



MEMORANDUM

TO: THE TRANSPORTATION COMMISSION
FROM: JEFF SUDMEIER, CDOT CHIEF FINANCIAL OFFICER
DATE: AUGUST 15, 2018
SUBJECT: FY 2019-20 BUDGET TOPICS

Purpose

This memorandum summarizes information related to FY 2019-20 budget topics and timing, including:

- Introduction to CDOT budget process
- Timeline
- Revenue forecasts
- Decision Items

Action

No formal action required. Content is being presented to the Transportation Commission (TC) for informational purposes only.

Background

The Division of Accounting and Finance (DAF) has started development of the FY 2019-20 Budget Allocation Plan. The following table outlines key milestones and a projected timeline for FY 2019-20 budget activities.

| Month | Action Item |
|-------------------------|---|
| August | Preparing TC for Upcoming Budget Deliverables |
| August | Discuss FY 2017-18 Roll Forwards |
| September | FY 2019-20 Revenue Projections and Draft Budget for Review/Direction - Staff and TC Review |
| October | FY 2017-18 Budget Reconciliation - Staff and TC Review |
| October | FY 2019-20 Revenue Projections and Draft Budget for Review/Direction - Staff and TC Review |
| November | FY 2019-20 Proposed Budget Approved by TC and Submitted to Office of State Planning & Budget (OSPB) |
| January | EMT Review of FY 2019-20 Decision Items |
| February | FY 2019-20 Decision Items and Work Plan Budgets - EMT/TC Review and Approval |
| February | FY 2019-20 Draft Budget for Review/Direction - EMT and TC Review |
| March | TC Adopts FY 2019-20 Final Annual Budget |
| On or Before April 15th | Re-Submit FY 2019-20 Final Annual Budget to OSPB for Governor's Approval |

Key elements of the budget development process are outlined below.

Introduction to the CDOT Budget Process

In July 2018, DAF began holding meetings with all Divisions in CDOT, educating them on DAF's budget formulation actions and policies. These meetings are part of an ongoing initiative to help bring internal stakeholders into the budget formulation process to a greater degree, which will create a more participatory budget for stakeholders and foster relations between DAF and all internal groups. The meetings include an



explanation of the budget timeline and a demonstration to Divisions/Regions on how to fill out their Work Plan Budget requests for FY 2019-20.

Revenue Forecasts

In September 2018, DAF will present the TC with FY 2019-20 revenue estimates. A draft FY 2019-20 Annual Budget will be prepared based on estimated revenue.

Draft Budget

The initial draft budget for the September workshop is compiled using the September 2018 revenue forecast. All revenue specific to a program (i.e., FAST Act and State mandated programs such as safety education and Aeronautics) will automatically be adjusted based on FY 2019-20 revenue estimates. All other program amounts will be based on the FY 2018-19 budget amounts as approved by the TC in March 2018, and subsequently amended in August 2018, and FY 2019-20 asset management planning totals. Any unallocated revenue will be available for TC-directed priorities. A second workshop on the FY 2019-20 Proposed Annual Budget will be held in October. The draft budget will be further updated to incorporate updated estimates of Administration and Operations, legislative decision items, and TC direction. The TC will be asked to approve a final FY 2019-20 Proposed Annual Budget in November, at which point it will be sent to the Governor's Office by the December 15 deadline for review.

Decision Items

DAF will present Decision Items to the EMT and TC in January and February. Decision items are newly initiated division-requested programmatic opportunities for funding that require EMT approval if a line item on the Final Annual Budget remains unchanged, or TC approval if a line item on the Final Annual Budget requires an increase.

Final Budget

The FY 2019-20 Proposed Annual Budget will be updated in February to reflect updated revenue projections, Decision Items, and legislative and Governor's Office initiatives. The TC will have a chance to make recommendations in the February workshop in anticipation of adoption in March. The statutory mandate for delivery of the FY 2019-20 Final Annual Budget to the Governor is April 15.

Options and Recommendation

N/A

Next Steps

DAF will hold a TC budget workshop in September 2018 to review a revenue forecast for FY 2018-19 and the initial draft of the FY 2019-20 Annual Budget. In future months, the Department will provide FY 2018-19 budget information to the TC for guidance, and to meet Office of State Planning and Budget (OSPB) and statutory requirements. DAF will continue to hold meetings with each Division in CDOT over the next two months to discuss their annual budgets, including traveling to each Region to meet face-to-face with Region leadership.

Attachments

N/A





MEMORANDUM

TO: THE TRANSPORTATION COMMISSION
FROM: JEFF SUDMEIER, CDOT CHIEF FINANCIAL OFFICER
DATE: AUGUST 15, 2018
SUBJECT: AMENDED FY 2018-19 FINAL ANNUAL BUDGET

Purpose

The purpose of this memorandum is for the Division of Accounting and Finance (DAF) to present a FY 2018-19 Amended Annual Budget.

Action

DAF requests that the Transportation Commission (TC) review and adopt, via resolution, the FY 2018-19 Amended Annual Budget.

Background

The Colorado General Assembly passed SB 18-001 in early May 2018, near the end of the General Assembly session. SB 18-001 provided CDOT with a direct General Fund transfer of \$346.5 million to the State Highway Fund (SHF) on July 1, 2018 (in FY 2018-19), along with authorization for up to \$2.0 billion in bonding if a ballot initiative is passed by the voters in November 2019. A \$74.25 million transfer to the newly created Multimodal Fund (MMF), administered by CDOT, was also authorized to take place on July 1, 2018. On July 1, 2019, SB 18-001 authorizes a \$105.0 million General Fund transfer to the SHF and a \$22.5 million transfer to the MMF. The passage of SB 18-001 occurred after the FY 2018-19 Final Annual Budget was adopted by the TC, necessitating a budget amendment in August 2018.

SB 18-001 General Fund Transfer

The FY 2018-19 Amended Annual Budget allocates the \$346.5 million General Fund transfer to CDOT under SB 18-001 in the manner approved by the Transportation Commission in July 2018. This includes:

Strategic Projects (Line 63)

\$241.5 million has been allocated to the Strategic Projects line for use on construction and preconstruction phase projects as approved by the Transportation Commission in July 2018.

ADA Compliance (Line 49)

\$5.0 million has been allocated to the ADA Compliance line, as approved by the Transportation Commission in July 2018.

Asset Management

\$100.0 million has been allocated to Asset Management Programs, as approved by the Transportation Commission in July 2018. These funds have been further allocated to specific funding programs based on the level of advancement of these programs, and the funding needed to maintain planned levels of asset



management investment and to smooth the transition from the RAMP Program. Funds have been allocated in the following amounts to these programs:

- 1) Surface Treatment: \$88.3 million (*Line 16*)
- 2) Structures On-System Construction: \$10.2 million (*Line 17*)
- 3) Traffic Signals: \$1.5 million (*Line 23*)

SB 18-001 Multimodal Fund General Fund Transfer

SB 18-001 also authorized a \$74.25 million General Fund transfer to the newly created MMF, administered by CDOT's Division of Transit and Rail (DTR).

Front Range Passenger Rail/Southwest Chief (Line 101)

Per statute, \$2.5 million of the \$74.25 million General Fund transfer to the MMF is transferred to the Front Range and Southwest Chief Rail Fund. A new line item has been created in the FY 2018-19 Amended Annual Budget, titled Southwest Chief and Front Range Passenger Rail Commission.

Multimodal Fund (Line 100)

After \$2.5 million is transferred, per statute, to the Southwest Chief and Front Range Passenger Rail Fund, 85% of revenue to the MMF is dedicated to local priorities, while 15% of the revenue is for state priorities. A new line item has been created in the FY 2018-19 Amended Annual Budget, titled Multimodal Transportation, for the remaining \$71.75 million.

Other Programs

In addition to the changes described above and necessitated by the passage of SB 18-001, the FY 2018-19 Amended Annual Budget includes one additional change to a budget program.

Regional Priority Program (Line 47)

The General Assembly approved \$302,000 in Capital Development Committee (CDC) funding in FY 2018-19 for a radar project in Alamosa County (Region 5) that is being worked on in conjunction with the Colorado Department of Natural Resources (DNR) and other local partners. Subsequently, DAF has increased budget authority by \$302,000 in the Region 5 Regional Priority Program pool to use for the project.

Options and Recommendation

- 1) Approve the FY 2018-19 Amended Annual Budget as presented.
- 2) Approve the FY 2018-19 Amended Annual Budget with modifications.
- 3) Request more information and delay action until a subsequent month.

Next Steps

DAF will return to the TC in September 2018 with the initial iteration of the FY 2019-20 Proposed Annual Budget for TC review and comment, which will include a \$105.0 million General Fund transfer for highways and a \$22.5 million General Fund transfer to the Multimodal Transportation Options Fund, both of which were authorized in SB 18-001.

Attachments

Attachment A: FY 2018-19 Amended Annual Budget



| Colorado Department of Transportation Attachment A: FY 2018 - 19 Amended Annual Budget | | | | | | |
|---|--|---------------------|---|-------------|-------------------|---------------------------------------|
| CDOT | Budget Category | | | Directed By | FY 2018-19 Budget | Funding Source |
| 1 | Maintain - Maintaining What We Have | | | | | |
| 2 | | CDOT Performed Work | | | | |
| 3 | | | Roadway Surface | TC | 37,487,230 | |
| 4 | | | Roadside Facilities | TC | 25,002,562 | |
| 5 | | | Roadside Appearance | TC | 10,964,746 | |
| 6 | | | Structure Maintenance | TC | 6,311,352 | |
| 7 | | | Tunnel Activities | TC | 6,141,692 | |
| 8 | | | Snow and Ice Control | TC | 82,553,949 | |
| 9 | | | Traffic Services | TC | 68,365,868 | |
| 10 | | | Planning and Scheduling | TC | 17,761,243 | |
| 11 | | | Material, Equipment and Buildings | TC | 18,211,358 | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | 272,800,000 | |
| 15 | | Contracted Out Work | | | | |
| 16 | | | Surface Treatment /1 /2 | TC | 313,682,698 | FHWA/ SH/ 09-108: \$0.98M/ SB 18-001 |
| 17 | | | Structures On-System Construction /1 /2 | TC | 47,589,367 | FHWA/ SH/ 09-108: \$16.12M/ SB 18-001 |
| 18 | | | Structures Inspection and Management /1 /2 | TC | 9,450,000 | SH |
| 19 | | | Geohazards Mitigation /1 | TC | 8,400,000 | 09-108: \$10.3M |
| 20 | | | Highway Safety Improvement Program | FR | 43,054,370 | FHWA / SH |
| 21 | | | Railway-Highway Crossings Program | FR | 3,395,698 | FHWA / SH |
| 22 | | | Hot Spots | TC | 2,167,154 | FHWA / SH |
| 23 | | | Traffic Signals /1 /2 | TC | 17,810,758 | FHWA/ SH/ 09-108: \$12.6M /SB 18-001 |
| 24 | | | FASTER - Safety Projects | TC | 67,360,121 | 09-108 |
| 25 | | | Permanent Water Quality Mitigator | TC | 6,500,000 | FHWA / SH |
| 26 | | | | | | |
| 27 | | | | | 519,410,166 | |
| 28 | | | | | | |
| 29 | | Capital Expenditure | | | | |
| 30 | | | Road Equipment /1 /2 | TC | 26,800,000 | SH |
| 31 | | | Capitalized Operating Equipmen | TC | 3,028,000 | SH |
| 32 | | | Property /1 /2 | TC | 20,200,000 | SH |
| 33 | | | | | | |
| 34 | | | | | 50,028,000 | |
| 35 | | | | | | |
| 36 | | | | Total: | 842,238,166 | |
| 37 | Maximize - Safely Making the Most of What We Have | | | | | |
| 38 | | CDOT Performed Work | | | | |
| 39 | | | TSM&O: Performance Programs and Services | TC | 2,794,487 | SH |
| 40 | | | TSM&O: Traffic Incident Management | TC | 4,102,288 | SH |
| 41 | | | TSM&O: ITS Maintenance /1 | TC | 23,500,000 | SH |
| 42 | | | | | | |
| 43 | | | | | 30,396,775 | |
| 44 | | Contracted Out Work | | | | |
| 45 | | | Safety Education | Comb | 11,203,720 | NHTSA / SSE |
| 46 | | | TSM&O: Congestion Relief | TC | 6,450,000 | FHWA / SH |
| 47 | | | Regional Priority Program | TC | 48,677,000 | FHWA / SH |
| 48 | | | ROADX | TC | 12,096,525 | FHWA / SH |
| 49 | | | ADA Compliance | | 5,000,000 | FHWA / SH / SB 18-001 |
| 50 | | | | | | |
| 51 | | | | | 83,427,245 | |
| 52 | | Capital Expenditure | | | | |
| 53 | | | TSM&O: ITS Investments | TC | 10,000,000 | FHWA / SH |
| 54 | | | | | | |
| 55 | | | | | 10,000,000 | |
| 56 | | | | | | |
| 57 | | | | Total: | 123,824,020 | |
| 58 | Expand - Increasing Capacity | | | | | |
| 59 | | CDOT Performed Work | | | | |
| 60 | | | | | | |
| 61 | | | | | - | |
| 62 | | Contracted Out Work | | | | |
| 63 | | | Strategic Projects | SL | 583,500,000 | SB 17-267/SB 18-001 |
| 64 | | | National Freight Program | FR | 20,791,883 | FHWA/SH |
| 65 | | | | | | |
| 66 | | | | | 604,291,883 | |
| 67 | | | | | | |
| 68 | | | | Total: | 604,291,883 | |
| 69 | Deliver - Program Delivery/Administration | | | | | |
| 70 | | | | | | |
| 71 | | | Operations [including maintenance support | TC | 32,230,682 | SH |
| 72 | | | Projects Initiatives | TC | 2,605,000 | FHWA/SH |
| 73 | | | DTD Planning and Research - SPR | FR | 14,192,374 | FHWA/SH |
| 74 | | | Administration (Appropriated) | SL | 35,845,120 | SH |
| 75 | | | HPTE FEE for Service | TC | 5,169,500 | SH |
| 76 | | | | | | |
| 77 | | | | | 90,042,676 | |
| 78 | | | | | | |
| 79 | | | | Total: | 90,042,676 | |
| 80 | Pass-Through Funds/Multi-modal Grants | | | | | |
| 81 | | Aeronautics | | | | |
| 82 | | | Division of Aeronautics to Airports | AB | 24,235,195 | SA |
| 83 | | | Division of Aeronautics Administration | AB | 1,264,805 | SA |
| 84 | | | | | 25,500,000 | |
| 85 | | | | | | |
| 86 | | Highway | | | | |
| 87 | | | Recreational Trails | FR | 1,591,652 | FHWA |
| 88 | | | Safe Routes to School | TC | 2,500,000 | FHWA |
| 89 | | | Transportation Alternatives Program | FR | 12,319,571 | FHWA/LOC |
| 90 | | | STP-Metro | FR | 54,037,405 | FHWA/LOC |
| 91 | | | Congestion Mitigation/Air Quality | FR | 50,313,066 | FHWA/LOC |
| 92 | | | Metropolitan Planning | FR | 8,421,886 | FHWA/FTA/LOC |
| 93 | | | Bridge-Off System - TC Directed | TC | 3,164,139 | FHWA/FSH/LOC |
| 94 | | | Bridge-Off System - Federal Program | FR | 6,245,256 | FHWA/FSH/LOC |
| 95 | | | | | | |
| 96 | | | | | 138,592,975 | |
| 97 | | Transit | | | | |
| 98 | | | Federal Transit | FR | 38,924,000 | FTA/LOC |
| 99 | | | Strategic Projects - Transit | SL | 38,000,000 | SB 17-267 |
| 100 | | | Multimodal Transportation | TC | 71,750,000 | SB 18-001 |
| 101 | | | Southwest Chief and Front Range Passenger Rail Commissior | TC | 2,500,000 | SB 18-001 |
| 102 | | | Transit and Rail Local Grants | SL | 5,000,000 | 09-108 |
| 103 | | | Transit and Rail Statewide Grants | TC | 3,000,000 | 09-108 |
| 104 | | | Bustang | TC | 5,200,000 | 09-108 |
| 105 | | | Outrider Rural Regional Opps | TC | 2,500,000 | |
| 106 | | | Transit Administration and Operations | TC | 1,000,000 | 09-108 |
| 107 | | | | | | |
| 108 | | | | | 167,874,000 | |
| 109 | | Infrastructure Bank | | | | |
| 110 | | | Infrastructure Bank | TC | 400,000 | SIB |
| 111 | | | | | | |
| 112 | | | | | 400,000 | |
| 113 | | | | | | |
| 114 | | | | Total: | 332,366,975 | |
| 115 | Transportation Commission Contingency/Debt Service | | | | | |
| 116 | | Permanent Recovery | | | | |
| 117 | | | Permanent Recovery | | - | FHWA |
| 118 | | | | | | |
| 119 | | | | | - | |
| 120 | | Contingency | | | | |
| 121 | | | TC Contingency | TC | - | FHWA / SH |
| 122 | | | TC Program Reserve | TC | 759,009 | FHWA / SH |
| 123 | | | Snow & Ice Reserve | TC | 10,000,000 | SH |
| 124 | | | | | | |
| 125 | | | | | 10,759,009 | |
| 126 | | Debt Service | | | | |
| 127 | | | Senate Bill 267 - Debt Service | DS | 28,500,000 | FHWA / SH |
| 128 | | | Certificates of Participation - Property | DS | 2,361,784 | SH |
| 129 | | | Certificates of Participation - HQ/R2/R4 | DS | 9,368,100 | |
| 130 | | | Certificates of Participation - Energy | DS | 1,046,627 | SH |
| 131 | | | | | | |
| 132 | | | | | 41,276,511 | |
| 133 | | | | | | |
| 134 | | | | Total: | 52,035,520 | |

Flexible Funds

/1 FASTER Safety funds (\$40.0M) were substituted for flexible funds in appropriate Asset Management Programs.

Key to acronyms:

LOC=Local Matching Funds

SIB=St. Infrastructure Bank Interest

TC=Transportation Commission

DS= Debt Service Covenants

AB=Aeronautics Board

FTA=Federal Transit Administration

SH=State Highway funding

FHWA=Federal Highway Administration

FR=Federal Requirements

SL=State Legislation

Comb=Combination

SSE=State Safety Education

Revenue

2,044,799,240

2,044,799,240

| State Bridge Enterprise Attachment A: FY 2018 - 19 Amended Annual Budget | | | | | | |
|---|---|---------------------|-------------------------------|-------------|-------------------|----------------|
| State Bridge | Budget Category | | Program Area | Directed By | FY 2018-19 Budget | Funding Source |
| 1 | Maintain - Maintaining What We Have | | | | | |
| 2 | | CDOT Performed Work | | | | |
| 3 | | | Maintenance | BEB | 300,000 | 09-108 |
| 4 | | | Support Services | BEB | 350,000 | 09-108 |
| 5 | | | Bridge Preservation | | 100,000 | |
| 6 | | | | | | |
| 7 | | | | | 750,000 | |
| 8 | | Contracted Out Work | | | | |
| 9 | | | Bridge Enterprise Projects | BEB | 95,596,057 | 09-108 |
| 10 | | | | | 95,596,057 | |
| 11 | | | | | | |
| 12 | | | | Total: | 96,346,057 | |
| 13 | Maximize - Safely Making the Most of What We Have | | | | | |
| 14 | | CDOT Performed Work | | | | |
| 15 | | | | | | |
| 16 | | | | | - | |
| 17 | | Contracted Out Work | | | | |
| 18 | | | | | | |
| 19 | | | | | - | |
| 20 | | | | | | |
| 21 | | | | Total: | - | |
| 22 | Expand - Increasing Capacity | | | | | |
| 23 | | CDOT Performed Work | | | | |
| 24 | | | | | | |
| 25 | | | | | - | |
| 26 | | Contracted Out Work | | | - | |
| 27 | | | | | | |
| 28 | | | | | - | |
| 29 | | | | | | |
| 30 | | | | Total: | - | |
| 31 | Deliver - Program Delivery/Administration | | | | | |
| 32 | | | | | | |
| 33 | | | Administration and Legal Fees | | 1,659,943 | 09-108 |
| 34 | | | | | | |
| 35 | | | | | 1,659,943 | |
| 36 | | | | | | |
| 37 | | | | Total: | 1,659,943 | |
| 38 | Pass-Through Funds/Multi-modal Grants | | | | | |
| 39 | | Highway | | | | |
| 40 | | | | | | |
| 41 | | | | | - | |
| 42 | | | | | | |
| 43 | | | | Total: | - | |
| 44 | Bridge Enterprise Contingency / Debt Service | | | | | |
| 45 | | Contingency | | | | |
| 46 | | | Contingency | BEB | | 09-108 |
| 47 | | | | | - | |
| 48 | | Debt Service | | | | |
| 49 | | | Debt Service | BEB | 18,234,000 | FHWA/SH |
| 50 | | | | | | |
| 51 | | | | | 18,234,000 | |
| 52 | | | | | | |
| 53 | | | | Total: | 18,234,000 | |
| | | | | | 116,240,000 | |
| | | | | | Revenue | 116,240,000 |
| Key to acronyms: BEB= Bridge Enterprise BoardDS= Debt Service Covenantants | | | | | | |

| High Performance Transportation Enterprise Attachment A: FY 2018 - 19 Amended Annual Budget | | | | | | |
|--|---|---------------------|-------------------------------|-------------|--|---------------------------------|
| HPTE | Budget Category | | Program Area | Directed By | FY 2018-19 Budget | Funding Source |
| 1 | Maintain - Maintaining What We Have | | | | | |
| 2 | | CDOT Performed Work | | | | |
| 3 | | | | | - | |
| 4 | | Contracted Out Work | | | | |
| 5 | | | | | - | |
| 6 | | | | | | |
| 7 | | | | Total: | - | |
| 8 | Maximize - Safely Making the Most of What We Have | | | | | |
| 9 | | CDOT Performed Work | | | | |
| 10 | | | | | | |
| 11 | | | | | - | |
| 12 | | Contracted Out Work | | | | |
| 13 | | | | | | |
| 14 | | | Property | | - | |
| 15 | | | | | | |
| 16 | | | | Total: | - | |
| 17 | Expand - Increasing Capacity | | | | | |
| 18 | | CDOT Performed Work | | | | |
| 19 | | | Maintenance | HPTEB | | Tolls/Managed Lanes Revenue |
| 20 | | | | | | |
| 21 | | | | | - | |
| 22 | | Contracted Out Work | | | | |
| 23 | | | Express Lanes Operations | HPTEB | 10,942,648 | Tolls/Managed Lanes Revenue |
| 24 | | | | | | |
| 25 | | | | | 10,942,648 | |
| 26 | | | | | | |
| 27 | | | | Total: | 10,942,648 | |
| 28 | Deliver - Program Delivery/Administration | | | | | |
| 29 | | | | | | |
| 30 | | | Administration and Legal Fees | | 5,194,500 | Fee for Service/Interest Income |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | 5,194,500 | |
| 34 | | | | | | |
| 35 | | | | Total: | 5,194,500 | |
| 36 | Pass-Through Funds/Multi-modal Grants | | | | | |
| 37 | | Highway | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | Total: | - | |
| 41 | HPTE Contingency / Debt Service | | | | | |
| 42 | | Contingency | | | | |
| 43 | | | | | - | |
| 44 | | Debt Service | | | | |
| 45 | | | | | | Fee for Service |
| 46 | | | | | | |
| 47 | | | | Total: | - | |
| | | | | | 16,137,148 | |
| | | | | | Revenue | 16,137,148 |
| Key to acronyms: HPTEB=High Performance Transportation Enterprise Board | | | | | | |
| | | | | | HPTE Fee For Service Allocation Adjustment | (5,169,500) |
| | | | | | Total Consolidated Allocations | 2,172,006,888 |
| | | | | | Total Consolidated Revenue | 2,172,006,888 |

Resolution # TC-18-08-

Resolution for the Fiscal Year 2018-19 Amended Annual Budget.

Approved by the Transportation Commission on August 16, 2018.

WHEREAS, § 43-1-113 (2), C.R.S. (2018) requires the Transportation Commission to submit a draft budget allocation plan for moneys subject to its jurisdiction for the fiscal year beginning on July 1, to the Joint Budget Committee, the House Transportation and Energy Committee, the Senate Transportation Committee and the Governor on or before December 15 of each year, for their review and comments; and

WHEREAS, C.R.S. § 43-1-113(9)(c) requires the Transportation Commission adopt a final budget allocation plan, which shall upon approval by the Governor constitute the budget for the Department of Transportation for Fiscal Year 2018-19; and

WHEREAS, the Transportation Commission adopted the final budget allocation plan on March 15, 2018 and the final budget allocation was submitted to the Governor for approval prior to April 15, 2018; and

WHEREAS, the Transportation Commission has the statutory authority to alter the Fiscal Year 2018-19 adopted budget allocation plan after it is delivered to and approved by the Governor; and

WHEREAS, legislative passage of Senate Bill 18-001 authorized a transfer of \$346.5 million from the General Fund to the State Highway Fund on July 1, 2018, per C.R.S. § 24-75-219 (5)(a)(I); and

WHEREAS, legislative passage of Senate Bill 18-001, per C.R.S. § 24-75-219 (5)(a)(II), authorized a transfer of \$74.25 million from the General Fund to the newly created Multimodal Transportation Options Fund, administered by CDOT and the Division of Transit and Rail, on July 1, 2018; and

WHEREAS, \$2.5 million in the Multimodal Transportation Options Fund was transferred, per C.R.S. § 43-1-1103 (2)(a)(II), to the Southwest Chief and Front Range Passenger Rail Fund created in C.R.S. § 43-4-1003; and

WHEREAS, the adopted Fiscal Year 2018-19 Final Annual Budget must be amended to recognize the additional revenue provided by Senate Bill 18-001; and

WHEREAS, in July 2018 the Transportation Commission approved allocations utilizing the \$346.5 million General Fund transfer during Fiscal Year 2018-19; and

WHEREAS, \$100 million from Senate Bill 18-001 has been allocated to Asset Management and added to the baseline Fiscal Year 2018-19 budget recommendations for Asset Management as outlined below; and

| Asset Class | FY 2018-19 (millions of \$) |
|-----------------------------------|-----------------------------|
| Surface Treatment | \$313.7 |
| Bridge, BE and Bridge Fixed Costs | \$149.4 |
| MLOS | \$272.8 |
| Buildings | \$20.2 |
| Culverts | \$10.0 |
| Tunnels | \$8.4 |
| ITS | \$23.5 |
| Road Equipment | \$26.8 |
| Geohazards | \$8.4 |
| Walls | \$5.4 |
| Traffic Signals | \$16.3 |
| TOTAL | \$855.0 |

WHEREAS, under Policy Directive 703.0, those Asset Management programs with Transportation Commission approved metrics shall rely on statewide asset management models to develop their projects lists and those without approved metrics shall provide project lists to the Transportation Commission; and

WHEREAS, \$5.0 million from Senate Bill 18-001 has been allocated to use for Americans with Disabilities Act (ADA) compliance; and

WHEREAS, \$241.5 million from Senate Bill 18-001 has been allocated to Strategic Projects for construction and preconstruction phase projects as identified and approved by the Transportation Commission on July 19, 2018; and

WHEREAS, Fiscal Year 2018-19 revenue forecasts are based on current federal appropriation guidelines, which may change by September 30, 2019.

NOW THEREFORE BE IT RESOLVED, that the Colorado Department of Transportation's amended budget allocation plan for the period of July 1, 2018 through June 30, 2019, including \$855.0 million allocated to Asset Management Programs as indicated above, is approved by the Transportation Commission.

Transportation Commission Secretary

Date



MEMORANDUM

TO: THE TRANSPORTATION COMMISSION
FROM: JEFF SUDMEIER, CDOT CHIEF FINANCIAL OFFICER
DATE: AUGUST 15, 2018
SUBJECT: FY 2017-18 COST CENTER ROLL FORWARD REQUESTS

Purpose

This memorandum provides an opportunity for the Transportation Commission (TC) to review and approve the FY 2017-18 cost center roll forward requests according to Policy Directive (PD) 703.0.

Action

The TC is being asked to approve three roll forwards for the Division of Highway Maintenance: \$5.0 million from the Snow and Ice Contingency Fund, \$4.2 million from project and equipment cost centers, and \$3.6 million for Maintenance Levels of Service (MLOS) projects. The TC is also being asked to approve one roll forward for \$1.1 million for staffing and operations from Transportation Systems Management & Operations (TSM&O) cost centers. All other items are informational. Approved FY 2017-18 roll forward requests will be rolled into FY 2018-19 cost center balances.

Background

In accordance with PD 703.0, all requests to roll forward ending cost center balances from the previous to the current fiscal year in amounts less than \$1.0 million are subject to approval by Executive Management. Two signatures are required for approval. Also, according to PD 703.0, roll forward requests of \$1.0 million or greater require approval by the TC. These requests must be reviewed by the CFO and Executive Management, who will decide whether to recommend approval before submitting requests to the TC for consideration in their monthly meeting.

Preliminary cost center reconciliations show current unspent FY 2017-18 cost center balances available to roll forward. FY 2017-18 Accounting Period 13 closed on August 3. The Division of Accounting and Finance (DAF) will provide a final reconciliation to the TC in September, if necessary. All remaining unspent funds will be rolled into the Transportation Commission Program Reserve Fund. Attachment A identifies roll forward requests requiring TC approval, which include:

\$5.0 Million Snow and Ice Contingency Fund Roll Forward

The Division of Highway Maintenance (DHM) is requesting a \$5.0 million roll forward to help with the following initiatives:

- \$3.0 million for Region 5 Avalanche Gazex project construction for SH 145 – Lizard Pass and US 50 Monarch Pass.
- \$1.2 million for five snowplow replacements on the equipment replacement plan.
- \$500,000 for JOA housing and per diem costs in the Summit County area.
- \$150,000 for Region 1, 2, and 4 salt brine equipment.



- \$150,000 the purchase and deployment of mobile friction sensors on supervisor vehicles.

\$4.2 Million Resurfacing and Equipment Roll Forward

The Division of Highway Maintenance (DHM) is requesting a \$4.2 million roll forward to help with the following initiatives:

- \$2.2 million for encumbered maintenance projects (including preservation projects) that are waiting to be awarded.
- \$2.0 million for Region 5 O'Fallon Gazex equipment.

\$3.6 Million MLOS Projects Roll Forward

The Division of Highway Maintenance (DHM) is requesting a \$3.6 million roll forward to help with the following initiatives:

- \$1.5 million for reimbursement of the cost of 903 tablets, purchased in April 2018, to the TC.
- \$1.4 million for the move of Region 1 traffic signal operations from TSM&O to Region 1.
- \$302,050 for Managed Lanes-US 36 Toll Road maintenance.
- \$200,000 for a Utility Reconciliation Project to verify utility invoicing compared to GIS locations.
- \$200,000 for light fleet outfitting of CDOT logos, lighting packages, and safety equipment.

\$1.1 Million TSM&O Roll Forward

The Division of Transportation Systems Management & Operations (TSM&O) is requesting a \$1.1 million roll forward to help with the following initiatives:

- \$500,000 for active purchase orders: Region 2 Traffic Operations Center (TOC) workstations, the Smart Mobility Plan, contracted TOC operators, the I-70 Coalition contract, and two statewide plans.
- \$600,000 will go toward staffing and operations of Region 2 TOC, I-70 JOA TOC, and Region 1 TOC in Golden.

Staff Approved Roll Forwards

According to PD 703.0, roll forward requests that are less than \$1.0 million can be approved by two Executive Management signatures. Attachment B lists FY 2017-18 to FY 2018-19 roll forward requests that have been approved by Executive Management, totaling \$2.2 million. These roll forwards will allow nine CDOT offices to further advance their program goals in FY 2018-19 (see Attachment B for details).

Automatic Roll Forwards

According to statutory, regulatory, or Departmental guidelines, a number of roll forwards are automatically enacted each fiscal year. The total estimated amount of these automatic roll forwards into FY 2018-19 is \$112.6 million (see Attachment C). The larger automatic roll forwards are explained below:

- **Bridge Enterprise (BE), \$2.7 million:** Bridge Safety Surcharge funds are required to stay in BE and will be used for program administration and operations of the BE program in FY 2018-19.
- **High Performance Transportation Enterprise (HPTE), \$27.1 million:** As an Enterprise, HPTE funds are required to stay in the program and will be used for program administration and operations costs on existing Express Lanes. The majority of remaining cost center balances will be rolled forward to HPTE budget pools for future project development and debt service payments.
- **Aeronautics, \$18.7 million:** The large roll forward covers grants that are multi-year commitments and fuel tax disbursements that are statutorily obligated to be paid to airports.



- **Intelligent Transportation Systems (ITS), \$14.2 million:** Task and purchase orders for multi-year engineering, technical, and maintenance projects were created late in FY 2017-18 and are being rolled over into FY 2018-19.
- **DTR Bustang, \$3.4 million:** Roll forward money will be used to maintain and expand Bustang operations and for the purchase of new technology to track ridership and improve related data. Bustang revenue is comprised of FASTER Transit and fare revenue and cannot be repurposed.
- **RoadX, \$2.1 million:** There are multiple consulting contracts that are in place, including Panasonic, that were encumbered at the end of FY 2017-18.

Options and Recommendation

1. Approve the Division of Highway Maintenance's \$12.8 million roll forward requests and Division of TSM&O's \$1.1 million roll forward request -- **STAFF RECOMMENDATION.**
2. Ask for more information on the submitted roll forward requests or approve a portion of the Division of Highway Maintenance and TSM&O requests.
3. Deny all requests.

Next Steps

With TC approval, DAF will roll the FY 2017-18 funds into FY 2018-19.

Attachments

Attachment A: Division of Highway Maintenance and TSM&O Cost Center Roll Forward Request

Attachment B: FY 2017-18 Staff Approved Cost Center Roll Forwards

Attachment C: Automatic Roll Forwards



Attachment A: Division of Highway Maintenance and TSM&O Roll Forward Requests

| | | |
|---|--------------------|--|
| Division of Highway Maintenance <i>MLOS projects</i> | | |
| Reimbursement of tablet cost to the Transportation Commission | \$1,500,000 | Cost of 903 tablets that were purchased in April 2018 and to be reimbursed to the TC at the close of the fiscal year. |
| Move of Region 1 Traffic Operations from TSM&O | \$1,400,000 | The \$1.8 million MLOS roll forward request for Region 1 TSM&O assists in re-establishing the traffic signal operating budget in the Region 1 Traffic MLOS program. More specifically, these dollars will fund the SB 8 IGAs for local entities maintaining signals within their jurisdiction. When the signal program was transferred to HQ TSM&O in 2014, Region 1 transferred its signal allocation of \$1.8 million to HQ TSM&O. After two years of the transfer, Region 1 Traffic's MLOS allocation was reduced as it no longer recognized Region 1 as having a signal program. In 2017, the decision was made to transfer the signal program back to the Region and pursue roll-forward dollars in an effort to assist in re-establishing the traffic signal budget. FY19 will be the final year for such request, as the MLOS budget program adjusts on a 2-year cycle. |
| Managed Corridors - Toll Road | \$302,050 | This cost center is for Managed Lanes-US 36 Toll Roads, R710M-010, requesting to have remaining FY18 funds to be rolled forward to FY19 to fund shortage in cost center to pay for FY19 costs for US36 Toll Road. |
| Utility Reconciliation Project | \$200,000 | This project is for the consultant contract to perform the work detailed in the SOW. The utility project will work with the Regions to verify all utility invoicing compared to the GIS locations in the field. Once verified the goal is to close unverified utility accounts, saving the Department money. |
| Light Fleet Outfitting of CDOT logos, lighting package, and safety eq | \$200,000 | This was a FY18 Cost Center Decision Item request that was approved but not budgeted in FY18. This cost will cover the FY18 and FY19 outfitting. |
| Total MLOS Projects | \$3,602,050 | |
| Division of Highway Maintenance <i>TC Snow & Ice Contingency</i> | | |
| Region 5 Avalanche Gazex Projects-Construction Costs: SH145 Lizard Pass and US50 Monarch Pass | \$3,000,000 | Projects identified are on SH145 Lizard Head Pass and US50 Monarch Pass. Alternative mitigation methods for The Peterson Slide, Yellow Springs, Yellow Springs Gully, and The Big Slide. |
| Additional Funding for Snowplow replacements (5) | \$1,200,000 | The additional funding will replace 5 additional snowplows on the equipment replacement plan. These snowplows will be configured to pull the 33 Tow Plows that DHM has around the state. |
| JOA Costs (Housing and Per Diem) for Summit County | \$500,000 | This \$500,000 will continue support for additional staffing to the Summit County area. Additional staffing requires placing employees in travel status, causing the department to incur housing costs and per diem. The funding will cover the travel costs for the JOA and prevent Region 3 from using operating funds for these costs. |
| Region 1, 2 and 4 Salt Brine Equipment | \$150,000 | The \$150,000 is to be utilized to purchase salt brine equipment for Region 1, 2, and 4. Salt brine is a proven, anti-icing agent that assists with snow and ice build-up on our highways. It is the primary source of anti-icing for CDOT. |
| Friction Sensor Project | \$150,000 | Purchase and deploy mobile friction sensors on supervisor vehicles along interstate corridors. The winter of 2017-2018, a pilot project in Region 4 deployed nine friction sensors. A cost-benefit analysis has been completed on utilizing friction sensors to manage a storm event. This project would purchase 40 additional sensors to cover the remaining maintenance supervisor vehicles along the front range. |
| Total Snow and Ice Contingency | \$5,000,000 | |



| Division of Highway Maintenance | | | |
|--|--------------------------------------|--------------------|---|
| SM100-010 | Maintenance Resurfacing | \$2,193,082 | Projects are waiting to be awarded but cannot due to negative budget. Requesting the encumbered amount to be rolled forward to FY19, these funds are committed to resurfacing projects out in the field across maintenance sections. |
| E0205-010 | O'Bellx Gazex Equipment for Region 5 | \$2,000,000 | Requesting to have PO & remaining funds of FY18's PO to be rolled forward to pay for Avalanche O'Bellx Gazex Equipment for Region 5. Due to the nature of the equipment ordered and where the items are shipped from, this order takes about a year to build and then ship. The order was placed in November 2017 after receiving roll forward funds to purchase equipment. We should be receiving Equipment and final invoice this fall. |
| Total Division of Highway Maintenance | | \$4,193,082 | |

| Transportation Systems Management & Operations | | | |
|--|--|--------------------|--|
| OP105-010 | TSM&O: Encumbered \$500,000 to R2 TOC Workstations; Smart Mobility Plan; Contracted TOC Operators; I-70 Coalition Contract; Statewide TDM Plan; TSM&O Statewide Plan | \$1,107,604 | The encumbered \$500,000 will go towards the following active POs: Region 2 Traffic Operations Center workstations, Smart Mobility Plan, Contracted TOC Operators, I-70 Coalition Contract, Statewide TDM Plan, TSMO Statewide Plan. |
| | Unencumbered \$600,000 to Contracted TOC Operators | | The unencumbered \$600K will go towards the following: Contracted TOC Operators: this will help support staffing of the new Region 2 TOC, I-70 JOA TOC, and Region 1 TOC in Golden. |
| Total TSM&O | | \$1,107,604 | |

| | |
|---------------------------------|---------------------|
| Total TC Approval Amount | \$13,902,736 |
|---------------------------------|---------------------|



Attachment B: FY 2017-18 Staff Approved Cost Center Roll Forwards

| Division | Program | Request Amount | Notes and Consequences if Not Approved |
|---|--|------------------|---|
| Communications | | | |
| ECTCC-010 | CDOT on Air | \$151,172 | 30 Active PO's with an encumbered amount of \$189,224. This is for outreach videos produced for the Telephone Town Halls and Facebook for the CDOT on Air Program. |
| Total Communications | | \$151,172 | |
| Division of Highway Maintenance | | | |
| S0246-010 | Viasala Route Optimization | \$50,800 | Nearly completed with contract, final work and invoice coming in the next few months. |
| S0246-010 | State of CO - Explosive | \$17,588 | Requesting to have remainder of FY18 PO funds rolled forward to FY19 so final invoice can be paid. DHM could not get final invoice prior to year end. |
| SM027-010 | Outfitting Light Fleet Vehicles with Lighting, safety bags, & decals | \$122,141 | For Outfitting Light Fleet Vehicles with Lighting packages, safety bags & decals. DHM received funds at the end of June and a shopping cart was ordered but due to errors in the shopping cart it was not fully ordered to be turned into a PO prior to year end. |
| Total Division of Highway Maintenance | | \$190,529 | |
| Division of Information Services (IT) | | | |
| EI343-010 | Equipment Pool Infrastructure for Cyber Resiliency recommendations | \$199,034 | This cost center is used for paying for cloud servers. With the build out of the CDO project and the cyber incident possibly leading to recommended changes in where CDOT hosts certain applications, I would like this request to move forward. Justification: money to implement cyber resiliency recommendations. |
| E0450-010 | Video CONF CDOT; backup funding for new building contingency | \$177,016 | This cost center had leftover funds because of the uncertainty of the AV equipment needed in the new buildings. As CDOT has requests to make modifications to some rooms in the new buildings, IT would like this request to move forward. Justification: money to make AV modifications needed for new buildings, as we learn more about how they are going to work. |
| Total Division of Information Services (IT) | | \$376,051 | |
| Division of Transportation Development | | | |
| DT535-010 | Information Management/Traffic Data Collection | \$268,783 | Has active PO's amounting to \$268,783. |
| Total Division of Transportation Development | | \$268,783 | |



| | | | |
|--|--|------------------|---|
| Human Resources | | | |
| E0441-010 | Service Awards | \$1,700 | Funds are encumbered but orders have not yet been delivered. |
| ET668-010 | Training and Org Development; build up CDOT training and materials to not pay license fees in future years | \$100,000 | Looking to go to RFP for leadership training. This RFP would look to engage a learning vendor to help design some courses that CDOT currently purchases from vendors. For the courses HR currently purchases, HR must pay per student to buy the materials for each person's seat in the class. By going to RFP, HR would create content for which CDOT owns the intellectual property. This would entail initial development of content, which would be an investment (through the RFP). However, once CDOT develops content, CDOT would no longer need to buy the materials for each person's seat in the class. So while there would be an initial expense to develop content, over time the cost for learning will go down. |
| E0435-010 | Employment Candidate Recruitment | \$27,537 | HR did not do any television or radio ads last year. HR's intention was to do so, but there was confusion over who owned the ads that HR had produced previously and if HR could still use them. This year, HR is planning to advertise extensively in preparation for winter ops and JOA. These funds are critical to the success of that push. |
| Total Human Resources | | \$129,237 | |
| Office of Emergency Management | | | |
| EM120-010 | OEM Training and Operations | \$236,451 | Continued delivery of projects: 1) Heavy Equipment Operator - Wildfire Personal Protective Equipment - \$60,000 2) Heavy Equipment Operator - Training Classes (2 classes of 25 operators) - \$20,000 3) O - 305 Training - 2 Classes - \$40,000 4) IMT Operational Support - \$25,000 5) Emergency Operations Center - \$100,000 |
| S0172-010 | Communications - DTR console for Emergency Ops Center at KOA | \$169,247 | This equipment is for a 800 Mhz. Digital Trunk Radio Console for statewide communications internally with CDOT and with its external partners. This enables CDOT to have day to day communications from the Emergency Operations Center at KOA. |
| Total Emergency Management | | \$405,698 | |
| Office of Policy and Government Relations | | | |
| E0455-010 | Federal Govt. Consultant for FY19 | \$65,000 | PO was delayed in being paid off and will roll over to FY19. |
| Total Office of Policy and Government Relations | | \$65,000 | |



| Process Improvement | | | |
|---------------------------|---|----------|---|
| E0444-010 | CDOT Process Improvement: 1) Lean Ideas to help out Maintenance Patrols; 2) Colorado Talent Challenge; 3) Training related to internal change projects; 4) Training for "Change Management for Employees" | \$95,375 | Funds assist in the Lean Everyday Ideas, Lean innovation and improvement projects related to the Governor's Colorado Talent Challenge, training and related assistance with internal change projects, and next level of maturity for training for change management. The efforts were planned for the backside of FY18 but schedules for the project were delayed. |
| E0444-010 | Burapadecha Consulting | \$1,200 | The funds were delayed for Burapadecha Consulting in the second half of FY18 due to accessibility issues of the CDOT network, which caused work to be pushed back to a later date. This cost center also has the encumbered funds attached to the project, which would require the \$1,200 to assist in the final payment of the project. The funds are encumbered. |
| Total Process Improvement | | \$96,575 | |

| Transportation Systems Management & Operations | | | |
|--|---|-----------|--|
| OP100-010 | 1) TSMO Director Program Support; 2) Operations Academy Training; 3) Operation Academy Curriculum Development | \$258,391 | \$258,000 is unencumbered and will go towards the following: 1) \$150-\$200,000 for Director Program Support to develop reports and conduct analysis on a wide range of program topics for the TC, EMT, and Governor's Office (an example of this work is the benefit/cost analysis TSM&O did for the TC on the Heavy Tow Program); 2) \$25-\$50,000 for Operations Academy Training: this will conduct another annual Operations Academy for 50+ CDOT staff and partner agency staff in Operations. 3) \$25-\$50,000 for Operations Academy Curriculum Development: this will develop new curriculum for the Operations Academy, such as technology and data specific training modules. |
| ORTIM-010 | Traffic Operations & Incident Management | \$232,946 | Encumbered funding requested to roll forward support mission critical services and program efforts in FY19 and these funds are critical to sustain mission critical services and program support: TMC contracted operators, additional TMC Regional offices/support and the Traffic Incident Management Program. |
| Total TSM&O | | \$491,337 | |

| | |
|---------------------------|-------------|
| Total EMT Approval Amount | \$2,174,381 |
|---------------------------|-------------|



Attachment C: Automatic Roll Forwards

CDOT Automatic Roll Forward Cost Centers (FY 2017-18)

| Program | Cost Centers | Roll Forward Criteria | Justification | Project or Operating Expense | Responsible Party | Estimate |
|--|--|---|---|------------------------------|--|----------------------|
| Bridge Enterprise (BE) | All BE Cost Centers (Fund 538) | All fund balances | Statutory | Both | BE Board/OFMB | 2,665,388 |
| High Performance Transportation Enterprise (HPTE) | All HPTE Cost Centers (Fund 536-537) | All fund balances | Statutory | Both | HPTE Board/OFMB | 27,087,227 |
| FASTER Transit | All FASTER Transit Cost Centers | All fund balances | Statutory | Operating | DTR | 645,429 |
| FTA Grants | All FTA Grant Cost Centers | All fund balances | FTA - US Code | Operating | DTR | 29,725,731 |
| DTR Bustang | All Bustang Cost Centers | All fund balances | Statutory | Operating | DTR | 3,431,905 |
| DTR SB228 | D1228-010 | All fund balances | Statutory | Operating | DTR | 781,329 |
| Aeronautics | All Aeronautics Cost Centers (Fund 160) | All fund balances | Statutory | Both | Aero Board | 18,746,245 |
| Law Enforcement Assistance Fund (LEAF) | All LEAF Cost Centers (Fund 403) | All fund balances | Statutory | Both | Office of Transportation Safety | 120,024 |
| NHTSA Grants | All NHTSA Grant Cost Centers | All fund balances | FHWA - US Code | Operating | OTS | 2,712,993 |
| Heavy Road Equipment | S0247-010, S0270-010, E0205-010 | All fund balances | 2009 CFO Memo | Capital Purchases | Maintenance Division | 7,880,043 |
| Property Pool | SM265-010, S0014-010 | All fund balances | 2009 CFO Memo | Capital projects | DAS--Property Manager | 338,982 |
| Intelligent Transportation Systems (ITS) | OI440-010 | All fund balances | 2009 CFO Memo | Both | TSM&O--ITS Branch | 14,228,077 |
| Non-road, non-computer (other) equipment. | E0249-010, R1001-010, R2001-010, R3001-010, R4001-010, R5001-010 | Only fund balances associated with encumbrances | Previous Budget Director Memo | Capital Purchases | Project Support & Region RTDs | 12,088 |
| Transportation Summit Conference | S0192-010 | All fund balances | 2015 CFO Memo | Operating | Intergovernmental Relations/Communications | 37,135 |
| Southwest Chief Rail | TOMAS-290 (Fund 29R) | All fund balances | Statutory | Operating | DTR | 50,905 |
| RoadX | RoadX-010, RDX10-010 | All fund balances | CFO E-mail on 6/25/16 | Both | RoadX Office | 2,107,346 |
| Cyber Incident Cost Center | COITE-010 | All fund balances | Deputy Finance Officer E-mail on 7/6/18 | Operating | DAF | 223,840 |
| Enterprise Payments for Corridor Maintenance | R710P-010 | All fund balances | Agreement between CDOT & HPTE | Operating | Maintenance Division & HPTE | 790,360 |
| Transportation Engineering Training Program (TETP) | S0193-010 | All fund balances | 2009 CFO Memo | Operating | Office of Employee Development | 969,872 |
| Total: | | | | | | \$112,554,919 |



Resolution # TC-18-08-

Resolution for the Fiscal Year 2017-18 Roll Forwards.

Approved by the Transportation Commission on August 16, 2018.

WHEREAS, the Transportation Commission has oversight of the Colorado Department of Transportation annual budget, including roll forward requests; and

WHEREAS, offices of the Colorado Department of Transportation can make requests to roll forward budget resources from a prior fiscal year to a current fiscal year; and

WHEREAS, the Division of Highway Maintenance has applied to the Division of Accounting and Finance to roll forward \$3,602,050 of FY 2017-18 MLOS funds, \$4,193,082 of FY 2017-18 project and equipment funding, and \$5,000,000 of FY 2017-18 Snow & Ice Contingency funds to FY 2018-19 for specific prioritized projects and purchases; and

WHEREAS, the Division of Transportation Systems Management and Operations has applied to the Division of Accounting and Finance to roll forward \$1,107,604 of FY 2017-18 to FY 2018-19 for specific prioritized operations and purchases; and

WHEREAS, these projects and purchases have positive cost-benefit ratios that will make the Department more efficient, increase public safety and compliance with regulations; and

WHEREAS, Policy Directive 703.0, updated in June 2016 by the Transportation Commission, allows only the Transportation Commission to approve roll forward requests above \$1.0 million; and

WHEREAS, Department Executive Management must approve roll forward requests greater than \$1.0 million before they are presented to the Transportation Commission; and

WHEREAS, The Division of Accounting and Finance, based on approval of Executive Management, has requested the Transportation Commission approve the \$3,602,050 MLOS, \$4,193,082 project and equipment, and \$5,000,000 Snow and Ice Contingency roll forward requests from the Division of Highway Maintenance and \$1,107,604 from the Division of Transportation Systems Management and Operations.

NOW THEREFORE BE IT RESOLVED, the Transportation Commission, in accordance with Policy Directive 703.0, authorizes the Division of Accounting and Finance to roll forward \$3,602,050 of MLOS funds, \$4,193,082 resurfacing and equipment funds, and \$5,000,000 of Snow and Ice Contingency funds from FY 2017-18 to FY 2018-19 for projects and purchases managed by the Division of Highway Maintenance and \$1,107,604 of operations funding from FY 2017-18 to FY 2018-19 for the Division of Transportation Systems Management and Operations.

Transportation Commission Secretary

Date