization that provide public transit.
- Eligible Operating Expenses: All operating expenses required for public transportation, including employee wages and benefits, materials, fuels, supplies, facilities, rental of facilities, and any other expense that directly supports the expansion of transit service



Rail Funding Program Cash Fund (Project Funds)

- Rail Funding Program Cash Fund
 - Created to fund passenger rail projects and service therefore decreasing vehicle miles traveled, greenhouse gas emissions and air pollutants
 - For rail projects of regional and statewide importance including projects that:
 - Have established plans and can demonstrate potential for high ridership and the reduction of VMT
 - Facilitate lower-impact local land use decision, in particular, the construction of mixed-use or infill housing development along the rail corridor
 - Strive to use low- to zero-emissions technology
 - Shall prioritize funding opportunities to establish passenger rail where there is matching funding from other sources (e.g. RTD FasTracks internal savings account, Federal Funding, Local Funding, and other sources)



Implementation Timeline

- July 1, 2025 - Oil and Gas Production Fees take effect
- October 1, 2025 - Carbon Management Commission announces the first quarterly O&G Spot Prices
- By November 1, 2025 - CTE sets the first quarterly O&G fees, notifies DOR and publishes the fee on the CTE website
- On or before January 1, 2026 - Every producer must file a return and pay the first quarterly production fee
- January 2026 - Estimated first revenue transfer from DOR to CTE



- CTE Board will need to meet more frequently to ensure successful implementation of the new business purpose while incorporating stakeholder and public feedback
 - Designing the distribution formula for the Local Transit Operations Cash Fund
 - Standing up the new competitive grants for the Local Transit Grant Program Cash Fund
 - Updating CTE Rule, By-Laws, Budget, Procedures, 10 Year Plan, Website, etc.
- CDOT Staff will provide additional background information to the Board related to the new business purpose (e.g. Transit Connections Study, Statewide Plan, etc.)
- CTE Staff will seek a Transportation Commission loan to cover start-up costs related to the new business purpose until the Oil & Gas Fee revenue begins flowing in early calendar year 2026
- Additional staff will be hired to help administer the new revenue stream (SB24-230 authorized 5.7 FTE)



Questions & Discussion



Transit Connections Study

Paul DesRocher, CDOT



Transit Connections Study Executive Summary

The Transit Connections Study (TCS) aims to provide a strategic vision for a statewide transit network as part of a transformational, interconnected multimodal system.

This includes improving and expanding the Bustang Family of Services, adding passenger rail services and ensuring seamless connections with local and regional transit/mobility providers. This study will inform CDOT's transit planning and investment decisions for the next decade.



Transit Connections Study Objectives

The TCS envisions a future where Colorado's transit system is:

- **Comprehensive:** Providing a connected network of services across the state, focusing on key corridors.
- **Accessible and Equitable:** Addressing the needs of rural, underserved, and transit-dependent communities by ensuring equitable transit access and breaking down barriers to mobility opportunities
- **Reliable:** Enhancing transit services through infrastructure improvements and maintaining consistent, predictable travel times for transit users.
- **Integrated:** Collaborating with local transit agencies and communities to ensure seamless connections between transit systems, mobility hubs, and First Mile/Last Mile (FLM) solutions.
- **Sustainable:** Considering operational costs alongside capital needs to ensure long-term financial viability and strategic investments.
- **Fostering Strategic Growth:** Encouraging denser development near transit hubs, reducing car dependence and emissions but also maximizing infrastructure use for a sustainable future.



Major Project Elements

Current State of Transit

- Snapshot in time of transit services and service experience
- CDOT bus and rail, major transit partners, and inter-regional providers
- Current State of Transit Report and Story Map

Outreach (two parts)

- Gather agency planning information for gap analysis (Part 1: Pre Gap Analysis)
- Outreach to intercity, regional, and key local transit providers (Part 1: Pre Gap Analysis)
- Review gap analysis results with communities and interest groups (Part 2: Post Gap Analysis)

Gap Analysis

- Interconnection between services, bus and rail
- Innovative deployments extending first/last mile to serve transit deserts
- Financial forecast to maintain and extend state services

Recommendations

- Transit Priorities Framework and Final Report
- Transit Connections Story Map
- Bustang Services Expansion



Key Tasks and Deliverables

Key Tasks:

- **Current State of Transit Report**
 - Literature review of existing transit routes and plans within Colorado
 - CDOT outreach to key transit partners: RTD, RFTA, Summit Stage, Grand Valley, SMART, Transfort, Eagle, Durango, Mountain Metro, Pueblo Transit, Amtrak and Greyhound
- **Gap Analysis**
 - Assessment of current transit service interconnections, population coverage, and transit deserts
 - Financial analysis on costs of providing services in identified gaps
 - Outreach to gap communities/service

Deliverables:

- **Final Report**
 - Current state of transit, gap analysis, assumptions, resource needs, and recommendations
- **Transit Evolution Story Map**
 - Public facing mapping of all major transit and interconnections within CO
 - Timephased to show growth of current transit plans over time



Questions & Discussion





Upcoming Meetings and Topics

Upcoming Meetings:

- August 2024 - In-Person Meeting?

Topics:

- Clean Transit Retail Delivery Fee Topics:
 - Capital Award Recommendations
 - Planning for Round 2 of CTE Planning Awards
- Oil and Gas Production Fee Topics:
 - SB24-230 Implementation
- Other topics at the Board's pleasure



Clean Transit Enterprise Information



COLORADO
Department of Transportation

<https://www.codot.gov/programs/innovativemobility/cte>

Programs

Resources

- Clean Transit Enterprise
- Electric Vehicle Ride & Drive Event
- Electrification
- Mobility Services
- Mobility Technology
- Transit and Rail

Clean Transit Enterprise

To support Colorado's transit electrification through planning efforts, transit site upgrades, procurement of electric transit buses, and deployment of associated charging infrastructure.



About the Clean Transit Enterprise

This enterprise is created within the Colorado Department of Transportation (CDOT) to support public transit electrification planning efforts, facility upgrades, fleet motor vehicle replacement, as well as construction and development of electric motor vehicle charging and fueling infrastructure. The bill allows the enterprise to impose a clean transit retail delivery fee to fund its operations, and to issue grants, loans or rebates to support electrification of public transit.

Contact Us

codot_cleantransitenterprise@state.co.us

Resources

- [Board Appointments](#)
- [Enterprise Funds](#)
- [Board Powers & Duties](#)
- [Clean Transit Enterprise 10 Year Plan](#)
- [2021 Transit Zero Emission Vehicle \(ZEV\) Roadmap](#)
- [Clean Transit Enterprise Processes and Fees, 2 CCR 607-1](#)

Upcoming Meetings

Board of Directors Meeting
July 13, 2022
12:00-2:00 pm
[YouTube Link](#)
[Schedule & Agenda](#)

Prior Meetings

Board of Directors Meeting - January 31st, 2022
[Video Recording](#)

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THANK YOU!

