DEPARTMENT OF TRANSPORTATION
FY 2013-14 JOINT BUDGET COMMITTEE HEARING AGENDA

Thursday, January 3, 2013
1:30 pm – 3:00 pm

1:30 - 1:50 INTRODUCTIONS AND OPENING COMMENTS

1:50 - 2:00 QUESTIONS COMMON TO ALL DEPARTMENTS

1. The JBC occasionally hears complaints that base personal services reductions to capture vacancy savings result in more vacancy savings as managers reduce staff to absorb the reduction and then still experience turnover. Some departments refer to this as the "death spiral." Has your department experienced this problem? How does your department attempt to minimize and avoid the "death spiral?"

2:00 - 2:20 DEPARTMENT OVERVIEW

2. Why is there a five-fold increase in reappropriated funds from FY 2012-13 to FY 2013-14?

3. Please elaborate on the court fines that get put into the HUTF.

4. Please provide historical data on the State's rate of return on federal gasoline and diesel tax revenues originating in Colorado (i.e. how much does the State contribute and how much does the U.S. Department of Transportation pay back). How does this rate compare to other states?

5. Please provide an update on how the Department does its master planning? How are projects selected? Please provide an accounting of dollars that the department is warehousing to keep programs moving—especially the $200M that is retained in uncommitted fund balances for payroll.

6. Has there been a drop off in FASTER revenues due to people registering vehicles on time? Please provide historical data on FASTER revenues.

7. Please provide an update on the expansion of I-70. Is there a preferred alternative? If so, what does this entail? Is funding secured? What happens next? Please speak to the concerns raised by residents of the Globeville, Swansea and Elyria neighborhoods in Denver.

8. What types of initiatives are included in the Transportation Alternatives Program under MAP-21? What is the status of the Safe Routes to School Program under MAP-21?

2:20 - 2:30 ADMINISTRATION LINE OVERVIEW

Background Information: For FY 2011-12, the Committee approved a ($430,000) reduction for operating expenses as well as a 1.5 percent common policy personal services reduction of

($251,317). The Department's FY 2012-13 Administration request was for $14,063,690. The Committee approved only $12,332,539, taking into account a personal services reduction of ($1,590,194) and (14.2) FTE to better align with prior years' expenditures and a 1.0 percent common policy personal services reduction of ($140,958).

9. Has the Department been punished for saving money? Is there a double hit when the General Assembly approves personal services reductions based upon reversions? Does having less money available for the various administration programs negatively impact the Department's construction program?

10. Is the Department still able to accomplish its job with the 15 percent cut to Administration personal services and operating? How serious an issue is the reduction in flexibility given the fact that Administration is a program line? Has the Department cut the wrong items?

2:30 - 2:40 CDOT FUND BALANCES

Background Information: In recent years, the Department has experienced significant volatility in state and federal revenues, annual appropriations, stimulus and grant opportunities, construction and material costs, legal and environmental issues, and the demands of local, statewide, and national politics. These uncertainties have led to a significant fund balance of $1.38 billion, of which $1.28 billion is encumbered, in its various cash accounts.

11. Is the lack of administrative funding or FTE negatively impacting the Department's ability to move projects through the construction program in a timely manner? What additional resources might be necessary to accelerate the construction schedule? What role is there for the legislature? Is the growing fund balance jeopardizing the federal dollars that are available for construction?

12. Please provide details on steps the Department is taking to spend down its fund balances. If available please discuss your response to the TLRC letter.

2:40 - 2:50 FEDERAL BUDGET SEQUESTRATION

Background Information: Sequestration would result in a 9.4 percent reduction in non-exempt defense discretionary funding and an 8.2 percent reduction in non-exempt nondefense discretionary funding. It would also impose cuts of 2.0 percent to Medicare, 7.6 percent to other non-exempt nondefense programs, and 10.0 percent to non-exempt defense mandatory programs. While CDOT has not put together its own approximation, JBC staff estimates that the Department's federally funded programs may lose more than $12 million in FY 2013-14.

13. What potential impact will sequestration have on CDOT? Will this be a hard or gradual landing regarding the timing of the cuts (i.e. fiscal cliff or staircase)? Does the Department's budget take sequestration into account?

2:50 – 3:00 QUESTIONS RAISED DURING THE HUMAN RESOURCES BRIEFING ON THE COLORADO CHOICE TRANSITIONS PROGRAM

14. What program in CDOT is responsible for increasing the access to, and availability of, public transportation for people of all abilities; including those transitioning to community living under the CCT Program?

15. Does CDOT receive federal funds from the American with Disabilities Act and how are funds proportioned between federal and state?

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED

1. The Joint Budget Committee has recently reviewed the State Auditor's Office *Annual Report of Audit Recommendations Not Fully Implemented* (October 2012). If this report identifies any recommendations for the Department that have not yet been fully implemented and that fall within the following categories, please provide an update on the implementation status and the reason for any delay.

   a. Financial audit recommendations classified as material weaknesses or significant deficiencies;
   b. Financial, information technology, and performance audit recommendations that have been outstanding for three or more years.

STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION
Office of the Executive Director
4201 East Arkansas Avenue
Denver, CO 80222
Phone: 303-757-9201

January 1, 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 month. My staff and I will be prepared to discuss each of these points when we present to you on January 3, 2013, on the Department's current activities and projects.

Question 1. The JBC occasionally hears complaints that base personal services reductions to capture vacancy savings result in more vacancy savings as managers reduce staff to absorb the reduction and then still experience turnover. Some Departments refer to this as the "death spiral." Has your Department experienced this problem? How does your Department attempt to minimize and avoid the "death spiral?" There is, in fact, a ratcheting down effect associated with lowering of FTE numbers. For example, when an agency has 200 FTE, trying to keep all 200 positions filled will generally result in actual FTE usage of approximately 190. This is due to expected employee turnover and the amount of time it traditionally takes to fill positions. The next year, assuming a base personal service reduction that eliminates those vacancy savings, the agency will have 190 FTE, but can only maintain utilization of approximately 180.5. Therefore, if the pattern of taking all unused FTE continues, the vacancy savings inherent in normal turn-over will continue to erode the agency's personnel and its capacity to perform both routine day to day tasks and to undertake initiatives to improve departmental performance.

CDOT's administrative budget, which is already capped by state law at 5 percent of CDOT's total budget and accounts for just 2.2% of CDOT's total budget. This administrative budget is used for both CDOT employees and contracts that are applicable to the administrative budget. Despite two consecutive years of substantial cuts to this budget day to day provision of similar levels of service continues but the ability to undertake initiatives to improve service, programs, or efficiency is now extremely limited.

Question 2. Why is there a five-fold increase in reappropriated funds from FY 2012-13 to FY 2013-14? On Page 2 of the FY 2013-14 Staff Budget Briefing: Department of Transportation, a table depicts recent appropriations to the Department. Columns FY 2012-13 and FY 2013-14 reflect reappropriated funds of $3,763,059 and $19,788,816, respectively. This increase reflects an accounting change that illustrates the transfer of $15 million to the Bridge Enterprise (BE) in FY 2013-14. The Department has similar transfers starting in FY 2010 through a supplemental budget action rather than in its base budget. Thus, the figures are not indicative of a five-fold increase in reappropriated funds, but rather are more transparent representation of the CDOT and BE budget.

Question 3. Please elaborate on the court fines that get put into the Highway Users Tax Fund

(HUTF). State law requires that certain traffic violation-related fees and fines be credited to the HUTF. Such infractions include careless driving, speeding, failure to yield, construction zone offenses, and operating an unsafe vehicle. A much smaller portion is from the collection of other fines, such as wildlife violations and forfeited bonds. A full schedule of these fines is provided in Section 42-4-1701, C.R.S.

Question 4. Please provide historical data on the State's rate of return on federal gasoline and diesel tax revenues originating in Colorado (i.e. how much does the State contribute and how much does the U.S. Department of Transportation pay back). How does this rate compare to other states? The "donor/donee" issue is a term used to describe how all states pay into the federal Highway Trust Fund (HTF) – chiefly through the federal gas tax – and the fact that states invariably receive more or less federal transportation dollars back than the total collected within their boundaries and deposited in the HTF. Donor states are those whose highway users *pay more* in federal gas taxes than the state receives back in total transportation apportionments. Donee states are those that *receive more* than they paid into the HTF. A recent study by the U.S. General Accountability Office concluded that:

- all 50 states were donee states from the FY 2005 to 2009;
- Colorado received a $1.09 return per dollar over FY 2005 to 2009; and
- the average state received a $1.24 return per dollar over FY 2005 to 2009.

The reason for this unusual outcome is that in recent years, Congress has provided apportionments to state departments of transportation from the HTF that exceed the fund's total revenue. To fill the gap, Congress has routinely backfilled the HTF with general fund transfers. By augmenting existing transportation revenue with general fund transfers, each state receives more federal transportation dollars than it remits to the HTF. Hence, at this point all states are donee states.

Furthermore, Congress continues to set minimum apportionments guaranteeing threshold return rates for all states. In 2012, with the passage of the Moving Ahead for Progress in the 21st Century Act (MAP-21), Congress increased the minimum rate of return for federal transportation apportionments to 95 cents for each dollar remitted to the HTF. Therefore, under this new federal law, Colorado will not receive less than $0.95 in federal transportation apportionments per $1.00 remitted to the federal government.

Question 5. Please provide an update on how the Department does its master planning? How are projects selected? Please provide an accounting of dollars that the Department is warehousing to keep programs moving – especially the $200 million that is retained in uncommitted fund balances for payroll. CDOT develops its work plan through an extensive effort which includes input from its planning partners. These planning partners include each of the transportation planning regions (TPRs), local elected officials, the general public, and other stakeholders. The goal is to achieve CDOT's mission of providing the best multimodal transportation system for Colorado that most effectively moves people, goods, and information.

The Statewide Transportation Plan, which is federally required, contains at least 20 years of planning data. This plan is created in conjunction with the metropolitan planning organizations (MPOs), which create their own Regional Transportation Plans and with the rural Transportation Planning Regions, which develop transportation plans with assistance from CDOT. This statewide plan is corridor-based, and is implemented, when funds become available, by programming projects into the Transportation Improvement Programs (TIPs) in the MPO areas and the Statewide Transportation Improvement Program (STIP) in all areas of the state. Every CDOT project is identified in the STIP based on its ability to solve or improve a particular congestion, safety, or system quality need.

Federal law requires each MPO to develop a four-year TIP. This document identifies projects programmed in MPO areas with state and federal funding. In Colorado, however, TIPs are six-year documents with all six years fiscally constrained. TIPs are updated every four years, adopted by the MPOs, and approved by the Governor. For certain programs with matching local funds, project selection is made by the MPOs based on federal guidelines but using their own evaluation criteria and process. For other programs, project selection is made by CDOT in consultation with the MPOs. Regardless of the selection process, all projects with state or federal funding within the MPO area are included in the TIP. TIPs are incorporated without modification into the six-year STIP.

Per federal regulations, each State is required to develop a four-year STIP. The STIP is Colorado's six-year fiscally constrained plan for all state and federally funded transportation projects. Colorado develops this plan in cooperation with the rural TPRs, and incorporates the TIPs in MPO areas. STIP development uses the Project Priority Programming Process (4P). This 4P incorporates the state statutory requirement that CDOT must formally hear the transportation needs of Colorado's 64 counties through meetings with the 15 TPRs. The 4P meetings also meet the federal requirement that CDOT work cooperatively with the MPOs to develop their TIPs prior to incorporating the TIP into the STIP. The STIP is approved by the Transportation Commission and then forwarded to the U.S. Federal Highway Administration and U.S. Federal Transit Administration for review and approval.

CDOT pays its employees out of very specific funds, generally the State Highway Fund, and has no other source from which to make payroll. Therefore, it is essential for the department to have sufficient cash on hand to meet its payroll obligations. Payroll for the Department as a whole is approximately $200 million per year. In addition, the Department must have sufficient cash on hand to pay its bills as it pays contractors and subsequently receives reimbursements from local governments and the federal government for their shares of project expenses. Accordingly, the Department must ensure it has an adequate cash reserve at all times.

Question 6. Has there been a drop off in FASTER revenues due to people registering vehicles on time? Please provide historical data on FASTER revenues. Senate Bill 09-108, also referred to as the Funding Advancements for Surface Transportation and Economic Recovery Act of 2009 (FASTER), established or increased several fees with revenue credited to the HUTF. Table 1 provides historical revenue of the four primary fees increased or established under FASTER.

Table 1.
FASTER Revenue Collections

Fee	FY 2009-10	FY 2010-11	FY 2011-12
Road Safety Surcharge	$98,728,924	$114,481,654	$115,710,494
Bridge Safety Surcharge	$39,075,374	$65,328,855	$88,908,969
Daily Vehicle Rental Fee	$19,427,782	$24,021,770	$26,097,534
Late Vehicle Registration Fee	$25,370,969	$22,656,510	$17,839,334

Source: Colorado Department of Revenue 2011 Annual Report, Page 6; 2010 Annual Report, Page 4.

The late vehicle registration fee imposes a $25 per month late fee, capped at $100, for failure to register a vehicle on time following a one-month grace period (Section 42-3-112(1), C.R.S.). For each late vehicle registration fee collected, $10 is retained by the collecting county clerk and recorder. The remaining balance is deposited in the HUTF and distributed 60 percent to CDOT, 22 percent to counties, and 18 percent to cities Section 42-3-112(1) and 43-4-804(1)(e), C.R.S.). Annual fee revenue has dropped by 29.7 percent since the first full fiscal year following enactment of FASTER , as illustrated in

Table 1. This trend leads to the conclusion that more vehicle owners are complying with state law and registering their vehicles on time.

Question 7. Please provide an update on the expansion of I-70. Is there a preferred alternative? If so, what does this entail? Is funding secured? What happens next? Please speak to the concerns raised by residents of the Globeville, Swansea, and Elyria neighborhoods in Denver. To date, CDOT has not officially identified a "preferred alternative" for the I-70 East corridor. CDOT has hosted two series of corridor-wide meetings (in May and November of this year) to present the new partially covered lowered highway concept to the public and community leaders. CDOT held monthly update meetings on the project at the Focus Points Family Resource Center in the Elryia/Swansea neighborhood to share new information and design concepts with members of the community.

Given the strong support we have received at these meetings, CDOT anticipates that the Supplemental EIS currently being drafted will preliminarily identify the new partially covered lowered alternative as the preferred alternative. CDOT plans to hold another round of corridor-wide meetings in the spring to review this decision with the public and the Globeville, Swansea, and Elyria communities.

The new lowered alternative was brought forward specifically in response to community concerns about rebuilding the elevated viaduct and impacts to the surrounding communities, including structures such as homes, businesses, and the local schools. CDOT recognizes that a project of this magnitude will have impacts to individuals and businesses, including the taking of property. CDOT continues to work with the community to identify the impacts of the new alternative along with available mitigation options.

Funding for the entire I-70 East project (which could extend from Tower Road to Brighton Boulevard) has not been identified at this point. To support the financing of this project, the High-Performance Transportation Enterprise recently issued a Request for Proposal for a financial partner. This partner will help identify funding options for the project, including possible public-private partnerships.

The anticipated project schedule is:

- Release of Supplemental Draft Environmental Impact Study (DEIS) – Summer 2013;
- Release of Final EIS – Spring 2014;
- Record of Decision – Summer/Fall 2014; and
- Potential Construction – as early as 2016 (depending on how quickly CDOT can complete final design and construction package and develop a financing package for the project).

Question 8. What types of initiatives are included in the Transportation Alternatives program under MAP-21? What is the status of Safe Routes to School Program under MAP-21? MAP-21 consolidated a significant number of programs into either new or already existing federal programs. The Transportation Alternatives program is a new program in which several programs were consolidated, including the Safe Routes to School program. MAP-21 authorizes Transportation Alternatives funds to be spent on:

- transportation alternatives activities, defined as:
  - construction, planning, design of on-road and off-road trail facilities for pedestrians, bicyclists, and other nonmotorized forms of transportation, including

sidewalks, bicycle infrastructure, pedestrian and bicycle signals, traffic calming techniques, lighting and other safety related infrastructure, and transportation projects to achieve ADA compliance;

  - construction, planning, and design of infrastructure-related projects and systems that will provide safe routes for non-drivers, including children, older adults, and individuals with disabilities to access daily needs;
  - conversion and use of abandoned railroad corridors for trails for pedestrians, bicyclists, or other nonmotorized transportation users;
  - construction of turnouts, overlooks, and viewing areas;
  - community improvement activities, including: inventory, control, or removal of outdoor advertising; historical preservation and rehabilitation of history transportation facilities; vegetation management practices in transportation rights-of-way to improve roadway safety, prevent against invasive species, and provide erosion control; archaeological activities relating to impacts from implementation of a transportation project;
  - environmental mitigation activity, including pollution prevention and pollution abatement activities and mitigation:
- activities allowed under the previous Recreational Trails program;
- activities allowed under the previous Safe Routes to School program; and
- planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways.

Technically, MAP-21 repealed the Safe Routes to School (SRTS) program. However, elements of the old SRTS program are eligible to be funded under the new Transportation Alternatives program. CDOT is currently evaluating the new Transportation Alternatives program to determine how to balance priorities within the state's program funding allotments.

Question 9. Has the Department been punished for saving money? Is there a double hit when the General Assembly approves personal services reductions based upon reversions? Does having less money available for the various administration programs negatively impact the Department's construction program? *[Consolidated response provided under Question 11.]*

Question 10. Is the Department still able to accomplish its job with the 15 percent cut to Administration personal services and operating? How serious an issue is the reduction in flexibility given the fact that Administration is a program line? Has the Department cut the wrong items? *[Consolidated response provided under Question 11.]*

Question 11. Is the lack of administrative funding or FTE negatively impacting the Department's ability to move projects through the construction program in a timely manner? What additional resources might be necessary to accelerate the construction schedule? What role is there for the legislature? Is the growing fund balance jeopardizing the federal dollars that are available for construction? CDOT has managed its personnel responsibly throughout the recession. CDOT continues to operate at a vacancy level of 10 percent, with active personnel at 2,973 FTE compared to 3,317.5 authorized FTE positions.

In 2011, the JBC eliminated the budget related to CDOT's open and vacant Administration positions, amounting to a 15% reduction in administration personnel. This decision was made in the absence of consultation with the Department, and without input as to how the reduction may impact CDOT operations and program delivery. While CDOT is managing, funding cuts made without forethought only increase the difficulty of properly managing CDOT resources and delivering effective services to Colorado residents. When significant cuts such as these are made without careful planning and thought they generally a negative impact on project delivery schedule, quality control, and overall risk management.

Question 12. Please provide details on steps the Department is taking to spend down its fund balances. If available please discuss your response to the TLRC letter. Historically, the Department has taken a conservative approach to its budget and project funding. For large, multi-year projects, this meant that CDOT budgeted the full amount of a project's total cost before initiating a project. This approach, long the practice of many state transportation agencies, provided financial security during times of state and federal budget uncertainty – as was the case during the period leading up to and following the expiration of SAFETEA-LU.

However, with the recent passage of MAP-21, the Department is now taking steps to prepare for a new approach, which will allow for an acceleration of CDOT's construction program. Doing so will spend down much of the current cash balance. Staff in the past year began studying how other states have moved to funding multi-year projects based on year of expenditure. This included a recent two-day senior staff analysis of North Carolina (a state that also uses the SAP software used by CDOT and uses expenditure-based project management).

Through this new effort, referred to as Responsible Acceleration of Maintenance and Partnerships (RAMP), CDOT will fund multi-year projects based on year of expenditure. This is a change from the current practice which requires that the total amount of a project's cost be in place before any funds can be spent. This is a more effective and efficient approach to budgeting that will benefit the state's transportation system in the short term by allowing for an increase in the rate at which projects are funded and constructed, while the cash balance is reduced to a more appropriate level.

Consequently, RAMP will provide the Department a one-time opportunity, over a five-year period, to increase its annual funding by up to $300 million per year. This funding will be expended through two primary funds; the Asset Management and Operational Improvements Fund and the Transportation Partnership Fund. Dollar amounts for each fund will be determined by the Transportation Commission. All projects identified for RAMP funding will be in addition to CDOT's planned construction program or accelerated from this program. While this change in fiscal management will help to fill the transportation maintenance funding gap for a while, it is not permanent, nor is it large enough to meet Colorado's longer-term system preservation and capacity needs. This is a challenge that will require a much greater, statewide effort.

The plan that CDOT has developed in association with the RAMP program has been examined by PricewaterhouseCoopers LLP (PwC) to assess internal controls and make recommendations to reduce the risks related to proceeding with the program. All recommendations will be incorporated into the plan and controls and processes designed to align with the counsel provided by the report from PwC.

Question 13. What potential impact will sequestration have on CDOT? Will this be a hard or gradual landing regarding the timing of the cuts (i.e. fiscal cliff or staircase)? Does the Department's budget take sequestration into account? Sequestration does apply to the federal Highway Trust Fund (HTF), but contract authority is exempt. However, the HTF is heavily backfilled by general fund dollars. Sequestration will likely affect the federal General Fund contribution to the HTF, but it is unsure as to what extent. To be conservative, it can be assumed that an 8 percent sequestration will reduce the Department's federal revenue by 8 percent. That could be about an $8 million reduction. It is likely that the impact will be less than 8 percent and possibly no reduction at all. At this point, CDOT, like many other state transportation departments, is in a period of uncertainty due to the "fiscal cliff" and the reluctance of the federal government to provide any specific guidance on how the current law will actually be implemented. Impacts may be significant or nonexistent; this will remain an unknown until Congress acts, or fails to act within federal statutory deadlines and guidance is provided.

Question 14. What program in CDOT is responsible for increasing the access to, and availability of, public transportation for people of all abilities; including this transitioning to community living under the Colorado Choice Transitions program? CDOT does not perform housing services with respect to the Americans with Disabilities Act (ADA), although the Department does administer certain FTA funds used for ADA activities. This is done in accordance with FTA provisions outlined in MAP-21.

CDOT oversees the Enhanced Mobility of Seniors and Individuals with Disabilities program (Section 5310) in areas with populations under 200,000. This provides FTA funding for the purchase of capital equipment to serve the elderly and people with disabilities in rural communities. The Department also administers Rural Area Formula Grants program (Section 5311) which provides FTA funding assistance for public transportation in rural areas. Under this program, operators that provide fixed route public transportation must also provide ADA complimentary paratransit. The Department regularly conducts onsite visits of FTA grantees to ensure that they are ADA compliant.

Question 15. Does CDOT receive federal funds from the Americans with Disabilities Act and how are funds proportioned between federal and state? CDOT does not receive federal funds from the ADA. The Department is, however, required to expend funds to comply with ADA requirements, such as accessible ramps on sidewalks adjacent to state highways, and ADA compliant traffic signals. Compliance with the ADA does increase the cost of executing the Department's construction program.

Addendum Question 1. The Joint Budget Committee has recently reviewed the State Auditor's Office **Annual Report of Audit Recommendations Not Fully Implemented (October 2012).** ***If this report identifies any recommendations for the Department that have not yet been fully implemented and that fall within the following categories, please provide an update on the implementation status and the reason for any delay.***

a. Financial audit recommendations classified as material weaknesses or significant deficiencies.
According to the State Auditor's Office, all 21 financial audit recommendations for CDOT have been fully implemented.

b. Financial, information technology, and performance audit recommendations that have been outstanding for three or more years.
CDOT has no outstanding audit recommendations for the prior three or more years. However, CDOT does have four outstanding recommendations within the prior three years. Three recommendations are regarding the Motorcycle Operator Safety Training program, specific to oversight, accountability, and grant management; these recommendations are anticipated to be fully implemented in the coming year pending legislation and rulemaking. One recommendation is regarding the SAP Information

System. This recommendation will be fully implemented by June 30, 2013.

Should you have questions or require additional information, please feel free to contact Kurtis Morrison at (303) 757-9703. Again, I look forward to discussing each of these topics with you, and responding to any other questions you may have, on January 3, 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 Rollie Heath, Chair, Senate Committee on Transportation
House Committee on Transportation and Energy members
Senate Committee on Transportation members
Mr. Byron Deluke, Joint Budget Committee Staff
Ms. Kelli Kelty, Legislative Council Staff
Ms. Janis Baron, Legislative Council Staff
Mr. Spencer Imel, Office of State Planning and Budgeting

Colorado Department of Transportation

- Presentation to the Joint Budget Committee -

January 3, 2013

DOT

DEPARTMENT OF TRANSPORTATION

Department Overview

Transportation Commission

Composition

- 11 members appointed by the Governor and confirmed by the Senate
- Serve four-year terms
- Meets monthly
- Commission established in 1909 as a three-member State Highway Commission

Colorado Transportation Commission

Responsible for:

- Setting overall fiscal and policy direction statewide via investment categories
- Short term and long-term priorities
- Budget & allocation of funds

Department Overview

Maintain and Keep Safe

- 9,000 miles of Interstate and State highway system
- routine maintenance
- bridge repair and resurfacing
- snow removal
- safety improvements

Engineering/Construction Program

- Supplement in-house engineering for design, construction management, and specialty services
- Contract for all construction projects in excess of $150,000

Distribute Funding to Local Governments

- Aviation
- Federal funds to Metropolitan Planning Organizations
- Grants to local governments
- Transit

Department Overview

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External-facing

Improved Processes for Better Customer Service and Efficiency

- Process Improvement Program
- Contract Improvement Initiative

Get More Out of the Existing System

- I-25 North Express Toll Lanes

Innovation and Improved Management to Get More $ to Construction

- RAMP
- Refinancing of TRANS bond debt (*$3.29 million in savings*)

Transparency and Accountability

- Simplified public budget
- Bridge Enterprise website
- TOPS

Partner with Private Sector to Augment Public Funds

- U.S. 36 Express Lanes
- I-70 Mountain Corridor

Internal -facing

Provide CDOT Employees Training and Professional Development Opportunities

Budget and Funding

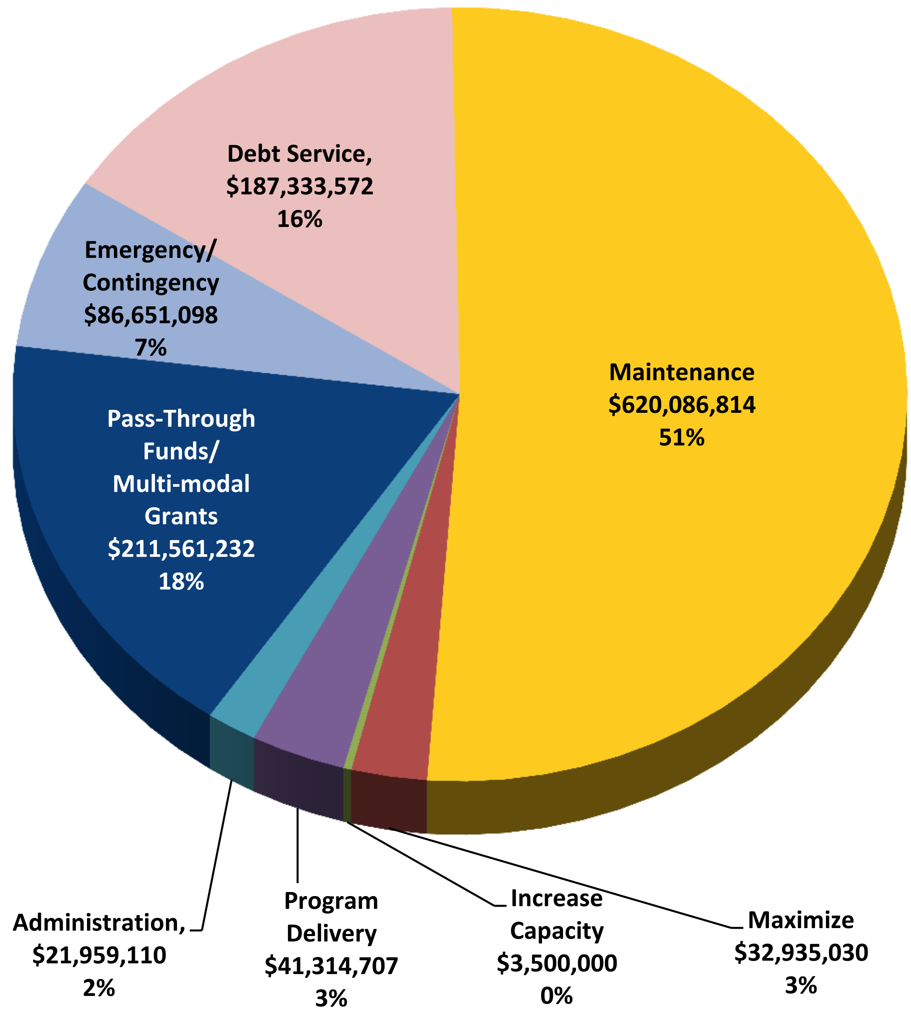
CDOT Budget (FY12-13)

Significant Focus on Maintenance

- Maintaining our state's infrastructure continues to be the predominant focus of the CDOT budget, accounting for over one-half of the entire budget.

Nearly No Revenue for New Capacity

- In FY 12-13, the CDOT budget contained only $3.5 million for increasing the capacity of the state's transportation system, representing less than 1/3rd of 1% of the total budget.



Budget and Funding

Responsible Acceleration of Maintenance and Partnerships ("RAMP")

Current CDOT Budget Practice

CDOT does not go to ad on a project until all money is "in the bank"

New CDOT Budget Practice

CDOT will fund multi-year projects based on year of expenditure, rather than saving up and then spending down. This will involve looking at all of CDOT's projects as a whole, rather than as individual silos.

Acceleration of Funds (Not New Revenue)

Once underway, RAMP will allow CDOT to take advantage of existing dollars, accelerating up to $300 million per year for 5 years for immediate projects.

Project Selection

The $300 million/year over 5 years in RAMP funds (not new funds) will be accelerated to more immediate maintenance needs and partnerships

Project Updates

East Interstate-70

Partially Covered Lowered Alternative

- Comprehensive review of past decisions conducted in Fall of 2011 after outreach process failed to reveal consensus on where to align highway.
- This review revealed an alternative that would lower and partially cover I-70E in its current location.
- Partially covered/lowered alternative was shared with stakeholders and presented in two public meetings (attended by a total of 500 people) and received significant support.
- Staff is now revising the Draft Environmental Impact Statement to include the new lowered alternative.

Public Outreach and Input

- Meetings – Stakeholder 1 on 1's
- Web site – www.I-70east.com

Schedule

Stage	Anticipated Date
Community Outreach/ Input	Ongoing
Release of Supplemental DEIS	Summer 2013
Release of Final EIS	Spring 2014
Record of Decision	Summer/Fall 2014
Begin Construction	As early as 2016*

*dependent on final design, construction package, and funding.

Project Updates

Interstate-70 Mountain Corridor

Winter Season Management

- Colorado Chain Law enforcement
- I-70 smartphone app
- Heavy tow and courtesy patrols

Twin Tunnels

- Widen EB bore and add 3rd lane from Idaho Springs to Floyd Hill
- Actively preparing detour route—EB I-70 Traffic will utilize detour starting April 1.
- Anticipate completion of detour and other prep work for tunnel widening by April 2013.
- Tunnel Construction starts April 2013, and will open to traffic by late 2013.

Department Overview

Bridge Program

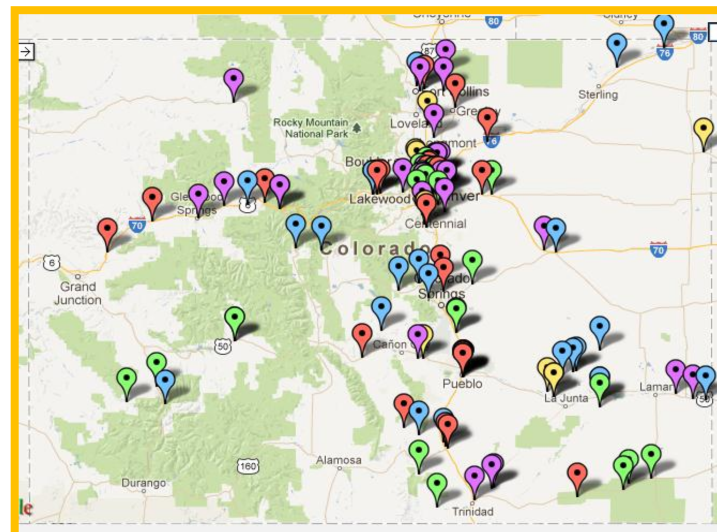
Since 2009…

- 167 eligible bridges
- Of this amount, 72 bridges are complete; with 61 in construction, design complete, or in design; and the remainder awaiting action

Public Information

- CDOT provides a regularly updated webpage providing a list of current Bridge Enterprise bridges and their status and a map showing the location of those bridges throughout the state.
- Available at www.coloradodot.info/programs/BridgeEnterprise

I-25 over Santa Fe (US85)



Bridges are being improved statewide

Project Updates

Asset Protection

Waldo Canyon (U.S. 24)

- Mitigation efforts:
  - Reducing debris flow onto the highway
  - Clearing and replacing culverts
  - Ensuring stability of boulders, shoring up unstable slopes
  - Re-vegetation of right-of-way
  - Constructing sediment traps
- $5.1 million provided by the Transp. Commission


High Park (S.H. 14)

- Mitigation efforts:
  - Equipment staged throughout burn area
  - Warning signs installed to warn motorists of potential debris flow
  - Precipitation gauges for real-time data collection installed .
  - Culvert replacements for better water runoff handling
- $3.9 million provided by the Transp. Commission


Department Overview

Division of Transit and Rail

Background/Purpose

- The Division of Transit and Rail was established in 2009 by the General Assembly.
- The Division is responsible for planning, development, operation, and integration of transit/rail into state planning and to assist local governments. C.R.S. 43-1-117.5

FASTER Grants for 2013

- Funded 70 Projects
  - From 41 agencies
- $14 million
  - $1 million for CDOT studies/admin.

FASTER Grants for 2014

- 84 applications
  - 37 agencies
- $24.4 million in requests
- $14 million will be awarded pending Transportation Commission approval
  - $1 million for CDOT studies/admin.

Loveland's COLT service

Department Overview

DOT
DEPARTMENT OF TRANSPORTATION

High-Performance Transportation Enterprise

HPTE Background/Purpose

- The HPTE was established in 2009 by the General Assembly, replacing the Colorado Tolling Enterprise

U.S. 36 Express Lanes Project

- New bus rapid transit
- Addition of a managed lane
- BRT ramp stations
- New roadway surfacing
- Bikeway path

CHOOSE YOUR MOVE

US 36 EXPRESS LANES PROJECT

Questions?