

DEPARTMENT OF TRANSPORTATION
FY 2024-25 JOINT BUDGET COMMITTEE HEARING AGENDA

Friday, December 8, 2023

10:30am - 12:00pm

10:30-10:35 Introductions and Opening Comments

Main Presenter:

- Shoshana Lew, Executive Director

10:35-11:00 General Funding Overview and ARPA Spending Status

Main Presenters:

- Shoshana Lew, Executive Director
- Jeff Sudmeier, Chief Financial Officer

Topics:

- General CDOT funding overview, Slides 4 to 6
- Discussion of Common Question 1: Pages 1-3 in packet, Slide 7

11:00-11:20 Asset Management Plan and State of Good Repair

Main Presenters:

- Keith Stefanik, Chief Engineer
- John Lorme, Management Div. of Maintenance and Operations

Topics:

- Discussion of CDOT's asset management program, Slides 9 to 20, Slides 22 to 24.
- Discussion of the Department's role in managing roadside litter/clean up and who bears responsibility, Slide 21
- CDOT's role in managing homeless encampments on CDOT's right of way: Page 4-5, Questions 5 in the packet, Slide 21

11:20-11:40 SB 23-268 and Ten Year Plan Reporting Updates

Main Presenters:

- Jeff Sudmeier, Chief Financial Officer
- Keith Stefanik, Chief Engineer

Topics:

- Discussion of CDOT's 10-Year Plan data and reporting requirements: Slides 26 to 32

11:40-12:00 Transit Zero Fare Programs and *Broadband Connectivity & Fiber Optic Cable Costs*

Main Presenters:

- Jeff Sudmeier, Chief Financial Officer
- Allie Axley, Program Management III

Topics:

- Discussion regarding Multi-modal Transportation and Mitigation Option Fund (MMOF) to fund to pay for Governor's Free Fare for Better Air program: Page 5-6, Questions 6 in the packet, Slides 33
- Discussion regarding right-of-way for fiber optic cable install and costs, (particularly in rural areas of Colorado) as well as CDOT's role related to broadband connectivity. Page 6-7, Questions 7 in the packet, Slides 34-38

Department of Transportation
FY 2024-25 Joint Budget Committee Hearing
Friday, December 8, 2023
10:30am - 12:00pm

Common Questions for Discussion at Department Hearings

Question 1. Please describe one-time state and federal stimulus funds that have been allocated to the Department but are not expended as of September, 30, 2023, by bill, budget action, executive action, or other source that allocated funds. The description should include but is not limited to funds that originate from one-time or term-limited General Fund or federal funds originating from the American Rescue Plan Act (ARPA)/State and Local Fiscal Recovery Funds/Revenue Loss Restoration Cash Fund. Please describe the Department's plan to obligate or expend all allocated funds that originate from ARPA by December

Please further describe any budget requests that replace one-time General Fund or ARPA funded programs with ongoing appropriations, including the following information:

- a. Original fund source (General Fund, ARPA, other), amount, and FTE;**
- b. Original program time frame;**
- c. Original authorization (budget decision, legislation, other);**
- d. Requested ongoing fund source, amount, and FTE; and**
- e. Requested time frame (one-time extension or ongoing).**

The Department received \$343,500,000 of State and Local Fiscal Recovery Funds (SLFRF) as a one-time transfer in FY 2021-22 per SB 21-260 Sustainability of the Transportation System. \$161,340,000 was transferred into the Multimodal Transportation and Mitigation Options Fund (MMOF) pursuant to §43-4-1103 (1)(a), CRS, and \$182,160,000 was transferred into the State Highway Fund (SHF) pursuant to §43-1-219, CRS. From the funds within the MMOF, \$14,500,000 was subsequently transferred to the Front Range Passenger Rail District.

ARPA Funding Allocations and Expenditures - September 2023

Funding Source	Allocated Amount (millions)	Expended Amount (Millions)
Shovel Ready Projects	\$159,500,000	\$41,637,664
Burnham Yard	\$500,000	\$500,000
Revitalizing Main Streets (RMS)	\$22,160,000	\$1,686,260
Multimodal Transportation and Mitigation Options Fund (MMOF)	\$146,840,000	\$2,791,553
Front Range Passenger Rail District	\$14,500,000	\$766,079
Totals	\$343,500,000	\$47,381,556

As of September 2023, the Department has spent 13.8% of the total ARPA allocation. This rate of expenditure is in line with the project delivery process for the programs that received funding. All programs, including the Revitalizing Main Streets program and MMOF, have fully awarded the funds and the Department is well positioned to deliver all of the projects within the timelines. To date, the encumbrances and expenditures show slow progress because the up front pre-construction and planning work and the Intergovernmental Agreement processes take time to complete. Once these programs are advertised and contracted, the expenditures will accelerate. The construction phase for the delivery of the projects that were selected is underway and the majority of expenditures are anticipated to occur primarily throughout the summer construction seasons in 2024 and 2025.

ARPA funded programs have designed detailed guidelines for managing these projects to ensure full encumbrance and expenditures by the deadlines. ARPA grant funded projects will be regularly monitored and assessed for risk level of achieving the required fiscal deadlines. Each project's risk level is assessed by the project manager (PM) in consultation with their supporting planning staff and/or program managers. This risk assessment has three components which will be regularly reviewed and updated as necessary. This includes: (1) The risk-level is rated on a scale from Low-Medium-High (2) The issue, obstacle or condition(s) that cause the identified risk level must be identified; and (3) A "make-or-break" deadline should be identified by which the issues or obstacles must be remedied. This is the date the PM determines the project must accomplish a specific milestone before the PM recommends the project award will be rescinded. Projects deemed to have risk will have one or more strategies executed until the risk has been mitigated or eliminated. The Department has outlined multiple management strategies that will be employed to eliminate the risk of not fully encumbering or expending the funds.

The Department has no budget requests that replace one-time General Fund or ARPA funded programs with ongoing appropriations.

Question 2. Please provide a description, calculation, and the assumptions for the fiscal impact of implementing compensation provisions of the Partnership Agreement, as well as a qualitative description of any changes to paid annual, medical, holiday or family leave as a result of the Agreement. Please describe any compensation and leave changes for employees exempt from the Agreement if applicable.

Category	FY23 Total
Salary Survey (budgeted)	\$5,514,808
Steward Time	651.5 Hours
Tuition	\$40,500*
Parking/Transit/Commuter	\$51,659
Holiday Pay	\$258,367**
Paid Family Medical Leave	\$1,443,744

*-CDOT has a robust tuition reimbursement program that the agency has utilized prior to the execution and implementation of the Partnership Agreement. The FY 23 approved tuition costs are listed in the table above.

** -These were the amounts paid by the Department for these categories based on a general ledger account. Holiday pay includes premium holiday time. Holiday premium pay was provided to CDOT employees prior to the Partnership Agreement implementation.

Leave Accrual Maximum: Based on anecdotal evidence, the higher leave accrual maximum amounts outlined in the Partnership Agreement have had a positive impact on employee morale, including employee recruitment and retention. Though CDOT is unable to determine the direct fiscal impact of this specific item, it is part of the holistic compensation and benefits package the agency provides to employees.

Paid Family Medical Leave: Paid family medical leave was increased from 80 to 160 hours prior to the implementation of the Partnership Agreement. There have been increased costs due to the increased hours of Paid Family Medical Leave offered to employees.

The agency has seen an increase to salary and benefits costs related to staffing the Labor Relations unit in the Division of Human Resources (4.0 FTE). This work unit supports CDOT in

implementing the Partnership Agreement requirements as well as provides training and technical guidance to employees.

Question 3. Provide a prioritized list of budget reductions the Department would propose if 10.0 percent General Fund appropriation reductions were required of every Department.

Answer - CDOT appreciates the question and the desire to partner with the Department on identifying reductions. On November 1st the Governor submitted a balanced budget that provided decision items for increases and reductions that CDOT spent over half a year to identify and prioritize across the entire Executive Branch. The proposed budget is balanced, maintains a reserve of 15%, and does not require a 10.0 percent reduction in the General Fund to balance. If the economic conditions change the Governor will take action to propose reduced expenditures and submit a plan to address the shortfall to the General Assembly. If the Joint Budget Committee wants feedback on specific reduction proposals, CDOT welcomes the opportunity to work with JBC staff on estimating the impacts and tradeoffs of those proposals.

Sub-Topic 1: Litter and Encampments in CDOT's Right of Way

Question: [Sen. Zenzinger] What is the Department's role in managing roadside litter and roadside cleanup? Does the Department have responsibility for this work? On which roads?

Answer: The term "litter" is used to describe all rubbish, waste material, refuse, garbage, trash, debris, or other foreign substances, solid or liquid, of every form, size, kind, and description. Litter can harm the environment and negatively impact road safety and the state's natural beauty. CDOT is the agency responsible for roadside cleanups of major state highways, and that's where a lot of the littering occurs.

During FY 2022-23, CDOT maintenance crews disposed of 51,729 cubic yards of trash (that equals 1,725 trash trucks). This cost CDOT's maintenance budget \$7,027,225.00.

CDOT has several programs in place to decrease the amount of litter. The frequency of pickup varies from twice a month to once a year, depending on the route and operational priorities. CDOT also partners with the Department of Corrections to concentrate more clean-up operations on major metro highways; like I-270, I-76, I-225, I-25, and I-70. DOT maintenance crews participate in "Litter Sweep" on an annual statewide roadside litter cleanup usually scheduled for June each year.

The "Adopt A Highway Program," is a joint effort between the community and the CDOT. The idea is to decrease the amount of litter on Colorado's roadsides and improve the beauty and quality of the environment. CDOT also has a statewide "Sponsor-A-Highway Program" that provides a means for businesses, individuals, and other organizations to participate in beautifying and environmentally enhancing interstate highways by sponsoring roadside litter removal.

Anyone who spots someone littering and wants to report it can contact the Department using [codot.gov](https://www.codot.gov).

Question: [Rep. Bird] Please provide additional detail on the Department’s role in managing homeless encampments on the CDOT’s rights of way. Who deals with that? What is the workload?

Answer: Homeless encampment often creates safety and infrastructure hazards for CDOT maintainers, motorists, and the individuals in and around the encampments, CDOT spends significant resources trying to prevent, remove, and remediate campsites throughout the year. The Colorado Department of Transportation removed four to five homeless camps a week during the summer and one or two in the winter months.

Each maintenance section responds to complaints as they receive them. CDOT places “no trespassing” signs at locations seven days before scheduled cleanups. If encampments are located where signs exist, a cleanup administrator posts a seven-day notice, similar to an eviction notice.

Operations are planned and coordinated with local law enforcement, homeless advocacy groups, and local government service providers. Each county and municipality has different processes, and CDOT conducts operations in accordance with local laws/procedures. Since homeless encampments have major impacts on local communities adjacent to CDOT highways, CDOT has entered into IGAs (agreements), that allow local governments to remove and remediate campsites on behalf of CDOT. This often takes place on CDOT’s secondary and tertiary highways.

CDOT has had to increase the resources needed to clean up homeless camps in the past few years. This includes hiring an administrator to coordinate homeless encampment cleanups in the metro area, designating special equipment, providing special PPE like Kevlar gloves, face shields, and HAZMAT training.

Sub-Topic 2 - Free Fare for Better Air and Broadband Connectivity

Question: [Sen. Zenzinger] The Governor is trying to make the Free Fare for Better Air program permanent. Are they proposing to move the money from the Multi-modal Transportation and Mitigation Options Fund (MMOF) into this use? How is the Department proposing to pay for that change, and how will it affect the revenues available for other uses?

Answer: The discussions about funding the Free Fare for Better Air program are ongoing. One potential option to fund this program is to utilize ARPA funds in FY 2024-25 in an effort to accelerate the State’s obligation and expenditure of ARPA funds and reduce the risk of any ARPA balances missing obligation and expenditure deadlines (December 31, 2024 and December 31, 2026, respectively) and being rescinded. Because of the time it took for Transportation Planning Regions (TPRs) across the State to select MMOF projects for the large amount of one-

time ARPA funding, the obligation and expenditure of MMOF projects is currently lagging behind the year of funds programmed. Since the MMOF has an ongoing funding source via the Retail Delivery Fee and an annual General Fund transfer, it is possible that a portion of MMOF funds (specifically a portion of the ARPA funds) could be reallocated on a one-time basis without affecting current planned projects. This solution would require legislative action and the Department looks forward to partnering with the legislature to find the best solution.

While this may be an option for FY 2024-25, the MMOF could not serve as an ongoing source of funding for the Free Fare program without significantly impacting or eliminating future state or local project allocations. The majority (85%) of MMOF funding is allocated to local projects selected by the TPRs. The 15% directed by CDOT is utilized to support the expansion of Bustang. While SB 21-260 allocated a significant amount of upfront funding to the MMOF, ongoing funding levels are much lower- with FY 2024-25 revenues estimated to total approximately \$18.5 million.

Question: [Sen. Bridges / Rep. Taggart] Please provide the following information: Please explain rights-of-way for fiber optic cable and other uses to enable companies to put in said cables and discuss associated costs to connect in rural areas of Colorado. Furthermore, explain why the costs to connect are so prohibited? Please discuss CDOT's work related to broadband connectivity.

Answer: Colorado statutory law addresses telecommunications providers' access to public rights-of-way in C.R.S. §§ 38-5.5-102 through 109, but any limitation contained in these statutes on what telecommunications providers can be charged applies only to local government entities and political subdivisions. These limitations do not apply to CDOT because CDOT is a principal department of the State of Colorado and is neither a "political subdivision" or "local government entity" as defined in C.R.S. § 38-5.5-102(5). The fact that the Colorado Legislature meant to exclude CDOT from the fee limitations contained in C.R.S. § 38-5.5-102, et. seq. is made clear by listening to pertinent legislative history recording.

Several other provisions in state law clearly focus on CDOT receiving valuable consideration for use of state highway right-of-way. Per C.R.S. § 43-1-1201, et al, CDOT can enter into a non-exclusive public-private initiative partnership agreement with a telecommunications company but must either receive a commensurate contribution for the use of CDOT's right-of-way or be able to offset the benefit that the private telecommunications company will be receiving with a public benefit. In addition, federal and state law also requires CDOT to obtain fair market value for the use and disposal of state highway right-of-way. See e.g., C.R.S. §43-1-210(5).

CDOT has proposed three versions of a fee structure to satisfy the requirements in the Governor's Executive Order (EO D-2022-0009) and corresponding legislation (SB22-083) passed in 2022. CDOT has reduced the fee structure by around 90% from the initial proposals. Specifically the fee structure, as proposed today, would cost third parties using CDOT ROW for their own fiber installations an initial fee of \$0.05 per foot for permitting costs and a \$0.03 per foot as an annual property use surcharge. (For the nine Colorado counties with

populations over 200,000, the annual fee would be \$0.10 per foot). These rates are consistent with fair market data from the Bureau of Land Management and United States Forest Service (USFS). CDOT pays similar rates for CDOT fiber through USFS land. This proposal assumes that the fair market value fees would offset costs associated with the additional strains on CDOT infrastructure. CDOT would also require companies to initiate bonding agreements to cover the costs of any significant infrastructure damage.

The currently proposed fee structure is a secondary option for entities wishing to access CDOT ROW for fiber installations. The first option is through the Public Private Partnership Initiative where CDOT is typically compensated with in-kind infrastructure for access to ROW for third party fiber installation; this option requires an agreement with CDOT. The fee structure is a secondary option that simplifies the process by utilizing Utility/Special Use permitting processes and provides a consistent structure to compensate CDOT for the use of ROW for third party fiber installations. Finally, CDOT also supports broadband efforts by leasing excess dark capacity of CDOT-owned fiber to third parties who leverage CDOT's dark fiber network to make middle mile connections.



COLORADO

Department of Transportation

2023 CDOT Joint Budget Committee Hearing

December 8, 2023



CDOT Presenters

- Shoshana Lew, Executive Director
- Jeff Sudmeier, Chief Financial Officer
- Keith Stefanik, Chief Engineer
- John Lorme, Director of Maintenance
- Allie Axley, ITS Branch Manager



Overview

- General Funding Overview and ARPA Spending Status
- Asset Management Plan and State of Good Repair
 - ROW Maintenance (Litter Clean up)
- SB 23-268 and Ten Year Plan Reporting Updates
- JBC Information Requests
 - Transit Zero Fare Programs
 - Fee Structure for Accessing CDOT ROW for Fiber Installation



CDOT Funding FY 2024-25

Federal Programs \$849.9 million

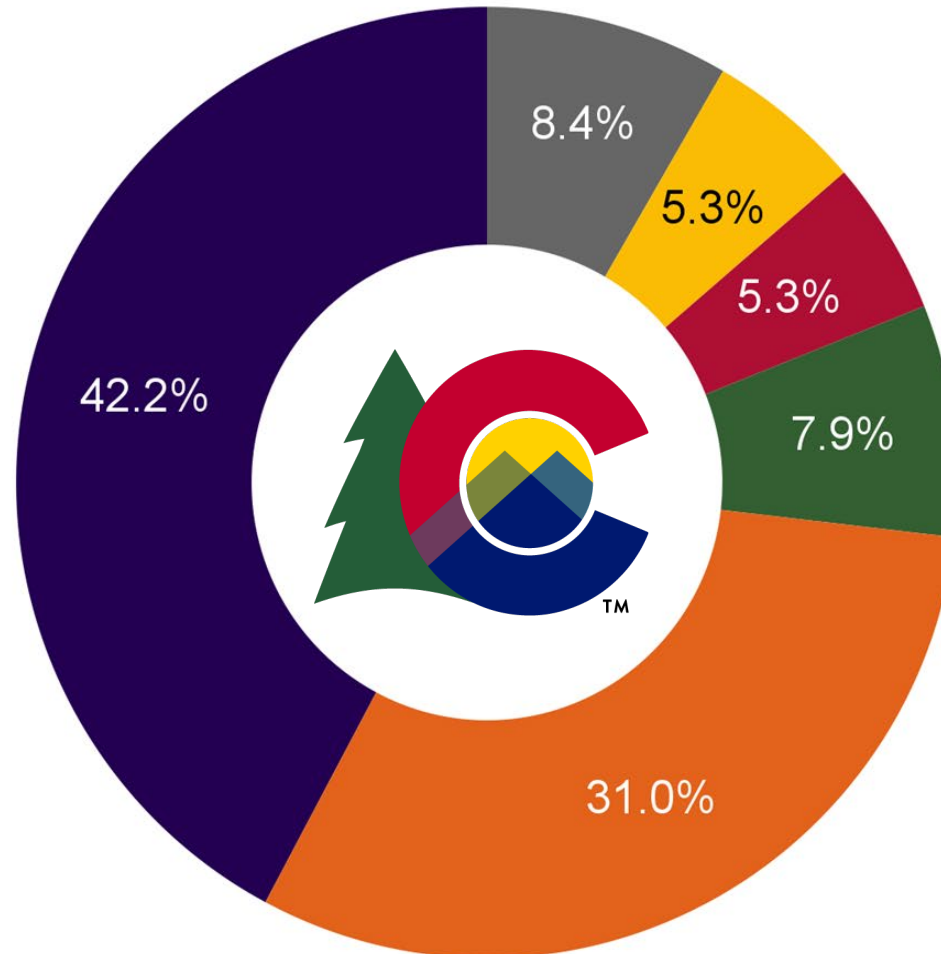
18.4 cents per gallon paid at the pump, General Fund

Highway Users Tax Fund \$623.5 million

Fuel Taxes and Fees, vehicle registrations, traffic penalty revenue, FASTER, Retail Delivery Fee

Bridge & Tunnel Enterprise \$158.8 million

FASTER Fees, Bridge Impact Fee, Retail Delivery Fees



Other State Funds \$168.4 million

Aviation fuel taxes, appropriated special programs, miscellaneous revenue, Clean Transit Enterprise, Nonattainment Enterprise, Fuels Impact Enterprise

Legislative Initiatives \$107.5 million

General Fund Transfers to the State Highway Fund, Capital Development Committee funds

Colorado Transportation Investment Office \$105.7 million

Tolling and managed lane revenue



CDOT Funding FY 2024-25

Federal Programs - FHWA, FTA, NHTSA

- Provides majority of funding for CDOT capital construction program
- Provides funding for local pass-through programs including transit grant programs
- Maintenance, Operations, Administration generally not eligible for funding (except in case of transit operations)

State HUTF

- Provides funding for Maintenance, Operations, Administration and Debt Service (non-federally eligible costs)
- Provides funding to help achieve required federal match on capital construction program

State HUTF (FASTER)

- Provides funding for safety focused capital construction improvements through the CDOT FASTER Safety Program and CDOT asset management program
- Provides \$10 M set-aside for statewide transit grants

Bridge and Tunnel Enterprise

- Provides dedicated funding to address the repair, replacement and maintenance of designated bridges and tunnels.

Other State Funds/Legislative Initiatives/CTIO

- Provides funding for very specific statutorily-directed improvement or investment types including aeronautics grants, local multimodal improvements, transit fleet electrification, etc.



CDOT Funding Allocations FY 2024-25

Multimodal Services \$60.0 million

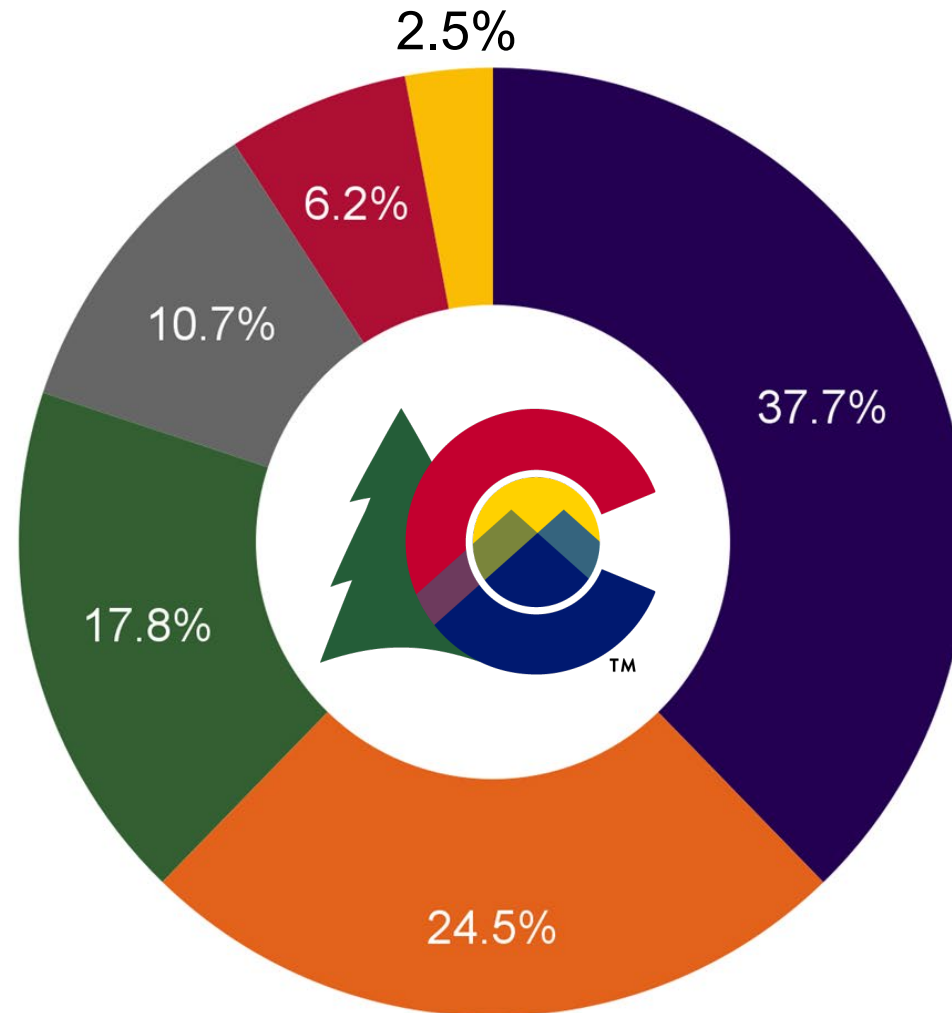
Innovative Mobility, NEVI, 10-Year Plan Projects (Transit), Rail Commission, Bustang

Administration and Agency Operations \$124.7 million

Appropriated Administration budget, agency operations and project initiatives

Other Programs, Debt Service, Contingency Funding \$216.0 million

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



Capital Construction \$759.9 million

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

Maintenance and Operations \$494.3 million

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

Suballocated Programs \$358.9 million

Aeronautics funding, sub allocated federal programs, Revitalizing Main Streets



ARPA Spending Status

- As of September 2023, the Department has spent 13.8% of the total ARPA allocation
- This rate of expenditure is in line with the project delivery process for the programs that received funding
- All programs have fully awarded the funds and the Department is well positioned to deliver all of the projects within the timelines

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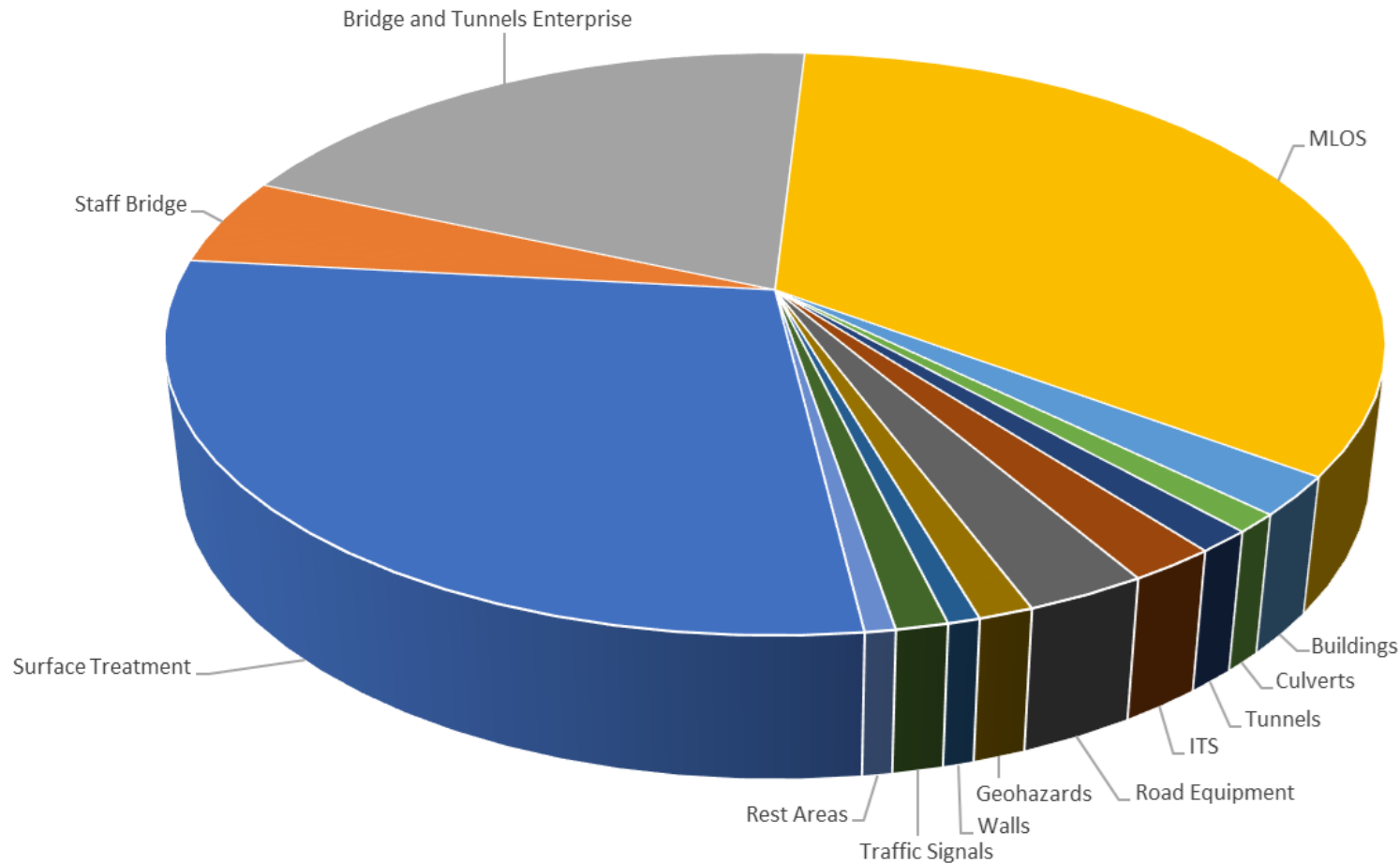


Asset Management Plan and State of Good Repair Updates



FY2024-25 Asset Management Funding

Asset Management Funding Distribution by Asset (\$788M)



- Surface Treatment, Staff Bridge, Bridge and Tunnel Enterprise, & MLOS = \$686 million
- All other Assets = \$102 million



Historical Policies and Budget Decisions

- 2001-2007: T-REX project: \$1.67 billion (2001 dollars)
- 2011-2012: Usability life to drive-ability life shift in paving models
 - Policy designed to limit expenditures on low-volume roads
- 2018-2023: Central 70 project: \$1.2 billion
- 2019-2026: I-25 North Segments 5-8: \$1.5 billion (not including total Segment 5 costs)
- 2019-2020: CDOT 10 Year Plan: \$862 million Rural Paving Program
 - FY 23 Bustang budget: \$16.6 million
- Large budgetary commitments and policy changes affect CDOT's ability to devote resources to other competing priorities, including road condition and preventative maintenance



Commitment to Rural Roads - 2022

- **538 miles** of rural roads improved through CDOT contracted projects and maintenance activity
- **140.27 miles** repaved in Southeast CO
- **264.21 miles** repaved in Northwest CO
- **15.7 miles** repaved in Northeast CO
- **61 miles** repaved in Southwest CO





Fixing Poor Interstate Pavement

- In early 2023, Director Lew requested a plan to improve interstate pavement rated “poor” under National Performance Measures since federal funding is restricted if 5% “poor” is exceeded
- This supports a key Transportation Commission goal of improving our national standing ranking regarding interstate condition [2021 = 158 lane miles (3.9%)] of Colorado interstates were classified as “poor”
- Strategic initiative to improve Interstate pavement condition was presented by CDOT staff at the February 2023 TC Workshop and included a funding need of \$233.7 million
 - CDOT staff identified \$217.5 million (93%) through existing funding and a series of Transportation Commission approvals
 - The identified funding will repair 88 of 143 lane miles of poor interstate
 - CDOT staff continues to explore options to fund the remaining \$16.2 million



\$35 Million Additional Pavement Investment

- In December 2022, the Transportation Commission approved a \$10 million for Strategic Pavement Preservation
 - Improvements to pavement condition utilizing low cost/high benefit treatments including chip seals and crack sealing
 - \$2 million allocated to each CDOT Region
- In April 2023, the Transportation Commission approved \$25 million for Post-Winter Critical Pavement Repair
 - Funding to improve road conditions after one of the most intense winters in recent decades resulted in damage to segments of roads beyond what they normally sustain each year



King Area patrols working along US 160 west of Durango



Strategic Pavement Preservation - \$10 Million



Number of
Project
Locations

38

Project
Delivery
Methods

- CDOT Maintenance Forces (29)
- M-Projects (4)
- IDIQ Contracting (5)

Lane Mile
Years
Added to
System

1029

Projects
Completed

47%



Post-Winter Critical Pavement Repair - \$25 million



Number of
Project
Locations

12

Project
Delivery
Methods

- CDOT Maintenance Forces (7)
- M-Projects (2)
- IDIQ Contracting (1)
- Highway Construction Projects (2)

Lane Mile
Years Added to
System

624

Program
Completion

97%



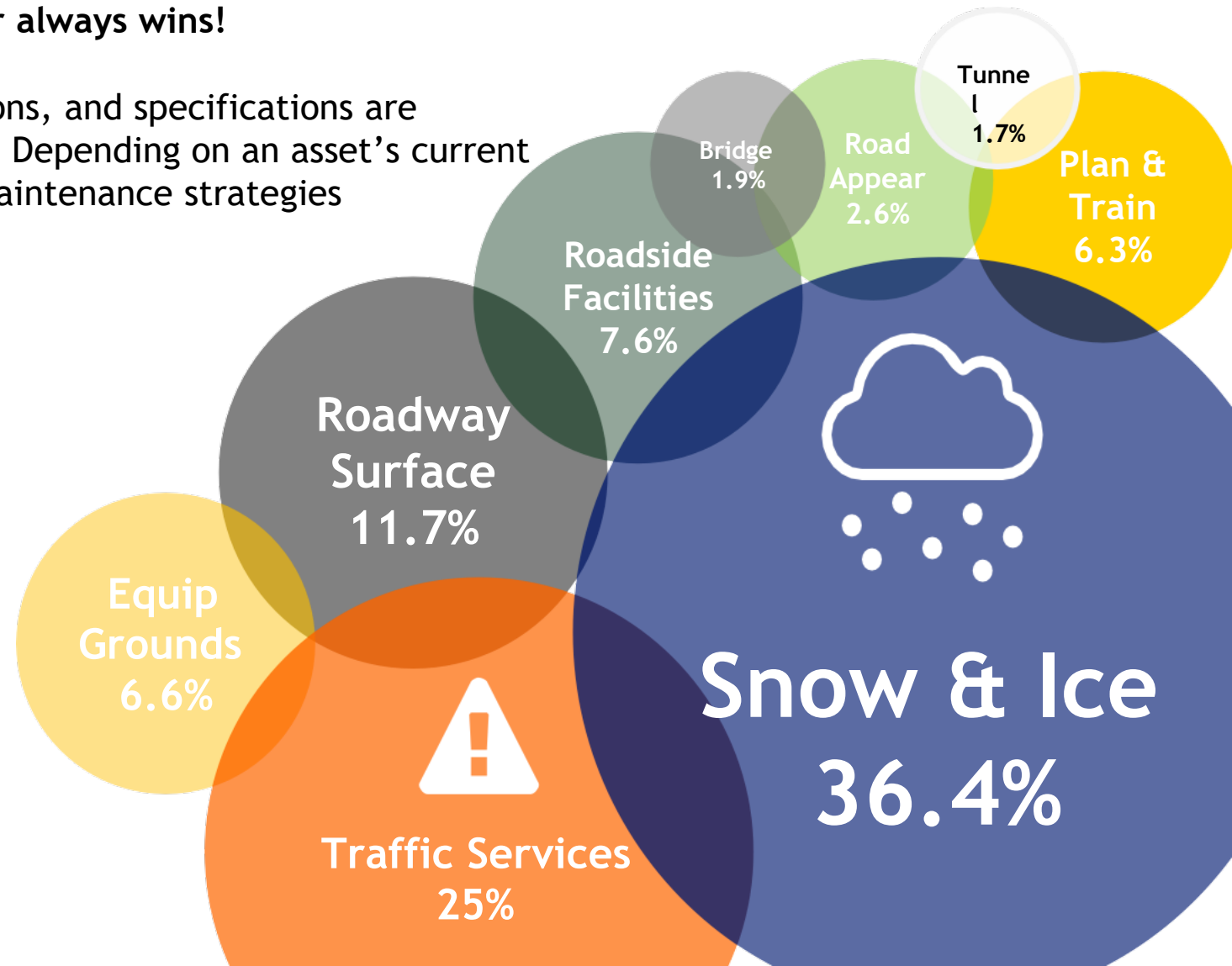
Maintenance Level of Service (MLOS)

Any thing of value requires maintenance, but winter always wins!

Once assets are identified and their locations, conditions, and specifications are known, a basic maintenance care plan can be created. Depending on an asset's current condition, importance, and risk of failure, different maintenance strategies should be employed.

- Best Practices -

- ✓ Direct Leadership (TMII and Up)
- ✓ Close budget management
- ✓ Correct work order reporting (reduce reporting mistakes)
- ✓ Control overtime costs
- ✓ Calibrate equipment & preventive maintenance
- ✓ Reduced turnover/improved training



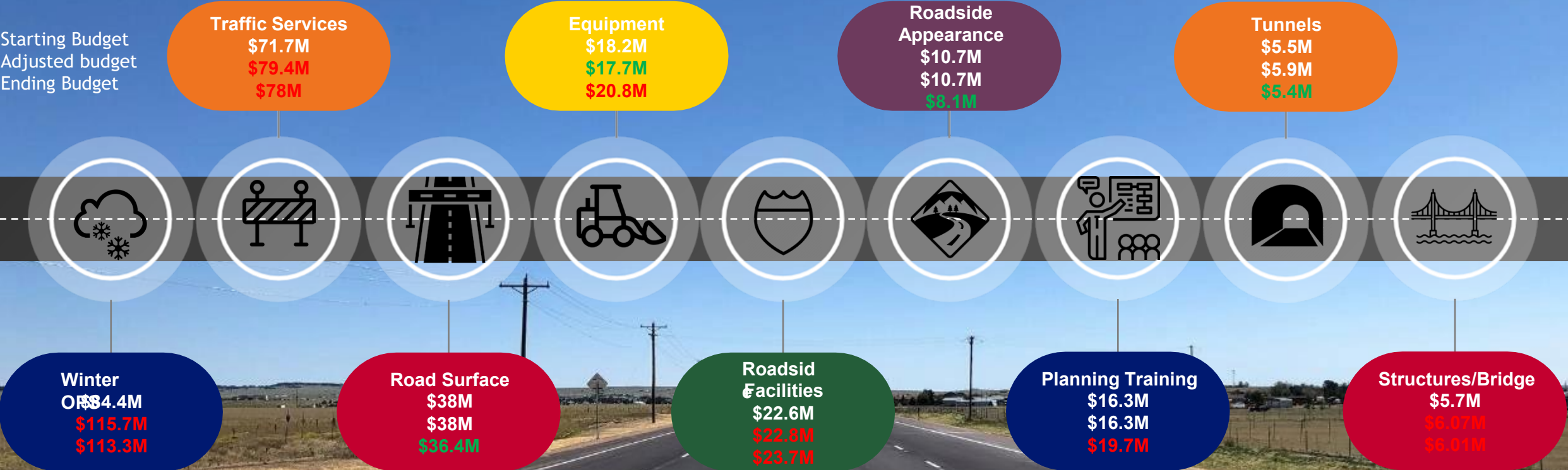


MLOS - Budget

While saying we can not afford this is sometimes unavoidable, who makes the decision on what we do not maintain?

Operations activities use significant staff and financial resources and are often prioritized by their **direct and immediate impact** on the traveling public. For example, winter operations, the speed and scale of snow clearing has an immediate impact on traveler mobility. If operations activities are not fully funded or incur a funding reduction, the public and staff usually notice the impacts immediately.

Insufficient maintenance typically leads to underperforming assets that cause increased risks, potential service disruptions, and premature asset failure. The net result is a strain on our asset management program and either a higher lifecycle cost of delivering the expected levels of service, or a decreased level of service.





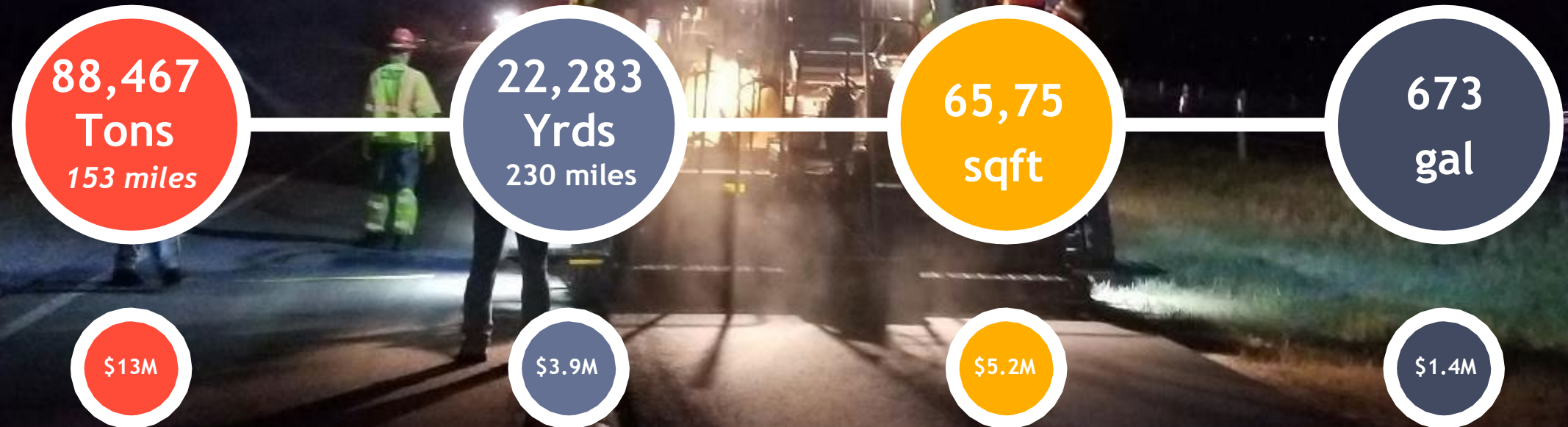
MLOS - FY23 Surface Preservation

Paving
Tonnage
69k Labor Hours
Roto-milled 103k yards of pavement

Chip Seal
Square Yards
18k Labor Hours

Pavement Patching
Square Feet Of Pavement
Markings 92k Labor Hours

Crack Sealing
Gallons
24k Labor Hours





MLOS - FY23 Winter Maintenance

Plowing

Solid De-icers

Liquid De-icers

Highway Closures

6.23M

248k

13.4M

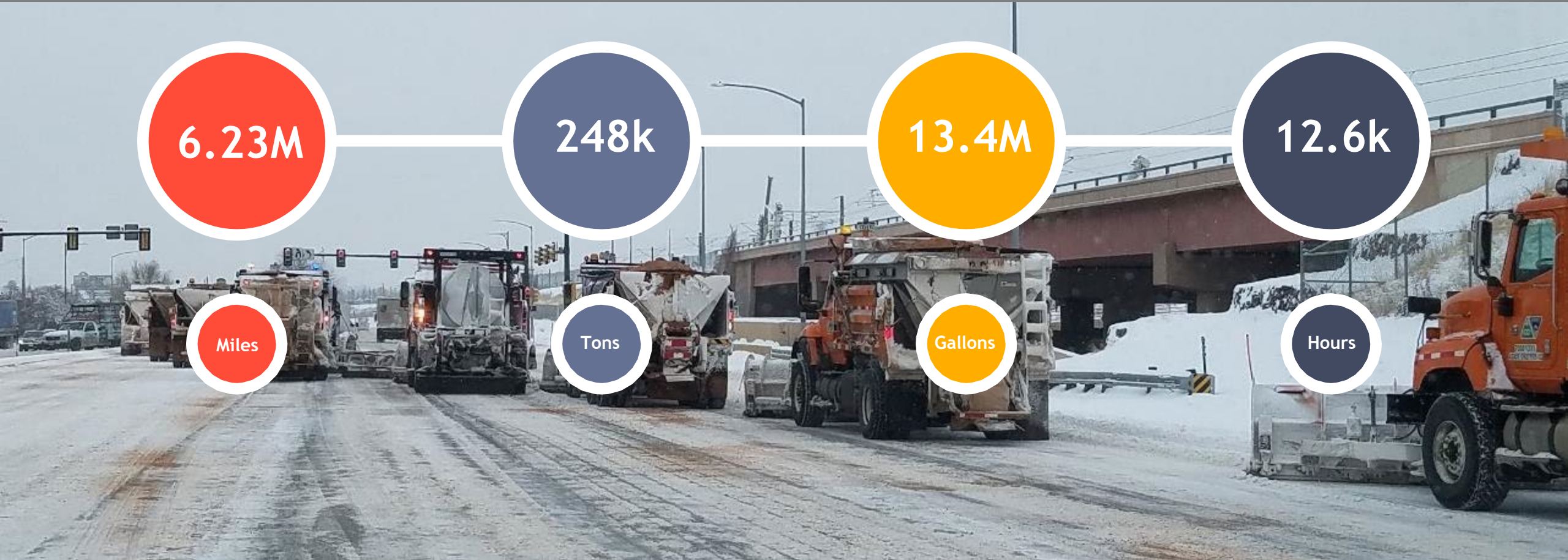
12.6k

Miles

Tons

Gallons

Hours





MLOS - FY23 Vegetation/Debris Management

Mowing

Hand Weeding

Trash and Debris

Sweeping

29,540
miles

23.8K
hours

51.7k
yrds

12.1k
miles

\$3.2M

\$1.05M

\$7.01M

\$1.7M

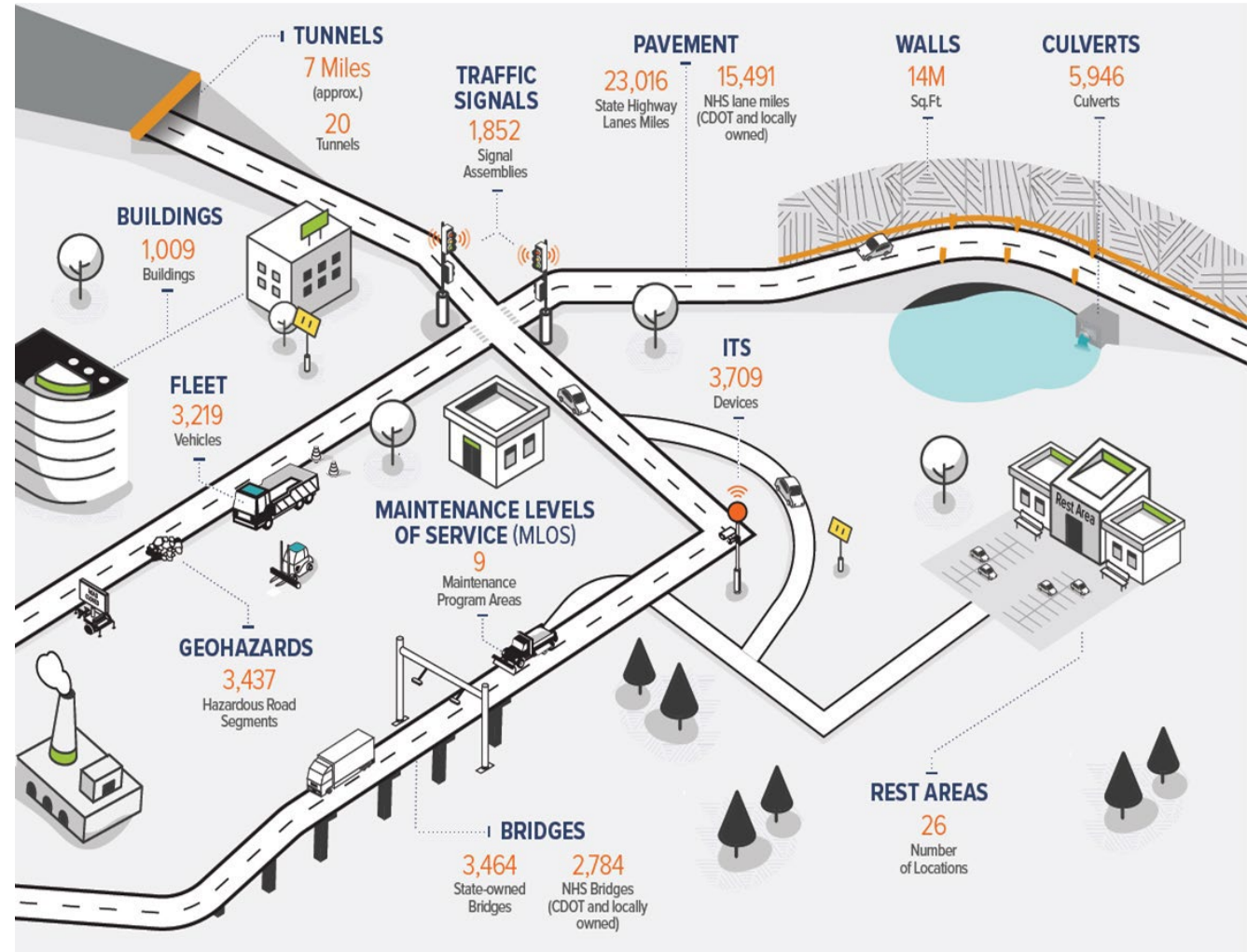
Litter and Roadside Clean-Up

- CDOT is the agency responsible for roadside litter cleanups of major state highways
 - "Litter" describes all rubbish, waste material, refuse, garbage, trash, debris, or other foreign substances, solid or liquid, of every form, size, kind, and description. Litter can harm the environment and negatively impact road safety and the state's natural beauty.
- During FY 2022-23, CDOT maintenance crews disposed of 51,729 cubic yards of trash (that equals 1,725 trash trucks). This cost CDOT's maintenance budget \$7,027,225.00.
- Partnership with the Department of Corrections
 - DOT maintenance crews participate in "Litter Sweep" on an annual statewide roadside litter cleanup usually scheduled for June each year.
- Adopt A Highway Program
 - Provides a means for businesses, individuals, and other organizations to participate in beautifying and environmentally enhancing interstate highways by sponsoring roadside litter removal.



CDOT Asset Management Program

- Asset management is about delivering the right projects, for the right assets, at the right times. It is about achieving the right mix of preventive maintenance, rehabs, replacements, etc.
- CDOT's asset management goal is to achieve and sustain a state of good repair for the Department's assets over their life cycles for the minimum practical cost
- These approaches contrast with a “worst-first” approach, which simply replaces the worst assets without thought to treatments that extend asset life





CDOT Transportation Asset Management Program

- Transportation Asset Management (TAM) program began in 2012 to implement more data and performance-driven asset investments
- Absorbed asset programs with dedicated annual funding allocation (e.g., pavement, bridge, maintenance, ITS) and combined with other classes that typically requested ad hoc funding from Transportation Commission
- Maintains executive oversight and working committees

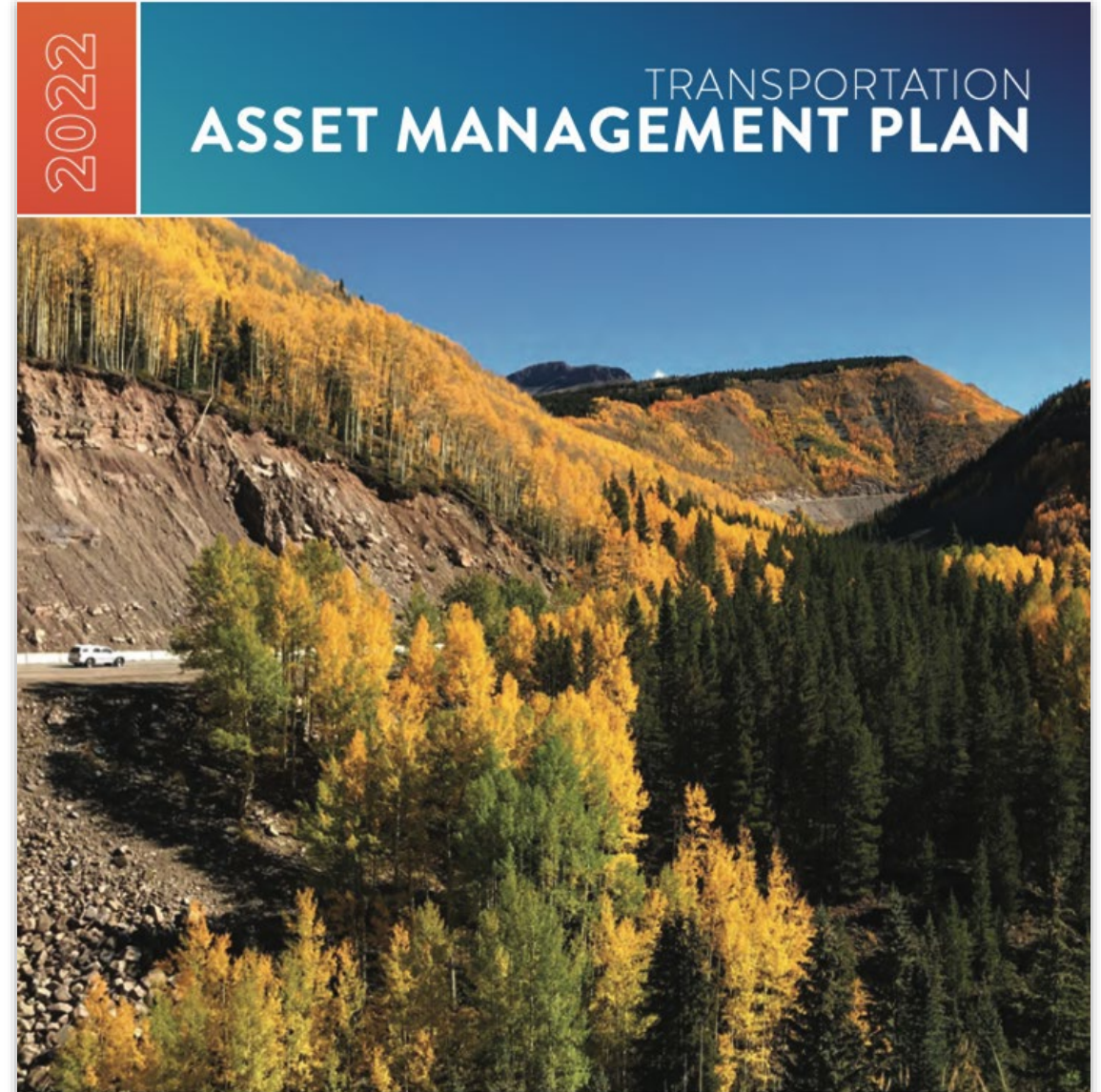
12 Asset Classes:

- Buildings
- Culverts
- Tunnels
- Geohazards
- Walls
- Traffic Signals
- Rest Areas
- Pavement (Surface Treatment)
- Bridges
- Maintenance
- Intelligent Transportation Systems (ITS) Road Equipment



Transportation Asset Management (TAM) Plan

- TAM programs across all DOTs are required to publish a Transportation Asset Management Plan (TAMP) every 4 years (23 U.S.C. 119(e)(1), MAP-21 § 1106)
- CDOT's Transportation Asset Management Plan was approved by FHWA in March 2023
- CDOT's TAMP describes how the TAM program will manage the assets effectively and play a proactive role in the economic vitality of the state and the quality of life of its people





SB 23-268 and Ten Year Plan Reporting Updates



10-Year Plan Reporting Dashboards

Dashboard published on Sept 1st. These will show the most granularity when it comes to total project cost funding assumptions and estimated construction begin and end dates for 10-Year Plan Projects. Dashboards will be updated monthly and will capture:

➤ **The Total Estimated Project Cost assumptions**

- 10-Year Plan/Strategic Funding
- Other CDOT Funding - Includes Regional Priority Program, Asset Management, Safety, Multimodal Transportation and Mitigation Options Fund (MMOF), etc.
- Enterprise Funding (Bridge and Tunnel Enterprise, Colorado Transportation Investment Office (CTIO))
- FHWA or FTA Discretionary Grants
- Local Funding

➤ **Overall Project Status**

- Planning
- Design
- In Construction
- Completed

➤ **Anticipated Construction Start and End Dates**



10-Year Plan Dashboard - Statewide Overview



10 Year Plan 2023 - STATEWIDE

Total Projects Cost

\$9,848M

Total Strategic Funds

\$5,819M

10Y Plan Projects

370

Total Number
of Projects

Draft: Subject to Review

Release Date: 9/1/23

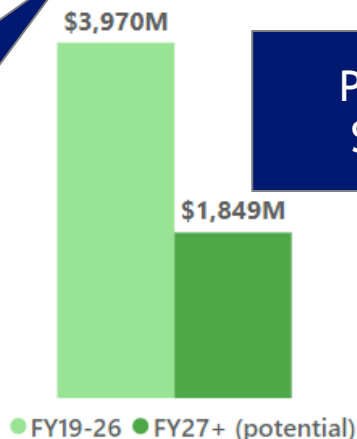
Date of
Release

Total Cost by Project Type

Project Type	Total Cost	%
Highway	\$6,713M	68%
Highway, Transit	\$1,571M	16%
Rural Paving	\$1,051M	11%
Transit	\$513M	5%
Total	\$9,848M	100%

Project Type
Breakdown

CDOT Strategic Funds



Totals on
Project Cost
and Strategic
Funds

Project
Status

Projects by Status

Status	Project Count	%
Design	177	48%
Construction	98	26%
Complete	40	11%
On Hold	54	15%
On Hold	1	0%
Total	370	100%

All Funds

CDOT	Other CDOT	Bridge & Tunnel Enterprise (BTE)	Colorado Transportation Investment Office (CTIO)	Federal Grants	Local	Total
\$5,819M	\$1,225M	\$822M	\$648M	\$1,053M	\$272M	\$9,848M

Funding
Breakdown

Strategic Funds by Project Type

Project Type	Strategic Funds	%
Highway	\$3,831M	66%
Highway, Transit	\$838M	14%
Rural Paving	\$862M	15%
Transit	\$289M	5%
Total	\$5,819M	100%



10-Year Plan Dashboard - Regional Overview



10 Year Plan 2023 - REGION 1

Total Projects Cost

\$3,607M

Total Strategic Funds

\$1,972M

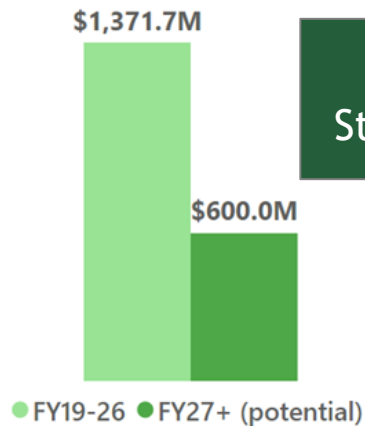
10Y Plan Projects

38

Project and Funding
Totals By Region

Draft: Subject to Revision
Release Date: 9/1/2023

CDOT Strategic Funds



Project
Status Totals

Projects by Status

Status	Project Count	%
Planning	16	42%
In Progress	15	39%
Construction	4	11%
Complete	3	8%
Total	38	100%

Total Cost by Project Type

Project Type	Total Cost	%
Highway	\$2,804M	78%
Highway, Transit	\$715M	
Transit	\$88M	
Total	\$3,607M	

Construction
Start & End
Dates

H = Highway, H,T = Highway/Transit, RP = Rural Planning

Region Projects

ID	Project	Corridor	Type	Status	Total Cost	CDOT Strategic Funds FY19-26	CDOT Strategic Funds FY27+ (potential)	Other CDOT Funds	BTE	Grants	Local	Est Constr Start Year	Est Constr End Year
	I-25 South Gap	I-25	H	Complete	\$433.2M	\$277.9M		\$55.7M		\$65.0M	\$34.6M	2018	2024
	I-270 Improvements and Congestion Relief from I-76 to I-70	I-270	H	Planning	\$522.3M	\$174.5M	\$25.5M	\$1.4M	\$145.0M	\$170.3M	\$5.6M	2020	2025
	I-25 Interchange	I-25	H	Planning	\$75.0M	\$15.0M			\$60.0M			TRD	TRD
2575 Total					\$3,606.6M	\$1,371.7M	\$600.0M	\$195.8M	\$586.7M	\$270.3M	\$66.6M		

Totals by
Funding Type

Project
Specific
Information



SB 23-268 Requirement Part 1: New Data Points

The bill requires 3 new data points be reported alongside each 10-Year Plan Project:

- The time frame for project completion;
- The total estimated amount of funding required to complete the project; and
- Accounting for the total estimated amount of funding for the project, and the amount of funding from each funding source that has been allocated for the project or is anticipated to be allocated for the project.
 - The plan must always identify specific funding sources and amounts that taken together account for full funding for each project identified in the plan but may indicate, both with respect to the plan generally and with respect to any specific project, the extent to which and reasons why the source and amounts of funding listed are uncertain and subject to change.



SB 23-268 Reporting Requirements

- SB23-268 tasks the CDOT to annually report to the TLRC on the status of 10-Year plan project delivery and the commission to include an update on the plan in its annual proposed budget allocation plan presented to the joint budget committee.
- 10-Year Plan Status Report
 - An annual 10-Year Plan Status Report will be completed by November of each year, and included in the submittal of the Draft CDOT Annual Budget Allocation Plan to the Office of State Planning and Budget (OSPB) and the Joint Budget Committee (JBC)
- The 10-Year Plan Status Report will be posted on the CDOT website and will include a summary of the overall status of implementing the 10-Year Plan and highlights of projects.



Annual Report Elements

- CDOT will be providing an annual report of the 10-Year Plan in November of each year.
- Annual updates will show where changes that have occurred as projects move forward from planning to delivery. Primary examples of these updates include:
 - Matching data in latest published dashboard, including all elements currently in dashboard reporting.
 - Updates to total project cost estimates to reflect more current estimates
 - Updates regarding the breakdown of funding assumptions
 - Summary status updates of projects and highlights of completed projects.
 - Any changes made through Transportation Commission Resolution, Transportation Commission Budget Supplement and CDOT Executive Management Team Approvals as directed by Policy Directive 703.
- This report will inform the November Budget Allocation Plan to the JBC and be utilized for future TLRC hearings.

The screenshot displays the CDOT website's 'VISION FOR COLORADO'S TRANSPORTATION SYSTEM' page. At the top, there are navigation links for 'September 2022', 'STATEWIDE PLAN INFORMATION', and 'YTP.codot.gov'. Below these, a banner reads 'THE LATEST ON TRANSPORTATION PLANNING' and 'YOUR COLORADO TRANSPORTATION PRIORITIES POWERED BY YOU'. The main heading is 'VISION FOR COLORADO'S TRANSPORTATION SYSTEM'. Below this, a red banner states 'UPDATED 10-YEAR STRATEGIC PROJECT PIPELINE - SEPTEMBER 2022'. The page features a large image of a highway construction site with yellow machinery. To the right of the image, a quote from Shoshana Lew, CDOT Executive Director, is displayed: 'In May 2019, I directed the Colorado Department of Transportation (CDOT) to embark on an effort to refresh our transportation plan and priorities based on firsthand input from residents across the state. The resulting product - CDOT's 10 Year Plan - has been instrumental in focusing the Department on delivering a defined set of priority projects, resulting in over one billion dollars of transportation improvements across the state. In 2022, this updated plan puts new state and federal transportation funding to work and identifies the next set of projects that will advance to construction. The CDOT team looks forward to building these projects and creating a safer, more mobile transportation system for all Coloradans.' Below the quote is a signature and the name 'Shoshana Lew, CDOT Executive Director'. At the bottom, there are links for 'LEARN MORE', 'YTP.codot.gov', and 'YTP@state.co.us'.



Next Steps: 10-Year Plan Update Cycle



CENTRAL PROJECTS

	Project Type	Total Est. Project Cost	Total Strategic Funding	Other Funding	Funded FY 19-22	Funded FY 23-26	Planned FY 27+	Project Status	Planning Project ID
Highway & Transit– Region 1									
Interstate 25	Castle Rock Mobility Hub	T	\$30 M	\$13.47 M	✓	\$10.5 M	\$2.97 M		2714
	Lone Tree Mobility Hub	T	\$20 M	\$10 M	✓	\$10 M			2744
	I-25 North between 84th Avenue and 104th Avenue	H,T	TBD	\$110 M	✓	\$4 M	\$16 M	\$90 M	2584, 2642
	I-25 South Gap	H	\$419 M	\$278 M	✓	\$278 M		♦	0001
	I-25 Interchange Reconstruction at Speer Boulevard and 23rd Avenue	H	\$75 M	\$15 M	✓	\$3.5 M	\$11.5 M		2575
	I-25 and CO 7 Interchange Mobility Hub	H,T	\$14 M	\$14 M	✓	\$14 M			2694
	I-25 at Bellevue Avenue Interchange - Phase 1	H	\$110 M	\$22 M	✓		\$22 M		2588
	I-25 Central Non-Capacity Safety and Operational Improvements	H,T	TBD	\$35 M	✓		\$35 M		2576
Interstate 70	Burnham Yard Acquisition	T	\$50 M	\$16.6 M	✓	\$16.6 M		✓	2779
	I-70/Hartan Bridge Replacement	H	\$25.6 M	\$21.9 M	✓	\$21.9 M		•	0086
	I-70 Corridor-West Metro Bridges	H	\$67 M	\$35.2 M	✓	\$35.2 M		•	0087
	I-70 Peak Period Shoulder Lanes	H	\$105 M	\$80 M	✓	\$80 M		♦	0005
	I-70 West: Floyd Hill	H	\$700 M	\$340 M	✓	\$191.8 M	\$148.2 M		0004
	Idaho Springs Mobility Hub	T	\$8.43 M	\$6.33 M	✓	\$6.33 M			2716
	I-70 and Kipling Street Interchange	H	\$70 M	\$30 M	✓	\$2.5 M	\$27.5 M		2580
	I-70 Climbing Lane from Bakerville to the Eisenhower Tunnel	H	\$32 M	\$25 M	✓		\$25 M		2582
	Eisenhower-Johnson Memorial Tunnel Repairs and Maintenance	H	\$150 M	\$50 M	✓	\$50 M		•	2583
	I-70 Escape Ramp Improvements	H	\$29 M	\$13 M	✓	\$13 M		•	2593
I-270	I-70 Bustang Pegasus Park-n-Rides	T	\$12 M	\$12 M		\$4 M	\$3 M	\$5 M	2753
	I-270 Improvements and Congestion Relief from I-76 to I-70	H	\$600 M	\$200 M	✓	\$30 M	\$144.5 M	\$25.5 M	0002
US 6	Vasquez Boulevard Improvements	H	\$22 M	\$10 M	✓		\$10 M		2585
	US 6 and Wadsworth Boulevard Interchange	H	\$135 M	\$60 M	✓	\$40 M	\$20 M		2578
US 85	US 85 Corridor Improvements between Sedalia and Meadows Parkway in Castle Rock	H	\$58 M	\$37 M	✓			\$37 M	2587
US 285	US 285 Corridor Improvements near Pine Junction	H	TBD	\$60 M				\$60 M	2581
CO 7	CO 7 Priority Intersection Improvements	H	\$20 M	\$20 M				\$20 M	2586, 2641
CO 30	CO 30 Improvements between Quincy Road and Airport Road	H	TBD	\$25 M				\$25 M	2589
C-470	C-470: US 285 to Morrison Road Interchange Reconstruction	H	\$56 M	\$56 M				\$56 M	2579
Non Corridor Specific	Advancing Transportation Safety	H	\$8.56 M	\$8.56 M			\$8.56 M		2784
	Vision Zero Priority Improvements	H	\$15 M	\$15 M			\$15 M		2691
	Safer Main Streets Program	H,T	\$75 M	\$68.9 M	✓	\$68.9 M		♦	WebLink
	Bustang Heavy Maintenance Facility	T	\$9.5 M	\$9.5 M		\$0.95 M	\$3.55 M	\$5 M	2715
	Noise Wall Maintenance	H	\$36 M	\$29.7 M	✓	\$29.7 M		♦	2594
	Bustang Fleet Purchases	T	\$5.625 M	\$4.425 M		\$4.425 M		♦	2718
	Regionwide Bottleneck Reduction	H	TBD	\$25 M	✓			\$25 M	2590
	Regionwide Signal and Ramp Meter Upgrades	H	TBD	\$17 M	✓			\$17 M	2592
	Regionwide Trail Grade Separations and Crossings Improvements	H	TBD	\$10 M				\$10 M	2595
	Regionwide Bridge Rehabilitation and Maintenance	H	> \$500 M	\$20 M	✓			\$20 M	2697
	Regionwide Arterial BRT and Transit Improvements	H,T	TBD	\$170 M		\$3 M	\$72 M	\$95 M	2638

10-Year Plan Update Cycle

- The 10-Year Plan report will be updated on a quarterly basis in February, May, August, and November
 - November update will be the annual report update
- Quarterly updates will include minor changes such as:
 - Adjustments for updated cost estimates or bid prices
 - Reallocation of savings between projects
 - Updated start and end dates
 - Changes to other funding sources
 - Matching information on the monthly dashboards.
- <https://www.codot.gov/programs/yourtransportationpriorities/your-transportation-plan/assets/cdot10yearplan.pdf>



Transit Zero Fare Programs & Fee Structure for Accessing CDOT ROW for Fiber Installation



Transit Free Fare Programs

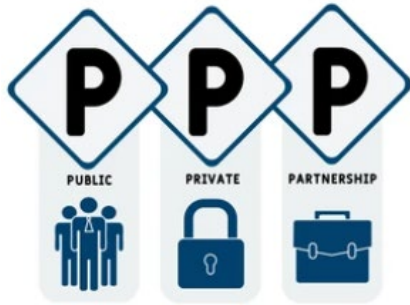
- A portion of MMOF ARPA funds could be reallocated on a one-time basis without affecting current planned projects.
- While this may be an option for FY 2024-25, the MMOF could not serve as an ongoing source of funding for the Free Fare program without significantly impacting or eliminating future state or local project allocations.
- Continuing this program in future years would require an additional funding source.



Building Fiber in the ROW: Options

Option #1: Public Private Partnership

- Requires Agreement Process (12-24 months)
- In-Kind Compensation



Option #2: Special Use Permit

- Requires Permit Application (3-4 months)
- One-time & Annual Monetary Compensation



***Option #3:** Public Private Partnership to lease existing CDOT owned dark fiber where available

More information including detailed process steps and expected timelines can be found on our webpage:

<https://www.codot.gov/programs/intelligent-transportation-systems/fiber-leases-right-of-way-use>



2023 ROW Fee Structure Proposals

Previous Fee Structure Proposals	One-Time Rate for Costs	Annual Property Use Rate
Original Fee Proposal (March 2023)	N/A	\$0.76- \$0.96*
Revised Fee Proposal #1 (May 2023)	\$0.07- \$0.11*	\$0.27- \$0.43*

*The first two proposals had different pricing structures depending on corridor type (US Highway, State Highway, Interstate. The most recent proposal has a flat rate for all corridors.

November 2023 Recommendation - Proposed Rate Revision

One-Time Rate for Permitting Costs	Annual Property Use Rate
\$0.05 per foot	<ul style="list-style-type: none"> \$0.10 per foot for urban counties (>200k population) \$0.03 per foot for rural counties

- Annual rates by reduced by over 90% from initial proposal
 - **\$0.10 Urban Rate:** Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer, & Weld
 - **\$0.03 Rural Rate:** Remaining 55 counties
- Annual adjustments using the implicit price deflator-gross national product (IPD-GNP)
 - Covers inflation costs
 - Consistent with USFS/BLM



Calculating the ROW Fee Revised Rates

Proposed Fee Revision

One-Time Rate for Permitting Costs	Annual Property Use Rate
\$0.05 per foot	<ul style="list-style-type: none">• \$0.10 per foot for urban counties (>200k population)• \$0.03 per foot for rural counties

- CDOT's previous ROW fee structure proposals utilized adjacent land zoning methodology and state land appraisals to calculate the fair market value of the ROW. The Department's latest proposal uses fair market data from the Bureau of Land Management.
- The Bureau of Land Management and the United States Forest Service have a long-established program for charging fair market value for using federal land in broadband development.
- The industry widely accepts these rates, and [BLM maintains a comprehensive list of the adjusted average per-acre land value for every county in the United States.](#)

Annual Property Use Surcharge

- Isolated the 64 Colorado counties from the BLM's nationwide acreage value data
- Rates provided are per acre, we divided each value by 43,650 (the number of square feet per acre) to determine each county's fair market value per square foot.
- [This spreadsheet](#) lists each Colorado County, their acreage valuation determined by the BLM, and CDOT's square footage calculations

Rural (\$0.03 per foot per year)

- The median fair market value of the 55 Colorado rural counties is \$0.03 per foot.
- CDOT also pays USFS/BLM approx \$0.03 per foot per year to utilize USFS land for our fiber optic cables in rural counties.

Urban (\$0.10 per foot per year)

- The median fair market value of the 9 urban counties is \$0.10 per foot
- Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer, and Weld
- Consistent with CDOT's property management program, as these nine counties have a higher lease fee for CDOT cell towers



ROW Fee Proposals - Use Case Comparisons

Example Scenario 1: Build from Ignacio to Pagosa Springs

- Location: State Highway 151 Mile Point 0 to 33.5 and US 160 Mile Point 127 to 143
- Length of Build: 49.5 miles (261,360 ft)

	One Time Up Front Payment	Annual Payment
Original Fee Proposal (March 2023)	N/A	\$205,3924
Revised Fee Proposal #1 (May 2023)	\$19,985	\$76,636
Revised Fee Proposal #2 (Nov. 2023)	\$13,068	\$7,841

Example Scenario 2: Build from Durango to Pagosa Springs

- Location: US 160 Mile Point 83 to 143
- Length of Build: US 160 Mile Point 83 to 143, 60 miles (316,800 ft)

	One Time Up Front Payment	Annual Payment
Original Fee Proposal (March 2023)	N/A	\$266,112
Revised Fee Proposal #1 (May 2023)	\$28,5129	\$104,544
Revised Fee Proposal #2 (Nov. 2023)	\$15,840	\$9,504

Example Scenario 3: Build through Boulder on SH 119

- Location: SH 119 Mile Point 44 to 54
- Length of Build: SH 119 Mile Point 44 to 54, 10 miles (52,800 ft)
- *at \$0.10 per foot for annual payment because it is located in Boulder County

	One Time Up Front Payment	Annual Payment
Original Fee Proposal (March 2023)	N/A	\$40,218
Revised Fee Proposal #1 (May 2023)	\$3,696	\$14,256
Revised Fee Proposal #2 (October 2023)	\$2,640	\$5,280

- These tables demonstrate how the revised fee structure translates into actual cost
- Key takeaways highlighted in yellow show a reduction by over 90% from the version proposed in May.



Summary of ROW Fee Proposal

- Additional ROW option of Special Use Permit
 - 3-4 months timeline
- Proposed fee structure based on population
 - Rural <200k (55 counties)
 - Urban >200k (9 counties)
- Proposed 90% rate reduction based on BLM/USFS rates
 - Rural \$0.03 per foot annually
 - Urban \$0.10 per foot annually
 - One time \$0.05 per foot

