



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Board Directors Meeting | June 27, 2024 | 3:00 PM - 4:30 PM

Schedule and Agenda

- | | | |
|--------------|---|--------------------------|
| I. | Convene Meeting & Roll Call
Kristin Stephens, NAAPME Chair | 3:00 PM - 3:05 PM |
| II. | Public Comments
Kristin Stephens, NAAPME Chair | 3:05 PM - 3:10 PM |
| III. | Decision Item:
Approval of Minutes from the
May 23, 2024, Board of Directors Meeting
Kristin Stephens, NAAPME Chair | 3:10 PM - 3:15 PM |
| IV. | Decision Item:
Board Policy Regarding Financial Management
Darius Pakbaz, NAAPME Program Administrator
Sam Foster, CDOT Division of Accounting and Finance | 3:15 PM - 3:30 PM |
| V. | Decision Item:
Spending Plan
Darius Pakbaz, NAAPME Program Administrator | 3:30 PM - 3:45 PM |
| VI. | Decision Item:
Adoption of Revised NAAPME 10-Year Plan
Darius Pakbaz, NAAPME Program Administrator | 3:45 PM - 4:15 PM |
| VII. | Allocation of NAAPME Program Funds (continued)
Darius Pakbaz, NAAPME Program Administrator | 4:15 PM - 4:25 PM |
| VIII. | Enterprise Budget and Program Updates
Darius Pakbaz, NAAPME Program Administrator | 4:25 PM - 4:30 PM |
| IX. | Adjournment
Kristin Stephens, NAAPME Chair | 4:30 PM |

Next Governing Board Meeting: July 25, 2024, 3:00 PM - 4:30 PM

Nonattainment Area Air Pollution Mitigation Enterprise



COLORADO

Department of Transportation

**Board of Directors Meeting
June 27, 2024**



Meeting Agenda

	I. Convene Meeting & Roll Call Kristin Stephens, NAAPME Chair	3:00 PM - 3:05 PM
	II. Public Comments Kristin Stephens, NAAPME Chair	3:05 PM - 3:10 PM
Decision Item	III. Approval of Minutes from the May 23, 2024, Board of Directors Meeting Kristin Stephens, NAAPME Chair	3:10 PM - 3:15 PM
Decision Item	IV. Board Policies Regarding Financial Management Sam Foster, CDOT Division of Accounting and Finance	3:15 PM - 3:30 PM
Decision Item	V. Spending Plan Darius Pakbaz, NAAPME Program Administrator	3:30 PM - 3:45 PM
Decision Item	VI. Adoption of Revised NAAPME 10-Year Plan Darius Pakbaz, NAAPME Program Administrator	3:45 PM - 4:15 PM
	VII. Allocation of NAAPME Program Funds (continued) Darius Pakbaz, NAAPME Program Administrator	4:15 PM - 4:25 PM
	VIII. Enterprise Budget and Program Updates Darius Pakbaz, NAAPME Program Administrator	4:25 PM - 4:30 PM
	IX. Adjournment Kristin Stephens, NAAPME Chair	4:30 PM



Public Comments

Kristin Stephens, NAAPME Chair



Decision Item

Approval of Minutes from the *May 23, 2024,* Board of Directors Meeting

Kristin Stephens, NAAPME Board of Directors Chair



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

NAAPME Board of Directors Meeting - Minutes

May 23, 2024, 3:00 PM to 4:30 PM

Location: CDOT HQ/Virtual

Recording: [\(Video\)](#)

Attendance

Present:

Chair Stephens
Director Suniga
Director Ferko
Director Wheeler

Excused Absences:

Director Stockinger
Director Holguin
Vice Chair Baca

Guests:

George Hypolite - Colorado Office of the Attorney General
Kay Hruska - CDOT Office of Accounting and Finance
Toni Wines - CDOT Office of Accounting and Finance
Sam Foster - CDOT Office of Accounting and Finance
Libba Rollins - CDOT Office of Environmental Programs
Daniel Chelist - CDOT Office of Information Management
Marsha Nelson - CDOT Office of Environmental Justice and Equity
Celina Milner Leon - CDOT Office of Environmental Justice and Equity

NAAPME Staff:

Darius Pakbaz - NAAPME Administrator
Suzanna Alvarado - NAAPME Board Secretary
Phil von Hake - CDOT - MultiModal Planning Branch

- I. **Convene Meeting & Roll Call** [\(Video 1:23\)](#)
Vice-chair Baca convened the meeting and Roll Call was conducted.
- II. **Decision Item:**
Approval of Minutes from the April 25, 2024, Board of Directors Meeting
Chair Stephens made a comment to correct the attendance noted in the April 25th meeting minutes. Motion to approve minutes with corrections was made by Director Suniga and seconded by Director Ferko, all in favor with one abstention by Director Wheeler, minutes approved. [\(Video 2:08\)](#)
- III. **Public Comments**
Administrator Pakbaz indicated there was no public comment. [\(Video 3:36\)](#)
- IV. **Allocation of NAAPME Program Funds (continued)**
Administrator Pakbaz and Marsha Nelson from the CDOT Office of Environmental Justice and Equity presented the Transportation Equity Assessment Map and Scorecard (TEAMs) tool designed to identify disadvantaged communities and assess the equity impacts of proposed transportation projects. The tool evaluates various aspects like access to opportunities, safety, affordability, mobility, and equity. Elizabeth Rollins and Daniel Chelist from DTD Information Management Branch gave a background on the TEAMs Tool and demonstrated the tool's application using the Outrider Durango Transit Line project as an example. Chair Stephens and Administrator Pakbaz discussed the recommended funding limit for small grants, suggesting an initial recommendation of 10 million dollars and emphasizing the need to research average project costs. They also addressed concerns about the rollout of tools and their availability for external entities, including the need for technical appendices, translation services, and continuous public outreach. The group agreed on the importance of ensuring all communities, especially those not fully engaged with MPOs, are aware of the new program and its criteria for assistance. They also discussed strategies to increase awareness and participation, particularly from communities that have been disproportionately impacted. [\(Video 4:13\)](#)
- V. **Board Policies Regarding Financial Management**
Administrator Pakbaz presented a revised financial management policy, which aims to clarify financial risk in transactions and outline procedures for managing budget shortfalls and ensuring budget forecast accuracy. [\(Video 1:20:55\)](#)
- VI. **Enterprise Budget and Program Updates**
Administrator Pakbaz also provided an update on the enterprise budget and program, highlighting the current status of revenue collection and the failed legislative bill SB24-095. Mr. Hypolite reported on the “Americans for Prosperity versus the State of Colorado” case being dismissed and potential implications if an appeal is indicated. A joint lunch and meeting with the Transportation Commission were proposed for August 15th, with potential dates to be determined through email [\(Video 1:26:43\)](#)
- VII. **Adjournment** [\(Video 1:38:10\)](#)

Next Governing Board Meeting: Thursday June 27, 2024, 3:00 - 4:30 PM



Registry of Actions

Date of Meeting: May 23, 2024

Action Number	Action	Decision
2024-12	Motion to approve minutes from April 25, 2024, Board of Directors Meeting with corrections. <ul style="list-style-type: none">● Motion made by Director Suniga, seconded by Director Ferko.● All in favor with one abstention from Director Wheeler.	Approved

Suzanna Alvarado 6/20/2024
Nonattainment Area Air Pollution Mitigation Board Secretary



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: June 27, 2024

Subject: Board Policies Regarding Financial Management

Overview:

As the enterprise continues to work on allocating funds to programs and projects, one administrative duty still outstanding is establishing an Enterprise policy regarding its financial management principles. The policy will work to address the following items:

- Document annual budget, programming, project budgeting policies followed by the Enterprise with the Board of Directors approval to maximize the flow of funds to the Enterprise's programs and projects, applying effective and efficient cash management strategies.
- Determine the financial risk of a financial transaction, and determine appropriate approval levels before a transaction can be processed with high risk transactions must always be approved by the Board of Directors
- Allows for flexibility in lower risk transactions, if needed and when appropriate, to allow business functions to continue and without affecting grantees or business partners.

Proposal(s) / Recommendation(s):

The Board approves these policies for future management of NAAPME finances.

Actions By Others:

N/A

Previous Discussions / Actions:

- [May 26, 2022 - CDOT Policy Directive 703](#): Overview of a similar policy in place with the Colorado Department of Transportation, for discussion

with the Board of Directors to consider a similar policy for the Enterprise.

- [April 2024](#): NAAPME Board's initial discussion of Financial Management policies.

Proposed Motion(s):

The Board approves these policies for future management of NAAPME finances.

Attachments:

Presentation - Board Policies Regarding Fiscal Management - May 2024
Attachment A - Revised NAAPME Financial Management Transaction Table

Additional Information:

Please contact [Darius Pakbaz](#) (720.241.8097) for further information.



Decision Item

Board Policies Regarding Financial Management

Darius Pakbaz, NAAPME Program Administrator
Sam Foster, CDOT Division of Accounting and Finance



Financial Management Policy

Overview and Brief Description

- **Objective:** document annual budget, programming, project budgeting policies followed by the Enterprise with the Board of Director's approval to maximize the flow of funds to the Enterprise's programs and projects, applying effective and efficient cash management strategies.
- Determine the financial risk of a financial transaction, and determine appropriate approval levels before a transaction can be processed.
 - High Risk Transactions must always be approved by the Board of Directors
- Allows for flexibility in lower risk transactions, if needed and when appropriate, to allow business functions to continue and without affecting grantees or business partners.



Financial Management Policy

Annual Budget Development

Level of Action		
Board Review and Approve	Report to and Inform Enterprise Board	Staff Manage
Annual Budget Development		
February - Adoption of Final Fiscal Year Budget	October- Review draft budget information that will be included in the CDOT proposed budget allocation plan February - Review final budget for comment	August - February Budget Development May - June Implementation of approved budget
Addition of any new budget category or budget category line-item with an amount greater than or equal to \$5,000, or increases to the contingency reserve or debt service lines by any dollar amount	Addition of a new budget category line-item that is under \$5,000, and no more than \$20,000 total in adjustments in a fiscal year	



Financial Management Policy

Budget Management

Level of Action		
Board Review and Approve	Report to and Inform Enterprise Board	Staff Manage
Budget Management		
Any change to or transfer across budget lines that is greater than or equal to \$5,000	Any change to or transfer across budget lines that is less than \$5,000, and no more than \$20,000 total in adjustments in a fiscal year	
	Budget to Actual Reports will be provided on a monthly basis	
Any use of the Contingency Reserve		
End of Fiscal Year roll forwards of any amount		



Financial Management Policy

Enterprise Revenue

Level of Action		
Board Review and Approve	Report to and Inform Enterprise Board	Staff Manage
Enterprise Revenue		
Adjustments to the SB 21-260 fees to account for inflation in February/March		
Changes to the budget as a result of changes in forecasted revenue	Revenue forecast will be updated annually and presented to the Board	
	Report on prior fiscal year revenue reconciliation results	



Financial Management Policy

Misc. and Project-Related Transactions

Level of Action		
Board Review and Approve	Report to and Inform Enterprise Board	Staff Manage
Misc. and Project-Related Transactions		
Changes to existing loan terms or any agreements with transit agencies or CDOT		
		Ensure that approved project funds are budgeted and spent
Approval of initial debt issuances and corresponding debt service schedules		Annual debt service payments according to the corresponding service schedule
Determine project selection criteria and required match levels Board approves project awards		



Financial Management Policy

Board Discussion

Questions?



Motion to adopt NAAPME Board Policy # 1.0 - NAAPME Financial Management Policy

NAAPME Fiscal Management Policy

Level of Action		
Board Review and Approve	Report to and Inform Enterprise Board	Staff Manage
Annual Budget Development		
February - Adoption of Final Fiscal Year Budget	October- Review draft budget information that will be included in the CDOT proposed budget allocation plan February - Review final budget for comment	August - February Budget Development May - June Implementation of approved budget
Addition of any new budget category or budget category line-item with an amount greater than or equal to \$5,000, or increases to the contingency reserve or debt service lines by any dollar amount	Addition of a new budget category line-item that is under \$5,000, and no more than \$20,000 total in adjustments in a fiscal year	
Budget Management		
Any change to or transfer across budget lines that is greater than or equal to \$5,000	Any change to or transfer across budget lines that is less than \$5,000, and no more than \$20,000 total in adjustments in a fiscal year.	
	Budget to Actual Reports will be provided on a monthly basis	
Any use of the Contingency Reserve		
End of Fiscal Year roll forwards of any amount		
Enterprise Revenue		
Adjustments to the SB 21-260 fees to account for inflation in February/March		
Changes to the budget as a result of changes in forecasted revenue	Revenue forecast will be updated annually and presented to the Board	
	Report on prior fiscal year revenue reconciliation results	
Misc. and Project-Related Transactions		
Changes to existing loan terms or any agreements with transit agencies or CDOT		
		Ensure that approved project funds are encumbered and expended
Approval of initial debt issuances and corresponding debt service schedules		Annual debt service payments according to the corresponding service schedule
Determine project selection criteria and required match levels Board approves project awards		



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: 27 June 2024

Subject: Adoption of NAAPME Spending Plan

Overview:

This workshop provides a final discussion and decision on the proposed NAAPME Spending Plan. This is an update from the original plan (passed May 2022), and breaks down proposed allocations for a Large Grant Program and a Small Grant Program for applications chosen by the Enterprise.

Proposal(s) / Recommendation(s):

The Board approves the proposed Spending Plan through Fiscal Year 2032.

Actions By Others:

N/A

Previous Discussions / Actions:

[May 2024](#): Discussion of Spending Plan (as part of “Allocation of Program Funds”).

Proposed Motion(s):

Motion to adopt the planning budgets for fiscal years 2025 through 2032 and include the planning budget in the NAAPME 10-Year Plan.

Attachments:

Presentation - NAAPME Spending Plan - June 2024

Attachment B - NAAPME Spending Plan (FY2025-32) - June 2024

Additional Information:

Please contact [Darius Pakbaz](#) (720.241.8097) for further information.



Decision Item

Spending Plan

Darius Pakbaz, NAAPME Program Administrator



Programs and Projects Allocation Proposal

10-Year Plan Update

Allocation Program	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Totals
Small Projects Grant Program	\$18.25M	\$3.89M	\$4.64M	\$5.53M	\$6.59M	\$7.85M	\$9.35M	\$9.71M	\$65.81M
Large Projects Grant Program*	\$7.62M	\$9.09M	\$10.82M	\$12.89M	\$15.37M	\$18.32M	\$21.82M	\$22.65M	\$118.58M
Roll-forwards from Previous Fiscal Year 2024 (anticipated)**	\$15.08M								\$181.21M
Total Available Revenue for Programs	\$10.50M	\$12.59M	\$15.06M	\$18.02M	\$21.55M	\$25.75M	\$30.74M	\$31.92M	
Administration, Debt Service & Contingency	\$0.38M	\$0.39M	\$0.40M	\$0.41M	\$0.42M	\$0.43M	\$0.44M	\$0.45M	\$3.27M
Total Available Revenue for Programs	\$10.88M	\$12.98M	\$15.46M	\$18.42M	\$21.96M	\$26.17M	\$31.17M	\$32.36M	\$184.48M

*Allocations Based on pay-go scenario, not consideration of bonding.

**Does not include unused administrative funding, deviations from revenue forecast, and/or reconciliation of funds.



Motion to adopt the planning budgets for fiscal years 2025 through 2032 and include the planning budget in the NAAPME 10-Year Plan.



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: 27 June 2024

Subject: Adoption of Revised NAAPME 10-Year Plan

Overview:

[C.R.S. 43-4-1303 \(10\) \(I\)](#) requires NAAPME to create a 10-Year Plan. Some information in the original NAAPME 10-Year Plan has changed, and more recent statutes require making documents like this accessible for the widest possible audience.

This workshop provides an update on changes to the NAAPME 10-Year Plan:

- New Board members (Page 9);
- New & expanded Anticipated Revenue (Page 12) and Spending Forecasts (Page 15);
- Eligibility and Evaluation Criteria, as approved by the Board (Page 21 & 22); and
- Accessibility improvements (throughout).

Proposal(s) / Recommendation(s):

Proposal on recommended revisions to the NAAPME 10-Year Plan, incorporating changes on pages 9, 12, 15, 21 & 22. Additionally, there are stylistic updates for accessibility.

Actions By Others:

N/A

Previous Discussions / Actions:

[June 2022](#): Approval of original NAAPME 10-Year Plan.



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Proposed Motion(s):

Move to adopt the revised NAAPME 10-Year Plan, incorporating changes mentioned on pages 9, 12, 15, 21 & 22.

Attachments:

Presentation - Adoption of Revised NAAPME 10-Year Plan - June 2024

Attachment A - Draft of updated NAAPME 10-Year Plan - June 2024

Additional Information:

Please contact [Darius Pakbaz](mailto:Darius.Pakbaz@cdot.gov) (720.241.8097) for further information.



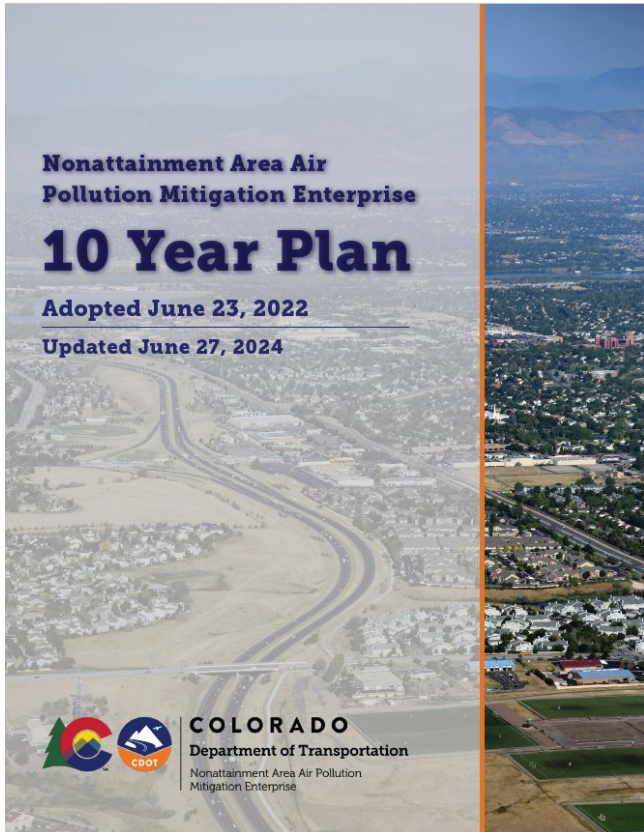
Decision Item

Adoption of Revised NAAPME 10-Year Plan

Darius Pakbaz, NAAPME Program Administrator



Adoption of Revised NAAPME 10-Year Plan



- Original 10-Year Plan adopted June 2022
- Updates in this version:
 - New Board members (p. 9);
 - New & expanded Anticipated Revenue (p. 12) and Spending Forecasts (p. 15);
 - Eligibility and Evaluation Criteria (pp. 21-22);
 - Accessibility improvements
- Attachment B is the revised version of the 10-Year Plan.



Adoption of Revised NAAPME 10-Year Plan Decision

**Move to adopt the revised NAAPME
10-Year Plan, incorporating
changes mentioned on pages 9,
12, 15, 21 & 22.**

**Nonattainment Area Air
Pollution Mitigation Enterprise**

10 Year Plan

Adopted June 23, 2022

Updated June 27, 2024



COLORADO
Department of Transportation
Nonattainment Area Air Pollution
Mitigation Enterprise



Table of Contents

- Letter from the Board 3**
- Introduction 4**
 - Senate Bill SB 21-260 5
- Business Purpose of the Enterprise 6**
- Nonattainment Enterprise Board of Directors 8**
- Nonattainment Areas of Colorado 10**
- 10 Year Anticipated Funding and Spending Forecast 12**
- Enterprise Funding Focus Areas and Project Selection 16**
 - Sustainably Reduce Traffic Congestion 17
 - Reduce Environmental and Health Impacts of Transportation 18
 - Improve Neighborhood Connectivity of Communities Adjacent to Highways 19
- Project and Program Selection 20**
 - NAAPME Selection Criteria 21
- Public Outreach for the 10 Year Plan 23**
- Enterprise Reporting and Next Steps 25**

Letter from the Board

Hello Coloradans!

On behalf of the Board of Directors of the Nonattainment Area Air Pollution Mitigation Enterprise, I am pleased to present our Ten-Year Plan. This document lays the framework for how this Enterprise will look, not only to fulfill its business purpose, but to allow stakeholders, local government officials, and community members to see how the enterprise plans to allocate its funds and resources over the first ten years.

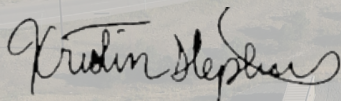
In this plan, we have highlighted three funding areas, which will provide the basis for project selection and prioritization activities that will continue into our first official year of operation. However, this is not a static document; we are committed to having this plan be a living document that will grow and change as decisions are made, circumstances change, and new opportunities arise.

As we continue our work and begin funding projects that will help reduce the environmental and health impacts of transportation, we want to be accountable and transparent with the funds that have been entrusted to us from the Colorado General Assembly and the People of Colorado. In the next few months, we will establish a public accountability dashboard on our website that will help monitor what projects are being funded in the nine-county nonattainment area. Starting in July 2023 we will be publishing an annual report and presenting our work and accomplishments to the Colorado Transportation Commission and the committees of reference in the Colorado General Assembly.

Our Ten-Year plan was informed by public outreach events which helped us identify priorities within our three funding focus areas and will lay the foundation for our activities through next year. Many community partners, residents, and transportation planning organizations have provided valuable input on how to provide programs that meet the needs of our communities and provide viable alternatives that can help achieve our business purpose.

We look forward to engaging with you in the future!

Kristin Stephens

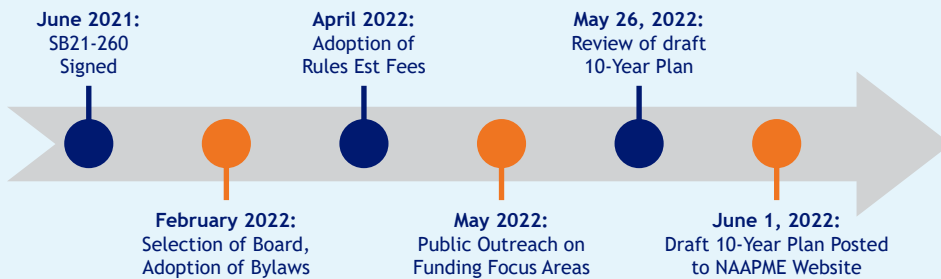


Chair, Nonattainment Area Air Pollution Mitigation Enterprise Board of Directors

Introduction

The Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME), or Nonattainment Enterprise, is one of four new enterprises created by the Colorado General Assembly through Senate Bill 21-260. The Enterprise was established by the legislature to fund projects that help address traffic congestion and reduce the environmental and health impacts of transportation in areas of the state that are federally designated as being in nonattainment with EPA's air quality standards. The Enterprise is housed within the Colorado Department of Transportation and managed by a Board of Directors.

As required within statute, the Enterprise's 10-Year plan outlines the business purpose of the enterprise and establishes the overall direction for the use of these funds through state fiscal year 2031-32. This plan was designed to be flexible to changes in fee collection and market conditions, community needs, and other issues that could affect the business purpose of the Enterprise.



The plan was developed with direction from the Enterprise's Board of Directors and input from local government and the public through outreach efforts conducted by enterprise staff throughout the spring of 2022.

In addition to outlining the overall direction of the enterprise over the next ten years, this plan explains what areas of the state are in nonattainment status, the development of a preliminary spending plan for the next ten years, and outlines potential requirements for projects funded by the enterprise. Further refinements of the enterprise's 10-year plan will continue throughout its life, at the discretion of the enterprise's Board of Directors.





Senate Bill 21-260

Senate Bill 21-260, formally known as the **Concerning the Sustainability of the Transportation System in Colorado** act was passed by the Colorado General Assembly and signed into law by the Governor of Colorado in June 2021. The legislation established two new fees that will fund activities under four new enterprises:

- A new fee on most rides from transportation network companies (TNC) like Uber and Lyft, and;
- A new fee on retail deliveries from companies like FedEx and Amazon

The Nonattainment Area Air Pollution Mitigation Enterprise is one of the recipients of these funds, starting in July of 2022.



Business Purpose of the Enterprise

Under Colorado Revised Statutes 43-4-1303, as amended by Senate Bill 21-260, defines the business purpose of the Nonattainment Area Air Pollution Mitigation Enterprise in subsection three of this statute as:

“ The business purpose of the enterprise is to mitigate the environmental and health impacts of increased air pollution from motor vehicle emissions in nonattainment areas that results from the rapid and continuing growth in retail deliveries made by motor vehicles and in prearranged rides provided by transportation network companies by providing funding for eligible projects that reduce traffic, including demand management projects that encourage alternatives to driving alone or that directly reduce air pollution, such as retrofitting of construction equipment, construction of roadside vegetation barriers, and planting trees along medians.”

As required by statute, projects funded by this enterprise will be located within nonattainment areas in Colorado.

Ozone is the only pollutant that currently has a nonattainment area within the state, covering nine counties, along the northern and central Front Range. Areas eligible for funding from the enterprise will change in the event the United States Environmental Protection Agency (EPA) adjusts nonattainment areas within the state.



Funding Focus Areas

To fulfill its purpose, the Nonattainment Enterprise has three funding focus areas, as outlined in statute, that will help determine whether a project qualifies for funding from the enterprise:



Projects that sustainably reduce traffic congestion



Projects that reduce the environmental and health impacts of transportation



Projects that improve neighborhood connectivity for communities adjacent to highways

The legislation further directs the Enterprise to take into account issues and impacts of particular importance to the state, including reduction of greenhouse gas emissions and fine particulate matter from the transportation sector.



Nonattainment Enterprise Board of Directors

The enterprise's seven member board of directors is its primary governing body, charged with the following duties:

- Impose the air pollution mitigation per ride and the air pollution mitigation retail delivery fees;
- Issue grants, loans, rebates, and other funding mechanisms for eligible projects;
- Issue revenue bonds payable from enterprise revenue and other available fund sources to the enterprise
- Adopt bylaws for the regulation of its affairs and the conduct of its business;
- Acquire, hold title to, and dispose of real and personal property;
- Employ and supervise individuals, professional consultants, and contractors as necessary to carry out the enterprise's business purpose;
- Seek, accept, and except gifts, grants, donations from private or public sources to fulfill its business purpose, within the restrictions outlined with the Colorado Constitution and statutes;
- Promulgate rules specifically to set the amounts collected of both fees, at or below the maximum values authorized by statute; and
- Publish the process by which the enterprise accepts applications, the criteria for evaluating applications, and a list of grantees or program participants.

Board Composition & Enterprise Staffing

By statute, the governing board consists of seven members, appointed by the Governor of Colorado and confirmed by the Colorado Senate, using the following criteria:

- One member with expertise on environmental, environmental justice, or public health issues;
- One member who is an elected official of a disproportionately impacted community that is a member of the Denver Regional Council of Governments (DRCOG);
- One member who is an elected official of a local government that is a member of the North Front Range Metropolitan Planning Organization (NFRMPO);
- Up to two members who are representatives of disproportionately impacted communities;
- The Executive Director of the Colorado Department of Transportation or the Executive Director's Designee; and
- The Executive Director of the Colorado Department of Public Health and Environment or the Executive Director's Designee.



Appointed members of the board serve at the pleasure of the Governor. The other board members serve for as long as they hold their executive director positions or are designated to serve by an executive director.

In addition to the Board of Directors, the enterprise currently has two staff members who have duties defined by the enterprise’s bylaws and were appointed by an affirmative vote of the board: Enterprise Program Administrator and Board Secretary.

Figure 2: Composition of the Nonattainment Enterprise’s Board of Directors as of June 2024

Director	Community Represented	Appointment Criteria
Lynn Baca	Brighton	Elected official of a disproportionately impacted community that is a member of DRCOG.
Yessica Holguin	Denver	Representative of a disproportionately impacted community.
Kristin Stephens	Fort Collins	Elected official of a disproportionately impacted community that is a member of NFRMPO.
Danielle “Stacy” Suniga	Greeley	Expertise on environmental, environmental justice, or public health issues.
Leanne Wheeler	Aurora	Representative of a disproportionately impacted community.
Herman Stockinger	Colorado Department of Transportation	Executive Director of the Colorado Department of Transportation.
Jessica Ferko	Colorado Department of Public Health & Environment	Executive Director Designee of the Colorado Department of Public Health and Environment.



Nonattainment Areas of Colorado

The Clean Air Act, last amended in 1990, requires the EPA to set National Ambient Air Quality Standards (NAAQS) for six principal pollutants (“criteria” air pollutants) which can be harmful to public health and the environment.

Within the act, there are two standards identified for national ambient air quality standards. Primary standards provide public health protection, including protecting the health of “sensitive” populations such as asthmatics, children, and the elderly. Secondary standards provide public welfare protection, including protection against decreased visibility and damage to animals, crops, vegetation, and buildings. Each standard may have a different maximum level for achievement of standards and different time standard for averaging measurements of the pollutant. These pollutants can come from a variety of sources and different industries, but transportation emissions are one major source in many cases.



The six principal criteria air pollutants, as outlined by the Clean Air Act, are as follows:

- Carbon Monoxide (CO)
- Lead (Pb)
- Nitrogen Dioxide (NO₂)
- Ozone (O₃)
- Particulate Pollution (PM)
- Sulfur Dioxide (SO₂)

If an area exceeds the maximum levels for NAAQS, it is considered to be in “nonattainment.” This can vary in severity from marginal to extreme, depending on the amount of pollution reported in the area and/or failure to achieve the standard within a specified timeframe. An area can move out of nonattainment, must meet certain maintenance requirements for an amount of time (often twenty years) before requirements can be lifted.

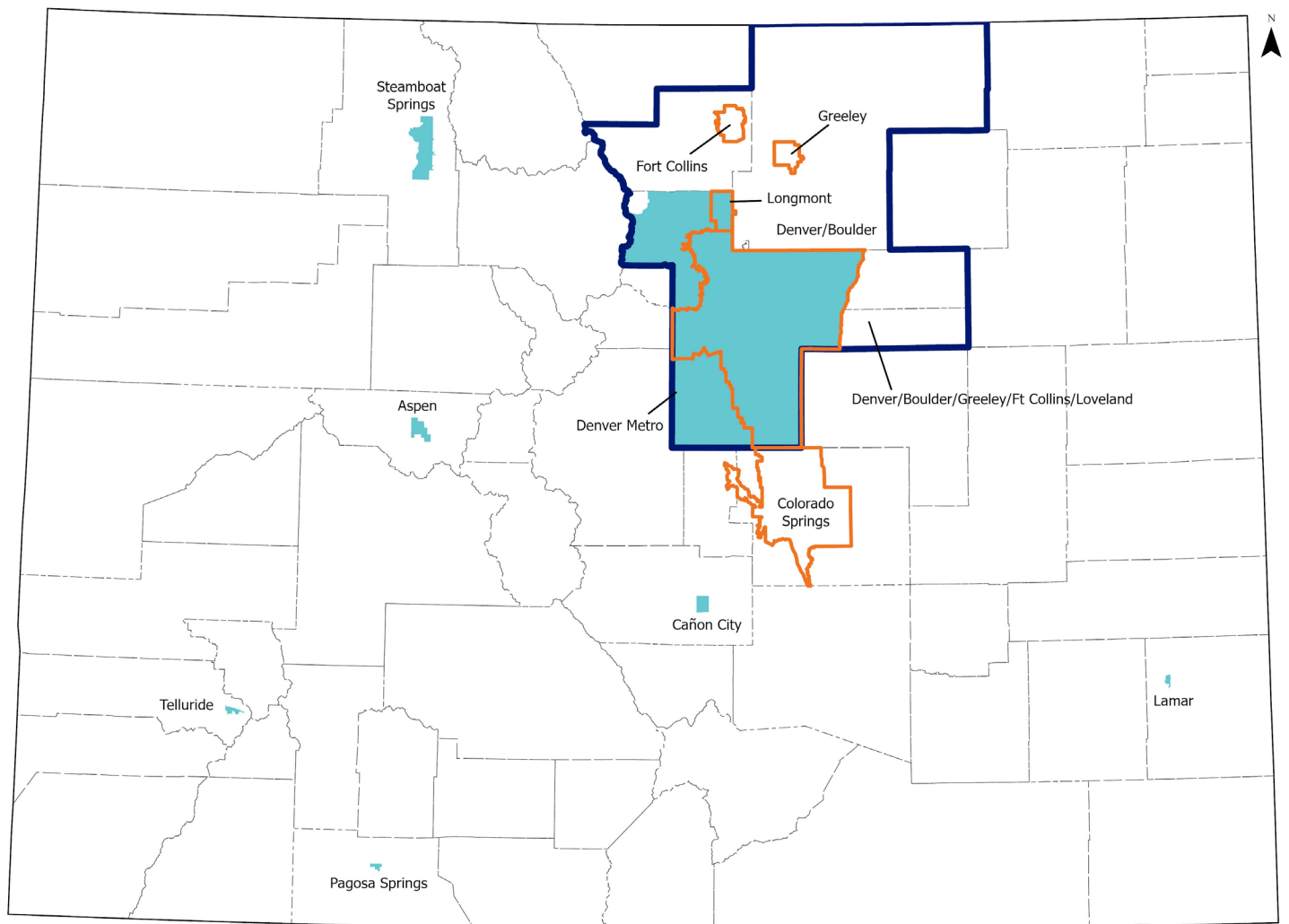
While in the past there have been nonattainment areas for particulate pollution and carbon monoxide, all of these areas within Colorado are currently in attainment or in maintenance status. The only pollutant for which Colorado has a nonattainment area is ozone. The EPA has proposed changing the status of this nonattainment area from “serious” to “severe”

Ozone pollution in the air people breathe can harm their health, especially on hot sunny days when ozone can reach unhealthy levels. People at the greatest risk of harm from breathing air containing ozone often include people with lung conditions, such as asthma. Elevated exposures to ozone can also affect sensitive vegetation and ecosystems, including forests, parks, wildlife refuges, and wilderness areas, especially during the growing seasons. Additional information on the effects of ozone pollution, determination of nonattainment and information on other pollutants in the Clean Air Act are available from the EPA at its [Nonattainment Areas for Criteria Pollutants \(Green Book\) webpage](#).



The only pollutant in which Colorado has a nonattainment zone is Ozone. There are currently **nine counties** in ozone nonattainment including: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, a portion of Larimer, and Weld counties.

Figure 3: Nonattainment Areas And Maintenance Areas within Colorado



 Ozone Nonattainment Area  Carbon Monoxide Maintenance Area  PM10 Maintenance Area

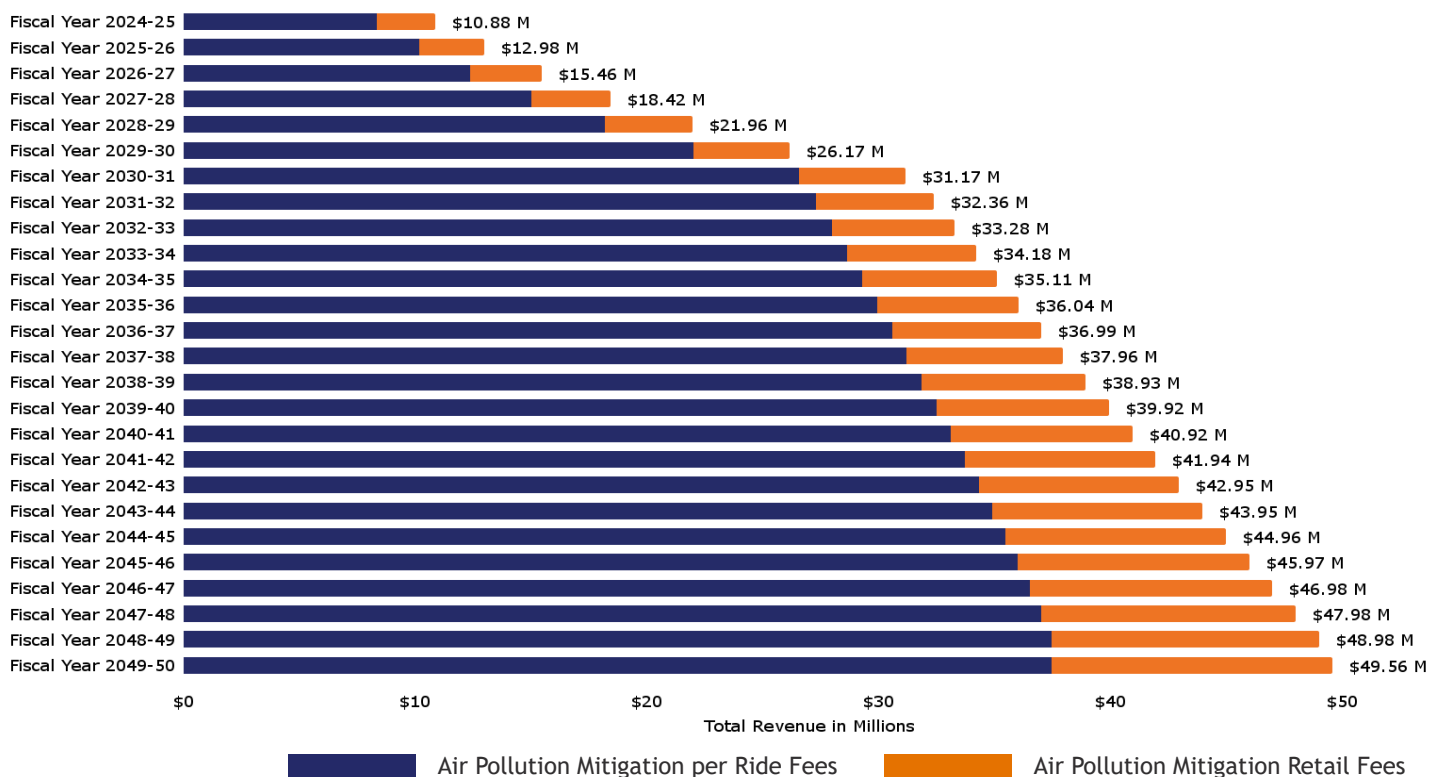
10 Year Anticipated Funding and Spending Forecast

As noted in previous sections of this plan, the enterprise is funded by two fees, authorized by the Colorado General Assembly: The Air Pollution Mitigation per Ride Fee and the Air Pollution Mitigation Retail Delivery Fee. On April 14, 2022, the NonAttainment Enterprise Board of Directors completed a formal rulemaking process, setting the levels for each fee starting on July 1, 2022. The Board adjusted these fees in February 2024, and take effect as of July 2024:

- 12 and 3/4 cents for each prearranged ride that is a carshare ride or for which the driver transports the rider in a zero emissions motor vehicle;
- 24 cents for every other prearranged ride; and
- 75 one-hundredths of one cent for each retail delivery.

From these fees, anticipated revenues for the first year are expected to exceed \$7.1 million, including \$5.2 million from the prearranged ride fee and \$1.9 million from the retail delivery fee. Throughout the next ten years, as the fee levels adjust for anticipated inflation rates and taking into account factors such as population growth and increased usage of services, the total amount of fees anticipated to be collected by the enterprise will exceed \$183 million, including \$152 million from the prearranged ride fee and \$31 million from the retail delivery fee. Anticipated revenue levels per year over the next ten years are outlined in Figure 7.

Figure 4: Anticipated Revenue from Air Pollution Mitigation Fees





Anticipated 10 year revenue from the Air Pollution Mitigation per Ride Fee (\$152 million) and the Air Pollution Mitigation Retail fee (\$31 million) will total over \$184 million.



Proposed Spending Forecast

Based on this anticipated revenue, this plan provides a proposed spending forecast. The spending forecast will serve as a guide for annual planning of resources, anticipating the amount of funding needed for the Enterprise's major budget categories:

- **Programming and Projects**
- **Enterprise Administration and Operations;**
- **Debt Service; and**
- **Enterprise Reserves.**

The spending forecast was developed based on anticipated needs for enterprise operations, debt service, and reserves, with the balance of funding allocated to projects funded by the enterprise.

Programming and Projects will be the primary category for the enterprise to fulfill its business purpose and fund projects within Colorado's nonattainment areas within at least one of the enterprise's three funding focus areas.

Enterprise operations estimates were produced based on current year (2022) staff levels, anticipated staff support from other state agencies, and support from professional consultants/contractors for services to carry out its business purpose. Unused revenue for enterprise operations will be transferred to the Programming and Projects in the next fiscal year.

Debt service, anticipated for one year only, will repay to CDOT a loan that allowed the enterprise to function before the collection of revenue.

Enterprise reserve are allocated for anticipated contingency purposes, as directed by the Enterprise Board. Any fees in reserve for contingency purposes will not exceed \$200,000. This reserve fund will only have allocations in future fiscal years to bring the fund back to the reserve ceiling amount of \$200,000.

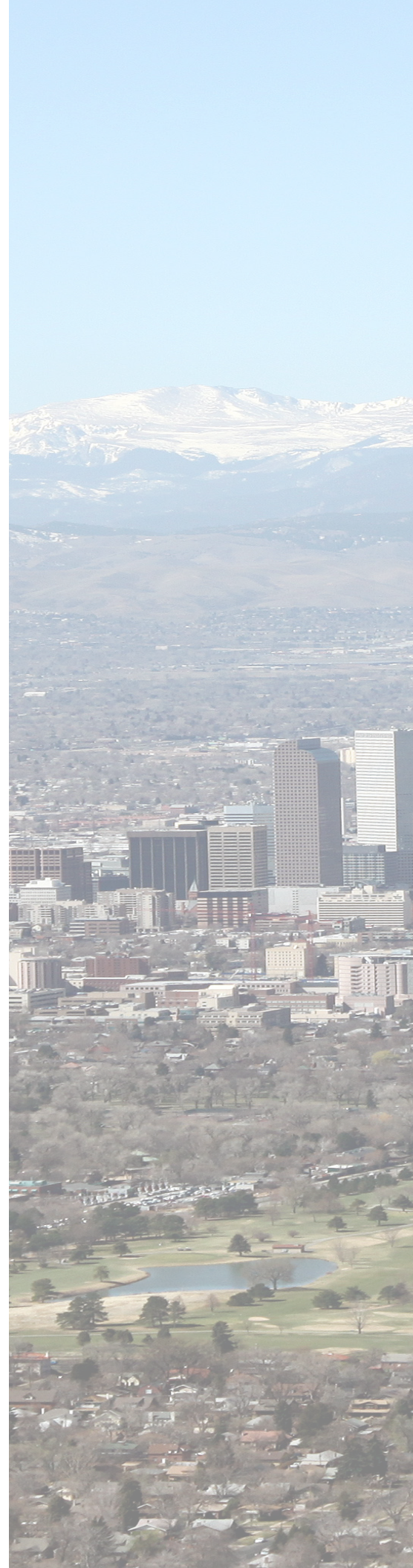




Figure 5: The Nonattainment Area Air Pollution Mitigation Enterprise’s Spending Forecast Plan - June 2024

Line Item	Year 3 FY 2024-25	Year 4 FY 2025-26	Year 5 FY 2026-27	Year 6 FY 2027-28	Year 7 FY 2028-29	Year 8 FY 2029-30	Year 9 FY 2030-31	Year 10 FY 2031-32
Total Revenue	\$10,094,332.00	\$11,923,095.00	\$14,584,946.00	\$17,507,659.00	\$20,961,754.00	\$25,527,355.00	\$30,776,587.00	\$36,665,817.00
Air Pollution Mitigation Per Ride Fee	\$7,799,651.00	\$9,325,133.00	\$11,713,055.00	\$14,330,228.00	\$17,528,868.00	\$21,626,892.00	\$26,448,435.00	\$31,857,744.00
Air Pollution Mitigation Retail Delivery Fee	\$2,294,681.00	\$2,597,962.00	\$2,871,891.00	\$3,177,431.00	\$3,432,886.00	\$3,900,463.00	\$4,328,152.00	\$4,808,073.00
Nonattainment Area Air Pollution Enterprise - Revenue Allocation								
Programming & Projects	\$25.87M	\$12.98M	\$15.46M	\$18.42M	\$21.96M	\$26.17M	\$31.17M	\$32.36M
Large Projects Grant Program	\$7.62M	\$9.09M	\$10.82M	\$12.89M	\$15.37M	\$18.32M	\$21.82M	\$22.65M
Small Projects Grant Program	\$18.25M	\$3.89M	\$4.64M	\$5.53M	\$6.59M	\$7.85M	\$9.35M	\$9.71M
Administration & Operations	\$228,265.38	\$230,694.92	\$233,209.49	\$235,812.07	\$238,505.75	\$241,293.70	\$244,179.23	\$247,165.75
Debt Service	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00
Contingency Reserve	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00	\$- .00
Total - NAAPME	\$10,094,332.00	\$11,923,095.00	\$14,584,946.00	\$17,507,659.00	\$20,961,754.00	\$25,527,355.00	\$30,776,587.00	\$36,665,817.00

Note: This spending forecast is preliminary and actual revenue allocation will be determined by the enterprise’s board, through the adoption of an official budget for the enterprise before the start of each state fiscal year. This above forecast in Figure 7 is used for planning purposes only. It does not reflect actual allocations of enterprise revenue.



Enterprise Funding Focus Areas & Project Selection

At this early stage of the Enterprise's work, specific projects have not yet been identified. Instead the Board has focused on seeking public input on the types of projects that would support the three funding focus areas outlined in the legislation.

More specific requirements will be developed by the enterprise Board of Directors as it develops the first year program.

The three funding focus areas are:



Sustainably reduce traffic congestion



Reduce the environmental and health impacts of transportation



Improve neighborhood connectivity for communities adjacent to highways



Photo Credit: RFTA



Sustainably Reduce Traffic Congestion

Reducing traffic congestion is one of the key provisions within the enterprise's purpose. However, to fulfill the objectives of other funding focus areas, this must be done in a sustainable manner.

Within this funding category, the enterprise will focus on projects that provide alternatives to single occupancy travel including transit services, active transportation alternatives, and carpool alternatives, as well as roadway operations improvements that sustainably reduce congestion, such as traffic incident management.

Examples include:



- Expanding interregional transit services, like Bustang;
- Development and expansion of bus rapid transit services;



- Construction of Mobility Hubs, destinations for transit services that connect inter-regional and local services, including first and last miles services, electric vehicle charging, and bike parking;



- New and expanded sidewalks and bike paths; and
- New and expanded vanpool, carpool, and other services for commuter travel.



Reduce Environmental & Health Impacts of Transportation

As noted previously in this plan, transportation is one of the main contributors to ozone pollution. Additionally, transportation is the largest contributor of greenhouse gas emissions in both Colorado and nationwide.

This funding focus area focuses on reducing impacts from the construction and ongoing operation of transportation projects.

Examples include:



- Measures that would reduce the impact of large highway construction projects;
- Retrofitting construction equipment for highway projects;
- Air quality monitoring for larger highway construction projects; and
- Roadside vegetation barriers.





Improve Neighborhood Connectivity of Communities Adjacent to Highways



The purpose of this funding focus area is to fund mitigation measures that help reconnect communities and provide multimodal options to move along and across large urban corridors.

Examples would include:



- More sidewalks and bike paths along major corridors and local roads;
- Safer bike and pedestrian connectivity along busy urban streets; and
- Projects that reduce traffic speeds along busy urban streets.



Project & Program Selection



20m
32.2k

Cherry Creek Trail

In order to allow the maximum flexibility for the selection of specific projects and/or programs for the NAAPME Board of Directors to fund with enterprise revenue, specific requirements and prioritization criteria will be developed by the Board during the first year of revenue collection, and reviewed on an annual basis. This will be made publicly available on the enterprise's website and broadcast at future public outreach activities.

At a minimum, projects funded by the Nonattainment Enterprise must demonstrate the following:

- **The location of the project and/or program must be located within the nine county ozone nonattainment area.**

If there is a determination that a new county or area within Colorado has fallen into nonattainment for any of the criteria pollutants as identified by the EPA, they will become eligible for project and/or program funding.

Any area that upgrades to maintenance status that is currently in nonattainment for ozone (as of June 2022), will no longer be eligible for future projects and/or programs, but will be allowed to continue projects and/or programs that are in progress when the determination is finalized.

NAAPME Selection Criteria

The NAAPME Board has approved the following criteria to be eligible for grant funding:

- Projects are eligible if the activities in the submitted application meet the requirements for the funding program outlined by the Board of Directors and meet eligibility requirements set forth in 43-4-1302 C.R.S. and federal statute.
- Projects must be located in or benefit a nonattainment area.
- Eligible project sponsors meet eligibility criteria under 43-4-1302 C.R.S. to apply for funding, or partner with an eligible entity and have the authority to enter into a contract with the State.
- Eligible project sponsors are in good standing with the Colorado Secretary of State, have no projects on the federal inactive list with the Colorado Department of Transportation, and have not had a non-compliance determination on a sub-allocated recipient audit/visit.
- Applications for funding will only be considered through an open project call as approved by the Board of Directors for specific programs established by the Enterprise.
- Projects must demonstrate emissions reduction benefits and report those benefits to the Enterprise, as a condition for approval.
- Applications for infrastructure projects (professional services) must complete an engineering assessment with an professional engineering entity identified by the Board.
- A completed infrastructure project is open to the general public and meets the accessibility standards of the Americans with Disabilities Act (ADA) of 1990.
- All projects and project sponsors must follow and be in compliance with all applicable federal, state and local laws and regulations that would apply to the project.
- Applicants must be able to supply cash local matching funds for the projects as required by the specific Enterprise program, or apply for a reduction waiver, approved by the Board of Directors.

Public Outreach for the 10 Year Plan

The Enterprise initiated outreach activities in February 2022 with the opening of public comment on the rulemaking establishing fees levels for both the prearranged ride fee and the retail delivery fee. Rulemaking concluded on April 14, 2022 with the incorporation of adjustments to the rule based on public feedback and adoption of the rule by the Board of Directors.

During this time, the enterprise established its online presence, which included:

- A website providing information on the Enterprise and access to all meeting materials;
- Establishment of an email address to contact enterprise staff directly;
- Establishment of an email subscription service to allow interested parties to receive updates when new information is available; and
- Release of a short video outlining the purpose of the enterprise, anticipated revenues, and directing viewers towards avenues to provide feedback at the start of May 2022, with a Spanish language version of the video coming soon.

Additionally, all Board of Directors meetings were live streamed on the Youtube platform. Recordings of these meetings, in addition to meeting minutes, were made available on the Enterprise's website within one week after its occurrence and as required under Colorado statute.





NAAPME’s Public Outreach Survey received 181 responses and 95 public comments



To help the Board of Directors and enterprise staff understand stakeholder and community needs, the enterprise conducted the following activities throughout May 2022 to solicit public comment on the funding focus areas outlined in the 10-year plan and how they would prioritize specific examples within each funding focus area.

Outreach activities included:

- Presentations to the Statewide Transportation Advisory Committee and the DRCOG and NFRMPO Technical Advisory committees, to help notify local government officials about the enterprise and its public outreach programs;
- Public outreach survey, which allowed users to rank project examples within each funding focus area and provide comments on the proposed focus areas;
- Virtual Public Listening session (held May 17), providing information on the enterprise’s purpose and soliciting comment on the funding focus areas; and
- Spanish translation of both the survey and listening session.

Public Outreach Survey Results

NAAPME’s public outreach survey asked respondents to rank their preferred project types for each of NAAPME’s three funding focus areas. Below are the project types ranked from most popular to least.

Sustainably Reduce Traffic Congestion

- Expand Van Pools & Car Pools
- Expand Bustang
- Build More Bike Trails & Sidewalks
- Establishing Mobility Hubs
- Bus Rapid Transit

Reduce Environmental & Health Impacts of Transportation

- Air Quality Monitoring for Highway Projects
- Construction Equipment Retrofit
- Roadside Vegetation Barriers
- Mitigation of Construction Impacts

Improve Neighborhood Connectivity of Communities

- Projects that Slow and Calm Traffic
- Build More Bike Trails & Sidewalks
- More and Safer Bicycle and Pedestrian Connectivity

Enterprise Reporting & Next Steps

The enterprise and its Board of Directors are committed to transparency and accountability throughout its work.

Public Accountability Dashboard

Starting in the next state fiscal year, the Enterprise will begin to develop its Public Accountability Dashboard, which will provide regular updates on the progress of its program, including total revenue collected, revenue allocated to projects and programs, expenditures and completion of funded projects, and anticipated air pollution mitigation benefits.

Annual Report

An annual report, mirroring the information that will populate the Public Accountability Dashboard, will be published in June at the end of each state fiscal year. This report will be presented to the Colorado Transportation Commission, the Colorado House of Representatives Transportation and Local Government Committee and the Colorado Senate Transportation and Energy Committee.

Public Outreach Activities

The Board of Directors will discuss and approve future public outreach activities throughout the next fiscal year, which will solicit public comment on project selection and prioritization requirements, community needs, and other topics of interest to fulfill the business purpose of the Enterprise and help inform updates to the 10-year plan.

Annual 10-Year Plan Updates

The Enterprise Board of Directors adopted this initial 10-year plan on June 23, 2022. The 10-year plan will be updated as projects are funded and implemented. This plan was developed with a particular eye towards uncertainty associated with the new revenue source.

This 10-year plan was updated on June 27, 2024.





COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

2829 W. Howard Place | Denver, CO 80249

naapme.codot.gov

303.757.9007 | cdot_nonattainmententerprise@state.co.us



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: 27 June 2024

Subject: Allocation of Program Funds (continued)

Overview:

This workshop continues the discussion started in February 2024 about how to allocate current and anticipated funds for programs and projects funded by the enterprise, within the business purpose of the Enterprise and the three funding focus areas outlined in the NAAPME 10-Year Plan. This discussion will devote additional emphasis to the proposed Small Grant Program and Notice of Funding Opportunity (NOFO), particularly on the draft application document.

Proposal(s) / Recommendation(s):

N/A

Actions By Others:

N/A

Previous Discussions / Actions:

- [May 2024](#): The Board of Directors continued discussing how to allocate funds, and were introduced to the CDOT “Transportation Equity Assessment Map and Scorecard (TEAMs)” tool.
- [April 2024](#): The Board of Directors continued discussing how to allocate funds.
- [February 2024 - Initial “Allocation of Program Funds” Discussion](#): The Board of Directors began discussing how to allocate current and anticipated funds for programs and projects funded by the enterprise.
- [January 2024 - Approval of Program Eligibility and Evaluation Criteria](#): The Board of Directors approved a specific set of Eligibility and Evaluation Criteria for NAAPME program funding.

- [November 2023 - Evaluating Programs & Projects Discussion](#): The Board of Directors continued discussing potential eligibility and evaluation criteria for programs and projects funded through NAAPME, with additional emphasis on final details before presenting a proposal to the Board.
- [October 2023 - Evaluating Programs & Projects Discussion](#): The Board of Directors continued discussing potential eligibility and evaluation criteria for programs and projects funded through NAAPME, with additional emphasis on final details before presenting a proposal to the Board.
- [September 2023 - Enterprise Program Discussion](#): The Board of Directors discussed potential eligibility and evaluation criteria for programs and projects funded through NAAPME.
- [July 2023: Enterprise Program Discussion](#): In review of a potential funding proposal, the Board of Directors have requested that a further discussion on evaluation criteria would be helpful and for NAAPME staff to provide examples of similar programs that could help with this discussion.
- [May 2023: Enterprise Program Discussion](#): A proposed funding program proposal was brought forward for review by the Board of Directors. Initial evaluation criteria was presented as possible options for evaluating the specific proposal during the discussion.
- [June 2022: NAAPME 10-Year Plan](#): The NAAPME 10-Year Plan, adopted by the Board of Directors in June 2022, outlined funding focus areas that meet the business purpose of the Enterprise and specifically notes that all funding needs to be allocated to areas within the ozone nonattainment area.

Proposed Motion(s):

N/A

Attachments:

Presentation - Allocation of Program Funds (continued) - June 2024

Attachment B - Draft Notice of Funding Opportunity for Small Grant Program

Additional Information:

Please contact [Darius Pakbaz](#) (720.241.8097) for further information.



Allocation of Program Funds (continued)

Darius Pakbaz, NAAPME Program Administrator



Small Grant Program - NOFO

Proposed, DRAFT, notice of funding opportunity is available for review and comment by the Board of Directors. This document is Appendix B in the meeting packet.

This includes the following:

- Background and NAAPME General Information
- Program Goals and Purpose
- Funding Available and Timeline
- Minimum & Maximum Award Amounts
- Eligibility for Program
- Evaluation Criteria for Application
- Criteria Evaluation Explanation
- Responsibilities of Project Sponsors
- How to Apply
- Appendices
 - Application Form

Sections To Be Completed (not in current draft)

- Technical Appendices
 - Emission Reduction Calculators - CMAQ Program
 - Disproportionately Impacted Communities Evaluation Assistance
 - Invoicing



Allocation of Program Funds

Draft NOFO and Sample Application

Part 1: Applicant Overview

PR1. Entity Legal Name and address (include city, state, zip)

PR2. Primary Project Manager (person responsible for managing the project)

a. Name and Role: _____

b. Project Manager Email: _____

PR3. Project manager phone: _____

PR5. Secondary Project Contact (define the individual's role)

a. Name and Role: _____

PR6. Secondary Project Contact Email: _____

PR7. Secondary project contact phone: _____

PR4. Procurement. By completing and submitting this application, you acknowledge that if awarded, the use of grant awards will be in compliance with your entity's procurement standards that identify appropriate procedures to ensure projects are procured through an open, equitable and competitive process. Please describe your process:

6. **Does applicant meet eligibility criteria under 42-C.F.R. 4.4.6, to apply for funding or partner with an eligible entity and have the authority to enter into a contract with the state of Colorado?** Yes No

7. **Is applicant's good standing with the Colorado secretary of state.**
Has no projects on the federal, matching list with the Colorado Department of Transportation or any local government with a federal matching award, and has not had a non-compliance determination on a sub-allocated recipient audit/visit? Yes No

3

Draft Notice of Funding Opportunity (NOFO) now includes a Sample Application:

- Applicant and Project Overviews
- Grant Funding, Scope, and Financials
- Project Narrative
- Verifications and Attachments

Updated NOFO with Sample Application is in full at the end of this packet.



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Background

The Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) is seeking applications for its first Notice of Funding Opportunity (NOFO) that will support the mitigation of the environmental and health impacts of increased air pollution from motor vehicle emissions in the Denver and North Front Range Ozone Nonattainment Area. This funding opportunity will look to support communities and other governmental entities in the nonattainment area with eligible projects that will provide demonstrated improvements to air quality in the nonattainment area.

Projects funded through this program should aim to meet the business purpose of NAAPME and look to address at least one of the funding focus areas identified in the NAAPME 10-Year Plan. Additional consideration will be given to projects that support disproportionately impacted communities, as defined in Colorado Revised Statutes.

Program Goals

- Support projects in the nonattainment area, either entirely or partially, that will provide demonstrable reduction in air pollution and encourage alternatives to single-occupancy vehicle travel.
- Fund projects that support disproportionately impacted communities and that support the business purpose of the enterprise.
- Support projects that can help achieve neighborhood connectivity and provide transportation choice.

About the Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME)

NAAPME's business purpose is to mitigate the environmental and health impacts of increased air pollution from motor vehicle emissions in nonattainment areas. Notable factors in this increased air pollution include rapid and continuing growth in both retail deliveries made by motor vehicles and prearranged rides provided by transportation network companies. Funding will go to eligible projects that help reduce motor vehicle traffic (including demand management projects that encourage alternatives to driving alone), or that directly reduce air pollution (such as retrofitting

of construction equipment, construction of roadside vegetation barriers, and planting trees along medians). (C.R.S. 43-4-1303).

NAAPME Focus Areas

Sustainably Reduce Traffic Congestion

Reducing traffic congestion is one of the key provisions within the enterprise's purpose. However, to fulfill the objectives of other funding focus areas, this must be done in a sustainable manner. Within this funding category, the enterprise will focus on projects that provide alternatives to single occupancy travel including transit services, active transportation alternatives, and carpool alternatives, as well as roadway operations improvements that sustainably reduce congestion, such as traffic incident management.

Examples include:

- Expanding interregional transit services, like Bustang;
- Development and expansion of bus rapid transit services;
- Construction of Mobility Hubs, destinations for transit services that connect interregional and local services, including first and last miles services, electric vehicle charging, and bike parking;
- New and expanded sidewalks and bike paths; and
- New and expanded vanpool, carpool, and other services for commuter travel.

Reduce Environmental & Health Impacts of Transportation

Transportation is one of the main contributors to ozone pollution, and the largest contributor of greenhouse gas emissions in both Colorado and nationwide. This funding focus area focuses on reducing impacts from the construction and ongoing operation of transportation projects.

Examples include:

- Measures that would reduce the impact of large highway construction projects;
- Retrofitting construction equipment for highway projects;
- Air quality monitoring for larger highway construction projects; and
- Roadside vegetation barriers.

Improve Neighborhood Connectivity of Communities Adjacent to Highways

The purpose of this funding focus area is to fund mitigation measures that help reconnect communities and provide multimodal options to move along and across large urban corridors.

Examples would include:

- More sidewalks and bike paths along major corridors and local roads;
- Safer bike and pedestrian connectivity along busy urban streets; and
- Projects that reduce traffic speeds along busy urban streets.

Available Funding and Timeline

The NAAPME Board of Directors have allocated \$17.3 million in state fiscal year 2025 towards projects that will support communities throughout Colorado's ozone nonattainment area, supporting the focus areas and business purpose of the enterprise.

All applications must be able to provide no less than a **twenty percent (20%) match** to the award amount. An eligible applicant can apply for a hardship reduction waiver in the total required match, submitted to the Board of Directors for consideration and approval, which must be included in the final application submission. Early notification regarding the need for this provision is **highly encouraged**. Application for this waiver on the day of the final deadline or after awards have been finalized will not be accepted.

Minimum/Maximum Funding Requests

Schedule of Activities

- **September 30, 2024:** Notice of Funding Opportunity Opens
- **October 2024 through January 2025:** Open period for questions, technical assistance, and identification of engineering review of proposed project. Responses to specific questions to clarify requirements will be posted on the final business day of the month throughout the open period, with final posting of responses to occur by 5:00 PM Friday, January 24, 2025.
- **5:00 PM, January 31, 2025:** Deadline to Submit Draft Applications for Review
- **February through March 2025:** Technical review of applications and engineering review for infrastructure project feasibility.
- **5:00PM, March 31, 2025:** Deadline to Submit Final Applications with Engineering Review certification.
- **April 2025:** Applications evaluated by Enterprise staff
- **4:30PM, May 22, 2025:** Board of Directors review and award projects for the Fiscal Year 2025 notice of funding opportunity.
- **No Later than June 30, 2024:** Award Notices Sent to Applicable Parties

Eligibility

Eligibility for all projects and programs funded by the Enterprise are governed by Colorado Revised Statutes 43-4-1301, 43-4-1302, and 43-4-1303. Entities are eligible to apply for funding for their project if they meet the following criteria:

- Projects are eligible if activities in the submitted application meet the requirements for the funding program outlined by the Board of Directors and meet eligibility requirements set forth in [43-4-1302 C.R.S.](#) and federal statute. Eligible project types include:

- Bicycle and Pedestrian Facilities and Programs
- Transit Improvements
- Transportation Control Measures (TCM)
- Congestion Reduction & Traffic Flow Improvements
- Diesel Engine Retrofits & Other Advanced Truck Technologies
- Travel Demand Management
- Inspection/Maintenance (I&M) Programs

A full list of eligible activities is defined by the Federal Congestion Mitigation and Air Quality (CMAQ) Program. Please visit the Federal Highway Administration's [CMAQ Program Guidance Webpage](#) for more information.

- Projects must be located in or benefit the Colorado ozone nonattainment area.
- Eligible project sponsors meet eligibility criteria under [43-4-1302 C.R.S.](#) to apply for funding or partner with an eligible entity and have the authority to enter into a contract with the State.
- [Eligible project sponsors are in good standing with the Colorado Secretary of State](#), have no projects on the federal inactive list with the Colorado Department of Transportation or any local government within the nonattainment area, and have not had a non-compliance determination on a sub-allocated recipient audit/visit.
- Projects must demonstrate emissions reduction benefits in ozone precursors and report those benefits to the Enterprise, as a condition for approval.
Please see the technical appendix of the notice of funding opportunity for additional information regarding methodology, tools, and other assistance regarding this requirement.
- All applications for funding that propose to build transportation infrastructure (as defined by the Enterprise Board of Directors or State Statute) must complete a review of the project proposal for feasibility of their scope, to be included in their final application packet.
Please see the technical appendix of the notice of funding opportunity for additional information regarding this requirement. Any assessments must be completed by a

licensed civil engineer with the State of Colorado, employed by an entity identified by the Enterprise Board of Directors as being acceptable to conduct this analysis.

- A completed infrastructure project is open to the general public and meets the [accessibility standards of the Americans with Disabilities Act](#).
- A project must be in compliance with any other applicable local, state, or federal rules and regulations, as applicable.

Application Evaluation Criteria

The Nonattainment Area Air Pollution Enterprise is committed to ensuring that grant applications are evaluated fairly, expertly, and promptly, without inappropriate influences or conflicts of interest. The goal of the review process is to uphold its integrity and identify the most cost-effective, well-planned, and high-benefit projects that address the environmental impacts of transportation in communities across the Colorado Ozone nonattainment area. The technical aspects of applications will be evaluated based on the applicant's approach and understanding of the requirements. The assessment will consider whether the applicant's qualifications, experience, and past performance are likely to contribute to a successful, on-time project. This evaluation may also include a judgment on the potential risk of unsuccessful or delayed performance, and the expected amount of State resources necessary to ensure timely, successful project execution. Past performance information, as defined in C.R.S. §24-106-107 et.seq., may be used in the assessment. NAAPME has developed a thorough scoring and selection process to ensure fair selection of the most qualified applicants. This selection process is outlined below. The scoring criteria directly correlate with the required application components. All applications will be reviewed by Enterprise staff, with final award decisions made by the Enterprise Board of Directors. Applications that do not adhere to all the requirements may not be considered.

Evaluation Criteria	Total Evaluation Points
Demonstrates a total amount of emissions reduction benefits in ozone precursors from the project (as measured in kg/day).	25
Project is located within or supports a disproportionately impacted community as outlined in state statute and demonstrated outreach to engage with disproportionately impacted communities and how the project would help address identified needs and/or issues. This should include an articulation to what degree the project would improve	25

economic opportunities for individuals in disproportionately impacted communities.	
Demonstrates how the project meets the business purpose of the enterprise and its three funding focus areas and/or the objectives outlined with the specific enterprise funding program.	15
Project has been prioritized in an approved transportation improvement plan identified in state and or local statute, including the State 10-Year Plan or the Statewide Transportation Improvement Plan (STIP), Metropolitan Planning Organization Regional Transportation Plan or Transportation Improvement Plan (TIP), City and/or County Local Transportation Plan, or other applicable mid-term to long-term transportation plans.	15
Demonstrates likelihood of successful project delivery, including, but not limited to, commitment for long-term maintenance of infrastructure projects.	5
Demonstrates that the project or elements of the project improves the safety of the traveling public, especially vulnerable road users .	5
Demonstrates improvement in or expands transportation choice or improves neighborhood connectivity in the sponsor's region/community.	5
Quality of the Application, as defined in the evaluation criteria explanation section of the notice of funding opportunity.	5
Total possible evaluation points	100

Criteria Explanation:

TBD

Responsibilities of Project Sponsors

Quarterly Reporting

The enterprise is required by state statute to provide a public accountability dashboard, reporting on the progress of funding and projects funded by the enterprise. A requirement for receiving funds is for the project sponsor to provide quarterly reports to the Enterprise on a quarterly basis with the following information at a minimum:

- Expenditures to Date on Project, especially for NAAPME funds, whenever possible.

- Submit invoices that comply with the State of Colorado fiscal rules and and other applicable regulations.
- Provide a narrative update on the progress of the project, which at a minimum should indicate which stage the project is currently working on, as defined by the Enterprise.

Compliance with the Provisions of the State's Local Agency Manual & Process

The primary aim of the CDOT Local Agency Manual is to aid Local Agency personnel. This includes public agencies, local public agencies, established public-owned organizations, or private interests that can legally partner with CDOT on a transportation project. These personnel are involved in the design, construction, and management of State and Federally funded projects. The Manual is also suggested for CDOT personnel overseeing Local Agency projects. Please refer to the [Local Agency Desk Reference web page](#) for more information.

How to Apply

Responses must be submitted as specified in this announcement. Applications that fail to follow all of the requirements may not be considered.

General Information

This Notice of Funding Opportunity (NOFO) is issued by the Colorado Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME), also known as the "Enterprise". The NAAPME contact listed in these instructions is the only point of contact regarding this NOFO. Throughout the solicitation process, the Enterprise will communicate with applicants via phone, email, and notices on the NAAPME public website. Notices may include modifications to requirements or the announcement of the winning applicant(s). Applicants must monitor for such notices regularly and carefully.

- Applications must be received by the due date and time specified in the Schedule of Activities. Late applications may not be considered. Applicants are responsible for timely submission of their application.
- The Request for Application Cover Sheet & Signature Page must be physically or digitally signed by a person legally authorized to commit the applicant to the application. Failure to comply with this requirement may result in the application being deemed non-responsive.
- All submitted materials become the Enterprise's property and will not be returned unless the NOFO solicitation is canceled before the submission due date. In that case, applications will be permanently deleted from electronic records.

Submission of Application

Applications can be submitted electronically through the Enterprise's email system no later than the due date and time indicated in the Schedule of Activities. While an email submission is preferred, physical applications can be submitted through mail to the address listed in the contact information section. Applicants will not be reimbursed for postage. Faxed applications will not be accepted.

Applicants may make inquiries via email or phone call to obtain clarification of requirements concerning this NOFO. No inquiries will be accepted after the date and time indicated in the Schedule of Activities. Send all inquiries, with the exception of assistance to emissions reduction benefit reporting, to the contacts listed below.

Program Contact Information

Program contact name: Phil von Hake, NAAPME Grant Specialist

Program contact email: phil.vonhake@state.co.us

Program contact phone: 303-762-8547

Physical Address: % Phil von Hake - Grant Specialist

Nonattainment Area Air Pollution Mitigation Enterprise
2829 W. Howard Place
Denver, CO 80204

Clearly identify your inquiries with the specific part of the application and/or guidance the inquiry applies to. If your question relates to emission reduction forecasting, please contact the following:

Emissions Reduction Benefit Assistance

Contact: XXXXX

Contact Email: XXXXX

Contact Phone: XXXXX

Responses to applicant inquiries will be published as outlined in the Schedule of Activities by close of business on the date indicated. Applicants are not to rely on any other statements that alter any specification or other term or condition of the NOFO.

Part 1: Applicant Overview

1. Entity Legal Name and Address (Include city, state, zip)

2. Primary Project Manager (person responsible for managing the project)

a. Name and Role: _____

b. Project Manager Email: _____

c. Project Manager Phone: _____

3. Secondary Project Contact (define the individual's role)

a. Name and Role: _____

b. Secondary Project Contact Email: _____

c. Secondary Project Contact Phone: _____

4. **Procurement.** By completing and submitting this application, you acknowledge that if awarded, the use of grant awards will be in compliance with your entity's procurement standards that identify appropriate procedures to ensure projects are procured through an open, equitable and competitive process. **Please describe your process:**

5. Does applicant meet eligibility criteria under [43-4-1302 C.R.S.](#) to apply for funding or partner with an eligible entity and have the authority to enter into a contract with the State of Colorado? Yes No

6. [Is applicant in good standing with the Colorado Secretary of State](#), has no projects on the federal inactive list with the Colorado Department of Transportation or any local government within the Nonattainment Area, and has not had a non-compliance determination on a sub-allocated recipient audit/visit? Yes No

Part 2: Project Overview

1. **Project Title:** _____

2. **Project Category (choose at least one): ***

- | | |
|---|--|
| <input type="checkbox"/> Bicycle/Pedestrian Facilities and Programs | <input type="checkbox"/> Diesel Engine Retrofits & Other Advanced Truck Technologies |
| <input type="checkbox"/> Transit Improvements | <input type="checkbox"/> Travel Demand Management |
| <input type="checkbox"/> Transportation Control Measures (TCM) | <input type="checkbox"/> Inspection/Maintenance (I&M) Program |
| <input type="checkbox"/> Congestion Reduction & Traffic Flow Improvements | |

* Additional project categories TBD

3. **Project Location** (e.g., Address(es), Route with start & end points, etc.),
And verification that this project is within and/or serves Colorado's Ozone Nonattainment Area.

4. **Property Interest.** Define ownership for the project improvement site, including easements.

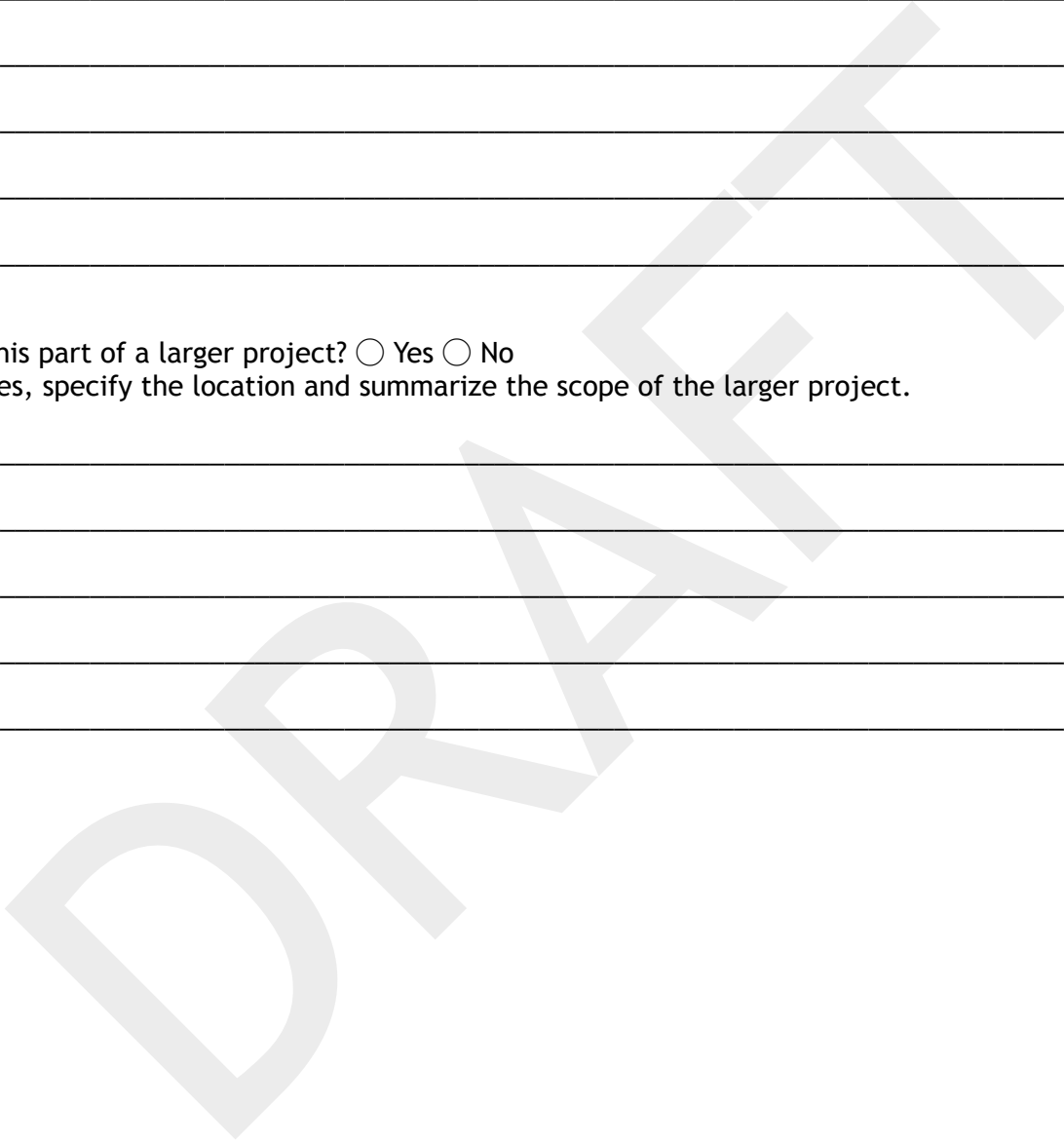
5. Describe any review by the applicant or by other agencies (including CDOT) required as part of this project.

6. Does this project encroach on CDOT Right-of-Way or involve a CDOT roadway?
 Yes No If yes, have you submitted a [Special Use Permit](#)? Yes No

7. If this is an infrastructure project, will it be open to the general public and meet the [accessibility standards of the Americans with Disabilities Act](#)? Yes No N/A

8. **Project Summary.** Summarize the objective for your project (no more than two paragraphs).

9. Is this part of a larger project? Yes No
If yes, specify the location and summarize the scope of the larger project.



Part 3: Grant Funds Scope & Financials

1. NAAPME Grant Scope Deliverables

What items are included in the project you seek grant funds for? Include only elements that would be funded by NAAPME and the required 10% match; do not include elements funded by other sources. (for example: constructing new sidewalks; adding new pedestrian lighting; temporary traffic control)

#	Individual Deliverable	Description
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

2. **Costs.** Please provide the estimated or expected cost for items included in the scope you seek grant funds for. Include only elements that would be funded by NAAPME and the required 20% match.

a. Your Labor & Owned Asset Costs: (for example: project manager; bulldozer)

#	Employee Classification Or Asset Item	Hourly Rate	Estimated Total Hours	Estimated Total Cost
1				
2				
3				
4				
5				

Total Labor & Owned Asset Costs: \$ _____

b. Vendors, Subcontractors, Materials, Equipment, and Other Costs (for example: construction company x; concrete; landscaping materials; bike rack)

#	Item Description	Vendor (if known)	Quantity	Total Cost
1				
2				
3				
4				
5				

Total Vendor/Subcontractor/Materials/Equipment/Other Costs: \$ _____

Total Combined Amount (a + b): \$ _____

Part 4: Grant Funds Project Narrative

Provide qualitative and quantitative responses to the following questions.

1. **Emissions Reductions (25%):** How much would this project reduce ozone-precursor emissions (in kg/day)? Summarize and attach any models or estimates you may have.

2. **Disproportionately Impacted (DI) Communities (25%)**

- a. Is this project in or supports a DI Community (per state statute)? Yes No
How to answer this question: Please find the project location on the [EnviroScreen map](#).^{*}
Guidance regarding how to use the tool is here: [EnviroScreen Tool Directions](#).^{*}
Please include a screenshot of the results from the [EnviroScreen Tool](#).^{*}
^{*} or CDOT's Transportation Equity Assessment and Management Scorecard (TEAMs) tool.

- b. Whether or not the project is in a DI Community, how will this project support and benefit disadvantaged populations? Include a description of the disadvantaged populations and why they are considered disadvantaged.

- c. What outreach was done to engage this community?

- d. To what degree would this project improve economic opportunities in this community?

3. NAAPME Focus (15%)

Describe how this project meets the business purpose of the Nonattainment Enterprise and its [funding focus area](#):

4. Project Integration (15%)

Has this project been prioritized in an approved transportation improvement plan identified in state and or local statute, e.g.:
the State 10-Year Vision Plan,
the Statewide Transportation Improvement Plan (STIP),
a Metropolitan Planning Organization Regional Transportation Plan or Transportation Improvement Plan (TIP),
a City and/or County Local Transportation Plan,
or other applicable mid-term to long-term transportation plan(s)?

5. Safety (5%)

Describe how this project would improve the safety of the traveling public, especially [vulnerable road users](#).

6. Connectivity (5%)

Describe how this project would improve or expand transportation choice and/or improve neighborhood connectivity.

Part 5: Verification, Attachments & Submission

Scope of Work & Financials Verification

If an award is approved, this document represents the scope of the work and costs for the project. By signing this, the applicant has reviewed the application to ensure it represents the necessary project elements required for execution. Scope of work change requests may be submitted once the project has begun, only if unexpected changes occur after the project has commenced. Note: scope of work changes may or may not be approved once submitted to CDOT, so plan accordingly.

Signature: _____ Date: _____

Applicable Laws. By completing and submitting this application, you acknowledge the grantee's President, Chief Elected Official (Mayor or County Commission Chair) or City/County Manager or equivalent, has certified they support this grant request to be submitted for funding and will follow all State fiscal policies, and state and federal regulations (including the [Americans with Disability Act](#)) for your entire project, if awarded.

Required Attachments. This checklist consists of the required attachments to be submitted:

- Relevant map for the project site. Highlight the portion of the project that is requesting grant funds to implement.
- Project concept design, if completed.
- Current state clear photographs of the project site.
- Emissions Reductions estimates (e.g., from CMAQ, MOVES, etc.).
- If a project has no documented connection to a master or community plan, letters of support or public involvement documentation may substitute as attachments to show community support.
- Screenshot of the results from the [EnviroScreen Tool](#)/TEAMS Tool, produced per directions in the [EnviroScreen overview](#)/TEAMS Tool.

Submission

Completed & signed applications with required attachments must be emailed to be considered for review by this round's deadline date:

cdot_nonattainmententerprise@state.co.us

Additional information:

Website: naapme.codot.gov

Email: cdot_nonattainmententerprise@state.co.us



COLORADO

Department of Transportation

Nonattainment Area Air Pollution
Mitigation Enterprise

Memorandum

To: Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) Board of Directors

From: Darius Pakbaz, NAAPME Program Administrator

Date: 27 June 2024

Subject: Program Administrator Update

Overview:

This workshop will provide the Board an update of the current financial status of the Enterprise as well as potential future discussion items and other notable items related to the Enterprise.

Proposal(s) / Recommendation(s):

No recommendations at this time.

Actions By Others:

N/A

Previous Discussions / Actions:

N/A

Proposed Motion(s):

N/A

Attachments:

Presentation - Program Administrator Update - June 2024

Attachment C - NAAPME Budget to Actuals Report - May 2024

Additional Information:

Please contact [Darius Pakbaz](mailto:Darius.Pakbaz@colorado.gov) (720.241.8097) for further information.



Enterprise Budget and Program Updates

Darius Pakbaz, NAAPME Program Administrator



Board Meeting Schedule

Upcoming Board of Directors Meeting Dates (held virtually and at 3:00 - 4:30 PM, unless otherwise noted):

- July 25, 2024
- August 29, 2024* (Thursday before Labor Day Weekend)
- September 26, 2024
- October 24, 2024
- December 5, 2024



Enterprise Program Update

Future Board of Directors Meeting Business

- **July 25, 2024, Board of Directors Meeting**
 - Discussion on Funding Options for Larger Grant Program
 - Continued discussion on Small Grant Funding Opportunity
- **August 29*, 2024, Board of Directors Meeting**
 - Potential decision on Small Grant Funding Opportunity
 - Discussion on Funding Options for Larger Grant Program
- **September 26, 2024**
 - Potential decision on Small Grant Funding Opportunity
 - Authorize Staff to open call for projects starting on September 30, 2024.



Cadence and Schedule Meetings for FY25

July 25, 2024	January 23, 2025
August 29, 2024	February 27, 2025
September 26, 2024	March 27, 2025
October 24, 2024	April 24, 2025
No Meeting in November 2024 *	May 22, 2025 *
December 5, 2024 *	June 26, 2025
* Adjusting for holidays	
**Proposed Date for Joint Lunch with Transportation Commission	



Adjournment

NAAPME Board of Directors Chair