



# City and County of Denver

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*Dennis Gallagher*

Auditor

November 6, 2014

Mr. Don Hunt, Executive Director  
Colorado Department of Transportation  
4201 E. Arkansas Avenue

Dear Mr. Hunt:

I am very troubled by the fact that a meeting has been called at Swansea school to talk about soliciting firms to submit their qualifications for an I-70 project/P3 process that is not supposed to have been approved yet. Despite all assurances to the public that the I-70 EIS was open, honest and transparent, this meeting sends the very clear message that the decision has indeed been made and the process is rigged. I hope this shadowy process is not like Ugo Betti's "chaos stamped with a seal becomes rightful order."

The end of the Supplemental Draft Environmental Impact Statement (SDEIS) comment period for the reconstruction of I-70 is not even a week old; the ink is not dry on the comments the citizenry have submitted; and in theory the final decision on what shape that reconstruction is to take is supposed to be at least a year away. Yet, obviously, the Colorado Department of Transportation has apparently already decided that the reconstruction will be a ten-lane freeway with four of those lanes being toll lanes and that they will be managed by a private firm.

It is a sad commentary on our democracy, the day after Election Day that the people hold government in such low regard. It is even sadder that unelected bureaucrats contribute to that negative perception of government by circumventing legitimate processes and subverting transparency and accountability in government. Perception is reality to those who perceive.

For the decision to have already been made – but not by the Governor of Colorado, or the General Assembly, or even the members of the Transportation Commission - to not only triple the width of the freeway but to use a so-called P3 to do so makes a mockery of the entire SDEIS process.

While I am troubled that the decision has been made, I am equally troubled by the decision itself. As you know, I am vehemently opposed to the unnecessary and imprudent widening of I-70, and I am also opposed to the use of a P3. The toll lanes and their management through a P3 that has been proposed are unfair and puts the taxpayers of Colorado at serious risk.

To promote open, accountable, efficient, and effective government by performing impartial reviews and other audit services that provide objective and useful information to improve decision making by management and the people.

We will monitor and report on recommendations and progress towards their implementation.

The expansion is being done for the sole purpose of including two tolling lanes – “Lexus lanes” - in each direction that will only be available to those willing, or able, to pay. That is clearly unfair to the average citizen and particularly to the residents of the adjacent neighborhoods – some of the poorest neighborhoods in the city. Also, the P3 model you are planning is the availability-payment model that carries significant risk for the State of Colorado but little or no risk for the private partner because CDOT will be obligated to pay the private partner a set amount of money regardless of how much tolling revenue there is. If there is not enough money to cover the payment due to the private partner, the difference will have to be made up by Colorado taxpayers.

There are already examples around the country where the projected income did not match reality in these P3s. Further, Lee Cokorinos, a former research director for the Institute for Democracy Studies says that the P3 availability-payment model is a massive offloading of risk onto the public. The risk to Colorado taxpayers is significant because the assertions made regarding future traffic patterns are inflated. This is due to the out-dated and inaccurate traffic modeling used, which has generated travel projections that do not fit with reality, or experience and past performance. That means that traffic and the tolls imagined will never materialize at the levels claimed. In these situations the taxpayer never wins, only the special interests. So not only is this P3 extremely risky for Colorado taxpayers, it is completely unnecessary because the traffic projections are wrong and so overstated. If the additional four lanes are unnecessary then the P3 is unnecessary.

I am hopeful that I am wrong and that the calling of the meeting at Swansea school was an unfortunate misunderstanding and that CDOT has not already decided on the ten-lane/P3 reconstruction. I am also hopeful that if I am wrong you will set the record straight in a very public way. I am further hopeful that if I am wrong about the decision already having been made that you will take seriously the comments of so very many people and the evidence presented regarding the flawed traffic modeling; move away from a commitment to a 300' wide highway that destroys homes and the lives of over fifty families; move away from a commitment to adding unneeded toll lanes and thereby the unnecessary and risky P3.

I am concerned that if people see this process as having been flawed, and CDOT unresponsive to legitimate concerns, the state will become involved in expensive and lengthy litigation.

Sincerely,



Dennis J. Gallagher  
Auditor

cc: Mayor Michael Hancock  
Members of Denver City Council