

Resolution #BE-101
Regular Meeting Minutes for April 19, 2012

Approved by the Bridge Enterprise Board of Directors on: May 17, 2012

BE IT RESOLVED THAT, the Minutes for the April 19, 2012 meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board.

Bridge Enterprise Board
Regular Meeting Minutes
Thursday, April 19, 2012

PRESENT WERE: Steve Parker, Chairman, District 8
Gary Reiff, Vice Chairman, District 3
Trey Rogers, District 1
Ed Peterson, District 2
Heather Barry, District 4
Kathleen Gilliland, District 5
Kathy Connell, District 6
Douglas E. Aden, District 7
Leslie Gruen, District 9
Gilbert Ortiz, Sr., District 10

ALSO PRESENT: Don Hunt, Executive Director
Gary Vansuch, Director of Process Improvement
Tim Harris, Chief Engineer
Heidi Bimmerle, Director of Admin & Human Resources
Debra Perkins-Smith, Director of Transportation Development
Ben Stein, CFO
Casey Tighe, Audit Director
Stacey Stegman, Public Relations Director
Scott McDaniel, Staff Services Director
Herman Stockinger, Government Relations Director
Darrell Link, Office of Transportation Safety Director
Dave Gordon, Aeronautics Director
Mark Imhoff, Director, Division of Transit and Rail
Tony DeVito, Region 1, Transportation Director
Tom Wrona, Region 2 Transportation Director
Johnny Olson, Region 4 Transportation Director
Kerrie Neet, Region 5 Transportation Director
Reza Akhavan, Region 6 Transportation Director

Harry Morrow, Chief Transportation Counsel
John Cater, FHWA Division Administrator
Vince Rogalski, STAC Chairman

AND: Other staff members, organization representatives,
the public

Chairman Parker convened the meeting at 10:35 a.m. on April 19, 2012 in the Auditorium of CDOT Headquarters, Denver, CO

Audience Participation

The Chair noted that no members of the Audience had signed up to address the Board of Directors.

Act on Consent Agenda

Chairman Parkers stated that the first thing on the Agenda was action on the Consent Agenda. Director Connell moved for approval of the Consent Agenda. The motion was seconded by Director Rogers. Chairman Parker asked if there was any discussion of the motion and hearing none he asked for those in favor to signify by stating Aye and asked for those opposed to state no. He stated that the motion had passed unanimously.

Allow the BE Working Committee Report to be submitted in writing:

Meeting Notes

Bridge Enterprise Workshop

CDOT HQ

April 18, 2012

CBE Board of Directors/Executive Director: Director D. Hunt, Chairman S. Parker, Vice Chairman G. Reiff, G. Ortiz, K. Gilliland, K. Connell, L. Gruen, H. Barry, D. Aden and E. Peterson

CDOT Staff: T. Harris, S. McDaniel, B. Stein, L. Freedle, K. Hruska, T. Devito, D. Eller, T. Wrona, J. Olson, K. Neet, R. Akhavan, H. Stockinger, H. Morrow, M. Leonard and T. Bircher

BE Program Manager: K. Szeliga, M. Klopfenstein, and A. Gurulé

The meeting was led by Chairman Parker and the following items were discussed.

1. Chairman Parker called the meeting to order.
2. Notes from the March 21st, 2012 meeting were discussed.

- Chairman Parker asked to clarify the OCIP/ROCIP acronym. B. Stein explained that OCIP/ROCIP meant Owner Controlled or Rolling Owner Controlled Insurance Program(s). CDOT has selected Lockton to conduct feasibility studies to determine if CDOT would benefit from either program.
 - Chairman Parker asked if a study had been completed documenting the impact of bonding now versus waiting in regard to potential interest rate increases. B. Stein responded with a Yes. As noted last month, the investment bankers recommend bonding now due to historic low interest rates; but there are other items CDOT must take into consideration. Primarily, can the work be completed and the money spent in the required time. In addition, the funding (and projected dollar value) of the I-70 viaduct is a major component on the program funding capacity. Chairman Parker asked if there is a worst case scenario, and B. Stein noted that he would forego bonding (in the short-term if interest rates were too high), and the program would default to a revenue-based pay-go program. B. Stein also noted that the program was developing a 10-Year program plan which is intended to address these questions.
3. L. Freedle presented the Proposed 11th Budget Supplement for FY 2012.
 - She noted there is one long lead item this month and the other actions are standard.
 4. L. Freedle presented the Proposed FY 2013 Draft Program Budget.
 - L. Freedle noted that a budget for bonding expenses has been included to allow for bonding if the decision is to go in that direction.
 - L. Freedle also highlighted the following changes to the FY 2013 proposed budget: budget includes interest earnings, bond proceeds interest earnings, federal subsidy for BAB's, and a reduction in the scoping pools.
 - Director Aden asked if contingency was included in the plan, and B. Stein replied Yes. He also clarified that the debt service does include interest.
 - Approval of the budget will be presented for Board approval at the May Board meeting.
 5. B. Stein discussed the Ten-Year Bridge Plan.
 - A program plan for the next ten years is being developed. B. Stein noted that since the program is underway (or matured), there should be some strategic planning to ensure smart funding and appropriate usage of available funding.
 - B. Stein further noted that (1) the program needs to be selective on what bridge(s) are addressed, (2) whether a bridge is replaced versus rehabilitated, and (3) eventually the program will NOT have the financial

capacity to address the amount of “poor” bridges as projected by CDOT Staff Bridge.

- The goal is - how far we can push out (or maximize) the program from a funding perspective.
 - The plan will look at bonding capacity, I70 viaduct funding, what can be funded and program limits.
6. T. Harris presented the 2012 List of “poor” rated structures.
- Staff Bridge released the yearly list of “poor” rated structures for 2012. A slide (see attached) was shown to highlight the changes in the number of poor bridges.
 - The program began with 128 bridges and this year there are 112 bridges rated poor.
 - T. Harris indicated that overall 48 bridges had been removed from the “poor” list when you compare the 2012 poor list with 112 structures to the FASTER eligible bridge list with 160 structures.
 - Chairman Parker asked when the revenue stream began. B. Stein noted that the fee collection began in July of 2009 and nothing significant until late 2009.
 - Commissioner Gilliland asked what causes a change to a bridge’s poor rating. The bridge can be replaced, repaired or re-inspected to cause removal from the list.
7. T. Harris presented the update of the 30 Worst Bridge table.
- The table has been updated to show what phase the 30 worst bridges from the original 128 list, 2010/2011 poor list, and the 2012 poor list.
 - An explanation of which bridges are remaining was provided.
8. T. Harris presented Moratorium on CM/GC Contract Delivery.
- T. Harris informed the Board that due to concerns in the construction industry (CCA) a moratorium (or temporary suspension) on CM/GC contract delivery has been put in place. Contractors are struggling with the newness of the process and contract selection process. He expects the pause to end by June 1st.
 - CDOT is currently educating the construction community on the process. A meeting was held in conjunction with FHWA to discuss CM/GC. There are lessons learned meetings taking place and training with CCA is scheduled for May 17th.
 - Director Aden asked about the benefits of CM/GC. S. McDaniel replied that CDOT noted a significant savings on a recent CM/GC project. There is also a time savings to the projects. T. Harris noted that CM/GC was recently described as building a project in which everyone is in unison. T. Devito highlighted the benefits of having the contractor available during the preconstruction phase.

- The Directors asked what is the resistance to CM/GC. T. Harris explained that it is mainly the difference in contract selection. Traditional contracts are selected based on low bid and CM/GC uses a qualifications based selection process, so the bid must be written differently.
9. Director Hunt highlighted the Ten Year plan. He pointed out that the intent is to show the balancing of bonding, spending and risks. Risks include delivery and spending requirements of bonds as well as construction costs. The plan can show the impact of funding I70 to Bridge Enterprise.
 10. The meeting was adjourned.

End of Meeting Notes

Approval of the Regular Meeting Minutes for March 22, 2012

Resolution #BE-99

Approval of Regular Meeting Minutes for March 22, 2012

BE IT RESOLVED THAT, the Minutes for the March 22, 2012 meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board as published in the Agenda for the April 19, 2012 Meeting.

Discuss and Act on Resolution to Approve the 11th Budget Supplement

Laurie Freedle mentioned that the Supplement was provided in the Agenda for the meeting and had no changes. She declared that if there were no questions about the Supplement she would request approval.

Chairman Parker asked if anyone had any questions and if there was any discussion on the item and hearing none, Director Reiff motioned for the approval of the Budget Supplement and Director Gruen seconded the motion. He asked for those in favor to signify by stating Aye and asked for those opposed to state no. He stated that the motion had passed unanimously.

Resolution #BE-100

BE IT RESOLVED THAT, the 11th Supplement to the FY 2011-2012 Budget is hereby approved by the Bridge Enterprise Board.

Monthly Progress Report

Chief Engineer Tim Harris delivered the following report:

Program Schedule

Program schedule updated for work complete through March 2012

March Schedule Performance Index (SPI) = 0.87

- Reflects a 0.02 improvement from prior month
- February SPI = 0.85

Over-performing projects

- 10 projects with \$3.1M in combined earned value greater than planned
- Projects contribute 0.03 to overall SPI calculation

Current projects involved with UPRR crossings

- 5 projects in total with ONLY \$831K in combined lost earned value
- Reduces overall program SPI calculation by less than 0.01 SPI
- Reduced program SPI by 0.05 in February update

Program SPI goal during execution SPI _ 0.90

Major Achievements (March Workshop – April Workshop)

CDOT Staff Bridge 2012 list of “poor” rated structures

Initiated development of Bridge Reports:

- 10-year Bridge Reconstruction Program Plan
- Quarterly Program Report (Q3 FY2012)
 - January, February and March

Update \$300M Bond Program Plan (Q3 FY2012)

FASTER jobs creation / reporting

- Revising consultant design / construction engineering (or CE) contracts
- Capturing CDOT staff hours from payroll records

One bridge went to AD

- Region 4: C-17-BN SH14 ML over Coalbank Creek

Two bridges went to construction

No bridges completed during the period

Additionally there were slides included in the presentation which detailed the following topics:

- Program Financial Performance
- Status of FASTER Eligible Bridges
- Status of \$300M Bond Bridges
- Status of the 30 Most Deficient Bridges

Chairman Parker asked if there were any more matters to come before the Bridge Enterprise Board and hearing none he announced the adjournment of the meeting at 10:45 a.m.

Herman Stockinger, Secretary
Colorado Bridge Enterprise Board