

DEPARTMENT OF TRANSPORTATION  
FY 2022-23 JOINT BUDGET COMMITTEE HEARING AGENDA

**Tuesday, November 30**  
**2:30 pm – 4:30 pm**

**2:30-2:45      INTRODUCTIONS AND OPENING COMMENTS**

Presenter: Kathy Hall, Chair, Transportation Commission

**2:45-4:30      FUNDING AND CONSTRUCTION UPDATES Main**

Presenters:

- Shoshana Lew, Executive Director
- Jeff Sudmeier, Chief Financial Officer
- Stephen Harelson, Chief Engineer

Topics:

- CDOT's Budget: Slides 7-9
- Federal Legislation Update: Page 1, Questions 1 in the packet, Slides 11-14
- SB 21-260: Slides 16-20
- Resiliency Planning: Page 3, Question 2 in the packet, Slides 22-25
- Revitalizing Main Streets & MMOF Funding to Local Government Slides 27-28

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FUNDING AND CONSTRUCTION UPDATES  
*FEDERAL INFRASTRUCTURE INVESTMENT AND JOBS ACT*

**Question 1 - [Sen. Moreno] Please discuss how the receipt and distribution of federal funds will be facilitated – i.e. custodial, appropriated, pass-through.**

Most of the state's federal highway funding is distributed through formula apportionments, and these formulas direct how much funding the state will get for core highway programs. The state does not receive direct transfers of federal funding for these programs. Rather, CDOT spends funds from the State Highway Fund first, and then receives a reimbursement of federal funds for eligible expenditures.

Some federal funds are dedicated to specific federal programs, for example National Highway Freight Program (NHFP), Highway Safety Improvement Program (HSIP), and Congestion Mitigation and Air Quality Improvement Program (CMAQ). Other federal funds are flexible and can be used for a wide variety of purposes. Flexible federal funds are used to fund CDOT's asset management program, including Surface Treatment and Bridge programs. Incremental flexible revenue included in the Infrastructure Investment and Jobs Act will allow CDOT to commit additional funds to the 10-Year Plan pipeline of projects. Federal funds reimbursed to CDOT also include funds passed through to locals, primarily through the Surface Transportation Block Grant (STBG) program and CMAQ programs.

Additionally, CDOT is receiving Federal stimulus funding through three different pieces of legislation: (1) The CARES Act of 2020 (2) The Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA), and (3) The American Rescue Plan Act of 2021 (ARPA).

CARES Act (March 2020)

The Coronavirus Aid, Relief, & Economic Security (CARES) Act was signed into law providing \$2 trillion in support for a variety of industries affected by COVID-19, including the transit industry, which was allocated \$25 billion in funding. This transit funding was provided to support transit operations to prevent, prepare for, and respond to COVID-19.

Beginning January 20, 2020, all activities normally eligible under the Urbanized Area (49 USC 5307) and Rural Area (49 USC 5311) formula programs were eligible for CARES Act funding, including Operating (including Administrative cost), Capital (preventive maintenance, rolling stock), and Planning. Colorado received \$325.3 million, of which CDOT received \$39.8 million.

Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) (H.R. 133)

The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) is a \$900 billion bill that provides funding for transportation, education, and other Coronavirus relief. CRRSAA

was included in the Consolidated Appropriations Act, 2021 (H.R. 133), a \$2.3 trillion spending bill that combined the \$900 billion in stimulus relief for the COVID-19 pandemic in the United States with a \$1.4 trillion omnibus federal government spending bill for the 2021 federal fiscal year (the omnibus bill portion itself combining 12 separate annual appropriations bills). The funding was signed into law by the President on December 27, 2020.

**Highway Funding**— Of the \$9.8 billion in flexible relief funding, CDOT received \$134,249,400. These funds may be used for preventive maintenance, routine maintenance, operations, personnel, including salaries of employees, and no state match is required. Funds were allocated based on the STBG Program formula, which allocates more than half of the funding based on population.

**Transit Funding**—Of the \$14 billion allocated to support the transit industry, Colorado received \$284.1 million, of which \$78.4 million will flow through CDOT. The remaining \$205.7 million in funds coming to Colorado will flow directly from the Federal Transit Administration (FTA) to urban transit agencies such as RTD, TransFort, Pueblo Transit, and Grand Valley Transit (Grand Junction). CRRSAA directs transit recipients to prioritize payroll and operational needs.

The FTA funds that CDOT is responsible for managing are sub-allocated by program: 1) \$78.1 million in Section 5311 funds for rural transit agencies (transit outside urbanized areas), 2) \$0.2 million in Section 5310 funds (seniors & persons with disabilities) to small urban areas, and 3) \$0.1 million in Section 5310 funds for rural areas.

The FTA does not have a sub-allocation formula for 5311 rural transit agencies and relies on CDOT to make that allocation. The largest pool of funds (\$78.1 million) will be allocated proportionally based on the size of agency budgets.

#### American Rescue Plan Act of 2021 (ARPA) (H.R. 1319)

CDOT received \$343.5 million from the American Rescue Plan (H.R. 1319) through SB 21-260. These funds are an allocation of the State and Local Fiscal Recovery Funds (SLFRF) from the US Treasury and will fall into expenditure category 6: Revenue Replacement; 6.1 Provision of Government Services. The funds were available upon transfer on June 30, 2021 and costs can be incurred through December 31, 2024. The Treasury Interim Final Rule further clarified that if funds are obligated by December 31, 2024, the performance period extends through December 31, 2026.

Of the amount transferred to the Department, \$159.5 will be used for shovel ready state highway projects, \$161.34 will be transferred to the Multimodal Transportation and Mitigation Options Fund for multimodal projects, and the remainder will be used for the Revitalizing Main Streets Program and Burnham Yard.

**Question 2 - [Rep. McCluskie] Describe any information you have about the new Risk and Resiliency portion of the federal legislation. Additionally, please provide an update on CDOT's current resiliency planning efforts and how that relates to natural disasters like Glenwood Canyon, etc.**

The federal Infrastructure Investment and Jobs Act created the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Program to help states

improve the resiliency of transportation infrastructure. This program includes resilience improvement grants, community resilience and evacuation route grants, and at-risk coastal infrastructure grants. The funding for this program is provided through both formula apportionments and a competitive grant program.

The anticipated funding for the new PROTECT program includes:

- \$98 million to Colorado over 5 years -- formula program
- \$280 million/year nationally competitive grants for
  - Planning (roughly \$25 million per year)
  - Capital improvements (roughly \$200 million per year)
  - Community resiliency (focused on evacuation routes - roughly \$25 million per year)
  - At-risk coastal areas (CDOT not eligible for this - roughly \$25 million per year)
- There is a reduced match provision which CDOT should qualify for: reducing the non-federal share to 10%.

Some additional areas that will receive rupture resiliency funding include:

- New Wildlife Crossing Program
  - \$70 million per year for competitive grants
- New Tribal Climate Resilience and Adaptation Program -- competitive grants
  - \$86 million over the life of the bill for tribal resilience and adaptation projects.
- Resiliency projects are also specifically eligible for:
  - NHPP program
  - Bridge Formula Program
  - Bridge Competitive Program
  - INFRA Competitive Program (wildlife crossings and freight resiliency)
  - Competitive Freight and Rail Research Programs
  - FEMA BRIC program and Disaster Assistance Funding

CDOT continues to work with stakeholders statewide on several resiliency measures. In the past, the planning and policy implementation was hindered by the availability of dedicated resiliency funding. With the new federal dollars, and an ability to leverage existing state funding for additional grants, Colorado is able to maximize resiliency funds for the future.

Some specific projects that are part of the resiliency conversations include:

- Cottonwood Pass as an alternative route to I70 Glenwood Canyon
- Maintenance needs at the Eisenhower Johnson Memorial Tunnel
- land stabilization works above the Glenwood Canyon I70 corridor
- building out more fiber along CDOT right of ways for future broadband development
- installation of larger culverts to increase capacity flow in case of future flooding

- avalanche system upgrades and wind fencing
- 2019 Flood Plan for preventive measures
- installation of wildlife crossings in Central and Southwestern Colorado, 20 more included in 10 year plan
- install nets and sensors along high-risk rock fall areas on mountain highways

### *10-YEAR PLANNING UPDATE*

**Question 3 - [Rep. McCluskie] Please talk about how years 5-8 of the 10-Year Plan have been impacted by the pandemic, specifically in regard to increased outdoor recreation and a surge in visitors to the I-70 corridor. -**

CDOT's 10-Year Plan document identifies hundreds of transportation improvements across the state, including 100+ shovel-ready projects, 1,000+ lane miles touched, 15 new or rehabilitated transit facilities, historic investment in rural roads, and a focus on improving the condition of our roadway system. The 10-Year Plan provides a prioritized pipeline of projects to guide CDOT's ongoing investments in Colorado's transportation system.

Since its adoption in May 2020, CDOT has advanced 144 projects from 10-Year Plan, including:

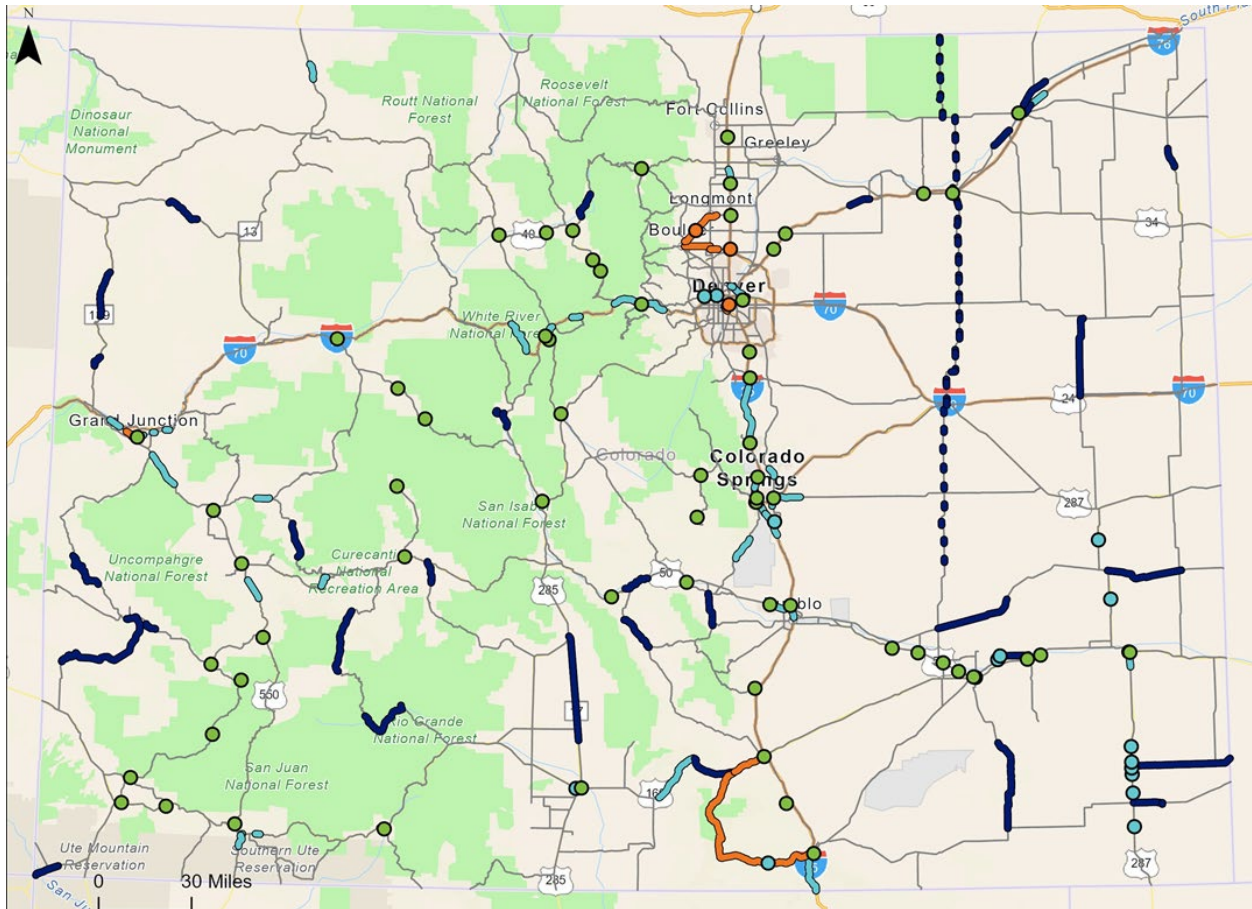
- 44 highway projects (12 complete or under construction)
- 59 transit projects (7 complete or under construction)
- 9 multimodal projects with both highway and transit elements
- 33 rural paving projects (14 complete or under construction)

CDOT's 10-Year Plan represents projects proposed for funding through SB 18-001, SB 17-267, and now SB 21-260.

- \$2.2 Billion Funds Allocated for Projects in Years 1-3
- \$380 Million Funding Proposed for Remaining Projects in Year 4

Nearing completion of the first four years on the 10-Year Plan, CDOT is now updating the plan to prioritize and deliver projects in the plan's out-years given the sustainable funding provided by SB 21-260, plus the new federal-level infrastructure funding. This plan update will also comply with the new SB 21-260 requirements, including new standards for reduced greenhouse gas emissions.

## MAP OF PROJECTS FUNDED TO DATE (YEARS 1-3)



### Areas of Progress

- Critical repairs to the Eisenhower-Johnson Memorial Tunnel
- Addressing poor interstate pavement along I-76
- Improving safety and road conditions along CO 13 by adding shoulders, drainage and wildlife underpass

### Providing More Multimodal Options

- Completing mobility hubs along North I-25
- Expanding Bustang service
- Preparing for Bus Rapid Transit on CO 7 and other key corridors

### Improving Safety

- Advancing current work on urban arterials and main streets
- Slowing traffic and increasing bike/ped options along US 160 in Pagosa Springs
- Over \$300 million in strategic funding for rural paving projects - the largest investment in rural roads in CDOT history.
- Over 600 miles of rural roads on the state highway system improved
- Every corner of the state has been enhanced with the rural paving program.

**Question 4 - [Rep. McCluskie] Describe your plan for engaging stakeholders around the state on the 10-Year Plan and provide other examples of stakeholder engagement if applicable.**

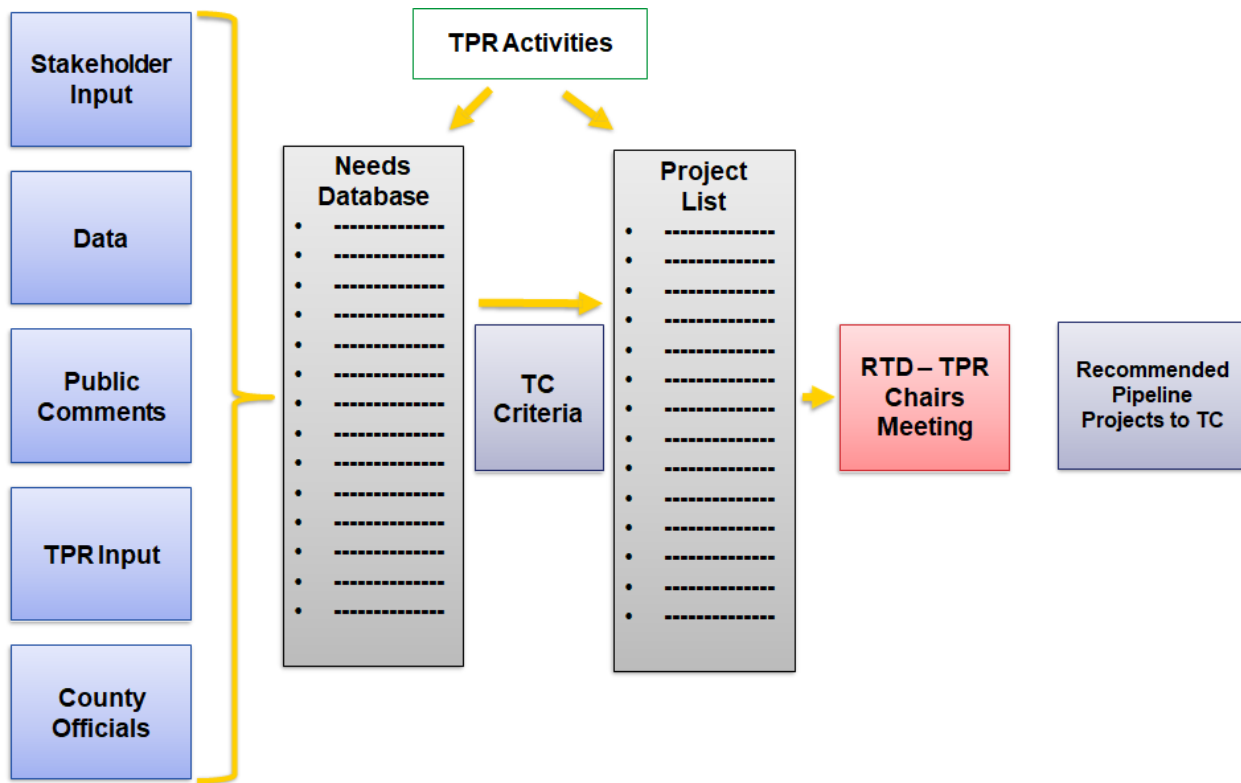
CDOT relies on a bottom-up approach towards planning for transportation projects. The Department follows the federal guidelines for developing the 10-year plan in collaboration with stakeholders, including local governments, planning regions, environmental groups, Statewide Transportation Advisory Committee,

In 2019, CDOT began the process to build a 10-year vision plan for our state's transportation system, meeting with Coloradans in every county and connecting with residents in their communities. Thousands of comments and ideas became the basis for a prioritized list of transportation projects. The resulting 10-Year Vision document identifies transportation improvements across the state, ranging from long-deferred resurfacing projects to large and complex projects.

In 2021, the CDOT Transportation Commission approved additional elements to consider when approving the final project lists proposed by the locals and CDOT regions. Below are the elements the Commission considered when approving the 10 year plan:

- TC Guiding Principles
- Project Readiness
- MPO Planning Cycles
- MPO/TPR Prioritized List of Projects
- Funding Type
- Rural Paving / Multimodal / Transit Goals
- Greenhouse Gas Rule
- Availability of Funding Partnerships
- Modifications (removal/additions/clarifications/modifications)

This flowchart illustrates the stakeholder process for developing and updating the Department's 10 year plan.



For additional information on public outreach on major construction projects, please see the following links:

Central I70 project:

[The outreach chapter of the Final EIS](#) describes all of the outreach the Department went through up until the Final EIS.

The Record of Decision also has information about what the Department did since the Final EIS. It is available here (starts on [page 89 of the pdf](#)).

Additionally, past and ongoing outreach for the Central 70 project include:

- 3,050 hours spent in the community as of October 2021
- Public event to showcase the Project that brought in over 3,000 members of the public in May prior to the major traffic switch
- Weekly engagement with Swansea Elementary School, including creating activities for students to educate them about the Project (i.e. cover park outreach, safety campaigns, etc.)
- Over 50 tours of the Central 70 Project in 2021
- Twice monthly stakeholder meetings
- Weekly "Communications Collaborators" emails sent to stakeholders about project updates
- Over 20 presentations for various stakeholders and community groups



The Department continues public outreach for the upcoming I-270 project, as well. Below is a list of outreach activities to date:

- Environmental Assessment Public and Stakeholder Outreach - Provided in both English and Spanish
- Stakeholder meetings with more than 20 agencies and organizations including local churches, schools, and community groups. All agreed to help CDOT engage with and spread the word to their constituents. Organizations include:
  - Assumption of the Blessed Virgin Mary Catholic Church
  - Mapleton School District
  - Friendly Baptist Church
  - Kids First Healthcare
  - Cultivando - Latinx Non Profit
  - Greenway Foundation
  - Sand Creek Regional Greenway
  - Colorado Motor Carriers Association (CMCA)
  - City and County of Denver Department of Transportation and Infrastructure
  - Freight Advisory Steering Committee
  - Suncor Energy
  - Regional Transit District (RTD)
  - Union Pacific Railroad and Burlington Northern Santa Fe Railroad
  - Emergency Service Providers (Adams County Fire, South Adams County Fire, Commerce City Emergency Management)
  - Adams County Census Coordinator -Crystal Elliott
  - Sand Creek Regional Greenway Partnership
  - Mile High Flood District
- Media relations including:
  - Social media – Facebook, YouTube, and stakeholder social media channels
  - Paid social media targeting Spanish speaking audience
  - Press releases and media advertisement to print, television and radio outlets in both English and Spanish
- Email blast - Emails announcing public events and providing project updates were sent to stakeholders and individuals who requested to be on the email list. This generated an initial email list of over 300 recipients that received the announcement for the first public event held in August 2020. Email blasts to more than 400 people announced the second public event held in December 2020.
- Direct mail postcards - Postcards announcing public events were sent to zip codes within 0.25 mile of the project corridor. This generated an initial mailing list of over 7,000 addressees that received the announcement for the first public event held in August 2020. Based on input received from Cultivando during stakeholder outreach, the mailing list was later expanded to include additional zip codes, resulting in over 17,000 addressees who received the announcement for the second public event held in December 2020.
- Newsletters – Project articles in the Commerce City Connected newsletter

- Project website to provide up-to-date information and information on how to reach the project team via telephone on the project Hotline or email
- Posters and flyers at community venues – Flyers and posters were distributed to various community venues, such as churches, recreation centers, Hispanic grocery stores, Commerce City Civic Center, and convenience stores. Locations were changed as needed to accommodate COVID-19 pandemic restrictions that occurred during the study.
- Elected Official Updates - regular study session updates and engagement with local elected officials, including a corridor tour.
- Regional Advisory Committee - composed of neighboring jurisdictions and regional community organizations and partners is utilized to reach a wider audience and gain additional perspectives regarding the corridor.
- Outreach toolkit provided to partners – an online communication toolkit that outreach professionals with Commerce City and Adams County could access to share information on the second public event in December 2020. All toolkit materials were bilingual and included posters and flyers, social media messages for various platforms, graphics for local government access channels, and stakeholder emails.
- organized two corridor bus tours with local elected officials and other environmental stakeholders to provide and receive input on the I270 project. For both, more than 50 people attended.

## *OTHER*

### **Question 5 - [Rep. McCluskie] Please discuss the findings of the study required by S.B. 19-032 (Hazardous Materials Transportation Routing).**

In 2019, the General Assembly directed CDOT to look at the challenges of allowing hazardous materials to travel through the Eisenhower Johnson Memorial Tunnel. Current practice does not allow for trucks to haul hazardous materials through the tunnel except in certain circumstances. The 2020 study provided a number of recommendations for further consideration. CDOT continues to work with two stakeholder groups, one for safety recommendations and the other for project recommendations.

Below is a list of the recommendations from the report.

Type of Option	Option	Recommended for further Consideration
<b>Hazmat Routing</b>	<b>Option 1</b> – Status quo, Allowing selective hazmat through tunnel/I-70 subject to platooning and strict traffic control during when US 6/Loveland Pass is closed during quiet hours	Yes
	<b>Option 2</b> – Allowing all hazmat through tunnel/I70 at all times (no hazmat type/placard restrictions, time, day, or seasonal restrictions)	No
	<b>Option 3</b> – Allowing selective hazmat through tunnel/I-70 at all times (no time, day, or seasonal restrictions)	No
	<b>Option 4</b> – Allowing selective hazmat through tunnel/I-70 weekdays (M-TH) only (no time or seasonal restrictions)	No
	<b>Option 5</b> – Allowing selective hazmat through tunnel/I-70 during quiet hours	Yes
	<b>Option 6</b> – Allowing empty hazmat (with placards) through tunnel/I-70 at all times or with day/time restrictions	Yes
<b>Tunnel Infrastructure</b>	Adding new foam system	No
	Adding foam concentrate to existing FFSS	Yes
	Lining or reinforcing tunnel ceiling with fireproof insulation	Yes
	Removing ceiling and installing jet fans	No

	Managing tunnel entry (barriers, thermal sensors, WIM, CFM)	Yes
	Visual speed indicators in tunnel	No
	Tunnel communication and public address in tunnel	Yes
	Prioritize funding for VSD in Johnson Tunnel	Yes
	Prioritize funding for deferred maintenance	Yes
<b>Roadway Infrastructure</b>	Improve roadway geometry and safety on US 6 and I-70	No
	Add brake cooling area past lower Straight Creek escape ramp	Yes
	Provide spill containment/response and enhanced drainage	Yes
<b>Operations Safety</b>	Develop requirements for use of EJMT/I-70 by trucking companies (safety scores, education, and equipment)	Near term
	Development of a mitigation fund by trucking companies to cover damage to tunnel	Long term
	Speed management and dynamic downhill speed warning	Near term

Truck-only lane during non-peak hours	Near term
EJMT tunnel operator response training and support	Near term
Support for local emergency responders with emergency response plan and emergency operations	Near term
Work with CMV and automotive industry on emerging technologies	Long term

**Question 6 - [Sen. Hansen] Describe what you’re seeing in terms of construction cost escalation and how that is impacting bids on new projects.**

The pandemic has shown considerable volatility in construction bid pricing. In the quarter ending September 30, 2021, CDOT’s Construction Cost Index showed an increase of 11.97 percent from the same quarter in 2020. However, it should be noted that the Sept 2020 data was depressed due to the pandemic-and was down 10.90 percent from the non-pandemic Sept 2019 data. In effect, September 2021 is very close to the index of Sept 2019.

CDOT also tracks the annualized change in the CCI for the trailing four quarters at the end of each quarter. This is an important metric in that it strips out the seasonality that impacts CDOT bidding and prices. That information is shown here for the past 10 quarters.

March 2019	3.08%
June 2019	-13.30%
Sept 2019	-9.30%
Dec 2019	14.14%
March 2020	9.12%
June 2020	4.39%
Sept 2020	2.95%
Dec 2020	-4.71%
March 2021	-8.23%
June 2021	-2.80%
Sept 2021	-0.18%

Circumstances other than COVID impacted the index in the summer of 2019-sharply reducing the prices CDOT paid for construction. December 2020 through March 2021 shows the increasing impact of the pandemic, and the data from June and September 2021 shows the recovery we are experiencing.

The volatility of construction material prices has been mitigated by the state and federal funding bills. There would have been a larger impact if past levels of funding were maintained instead of new funding opportunities available.

Here is [a link to CDOT's website](#) that has a report detailing the fluctuations of the CCI over time.

## RIGHT-OF-WAY CLEANUP AND REST AREAS -

**Question 7 - [Sen. Moreno (on behalf of Rep. Tipper)] Discuss their right-of-way management activities.**

- **How does CDOT keep those areas tidy? Address confusion between local and state responsibilities.**

Right of way maintenance along the state highway network is an ongoing process throughout the year. During the summer months CDOT maintenance crews rush to accomplish the long list of maintenance projects needed to maintain the more than 23,000 lane miles in the state. In the more urbanized areas, litter and dumping is a prominent issue.

Some recent examples of this are along US 6 in CDOT's Region 1. Within the last few years, CDOT workers have picked up 332 bags of litter in 2019, 260 bags in 2020, and 130 bags so far this year. Furthermore, we picked up 1,457 pounds of trash in 2019, 1,342 pounds in 2020, and 846 pounds thus far. That is from one state highway within a 25 mile distance.

CDOT collaborates with local governments and private citizens to help keep the right of way clean. One of the most successful programs includes the Adopt a Highway Program, which allows citizens or companies to take responsibility in keeping a section of highway right of way clean. Unfortunately, these only cover certain areas.

Another aspect to maintaining a clean right of way is to manage the weeds that grow in them. This is an issue in the urban and rural parts of the state.

There are three roadside zones within the CDOT right of way. Zone 1 is defined as the edge of pavement to the ditch, this width varies. Zone 1 is the focus for Mechanical Mowing operations.

Operations in Zone 2 and Zone 3 cannot be conducted between April 15<sup>th</sup> and August 1<sup>st</sup> due to the federal Migratory Bird Treaty Act of 1918. Zone two is usually the slope area and Zone 3 is all the way to the edge of CDOT's ROW.

CDOT rarely mows in Zone 2 and 3, which allows us to have better Zone 1 coverage twice a year.

Finally, mechanical mowing height is set at 8" and 10" and cannot be shorter than 6" due to safety concerns of flying debris.

Trash and debris removal is included in the maintenance project administration budget, which totals \$21.4 million. This budget line item includes activities like drain cleaning, fence maintenance, cleaning/mowing ditches and streambeds, sound barrier maintenance, rock run, and sweeping.

The entire statewide budget for the Roadside Appearance Maintenance Program is around \$10.5 million for more than 23,000 miles of right of way (We schedule mowing for twice a season as this is the amount of the mowing budget can afford). This includes the mowing on the plains, the trash pick up in the cities, and the maintenance of the mountain corridors too.

- **How much funding is devoted to these management activities, where does the funding originate, and how does that interact with the Adopt a Highway and Clean Colorado programs?**

CDOT has a total of \$263.5 million devoted to overall maintenance of existing highways. This pot of money includes everything necessary to provide a level of maintenance services on the highways, including snow and ice control, tunnel activities, structure maintenance, roadway appearance, etc . This breaks down to separate amounts for each of the five CDOT regions. This funding comes from the federal and state gas tax revenues. State funding from SB 17-267 and SB 21-260 do not include specific funds for ongoing maintenance activities.

CDOT's Adopt a Highway program allows citizens to contribute their time towards keeping the highways clean. Generally, the adopting group agrees to pick up litter from both sides of a highway for a two-mile section at a minimum of four times per year. However, each segment has its own special needs. A few segments may be longer or shorter than two miles or they may be in an area that doesn't need to be picked up more than twice in a year. Some groups have adopted several sections of highway.

Adopting groups are encouraged to sort litter when picking up and taking recyclable materials to recycling centers. The group may keep any money collected from their recycling efforts.

CDOT's Clean Colorado sponsorship program complements our Adopt-a-Highway program, and offers one more way for community and civic organizations, businesses, non-profit organizations, and private citizens to participate in the effort to keep the roadsides and rest areas of Colorado attractive and clean from litter. All highways and interstates under CDOT's jurisdiction are included in the Clean Colorado program. The cost to participate in the program varies by highway and frequency of cleaning. Highway and interstate sections are sponsored in one-mile segments, and are cleaned either 12 or 26 times a year. Available ramps, rest areas and chain-up stations are cleaned at least 12 times a year.

Since the inception of the Clean Colorado program in 2005, participation continues to grow among businesses and organizations that have civic pride and are committed to giving back to the community. Best of all, this program costs the traveling public nothing; no state funds are expended to generate these great litter-removal services, and the program allows our department to better utilize maintenance time and funds to be directed to more substantial safety-related activities.

Here are the links that show maps for the [Adopt a Highway](#) coverage and [Clean Colorado highways](#).

- **How are funding decisions made? Is there a system of prioritization for cleaning certain areas?**

CDOT regions prioritize a list of maintenance projects annually, keeping track of all the different maintenance needs for the highways in their regions. Weed management generally falls into regularly scheduled times based off the annual timelines dictated by federal rules. Picking up trash can depend on the needs of the region. CDOT's more rural regions do not have as much time dedicated to picking up trash as the more urban regions. During the busy summer months when the need is highest, CDOT utilizes some prison labor to help stay on top of the problem.

There is a static amount of funding available for CDOT regional maintenance projects. The funding amount for right of way maintenance depends on the amount of funds spent on the other maintenance categories. These categories include snow/ice removal, rockfall mitigation, culverts, bridges, surface treatments, tunnels, sound walls, traffic signals, and right of way cleaning. To protect the safety of the public, snow/ice removal is the highest priority and receives the most funding.

Finally, workforce availability plays a factor in prioritizing maintenance projects. Currently, in CDOT Region 1, two large maintenance sections stretching from the Eisenhower Johnson Memorial Tunnel, to Limon, to Monument hill to SH 7 in the north, are experiencing a 30% workforce shortage.

- **How are funds allocated for the Clean Colorado program? If an entity sponsors an area, do those dollars go to that specific area?**

That is correct. The dollars from a Clean CO sponsorship are dedicated to that specific section of state highway.

- **Does CDOT feel it is doing an adequate job of highway cleanliness? If not, what needs to happen for that to change?**

CDOT struggles with the amount of litter along state highways. Limited dollars dedicated to maintenance and a shortage of maintenance workers statewide adds to the challenges of keeping the right of way clean.

- **Has the COVID-19 pandemic impacted highway cleanliness?**

The pandemic has impacted the number of maintenance workers available to pick up trash, but overall did not result in much less trash on the right of way. There may have been fewer bags of trash collected in some of the metropolitan areas, however, the amount of trash continued to be around the amounts CDOT crews see each year.



**Question 8 - [Rep. Ransom] Is there anything that can be done by CDOT or the General Assembly to address ROW areas where encampments are starting to form?**

CDOT's right of way is state property but is treated as a private property to ensure the safety of the traveling public, the Department's first responsibility. CDOT must collaborate with local governments and law enforcement as the Department cannot enforce laws like illegal dumping, trespassing, or homeless encampments within our right of way. We need law enforcement to remove people camping in the right of way.

All over the state, the Department is clearing as many as 20 camps every day along highways and underpasses (and inside of bridge structures), aiming to keep roads free of hazards and to clean-up sites that can collect trash and hazardous waste. Currently, we are spending 10% of our total metro maintenance budget on these clean-ups/debris/litter. One example includes a large camp CDOT cleaned up (I-25/I-76/CO53) that cost the taxpayers over \$75,000.00 and over 1,500 man-hours in labor. CDOT enters into IGAs with local governments to provide support on working through this issue. Most recently CDOT signed an IGA with Adams County for homeless camp cleanup in state right of ways and county open space that are next to one another.

**Question 9 - [Sen. Hansen] Provide an update on rest area closures/operations in relation to the COVID-19 pandemic.**

COVID-19 was generally not a factor in closures of rest areas in Colorado. Several factors converge to create a difficult situation for CDOT's maintenance of state rest areas. The most significant factor leading to the permanent or temporary closure of rest areas is the static nature of maintenance funding dedicated for rest stops. The average age of our rest areas is 29 years old and designed to accommodate populations from the '80's and 90's. Over the last few years, the Transportation Commission added Rest Areas as an asset which makes them eligible for asset management funds effective FY 2022-23 (because of our five year budget cycle). Effective FY 2022-23, rest areas will have a dedicated funding stream for the first time in our history.

CDOT continues to have discussions on how to reopen some closed rest areas and provide ongoing maintenance for others. One of the most challenging rest stops that has been closed for recent years is the Pinon rest stop outside of Pueblo. This rest stop, originally built in the 1960's, has had a rebuild done three times over its history, but the existing wastewater treatment on site is no longer viable and must be replaced. As mentioned earlier, available funding is difficult to find for the \$3M+ price tag.

CDOT continues to explore other out of the box alternatives for funding rest areas. Some options discussed include focusing more on truck parking, entering into public private partnerships, and finding corporate sponsors.

**Question 10 - What is the process for creating a new Amtrak Stop? Is CDOT involved in this process? Who else would be involved in this process?**

Ultimately, this is an Amtrak decision, but CDOT would be engaged in the process, in collaboration with the Front Range Rail District and the Regional Transportation District, along with any community support and potential investment. Overall, a locality would need to be able to make the

business case for why Amtrak should add the stop and have the ability to help fund improvements and community support.

**Question 11 - Please provide an update on how remote work policies implemented in response to the COVID-19 pandemic have changed the Department's long-term planning for vehicle and leased space needs. Please describe any challenges or efficiencies the Department has realized, as well as to what extent the Department expects remote work to continue?**

[CDOT's Procedural Directive 1230.1](#) outlines the Department's policy for flexible workplace agreements. Under this framework, CDOT employees can work with their supervisor to develop a Flexible Workplace Agreement. CDOT encourages the use of these agreements to support employees' work-life balance, further efficiency and productivity, and to meet environmental goals set by executive orders. It is expected that most nonessential CDOT employees will be on a hybrid schedule moving forward, which includes being in the office 2 to 3 days per week.

Revitalizing Main Streets

[The Revitalizing Main Streets \(RMS\) program](#) has helped communities across the state implement transportation-related projects that improve safety and provide long-term benefits to community main streets. As part of Colorado's COVID-19 recovery plan, the RMS program was made possible through a \$30 million allocation from the state legislature in March 2021.



**COLORADO**

Department of Transportation

# Joint Budget Committee November 30, 2021



- CDOT budget
- Federal update
- SB 260 implementation
- Resiliency
- Revitalizing Main Streets/Multimodal and Mitigation Option Fund



**Shoshana Lew: Executive Director**

**Kathy Hall: Chair, Transportation Commission**

**Jeff Sudmeier: Chief Financial Officer**

**Stephen Harelson: Chief Engineer**



# CDOT Responsibilities

## \$1.5 Billion Budget



Oversees more than  
**33 billion** vehicle miles of  
travel each year



Maintains and Repairs  
**23,000 Lane Miles**



Maintains **3,460** bridges



Plowed more than  
**7 million** lane miles  
last winter season



Bustang accommodated  
**238,135** passenger  
trips in 2019



Colorado's system includes  
**73 public use airports**  
and one seaplane base

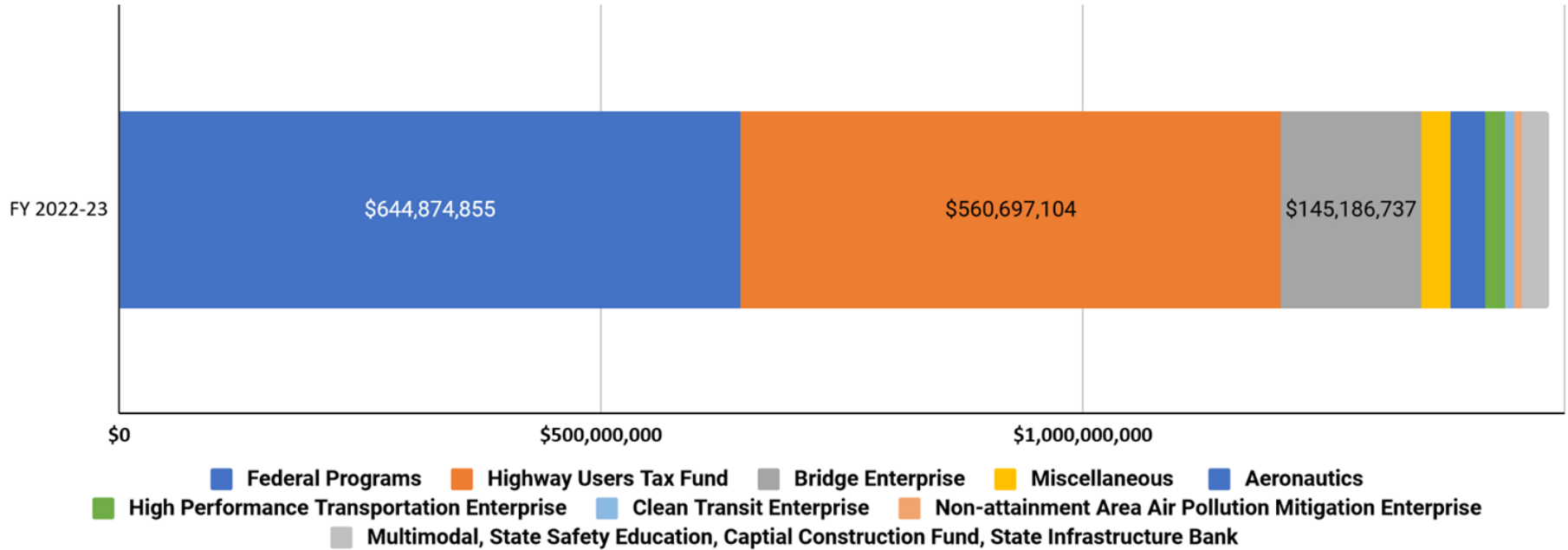


# CDOT's Budget



# FY23 Budget Allocation Plan Sources

## FY 2022-23 Sources

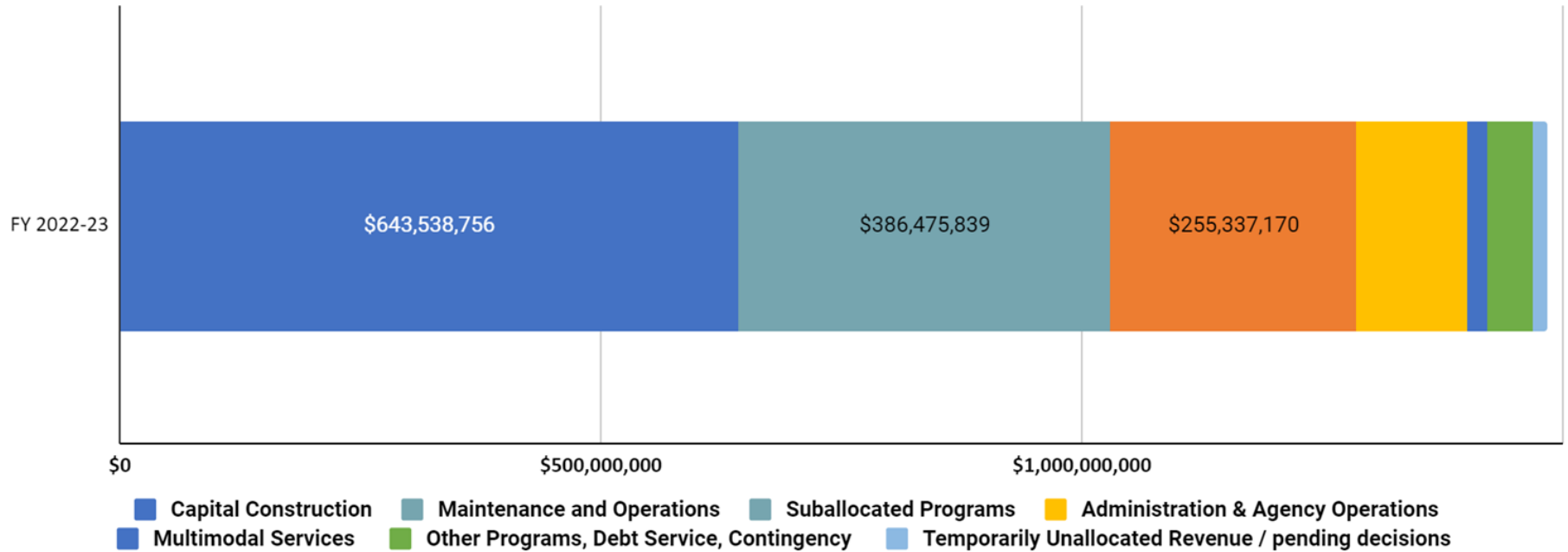






# FY23 Budget Allocation Plan Uses

## FY 2022-23 Uses





## **MMOF Roll Forward Authority:**

The Department requested 3 years of roll forward authority for future MMOF appropriation.

## **FTDD Spending Authority -**

HB 21-1317 transferred \$2.0 million from the Marijuana Tax Cash Fund to the FTDD Account. With the increased fund balance, the Department was able to request a full \$1.5 million appropriation from this account for FY 23



# Federal Legislation Update



# How Will Colorado Benefit?

## Road and Bridges

- \$3.7 B in funding
  - **\$700M** new money
- **\$225 million** (minimum) for bridge replacement and repairs

## Resiliency

- **\$35 million** over five years to protect against wildfires and **\$16 million** to protect against cyberattacks
- **\$688 million** over five years to improve water infrastructure across the state
- **\$100 million** to expand broadband coverage

## Transit

- \$916M in funding
  - **\$200-\$250** million new money

## Environment

- **\$57 million** to support the expansion of an electric vehicle charging network throughout the state.

## Airports

- **\$432 million** for infrastructure development for airports over five years



# Highway, Road, and Bridge Formula Programs

<b>Highway, Road, and Bridge Formula Programs</b> <i>(Does not include Discretionary or potential grant money)</i>							
	FY 21 FAST Act Extension	Infrastructure Investment and Jobs Act (IIJA)					Avg. Annual New Money
	2021	2022	2023	2024	2025	2026	
<b>Subtotal Existing Programs</b>	\$592M	\$681M	\$695M	\$709M	\$723M	\$738M	\$117M
<b>Subtotal New Programs</b>	N/A	\$81M	\$82M	\$82M	\$83M	\$83M	\$82M
<b>Total New and Existing Programs</b>	\$592M	\$762M	\$777M	\$791M	\$806M	\$821M	\$199M



# New Grant Opportunities



Expanded opportunities for RAISE and INFRA grants.



\$5 billion to establish the Safe Streets and Roads for All grant program



\$7.5 billion nationwide for DOT programs that support EV charging infrastructure



# SB 21-260



# SB21-260

*Revenue Impact*

## Revenue Projections Under SB 21-260 (millions)

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
General Fund Transfers	\$0.0	\$170.0	up to \$115.0 through FY 26	
American Rescue Plan Act	\$380.0	\$0.0	\$0.0	\$0.0
Total State and Local Fee Revenue	\$0.0	-\$30.4	\$34.6	\$97.3
Total Enterprise Fee Revenue	\$0.0	\$0.0	\$70.9	\$84.4





# SB21-260

*Revenue Impact, Cont.*

## CDOT Revenue Forecast for SB 21-260 (millions)

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
State Highway Fund - ARPA and General Fund	\$160.00	\$170.0	\$0.0	\$0.0
State Highway Fund - Fee Revenue	\$0.00	-\$18.3	\$13.4	\$50.2
Revitalizing Main Streets	\$22.16	\$0.0	\$6.9*	\$0.0
Multimodal Transportation and Mitigation Options Fund	\$146.84	\$0.0	\$114.8*	\$7.4
Southwest Chief and Front Range Passenger Rail	\$14.50	\$0.0	\$0.0	\$0.0
Bridge and Tunnel Enterprise	\$0.00	\$0.0	\$20.1	\$27.5
Nonattainment Area Air Pollution Mitigation Enterprise	\$0.00	\$0.0	\$7.1	\$8.5
Clean Transit Enterprise	\$0.00	\$0.0	\$8.3	\$9.1
<b>Total</b>	<b>\$343.5</b>	<b>\$151.7</b>	<b>\$170.6*</b>	<b>\$102.7</b>

\*Includes \$108.1 M for MMOF and \$6.9 M for Revitalizing Main Streets between FY 23 and FY 26 through excess state revenue cap.



# Accountability and Transparency

## CDOT and Enterprises:

- Maintain clear accountability mechanisms
- Engage a wide variety of stakeholders to ensure funding achieves intended outcomes
- Regularly report to the Transportation Commission, legislature, and construction partners

## Enterprises:

- Maintain accessible and transparent summary information regarding implementation status, funding, and expenditures on their websites
- CDOT will continue with their new commitment to enhanced accountability and transparency measures

## Alternate Delivery Projects:

- For projects more than \$75 million add a public comment process as well as approval from the Transportation Commission
- CDOT publishes the justification for using alternative delivery contracts, the evaluation scores, and ongoing project updates online
- CDOT will not shortlist contractors based on experience delivering alternative delivery projects



# Resiliency Planning



# Risk and Resiliency: Federal Funding

- New PROTECT program -- Funds Resiliency in surface transportation
  - \$98 million to Colorado over 5 years -- formula program
  - \$280 million/year nationally competitive grants for
    - Planning (roughly \$25 million per year)
    - Capital improvements (roughly \$200 million per year)
    - Community resiliency (focused on evacuation routes - roughly \$25 million per year)
    - At-risk coastal areas (CDOT not eligible for this - roughly \$25 million per year)
  - There is a reduced match provision which CDOT should qualify for: reducing the non-federal share to 10%.
- New Wildlife Crossing Program
  - \$70 million per year for competitive grants
- New Tribal Climate Resilience and Adaptation Program -- competitive grants
  - \$86 million over the life of the bill for tribal resilience and adaptation projects.
- Resiliency projects are also specifically eligible for:
  - NHPP program
  - Bridge Formula Program
  - Bridge Competitive Program
  - INFRA Competitive Program (wildlife crossings and freight resiliency)
  - Competitive Freight and Rail Research Programs
  - FEMA BRIC program and Disaster Assistance Funding



# Glenwood Canyon: Repairs & Prevention

## 2021 - 2022 (After summer 2021 closure)

- Contractor work includes continued material removal, re-establishment of culverts and ditches.
- Super sacks installed as temporary rockfall mitigation at base of Blue Gulch
- CDOT is evaluating additional debris flow mitigation with the USFS.

## 2020 - 2021 (Before 2021 closure)

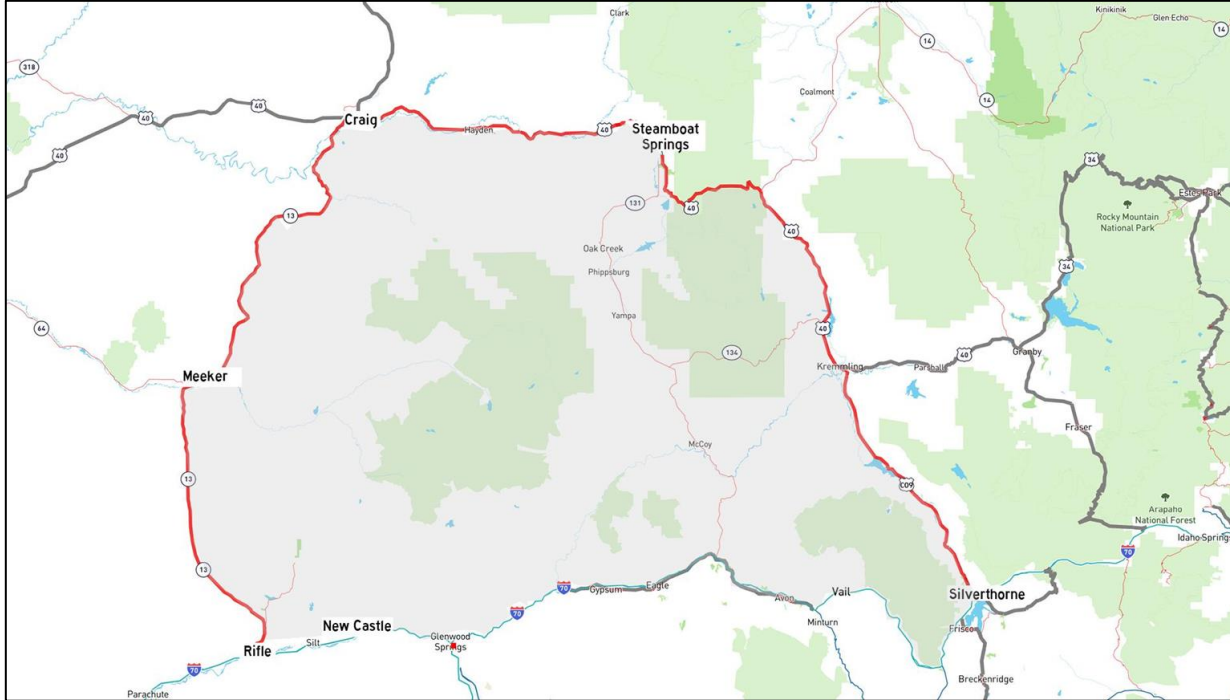
- Shredded wood straw mulch on 29 acres of burned soil after Grizzly Creek Fire; rockfall mitigation (new rockfall fence, higher capacity rockfall fence, repairs to 16 existing fences).





# Alternate Route

## Cottonwood Pass Option:



- Needs approval from local governments, TPR, and stakeholders to move forward to planning.
- CDOT applying for a planning grant to establish baseline of what work would be necessary.



# I-70 Resiliency Projects

## Eisenhower Johnson Memorial Tunnels



- Approximately \$100 to \$150M needed to address unmet asset management needs
- \$50 M investment on deferred maintenance needs
- Applying for a federal grant for \$2.5M toward \$4M needed to replace the generators (original from 1970s) in the tunnels.
  - The tunnels currently rely upon two, natural gas 500 kw generators for emergency backup power.



**Revitalizing  
Main Streets**

**&**

**MMOF Funding  
to Local  
Governments**





# Multimodal Transportation and Mitigation Options Fund

Originally created under SB18-001, and additional annual funding added in SB21-260.

## Currently:

- 109 Local projects awarded around the state to date
- \$335M total project leverage from \$80M investment.
- Working with stakeholders to update distribution formula and match funding guidelines for new funds.





# Revitalizing Main Streets

The **Revitalizing Main Streets** program helps communities across the state implement transportation-related projects that improve safety and provide long-term benefits to community main streets.

As of November 2021, CDOT awarded \$32.3M in 154 grants to communities across the state.

Notice of funding availability (NOFA) will be issued in December for first tranche of SB260 funds for this program.

Applications to date have far exceeded available funding. For example, over \$70M in large grant requests for \$22M available funds.



A full list of grant recipients may be found [HERE](#)



Questions?





DEPARTMENT OF TRANSPORTATION  
FY 2022-23 JOINT BUDGET COMMITTEE HEARING  
**WRITTEN RESPONSES ONLY**

**COMMON QUESTIONS: PLEASE RETAIN THE NUMBERING IN ORDER TO MAINTAIN CONSISTENT LABELING FOR COMMON QUESTIONS ACROSS DEPARTMENTS.**

- 1 Provide a list of any legislation with a fiscal impact that the Department has: (a) not implemented, (b) partially implemented, or (c) missed statutory deadlines. Explain why the Department has not implemented, has only partially implemented, or has missed deadlines for the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.**

SB 21-260

This legislation has been (b) partially implemented. This bill is being implemented based on the various deadlines and timelines outlined in the bill. There are multiple, complex provisions, therefore implementation will continue over a longer timeframe. The Department has not encountered any problems at this time. Currently, ongoing work includes:

- Establishing the fiscal and administrative architecture for all of the fund transfers and new revenues anticipated beginning in FY 2022-23.
- Establishing a reporting framework for internal and external customers.
- Establishing new Enterprises: Board members are in place and the Department is planning for the first board meetings. Work is beginning on the required 10-Year Plans.
- Implementing new requirements to transition from Bridge Enterprise to the new Bridge and Tunnel Enterprise, including bylaws and articles of organization, program vision statement, development of new policies, and coordination with the Federal Highway Administration regarding program eligibility criteria.
- Establishing and updating Local Agency Oversight Requirements for stimulus (ARPA funds)
- Integrated Project Delivery Requirements are being implemented. The RFP template has been revised and the Floyd Hill Project has already incorporated many of the transparency requirements and will remain committed to fulfilling all remaining requirements as the project continues. This will set the expectations for future projects and assist the program to assure full compliance.
- Establishing the Freight and the Environmental Justice Branches.
- Environmental is developing a GHG mitigation action plan and finalizing the definition of Regional Significant and Transportation Capacity Projects.
- Implementing planning requirements including GHG rulemaking, updating the 10-Year Plan to include the required GHG analysis, and work on developing a Regionally Significant Projects baseline model.
- Southwest Chief and Front Range Passenger Rail: A workgroup is addressing the various details of ensuring funds are routed properly and preparing for the dissolution of the Rail Commission and the transition to the new Rail District.

SB 21-238

- This bill repeals the Southwest Chief and Front Range Passenger Rail Commission and transfers any unencumbered fund balance to the newly created Front Range Rail District. This bill is being implemented based on the timeline outlined in the bill.

HB 21-1303

- Legislation requires CDOT to develop a database of greenhouse gas emissions from construction materials on highway projects. The department has three years to implement.

- 2 **Does the Department have any HIGH PRIORITY OUTSTANDING recommendations with a fiscal impact identified in the Office of the State Auditor's "Annual Report: Status of Outstanding Audit Recommendations"? What is the Department doing to resolve these HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the Department's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.**

The 2021 report will be published on December 6, 2021 and can be found at this link: <http://leg.colorado.gov/content/audits>. JBC staff will send out an updated link once the report is published.

The Department of Transportation does not currently have any High Priority Outstanding Recommendations.

- 3 **Is the Department spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the Department is working with other state or federal departments to coordinate the campaign?**

In 2020 the Colorado Department of Transportation launched a new campaign developed for Coloradans, by Coloradans, to curb marijuana-impaired driving across the state. The campaign is based on feedback gathered during the Colorado Cannabis Conversation which engaged over 80,000 cannabis consumers on the topic. The new ad campaign aims to give consumers pause and consider the risks of driving high. The ads remind Coloradans that "lives are at stake every time you get behind the wheel." The campaign can be seen online, on connected TV, in print, at dispensaries and heard on the radio.

In FY 2021-22 the ad campaign continues unchanged and uses the same media channels. The cost is \$950,000 and uses marijuana tax cash funds. Most funds are spent on the paid media buy. But earned media (news stories that help raise awareness) are also an important element. Therefore, CDOT is also continuing its partnership with the cannabis industry to gain publicity about the problem and help educate consumers about the laws and risks of driving under the influence of cannabis. The partnership is leveraging point-of-sale and point-of-contact tactics to help cannabis consumers make responsible decisions. Media events and the development of collateral material and social assets are a part of this approach.

CDOT collaborates closely with the CDPS to obtain data and other information to guide its efforts. Metrics of success include the number of paid and earned media impressions (lead measure) and fatality data (lag measure). To learn more about CDOT's campaign and view creative materials, visit [DriveHighDUI.com](http://DriveHighDUI.com).

- 4 **Please identify how many rules you have promulgated in the past year (FY 2020-21). With respect to these rules, have you done any cost-benefit analyses pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analyses pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of the Department's rules as a whole? If so, please provide an overview of each analysis.**

In FY 2020-2021 (July 2020-June 2021), the Department completed rulemaking for the following:

- **2 CCR 601-11, Rules Governing Practice and Procedures of the Transportation Commission of Colorado**, was revised by the Transportation Commission of Colorado to change the name of the Transit and Intermodal Committee to the Mobility Systems Committee and to modify the number of Commission member seats on standing committees. These rules were adopted on July 16, 2020 and were effective on September 14, 2020.
- **2 CCR 601-18, the State Highway Utility Accommodation Code**, was revised by the Transportation Commission of Colorado as required by § 24-4-103.3, C.R.S. to make the rules more efficient and effective while still ensuring utility accommodations do not adversely affect the highway or the safety of the traveling public. These rules were adopted on November 19, 2020 and were effective on January 14, 2021.
- **2 CCR 601-24, Rule Governing Commercial Food Truck Operations in Colorado's Highway Rest Areas or Other Designated Locations**, was an emergency rule implemented during the COVID-19 pandemic to allow temporary permits for commercial food trucks to provide fresh food access to commercial truck drivers. The emergency rule followed Executive Order D 2020 056 (dated May 2, 2020) and temporarily suspended restrictions on commercial activity or enterprise at property designated as or acquired for or in connection with a freeway or highway by CDOT. This emergency rule was initially adopted and effective on May 20, 2020. Following renewal of the Governor's Executive Order, the emergency rule was adopted again on August 27, 2020. This emergency rule expired on December 25, 2020.

- **2 CCR 601-25, Rules Governing the Suspension or Revocation of Permits for the Transportation of Hazardous and Nuclear Materials by Motor Vehicle.** These rules were adopted on an emergency basis on January 4, 2021 shortly after state law transferred responsibility for issuing permits to CDOT. A permanent version of the emergency rules was adopted on March 11, 2021 and was effective on April 30, 2021. The rules created a process for permitting and appeals.

The Department conducts extensive stakeholder engagement for each rulemaking proceeding by providing multiple opportunities for all affected and interested parties to ask questions and submit comments on any positive or negative effects resulting from any proposed rules. As part of the stakeholder engagement process, the Department establishes a Representative Group pursuant to § 24-4-103(2), C.R.S., which includes representatives from the various stakeholder interests that may be affected by the proposed rules. The Representative Group is invited to participate in all workshops, communications, and the public rulemaking hearings. This process, depending on the specific set of rules, may take over a year of information gathering and collaboration with stakeholders.

The Department did not receive any requests from any affected or interested parties for a cost-benefit analysis pursuant to § 24-4-103(2.5), C.R.S. for the above rulemaking proceedings. Similarly, the Department did not receive any requests from any affected or interested parties for a regulatory analysis pursuant to § 24-4-104(4.5), C.R.S.

Additionally, in December 2021, the Transportation Commission voted to approve CDOT's new GHG Planning Standard to reduce greenhouse gas emissions from the transportation sector, improve air quality and reduce smog, and provide more travel options. The Department produced both a cost-benefit analysis and regulatory analysis for this rulemaking. Additional information on this rulemaking can be found [here](#).

**5 What are the major cost drivers impacting the Department? Is there a difference between the price inflation the Department is experiencing compared to the general CPI? Please describe any specific cost escalations, as well as cost impacts driven by COVID-19 and supply chain interruptions.**

The pandemic has shown considerable volatility in construction bid pricing. In the quarter ending September 30, 2021, CDOT's Construction Cost Index showed an increase of 11.97 percent from the same quarter in 2020. However, it should be noted that the Sept 2020 data was depressed due to the pandemic and was down 10.90 percent from the pre-pandemic Sept 2019 data. In effect, September 2021 is very close to the index of Sept 2019.

CDOT also tracks the annualized change in the CCI for the trailing four quarters at the end of each quarter. This is an important metric in that it strips out the seasonality that impacts CDOT bidding and prices. That information is shown here for the past 10 quarters.

March 2019	3.08%
June 2019	-13.30%
Sept 2019	-9.30%
Dec 2019	14.14%
March 2020	9.12%
June 2020	4.39%
Sept 2020	2.95%
Dec 2020	-4.71%
March 2021	-8.23%
June 2021	-2.80%
Sept 2021	-0.18%

Circumstances other than COVID impacted the index in the summer of 2019, sharply reducing the prices CDOT paid for construction. December 2020 through March 2021 shows the increasing impact of the pandemic, and the data from June and September 2021 shows the recovery we are experiencing.

The volatility of construction material prices has been mitigated by the state and federal funding bills. There would have been a larger impact if past levels of funding were maintained instead of new funding opportunities available.

Here is [a link to CDOT’s website](#) that has a report detailing the fluctuations of the CCI over time.

**6 How is the Department’s caseload changing and how does it impact the Department’s budget? Are there specific population changes, demographic changes, or service needs (e.g. aging population) that are different from general population growth?**

CDOT is not a “caseload” department, however the annual increase in the state’s population results in difficulty for the Department to keep pace with infrastructure needs as greater wear and tear on the highways and greater mobility needs continue to increase within the State.

Over the next several years, the Department will experience substantially elevated workload and expenditures. The remaining SB 17-267 funding, state and federal stimulus funding, elevated funding levels in the new federal infrastructure bill, and new fee revenue will result in record levels of contractor payments, likely exceeding \$1 billion annually, before returning to a “new base” level of funding.



**7 In some cases, the roles and duties of existing FTE may have changed over time. Please list any positions that have been created in the Department since FY 2019-20 that were not the result of legislation or a decision item.**

CDOT's construction program, in nominal dollars, has grown by about 50 percent since 2007. This increase was driven initially by the RAMP Program, where CDOT transitioned its approach to budgeting and managing cash resulting in a temporary increase of about \$300 million a year for five years, recovery from the 2013 floods, and then legislative funding provided by SB 09-228, SB 18-001 and SB 17-267.

The Department has been reluctant to add FTEs with so much uncertainty regarding future funding and the prospect of a "return to base" level of funding. Now, with the passage of SB 21-260 and the recent federal Infrastructure Investment and Jobs Act, there is increased certainty regarding state transportation funding and an increased level of ongoing "base" funding.

The paragraphs below outline the recent FTE requests the Department has taken to the Transportation Commission in response to certain policy changes and this increased level of funding. These are the first new positions that have been created in the Department since the creation of the Division of Transit and Rail in 2009.

In May 2021, the Transportation Commission approved 9.0 additional 2-year term positions to create a maintenance apprenticeship program. This program creates partnerships with Colorado high schools and other community organizations to develop a diverse pipeline of new workers through a registered apprenticeship program.

In June 2021, the Transportation Commission approved an increase of 14.0 FTE related to new policies and legislation. The Governor's Office established an Economic Recovery Office and directed state agencies to establish Recovery Office structures within each agency. The Department requested 10.0 FTE from the Transportation Commission to support this effort. Additionally, in accordance with the Fiscal Note, the Department requested 4.0 FTE to implement HB 20-1153.

In December 2021, the Transportation Commission approved a resolution increasing CDOT's FTE cap by 109 positions. Of the positions proposed, 71 permanent and 5 term positions (70%) are in the CDOT Regions, with 30 permanent and 3 term positions (30%) in Headquarters support and program functions. Positions in this proposal by type include:

- 59 Engineering/Construction (54%)
- 2 Maintenance and Operations (2%)
- 19 Program Administration (17%)
- 13 Planning and Environmental (12%)

- 11 Accounting, Budget and Business Office (10%)
- 5 Other (5%)

These new positions will address staff resource needs associated with the growth of the construction program since 2007, the delivery and oversight of the new state and federal stimulus funding, sustained additional fee revenue provided by SB 21-260, and new requirements created by SB 21-260.

**For all FY 2022-23 budget requests that include an increase in FTE:**

- a. Specify whether existing staff will be trained to assume these roles or these duties, and if not, why;**
- b. Specify why additional FTE are necessary; and**
- c. Describe the evaluation process you used to determine the number of FTE requested.**

CDOT did not submit any FY 2022-23 budget requests that included FTE.

**8 Please describe any ongoing or newly identified programmatic impacts for the Department resulting from cash fund transfers as part of the FY 2019-20 and FY 2020-21 balancing process.**

As a part of the budget balancing process, HB 20-1376 repealed scheduled General Fund transfers to the Department and increased the amount of SB 21-267 debt service that comes from the State Highway Fund from \$50 million to \$62 million.

However, SB 21-265 transferred \$124 million from the General Fund to the State Highway Fund to assist with CDOT's portion of debt service for FY 2020-21 and FY 2021-22.

**9 Please describe the Department's FY 2020-21 vacancy savings, as well as projected vacancy savings for FY 2021-22 and FY 2022-23. How has the Department utilized vacancy savings in recent years?**

In response to the COVID-19 pandemic, the Department implemented new policies to manage the budget through several department-wide initiatives that were designed to create efficiencies and reduce costs across the entire department. These initiatives include implementing an elevated review process for large purchases / solicitations and new contracts and task orders, instituting additional review and approval processes for filling positions, and conducting detailed reviews of certain types of spending.

Due to these actions, the Department experienced higher than average vacancy savings in FY 2022-21 and FY 2021-22. The Department expects the level of vacancy savings to return to average levels in FY 2022-23.

In general, vacancy savings are an expected element of budget management, and the Department reallocates any savings through the course of its annual budget process.

**10 State revenues are projected to exceed the TABOR limit in each of the next two fiscal years. Thus, increases in cash fund revenues that are subject to TABOR will require an equivalent amount of General Fund for taxpayer refunds. Please:**

- a. **List each source of non-tax revenue (e.g., fees, fines, parking revenue, etc.) collected by your department that is subject to TABOR and that exceeds \$100,000 annually. Describe the nature of the revenue, what drives the amount collected each year, and the associated fund where these revenues are deposited.**

**Permits** - This includes revenue from various department-issued permits, including oversize/overweight permits, Hazmat permits, and access permit fees.

**Service Charges** - This includes revenue from reimbursement of certain expenditures and miscellaneous sales revenue.

**Sales** - This includes revenue from the sales of road equipment, junk and real property.

**Damage Awards** - This includes revenue from damage claims, court ordered awards, and certain fines.

**Interest Earned** - This includes revenue from interest on deposits and oil and gas royalties.

**Property** - This includes revenue right of way and building rental, fiber optics leasing, and airspace rental.

**State Infrastructure Bank** - This includes revenue from interest on loans and deposits.

**Bustang Fare Revenue** - This primarily includes Bustang Fare sales.

- b. **For each source, list actual revenues collected in FY 2020-21, and projected revenue collections for FY 2021-22 and FY 2022-23.**

This is included in the attached template spreadsheet.

- c. **List each decision item that your department has submitted that, if approved, would increase revenues subject to TABOR collected in FY 2022-23.**

The Department did not submit any Decision Items that would increase revenues subject to TABOR.

*NOTE: An example template for providing data for this question will be provided by the JBC Staff.*

- 11 **Please describe one-time federal stimulus funds (such as the CARES Act, ARPA, and the Federal Infrastructure Investment and Jobs Act) that the Department has received or expects to receive.**

*NOTE: A template for providing data for this question will be provided by the JBC Staff.*

CDOT is receiving Federal Stimulus funding through three different pieces of legislation: (1) The CARES Act of 2020 (2) The Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA), and (3) The American Rescue Plan Act of 2021 (ARPA). The Department also received state stimulus funding from SB 21-110, SB 21-265, and SB 21-260.

**CARES Act (March 2020)**

The Coronavirus Aid, Relief, & Economic Security (CARES) Act was signed into law providing \$2 trillion in support for a variety of industries affected by COVID-19, including the transit industry which was allocated \$25 billion in funding. This transit funding was provided to support transit operations to prevent, prepare for, and respond to COVID-19.

Of the \$25 billion in transit funds for the nation, funds were allocated by formula as follows:

- Urbanized Areas Formula Program (49 USC 5307): \$22.7 billion
- Formula Grants for Rural Areas (49 USC 5311): \$2.2 billion
- Tribal Transit Formula Program: \$3 million
- FTA administration and oversight: \$75 Million

Beginning January 20, 2020, all activities normally eligible under the Urbanized Area (49 USC 5307) and Rural Area (49 USC 5311) formula programs were eligible for CARES Act funding, including Operating (including Administrative cost), Capital (preventive maintenance, rolling stock), and Planning. Colorado received \$325.3 million, of which CDOT received \$39.8 million.

**Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) (H.R. 133)**

The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) is a \$900 billion bill that provides funding for transportation, education, and other Coronavirus relief. CRRSAA was included in the Consolidated Appropriations Act, 2021 (H.R. 133), a \$2.3 trillion spending bill that combined the \$900 billion in stimulus relief for the COVID-19 pandemic in the United States with a \$1.4 trillion omnibus federal government spending bill for the 2021 federal fiscal year (the omnibus bill portion itself combining 12 separate annual appropriations bills). The funding was signed into law by the President on December 27, 2020.

Of the \$900 Billion, CRRSAA included \$14 billion to support the transit industry during the COVID-19 public health emergency. The bill also included \$9.8 billion in flexible COVID-19 relief funding for highways with 100 percent federal share. CDOT has been working to move quickly and distribute dollars equitably.

**Highway Funding** - Of the \$9.8 billion flexible relief funding, CDOT received \$134,249,400. These funds may be used for preventive maintenance, routine maintenance, operations, personnel, including salaries of employees, and no state match is required. Funds were allocated based on the Surface Transportation Block Grant (STBG) Program formula, which allocates more than half of the funding on the basis of population.

For the \$85.5 million in CDOT directed funds, CDOT selected 14 projects from the 10-year plan which were approved by the Transportation Commission in January 2021. Additional information on the allocation of this funding can be found in the Transportation Commission’s January Special Meeting documents, which can be found [here](#).

The \$48.9 million that was suballocated to Metropolitan Planning Organizations is shown in the table below.

<b>Metropolitan Planning Organization (MPO)</b>	<b>Allocation</b>
DRCOG	\$36,280,780
Pikes Peak	\$8,548,463
North Front Range	\$4,041,362
<b>TOTAL</b>	<b>\$48,870,605</b>

**Transit Funding** - Of the \$14 billion allocated to support the transit industry, Colorado will receive \$284.1 million, of which \$78.4 million will flow through CDOT. The remaining \$205.7

million in funds coming to Colorado will flow directly from the Federal Transit Administration (FTA) to urban transit agencies such as RTD, TransFort, Pueblo Transit, and Grand Valley Transit (Grand Junction). CRRSAA directs transit recipients to prioritize payroll and operational needs.

The FTA funds that CDOT is responsible for managing are sub-allocated by program: 1) \$78.1 million in Section 5311 funds for rural transit agencies (transit outside urbanized areas), 2) \$0.2 million in Section 5310 funds (seniors & persons with disabilities) to small urban areas, and 3) \$0.1 million in Section 5310 funds for rural areas.

The FTA does not have a sub-allocation formula for 5311 rural transit agencies and relies on CDOT to make that allocation. The largest pool of funds (\$78.1 million) will be allocated proportionally based on the size of agency budgets.

### **American Rescue Plan Act of 2021 (ARPA) (H.R. 1319)**

CDOT received \$343.5 million from the American Rescue Plan (H.R. 1319) through SB 21-260 Sustainability of the Transportation System. These funds are an allocation of the State and Local Fiscal Recovery Funds (SLFRF) from the US Treasury and will fall into expenditure category 6: Revenue Replacement; 6.1 Provision of Government Services. The funds were available upon transfer on June 30, 2021 and costs can be incurred through December 31, 2024. The Treasury Interim Final Rule further clarified that as long as funds are obligated by December 31, 2024, the performance period extends through December 31, 2026.

Of the amount transferred to the Department, \$159.5 will be used for shovel ready state highway projects, \$161.34 will be transferred to the Multimodal Transportation and Mitigation Options Fund for multimodal projects, and the remainder will be used for the Revitalizing Main Streets Program and Burnham Yard.

Question 10

Non-Tax Revenues Collected by Department That Are Subject to TABOR  
(excluding sources that amount to less than \$100,000/year)

Revenue Source	Associated Cash Fund	Revenues Collected Annually		
		FY 2020-21 Actual	FY 2021-22 Projection	FY 2022-23 Projection
Permits	State Highway Fund	6,913,517	9,100,000	7,600,000
Service Charges	State Highway Fund	2,543,262	5,600,000	5,400,000
Sales	State Highway Fund	4,185,964	2,800,000	4,500,000
Damage Awards	State Highway Fund	18,169,674	4,600,000	4,500,000
Interest Earned	State Highway Fund	8,360,099	4,507,000	3,611,000
Property	State Highway Fund	1,308,652	1,400,000	1,400,000
State Infrastructure Bank	State Highway Fund	656,688	168,000	286,000
Bustang Fare Revenue	State Highway Fund	1,938,126	2,300,000	1,910,288
Maintenance Intergovernmental	State Highway Fund	0	2,000,000	2,000,000
<b>TOTALS</b>		<b>\$44,075,982</b>	<b>\$32,475,000</b>	<b>\$31,207,288</b>

Question 11: One-time Funds Received/Anticipated to be Received (amounts)

State Department	Federal Bill (e.g., CARES, ARPA, Infrastructure Investment and Jobs Act)	Total Amount by Bill (Program Details Should Sum to These Figures)	Major Program Name	Brief Program Description	Funds originating as Coronavirus State Fiscal Recovery Funds (appropriated/transferred in 2021 legislative session)	Funds Provided Direct to the State Department for Administration or Other Specific Functions. (Exclude funds passed through to other governments or beneficiaries.)	Funds Provided to the State Department and Passed-through to Another Government Entity (e.g., ESSER funds )	Funds Provided to and Administered by the State Department, but Solely for Direct Allocation to Beneficiaries	For amounts other than Fiscal Recovery Funds, How does State Access the Funds (e.g., formula allocation, grant application)	When are the funds available? (e.g., Mar 2020-Dec 2022)
Transportation	CARES Act	\$39.8 million	5311 - Formula Grants for Rural Areas				\$39.8 million		Formula allocation to rural transit providers	
Transportation	Coronavirus Response and Relief Supplemental Appropriations Act	\$214.0 million			\$48.9 million suballocated to state MPOs; \$86.7 million allocated to CDOT Regions; \$78.4 allocated to rural transit areas		\$123.7 million	\$86.7 million	Formula allocation	
Transportation	America Rescue Plan Act	\$343.5 million			\$22.2 million to CDOT's Main Streets program; \$160.0 million to shovel ready projects; \$161.3 million to the Multimodal Transportation and Mitigation Options Fund;	\$343.5 million				