

Resolution – HPTE #131

Approving FY14 Budget Supplement #5 Budget changes.

BE IT RESOLVED, that the Fifth Supplement to the Fiscal Year 2013-2014 attached hereto is hereby approved by the High Performance Enterprise Board of Directors.

Signed as of June 18, 2014

Chairman, HPTE Board of Directors



DATE: June 18, 2014
TO: HPTE Board of Directors
FROM: Ben Stein, Director of Office of Major Projects
SUBJECT: 5th Supplement to the FY 14 Budget

Please review and approve the attached budget supplement. This supplement provides year-end reconciling items and adjustments needed to reflect financial close of the concessionaire agreement.

Key changes are listed below:

Special Revenue Fund 536 (Projects)

- \$1,000,000 of carry forward is moved from the top of the budget to the US 36 Phase II section to differentiate restricted carry forward from unrestricted carry forward.
- Toll and fine revenues are increased to the actual amounts earned through March 2014.
- Reimbursement for Colorado State Patrol services from Plenary through June 30th was added to the revenue section.
- Stipend payment from Plenary was added.
- Snow Plow and Routine Maintenance and E-470 budgets have been reduced.
- HPTE staff time was increased and bus travel time was decreased to reconcile to expected expenses through end of the fiscal year.
- Traffic congestion mitigation was moved from the US 36 Phase II section to the I25 HOT Lane section, as RTD has agreed that this can be paid from these restricted revenues.
- \$95,000 in contract monitoring was added to the budget.
- TIFIA loan reserves were removed from the budget as they will not be expenses in FY 14. \$1,595,000 will be an expense in FY 15 if the concessionaire assumes the TIFIA loan.
- US 36 Phase II concession agreement was reduced to reflect payments due to Plenary due to the toll increase delay.
- The annual concessionaire management fee revenue was increased slightly.
- Transfer to fund 537 for repayment of TC loan was removed from the budget as those funds will be needed for program management in FY 15.
- Carry forward funds of \$1,000,000 were added to the US 36 Phase II project in accordance with the concessionaire agreement and stipend agreement.
- P3 advisory services were decreased to reflect the amount spent for fiscal year 2014. Future expenditures are not expected for this line item due to the close of the concession agreement.

- Attorney General and external legal services were added to the US36 Phase II project. Additionally, \$720,000 was reduced from the US36 Phase II project, which was reserved for demobilization if the concessionaire agreement did not go through.
- \$500,000 was added to pay a stipend to the non-winning bidder.

Operating Fund 537 (Operating)

- Transfer from fund 536 to repay commission loan was removed from the budget as those funds will be needed to pay for FY 15 contract management expenses.
- Tolling consultant and communications consultant were added to the budgeted expense.
- Financial advisor and P3 advisor expenses were reduced.
- Attorney General Service in this fund was reduced as much of the budget transferred to the US 36 Phase II project misc phase in fund 536.
- CDOT services increased based on extra work related to the prolonged US 36 closing process.
- Operating expenses, travel, mileage and incidental expenses were increased to reflect projected expenses through the end of the fiscal year.
- Budget for repaying the TC loan in 2014 was removed from the budget, as these funds may be needed in 2015.

Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536

ITEM	Approved 12/18/13		Proposed 5/7/2014	
	FY 14 Estimated Revenues	FY 14 Estimated Expenditures	FY 14 Estimated Revenues	FY 14 Estimated Expenditures
Carry Forward Balance from Prior Years	12,211,388		11,211,388	
I25 Express Lanes				
I 25 Express Lane Revenues				
Estimated Toll Revenues	1,305,091		1,972,737	
Estimated Fine Revenues	22,441		24,845	
Interest Earnings	209,774		250,000	
Reimbursement for CSP services			30,000	
Total Revenues	1,537,305		2,277,582	
Total Available Funds	13,748,693		13,488,970	
Operating Expenditures				
Snow Plow and Routine Maintenance		287,836		228,000
Colorado State Patrol		90,000		90,000
Bus Travel Time Reporting		4,800		1,000
E-470 Oversight, Management, Operations & Maintenance Tech		560,000		350,000
IBTTA Dues (25% of Total)		3,000		3,000
Marketing/ Outreach		10,000		100
HPTE Staff Costs		22,596		75,000
CDOT Staff Costs		57,030		75,000
Office Supplies (Print/ copy/ scanner)		2,200		2,200
Traffic Congestion Mitigation / Traffic Demand Management		0		200,000
Annual Audit		5,000		5,000
Contract Monitoring				95,000
Courtesy Patrol		59,102		85,000
Total Operating Expenditures		1,101,564		1,209,300
Excess Revenue over Operating Expenditures		12,647,130		12,279,670
Non Operating Expenditures				
Funded Reserve for US 36		604,614		0
TIFIA Loan Debt Service Reserve Account Requirement		1,610,225		0
US 36 O&M		44,000		44,000
US 36 Phase II Concession Agreement		750,000		75,000
Total Non Operating Expenditures		3,008,839		119,000
Total Budgeted Expenditures		4,110,402		1,328,300
Concessionaire Management Fee				
Funds to be Received				
Annual Concessionaire Management Fee	100,000		125,000	
Total Funds Received	100,000		125,000	
Funds Budgeted				
Contract Monitoring		0		0
HPTE Staff		0		0
CDOT Staff		0		0
Transfer to Fund 537 for Payment on Transportation Commission Loan		100,000		0
Total Funds Budgeted		100,000		0

Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536				
ITEM	Approved 12/18/13		Proposed 5/7/2014	
	FY 14 Estimated Revenues	FY 14 Estimated Expenditures	FY 14 Estimated Revenues	FY 14 Estimated Expenditures
<u>US36 Phase I</u>				
Carry Forward Balance from Prior Years				
Funds to be Received				
TIFIA Loan	23,449,500			23,449,500
RTD (TIFIA Loan \$23,449,500; RTD Fee For Service = \$22,000,000)	30,000,000			30,000,000
Total Funds Received	53,449,500			53,449,500
Funds Budgeted				
Funds needed for project all phases		53,449,500		53,449,500
Total Funds Budgeted		53,449,500		53,449,500
<u>US36 Phase II</u>				
Carry Forward Balance from Prior Years: Stipend from Concessionaire to Non-Winning Bidders				
Region 4	0		1,000,000	
Project Funds	1,729,643		1,729,643	
	52,428,431		57,544,478	
Total Funds to be Received	54,158,074		60,274,121	
Funds Budgeted				
Legal Services		383,923		575,000
Attorney General Services		0		125,608
Peer Review Value for Money		75,000		75,000
P3 Advisory Services		1,270,720		1,150,000
Traffic Congestion Mitigation / Traffic Demand Management		200,000		200,000
Stipend Payment to Non-Winning Bidder				500,000
Project Construction		52,428,431		44,365,528
Transfer to 537 for Loan Repayment				0
Total Funds Budgeted		106,786,505		91,356,664
<u>I-70 West</u>				
Funds to be Received				
Region 1 Project	720,000		720,000	
Total Funds Received	720,000		720,000	
Funds Budgeted				
T&R Studies		720,000		720,000
Total Funds Budgeted		720,000		720,000

Note: This budget assumes that RTD will agree that Bond Counsel and Disclosure Counsel expenses can be paid from excess US 36 Phase 1 funds. If not, these will be paid from the I-25 cost center or fund 537, pending legal analysis.

Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537

ITEM	Approved 12/18/13		Proposed 6/18/14	
	FY 14 Estimated Revenues	FY 14 Estimated Expenditures	FY 14 Estimated Revenues	FY 14 Estimated Expenditures
HPTE Budget				
Estimated Carry Forward Balance from Prior Years	\$ 396,349		\$ 396,349	
<u>HPTE Administration and Business Development</u>				
Revenues				
Interest Earnings	\$ 8,800		\$ 8,800	
TC Loan	\$ 1,000,000		\$ 1,000,000	
Reimbursement for Staff Time Charged to HOT Lanes (fund 536)	\$ 45,013		\$ 48,565	
Transfer from Fund 536 to Pay Commission Loan	\$ 100,000		\$ -	
Total Revenues	\$ 1,153,813		\$ 1,453,714	
Expenditures				
Total Available Funds	\$ 1,550,162		\$ 1,453,714	
Operating Expenditures				
T & R Consultant	\$ -	\$ -	\$ -	\$ -
Tolling Consultant	\$ -	\$ -	\$ -	\$ 150,000
Financial Advisor	\$ 60,000	\$ 60,000	\$ -	\$ 15,000
P3 Advisor	\$ 100,000	\$ 100,000	\$ -	\$ -
Communications Consultant	\$ -	\$ -	\$ -	\$ 120,000
Legal Services	\$ 100,000	\$ 100,000	\$ -	\$ 100,000
Asset Accounting Advice	\$ 35,000	\$ 35,000	\$ -	\$ 40,000
Other Consultant Services	\$ 25,000	\$ 25,000	\$ -	\$ -
Attorney General Services	\$ 120,000	\$ 120,000	\$ -	\$ 43,000
Dues & Conference Registration	\$ 5,500	\$ 5,500	\$ -	\$ 5,500
Travel, Mileage & Incidental Expenses (Includes BOD Travel)	\$ 12,500	\$ 12,500	\$ -	\$ 13,825
Board Expenses	\$ 2,500	\$ 2,500	\$ -	\$ 2,500
HPTE Staff	\$ 406,000	\$ 406,000	\$ -	\$ 406,000
CDOT Services	\$ 94,000	\$ 94,000	\$ -	\$ 122,000
Annual Audit	\$ 5,000	\$ 5,000	\$ -	\$ 5,000
Operating Expenses	\$ 5,200	\$ 5,200	\$ -	\$ 10,000
Marketing Outreach	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
Repay TC Loan	\$ 100,000	\$ 100,000	\$ -	\$ -
Interest Expense on TC Loan	\$ 83,200	\$ 83,200	\$ -	\$ 83,200
Total Operating Expenditures	\$ 1,163,900	\$ 1,163,900	\$ -	\$ 1,126,025
Total Unbudgeted HPTE Admin. and Business Development	\$ -	\$ 386,262	\$ -	\$ 327,689