

*Bridge Enterprise Board
Regular Meeting Agenda
Thursday, April 18, 2013
4201 East Arkansas Avenue
Denver, Colorado 80222*

*Gary M. Reiff, Chairman
Englewood, District 3*

*Trey Rogers
Denver, District 1*

*Ed Peterson
Lakewood, District 2*

*Heather Barry
Westminster, District 4*

*Kathy Gilliland
Livermore, District 5*

*Kathy Connell
Steamboat Springs, District 6*

*Douglas E. Aden - Vice Chairman
Grand Junction, District 7*

*Steve Parker
Durango, District 8*

*Leslie Gruen
Colorado Springs, District 9*

*Gilbert Ortiz, Sr.
Pueblo, District 10*

*Steven Hofmeister
Haxtun, District 11*

THE CHAIRMAN MAY ALTER THE ITEM SEQUENCE OR TIMES

The times indicated on the Board agenda for each agenda item are approximate and subject to change. Generally, upon the completion of each agenda item, the Board will immediately move to the next agenda item. However, the order of agenda items is tentative and, when necessary to accommodate the public or the Board's schedules, the order of the agenda items is also subject to change.

Documents are posted at www.dot.state.co.us/commission nine days prior to the meeting. The documents are considered to be in draft form and for information only until final action is taken by the Board.

- | | | | |
|-----------|----|--|--------|
| 1:00 p.m. | 1. | Call to Order and Roll Call | |
| 1:00 p.m. | 2. | Audience Participation;
Subject Limit: 10 minutes; Time Limit: 3 minutes | |
| 1:10 p.m. | 3. | Act on Consent Agenda:
Resolution to Approve Regular Meeting Minutes from
March 21, 2013
(Herman Stockinger)..... | page 1 |
| 1:10 p.m. | 4. | Discuss and Act on 11 th Budget Supplement FY2013
(Ben Stein)..... | page 5 |
| 1:10 p.m. | 5. | Discuss and Act on FY2014 Annual Program Budget
(Ben Stein)..... | page 9 |

- 1:15 p.m. 6. Present Q2 FY2013 Bond Program Allocation Plan Update (Ben Stein).....page 13
- 1:15 p.m. 7. Discuss and Act on the Resolution to adopt CDOT/CBE Preservation Plan Memorandum of Understanding (MOU) (Ben Stein).....page 20
- 1:20 p.m. 8. Monthly Progress Report (Tim Harris).....page 29
- 1:20 p.m. 9. Adjournment

**Bridge Enterprise Board
Regular Meeting Minutes
Thursday, March 21, 2013**

PRESENT WERE:

Trey Rogers, District 1
Ed Peterson, District 2
Kathleen Gilliland, District 5
Kathy Connell, District 6
Douglas E. Aden, District 7
Steve Parker, District 8
Gilbert Ortiz, Sr., District 10
Steven Hofmeister, District 11

EXCUSED:

Gary Reiff, Chairman, District 3
Heather Barry, District 4
Leslie Gruen, District 9

ALSO PRESENT:

Don Hunt, Executive Director
Gary Vansuch, Director of Process Improvement
Ben Stein, CFO
Heidi Bimmerle, Director of Admin & Human Resources
Debra Perkins-Smith
Mike Cheroutes, Director of HPTE
Barbara Gold, Director of Audit Division
Scott McDaniel, Director, Staff Services
Herman Stockinger, Director of Policy and Government Relations
Ryan Rice, Director, Operations Division
Tony DeVito, Region 1 Transportation Director
Tom Wrona, Region 2 Transportation Director
Dave Eller, Region 3 Transportation Director
Johnny Olson, Region 4 Transportation Director
Kerrie Neet, Region 5 Transportation Director
Kathy Young, Chief Transportation Counsel
John Cater, FHWA
Vince Rogalski, Statewide Transportation Advisory Committee (STAC)

AND:

Other staff members, organization representatives,
the public

Director Aden convened the meeting at 1:20 p.m. in the CDOT Headquarters building at 4201 E. Arkansas Avenue, 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

Director Aden stated that the next thing on the Agenda was action on the Consent Agenda. Director Rogers moved for approval of the Consent Agenda. The motion was seconded by Director Ortiz. Director Aden 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.

Approval of the Regular Meeting Minutes for February 21, 2013

Resolution #BE-123

Approval of Regular Meeting Minutes for February 21, 2013

BE IT RESOLVED THAT, the Minutes for the February 21, 2013 meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board as published in the Agenda for the March 21, 2013 meeting of the Bridge Enterprise Board of Directors.

Discuss and Act on Resolution to Approve the 10th Budget Supplement

Ben Stein mentioned that the Budget Supplement was included in the packet and he stated that he could answer any questions. He then requested approval of the Budget Supplement

Director Aden asked if anyone had any questions and if there was any discussion on the item and hearing none, Director Peterson motioned for the approval of the Budget Supplement and Director Connell 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-124

BE IT RESOLVED THAT, the 10th Supplement to the FY 2013 Budget is hereby approved by the Bridge Enterprise Board.

Proposed Draft CBE FY2014 Annual Program Budget

Ben Stein mentioned that the Proposed Budget was included in the March 2013 mailing packet and that it would be submitted for approval at the April meeting of the board. He requested input on the budget from the Directors.

SH82 Grand Avenue Bridge Replacement Project Update

CDOT Program Engineer, Joe Elsen of Glenwood Springs presented an informational update on the selection of the Contractor for completion of the project and displayed many slides on the methods that would be used for completion of the project.

Monthly Progress Report

Chief Engineer Tim Harris presented the March update as follows:

Program schedule updated for work complete through February 2013

- February Schedule Performance Index (SPI) = 0.89
 - No CHANGE from previous month
 - January SPI = 0.89
- Over-performing projects
 - 6 projects with \$8.6M in combined Earned Value (EV) greater than planned
 - Increases overall program SPI by +/- 0.03; down 0.01 from prior month
- Under-performing projects
 - Non-Railroad projects
 - 6 worst projects with \$22.9M in combined lost Earned Value
 - Reduces overall program SPI calculation by +/- 0.08; same as previous month
- Railroad projects
 - 11 Railroad projects with \$5.3M in combined lost Earned Value
 - Reduces overall program SPI calculation by +/- 0.02; same as previous month

Major Achievements (February workshop – March workshop)

- FASTER Eligibility increased from 167 to 168
 - Added Region 6 Structure
 - F-16-ER: US6 ML over Garrison Street (Lakewood, CO)
 - Reference photographs
- Bond Program bridge count (87 to 88)
 - Same Region 6 structure noted above
- Program Delivery
 - Selected CM/Materials Testing Consultant Teams
 - 4 awards; \$2.5M contract value per award
 - Calendar Year 2013 / 2014 construction projects
- Issued Non-Project Specific FASTER design RFP
 - 2 awards planned; \$3M contract value per award

Program Reporting

- Completed Q2 FY2013 Quarterly Report
- Completed DRAFT Q2 FY2013 Bond Allocation Plan

- Issue Prioritization Plan survey; compiling data results
- Design Build Procurements
 - Region 2
 - Issued Request for Qualifications (RFQ) I-25 Ilex Design-Build Project
 - Region 6
 - Request for Letters of Interest I-70 over Havana Design-Build Project
 - Posted Final Request for Proposal US 6 ML Design-Build Project
- Selected Grand Ave CM/GC (Glenwood Springs)
 - Region 3: SH82 ML over I-70, Colorado River, RR

Three Bridges went to AD

- Region 2
 - O-19-H: US350 ML over Purgatoire River (Las Animas County)
 - K-16-S: SH120 ML over Draw and UPRR (Florence, CO)
- Region 6
 - E-16-HA: SH58 ML over Ford Street (Golden, CO)

Two Bridges went to Construction

- Region 3
 - C-09-C: US40 ML over East Fork Elk River (Routt County)
- Region 4
 - B-17-C: US85 ML over UPRR (Nunn Bridge)

No completed bridges during the period

Adjournment

Director Aden 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 1:50 p.m.

Herman Stockinger, Secretary
Colorado Bridge Enterprise Board

Date

STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION

Division of Accounting and Finance
4201 East Arkansas Avenue
Denver CO 80222
(303) 757-9262



DATE: April 3, 2013
TO: Bridge Enterprise Board of Directors
FROM: Ben Stein, CFO
SUBJECT: Proposed 11th Supplement to the FY 2013 Budget

Enclosed is the proposed Eleventh Supplement to the FY 2013 Budget.

STATEWIDE

- \$100,000 Miscellaneous – Pilot Preservation Program. Establish budget to begin to collect data on the effectiveness of specific preservation tasks performed on bridge structures with the purpose of establishing a program dedicated to preserving CBE structures. (.../10001....)

**Pilot Preservation Program
Colorado Bridge Enterprise
Current Budget Components by Phase, Funding Program, Fiscal Year**

Phase of Work	Funding Program	Budget from Prior Years	Budget FY 2013	Total Budget To-Date	11th BE Supplement	Revised Budget	Expended To-Date
Miscellaneous	<i>FASTER Funds</i>	\$0	\$0	\$0	\$100,000	\$100,000	\$0
	Total Miscellaneous	\$0	\$0	\$0	\$100,000	\$100,000	\$0
Total Project Budget		\$0	\$0	\$0	\$100,000	\$100,000	\$0

REGION 6

- \$17,156,000 Construction – I-76 EBND and WBND over UPRR in Adams County. Establish construction budget for project. Advertisement May 2013 (18151/10001....)

I-76 EBND and WBND over UPRR in Adams County
New structures E-17-ACS and E-17-ACT replacing structures E-17-DC and E-17-DU
Current Budget Components by Phase, Funding Program, Fiscal Year

Phase of Work	Funding Program	Budget from Prior Years	Budget FY 2013	Total Budget To-Date	11th BE Supplement	Revised Budget	Expended To-Date
Utilities	<i>FASTER Funds</i>	\$0	\$610,000	\$610,000	\$0	\$610,000	\$0
	Total Design	\$0	\$610,000	\$610,000	\$0	\$610,000	\$0
Design	<i>FASTER Funds</i>	\$2,005,000	\$0	\$2,005,000	\$0	\$0	\$1,849,886
	Total Design	\$2,005,000	\$0	\$2,005,000	\$0	\$0	\$1,849,886
Construction	<i>Bond Proceeds</i>	\$0	\$0	\$0	\$3,700,000	\$3,700,000	\$0
	<i>FASTER Funds</i>	\$0	\$0	\$0	\$13,456,000	\$13,456,000	\$0
	Total Construction	\$0	\$0	\$0	\$17,156,000	\$17,156,000	\$0
Total Project Budget		\$2,005,000	\$610,000	\$2,615,000	\$17,156,000	\$17,766,000	\$1,849,886

Resolution No. BE –

**“BE IT RESOLVED, That the Eleventh Supplement to the Fiscal Year 2012-2013
Budget is approved by the Bridge Enterprise Board.”**

BRIDGE ENTERPRISE BOARD OF DIRECTORS
Contingency Reserve Fund

Transaction Date	Transaction Description	Amount	Balance
Jul-12	Contingency budget 2013	\$9,302,648	\$18,302,648
Jul-11	Contingency budget 2012	\$9,000,000	

STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION

Division of Accounting and Finance
4201 East Arkansas Avenue
Denver CO 80222
(303) 757-9262



Date: April 5, 2013

To: Bridge Enterprise Board

From: Ben Stein

Subject: Bridge Enterprise FY 14 Budget

The FY 14 budget for the Bridge Enterprise is attached for board approval. This matches the draft budget that was provided for your review last month.

Items of note are:

- Revenue from the federal subsidy for Build America Bonds may be reduced by about \$555,000 if sequestration continues through FY 14. The attached budget does not include the effects of sequestration.
- Costs associated with issuing bonds have not been included in the FY 14 budget. We do not anticipate issuing bonds in FY 14 due to the BE lawsuit.
- \$100,000 is budgeted for a preservation pilot program that will be rolled out.
- Contingency is not included in the FY 14 budget. Data shows that completed BE projects have been coming in 10% to 15% under budget, so contingency is built in at the project level.

Please feel free to contact Julie Becker or Ben Stein with any questions or concerns.

Julie Becker
Enterprise Budget Analyst
(303) 757-9332
julie.becker@state.co.us

Ben Stein
Chief Financial Officer
(303) 757-9168
ben.stein@state.co.us

**State Bridge Enterprise
Fiscal Year 2014 Draft Budget 3-8-13**

Budget Category		Program Area	Directed by	FY14 Allocations	FY14 Budget
Maintain - Maintaining What We Have					
	CDOT Performed Work				
		Maintenance	BEB	350,000	350,000
		Scoping Pools	BEB	425,000	425,000
		Preservation		100,000	100,000
				875,000	875,000
	Contracted Out Work				
		Bridge Enterprise Projects	BEB	94,632,700	73,307,919
		Maintain-Related Indirects/Overhead		-	16,994,593
		Maintain-Related CDOT Construction Engineering		-	4,330,188
				94,632,700	94,632,700
			Total	95,507,700	95,507,700
Maximize - Safely Making the Most of What We Have					
	CDOT Performed Work				
	Contracted Out Work				
			Total	-	-
Expand - Increasing Capacity					
	CDOT Performed Work				
	Contracted Out Work				
			Total	-	-
Deliver - Program Delivery/Administration					
		Administration		1,735,000	1,735,000
			Total:	1,735,000	1,735,000
Pass-Through Funds/Multi-modal Grants					
	Highway				
			Total:	-	-
Transportation Commission Contingency / Debt Service					
	Contingency				
		Bridge Enterprise - Contingency	BEB	-	-
				-	-
	Debt Service				
		Bridge Enterprise - Debt Service	DS	18,239,200	18,239,200
				18,239,200	18,239,200
			Total:	18,239,200	18,239,200
				115,481,900	115,481,900

Revenue **115,481,900 115,481,900**

Draft FY 2014 FASTER Bridge Enterprise Budget

<u>Revenues</u>	FY2014 Draft Budget	
	Revenue	Expenditures
FY 13 Estimated FASTER Bridge Revenues	\$ 91,600,000	
Interest Earnings	\$ 2,500,000	
Federal Subsidy for Build America Bonds	\$ 6,381,900	
Transfer of State/Local Bridge Funds	\$ -	
Transfer of Federal Bridge Funds*	\$ 15,000,000	
Total FY 2014 Revenues	\$ 115,481,900	
<u>Expenditures</u>		
<u>Program Management</u>		\$ 1,735,000
- BE Program Management - AECOM		\$ 1,250,000
- CDOT/BE Staff		\$ 155,000
- AG Legal		\$ 250,000
- Annual Audit		\$ 20,000
- Operating Expenses		\$ 10,000
- Financial Advisor		\$ 50,000
		\$ 425,000
<u>Regional Scoping Pools</u>		
<u>Bonding Program</u>		\$ 18,239,200
- Debt Service		\$ 18,234,000
- Trustee		\$ 5,200
		\$ 350,000
<u>Maintenance</u>		
<u>Preservation</u>		\$ 100,000
Total Expenditures		\$ 20,849,200
Revenues less Expenditures		\$ 94,632,700

Resolution No. BE-

“BE IT RESOLVED THAT, the Fiscal Year FY 2013-2014 Budget is hereby approved by the Bridge Enterprise Board. “

COLORADO BRIDGE ENTERPRISE

Memorandum

Colorado Bridge Enterprise
4201 East Arkansas Avenue
Denver, Colorado 80222

DATE: April 5, 2013
TO: Bridge Enterprise Board of Directors
FROM: Ben Stein, CDOT/CBE Chief Financial Officer
SUBJECT: Bond Program Update

The \$300M Bond Program Allocation Plan was updated for work complete through Q2 FY2013 and the current bond program:

- Addresses 88 projects; 55 projects are fully funded for completion and 33 projects are partially funded and will require alternative funding to complete.
- The total estimated cost to complete all 88 projects is approximately \$716.9M.

Based upon projected total estimated costs at \$716.9M, the program is forecasting a \$338.7M funding short-fall (future bond issuance and/or FASTER pay-go funding) for completing all 88 bridges as itemized below.

Bond	\$298.0M
Other Funding (BoA Loan, BR, FASTER pay-go)	\$80.2M
Future bond Issuance and/or FASTER pay-go	\$338.7M
Estimated Program Cost (88 bridges)	\$716.9M

The tax laws related to the bonds require that 85% of the bond proceeds (or \$255.0M) be spent within three years of receipt. For planning purposes, bond proceeds were received January 1, 2011 and the three year period extends through December 31, 2013. The current allocation plan update indicates that the program is projecting to expend \$249.1M by year-end; a forecasted \$5.9M deficit.

The following documents will be presented and discussed at the April Board meeting:

- \$300M Bond Program Plan: Q2 FY2013 Quarterly Draw Down Table (Lag 90 days)
- Q1 FY2013 vs. Q2 FY2013 – Forecast 85% Bond Spending w/ Adjustment Modifiers
- Total Bond Program Encumbrance; Q2 FY2013 Bond Program Allocation Plan
- Bond Program Current Spending Initiatives / Issues

Note – there has been and will continue to be fluctuations in both cost and delivery schedules. Project budgets are refined and updated as work scope is further defined and projects go to bid, and their respective project construction schedules are synced-up with the contractor schedule. In addition, this assumes a spend rate based upon an SPI of 1.0.

\$300M Bond Program Plan: Q2 FY 2013

Lag 90 days

		Data w/out Inflationary Rates Applied		
Calendar Year	Quarter	Cost	Cumulative Cost	Funds Remaining
2011	Q1	\$ 436,939	\$ 436,939	\$ 297,563,061
	Q2	\$ 3,173,903	\$ 3,610,842	\$ 294,389,158
	Q3	\$ 3,036,370	\$ 6,647,212	\$ 291,352,788
	Q4	\$ 15,727,273	\$ 22,374,485	\$ 275,625,515
2012	Q1	\$ 11,556,164	\$ 33,930,649	\$ 264,069,351
	Q2	\$ 27,593,064	\$ 61,523,713	\$ 236,476,287
	Q3	\$ 18,452,249	\$ 79,975,962	\$ 218,024,038
	Q4	\$ 29,754,807	\$ 109,730,769	\$ 188,269,231
2013	Q1	\$ 56,099,241	\$ 165,830,010	\$ 132,169,990
	Q2	\$ 51,491,921	\$ 217,321,931	\$ 80,678,069
	Q3	\$ 54,487,790	\$ 271,809,721	\$ 26,190,279
	Q4	\$ 51,890,703	\$ 323,700,424	\$ (25,700,424)
2014	Q1	\$ 34,849,462	\$ 358,549,886	
	Q2	\$ 31,518,187	\$ 390,068,073	
	Q3	\$ 34,687,750	\$ 424,755,823	
	Q4	\$ 32,719,956	\$ 457,475,780	
2015	Q1	\$ 31,178,877	\$ 488,654,656	
	Q2	\$ 29,844,559	\$ 518,499,216	
	Q3	\$ 24,896,388	\$ 543,395,604	
	Q4	\$ 21,256,759	\$ 564,652,363	
2016	Q1	\$ 13,910,911	\$ 578,563,273	
	Q2	\$ 10,217,647	\$ 588,780,920	
	Q3	\$ 10,703,447	\$ 599,484,367	
	Q4	\$ 10,703,447	\$ 610,187,814	
2017	Q1	\$ 8,108,528	\$ 618,296,342	
	Q2	\$ 6,994,572	\$ 625,290,915	
	Q3	\$ 7,071,436	\$ 632,362,350	
	Q4	\$ 4,348,099	\$ 636,710,449	
Grand Total		\$ 636,710,449	\$ 636,710,449	

Colorado Bridge Enterprise
 Q1 FY2013 vs. Q2 FY2013 - Forecast 85% Bond Spending
 w/ Adjustment Modifiers

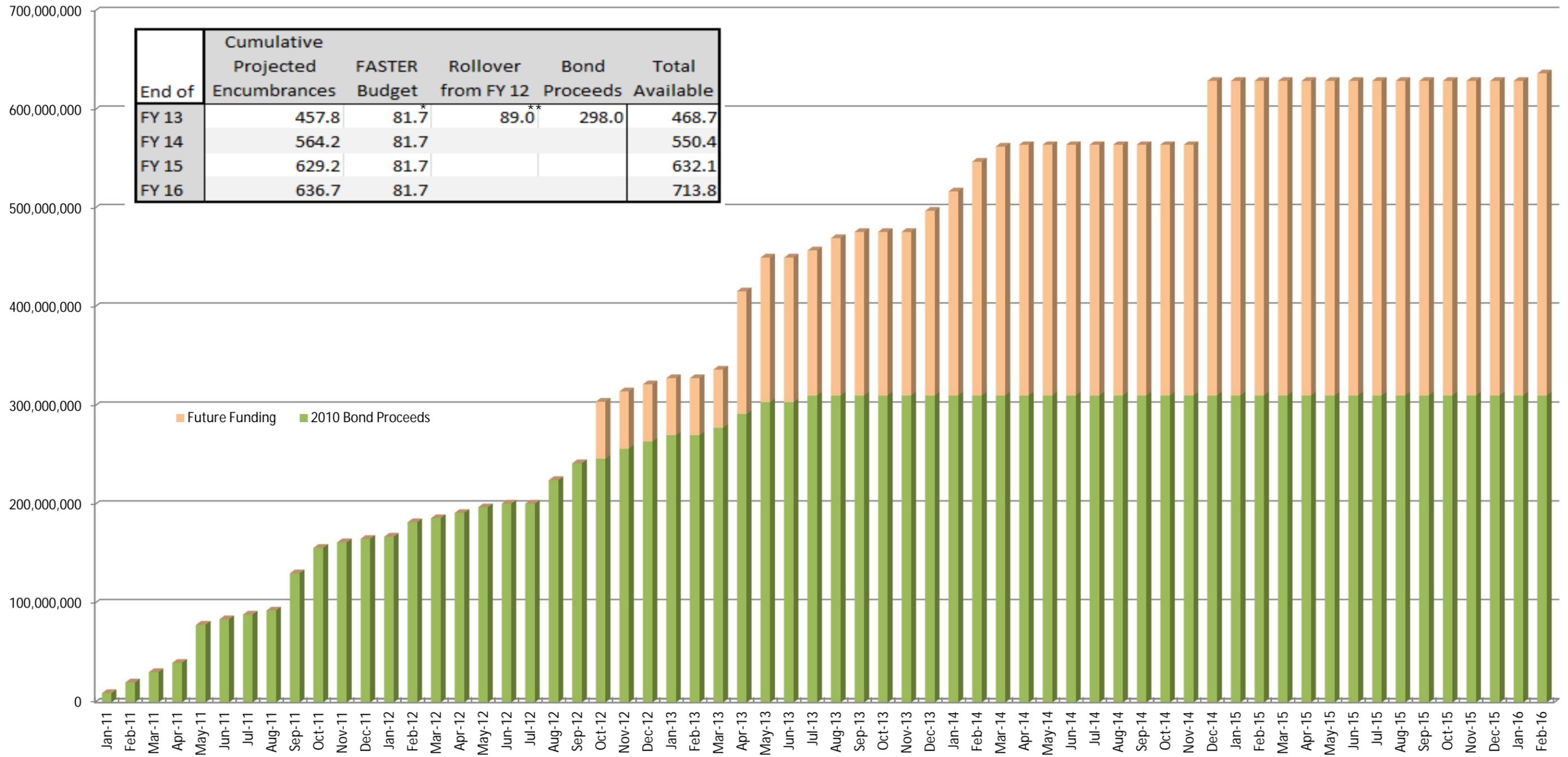
All Projects \$300M Bond Program		Q1 FY2013	Q2 FY2013	
Q4 Calendar Year 2013		\$ 332,416,509	\$ 323,700,424	
Projects over-budgeted at 10%		\$ 33,241,651	\$ 32,370,042	
	subtotal	\$ 299,174,858	\$ 291,330,382	
Program Delivery Efficiency at 10% (SPI = 0.90)		\$ 29,917,486	\$ 29,133,038	
	subtotal	\$ 269,257,372	\$ 262,197,343	
Project Close-out at 5%		\$ 13,462,869	\$ 13,109,867	
	Total	\$ 255,794,504	\$ 249,087,476	
			\$ 5,912,524	Forecasted Deficit

Actual Spending				
Spending Goal		\$ 255,000,000	\$ 255,000,000	
Actual Expenditure (December 31, 2012)		\$ 109,700,000	\$ 125,700,000	Actual end of February
	Subtotal	\$ 145,300,000	\$ 129,300,000	

Required Monthly Bond Spending per Month	\$ 12,108,333	\$ 12,930,000
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Total Bond Program Encumbrance

Q2 FY2013 Bond Program Allocation Plan



* FY 2013 FASTER Bridge Enterprise budget revenues less expenditures.
 ** Rollover FY2012 to FY2013.

Bond Program Current Spending Initiatives / Issues

Other Potential Funding Opportunities

- I-70 East EIS; elevated viaduct portion \$250K/month at 7 months = \$1.75M
- I-25 over Santa Fe Project; unfunded BE eligible work scope = \$4M
- Initiate Design(s); shelf construction project(s) = \$1.1M

Initiatives

- Continue to update and advise senior CDOT HQ staff and RTD's on projected expenditures
 - Monthly Chief Engineers/RTD and program engineer's meeting
 - Bi-weekly CBE progress meeting
- Conducting thorough examination of projected start / finish dates and project budgets to confirm confidence level on completing projects as planned.
 - Instructed project teams to ensure contractors hold forecasted completion dates
 - Region 6 project reviews on April 2nd (completed)
 - Region 2 on April 11th
- Informed Regions / project teams that it's acceptable for CDOT / consultant staff to work requisite OT to support aggressive contractor completion schedules.
- Using A+B and Incentive / Disincentive contract provisions to ensure projects (that can) will be completed by December 2013
 - Region 6 Peoria over I-76
 - Region 2 projects (noted below)
- Continue to aggressively deprogram unspent bond dollars and reprogram into other work
- Continue to examine other FASTER eligible bridges for inclusion into the program; contingent on ability to expand a material amount of bond proceeds by year-end
 - I-70 over Havana Design/Build project; \$15.6M total project cost
 - 6th Ave over Garrison; \$12M total project cost
 - Region 2 projects M-16-P, N-17-C and P-23-A; \$7.2M total project cost
- Continue to conduct monthly SCCB meetings to review projects with SPI < 0.90 to identify issues influencing project delivery and recovery plan
- Increase Trustee payment frequency; December (twice monthly)
- Report forecasted bond spending monthly through year end (see attached schedule)

Projects that may Experience Delays

- Region 2
 - Ilex D/B; \$4.1M projected to be expanded by year end
 - Northern and Indiana D/B; \$1.15M to be expanded by year end
- Region 6
 - Arapahoe over Cherry Creek; \$2.0M projected to be expanded by year end
 - I-70 over Havana St. D/B; \$5.0M projected to be expanded by year end

Bond Program Current Spending Initiatives / Issues

Month End 2013	Financial Information Available (+/- 4 week lag to post)	Program Reporting
March	4 th week of April	May 10 th
April	4 th week of May	June 14 th
May	end of June	July 12 th
June	end of July	August 16 th
July	end of August	September 13 th
August	end of September	October 11 th
September	end of October	November 8 th
October	end of November	December 13 th
November	end of December	Continue with Financial Reporting; refocus on FASTER revenues commensurate with program scope
December	end of January 2014	Continue with Financial Reporting; refocus on FASTER revenues commensurate with program scope

COLORADO BRIDGE ENTERPRISE

Memorandum

Colorado Bridge Enterprise
4201 East Arkansas Avenue
Denver, Colorado 80222

DATE: April 5, 2013
TO: Bridge Enterprise Board of Directors
FROM: Ken Szeliga, Program Manager
SUBJECT: Pilot Preservation Plan, Agreement and Resolution

At the February Bridge Enterprise Board of Directors meeting, the program proposed and was given Board permission to implement a Pilot Preservation Program that would seek to extend the useful life of CBE bridges.

In support of this objective, program staff worked collaboratively with CDOT Staff Bridge on the development of the following documents:

- Pilot Preservation Program Plan
- Agreement for the Administration and Management of a Bridge Enterprise Pilot Preservation Plan that outlines CDOT and CBE roles and responsibilities.

Both documents are attached to this memorandum for reference purposes.

In addition, the program hereby seeks the Board's approval of the attached BE Resolution (Pilot Preservation Program Agreement); and upon resolution approval, the Agreement shall be executed by the CBE Executive Director (Don Hunt) and CDOT Chief Engineer (Tim Harris).

Note - the proposed Resolution was crafted by the State AG office and the AG office also reviewed the above noted Agreement.

RESOLUTION #BE-
Pilot Preservation Program Agreement

WHEREAS, pursuant to SB09-108 and C.R.S. 43-4-805(2)(a)(I), the Colorado Bridge Enterprise was created as a government-owned business within the Colorado Department of Transportation (“CDOT”); and

WHEREAS, the Colorado Bridge Enterprise and CDOT previously executed a Master Agreement effective January 21, 2010 (the “Master Agreement”) which sets forth terms and conditions for interaction between the Colorado Bridge Enterprise and CDOT in furtherance of the Colorado Bridge Enterprise’s business purpose and to preserve the status of the Colorado Bridge Enterprise as an “enterprise” under Section 20 of Article X of the Colorado Constitution; and

WHEREAS, the business purpose of the Colorado Bridge Enterprise is to finance, repair, reconstruct, and replace any Designated Bridge (as defined by Section 43-4-803(10)), in the State, and as agreed to in the Master Agreement, maintain the Designated Bridges it finances, repairs, reconstructs, and replaces; and

WHEREAS, as part of its maintenance responsibilities for Designated Bridges, the Colorado Bridge Enterprise has proposed a Pilot Preservation Program, more fully described in the “Agreement for Administration and Management of Bridge Enterprise’s Pilot Preservation Program” (Pilot Preservation Program Agreement), attached; and

WHEREAS, CDOT and the Bridge Enterprise have determined it necessary and convenient to enter into the Pilot Preservation Agreement to define the roles and responsibilities for the Pilot Preservation Program and to outline the Bridge Enterprise’s reimbursement to CDOT of the costs of the Pilot Preservation Program; and

NOW THEREFORE BE IT RESOLVED, the Colorado Bridge Enterprise Board approves of the Colorado Bridge Enterprise’s and CDOT’s initiation of the Pilot Preservation Program and approves execution of the Pilot Preservation Agreement.

**AGREEMENT FOR ADMINISTRATION AND MANAGEMENT OF BRIDGE
ENTERPRISE'S PILOT PRESERVATION PROGRAM**

By and between the

COLORADO DEPARTMENT OF TRANSPORTATION

AND

COLORADO BRIDGE ENTERPRISE

THIS AGREEMENT, entered into as of the __ day of _____, 2013 by and between the Colorado Department of Transportation ("CDOT"), an agency of the State of Colorado (the "State"), and the Colorado Bridge Enterprise (the "Bridge Enterprise"), a government-owned business created within CDOT by the "Funding Advancements for Surface Transportation and Economic Recovery Act of 2009" ("FASTER"), cited as Chapter 5, Session Laws of Colorado 2009, First Regular Session, 67th General Assembly ("FASTER"). CDOT and the Bridge Enterprise are referred to in this Agreement individually as a "Party" and jointly as the "Parties".

RECITALS

WHEREAS, CDOT has the responsibility to plan, develop, construct, coordinate, and promote an integrated transportation system within the State and is also charged with maintaining the State highway system pursuant to Section 43-2-102, C.R.S.; and

WHEREAS, FASTER (Section 43-4-805(2), C.R.S.) created the Bridge Enterprise to be a government-owned business within CDOT for the business purpose of financing, repairing, reconstructing, and replacing any Designated Bridge as defined by Section 43-4-803(10) and Article One, Section 1.1(8) of the Master Agreement discussed below.

WHEREAS, the Bridge Enterprise and CDOT previously executed a Master Agreement effective January 21, 2010 (the "Master Agreement") which sets forth terms and conditions for interaction between the Bridge Enterprise and CDOT in furtherance of the Bridge Enterprise's business purposes and to preserve the status of the Bridge Enterprise as an "enterprise" under Section 20 of Article X of the Colorado Constitution; and

WHEREAS, Article Two of the Master Agreement provides for the transfer of ownership of Designated Bridges by CDOT to the Bridge Enterprise to enable the Bridge Enterprise to undertake financing, repair, reconstruction and replacement of Designated Bridges; and

WHEREAS, Article Three of the Master Agreement conveys full authority to the Bridge Enterprise to design, develop, finance, construct, reconstruct, repair, replace, operate, and maintain a Designated Bridge; and

WHEREAS, as part of its maintenance responsibilities for Designated Bridges, the Bridge Enterprise has proposed a Pilot Preservation Program more fully described in **Exhibit A** attached. CDOT and the Bridge Enterprise have determined it necessary and convenient to enter into this Agreement to define the roles and responsibilities of the Pilot Preservation Program and to outline the Bridge Enterprise's reimbursement to CDOT of the costs of the preservation program; and

NOW, THEREFORE, the Recitals set forth above are incorporated into this Agreement by reference and in consideration of the mutual covenants, obligations, and conditions expressed below, the Parties agree as follows:

Article One

Obligations of CDOT and Bridge Enterprise

1.1 Preservation Activities

The Preservation Activities included in this pilot program shall include, but not be limited to the following: power washing, deck joint sealing, sealing concrete, painting, removing debris, protection from scour, lubricating bearings (where applicable), and maintaining records and reporting for the program.

1.2 CDOT's and the Bridge Enterprise's Obligations

As described in **Exhibit A**, representatives of CDOT and the Bridge Enterprise shall meet to select approximately twelve (12) candidate structures that will be the subject of the Pilot Preservation Program, to determine the Preservation Activities that will be deployed and to develop a preliminary cost estimate. After this has been accomplished, CDOT shall procure a contractor to perform the determined Preservation Activities on the Bridge Enterprise's Designated Bridges. CDOT shall consult with the Bridge Enterprise before procuring the Preservation Activities contractor(s) to confirm the scope of work for the procurement and the time frames of the contract.

Article Two

Reimbursement Rates and General Provisions

2.1 Rates for Bridge Preservation

CDOT has estimated, using historical cost data, its bridge preservation costs, including overhead, benefits and all other burdens, for Colorado Bridge Enterprise owned structures. The Parties agree to periodically review CDOT's cost data and make any necessary adjustments, by written amendment, to the bridge preservation rate set forth herein so the rate accurately reflects the costs of Preservation Activities provided by CDOT to the Bridge Enterprise.

2.2 Monthly Reimbursement for Preservation Activities.

CDOT agrees to invoice the Bridge Enterprise on a monthly basis for Preservation Activities actually performed on Designated Bridges by a contractor at the rates set forth by the executed contract and hours worked by CDOT staff relating to management of the contractor or as hereafter amended. The Bridge Enterprise shall reimburse CDOT for the costs of Preservation Activities provided by CDOT from moneys available in the Bridge Special Fund as further described in section 2.7 and 2.8 of this Agreement.

2.3 Effective Date and Term

This Agreement shall be effective immediately upon its execution and shall continue in effect until terminated in accordance with its terms.

2.4 Termination - By Parties

This Agreement may be terminated at any time by mutual agreement of the Parties.

2.5 Termination - By General Assembly

The Parties acknowledge that the General Assembly has the power to terminate this Agreement and/or dissolve one or both Parties, except as any such action impair the obligation of contracts entered into by either Party under this Agreement.

2.6 Amendment

Amendments to this Agreement must be in writing and must be duly authorized and approved by CDOT and the Bridge Enterprise Board.

2.7 Non-Funding Agreement

The Parties agree and acknowledge that this Agreement sets forth the rates and basis for reimbursement by the Bridge Enterprise for Preservation Activity costs performed by the CDOT contractor(s) for the Bridge Enterprise, but that this Agreement does not presently encumber funds for those purposes. All expenditures by the Bridge Enterprise for bridge preservation services provided by CDOT shall be subject to the authority of the Bridge Enterprise Board to budget and approve expenditures from the Bridge Special Fund.

2.8 Payments Subordinate to Trust Estate

The Parties agree that the obligations of the Bridge Enterprise to reimburse CDOT for Preservation Activities are subordinate to the lien on the Trust Estate established in the Master Trust Indenture dated December 15, 2010 by and between the Bridge Enterprise and Wells Fargo Bank, N.A., as it may be amended from time-to-time in accordance with its terms.

SIGNATURE PAGE

COLORADO BRIDGE ENTERPRISE

COLORADO DEPARTMENT OF TRANSPORTATION

DON HUNT, EXECUTIVE DIRECTOR

TIM HARRIS, CHIEF ENGINEER

EXHIBIT A

Colorado Bridge Enterprise Pilot Preservation Program

Introduction

Colorado Bridge Enterprise (CBE) has made significant investments in addressing Colorado's highway bridge replacement needs. Maximizing the long-term value of this investment requires CBE to become more proactive than reactive in the approach to managing and addressing the maintenance of CBE assets.

The Pilot Preservation Program will be a two-phased approach. The first phase will involve the deployment of a limited amount of preservation measures and requisite funding (approximately \$100K) on approximately 12 candidate bridges. In the second phase the program will collect and analyze data results and document effectiveness with the intent of deploying a larger scale, more robust preservation program.

Purpose

It is generally recognized that applying the appropriate bridge preservation treatments and activities at the appropriate time may extend a bridge's useful life at a lower lifetime cost.

The need for proactive asset management requires CBE to become more strategic by adopting and implementing systematic processes for bridge preservation as an integral component of the overall management of the bridge assets.

CBE seeks a balanced approach to preservation. Focusing only on replacing deficient bridges while ignoring the newly replaced bridge preservation needs would be inefficient and cost-prohibitive in the long term.

Preservation activities often cost much less than major reconstruction or replacement activities even after many years of performing the preservation activities. Delaying or foregoing warranted preservation treatments may result in an acceleration of the condition deterioration. A viable alternative is timely and effective bridge preservation of new bridges to extend their useful life before they require replacement.

Scope

The CBE preservation program plans to employ strategies and actions to maximize the useful life of approximately a dozen bridges in different geographic and climatic locations, also taking into consideration usage factors such as high ADT (Average Daily Traffic), percentage truck traffic, and structure type.

The preservation activities may include but are not limited to the items listed below:

- Bridge Deck Rinsing and Cleaning
- Waterproofing exposed Concrete surfaces
- Sealing or Replacing Deck Joints
- Facilitating Drainage
- Painting
- Removing Channel Debris
- Maintaining Embankment
- Lubricating Bearing (if applicable)
- Potential Use/Installation of Various Deck or Structure Sensors

The preservation activities are currently planned to be performed by an independent contractor under the direction of CDOT Staff Bridge.

Pilot Program Objectives

The primary objectives of this pilot preservation program are as follows:

- CBE and CDOT Staff Bridge shall collaborate on the selection of approximately 12 candidate structures to be entered into the program. The selection of structures in distinctively different geographies will enable the program to evaluate the effectiveness of the treatments in different climate conditions. However, the selected structure must have a companion structure located in a similar climate and have similar usage that was not in the preservation program in order to have a relevant comparison.
- CBE and Staff Bridge will also collaborate on the treatment activities and frequency of the activities that will be deployed. Reference **Attachment A** for a listing of various proposed treatments and application frequencies per FHWA's Bridge Preservation Guide. The activities may be adjusted or changed during the program after analysis of preliminary data.
- CBE and CDOT Staff Bridge shall develop preliminary cost estimates associated with each preservation measure. This may require external conversations with manufacturers and/or contractors.
- Attempt to quantify effectiveness as it relates to extending a bridge's useful life.

Re-inspection and Data Collection

To ascertain effectiveness of each preservation activity, CBE staff in concert with CDOT Staff Bridge will identify the timing of periodical follow-up inspections. This may include but is not limited to the following activities:

- Photo documentation depicting situation prior to application, immediately after, and then periodically thereafter.
- Data collection which may be a visual examination / observation with a complementary detailed narrative documenting before and after conditions.
- Document and confirm product effectiveness (e.g., concrete waterproofing) as outlined by manufacturer product data warranty.
- A continued and active identification of other quantitative testing and data collection procedures to further quantify effectiveness.
- Research and comparison of preservation measures being deployed by other state DOT's.

Documentation and Reporting

The appropriate documentation shall be maintained on all candidate bridges involved within the program, including preservation measures deployed, application costs, and summary of re-inspection and data collection results. In addition, CBE staff in concert with CDOT Staff Bridge shall:

- Issue a report documenting the above noted information
- Periodically apprise the CBE Board of Directors on current program status and findings
- Use the data results as a starting point for the framework on implementation of a larger more robust program including identification of recommended preservation treatments and their respective life-cycle costs.

The preservation activities will be recorded and placed into the bridge file. After a specific period of time (probably not less than 10 years) the bi-annual bridge inspection reports (SIA's) of the preservation program selected bridges will be compared to similar structures that were not entered into the preservation program.

Estimated Cost

Colorado Bridge Enterprise has estimated the cost of the Pilot Preservation Program to be approximately \$100,000 per year. The estimated cost includes CDOT Staff Bridge management of the contract and preservation activities performed at the intervals suggested in **Attachment A**. The actual cost to administer the program will be billed monthly by CDOT to CBE.

ATTACHMENT A

PRESERVATION ACTIVITY

INTERVAL (Est.)

Bridge Rinsing and Cleaning	every 1-3 years
Sealing or Replacing Deck Joints	every 3-5 years
Facilitating Drainage	as needed
Sealing Deck Concrete	every 3-5 years
Painting	every 10-15 years
Removing Channel Debris	every 1-2 years
Maintaining Embankment	as needed
Lubricating Bearing (if applicable)	every 2-4 years
Potential Use/Installation of Various Deck or Structure Sensors	to be determined

Resources

FHWA Bridge Preservation Guide, August 2011.

BRIDGE ENTERPRISE
BOARD OF DIRECTORS MEETING



APRIL 2013 MONTHLY PROGRESS REPORT

Colorado Bridge Enterprise

4/18/2013

Program Schedule

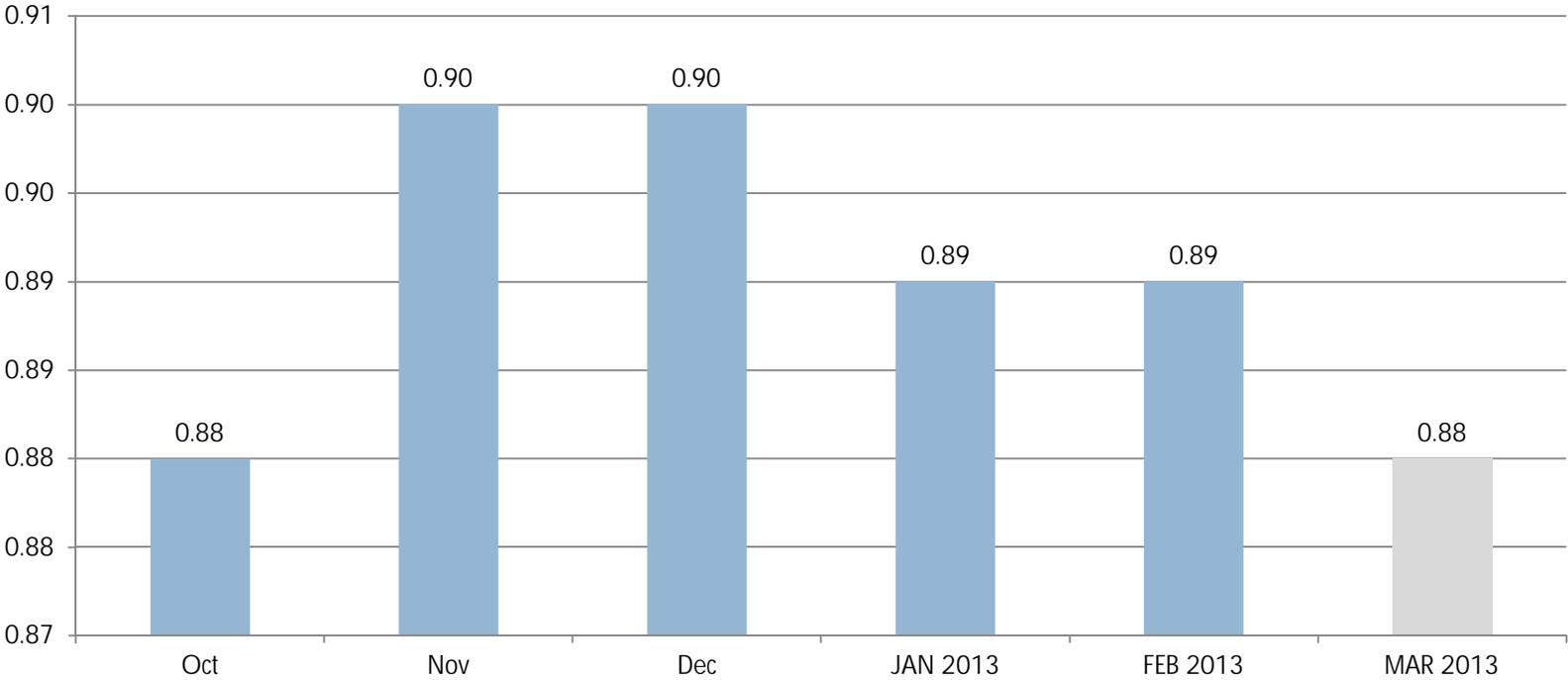
2

- Program schedule updated for work complete through March 2013
- March Schedule Performance Index (SPI) = 0.88
 - Reflects a 0.01 DECREASE from previous month
 - February SPI = 0.89
- Over-performing projects
 - 6 projects with \$8.8M in combined Earned Value (EV) greater than planned
 - Increases overall program SPI by +/- 0.03; same as prior month
- Under-performing projects
 - Non-Railroad projects
 - 5 worst projects with \$22.3M in combined lost Earned Value
 - Reduces overall program SPI calculation by +/- 0.08; same as prior month
 - Railroad projects
 - 11 Railroad projects with \$7.2M in combined lost Earned Value
 - Reduces overall program SPI calculation by +/- 0.03; 0.01 increase from prior month

4/18/2013

Program Schedule

Program SPI by Month



Program Goal SPI ≥ 0.90

4/18/2013

Major Achievements (March workshop – April workshop)

4

- Program Delivery
 - ▣ Non-Project Specific FASTER design contracts
 - Selection committee to select 2 awards
 - \$3M contract value per award
- Pilot Preservation Plan
 - ▣ Submitting Agreement, Resolution and \$100K Budget Supplement for Board approval
 - ▣ CDOT Staff Bridge selecting bridges for testing
- Prioritization Plan
 - ▣ Survey results received
 - ▣ Scoring worksheet weighting being developed and tested
 - ▣ Results to be presented at May Board meeting

4/18/2013

Major Achievements (March workshop – April workshop)

5

- Design Build Procurements
 - ▣ Region 6: Issued RFQ for I-70 ML over Havana Street
- Two Bridges went to AD
 - ▣ Region 2
 - K-16-S: SH 120 ML over Draw, UPRR (Florence, CO)
 - ▣ Region 6
 - E-16-HA: SH 58 ML over Ford Street, Wash (Golden, CO)
- Two Bridges were Completed*
 - ▣ Region 3
 - H-11-D: US 24 ML over California Gulch (Lake County)
 - H-11-F: US 24 ML over California Gulch (Lake County)

*FASTER eligible bridges completed with other funding

4/18/2013

Completed FASTER bridge

6

Region 3:

H-11-D; US 24 ML over California Gulch (Lake County)



4/18/2013

Completed FASTER bridge

7

Region 3:

H-11-F; US 24 ML over California Gulch (Lake County)

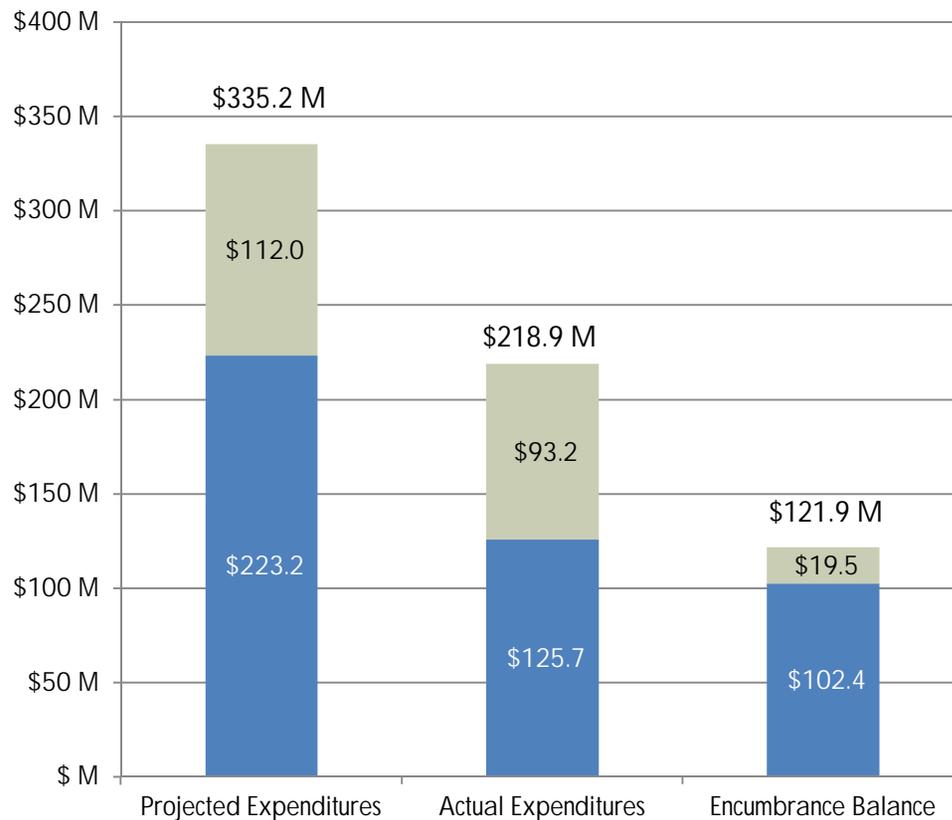


4/18/2013

Total Program Financial Performance

As of February 28, 2013

■ Non-Bond ■ Bond-Only



Changes from Previous Month

Projected Expenditures

- Overall increased by \$13.5M or 4.2%
- Bond-Only increased by \$11.4M or 5.4%

Actual Expenditures

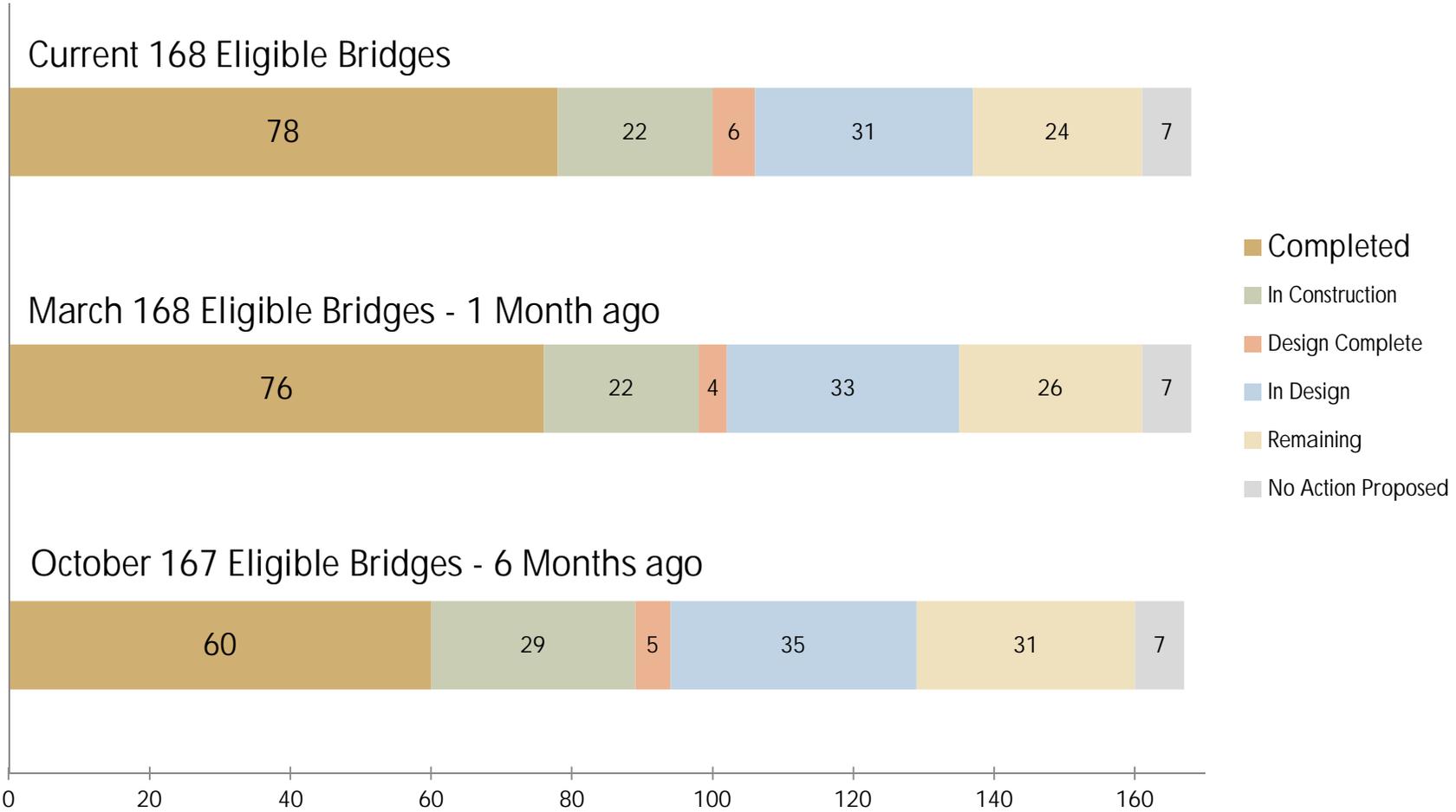
- Overall increased by \$11.3M or 5.4%
- Bond-Only increased by \$7.2M or 6.1%

Encumbrance Balance

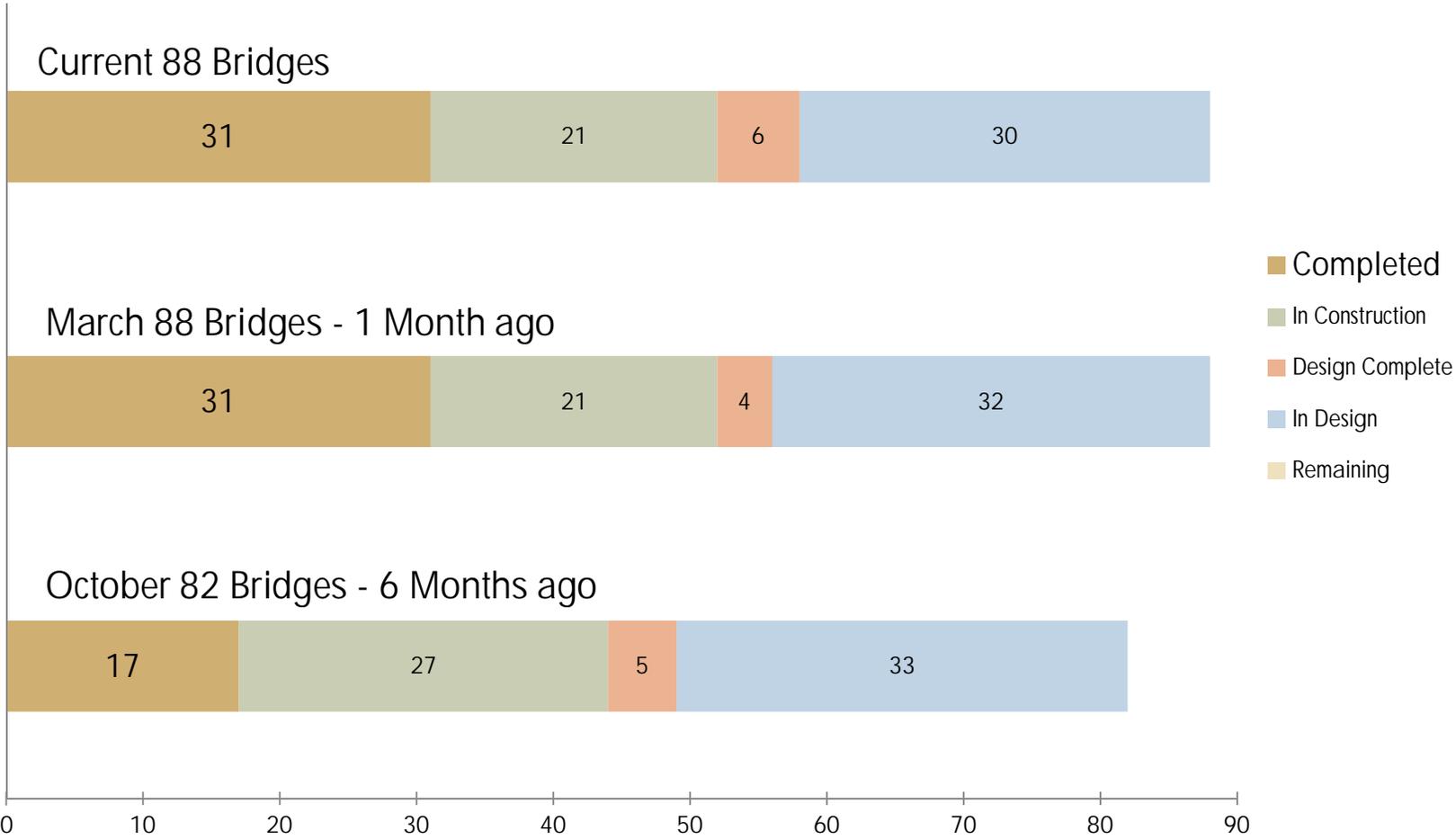
- Overall decreased by -\$1.0M or -0.8%
- Bond-Only increased by \$1.3M or 1.3%

Encumbrance balances to decrease as expenditures increase; unless new work scope is contracted.

Status FASTER Eligible Bridges



Status \$300M Bond Bridges



Status of 30 Most Deficient Bridges

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	2012 Poor List Bridges			Original 128 Bridges	2010/2011 Poor List
	Worst 10	Worst 20	Worst 30	Worst 30	Worst 30
Complete	7	11	14	22	15
In Construction	3	8	10	6	10
Design Complete	0	0	0	0	0
In Design	0	1	6	1	5
Remaining	0	0	0	1*	0
Total Addressed	10	20	30	30	30

No changes from previous month

*	Region	Location	Current Status
E-17-FX	R6	I-70 Viaduct	Pending I-70 East FEIS

4/18/2013

Rocky Ford Bridge Move Facts

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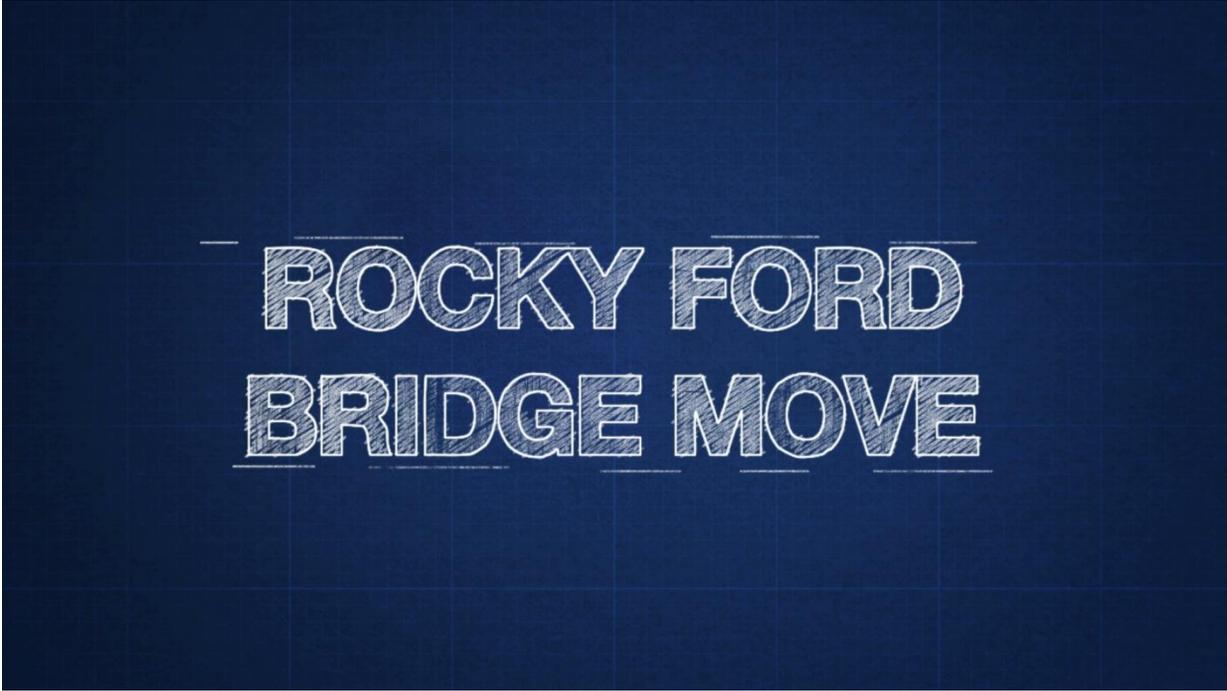
CDOT Region 2 Design Firm: Jacobs Engineering CM/GC: Peter Kiewit & Sons	L-22-E SH266 ML over Ft Lyon Canal	L-22-K SH266 ML over Holbrook Canal
Accelerated Bridge Construction	Roll-in with hollow-plunger cylinders (hydraulic powered)	Lateral slide-in with hydraulic push jacks
Overall Bridge Length	90-ft 2-inches	51-ft 4-inches
Structure Weight	540-ton	210-ton
Overall Construction Schedule	Approximately 6.5 months	
Actual Bridge Move Time	1.75 hours to roll-in	45 minutes to slide-in

4/18/2013

Rocky Ford Bridge Video

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A 5 minute video of the bridge moves will presented at the April Board meeting



ROCKY FORD
BRIDGE MOVE

A dark blue rectangular area containing the text 'ROCKY FORD BRIDGE MOVE' in a white, stylized, outlined font. The text is centered and arranged in two lines. The background has a faint grid pattern.

4/18/2013

FASTER Q&A

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Questions & Answers

4/18/2013