

Colorado Bridge Enterprise  
August 19 & 20, 2015  
Meeting Schedule & Agenda  
4201 East Arkansas Avenue  
Denver, Colorado 80222

Kathy Connell, Chairwoman  
Steamboat Springs, District 6

Shannon Gifford  
Denver, District 1  
Ed Peterson, Chairman  
Lakewood, District 2  
Gary M. Reiff, Vice Chair  
Englewood, District 3  
Vacant  
District 4  
Kathleen Gilliland  
Livermore, District 5

Vacant  
District 7  
Sidny Zink  
Durango, District 8  
Vacant  
District 9  
William Thiebaut  
Pueblo, District 10  
Steven Hofmeister  
Haxtun, District 11

THE CHAIRWOMAN MAY ALTER THE ITEM SEQUENCE OR TIMES

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

Documents are posted at <http://www.coloradodot.info/about/transportation-commission/meeting-agenda.html> no less than 24 hours prior to the meeting. The documents are considered to be in draft form and for information only until final action is taken by the Commission.

Unless otherwise noted, all meetings are in CDOT HQ Auditorium.

The Bridge Enterprise Board of Directors meeting will begin immediately following the adjournment of the Transportation Commission Meeting. All times are approximate.

Thursday, August 20, 2015

BRIDGE ENTERPRISE BOARD OF DIRECTORS .....Tab 08

10:00 a.m. Call to Order and Roll Call

10:05 a.m. Audience Participation  
Subject Limit: 10 minutes; Time Limit: 3 minutes

10:10 a.m. Act on Consent Agenda

a) Resolution to Approve Regular Minutes from July 16, 2015  
(Herman Stockinger).....Bridge Enterprise p 3

10:15 a.m. Discuss and Act on Establishing CBE Funding Criteria and  
Commitments for the I-70 East Project (Brent Butzin)  
.....Bridge Enterprise p 8

10:20 a.m. Acknowledgements of Board Elections (Scott McDaniel)  
.....Bridge Enterprise P 16

10:25 p.m. Monthly Progress Report (Scott McDaniel) ..... Bridge Enterprise p 17

10:30 a.m. Adjournment

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**Bridge Enterprise Board  
Regular Meeting Minutes  
Thursday, July 16, 2015**

PRESENT WERE: Kathy Connell, Chairwoman, District 6  
Gary Reiff, Vice Chair District 3  
Shannon Gifford, District 1  
Ed Peterson, Chairman, District 2  
Kathy Gilliland, District 5  
Sidny Zink, District 8  
Steven Hofmeister, District 11

EXCUSED: Bill Thiebaut, District 10

ALSO PRESENT: Shailen Bhatt, Executive Director  
Josh Laipply, Chief Engineer  
Debra Perkins-Smith, Director of Transportation Development  
Amy Ford, Communications Director  
Maria Sobota, Acting CFO  
Herman Stockinger, Government Relations Director  
Mark Imhoff, Director, Division of Transit and Rail  
Karen Rowe, Region 2 Transportation Director  
Dave Eller, Region 3 Transportation Director  
Kerrie Neet, Region 5 Transportation Director  
Kathy Young, Chief Transportation Counsel  
Barb Gold, Audit Director  
Scott McDaniel, Staff Services Director  
Mike Cheroutes, HPTE Director  
Ryan Rice, Operations Division Director  
Tony DeVito, I-70 East Project Director  
Vince Rogalski, STAC Chairman  
Gary Vansuch, Process Improvement Director

AND: Other staff members, organization representatives,  
the public and the news media

An electronic recording of the meeting was made and filed with supporting documents in the Transportation Commission office.

Chairwoman Connell convened the meeting at 9:40 a.m. in Auditorium at CDOT Headquarters.

**Audience Participation**

Chairwoman Connell stated that no members of the audience wished to address the Board of Directors.

## **Act on Consent Agenda**

Chairwoman Connell entertained a motion to approve the Consent Agenda. Commissioner Gifford moved to approve the resolution, and Commissioner Peterson seconded the motion. Upon vote of the Board the resolution passed unanimously.

## **Resolution #BE-15-7-1**

Approval of Regular Meeting Minutes for June 18, 2015.

BE IT SO RESOLVED THAT, the Minutes for the June 18, 2015, meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board as published in the Agenda for the July 15 & 16, 2015, meeting of the Bridge Enterprise Board of Directors.

## **Update on BE TABOR Lawsuit**

Kathy Young informed the Commission that the Lawsuit the TABOR foundation brought against the Bridge Enterprise is over. The Foundation sued BE over two issues. First, the foundation believed that surcharge on registration that funds Bridge Enterprise is a fee not a tax, and second when CDOT transferred bridges to BE that was a grant, which would cause Bridge Enterprise to lose its Enterprise status. The case went to trial, BE prevailed. After the first trial, the TABOR Foundation appealed the decision, once again BE prevailed. Finally the case was appealed to the Colorado Supreme Court. The Supreme Court decided on June 29 to not hear the Appeal, ending the lawsuit against the Bridge Enterprise.

Commissioner Gilliland thanked Kathy Young and recognized her for her work on Highway 36.

## **May 2015 On-System Poor List and Prioritization Scoring Update**

Scott McDaniels took the Commissioners through the poor bridges list. Five new structures have been added to this list this month to become Bridge Enterprise Eligible. There were no questions from the Commission.

## **Q3 FY 2015 BE Program Financial Update**

Maria Sobota brought the commission's attention to the budget balance of the Bridge Enterprise. She also pointed out cash flow will change as the I-70 viaduct funds are realized.

## **Discuss and Act on the 1<sup>st</sup> Bridge Enterprise Budge Supplement.**

Maria Sobota asked the Commission if they had any questions on the Budget Supplement. Chairwoman Connell entertained a motion to approve the Consent Agenda. Commissioner Reiff moved to approve the resolution, and Commissioner Gilliland seconded the motion. Upon vote of the Board the resolution passed unanimously.

## **Resolution #BE-15-7-2**

BE IT SO RESOLVED, that the 1<sup>st</sup> Supplement to the Fiscal Year 2015-2016 Budget as amended be approved by the Board of directors.

## **Monthly Progress Report**

Scott McDaniel explained how underperforming projects are measured. Staff will be changing their methods in measuring underperforming project value when the project in question deals with railroad issues.

### **Discuss and Act on Approval for Staff to Execute IGA with City and County of Denver for I-70**

I-70 East Project Director Tony DeVito worked through aspects of the I-70 East Intergovernmental Agreement with City and County of Denver (CCD). The IGA focuses on three things. The main three items are drainage improvements in the area, identifying elements to reduce financial risk and to finalize a payment approach. The IGA was approved by the CCD City Council on July 6, 2015.

Tony DeVito explained that the project area historically has had very bad drainage issues. CDOT and CCD are paying close attention to the drainage, as it will impact whatever is built along the I-70 East corridor.

In the IGA, partnerships that create shared value in the project are identified. For example, permitting fees on the project could cost \$15 million. Working with Denver, these fees have been waved to lower the overall project cost. Additionally, how Right of Way issues will be dealt with is written out in the IGA to avoid future issues. Finally, dirt from the project will be provided to CCD at no cost.

In the IGA, requests from CCD have been listed. The IGA identifies a payment structure for the betterments requested by CCD.

Commissioner Rieff thanked staff for working so diligently with CCD to come up with the agreement. He believes it is a good deal for CCD and CDOT. There was a large gap in the project, and CCD helped fill that gap, creating a mutually beneficial project.

Commissioner Gifford thanked the commission and staff for working so hard in creating the IGA.

Chairwoman Connell entertained a motion to approve the I-70 East IGA. Commissioner Gifford moved to approve the resolution, and Commissioner Zink seconded the motion. Upon vote of the Board the resolution passed unanimously.

## **Resolution #BE-15-7-3**

### **Resolution #BE-15-7-3**

Approving an Intergovernmental Agreement by and among the Colorado Bridge Enterprise, the Colorado Department of Transportation, the Colorado High Performance Transportation Enterprise, and the City and County of Denver Regarding the I-70 East Project

**Approved by the Bridge Enterprise Board of Directors on July 16, 2015**

**WHEREAS**, the Colorado Bridge Enterprise ("BE") was created pursuant to § 43-4-805, C.R.S., as an enterprise for purposes of Section 20 of Article X of the Colorado Constitution, and as a government-owned business within the Colorado Department of Transportation ("CDOT"), for the business purpose of financing, repairing, reconstructing, and replacing designated bridges, as defined in § 43-4-803(10), C.R.S.; and

**WHEREAS** pursuant to § 43-4-805(5)(i), C.R.S., the Board of Directors of the BE (the "Board") is empowered to make and enter into all other contracts and agreements, including intergovernmental agreements pursuant to § 29-1-103, C.R.S., that are necessary or incidental to the exercise of its powers and performance of its duties; and

**WHEREAS** the Board has reviewed the Intergovernmental Agreement by and among BE, the Colorado Department of Transportation, the Colorado High Performance Transportation Enterprise, and the City and County of Denver regarding the design, construction, financing, operation and maintenance of the I-70 East Project (the "Agreement"); and

**WHEREAS** the Board supports a cooperative approach to the I-70 East Project and agrees there are significant mutual benefits to be achieved by working together on the I-70 East Project and related enhancements, including transportation improvements, efficiencies in timely decision making and turnaround, the design of the partial cover identified in the NEPA documents, and other improvements, which will result in savings to, and funding contributions for, the I-70 East Project; and

**WHEREAS** the Board has also determined that it is appropriate to prepare for the possibility that the Partial Cover Lowered Alternative ultimately receives approval through the NEPA process; provided, however, that if the Partial Cover Lowered Alternative is not identified as the selected, preferred alternative in the Record of Decision for the I-70 East Project, the Agreement may be terminated by mutual written agreement of the Parties.

**NOW THEREFORE BE IT RESOLVED** that the Board of the Colorado Bridge Enterprise hereby approves the Intergovernmental Agreement by and among BE, the Colorado Department of Transportation, the Colorado High Performance Transportation Enterprise, and the City and County of Denver regarding the I-70 East Project.

**BE IT FURTHER RESOLVED** that the Board hereby authorizes the Bridge Enterprise Director to execute and deliver the Intergovernmental Agreement by and among BE, the Colorado Department of Transportation, the Colorado High Performance Transportation Enterprise, and the City and County of Denver regarding the I-70 East Project, with such changes therein and additions thereto, not inconsistent with this Resolution, as the Bridge Enterprise Director may determine to be necessary or appropriate, whose signature thereon shall constitute conclusive evidence of such approval, and to perform all other acts that the Bridge Enterprise Director may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by the Agreement.

  
Herman Stockinger, Secretary  
Bridge Enterprise Board of Directors

  
Date

### **Other Matters**

Chairwoman Connell announced that Commissioner Gifford has been named to the HPTE Board of Directors.

**Adjournment**

Chairwoman Connell asked if there were any more matters to come before the Bridge Enterprise Board. Hearing none, Chairwoman Connell announced the adjournment of the meeting at 9:56 a.m.



# COLORADO

## Department of Transportation

Statewide Bridge Enterprise

4201 E. Arkansas, Room 275  
Denver, CO 80222

**DATE:** August 20, 2015  
**TO:** Colorado Bridge Enterprise Board of Directors  
**FROM:** Joshua Laipply, P.E., Chief Engineer  
**SUBJECT:** Funding Commitments and Eligibility Criteria for the I-70 East Project

### Purpose

On February 19, 2015, the Transportation Commission approved Resolution #TC-15-2-5, which identified the Colorado Bridge Enterprise (“CBE”) as the Managing Partner for the I-70 East Corridor Project (the “Project”), and set out that CBE is expected to be eligible to contribute up to \$850 million to the Project. Resolution #TC-15-2-5 further directed CBE and the High Performance Transportation Enterprise (“HPTE”) to proceed with the Design-Build-Finance-Operate-Maintain (DBFOM) procurement and delivery process for the Project. The purpose of this memorandum is to further define CBE’s financial commitment to the Project, and outline the relevant restrictions on the use of CBE revenues.

### Action

Approve Resolution #15-8-2 establishing the CBE funding commitments and eligibility criteria for the Project.

### Background

#### **CBE Financial Contribution**

CBE imposes a bridge safety surcharge ranging from \$13 to \$32 on most vehicles registered in the State in accordance with C.R.S. § 43-4-805(g). Revenues from the bridge safety surcharge fee (the “Bridge Surcharges”) were approximately \$100 million for the fiscal year ended June 30, 2015. Using a conservative 1% annual growth rate, CBE revenues are expected to grow from about \$121 million in 2017 (construction start on the Project) to \$200 million in 2051 (anticipated term of availability payments). On December 15, 2010, CBE issued its Colorado Bridge Enterprise Revenue Bonds, Senior Taxable Build America, Series 2010A (the “Series 2010A Bonds”). CBE’s net debt service obligation on the Series 2010A Bonds is approximately \$12 million per year through 2025, increasing to approximately \$25 million per year through 2041 at full maturity.

CBE has agreed to fund \$850 million, net present value (NPV), for its contribution to the Project. A portion of the CBE funds will be used to repay owner pre-development costs and the remaining portion will be used to fund milestone payments and capital payments under the project agreement that will be entered into between CBE, HPTE and the Project developer. Milestone payments will be paid during the construction of the Project. Capital payments will be made as a portion of an overall performance payment payable monthly to the Project developer during the operation of the Project. The capital payment portion of the performance payment will go to repay the capital raised by the Project developer, including potentially, but not limited to, a TIFIA loan, private activity bonds, and private developer equity, which together will fund the capital costs of the Project not otherwise funded by milestone payments.

#### **Restrictions on Annual Use of CBE Revenues**

The current financing plan for the Project contemplates that CBE will commit up to fifty percent (50%) of its available revenues, after required debt service on the Series 2010A Bonds, to the Project during the 30-year operational period following substantial completion. CBE may allocate additional funds in excess of fifty-percent during the expected five year design and construction period, from 2016-2021, in order to fund milestone payments and reduce overall borrowing costs, which is anticipated to decrease the annual amount of CBE’s capital



payments during the operational period of the Project, and increase CBE's available bonding capacity for other projects statewide. By way of example, one financing scenario contemplates increasing CBE's annual contributions to the Project by approximately \$20 million (above 50% of available revenues), up to a total contribution of \$65 million annually during the years 2018-2021. This scenario reduces the annual amount of CBE's capital payment commitment by up to \$7 million over 30 years, with a resultant increase in CBE's subsequent bonding capacity by up to \$120 million.

In permitting such flexibility in the payment structure, it is not the intent of CBE to commit more than fifty-percent (50%) of available revenues over the estimated 35-year duration of the Project, nor shall the payment structure increase the overall \$850 million NPV commitment of CBE to the Project. In no event shall such payment structure diminish CBE's ability to fund existing commitments for programmed designated bridge projects over the Project's construction period.

### **CBE Debt Management Practices**

Under the indenture for the Series 2010A Bonds, any additional senior bonds or obligations issued or incurred by CBE have a first priority lien on all CBE Revenues, which primarily includes the Bridge Surcharges. The indenture allows for the issuance of First Tier and Second Tier Subordinate Obligations with no specific additional debt test. It is contemplated that if there is a requirement for CBE to pledge revenues in relation to the Project that this obligation would be structured as a subordinate obligation to the Series 2010A Bonds. It is CBE's intent to preserve its ability to utilize revenues not committed to the Project for future debt issuances on a senior or parity basis with those obligations issued for the Project.

### **Documentation of Bridge-Eligible Work**

C.R.S. §§ 43-4-805(3)(c) provides authorization for CBE to expend moneys to fund, including payment on bond or loan obligations, the administration, planning, financing, repair, reconstruction, replacement, or maintenance of Designated Bridges, and for the acquisition of land to the extent it is required in connection with any Designated Bridge project identified and authorized pursuant to C.R.S. § 43-4-805(5)(f). The Project includes a number of Designated Bridges (as further described below), including foremost the reconstruction of the existing I-70 viaduct from Brighton Boulevard to Colorado Boulevard and its replacement with the Partial Covered Lowered Alternative (the "PCL"). A "Designated Bridge" is defined in C.R.S. §§ 43-4-803(10) to also include "any roadways, sidewalks, or other infrastructure connected or adjacent to or required for the optimal functioning of the bridge."

Preliminary estimates indicate approximately \$861 million in costs on the Project are CBE-Eligible Costs (as defined herein), which supports CBE's overall funding commitment of \$850 million. However, given the nature of the planned DFBO procurement and the availability payment financing structure, proposers on the Project will not submit detailed construction pricing in their proposals, as would be the case under traditional design-bid-build contracting. Therefore, in order that CBE can verify its overall funding contribution does not exceed the total amount CBE is statutorily authorized to fund toward the Project, proposers will specifically be required to submit a breakdown of costs between CBE-Eligible and Non-CBE-Eligible work with their proposals.

### **Determination of Cost Eligibility**

CBE's broad statutory authorization would generally permit funding of any work broadly connected with the reconstruction of Designated Bridges. However, in order to provide consistency in bridge-eligibility designations statewide, as well as to maximize the reach and effectiveness of CBE revenues, CBE previously adopted more conservative general project eligibility criteria in a CBE Guidance Document, effective December 21, 2011 (as amended). Some modifications to the CBE Guidance Document are required to establish the CBE-Eligible Criteria for the Project, as the guidance did not specifically contemplate the replacement of the existing I-70 viaduct with the below-grade PCL.

To the extent practicable, the more restrictive criteria set forth in the CBE Guidance Document will also be applied to the Project in the form of "CBE-Eligible Criteria" for "CBE-Eligible Costs," which are set forth in more detail in the project-specific guidance attached to this memorandum. The CBE-Eligible Criteria, which can be further altered at any time in CBE's discretion, generally do not permit Bridge Surcharges to be utilized for costs related to capacity expansions, new connections that are not required under an approved local transportation plan, or enhancements not required in by an approved environmental document. Only CBE-Eligible Costs meeting the CBE-Eligible Criteria within the limits of a Designated Bridge project are eligible for funding from CBE Bridge Surcharge revenues.



## Eligibility of Operations & Maintenance Costs

The CBE-Eligible Share of operations and maintenance costs of the Project are CBE-Eligible Costs during construction for the life of the existing viaduct. Because the below-grade PCL that would replace the existing viaduct (subject to final approval through the NEPA process) would not be a Designated Bridge following reconstruction, post-demolition operations and maintenance costs would not be considered CBE-Eligible Costs.

## Next Steps

It is anticipated that CBE, the Colorado Department of Transportation (“CDOT”), and the High Performance Transportation Enterprise (“HPTE”) will enter into an intra-agency agreement further defining the responsibilities and commitments of each party, consistent with the commitments of CBE set out in the memorandum, in late 2015.

## Key Benefits

Additional guidance is needed from CBE with respect to CBE’s financial commitments to the Project, as well as the relevant restrictions on the use of CBE funds. Approval of this guidance will provide additional certainty to the Project’s advisor team, as well as outside parties including ratings agencies, USDOT, and proposer teams, which will enable the Project team to finalize the draft Request for Proposals that is to be released in September.

## Options and Recommendations

- Approve the funding commitments and project-specific eligibility criteria for the I-70 East Project as presented.
- Approve with changes.

## Attachments

- Resolution #15-8-2 Establishing CBE Funding Eligibility Criteria and Commitments for the I-70 East Project
- Colorado Bridge Enterprise (CBE) Cost Eligibility Criteria for the I-70 East Project





**COLORADO**

Department of Transportation

Statewide Bridge Enterprise

4201 E. Arkansas, Room 275  
Denver, CO 80222

## Colorado Bridge Enterprise Cost Eligibility Criteria for the I-70 East Project

Effective: August 20, 2015

The Board of Directors (“Board”) of the Colorado Bridge Enterprise (“CBE”) has approved the following project-specific eligibility criteria (the “CBE-Eligible Criteria”) for the I-70 East Project (the “Project”). The CBE-Eligible Criteria, which can be further altered at any time in CBE’s discretion, generally do not permit Bridge Surcharge revenues to be utilized for costs related to capacity expansions, new connections that are not required under an approved local transportation plan, or enhancements not required in by an approved environmental document.

Only “CBE-Eligible Costs” meeting the CBE-Eligible Criteria within the limits of a “Designated Bridge” are eligible for funding from CBE Bridge Surcharge revenues.

### Designated Bridges

The limits of the Designated Bridge project for the replacement of the existing I-70 viaduct extend beyond the footprint of the existing viaduct due to the profile change required to reconnect I-70 and the PCL to existing grade. Subject to the more detailed CBE-Eligible Criteria set forth herein, the “PCL Limits” constituting this Designated Bridge project are as follows: On the west, from the point where the I-70 profile ties in to the existing highway grade, immediately west of Brighton Boulevard, extending to the east to the point where the I-70 profile is no longer in cut and matches to existing grade, east of Colorado Boulevard.

The following bridge(s), which are also Designated Bridges, are expected to be replaced within the PCL Limits: (i) Brighton (*partially eligible, depending on point of return to existing grade*); (ii) York (and sanitary and storm sewers); (iii) Josephine Pedestrian Bridge; (iv) Columbine (included in the cover); (v) Clayton (included in the cover); (vi) Fillmore; (vii) Steele/Vasquez; (viii) Monroe (45<sup>th</sup> Ave. Connector); (ix) Union Pacific Railroad (I-70 Mainline); (x) BNSF Railroad Market Lead (two bridges); (xi) Union Pacific Railroad - 46<sup>th</sup> Avenue (eastbound and westbound); (xii) Union Pacific Railroad Access Road; (xiii) Union Pacific Railroad Bridge; and (xiv) Colorado Boulevard (*partially eligible - see other CBE-Eligibility Criteria*).

The Cook Street bridge is not a Designated Bridge, and costs related to it are not CBE-Eligible Costs.

The Dahlia Street bridge is located east of the PCL point of return to grade, and costs related to it are also not CBE-Eligible Costs.

Costs related to the cover included within the PCL are fully CBE-Eligible Costs.

Subject to the more detailed CBE-Eligible Criteria set forth herein, the I-270 flyover bridge over I-70 and the I-70 bridge over Peoria Street are also Designated Bridges, and costs related to these are CBE-Eligible Costs. No other bridges east of Colorado Boulevard are Designated Bridges.

### CBE-Eligible Criteria for CBE-Eligible Costs

The following criteria shall be applied to the Designated Bridge projects within the Project to determine CBE-Eligible Costs for the Project. Costs incurred that relate to the entire Project may be split such that the proportion of such costs that (a) is equal to the proportion of the total costs of the Project that is attributable to work relating to Designated Bridges, and (b) otherwise meet the CBE-Eligible Criteria, will be CBE-Eligible Costs (the “CBE-Eligible Share”).



1. Costs related to capacity improvements are not CBE-Eligible Costs.
  - a. Costs related to widening cross-streets are only CBE-Eligible Costs in proportion to the existing capacity. For example, the existing crossing of Steele/Vasquez Street under I-70 is four lanes. The proposed typical section of Steele Street is seven lanes. Costs related to the additional three lanes are not CBE-Eligible Costs.
  - b. Costs related to added capacity on I-70 are not CBE-Eligible Costs. For example, the existing viaduct is a six-lane cross-section. Costs related to the four additional lanes in the proposed highway cross-section are not CBE-Eligible Costs. Note: This may not require an exact 60% - 40% cost split, as costs for elements that would be equally required (e.g. roadway shoulders) regardless of cross-section width are fully CBE-Eligible Costs.
  - c. Costs related to structures spanning the highway to the extent the additional span/structure deck area is required to accommodate the capacity expansion are not CBE-Eligible Costs.
2. Connectivity. Reconnections of existing local streets are generally CBE-Eligible Costs within the limits necessary to reconnect roadways, both horizontally and vertically.
  - a. Costs related to reconstruction of 46<sup>th</sup> Avenue are CBE-Eligible Costs.
  - b. Costs related to traffic control devices required for reconnecting local streets and connecting 46<sup>th</sup> Avenue are CBE-Eligible Costs. Note: Costs related to Cook Street are not CBE-Eligible Costs, as there is no existing connectivity.
  - c. Costs related to reconstruction of the Colorado Boulevard bridge and interchange are partially eligible.
  - d. Costs related to reconstruction of the Colorado Boulevard bridge and interchange are partially CBE-Eligible Costs.
    - i. Costs related to reconstruction of the Colorado Boulevard bridge to the extent the additional span/area is required to accommodate the capacity expansion of I-70 are not CBE-Eligible Costs. Modifications that would otherwise be required if the bridge were reconstructed to current standards without a capacity expansion are CBE-Eligible Costs.
    - ii. To the extent realignment of the Colorado Boulevard bridge is required only for construction of and connection to the PCL, costs related to horizontal reconnection of the roadways to the north and south are CBE-Eligible Costs. Costs related to realignment solely for project phasing are not CBE-Eligible Costs.
    - iii. Costs related to additional bridge width for turn lanes and a median are CBE-Eligible Costs.
    - iv. Costs related to the reconstruction of the westbound on-ramps and eastbound off-ramps are necessary to connect to the PCL, and therefore are CBE-Eligible Costs.
    - v. Costs related to the reconstruction of the westbound off-ramps and eastbound on-ramps are not CBE-Eligible Costs.
3. Design and Environmental Costs.
  - a. Costs for design and environmental studies conducted prior to commercial close are fully CBE-Eligible Costs.
  - b. Following commercial close, the CBE-Eligible Share of costs for design, environmental studies, environmental compliance, and environmental justice measures are CBE-Eligible Costs.
4. Costs for acquisition of right-of-way necessary for any Project element otherwise satisfying the CBE-Eligible Criteria are CBE-Eligible Costs.
5. Costs related to utilities and utility relocations necessary for any Project element otherwise satisfying the CBE-Eligible Criteria are CBE-Eligible Costs.
6. Costs related to removals of existing structure and roadway within the limits of a Designated Bridge project are CBE-Eligible Costs.
7. Costs related to realignment of roadways to correct safety and hydraulic issues in connection with a



Designated Bridge project are CBE-Eligible Costs.

8. Costs related to all structural elements within the limits of a Designated Bridge project are CBE-Eligible Costs.
9. Costs related to retaining walls, columns and abutments within the limits of a Designated Bridge project, including those necessary for the PCL and the partial cover, are CBE-Eligible Costs.
10. Costs for removals, earthwork, pavement, sidewalk, curb and gutter, and barriers within the limits of a Designated Bridge project are CBE-Eligible Costs.
11. Costs related to dewatering within the limits of a Designated Bridge project are CBE-Eligible Costs.
12. Costs related to offsite storm drainage required to protect the PCL are CBE-Eligible Costs.
13. Costs related to onsite storm drainage improvements within the limits of a Designated Bridge project, or the CBE-Eligible Share of such costs in proportion to the costs necessary to protect a Designated Bridge project, are CBE-Eligible Costs.
14. Costs related to erosion protection to prevent scour of piers, abutments, and substructure of a Designated Bridge project are CBE-Eligible Costs.
15. Costs related to guardrail and safety treatments on approaches and departures to a Designated Bridge or within the PCL Limits are CBE-Eligible Costs.
16. Costs for earthwork and surfacing for approaches to match new profile are CBE-Eligible Costs.
17. Costs related to removal of trees, clearing and grubbing for new structure and approaches to a Designated Bridge project are CBE-Eligible Costs.
18. Costs of architectural treatments, but only to the extent required by the FEIS/ROD or applicable environmental document, are CBE-Eligible Costs.
19. The CBE-Eligible Share of costs related to traffic control, mobilization, construction oversight, testing, permitting, and other general project costs are CBE-Eligible Costs.
20. Costs related to tolling systems are not considered to be CBE-Eligible Costs.<sup>1</sup>

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<sup>1</sup> Installation of the tolling system is outside the scope of the DBFOM procurement and will be provided pursuant to HPTE's Tolling Services Agreement with the E-470 Public Highway Authority



**Colorado Bridge Enterprise  
August 20, 2015**

**Resolution #BE-15-8-2**

**Establishing CBE Funding Eligibility Criteria and Commitments for the I-70 East Project**

**WHEREAS**, the Colorado Bridge Enterprise (“CBE”) was created pursuant to Section 43-4-805, C.R.S., as an enterprise for purposes of section 20 of article X of the Colorado Constitution, and as a government-owned business within the Colorado Department of Transportation (“CDOT”), for the business purpose of financing, repairing, reconstructing, and replacing designated bridges, as defined in Section 43-4-803(10), C.R.S.; and

**WHEREAS**, CBE and the High Performance Transportation Enterprise (“HPTE”) are currently undertaking the Interstate 70 East Reconstruction Project, which generally consists of the removal of the I-70 viaduct between Brighton Boulevard and Colorado Boulevard, the lowering of approximately one mile of I-70 below grade, the construction of a landscaped cover over a portion of I-70, and the addition of managed lanes in each direction on I-70 between I-25 and Tower Road (the “I-70 East Project”); and

**WHEREAS**, the Board has determined that it is appropriate and in the public interest to prepare for the possibility that the Partial Cover Lowered Alternative ultimately receives approval through the NEPA process and, as permitted under 23 C.F.R. § 636.109, to pursue the procurement of the I-70 East Project concurrent with and prior to the conclusion of the NEPA process; and

**WHEREAS**, on February 19, 2015, the Transportation Commission approved Resolution #TC-15-2-5, which identified CBE as the Managing Partner for the I-70 East Project and set out that CBE is expected to be eligible to contribute up to \$850 million toward the I-70 East Project; and

**WHEREAS**, the I-70 East Project is expected to be procured under a design-build-finance-operate-maintain (“DBFOM”) structure through a project agreement among the Colorado Bridge Enterprise, the Colorado High Performance Transportation Enterprise (“HPTE”) and a private entity (the “Developer”); and

**WHEREAS**, preliminary cost estimates for the I-70 East Project support CBE’s \$850 million (net present value) commitment to the I-70 East Project, which commitment the Board of Directors of the CBE (the “Board”) now desires to further clarify through this Resolution and the memorandum included herewith; and

**WHEREAS**, in order to maximize the reach and effectiveness of limited bridge surcharge revenues, establish statewide consistency, and provide assurance that only those costs eligible under the provisions of Section 43-4-805, *et seq.*, C.R.S. are funded out of CBE revenues, CBE approved a Guidance Document for project funding eligibility reviews effective December 21, 2011; and

**WHEREAS**, it is necessary and desirable for CBE to establish project-specific Cost Eligibility Criteria for the I-70 East Project, which criteria are generally consistent with the 2011 Guidance Document; and

**WHEREAS**, in order that CBE can verify its overall funding contribution does not exceed the total amount CBE is statutorily authorized to fund toward the Project, the Developer will specifically be required to submit a breakdown of costs between CBE-eligible and non-CBE-eligible work with their proposals, utilizing the approved project-specific criteria; and

**WHEREAS**, in order to reduce overall costs, including costs of borrowing and CBE's ongoing annual capital payment obligations, and to maximize the revenues available for designated bridge projects statewide, the Board further desires to permit flexibility in the financing structure for the I-70 East Project, as further described in the memorandum submitted with this Resolution.

**NOW THEREFORE BE IT RESOLVED**, the Board of Directors of the Colorado Bridge Enterprise hereby approves the Memorandum Regarding CBE Funding Commitments and Eligibility Criteria for I-70 East Project submitted with this Resolution, which outlines CBE's financial commitments to the I-70 East Project and establishes the desirability for adopting project-specific eligibility criteria to govern the use of CBE revenues for the I-70 East Project.

**BE IT FURTHER RESOLVED**, the Board of Directors of the Colorado Bridge Enterprise hereby adopts the attached Colorado Bridge Enterprise Cost Eligibility Criteria for the I-70 East Project.

Signed as of August 20, 2015

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Herman Stockinger, Secretary  
Bridge Enterprise Board of Directors

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Date



**COLORADO**  
Department of Transportation  
Statewide Bridge Enterprise

4201 E. Arkansas Ave., Room 124B  
Denver, CO 80222

**MEMORANDUM**

**TO:** Bridge Enterprise Board of Directors  
**FROM:** Scott McDaniel, PE, Director of Project Support  
**DATE:** August 20, 2015  
**SUBJECT:** Election of Colorado Bridge Enterprise Board Members

**PURPOSE**

At the July 2015 Transportation Commission (TC) meeting, Commissioners Kathy Connell and Gary Reiff were appointed as the new TC Chairwoman and Vice-Chair, respectively. As has been standard procedure, the TC Chair and Vice-Chair also serve as the Colorado Bridge Enterprise Chair and Vice-Chair.

This memorandum serves to acknowledge that Bridge Enterprise Directors Kathy Connell and Gary Reiff shall be elected as the Bridge Enterprise Chairwoman and Vice-Chair, respectively.

In addition, the TC Secretary, Herman Stockinger, will remain as the Colorado Bridge Enterprise Secretary.





## MEMORANDUM

**TO:** Bridge Enterprise Board of Directors  
**FROM:** Scott McDaniel, PE, Director of Project Support  
**DATE:** August 20, 2015  
**SUBJECT:** August 2015 Bridge Enterprise Progress Report

### PURPOSE

The Bridge Enterprise (BE) team has prepared a progress report presentation to update the Board members of recent program initiatives, statistics and successes. No action from the Board is requested; this report is for informational purposes only. Summarized below are the elements contained in the report:

### PROGRAM SCHEDULE AND SPI:

The BE program schedule has been updated for work complete through July 2015. The July Schedule Performance Index (SPI) = 0.92, no change from prior month (June SPI = 0.92). Note: Program Goal SPI  $\geq$  0.90.

- Over-performing projects
  - 4 projects with \$8.9M in combined Earned Value (EV) greater than planned
  - Increases overall program SPI by 0.014; a decrease of 0.002 from prior month (June = 0.016)
- Under-performing projects
  - 13 Railroad involved projects with \$44.9M in combined lost EV
    - Reduces overall program SPI calculation by 0.07; no change from prior month (June = 0.07)
    - Currently 1 project out of the 13 RR projects has delay/lost EV directly attributed to railroad issues

### PROGRAM INITIATIVES AND RECENT ACTIVITY:

The BE team continues to collaborate with CDOT in managing, monitoring and reporting on the progress and success of the program. Some recent program tasks and initiatives include:

- OSA FASTER Performance Audit report draft review
- Ongoing project coordination and oversight
- Closeout and deprogramming funds from completed projects
- Programming of new projects for preconstruction activities
- PMO office coordination
- Task Order 10 executed
- Quarterly reporting

### RECENT PROJECT COMPLETION:

Region 1, F-17-F & F-17-BS, US 40 ML EBND and WBND over Sand Creek (2 structures completed late Spring 2015)



**INNOVATIVE PROJECT UPDATE:**

- Region 1, E-17-FX, I-70 East Project  
 CDOT Announces Four Shortlisted Teams to Submit I-70 East Proposal:
  - Denver Mobility Partners; Front Range Mobility Group; I-70 Mile High Partners; Kiewit / Meridiam Partners
  - Next Steps: Draft RFP issued in Fall 2015; Goal of selecting a private partner end of 2016
- Region 1, F-16-EF/EJ/EN, I-25/US 6 Interchange Structures - Design-Build  
 Travel/Traffic Improves Through I-25/US 6 interchange:
  - Southbound I-25 loop ramp onto eastbound 6th Avenue reopened.
  - Crews have rebuilt this off-ramp along with the southern portions of the US 6 bridges over Bryant Street and the S. Platte River.
- Region 3, F-07-A, Grand Avenue Bridge over I70 ML, Colorado River (CMGC)  
 Cameras and real-time traffic flow evaluation done in preparation for Grand Avenue Bridge work:
  - Twenty-two cameras installed at the intersections to record side-street traffic queues and wait times.
  - Study to determine travel times; information used for construction planning on the Grand Ave. Bridge, as well as for future signal timing.

**TOTAL PROGRAM FINANCIAL PERFORMANCE**

Expenditure and encumbrance data through June 30, 2015 (preliminary) summarized below:

- Projected Expenditures: Increased by \$16.6 M or 2.6%
- Actual Expenditures: Overall increased by \$17.4 M or 3.5% | Bond increased by \$0.0 M or 0.0%. Bond proceeds are essentially expended and the bulk of the remaining balance is related to interest earnings.
- Encumbrance Balance: Overall decreased by -\$9.5 M or -6.5% | Bond balance essentially unchanged

**STATUS OF FASTER ELIGIBLE BRIDGES**

There are currently 189 bridges eligible for the BE program.

Completed	109
In Construction	30
Design Complete	0
In Design	12
Remaining	22
No Action Proposed	16

**STATUS OF \$300M BOND BRIDGES**

There are currently 93 bridges in the BE bond program.

Completed	58
In Construction	30
Design Complete	0
In Design	4
No Action Proposed	1*

\*deemed ineligible

**STATUS OF 30 MOST DEFICIENT BRIDGES**

- The CBE has completed 28 of the 30 bridges originally identified as the most deficient. The report also contains the status of the 30 worst bridges based on 2014 ratings, only 4 of those structures currently remain unprogrammed.

**DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION**

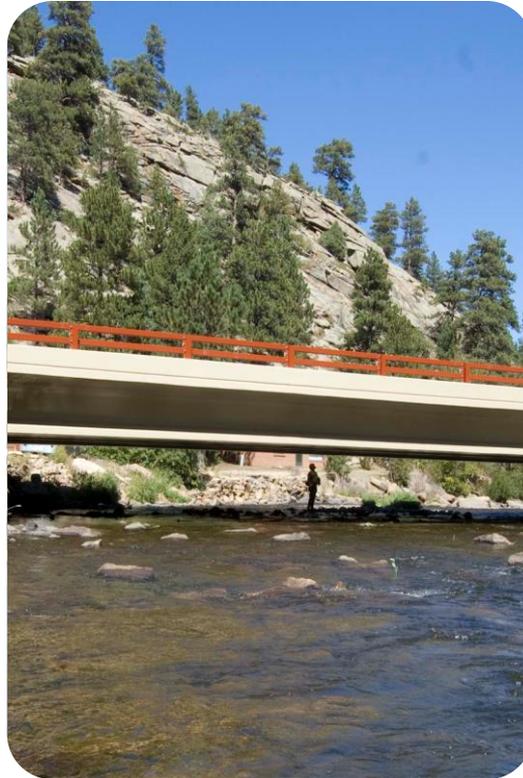
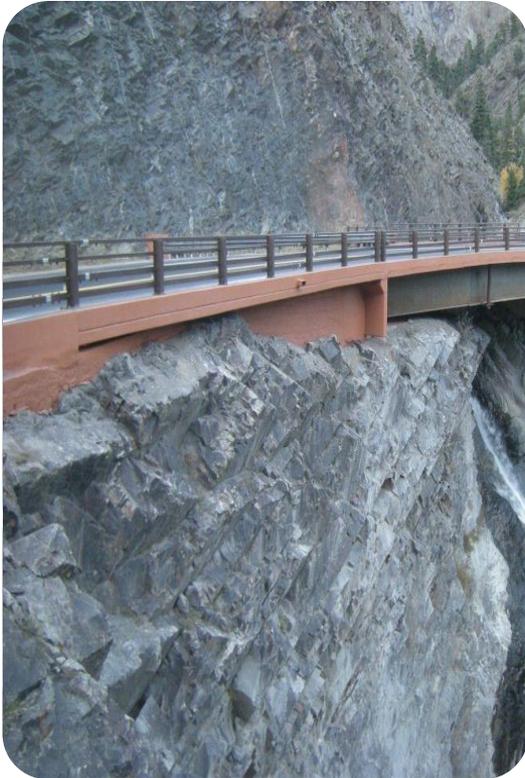
<b>Monthly Report: FFY 2015 (10/1/14 - 6/30/15)</b>	
6 Prime Contracts Awarded	\$144,924,029
175 Subcontracts Awarded	\$36,068,665
72* Total DBE Contracts Awarded	\$12,902,606
DBE Percentage of Subcontract Dollars	35.8%

\*The 72 subcontracts went to 46 individual DBE firms.





**COLORADO**  
Department of  
Transportation



## **Colorado Bridge Enterprise**

August 2015 Monthly Progress Report

08 Bridge Enterprise - Page 19 of 31 Board of Directors Meeting



# Program Schedule

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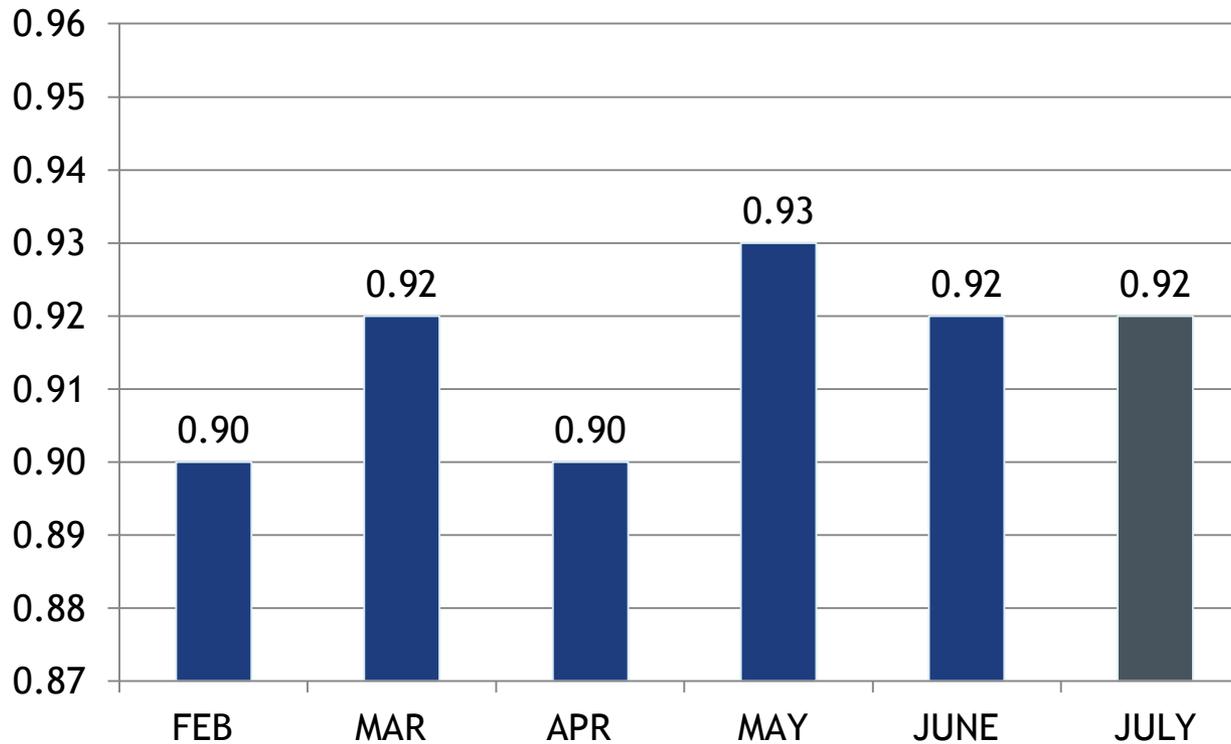
- Program schedule updated for work complete through July 2015
- June Schedule Performance Index (SPI) = 0.92; a NO CHANGE from prior month (June SPI = 0.92)
- Over-performing projects
  - 4 projects with \$8.9M in combined Earned Value (EV) greater than planned
  - INCREASES overall program SPI by 0.014; a DECREASE of 0.002 from prior month (June = 0.016)
- Under-performing projects
  - 13 Railroad involved projects with \$44.9M in combined lost EV
    - Reduces overall program SPI calculation by 0.07; NO CHANGE from prior month (June = 0.07)
    - Currently 1 project out of the 13 RR projects has delay/lost EV directly attributed to railroad issues



# Program Schedule

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## Program SPI by Month



Program Goal SPI  $\geq$  0.90



# Program Initiatives

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## CURRENT PROGRAM INITIATIVES:

- OSA FASTER Performance Audit report draft review
- Ongoing project coordination and oversight
- Closeout and deprogramming funds from completed projects
- Programming of new projects for preconstruction activities
- PMO office coordination
- Task Order 10 executed
- Quarterly reporting



# Recent Project Activity

## RECENT PROJECT COMPLETION:

Region 1, F-17-F & F-17-BS, US 40 (Colfax Avenue) ML EBND and WBND over Sand Creek near I-225 (2 structures completed late Spring 2015)



### Project Elements:

- removal and replacement of two outdated bridge structures over Sand Creek
- upgrade of the multi-use trail along the Creek
- construction of water quality and drainage features
- constructed with pre-stressed, pre-cast concrete box girders



# Recent Project Activity

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## INNOVATIVE PROJECT UPDATE:

### Region 1, E-17-FX, I-70 East Project

#### CDOT Announces Four Shortlisted Teams to Submit I-70 East Proposal:

- 5280 Connectors
- Front Range Mobility Group
- I-70 Mile High Partners
- Kiewit / Meridiam Partners



#### Next Steps:

- Draft RFP issued in Fall 2015
- Goal of selecting a private partner end of 2016



# Recent Project Activity

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## INNOVATIVE PROJECT UPDATE:

### Region 1, F-16-EF/EJ/EN, I-25/US 6 Interchange Structures - Design-Build Travel/Traffic Improves Through I-25/US 6 interchange:

- Southbound I-25 loop ramp onto eastbound 6th Avenue reopens
- Crews have rebuilt this off-ramp along with the southern portions of the US 6 bridges over Bryant Street and the S. Platte River

### Region 3, F-07-A, Grand Avenue Bridge over I70 ML, Colorado River Cameras and real-time traffic flow evaluation done in preparation for Grand Avenue Bridge work:

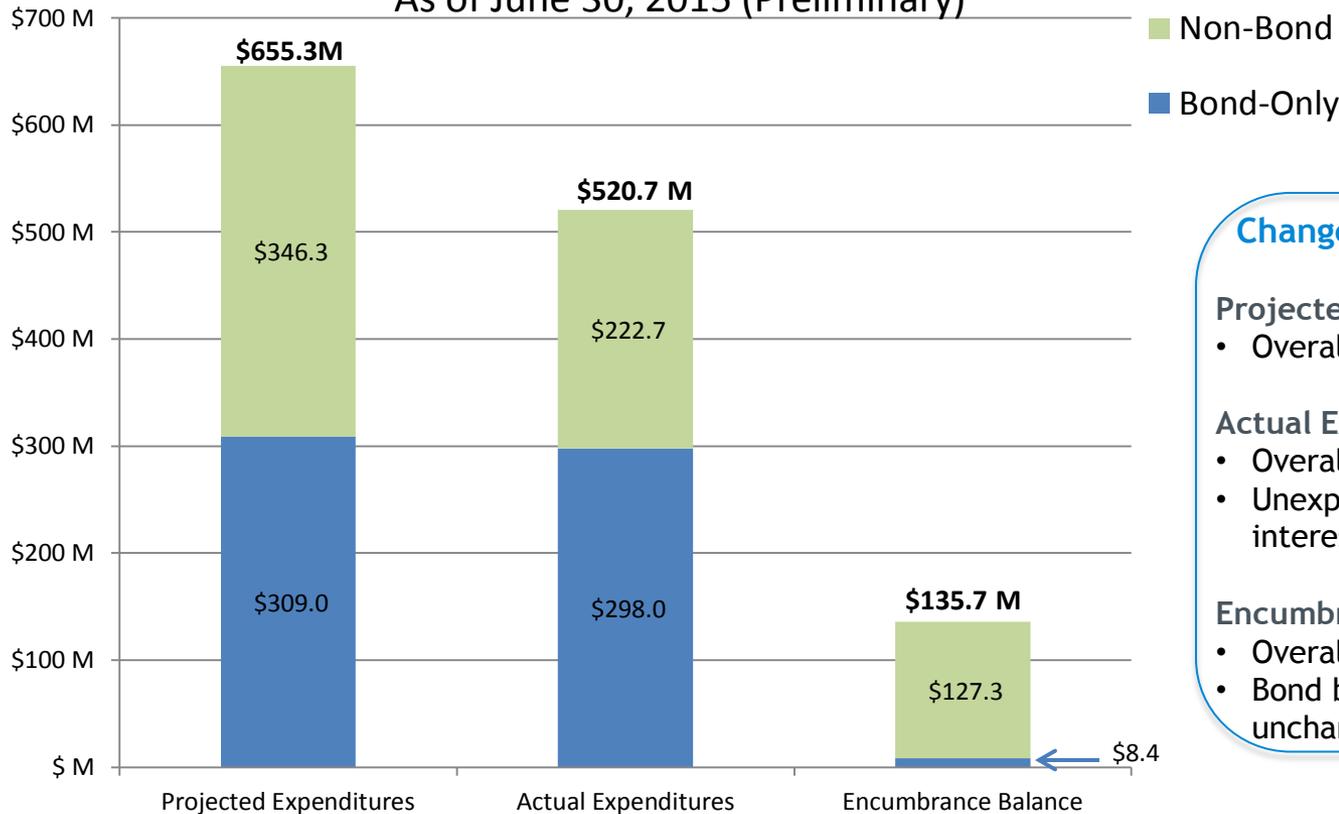
- Twenty-two cameras installed at the intersections to record side-street traffic queues and wait times
- Study to determine travel times; information used for construction planning on the Grand Ave. Bridge, as well as for future signal timing



# Total Program Financial Performance

## Colorado Bridge Enterprise Total Program Performance

As of June 30, 2015 (Preliminary)



### Changes from Previous Month

#### Projected Expenditures

- Overall increased by \$16.6 M or 2.6%

#### Actual Expenditures

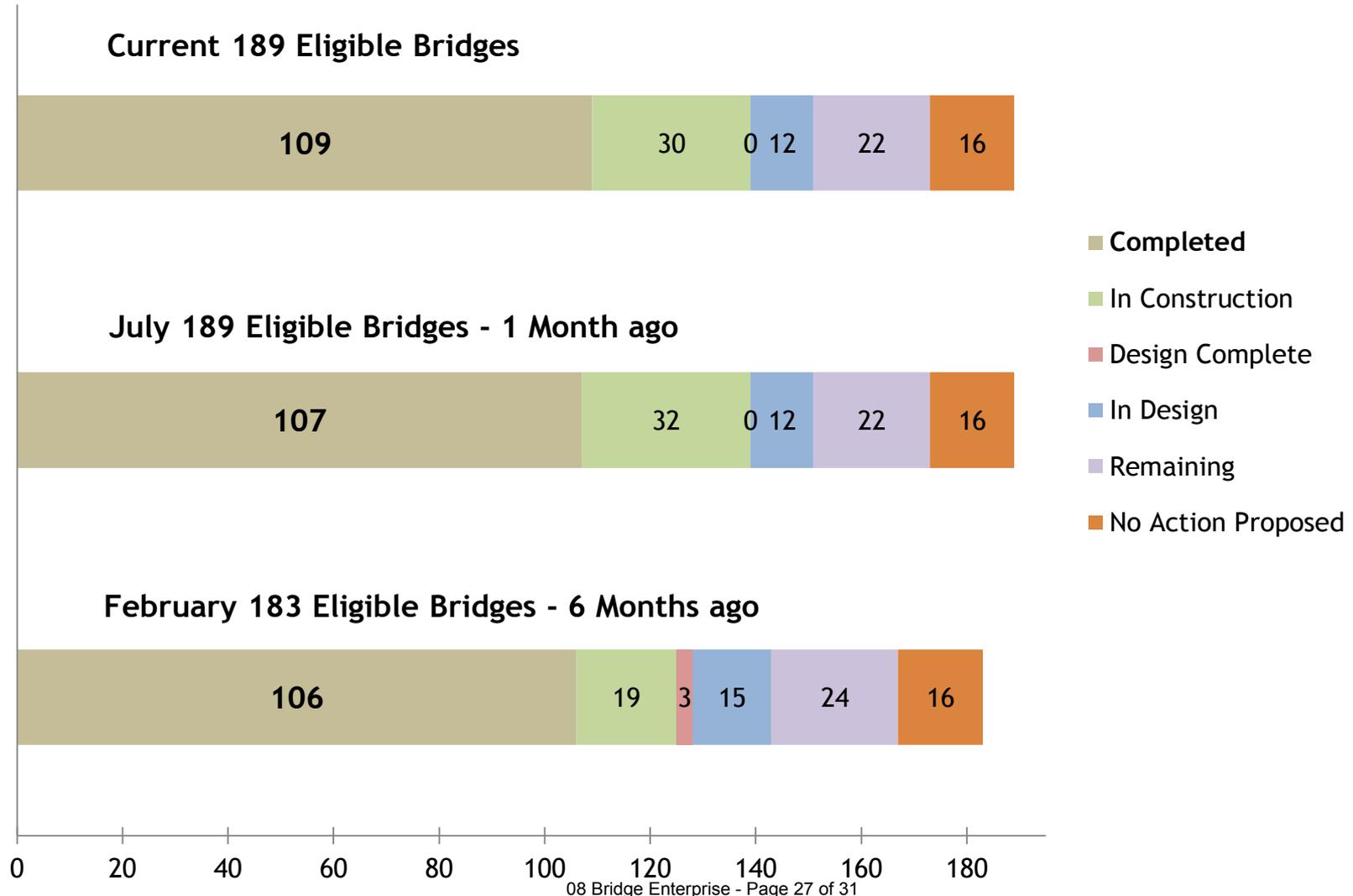
- Overall increased by \$17.4 M or 3.5%
- Unexpended Bond balance primarily interest earnings

#### Encumbrance Balance

- Overall decreased by -\$9.5 M or -6.5%
- Bond balance remains essentially unchanged

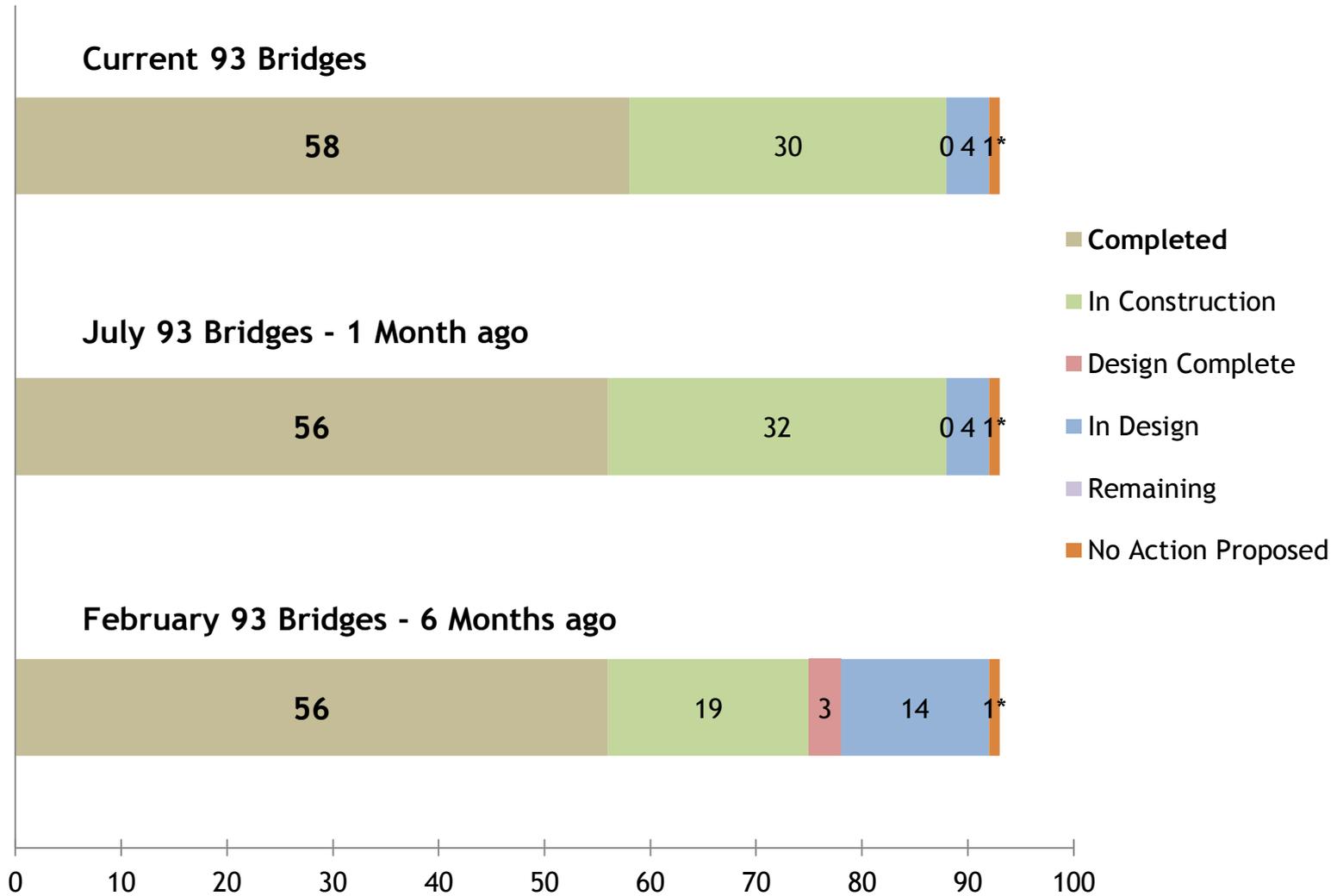


# Status FASTER Eligible Bridges





# Status \$300M Bond Bridges



\*One project was determined ineligible



# Status of 30 Most Deficient Bridges

	2014 Poor List Bridges Worst 30 Status	Original 128 Bridges Worst 30 Status
Complete	7	28
In Construction	13	1*
Design Complete	0	0
In Design	6	1**
Remaining	4***	0
<b>Total Addressed</b>	<b>30</b>	<b>30</b>

\*L-18-M I 25 ML NBND over Indiana Ave;\*\* I-70 Viaduct will be the final original '30 worst' bridge addressed.

\*\*\*Remaining/Not Programmed

Bridge	Region	County	Facility Carried over Featured Intersection
E-17-KR	1	DENVER	I 270 ML EBND over I 70 ML
E-17-EW	1	DENVER	I 70 ML EBND over UP RR; W of QUEBEC STREET
E-17-DF	1	DENVER	I 70 ML WBND over UP RR W of QUEBEC STREET
N-11-C	5	RIO GRANDE	SH 112 ML over RIO GRANDE CANAL



## DBE Participation

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State & FHWA-funded BE construction contracts continue to help CDOT exceed its overall 12.46% DBE goal through the following achievements:

Monthly Report: FFY 2015 (10/1/14 - 6/30/15)	
6 Prime Contracts Awarded	\$144,924,029
175 Subcontracts Awarded	\$36,068,665
72* Total DBE Contracts Awarded	\$12,902,606
DBE Percentage of Subcontract Dollars	<b>35.8%</b>

\*The 72 subcontracts went to 46 individual DBE firms.



# FASTER Q & A

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## Questions & Answers