

STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION
Office of the Executive Director
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December 9, 2013

Joint Budget Committee
Colorado General Assembly
Legislative Services Building, 3rd Floor
Denver, CO 80203

Dear Members of the Joint Budget Committee:

I am pleased to provide to you this letter which responds to each of the questions you posed to the Colorado Department of Transportation (CDOT) during the Joint Budget Committee (JBC) Staff briefing on CDOT held this past week. My staff, Transportation Commission Chairman Doug Aden, and I will be prepared to discuss each of these points when we present to you on December 10, 2013, on the Department's current activities and projects.

Questions Common to All Departments

Question 1. Please describe how the department responds to inquiries that are made to the department. How does the department ensure that all inquiries receive a timely and accurate response? CDOT is committed to customer service and timely, accurate responses to all inquiries. We receive a significant number of inquiries from the public, media, and government officials each day, and tailor our response procedure as needed to provide the best customer service possible. The following subsections describe CDOT's inquiry and response procedures.

Public Inquiries. The Department responds to inquiries that are made through the use of a customer tracking system (IC3 - Integrated Customer Contact Center). Inquiries are received through the CDOT website, phone calls, and the regions. Once received, an inquiry is entered into the IC3 tracking system. CDOT responds to customers within 24 hours with an initial response letting customers know their inquiry was received and will receive a timely response. CDOT's goal is to have a resolution and/or final response for the customer within 72 hours. The IC3 tracking system will let us know if a ticket is overdue, in which case the CDOT Communications Office follows up with the customer. CDOT verifies its responses for accuracy using similar previous responses, regional experts, and our communications managers who work closely with the regions to ensure accurate and consistent responses.

Media Inquiries. All media calls and emails are directed to and tracked by the regional communications managers and the CDOT director of communications. All calls are responded to as soon as possible to address the needs of the news-cycle with the response goal of, at a minimum, 24 hours for longer lead stories.

Elected Official and Government Staff Inquires. The Department, through the CDOT Policy Office, responds to inquiries from elected officials (federal, state, county, and city) on a daily basis. Staff are designated as the primary point of contact for the various levels of government, and, for city and county elected officials and staff, designated according to regions of the state. For state elected officials, aides, and legislative staff, inquiries are directed to the state and federal liaison. Inquiries are coordinated by the liaison, who provides a follow up response on the same business day to confirm receipt of the inquiry and what action will be taken to respond. The overall response goal is a same day initial response clarifying the inquiry and discussing next steps, and 48 hours to provide a final response or resolution to the inquiry. At times, depending on the level of complexity of the inquiry, additional time is required to gather the data or background information. In these cases, the state elected official is contacted and informed of additional time needed and whether the timeframe will work for her/his needs.

CDOT Construction, Maintenance, and Operations

Question 2. Since FY 2000, please provide information regarding all of CDOT's efforts to "mitigate" transportation projects when it comes to repairing / replacing a highway. Information should include specific actions completed and the cost of such action. Specific information on all highway projects undertaken for the past 13 fiscal years will likely encompass many hundreds of projects, requiring several months of research. For an immediate response to meet the committee's timeframe, CDOT can attest that on every project that has an impact to the human or natural environment, the National Environmental Policy Act (NEPA) requires the lead agency to provide mitigation to reduce the impact. This can be in the form of wetland banking or construction of new wetlands. CDOT also provides mitigation for noise impacts with barriers or berms; air quality impacts during construction with dust prevention measures; impacts to historical, archaeological and paleontological resources by providing recordation and interpretive information for posterity; impacts to threatened and endangered species and their habitats, with wildlife crossings of our highways or restoration of wildlife habitat areas adjacent to our projects. These measures are put into place with the coordination and approval of various regulatory agencies that administer these resources, both state and federal.

Question 3. CDOT has a proposal to expand I70 through the Globeville, Elyria, and Swansea neighborhoods. Please address what CDOT's current proposal is to mitigate this expansion. Mitigation includes environmental, economic and health issues. CDOT has numerous mitigation efforts in this project. They include:

- Provide an 800-foot covered segment over I-70 where it would pass below grade through the Elyria and Swansea Neighborhood, one of the most affected environmental justice areas along the project corridor. Based on community input and area needs, an urban landscape would be created on top of the cover, which would be located adjacent to the Swansea Elementary School. This will provide open space for a park or other community uses (to be determined by the community) and remove the highway from view. The cover for the highway was designed to mitigate the adverse impacts to the Elyria and Swansea Neighborhood and to restore and enhance the neighborhood cohesion, which was disrupted decades ago by the original I-70 construction in the 1960s.
- Redesign and reconstruct the Swansea Elementary School playground, reconfiguring it to relocate the playground in the location farthest away from the highway. Other mitigation measures for the school include: installing new windows, doors, and a new heating and ventilation system for the school; building two additional classrooms; rebuilding school

parking facilities; addressing access needs of the school during construction phasing and identifying options to minimize impacts to the school during construction.

- Reduce flooding in the neighborhoods north of I-70 by constructing drainage improvements.
- Maintain the same number of north-south through-streets as exist today to alleviate connectivity and traffic issues.
- Improve sidewalks and pedestrian crossings.
- Improve lighting along 46th Avenue.
- Follow applicable federal regulations, state statutes, and CDOT's Right-of-Way Manual in the acquisition of right of way and when working with displaced occupants of residential and business properties. This practice ensures fair and equitable treatment of property owners and displacees, as provided for under applicable law.
- Provide assistance for homeowners and tenants to find mortgages for new homes, even for those who have had trouble finding them in the past.
- Develop a construction phasing plan that will balance the length of construction impacts with community connectivity and access, including access to local businesses.
- Perform additional air quality modeling and analysis for various pollutants, along with two localized "hotspot" analyses, utilizing the latest EPA computer modeling software (MOVES2010b Motor Vehicle Emissions Simulator model).
- Monitor and mitigate for air quality during construction, including utilizing dust control measures, neighborhood notification, and air quality monitoring.
- Investigate ways to improve the homes of those who will be living near the project during construction by providing housing upgrades or improvements to items such as doors, windows, ventilation, and so forth.
- Investigate ways to improve transportation through the neighborhood during construction. This will mean active communication to the residents so that they are aware of temporary street closures and detours. It could also include working with RTD to provide continuous bus service in the neighborhood, as well as providing discounted fares for impacted families who qualify.
- Monitor and mitigate for noise issues both during and after construction. CDOT will replace the existing noise walls with new walls where they exist in Elyria, near the Brighton Blvd. interchange. In addition, CDOT will provide safety barriers between the new 46th Avenue and the below-grade I-70 alignment. They would provide a safe barrier between the at-grade traveling public and the below-grade highway. The community would help develop guidelines for public art to be incorporated in the design of the walls. This would improve the aesthetics of these walls with artwork that is meaningful to the community, and will provide some noise benefit, even though that is not their main function. There are no noise walls proposed at the location of the cover between Columbine Street and Clayton Street.
- Facilitate opportunities to promote hiring local citizens during the construction phases, such as job fairs with contractors.

Question 4. Director Hunt and CDOT have the responsibility for closing roads in anticipation of conditions which may cause an emergency situation such as a Flood Warning from the National Weather Service. Are the current statutes sufficient to allow Director Hunt to efficiently carry out this task? What type of response to road closings for this reason has the Department received? Based on historical and recent disasters and emergency situations, CDOT believes that the current statutes are sufficient to allow the Department to close roads and protect the lives of the traveling public. In previous years the Department has had to close roads as a result of avalanche and rockfall dangers. This past summer, CDOT performed closures in Waldo Canyon

near Manitou Springs when flood warnings were issued in the fire scar areas. Additionally, the Department closed U.S. 60 on Wolf Creek pass for nearly a week as a result of wildfires this summer. CDOT takes closure decisions very seriously and carefully weighs the risks and cost associated with each closure. Typically, a number of travelers express concerns or frustrations due to the inconvenience of road closures. However, most persons agree that such actions are appropriate and necessary in order for CDOT to meet its first priority – ensuring safety.

Question 5. The Department has been an integral partner in recovering from disasters over the past several years. Are there any statutory changes needed to allow CDOT to improve its emergency response operations? At this point, there are no statutory changes that CDOT believes would improve its emergency response operations. In times of transportation-related disasters, the Governor’s authority to temporarily suspend existing statutes and rules under the Colorado Disaster Emergency Act¹ has proven to be a very efficient and effective means for CDOT to respond quickly during critical times. For example, with the current flood recovery efforts, under Executive Orders D 2013-026 and D 2013-027, signed by the Governor during and after the September 2013 flooding, certain statutes and regulations may be temporarily suspended if the Chief Recovery Officer confirms that strict compliance with those provisions would prevent or delay actions to cope with the ongoing flood emergency.²

CDOT Funding Sources

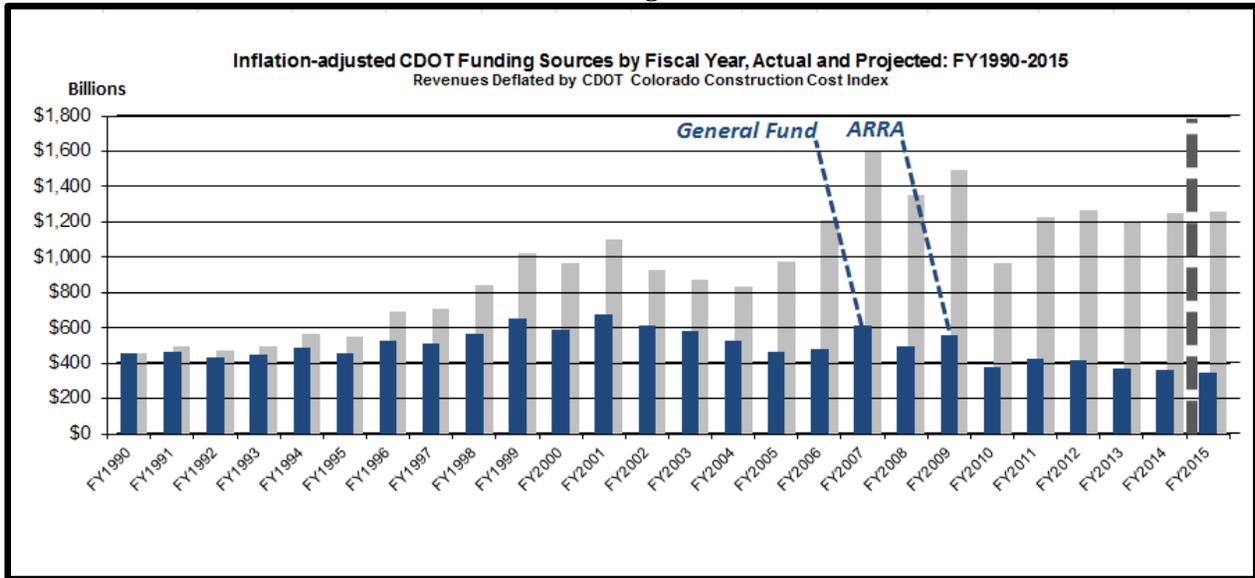
Question 6. Explain the shadow area on the chart? Please have the department explain the chart on page 8 of the issue brief. Is it true that the more we give the department the less we get for it? Why is the chart indexed to 1990 construction costs? The following chart, used by the JBC Staff in the FY 2014-15 Staff Budget Briefing on CDOT, was created by CDOT and has been used in regular reports to the House and Senate Committees on Transportation in recent years. This chart was developed to respond to legislator questions regarding CDOT’s overall budget and its purchasing power over time. The shadowed bars reflect actual CDOT revenue; the darkened bars reflect those values indexed to the Colorado Construction Cost Index. The data is indexed to 1990, the year of the last federal fuel tax increase by Congress and one year following the last increase of the state fuel tax by the General Assembly.³ The purpose of this index is to demonstrate that since the last major tax increase for transportation, the purchasing power of CDOT’s revenue has decreased over time. This is due to a combination of higher material and labor costs. It is not the case that increased funding results in lower buying power. Although CDOT’s actual revenue totals have grown over time (yet remained relatively flat for the past five fiscal years), the cost of delivering services continues to climb.

¹ COLO. REV. STAT. § 24-33.5-701, *et. seq.*

² Colo. Exec. Order No. D 2013-027(II)(I) (Sept. 19, 2013) (“Prior to the suspension of any statute, order, rule or regulation, the Governor’s Chief Recovery Officer must find that strict compliance with the provisions of any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency.”).

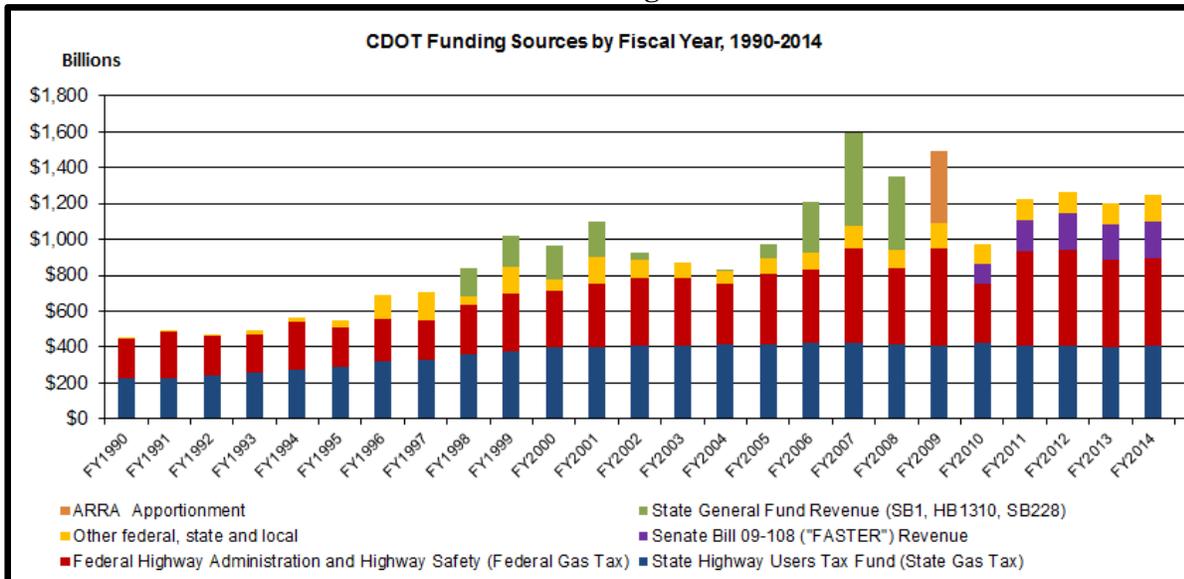
³ In 1989, the General Assembly enacted House Bill 89-1012, which imposed an incremental state gas tax increase. This bill raised the fuels excise tax to 20 cents per gallon from August 1, 1989, through December 31, 1990, and to 22 cents beginning on and continuing after January 1, 1991. House Bill 89-1012 marked the last time that a state motor fuels tax increase has occurred.

Chart 1
CDOT Revenue – Actual and Inflation Adjusted
FY 1990 through FY 2015



Question 7. Please provide the funding sources for the chart referenced above? The following chart illustrates CDOT’s funding sources for the past twenty-five years in actual dollar totals. All CDOT revenue can be generally categorized into one of the following: (1) Highway Users Tax Fund (HUTF) funds, consisting chiefly of gas tax revenues; (2) Senate Bill 09-108 (Funding Advancements for Surface Transportation and Economic Recovery Act of 2009 or “FASTER”) revenues consisting of vehicle registration fees and surcharges; (3) federal transportation apportionments, consisting chiefly of federal gas tax distributions; (4) state General Fund revenue; (5) federal stimulus revenue; and (6) other program sources and local governments.

Chart 2
CDOT Revenue – Funding Sources
FY 1990 through FY 2015



Question 8. Please explain how the Department allocates its Personal Services and Operating Expenses in the Administration Line? Please provide a “crosswalk” to compare the JBC numbers pages and the tables on pages 10 and 11 of the issue brief. During the budget formulation process, CDOT coordinates with the Governor's Office of State Planning and Budget to determine the Department's need in personal services and operating expenses. CDOT illustrates its operating expenses and personal services request in the granular Position and Object Code detail report provided in the Proposed Legislatively Appropriated Budget. The totals for personal services and operating expenses are shown as split outs in CDOT's Line Item by Year report (FY2014-15 shown below).

**Table 1
 CDOT Line Item by Year
 FY 2014-15**

| | | | | | | |
|--|--|---------------------|--------------|---------------------|---------------------|--------------------|
| FY 2014-15 Request | | | | | | |
| FY 2013-14 Long Bill Appropriation (H.B. 12-1335) | \$24,633,679 | 169.0 | \$0 | \$22,808,927 | \$1,824,752 | \$0 |
| Common Policy Requested Adjustment - Health, Life, and Dental | (\$60,339) | 0.0 | \$0 | (\$53,454) | (\$6,885) | \$0 |
| Common Policy Requested Adjustment - Short Term Disability | \$2,552 | 0.0 | \$0 | \$2,430 | \$122 | \$0 |
| Common Policy Requested Adjustment - Amortization Equalization Disbursement | \$31,037 | 0.0 | \$0 | \$29,179 | \$1,858 | \$0 |
| Common Policy Requested Adjustment - Supplemental Amortization Equalization Disbursement | \$42,454 | 0.0 | \$0 | \$40,183 | \$2,271 | \$0 |
| Common Policy Requested Adjustment - FY 15 Salary Survey Adjustments | \$159,987 | 0.0 | \$0 | \$153,086 | \$6,901 | \$0 |
| FY14 Annualization of Salary Survey & Merit Pay Increases | \$490,864 | 0.0 | \$0 | \$475,023 | \$15,841 | \$0 |
| Reversal of FY14 Salary Survey Adjustment | (\$268,388) | 0.0 | \$0 | (\$261,517) | (\$6,871) | \$0 |
| Common Policy Requested Adjustment - FY15 Merit Pay Adjustments | \$162,691 | 0.0 | \$0 | \$154,305 | \$8,386 | \$0 |
| Reversal of FY14 Merit Pay Adjustment | (\$178,679) | 0.0 | \$0 | (\$171,247) | (\$7,432) | \$0 |
| Common Policy Requested Adjustment - Shift Differential | \$879 | 0.0 | \$0 | (\$872) | \$1,751 | \$0 |
| Common Policy Requested Adjustment - Risk Management & Property Funds | (\$134,869) | 0.0 | \$0 | (\$134,869) | \$0 | \$0 |
| Common Policy Requested Adjustment - Workers Compensation | \$112,871 | 0.0 | \$0 | \$112,871 | \$0 | \$0 |
| Common Policy Requested Adjustment - Payments to OIT | \$1,373,750 | 0.0 | \$0 | \$1,373,750 | \$0 | \$0 |
| Statewide Indirects | \$75,857 | 0.0 | \$0 | \$75,857 | \$0 | \$0 |
| Common Policy Requested Adjustment - Legal Services | \$0 | 0.0 | \$0 | \$0 | \$0 | \$0 |
| FY 2014-15 Base Request | \$26,444,346 | 169.0 | \$0 | \$24,603,652 | \$1,840,694 | \$0 |
| FY 2014-15 R-1: Restoration of FTE & Associated Funding | \$1,590,193 | 14.5 | \$0 | \$1,590,193 | \$0 | \$0 |
| FY 2014-15 R-2: "Transfer of OIT budget from CMO to Administrative" | \$2,365,290 | 0.0 | \$0 | \$2,365,290 | \$0 | \$0 |
| NP1 - OIT Security | \$431,427 | 0.0 | \$0 | \$431,427 | \$0 | \$0 |
| NP2 - OIT Eliminate Redundant Applications | \$323,425 | 0.0 | \$0 | \$323,425 | \$0 | \$0 |
| NP3 - OIT Network Resiliency - CORE | \$69,449 | 0.0 | \$0 | \$69,449 | \$0 | \$0 |
| NP4 - OIT ITSM Eco-System | \$377,512 | 0.0 | \$0 | \$377,512 | \$0 | \$0 |
| NP5 - OIT DTRS Operations Increase | \$216,364 | 0.0 | \$0 | \$216,364 | \$0 | \$0 |
| NP6 - OIT Technical Development | \$27,823 | 0.0 | \$0 | \$27,823 | \$0 | \$0 |
| FY 2014-15 Total Request | \$31,845,829 | 183.5 | \$0 | \$30,005,135 | \$1,840,694 | \$0 |
| | FY15 Personal Services allocation | \$16,916,782 | 183.5 | \$0 | \$16,231,861 | \$684,921 |
| | FY15 Operating allocation | \$14,929,047 | 0.0 | \$0 | \$13,773,274 | \$1,155,773 |

Flooding and FHWA Emergency Relief Program

Question 9. What are the most up to date figures and/or projections for general fund needed to “front” the costs for repairs that will be reimbursed by the Emergency Relief Program? What is the timing on the repayment? What needs to occur before repayment can be made? CDOT does not use the state’s General Fund to “front” the costs for repairs that will be reimbursed by Federal Emergency Management Agency (FEMA) or Federal Highway Administration (FHWA). Emergency relief funding has been budgeted using federal emergency relief funds authorized by Congress and the Transportation Commission Contingency Fund. The Transportation Commission approved use of the contingency funds immediately following the September 2013 flooding. The Contingency Fund will be replenished as emergency relief projects are authorized for reimbursement through FEMA or FHWA. CDOT defers to other departments and the Governor’s Office for information on other departments’ use of General Funds for recovery related activities.

Question 10. Please discuss in detail what is meant by “repairs must be completed and invoiced” before federal reimbursement in the Emergency Relief Program. Currently, CDOT is working closely with FEMA and FHWA to determine emergency relief work eligible for respective reimbursement. The FHWA 1547 Forms used for estimating the cost of work are currently in the

process of being prepared and submitted. These estimates will be reconciled with actual invoices for the work upon receipt. There may then be a 90 to 180 day turnaround on the reimbursement of these costs from FEMA, dependent on eligibility requirements. Reimbursement of FHWA-related costs for emergency repair and permanent repair will follow the normal CDOT and FHWA process for reimbursement. CDOT bills FHWA for emergency relief weekly and reimbursement is received the next business day. For costs determined as eligible, there is not anticipated to be a significant impact on CDOT cash flow. Although 100 percent reimbursement for the work required to repair the state highways impacted by the September 2013 flood is desired, CDOT expects to have to pay for a portion of the repairs out-of-pocket in accordance with eligibility requirements.

Question 11. What is included in the \$153 million local agency damage estimate included in the October 17th estimated damages submitted to the FHWA? Can the department provide a list of individual projects and which entities are involved in each? Will there be enough funding to repair all the roads damaged by the floods? The current estimate of \$153 million is comprised of 219 projects. These projects are currently being assessed and evaluated for eligibility against FHWA criteria. Two of these projects represent an estimated \$100 Million (Left Hand Canyon/Boulder County; County Road 43/Central Federal Lands) and the remaining 217 projects represent the balance. Table 2 lists the flood relief projects by county.

**Table 2
 CDOT Flood Recovery Effort – Local Agency Assessment**

| County | Local Agency | Sum of Count All | Sum of Active Site Count | Sum of Rough Cost Estimate |
|--------------|----------------------|------------------|--------------------------|----------------------------|
| Adams | Adams County | 5 | 3 | \$970,000.00 |
| | Thornton | 4 | 1 | \$38,503.40 |
| Arapahoe | Arapahoe County | 1 | 0 | \$8,600.00 |
| | Aurora | 3 | 2 | \$927,531.00 |
| Boulder | Boulder City | 17 | 8 | \$2,125,000.00 |
| | Boulder County | 21 | 19 | \$66,295,000.00 |
| | Longmont | 8 | 4 | \$204,000.00 |
| | Louisville | 5 | 2 | \$3,530,000.00 |
| | Superior | 4 | 0 | \$104,637.13 |
| | Ward | 1 | 1 | \$10,000.00 |
| | Broomfield | 5 | 0 | \$79,553.00 |
| | Clear Creek | 2 | 1 | \$200,000.00 |
| El Paso | Green Mountain Falls | 4 | 0 | \$233,265.46 |
| | Manitou Springs | 40 | 1 | \$768,499.00 |
| Jefferson | Arvada | 2 | 2 | \$20,000.00 |
| | Jefferson County | 2 | 2 | \$1,500,000.00 |
| Larimer | Berthoud | 2 | 2 | \$812,605.00 |
| | Estes Park | 14 | 3 | \$7,089,600.00 |
| | Fort Collins | 5 | 3 | \$140,000.00 |
| | Larimer County | 18 | 11 | \$58,143,750.00 |
| | Loveland | 19 | 6 | \$1,315,500.00 |
| | Morgan | 2 | 0 | \$20,000.00 |
| Morgan | Morgan County | 4 | 1 | \$2,650,000.00 |
| | Otero | 1 | 1 | |
| Park | Park County | 1 | 1 | |
| Pueblo | Pueblo County | 4 | 0 | \$133,100.00 |
| Weld | Dacono | 6 | 0 | \$373,564.00 |
| | Evans | 2 | 1 | \$1,508,000.00 |
| | Fort Lupton | 6 | 0 | \$40,000.00 |
| | Frederick | 3 | 3 | \$208,256.00 |
| | Platteville | 1 | 0 | \$50,000.00 |
| | Weld County | 7 | 7 | \$2,675,000.00 |
| Total | Total | 219 | 85 | \$152,173,963.99 |

CDOT will support and assist local agencies in the management and planning of these local

projects. These projects are currently being assessed and evaluated for eligibility against FHWA criteria. Based on preliminary assessments, it appears that funding will be available through local agency application to FHWA for the projects identified to date.

Question 12. It is clear that the Emergency Relief Program will be available to provide assistance for federal-aid roads. Who will be responsible for providing the financial support to repair things such as non-federal, non-state roads that affect public safety such as roads that lead to major utility infrastructure? How will these roads be handled if no federal funding is available? The sponsors for these roads may be responsible for following their own emergency repair criteria and procedures, as well as seeking reimbursement and restitution for the same.

Question 13. After an emergency occurs there are ongoing effects that require additional resources. For example, after the recent wildfires there has been a need to leave heavy equipment near U.S. 24 to clear debris from the road. What is the funding source for these “follow up” emergency operations? Funding for post-emergency operations generally comes from the Maintenance Level of Service (MLOS) budget. In the example above, CDOT spent \$375,000 directly related to U.S. 24 and post-Waldo Canyon flooding. This included debris removal, 24-hour per day patrols through October 31, and road damage repairs.

R1: Restoration of FTE and Associated Funding

Question 14. Please discuss what positions the Department is currently lacking and the needs in the administration line reflected in the request for funding for additional FTE. The offices and staff that enable CDOT to execute its programs and budget are defined as Administration positions in C.R.S. 43-1-113 and include such offices as executive director, chief engineer, district engineers, procurement, accounting, budgeting, equal employment, administrative services, and building operations, among others. Along with CDOT’s RAMP initiative and flood relief efforts comes the need to support the execution of an increased workload. CDOT has the need to hire administrative positions in the following areas summarized in Table 3.

**Table 3
 Administration Line Personnel Needs**

| Purpose/Need | |
|---|--|
| <i>Division of Accounting and Finance</i> | |
| | <p>CDOT's Division of Accounting and Finance requires Administrative positions to address the ongoing Cash Management initiative for improved project budgeting and accounting within a large portfolio of projects. Projects today are managed at the individual project level and at the resident or region level, but not at the portfolio management level. Surface Treatment projects, for example are managed by the regions without a comprehensive approach to the entire statewide surface treatment project schedule. Under new Asset Management and Portfolio Management practices, the department now manages programs statewide to help ensure prioritization of funding to the right projects and to also expedite delivery of these projects. These positions will assist in ensuring more dollars go to construction on a timely basis. Whereas project management would be funded by the Transportation Commission within the Construction, Maintenance, and Operations line, these positions will perform statewide project financial processes and report and monitor progress.</p> |
| <i>Division of Administrative Services</i> | |
| | <p>CDOT's Division of Administrative Services needs Administrative positions in a wide range of areas. Below are high-need areas that require FTEs:</p> <ul style="list-style-type: none"> • <u>Center for Equal Opportunity</u> - To better meet FHWA requirements and reporting for internal civil rights programs and produce required reporting. • <u>Organizational Learning and Development</u> – To implement training programs such as succession planning, cross-training, and foundational leadership for over 3,000 employees. • <u>Communications</u> – To better meet CDOT's transparency goals in the areas of internal and external communication, including Colorado Public Records requests. Additionally, CDOT has needs for the management, production and distribution of online and print communication, including intranet, social media, pamphlets, maps, and safety campaign marketing materials. • <u>Other Needs</u> – Workforce staffing, statewide print shop coordination, and structural trades. |

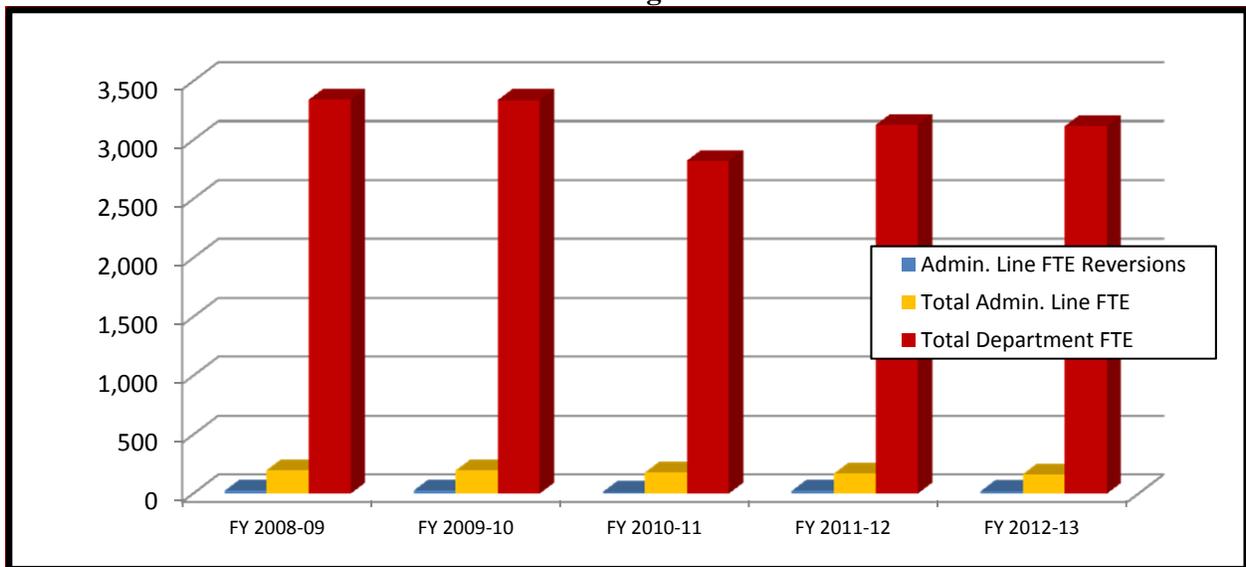
Question 15. Please provide the number of administration line FTE reversions for the five most recent years where actual data is available. The following table and chart illustrate the total number of FTE Administration Line reversions over the past five years in which actual data is available. Additional comparisons with the total Administration Line FTE and total department FTE are also provided in Chart 3.

Table 4
CDOT Administration Line FTE Reversions
FY 2008-09 through FY 2012-13

| Fiscal Year | Admin. Line FTE Reversions | Total Admin. Line FTE | Total Department FTE |
|-------------|----------------------------|-----------------------|----------------------|
| FY 2008-09 | 24.3 | 199.2 | 3,342.5 |
| FY 2009-10 | 26.5 | 196.7 | 3,340.0 |
| FY 2010-11 | 14.2 | 178.3 | 2,824.3 |
| FY 2011-12 | 23.8 | 168.7 | 3,129.5 |
| FY 2012-13 | 21.8 | 165.0 | 3,119.0 |

Source: JBC Staff Budget Briefing: Department of Transportation – FY 2014-15, FY 2013-14, FY 2012-13

Chart 3
CDOT Administration Line FTE Reversions
FY 2008-09 through FY 2012-13

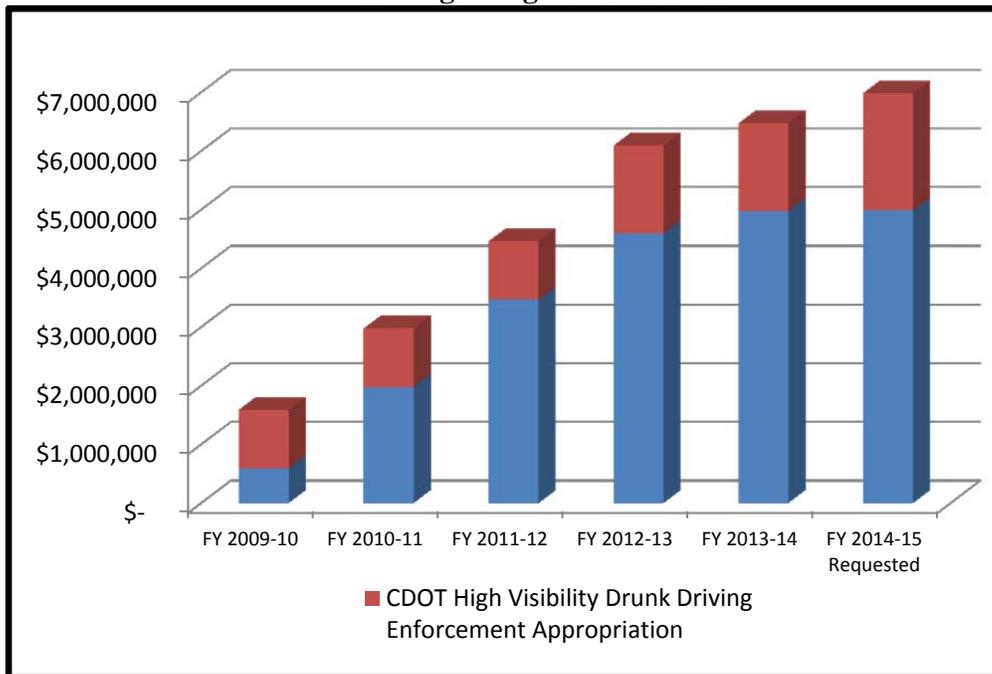


Question 16. Please discuss the Procurement Improvement Project currently undertaken at the Department. When CDOT’s Procurement Office was reorganized, the Department designed and built a new module in SAP (the enterprise resource planning software CDOT utilizes). In order to support that module, CDOT would have normally hired a new Business Process Expert (BPX) that would support the new procurement module. However, with the loss of funding for 14.5 FTE, CDOT did not have the flexibility to hire a BPX to support the process. The existing Materials Management (MM) BPX is now supporting the Procurement module in SAP. Although the new module is about the same size as the MM module, CDOT does not have any vacant positions it can use to hire a new BPX. In order for the Department to hire a BPX, CDOT must wait for a non-critical vacancy that we can use for that position.

R3: First Time Drunk Driver Offender Account

Question 17. What are the annual revenues to the fund? Why have they leveled off? Are judges waiving the surcharge? Is it expected to stay at this level? Is the goal of the fund meeting the target reserve or meeting the statutory requirements? The Highway Users Tax Fund (HUTF) First Time Drunk Driver Offender Account (FTDDOA) is funded by a portion (\$35) of the \$95 driver’s license restoration fee. FTDDOA funds are appropriated by the General Assembly for: (1) the Department of Revenue to administer ignition interlock requirements for driving under the influence (DUI) offenders; and (2) \$2 million to CDOT for providing high visibility drunk driving enforcement events (i.e. *The Heat Is On* campaigns).⁴ The following chart illustrates the annual fund revenue. CDOT does not collect or receive data on FTDDOA fee collections and defers to the Judicial Branch’s and Department of Revenue’s for revenue trends and projections.

Chart 4
First Time Drunk Driver Offender Account
Year Beginning Fund Balance



Question 18. Please provide any information the Department has related to compliance with the ignition interlock device. What is the compliance failure rate? The Department of Revenue (DOR) and law enforcement agencies are responsible for administering the ignition interlock program. CDOT does not collect this type of data, and, as such, defers to the DOR’s response which will be provided during its respective hearing before the JBC.

⁴ COLO. REV. STAT. § 42-2-132(4).

Addendum: Other Questions for Which Solely Written Responses Are Requested

Question 1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implemented or has partially implemented the legislation on this list. There are no enacted bills that remain unimplemented by CDOT. There is one bill – House Bill 13-1292, also known as the “Keep Jobs in Colorado Act” – that is partially implemented while awaiting completion of a corresponding rulemaking. This recently enacted bill establishes new contracting and bid requirements. Currently, CDOT is in the process of updating its bidding rules to comply with the bill. Permanent rules are expected to be made effective in March 2014.

Question 2. Does the Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2013? What is the department doing to resolve the outstanding high priority recommendations? CDOT does not have any outstanding high priority recommendations in the Annual Report of Audit Recommendations.

Question 3. Does the department pay annual licensing fees for its state professional employees? If so, what professional employees does the department have and from what funding source(s) does the department pay the licensing fees? If the department has professions that are required to pay licensing fees and the department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees? CDOT does have a reimbursement program for financial assistance to employees to cover licensing fees. All certified full-time equivalent or permanent part-time employees who have been at the Department for at least twelve continuous months are eligible to apply for 75 percent reimbursement, up to \$2,500 per fiscal year per employee for licensing, certifications, or professional memberships that are required for an employees’ existing job or will help an employee become qualified for another job classification within CDOT. Examples of professional licenses that CDOT reimburses employees for are Professional Engineer License, Professional Land Surveyors License, Colorado Master Electrician License, Colorado Appraiser License, and Commercial Driver License. The funding source of this program is the State Highway Fund.

Question 4. Does the department provide continuing education, or funds for continuing education, for professionals within the department? If so, which professions does the department provide continuing education for and how much does the department spend on that? If the department has professions that require continuing education and the department does not pay for continuing education, does the employee have to pay the associated costs? CDOT does not pay for continuing education for its professionals. Any continuing education costs are paid by individual employees.

Question 5. During the hiring process, how often does the number one choice pick candidate turn down a job offer from the department because the starting salary that is offered is not high enough? CDOT does not keep statistics on candidates that turn down employment offers. However, it is very rare for the top candidate to turn down a job offer. The Department estimates that less than ten top-selected candidates annually (out of approximately 300 hires) reject a CDOT employment offer. The primary reason for this low rejection rate is that job announcements are very clear regarding the salary range of all positions and even indicate that hiring toward the range minimum is a common practice. This ensures that candidates who continue to move through the interview process have realistic expectations regarding the salary that is coupled with a job offer.

Question 6. What is the turnover rate for staff in the department? CDOT's turnover rate is 8.9 percent.

Should you have questions or require additional information, please feel free to contact me or Kurt Morrison at (303) 757-9703. Again, I am happy to discuss each of these topics with you, and respond to any other questions you may have, on December 10, 2013. As we begin another year, I look forward to continuing our work together to serve the citizens of Colorado. Thank you.

Sincerely,



Donald E. Hunt
Executive Director

cc: Representative Max Tyler, Chair, House Committee on Transportation and Energy
Senator Nancy Todd, Chair, Senate Committee on Transportation
House Committee on Transportation and Energy members
Senate Committee on Transportation members
Mr. Scott Thompson, Joint Budget Committee Staff
Ms. Kelli Kelty, Legislative Council Staff
Ms. Mistia Zuckerman, Legislative Council Staff
Mr. Spencer Imel, Office of State Planning and Budgeting

**DEPARTMENT OF TRANSPORTATION
FY 2014-15 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Tuesday, December 10, 2013
3:00 pm – 5:00 pm**

3:00-3:10 INTRODUCTION AND OPENING COMMENTS

3:10-3:20 QUESTIONS COMMON TO ALL DEPARTMENTS

1. Please describe how the department responds to inquiries that are made to the department. How does the department ensure that all inquiries receive a timely and accurate response?

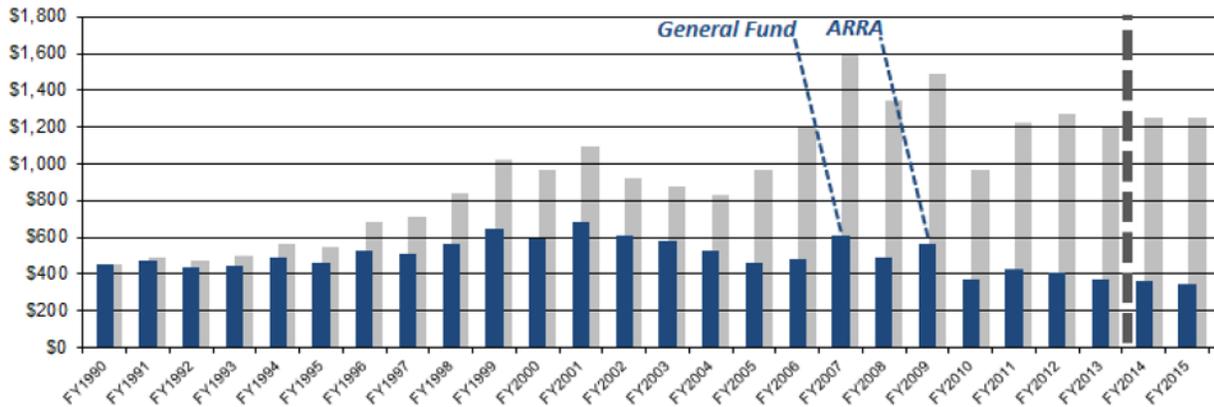
3:20-3:45 CDOT CONSTRUCTION, MAINTENANCE, AND OPERATIONS

2. Since FY 2000, please provide information regarding all of CDOT's efforts to "mitigate" transportation projects when it comes to repairing / replacing a highway. Information should include specific actions completed and the cost of such action.
3. CDOT has a proposal to expand I70 through the Globeville, Elyria, and Swansea neighborhoods. Please address what CDOT's current proposal is to mitigate this expansion. Mitigation includes environmental, economic and health issues.
4. Director Hunt and CDOT has the responsibility for closing roads in anticipation of conditions which may cause an emergency situation such as a Flood Warning from the National Weather Service. Are the current statutes sufficient to allow Director Hunt to efficiently carry out this task? What type of response to road closings for this reason has the Department received?
5. The Department has been an integral partner in recovering from disaster over the past several years. Are there any statutory changes needed to allow CDOT to improve its emergency response operations?

3:45-4:10 CDOT FUNDING SOURCES

[Background Information: The following questions reference a chart, produced by Kurtis Morrison, the chart has been reproduced below for ease. The light grey bar represents actual funding while the dark grey bars represent funding adjusted for inflation using the Colorado Construction Cost Index.]

**Total CDOT Funding and Funding Adjusted
for Inflation by Fiscal Year (in Millions of Dollars)**



6. Explain the shadow area on the chart? Please have the department explain the chart on page 8 of the issue brief. Is it true that the more we give the department the less we get for it? Why is the chart indexed to 1990 construction costs?
7. Please provide the funding sources for the chart referenced above?
8. Please explain how the Department allocates its Personal Services and Operating Expenses in the administration line? Please provide a “crosswalk” to compare the JBC numbers pages and the tables on pages 10 and 11 of the issue brief.

4:10-4:35 FLOODING AND FHWA EMERGENCY RELIEF PROGRAM

9. What are the most up to date figures and/or projections for general fund needed to “front” the costs for repairs that will be reimbursed by the Emergency Relief Program? What is the timing on the repayment? What needs to occur before repayment can be made?
10. Please discuss in detail what is meant by “repairs must be completed and invoiced” before federal reimbursement in the Emergency Relief Program.
11. What is included in the \$153 million Local Agency damage estimate included in the October 17th estimated damages submitted to the FHWA? Can the department provide a list of individual projects and which entities are involved in each? Will there be enough funding to repair all the roads damaged by the floods?
12. It is clear that the Emergency Relief Program will be available to provide assistance for federal-aid roads. Who will be responsible for providing the financial support to repair things such as non-federal, non-state roads that affect public safety such as roads that lead to major utility infrastructure? How will these roads be handled if no federal funding is available?
13. After an emergency occurs there are ongoing effects that require additional resources. For example, after the recent wild fires there has been a need to leave heavy equipment near U.S. 24 to clear debris from the road. What is the funding source for these “follow up” emergency operations?

4:35-4:50 R1 RESTORATION OF FTE AND ASSOCIATED FUNDING

14. Please discuss what positions the Department is currently lacking and the needs in the administration line reflected in the request for funding for additional FTE. How does the Department determine which positions are needed in the future.
15. Please provide the number of administration line FTE reversions for the five most recent years where actual data is available.
16. Please discuss the Procurement Improvement Project currently undertaken at the Department.

4:50-5:00 R3 FIRST TIME DRUNK DRIVING OFFENDER'S ACCOUNT

17. What are the annual revenues to the fund? Why have they leveled off? Are judges waiving the surcharge? Is it expected to stay at this level? Is the goal of the fund meeting the target reserve or meeting the statutory requirements?
18. Please provide any information the Department has related to compliance with the ignition interlock device. What is the compliance failure rate?

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implement or has partially implemented the legislation on this list.
2. Does Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2013? What is the department doing to resolve the outstanding high priority recommendations?
[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/\\$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf)
3. Does the department pay annual licensing fees for its state professional employees? If so, what professional employees does the department have and from what funding source(s) does the department pay the licensing fees? If the department has professions that are required to pay licensing fees and the department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees?
4. Does the department provide continuing education, or funds for continuing education, for professionals within the department? If so, which professions does the department provide continuing education for and how much does the department spend on that? If the department has professions that require continuing education and the department does not pay for continuing education, does the employee have to pay the associated costs?
5. During the hiring process, how often does the number one choice pick candidate turn down a job offer from the department because the starting salary that is offered is not high enough?
6. What is the turnover rate for staff in the department?
7. Please provide information on the color of federal money that came into Colorado for the recovery effort.