DRAFT INFRA Application Items

DRAFT Schedule for North I-25 Segments 5 & 6

August

- August 1st: USDOT opens application website
- Update I-25 Project Finance Plan
- Draft Project Narrative
- Determine project budget and cost
- Begin working on local partners and local match requirements
- CDOT initiates BCA

September

- Conduct Safety Analysis
- Complete modeling tasks

October

- CDOT feedback on Narrative
- Update Project Narrative
- BCA Report Complete

November

- ***November 2nd: Deadline to Submit INFRA Application***

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Application Requirements

APPLICATION DEADLINE: November 2, 2017 8 PM EST.

- Discretionary grant program authorized under the FAST Act, previously known as FASTLANE.
- Approximately $1.5B available for infrastructure grants for FY17 and FY18.
- Four criteria project applications will be evaluated on:
  - Support for National or Regional Economic Vitality
  - Leveraging of Federal Funding
  - Potential for Innovation
  - Performance and Accountability

Eligible Projects

- Highway freight projects on the National Highway Freight Network
- Highway or bridge projects on the National Highway System, including:
  - Projects that add Interstate System capacity to increase mobility
  - Projects located in a national scenic area
- Grade crossing or grade separation projects
- Other freight projects that are:
  - Intermodal/rail freight project
  - Within the boundaries of a public or private freight rail, maritime (including ports) or intermodal facility

Eligible Project Costs

- Development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering, design work, and other pre-construction activities
- Construction activities including new construction, reconstruction, rehabilitation, property or equipment acquisition, environmental mitigation, construction contingencies, and operational improvements

Minimum Project Size

- Large Projects*, the lesser of:
  - $100M
  - 30 percent of a State's FY2015 apportionment, if project is located in one State
  - 50 percent of larger participating State's FY2015 apportionment, if project is located in more than one State
- Small Projects*
  - Does not meet large project minimum project size

**Previously incurred expenses may count toward meeting minimum project size requirement if they are eligible project costs and were expended as part of the project for which the applicant seeks funding.*

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Grant Amounts and Cost Share

- Minimum INFRA Grants:
  - $25 million for large projects
  - $5 million for small projects

- Cost Share*
  - Up to 60 percent INFRA grants
  - Up to 80 percent total Federal

**Previously incurred expenses cannot count toward cost share*

Project Requirements

Large Projects:

- Generates national or regional economic, mobility, or safety benefits
- Cost-effective
- Contributes to one or more *23 U.S.C.150* goals
- Based on the results of preliminary engineering
- One or more stable and dependable funding or financing sources
- Cannot easily be completed without Federal funding
- Reasonably expected to begin construction 18 months from obligation

Selection Criteria

1) **Support for National or Regional Economic Vitality**
   - Supporting Economic Vitality includes projects that:
     - Achieve a significant reduction in traffic fatalities and serious injuries on the surface transportation system
     - Improve interactions between roadway users, reducing the likelihood of derailments or high consequence events
     - Eliminate bottlenecks in the freight supply chain
     - Ensure or restore the good condition of infrastructure that supports commerce and economic growth
     - Sustain or advance national or regional economic development in areas of need, including projects that provide or improve connections to the Nation's transportation network to support the movement of freight and people
     - Reduce barriers separating workers from employment centers, including projects that are primarily oriented toward reducing traffic congestion and corridor projects that reduce transportation network gaps to connect peripheral regions to urban centers or job opportunities.
   - USDOT will evaluate this selection criterion by relying on quantitative, data-supported analysis, including an assessment of the applicant supplied BCA.

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2) **Leveraging of Federal Funding**
   - To maximize the impact of INFRA awards, USDOT is seeking to leverage INFRA funding with non-federal contributions.
     - An application which proposes a 20 percent federal share will be more competitive than an otherwise identical application proposing a 50 percent federal share.
     - USDOT will consider three additional pieces of information in assessing this criterion:
       - The Applicant’s available resources or other broader fiscal constraints (This may apply to applicants from rural OR less wealthy areas.)
       - If the applicant is a regular recipient of federal funding, the non-federal share of their overall transportation program
       - The Applicant’s plan for future operation and maintenance costs associated with the project’s life-cycle

3) **Potential for Innovation**
   - USDOT is seeking to encourage innovation in three areas:
     - Environmental review and permitting (New Approach)
     - Use of experimental project delivery authorities (SEP-14/15)[1]
     - Safety and technology
   - These will be assessed to the extent they are applicable to the project

4) **Performance and Accountability**
   - USDOT seeks projects that allow it to condition funding on specific, measurable, outcomes, such as:*
     - Reaching project delivery milestones in a timely manner
     - Making specific State or local policy changes that advance desirable transportation outcomes
     - Achieving specific transportation performance objectives that support economic vitality or improve safety
   - USDOT does not intend to impose these conditions on unwilling or interested INFRA recipients

**These examples are illustrative, USDOT encourages creativity*

5) **Additional Considerations**
   - Geographic Diversity

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[1] **Special Experimental Project Number 14 (SEP-14)** - which encourages the testing of innovative contracting approaches to assess their effects on project costs, duration, and quality.

Special Experimental Project Number 15 (SEP-15) - which encourages innovation in a number of areas to foster public-private partnerships (PPPs), private investment, and more efficient project development processes and practices, in the areas of contracting, finance, planning, environmental clearance, and right-of-way acquisition.

    - USDOT will consider the contributions to geographic diversity among recipients, including the need for a balance between urban and rural areas
- Project Readiness
    - USDOT will consider the risks to successful completion of a project, including risks associated with environmental review, permitting, technical feasibility, funding, and the applicant's capacity to manage project delivery.
    - USDOT is required to determine that a large project is reasonably expected to begin construction within 18 months of Obligation. The Obligation deadline for FY2017 funding is September 30, 2020, and the obligation deadline for FY2018 funding is September 30, 2021.

Application Format

- Application Cover Page
- Project Narrative (25 page limit)
    - Project Description
    - Project Location
    - Project Parties
    - Grant Funds, Sources, and Uses
    - Merit Criteria
    - Project Readiness
    - Large/Small Project Requirements
- Appendix
    - Benefit Cost Analysis
    - Supplemental Information (If Applicable)

For additional INFRA information: www.transportation.gov/buildamerica/INFRAgrants

Letters of Support – Blackmore Lead

NFRMPO, DRCOG and Cheyenne MPOs

Weld, Larimer and Boulder Counties

Berthoud

Mead

Johnstown

Frederick

Dacono

Firestone

Longmont

Greeley

Erie

Loveland

Fort Collins

Windsor

Timnath

Milliken

Wellington

Estes Park

Economic Development groups

NCLA

State troopers

CDOT

Chambers

Businesses

1. What is a special district?
A special district is a quasi-municipal corporation and political subdivision of the State of Colorado formed to provide necessary public services that the county or municipality cannot otherwise provide. It is essentially a tax-exempt financing mechanism used for the installation, operation and maintenance of public infrastructure.

2. How is a special district formed?
The formation and operation of a special district is governed by Title 32 of the Colorado Revised Statutes and other applicable laws. The first step in formation of a special district is submittal of a Service Plan to the jurisdiction in which the property is located. The Service Plan is basically like a city charter and sets forth the powers that the district as government entity will have (i.e., the power to provide water, sanitary sewer, street and other public improvements). Certain jurisdictions have specific requirements for processing of a Service Plan. The Service Plan review and approval process can take 6-9 months, or longer, depending on the complexity of the district structure and the procedural requirements of the approving jurisdiction. Upon approval of the Service Plan by the approving jurisdiction, a Petition for Organization is filed with the District Court requesting the Court order an election on the issues of formation of the district and the incurrence of debt. Following a court hearing, the Court orders the organizational election to be held at the next available election date (May and November in even-numbered years and November in odd-numbered years). The election results are then certified and the Court issues an Order and Decree declaring that the district has been duly organized. The district may then hold its organizational meeting.

3. What public services can a special district provide?
The following list includes the types of services a special district can provide:

- Fire protection
- Mosquito control
- Parks and recreation
- Safety protection
- Sanitation
- Solid waste disposal facilities, or collection and transportation of solid waste
- Street improvements
- Television relay and translation
- Transportation
- Water
- Covenant enforcement

4. How is a special district governed?
A special district is governed by a five or seven member Board of Directors, who are elected by the registered electors within the district to staggered four-year terms. Anyone who is registered to vote in the State of Colorado and resides within the special district or who owns taxable property within the boundaries of the special district is eligible to serve on the Board of Directors. The Board of Directors may hire a manager, employees or consultants to carry out the purposes of the special district and to ensure compliance with all statutory requirements for the special district's operations.

5. How does a special district function after organization?
A special district is a quasi-municipal corporation and political subdivision of the State of Colorado and must comply with the open meeting laws, public bidding requirements, any restrictions in its Service Plan, public budget law and public audit requirements. Typically, the Boards of Directors of a special district meet on a regular basis to handle the business of the District. Many special districts engage a professional management company, general counsel and an accountant experienced with governmental accounting to assist and advise in the District's functions.

6. How does a special district pay for its capital needs and general operations costs?
A special district is authorized to utilize a number of ways to raise revenues, including issuing debt, levying taxes, and imposing fees and charges. The issuance of debt or an increase in taxes first requires an election and approval by the qualified voters of the district, as required by TABOR (Section 20, Article 10 of the Colorado Constitution). The amount of debt proposed at an election will typically be greater than the amount the district intends to issue in order to account for contingencies

and unforeseen circumstances. Methods of raising revenues include:

- **General Obligation Bonds.** Special districts are authorized to issue general obligation bonds, secured by ad valorem property taxes, through the imposition of a mill levy. Property taxes are tax deductible as opposed to fees or assessments imposed by private entities (such as HOAs), which are not.
- **Revenue Bonds.** Revenue bonds are payable from any revenue source of the district. Payment for bonds is generated through fees, charges or other non-tax revenues collected from district residents and customers, which are not tax deductible.
- **Mill Levy.** A district may impose a mill levy which is based on the assessed value of real property as calculated by the County Assessor's office. The mill levy is collected with other property taxes paid to the County.
- **Service Charges and Fees.** A district may impose fees, rates, tolls and charges for programs, services and facilities provided by the district.
- **Grants and Loans.** Through the Colorado Division of Local Government and other state and federal agencies and programs, a special district can be eligible for infrastructure improvement grants and/or very low interest loans under a variety of programs.

7. What limitations exist with respect to a special district's ability to raise fees and taxes?

A special district's fees and taxes are set by its Board of Directors, subject to the limitations imposed by TABOR, Colorado statutes, and the special district's electors through the election process. In addition, limitations may be placed upon the special district's debt issuance or its mill levy by its Service Plan and/or required by the governing jurisdiction during the Service Plan approval process.

8. How is a special district different from a property owners association?

A special district has significantly broader powers than a property owners association ("POA"), including the power to impose property taxes, and other fees and charges, and the power to condemn property. A POA is separate and distinct from a special district, and is generally responsible for enforcing restrictive covenants in the community to help maintain property values. Although a POA is normally responsible for the maintenance and operation of some improvements within a development, it may assess dues to its members but has no ability to impose taxes. A special district uses property taxes and fees and charges to pay for its services. Unlike POA fees, property taxes are tax deductible and collected by the County.

9. What are the benefits of a special district?

- A special district can raise funds for public infrastructure through municipal bonds (or other governmental grant or loan programs if applicable) with favorable rates and terms not available to private entities.
- Special districts are exempt from sales, use and other taxes for equipment, supplies and services allowing lower overhead costs.
- A special district is not in the business of making a profit from the facilities and services provided. Specific statutes govern the expenditures and revenues of special districts.
- State-obligated budget, audit and other financial filing and reporting requirements provide regulatory oversight of a special district's operations.
- A special district is governed by local control over the services that are provided on a community basis. The special district is responsive and accountable for decisions through the election and public hearing processes. The business of the special district is conducted at public meetings.
- Special districts enjoy governmental immunity against certain legal actions thus avoiding expensive lawsuits and corresponding tax or fee increases.
- Because of its local nature, a special district is often better able to address issues of local concern to the community than could a larger county or municipality.