



## **BRIDGE ENTERPRISE**

The General Assembly created the Statewide Bridge Enterprise as a government-owned business within the Colorado Department of Transportation, pursuant to 43-4-805 C. R.S.

The purpose of the Bridge Enterprise is to complete designated bridge projects that involve the financing, repair, reconstruction and replacement of bridges designated as structurally deficient, functionally obsolete or rated as poor by the Colorado Department of Transportation.

The members of the Enterprise Board are the members of the Colorado Transportation Commission. All meetings of the Bridge Enterprise Board are open to the public. The records of the Bridge Enterprise Board are public records and are open for inspection, as provided by law.

The current objective is to complete construction on the original list of 128 “poor” bridges by the end of the next STIP period, in 2017 this requires the infusion of \$15 million per year from the ongoing federal/state bridge funds in addition to the currently projected bridge funds from FASTER and bonding.

The Bridge Enterprise is pursuing a short term bank loan that was a recommendation of the staff and financial advisors with the ability to go to revenue bonds if necessary. This early debt program will not exceed \$40 million.

The primary reason for the short term loan is because of the uncertainty that exists with the November election and various initiatives that or on the ballot.

**Again the goal is to complete the repair of all 128 poor bridges by 2017.**

# TIGER II

**The Tiger II – National Infrastructure Investment Grant summary and timelines were sent to all of you earlier. Please review the info carefully. There are requirements that at first may not be readily apparent. Note:**

## **CDOT Letters of Support for Applications**

- For letters of support for TIGER II Applications CDOT would need from Applicants:
  - Copy of Application
  - Copy of Project Financial Plan
  - Local Government Requesting Projects will need Resolutions of Support with recognition of:
    - Account requirements (TIFIA, Rural)
    - Match requirements

## **Emerging Issues-CLIMATE CHANGE**

CDOT is working on addressing Green House Gas (GHG) Emissions within the Statewide Planning Process.

There is legislation on the Federal side to set standards for GHG.  
Status of current efforts:

House: Passed Waxman-Markey bill on the floor in 2009.  
Senate: Boxer-Kerry bill reached floor in 2009 then stalled.  
Senate: Kerry-Lieberman “discussion draft” bill released May 12, 2010.  
President Obama: Strongly supports Cap-and-Trade legislation.

As an example:

2010 Senate Bill: Kerry-Lieberman “American Power Act”

Calls for reductions from 2005 baseline

- 17% by 2020
- 42% by 2030
- 83% by 2050

Sets national GHG emissions cap

- Transportation fuels are under the cap
- Tptn fuel producers and importers would purchase Emissions allowances at a fixed price (\$12-\$25/ton carbon)
- Tptn carbon price would increase at 3% over inflation/year

Imposes transportation planning requirements on states and large MPOs

Many, many other provisions affecting all sectors.

This legislation would impose a tax on fuels with 70-90% of these revenues diverted to other purposes rather than Transportation.

The bills are complicated and have issues that would effect all of us.

The point is whether you believe in Climate Change or not legislation is Coming down the road(so to speak).

Fuel price estimates suggest potential increases ranging from as low as \$0.14 in 2015 to a high of \$2.79 in 2050. Our fuel is going to be more Expensive!

## EXAMPLE OF IMPACTS OF COLORADO PENDING VOTER INITIATIVE 101

I received the following from David Eller our Region 3 Director. It outlines the impacts on Transportation for the passage of the ballot Issue.

### **Proposition 101**

#### **Colorado Motor Vehicle, Income, and Telecom Taxes and Fees**

Proposition 101, among other things, requires that annual license, title, and registration fees not exceed \$10 per vehicle. Given the financial impact this measure has on transportation, CDOT has been asked to provide a financial impacts statement. This Policy Brief explains CDOT's assessment of the financial impacts of Proposition 101. This assessment is factual in nature and not intended to indicate support or opposition to the proposition.

Under Proposition 101, CDOT staff assumes that the entire \$10 in aggregate fees would be used to support license, titling, and registration operations in the Department of Revenue and in County Clerk and Recorders' offices and that all registration-related revenue currently credited to and distributed from the Highway Users Tax Fund (HUTF) would cease through conforming legislation. See the table below. FY 2011-12 is the first full state fiscal year in which the provisions of Proposition 101 would be in effect.

### Projected Revenue Losses to CDOT from Proposition 101

#### CDOT Internal Revenue Model

<b>Category</b>	<b>FY 2011-12</b>
HUTF First Stream (65%)	\$85,586,899
HUTF Second Stream (60%)	20,972,258
FASTER HUTF Third Stream (60%)	74,185,967
FASTER Bridge Safety Surcharges	96,088,233
<b>Total Losses to CDOT from Prop 101</b>	<b>\$276,833,357</b>

#### Current Revenue Forecast

<b>Category</b>	<b>FY 2011-12</b>
FHWA Apportionments	\$366,440,059
HUTF Distributions to CDOT	477,489,229
Other State Highway Fund Revenue	51,431,883
Other Departmental Revenue	173,936,930
<b>Total Revenue</b>	<b>\$1,069,298,101</b>

Reduced CDOT HUTF Distributions due to Prop 101 <sup>1</sup>	37.9%
<b>Prop 101 Loss as a Percent of Total CDOT Budget</b>	<b>25.9%</b>

The impact of Proposition 101 to CDOT is not limited to the Highway Users Tax Fund. FASTER Bridge Safety Surcharges would be eliminated under Proposition 101 but are not credited to or distributed from the HUTF.

Note: Assumes that FASTER Daily Vehicle Rental Fee would not be eliminated, as Proposition 101 impacts vehicle rental taxes, not fees. Also assumes that Counties and Cities would continue to pay a total of \$5m annually to CDOT for the Transit & Rail Fund from their share of Daily Vehicle Rental Fees.

This impact would not be distributed evenly among CDOT's various programs because many of the Department's State and federal funding sources are dedicated by law to specific programs and uses. If Proposition 101 were to become law, the Department would still have enough state revenue to meet its required matching obligations for its apportionments of federal highway funding.

One of the provisions of section (2) of the proposition states that "[a]ll state and local taxes shall cease on vehicle rentals and leases." CDOT staff interprets this provision as not applicable to the daily vehicle rental fee authorized in Section 43-4-804 (1) (b) (I), C.R.S. (2009). Therefore, the provisions in Section 43-4-811 (1) (a) – (1) (c), C.R.S. (2009) authorizing the \$5.0 million annual adjustment to the formula allocation of HUTF revenues generated by Senate Bill 09-108 would continue to occur, diverting \$2.75 million annually from counties and \$2.25 million annually from municipalities and the cities and counties of Denver and Broomfield to the State Transit and Rail Fund.