



North Front Range MPO Area - Project Status Updates (Aug 6, 2015)

<u>Roadway / Segment</u>	<u>Status</u>
SH14	
I-25 to WCR23 Resurfacing	<i>Construction is underway</i>
Cache La Poudre Bridge (Mulberry)	<i>Completion estimated Fall 2015</i>
US287 PR at Ted's Place	<i>In Design</i>
I-25	
SH392 to Harmony Rubblization	<i>Construction wrapping up</i>
Crossroads Blvd Interchange / Bridges	<i>On track for Spring 2016 start and December 2017 completion</i>
Truck Climbing Lane	<i>On track to begin construction Spring 2016, estimated completion in 2016.</i>
GWRR Bridge over I-25 near US34	<i>Repairs needed ASAP due to strike. Construction TBD- dependent on specialized crew's availability</i>
US34	
Big Thompson Canyon Flood Repair	<i>Construction estimated to begin Fall 2015 / Winter 2016</i>
Greeley Bypass Adaptive Signals	<i>In conjunction with US85 Adaptive Signal. On track for July 2015 advertisement</i>
US34 at 71st Access Control	<i>Construction Work is complete</i>
East Greeley Flood PR	<i>Construction Work is underway</i>
SH60	
SH257 PR	<i>Delayed due to high water levels. Construction will start on SH257 in Sept with 20 day closure.</i>
US85	
Ault to Wyoming	<i>Construction Work is underway</i>
Park & Ride in Evans	<i>Construction Work is underway</i>
Adaptive Signals in Greeley	<i>In conjunction with US34 Adaptive Signal. On track for July 2015 advertisement</i>
US287	
29 th in Loveland to SH392 Resurf	<i>Complete</i>
SH392 to Harmony Resurf	<i>Complete</i>
Harmony to Mulberry Resurf	<i>Bid awarded. Construction begins Summer 2015</i>
SH392 Intersection	<i>Construction has wrapped up</i>
SH1 to LaPorte Bypass	<i>Re-advertising Fall 2015.</i>
SH392	
Windsor to Lucerne Resurf	<i>Construction Work is underway</i>
US85 Intersection	<i>In Design.</i>
SH402	
Larimer CR 9E	<i>In Design- Ad scheduled for Nov 2015</i>

POLICY BRIEF



August, 2015

DRIVE ACT and Colorado's Success

On July 30, the Senate passed two important pieces of legislation. On a 65-34 vote (including both of Colorado's Senators supporting) the Senate passed a six year (with three years of funding) federal transportation authorization bill known as the DRIVE Act. Just prior to that action, the Senate passed a three month extension of the MAP-21 that had been passed by the House the day before, funding transportation until October 29. That bill was signed by the President on July 31.

While CDOT hopes a final six year authorization bill will be negotiated between the House and Senate, we are pleased with the progress the Senate made. We especially applaud both Senator Bennet and Senator Gardner for their strong bi-partisan work on behalf of Colorado on the DRIVE Act. In the week leading up to the Senate's DRIVE Act vote, both of Colorado's Senators were prepared to buck their party's position on the bill to either support/oppose the legislation based on specific Colorado impacts, and worked hard to ensure Colorado fared well. In the end, they both supported the DRIVE Act because it contains a number of significant priorities for Colorado promoted by CDOT and our congressional delegation. Among CDOT's legislative priorities were:

1. Preserve the TIFIA program. At first review of the DRIVE Act, CDOT was particularly concerned with the reduction in funding for the TIFIA program. TIFIA is a low interest federal loan program, and it is helping us finance improvements on U.S. 36. Colorado has two other projects, I-70 East and C-470 where we hope to tap into several hundred million dollars of TIFIA loans to help finance those projects in the next year, and waiting in the wings for an opportunity is North I-25, which remains a key priority corridor for the state. With over \$400 million in potential loans on the horizon for Colorado alone, CDOT worked hard with Senator Gardner who expressed our concerns to Majority Leader McConnell. Several weekend phone calls between Executive Director Bhatt, Senator Gardner, and officials from the USDOT's TIFIA program, along with funding changes to the TIFIA program in the bill, provided assurances that when Colorado was ready with TIFIA applications for those projects, TIFIA would consider our three projects as high priority. It is important to note that while TIFIA generally provides about 1/3 of a project's funding "up front" the funds must be paid back and therefore there must be a revenue source to pay for the project over time (such as toll revenues). Both Senator Gardner and Senator Bennet considered the need to eventually help finance North I-25 with TIFIA loans when they chose to lend their support and aye vote to the DRIVE Act.
2. Freight Program: CDOT is excited to see a new freight program that includes a provision to take into account rapidly growing states like Colorado. A funded freight program as approved in the DRIVE Act could bring about \$150 million dollars to Colorado over the life of the Act for key freight corridors across the state.
3. Intelligent Transportation Systems: As CDOT strives to become the best DOT in the nation, one of our focus items is technology. We have exciting improvements planned for Colorado's roadways in the technology area, and our Senators worked hard to give Colorado the opportunity to become a national leader in the deployment of technology on our highways by including in the DRIVE Act a competitive grant program that focuses on the deployment of vehicle-to-vehicle and vehicle-to-infrastructure technologies. CDOT would like to initiate a pilot program to test the feasibility of these technologies on both I-70 and I-25.
4. Transit: Our Senators also worked hard to include changes to the transit formula accounts with the inclusion of the Bus and Bus Facilities Account and a change in the Bus Rapid Transit definition (restoring language similar to that of SAFETEA-LU) to allow federal funds on new BRT routes in mixed-traffic facilities used in Colorado and other western states.

For questions regarding the DRIVE Act or other CDOT policy issues, please contact Herman Stockinger at herman.stockinger@state.co.us. You may reach him by phone at 303-757-9077 (work) or 303-549-4117 (cell).

Viabile Funding Sources for the North I-25 Corridor



NFRMPO
NORTH
FRONT RANGE
METROPOLITAN
PLANNING
ORGANIZATION

Cover Image Sources

Upper left and right: www.coloradoan.com image library

Bottom: www.denverpost.com image library

Funding sources considered to be viable for improvements on the North I-25 Corridor are summarized below.

Total Viable Funding: \$16.867B

Federal

State

Local

P3

MAP-21 Renewal / Federal Transportation Bill

- **\$615 M** Funding for State of Colorado
- Requires Congressional and Presidential approval
- DRIVE act cleared Senate on July 30, 2015

Repatriation of Off-Shore Corporate Profits

- **\$6.7B** Potential Funding over 6 years
- Requires Congressional and Presidential approval
- Based on one-time, 14% tax on foreign profits being held overseas

Freight Corridor Funding

- **\$2B** Potential Funding
- Authorized under DRIVE Act (if passed)
- DOT authorized to allow maximum Federal share of 95% if project improves efficiency of freight movement

Increase Federal Fuel Tax

- **\$1.3B** Funding Increase
- Requires Congressional and Presidential approval
- Based on increase from 18.4¢ to 33.4¢ per gallon over 10 years

SB 228 Transfers

- **\$101.6M** General Fund Transfers to CDOT in FY2016
- Reduced 50% due to TABOR Refund (\$101.6M in FY2016)
- Eliminating TABOR refund requires general vote

TRANS Bonds Program Renewal

- **\$1.024B** total bond sales generated for North I-25
- Renewal of the program requires general vote in a November election
- Project list includes \$1B in highway and \$24M in transit projects for I-25

General Fund Appropriation

- **\$1.03B** Funding Increase
- Done by state legislature
- Competes with other services such as education

Increase State Fuel Tax

- **\$135.5M** Funding Increase
- Requires legislative approval and general vote
- 1¢ per gallon raised over 5 years

Replace Fuel Tax With VMT Tax

- **\$462M** Funding Increase
- Requires legislative approval and general vote
- Revenue estimate based on 1¢ VMT tax

Reduce Fuel Tax Revenue to Other Uses

- **\$500M** Funding Increase
- Done at State level, revenue distributed to CDOT for highway and transit projects
- Removes funding from State Patrol, Ports of Entry, and FASTER Transit projects

Transportation Empowerment Act

- **\$1.8B** Funding Increase
- Requires Congressional and Presidential approval
- Decreases Federal Fuel Tax to 3.7¢ per gallon and increases State Fuel Tax revenues

Creation of Regional Transportation Authority

- **\$400.5M** Funding Increase
- Requires local government approval, IGA, and public vote
- TABOR could limit additional funding if amount earned is more than inflation plus population increase

Presidential Challenge Local Match

- **\$12.9M** Median Local Match
- Match numbers based on possible award amounts
- Median local match is shown, could be anywhere from \$3.6M - \$38.2M

Public/Private Partnership (P3) Toll Lane

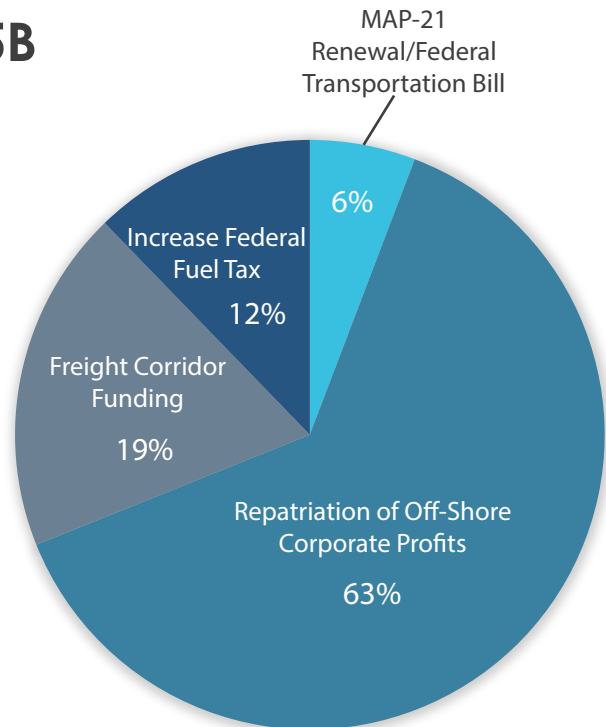
- **\$785M** Funding Increase
- Requires HPTE approval
- P3 would provide 50% of total project cost and would manage the roadway

Total Federal Funding: \$10.615B

Identified Federal Funding Sources for the North I-25 Corridor include:

- MAP-21 Renewal / Federal Transportation Bill - **\$615M**
- Repatriation of Off-Shore Corporate Profits - **\$6.7B**
- Freight Corridor Funding - **\$2B**
- Increasing the Federal Fuel Tax - **\$1.3B**

Funding totals assume a 1-year estimate unless otherwise noted.



MAP-21 Renewal / Federal Transportation Bill

\$615M

General

- Most recently extended through October 29, 2015
- Congress needs to transfer \$13B from General Fund per year to keep highway funds afloat

Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act

- Six year federal transportation funding bill with 3 years of secured funding
- DRIVE Act has passed Senate but still requires a vote from the House of Representatives, may likely require a conference
- National Funding begins at \$44B in FY2016 and increases to \$48.3B in FY2021
- \$2.4B in competitive grants for a Major Projects Program to assist states and regions with large corridor and gateway transportation infrastructure projects
- \$2B per year dedicated to freight infrastructure

Funding

- Based on historic apportionment for Colorado under MAP-21 (approximately 1.4% of total funding for all states), Colorado would receive around \$615M in FY2016 and around \$675M in FY2021

Repatriation of Off-Shore Corporate Profits

\$6.7B

General

- One-time tax on corporate profits overseas to pay for long-term transportation bill
- Requires companies to move overseas profits back to US
- Invest in Transportation Act allows domestic corporations to elect to repatriate overseas income prior to 2015 at a 6.5% tax rate during a 5-year period
 - Invest in Transportation Act has a 2% chance of being enacted
- Establishment of National Infrastructure Bank (NIB) using a one-time tax repatriation holiday could add 1.5% to annual GDP (\$252B), capitalized at around \$25B
- The 2004 American Jobs Creation Act (AJCA) permitted US corporations to repatriate income at a tax rate of 5.25%
 - Corporations returned \$312B, funds were largely used for stock repurchases and executive compensation

Ballot Measure

- Requires approval from Congress and a signature from the President

Funding

- Could result in around \$250B GDP increase, however, it is unclear how much funding would be generated for transportation
- A one-time, 14% tax on foreign profits currently being held outside the US would fund a 6-year, \$478B Surface Transportation Plan at the federal level
 - Based on previous MAP-21 appropriation, Colorado's share would be \$6.7B

Freight Corridor Funding - competitive

\$2B

General

- I-25 is a Primary Freight Network Route, a federally designated freight corridor, a Colorado freight corridor, and a hazardous materials route
- USDOT authorized to allow a maximum federal share of 95% if project makes a demonstrated improvement in the efficiency of freight movement and is identified in a State freight plan
 - I-25 is listed in the CDOT State Highway Freight Plan

Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act

- \$13.5B over 6 years for freight transportation
 - Minimum \$2B per year dedicated for freight infrastructure
- \$2.4B in competitive grants for a Major Projects Program to assist states and regions with large corridor and gateway transportation infrastructure projects

Funding

- \$2B per year Federally

Increase Federal Fuel Tax

\$1.3B

General

- Colorado received approximately \$512M in federal fuel tax revenues in FY2014
- Increasing the federal gas tax between from 18.4¢ per gallon for gasoline and 24.4¢ per gallon for diesel to a flat 33.4¢ per gallon for gasoline and diesel results in a total federal fuel tax revenues of \$1.37B for the State of Colorado
 - Colorado receives 95¢ back for every dollar resulting in a total allocation of \$1.3B per year for the first 10 years

Ballot Measure

- Requires approval from Congress and a signature from the President

Funding

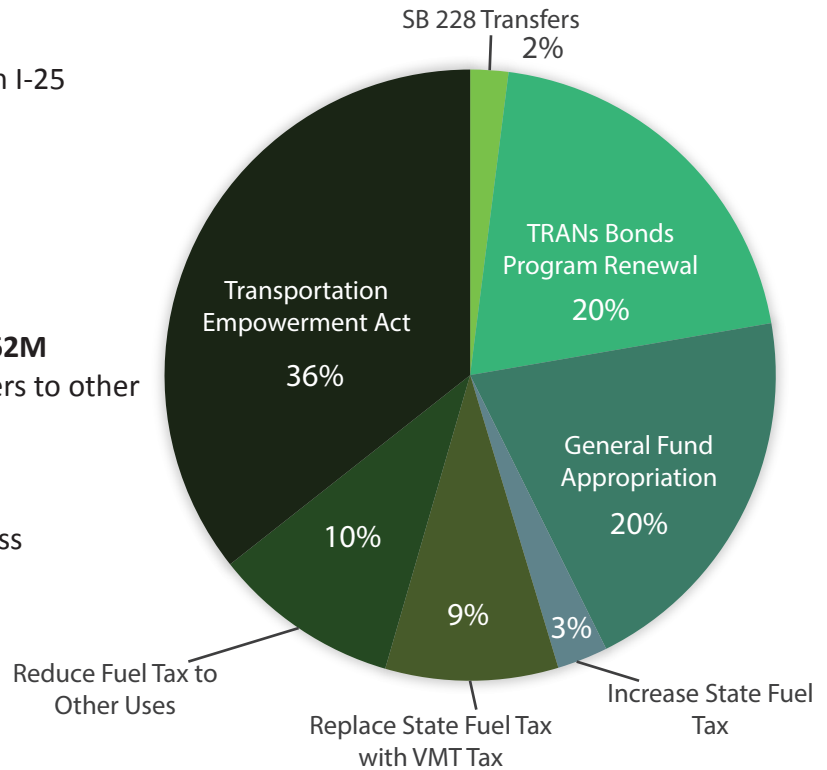
- Increasing the federal gas tax to 34.4¢ per gallon results in a total federal fuel tax revenue for Colorado of \$1.3B per year over 10 years

Total State Funding: \$5.053B

Identified State Funding Sources for the North I-25 Corridor include:

- SB 228 Transfers - **\$101.6M**
- TRAns Bonds Program Renewal - **\$1.024B**
- General Fund Appropriation - **\$1.03B**
- Increasing the State Fuel Tax - **\$135.5M**
- Replacing State Fuel Tax with VMT Tax - **\$462M**
- Reducing the State Fuel Tax revenue transfers to other uses - **\$500M**
- Transportation Empowerment Act - **\$1.8B**

Funding totals assume a 1-year estimate unless otherwise noted.



SB 228 Transfers

\$101.6M

General

- The Colorado General Assembly enacted SB 228 in 2009, updating laws governing General Fund Transfers
 - When personal income growth reaches or exceeds 5%, a 5-year block of transfers is made from the General Fund to the Highway Users Tax Fund (HUTF), the Capital Construction Fund, and the General Fund statutory reserve.
 - The transfer continues throughout the 5 years, even if personal income growth falls beneath 5%
 - For transportation, transfer is equivalent to 2% of the total annual General Fund revenue
- All SB 228 transfers to HUTF must be paid to CDOT via the State Highway Fund
 - No more than 90% of funds must be used on highway projects
 - No less than 10% of funds must be used for transit projects

TABOR

- If TABOR surplus is between 1% and 3% of the total General Fund revenues, CDOT's SB 228 transfer is reduced by half (50%)
- If TABOR surplus exceed 3% of the total General Fund revenues, CDOT's SB 228 transfer is eliminated for that year

Funding

- For FY 2015-16, SB 228 transfers to CDOT are expected to be \$101.6M (transfers cut 50% due to TABOR surplus)
- For FY 2016-17, SB 228 transfers to CDOT are expected to be eliminated due to TABOR surplus
- Estimates are not available for the subsequent 3 years

TRANS Bonds Program Renewal

\$1.024B

General

- Transportation Revenue Anticipation Notes (TRANS) Bonds were first issued by voter approval in 1999, allowing the state to bond revenue and use the General Fund and Fuel Tax revenues to pay back the bonds
 - The original measure set aside 50% of federal fuel taxes to leverage a bond that generated \$1.7B. The measure passed with 62% of the vote
- TRANS II would bond \$3.5B total and use a portion of annual state and federal gas tax revenues to repay the bonds
 - The measure would allow the state to bond against 50% of federal fuel tax revenue for 20 years

Ballot Measure

- TRANS II requires a ballot measure (vote of the people) in a November election cycle
 - Would be a renewal of the original TRANS bonding program passed in 1999

Funding

- TRANS project list includes \$1.024B total bond sales generated for the North I-25 Corridor
 - This includes \$1B in highway and \$24M in transit projects

General Fund Appropriation

\$1.03B

General

- In FY2014-2015, Colorado appropriated \$1.03B in flexible funding
 - This funding would be available for appropriation, but would compete with services such as healthcare and education

Legislative Requirements

- Requires legislative vote of approval

Funding

- \$1.03B per year

Increase State Fuel Taxes

\$135.5M

General

- Colorado currently receives approximately \$571.3M per year from state fuel tax revenues
- Increasing the fuel tax between 1¢ and 30¢ per gallon results in an increase between \$27.1M and \$1,570M per year, respectively

Ballot Measure

- Requires legislative approval and ballot measure (vote of the people)

Funding

- An increase of 1¢ per gallon of all fuel taxes would raise \$135.5M over 5 years

Replace Fuel Tax with Vehicle Miles Traveled Tax

\$462M

General

- As Vehicle Miles Traveled (VMT) increases in the area, funding would grow with a VMT tax rather than the fuel tax revenue, which has decreased over time
- Eliminating the State Fuel Tax and replacing it with a 1¢ VMT tax would generate \$462M per year

Ballot Measure

- Requires legislative approval and ballot measure (vote of the people)

Funding

- \$462M revenue per cent of increased VMT tax could be secured for the State

Reduce Fuel Tax Revenue to Other Uses

\$500M

General

- HUTF funds may be used for rights-of-way acquisition, construction, engineering, safety, reconstruction, improvement, repair, maintenance, and administration of the state, county, city highway system.
- Funded through motor fuel excise taxes, vehicle license and registration fees, passenger-mile taxes, court fines from traffic infractions, specialty license plate fees

Funding

- Off-the-Top Diversions: HUTF for many years has provided nearly all the funding for the State Patrol and Ports of Entry.
 - Limit of 6% increase annually to Off-the-Top Diversions
 - FY2012-2013: \$104.2M (11.2% of total) went to Off-the-Top Appropriations, including State Patrol and Department Of Revenue (Driver's License Bureau)/Port of Entries
- FASTER specifically set aside money for transit and other uses (7.5% of total FASTER funding set aside for transit) around \$15M

Governance

- Must be done at the state level
- Distributed by CDOT, including to CDOT transit projects (Bustang)

Politics

- Will be a tough sell for removing funding from State Patrol and Ports of Entry without finding new funding source for them
- Diversions are written into law because they contribute to safety and administration of the existing highway system

Transportation Empowerment Act

\$1.8B

General

- Decreases Federal Fuel Tax to 3.7¢ per gallon
- Increases State Fuel Taxes revenue by \$359.6M per year

Ballot Measure

- Requires approval from Congress and a signature from the President

Funding

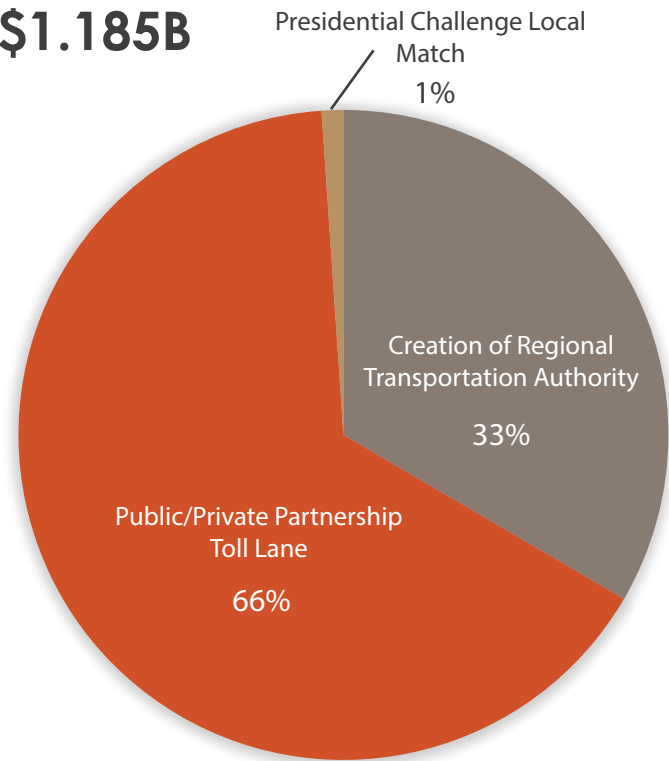
- Decreasing the Federal Fuel Taxes and transferring funding responsibility to the State increases State Fuel Tax Revenue to \$359.6M per year and reduces the funds transferred to donee states
 - \$1.8B over 5 years

Total Local/Private Funding: \$1.185B

Identified Local Funding Sources for the North I-25 Corridors include:

- Creation of a Regional Transportation Authority - **\$400.5M**
- Presidential Challenge Local Match - **\$12.9M**
- Public/Private Partnership Toll Lane - **\$785M**

Funding totals assume a 1-year estimate unless otherwise noted.



Creation of a Regional Transportation Authority **\$400.5M**

Funding

- \$80.5 M per year with 1% sales tax, \$10 vehicle registration fee, 2% lodging tax, and tolls along HOT lanes
 - \$70.4M from 1% sales tax (based on 2013 or 2014 numbers, except for Weld County which has no current sales tax)
 - \$5.1M from \$10 Vehicle Registration Fee based on proportional population of NFR Region to entire State of Colorado
 - \$1.8M from 2% Lodging Tax based on 2013 returns for Fort Collins, Loveland, and Greeley
 - \$3.2M from High Occupancy Travel (HOT) lanes along I-25
- \$320M over the remaining 4 years
- Most RTAs in Colorado have a Sales and Use Tax between 0.4% and 1.0%, which would be between \$32M and \$80.5M per year.

Ballot Measure and Governance

- Must be approved by local municipal governments before ballot measure
- Must pass a vote of the public
- Must clearly define revenue sources and uses
- Local governments and agencies would need to create, sign, and approve an intergovernmental agreement (IGA)
- May need to be intermodal if Fort Collins, Greeley, Loveland are involved (regional transit may ease some traffic on I-25)

TABOR

- Could limit additional funding if amount earned is more than inflation plus population increase

Presidential Challenge Local Match

\$3.6M - 38.2M

General

- Match numbers are based on possible award amounts for three resiliency projects within the NFRMPO
 - Little Thompson River Bridge
 - Big Thompson River Bridge
 - Cache la Poudre River Bridge
- The St. Vrain Creek Bridge is not included as it is not within the NFRMPO Boundary
 - It is assumed communities in Adams and Boulder counties would provide the local match for the St. Vrain Creek project
- Identified communities are along or within reasonable distance of North I-25 Corridor
 - It is assumed identified communities would match funds for the North I-25 Corridor
 - Match numbers per community are based on 2013 population share
- It is assumed award match would be a combination of CDOT and Local funds or 100% Local funds
- The median Local match amount is shown in the pie chart on the Local & Private Funding Sources cover page

HUD National Disaster Resilience Competition Presidential Challenge Funding

Projects	Resiliency Alternative Cost	FHWA Emergency Relief Contribution	\$30M Challenge Award		\$50M Challenge Award	
			Federal Award	Match	Federal Award	Match
Little Thompson River	\$ 26,200	\$ 2,400	\$ 13,600,000	\$ 10,200,000	\$ 23,800,000	\$ -
Big Thompson River	\$ 36,900	\$ 2,800	\$ 13,700,000	\$ 20,400,000	\$ 23,500,000	\$ 10,600,000
Cache la Poudre River	\$ 26,900	\$ 16,600	\$ 2,700,000	\$ 7,600,000	\$ 2,700,000	\$ 7,600,000
Total:	\$ 90,000	\$ 21,800	\$ 30,000,000	\$ 38,200,000	\$ 50,000,000	\$ 18,200,000

Presidential Challenge Funding - Local Match per Community

Community	2013 Population	Percentage	\$30M Award Local Match		\$50M Award Local Match	
			20% Local	100% Local	20% Local	100% Local
Weld County - unincorporated	44,360	9.30%	\$ 710,756	\$ 3,553,779	\$ 338,632	\$ 1,693,162
Larimer County - unincorporated	67,310	14.12%	\$ 1,078,471	\$ 5,392,355	\$ 513,826	\$ 2,569,132
Berthoud	5,313	1.11%	\$ 85,127	\$ 425,636	\$ 40,558	\$ 202,790
Fort Collins	152,205	31.92%	\$ 2,438,697	\$ 12,193,484	\$ 1,161,892	\$ 5,809,461
Greeley	96,306	20.20%	\$ 1,543,058	\$ 7,715,289	\$ 735,174	\$ 3,675,871
Johnstown	12,034	2.52%	\$ 192,814	\$ 964,071	\$ 91,864	\$ 459,322
Loveland	71,224	14.94%	\$ 1,141,183	\$ 5,705,914	\$ 543,705	\$ 2,718,525
Milliken	5,879	1.23%	\$ 94,196	\$ 470,980	\$ 44,879	\$ 224,394
Timnath	793	0.17%	\$ 12,706	\$ 63,529	\$ 6,054	\$ 30,268
Windsor	21,407	4.49%	\$ 342,993	\$ 1,714,963	\$ 163,415	\$ 817,076
Total:	476,831	100%	\$ 7,640,000	\$ 38,200,000	\$ 3,640,000	\$ 18,200,000

Public/Private Partnership (P3) Toll Lane

\$785M

General

- Minimum total project cost for any P3 project is \$400M, with a 50% match required
 - Match would be \$200M, Private share would be \$200M
- Full length total project cost for any P3 project is \$1.57B, with a 50% match required
 - Match would be \$785M, Private share would be \$785M
- Once toll lanes are constructed, the private entity would maintain the facility and receive revenue from the managed lane unless a percentage pay back to the State was agreed upon

Legislative Requirements

- Requires High-Performance Transportation Enterprise (HPTE) approval

Funding

- P3 would raise \$785M to construct HOT toll lanes

Minimum Project - \$400M	Full Length Project - \$1.57B
\$200M P3 \$200M Match \$ 68M Presidential Challenge <hr/> \$132M left to match	\$785M P3 \$785M Match \$ 68M Presidential Challenge <hr/> \$717M left to match

Possible Funding Sources for Match

- Regional Transportation Authority
- SB 228 Transfers
- TRANs Bonds Program Renewal
- Increase State Gas Tax