



TRANSPORTATION NEWSLETTER

DATE: APRIL 2020

Vince Rogalski, Chairman

Gunnison Valley TPR

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Transit and the CARE ACT

From: "Krutsinger - CDOT, David" <david.krutsinger@state.co.us>
Date: Fri 04/17/2020 04:26 PM

STAC & TRAC Members,

CDOT is following up with you to provide a list of transit agencies who will be receiving rural CARES Act funding. Please see below for more information sent to the transit agencies this afternoon. A portion of the funds is released today, to get the money flowing, while still allowing some room to adjust and provide a second phase using a similar methodology.

Sincerely,

David

Colorado Transit Agencies,

Since the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed on March 27, 2020, CDOT has been working to develop an equitable funding distribution. Today, CDOT is announcing the first phase of its CARES Act funding distribution.

The U.S Department of Transportation's Federal Transit Administration (FTA) allocated \$25 billion of CARES Act funds to recipients of urbanized area and rural area formula funds. CDOT, as the direct recipient of the FTA-5311 Rural Formula Program, received over \$39 million CARES Act assistance for Colorado rural public transportation providers. These funds will not require a local match, but they will have to be based on actual incurred expenses. There is no FTA 5310 funding provided, but the Dept. of Health and Human Services has also received other stimulus funding.

The purpose of the CARES Act transit funding is to support transit operations to prevent, prepare for and respond to COVID-19. To fulfill that purpose, CDOT has developed a CARES Act Implementation Plan (Attachment 1) and it has been vetted internally and externally, including CASTA board members.

Per the Implementation Plan, 10% (\$3.9 million) is allocated to state administration for program oversight and technical assistance, 15% of \$39 million of CARES Act 5311(f) (\$6 million) is allocated to seven Intercity Bus (ICB) providers, 75% (\$30 million) to Colorado forty-one Rural 5311 transit providers.

In an effort to expedite the distribution of CARES Act funds to rural agency to ensure use of paid administrative leave for any agency staff currently on furlough or unable to work, and to bring transit service back as soon as possible, CDOT is allocating roughly \$18 million (60% of \$30 million) for rural operating and administrative assistance as the first phase. The allocation is proportional based on each agency's FY 2019 5311 service annual budget.

Please see the detailed allocation amounts in the attached CARES Act 5311 First Phase Allocation Table (Attachment 2). CDOT will continue to evaluate the needs of Colorado’s transit system and will allocate the second phase of the CARES Act funds when the full impacts are better understood.

Below is a list of allocations for our TPR Transit Agency.

Portion of Attachment 2

Medium	
NECALG	\$ 287,952
Crested Butte (Mountain Express)	\$ 268,023
All Points	\$ 244,556
Gunnison Valley Rural Transportation Authority	\$ 236,228
Avon	\$ 228,279
Glenwood Springs, City of	\$ 217,391
San Miguel Authority for Regional Transportation	\$ 182,560
Senior Resource Development Agency, Pueblo, Inc. (SRDA)*	\$ 29,070
Town of Telluride	\$ 146,155
Black Hawk-Central City	\$ 108,353
	\$ 1,948,568

Update on Current Events – Herman Stockinger

- a) CDOT’s construction projects and Maintenance Operations are continuing, with necessary COVID-19 precautions being employed, including split shifts and special cleaning procedures, among others.
- b) About 90% of CDOT office workers and engineering staff are at home and working.
- c) Currently, four CDOT staff have tested positive for COVID-19. Executive Management are taking every precaution to limit the exposure to other CDOT staff, including extensive disinfectant cleaning at our offices. Staff are strongly encouraged to enter buildings only when absolutely necessary, to avoid exposure.
- d) The budget impacts of COVID remain undetermined. We can assume gas tax is down, and that the legislature will take a look at 267 certificates of participation (COP). Overall, there could be a big impact, but we don’t know yet. When state’s budget is down \$3 Billion, it’s assumed it will impact transportation. CDOT will keep STAC apprised as information becomes available on this matter.

Federal and State Legislative Report –Federal: Overview of the CARES Act, Eric Richardson

- i) Stimulus program amounts to about \$2.2 Trillion in economic relief – equivalent to 10% of GDP;
- ii) Unemployment benefits are extended 13 weeks beyond normal expiration, adding an additional \$600 per week benefit to workers affected by COVID-19 and expanding the types of workers that can get those benefits;
- iii) Direct stimulus payment checks will amount to \$1200 per person, phasing out at incomes above \$75,000 and will include additional payments of \$500 per child; Direct deposit payments are expected to be sent by next week and check payments will roll out over a few weeks with those to low-income individuals being sent first;
- iv) There were \$500 Billion in loans to corporations and large businesses, and \$350 Billion in forgivable loans to businesses to retain employees and payroll, and to protect supply chain processes;
- v) Airports will receive \$10 Million in grants with no match requirements, including \$8 Million to Division of Aeronautics in 2020;
- vi) Airlines will receive \$58 Billion to protect payrolls and continuation of service routes;
- vii) Aviation fuel excise taxes were rescinded through end of the year;
- viii) State and Local governments will receive \$150 Billion with rules being written the Department of the Treasury;
- ix) FTA doled out \$25 Billion in formula funding to cover revenue downturns and . with Colorado receiving about \$325 million, mostly for urban transit agencies to cover revenue downturns and operating costs; guidelines for these funds can be found on the FTA website;
- x) \$40 Billion in disaster relief funds to State, Local and tribal governments;
- xi) \$100 million dedicated for broadband, including 90% to rural areas

xii) Congress is looking at a Phase 4 stimulus, but it's difficult to predict what will happen with that phase, as the conversation is changing quickly.

State: Andy Karsian

- xiii) State legislature is still in adjournment and the Colorado Supreme Court has ruled that the 120-day session doesn't have to be consecutive, giving the legislature a lot of options in how to complete session;
- xiv) They haven't passed the state budget, which must be signed by June 30, nor school finance act which has to be done by July 1;
- xv) Legislature is looking to come back 1st or 2nd week of May, anticipating an extremely difficult time with more than 300 existing Bills already in the docket to be addressed before adjournment plus new Bills expected on COVID response; Transportation isn't the highest priority, due to the pandemic;
- xvi) Significant decrease in revenue is expected; a worst case scenario is a \$3 Billion loss in SFY2021 revenue and reductions will continue on in following years, so transportation is not going to probably get new funding;
- xvii) **CDOT will work hard to protect 267 funds for projects already approved; the stimulus funds that have been mentioned will cover some State budget gaps, but unclear where those gaps will be and how deep. I think that's pretty much where we stand now.**
- xviii) Any Bills that carry fiscal notes are expected to be killed;
- xix) With the current expected return to the legislature it'll bring us into late June before they finish; Hopefully legislature will be back in session next time STAC meets.

Below is a link to a Power Point presentation given to the Transportation Commission at their meeting on April 16, 2020. It outlines some steps being taken and/or being considered given Covid 19. I recommend that you review the slides. They may answer some of your questions.

<https://www.codot.gov/about/transportation-commission/documents/2020-supporting-documents/april-documents/state-budget-gaps-what-does-it-mean-for-transportation-4-14-2020-1-1-1.pdf/view>

Transportation TPR Meeting
NEXT MEETING NOTICE TPR meeting July 30, 2020
Region 10 at 10am to Noon
Possible
Video Conference Only