

**Bridge Enterprise Board
Regular Meeting Minutes
May 19, 2016**

Chairwoman Kathy Connell convened the meeting at 10:18 a.m. at Centennial Hall in Steamboat.

PRESENT WERE: Kathy Connell, Chairwoman, District 6
Shannon Gifford, District 1
Ed Peterson, District 2
Gary Reiff, Vice Chair District 3
Kathy Gilliland, District 5
Kathy Hall, District 7
Sidny Zink, District 8
Bill Thiebaut, District 10
Steven Hofmeister, District 11

EXCUSED: Heather Barry, District 4
Nolan Schriener, District 9

ALSO PRESENT: Shailen Bhatt, Executive Director
Michael Lewis, Deputy Executive Director
Josh Laipply, Chief Engineer
Debra Perkins-Smith, Director of Transportation Development
Maria Sobota, CFO
Herman Stockinger, Government Relations Director
Dave Eller, Region 3 Transportation Director
Mike McVaugh, Region 5 Transportation Director
Kathy Young, Chief Transportation Counsel
David Spector, HPTE Director
Mark Imhoff, Director of Transit and Rail
Vince Rogalski, STAC Chairman
John Cater, FHWA Administrator
Chris Wedor, Director of Audit Division

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.

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. Director Peterson moved to approve the resolution, and Director Gifford seconded the motion. Upon vote of the Board the resolution passed unanimously.

Resolution #BE-16-4-1

Approval of Regular Meeting Minutes for April 21, 2016.

BE IT SO RESOLVED THAT, the Minutes for the April 21, 2016 meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board as published in the Agenda for the May 19, 2016, meeting of the Bridge Enterprise Board of Directors.

6th Bridge Enterprise Budget Supplement of FY2016

CFO Maria Sobota introduced the commission to the 6th Budget Supplement of 2016 and opened the floor for questions.

Chairwoman Connell entertained a motion to approve the 6th Budget Supplement. Commissioner Gilliland moved for approval of the resolution, and Commissioner Zink seconded the motion. Upon vote of the Commission, the resolution passed unanimously.

Questions on Bridge Enterprise Informational Items

Commissioner Reiff had a question regarding the debt ratios that he will discuss with Josh Later.

Adjournment

Chairwoman Connell asked if there were any more matters to come before the Bridge Enterprise Board of Directors. Hearing none, Chairwoman Connell announced the adjournment of the meeting at 10:20 a.m.



MEMORANDUM

TO: BRIDGE ENTERPRISE BOARD OF DIRECTORS
FROM: MARIA SOBOTA, CHIEF FINANCIAL OFFICER
DATE: JUNE 16, 2016
SUBJECT: PREVIOUSLY TRANSFERRED EXISTING BRIDGES

Purpose:

This memorandum is to inform the Bridge Enterprise Board of Directors of a resolution to document structures that have been taken-out-of-service and formally acknowledge asset ownership of the replacement structures.

Action:

This month the Bridge Enterprise Board of Directors is asked to approve the resolution.

Details:

Ninety-five (95) bridges have been transferred from CDOT to Colorado Bridge Enterprise (CBE) to date. These transfers were initially accomplished via a two step process: first, the Transportation Commission approved a resolution transferring the assets from CDOT to CBE; and second, the Bridge Enterprise Board of Directors approved a separate resolution accepting asset ownership of the existing bridges.

The bridges were previously transferred using their existing Bridge ID numbers. As bridges are replaced, CDOT retires the existing Bridge ID and the newly replaced structure is assigned its own unique Bridge ID.

As such, the purpose of the attached resolution is two-fold:

- Document existing structures that are taken-out-of-service and any remaining book value is written-off CDOT accounting records.
- Bridge Enterprise formally acknowledges ownership of the replaced structures and their new Bridge ID.

This resolution only addresses replacement structures that are complete and open to traffic; this means the existing Bridge IDs are now officially taken-out-of-service. This resolution addresses eight (8) out of the ninety-five (95) structures transferred. Prior to Fiscal Year 2016, sixty-five (65) new Bridge IDs were formally acknowledged and there will be future resolution(s) addressing the remaining structures as they are completed. Rehabilitated structures are not included from this resolution as they retain their existing Bridge ID number.



Resolution Number BE-

Take-out-of-service and write-off previously Transferred "Poor" Bridge Asset and Acceptance of a New Bridge Asset

WHEREAS the General Assembly created the Bridge Enterprise as a government-owned business within CDOT, pursuant to 43-4-805 C.R.S.; and

WHEREAS, PURSUANT TO 43-4-805 C.R.S., the Bridge Enterprise is to operate as a government-owned business within the Department of Transportation and shall constitute an "enterprise" for the purposes of Section 20 of Article X of the Colorado Constitution so long as the Bridge Enterprise retains authority to issue revenue bonds and receives less than ten percent (10%) of its total annual revenue in grants, as defined in C.R.S. 24-77-102(7), from all State and local governments combined; and

WHEREAS, the business purpose of the Bridge Enterprise is to finance, repair, reconstruct, and replace designated bridges in the state; and

WHEREAS, Section 43-4-805(5)(f), C.R.S. authorizes the Bridge Enterprise Board to enter into agreements with the Transportation Commission, or the department to the extent authorized by the Transportation Commission, under which the Bridge Enterprise agrees to finance, repair, reconstruct, replace, and, if any given agreement so specifies, maintain designated bridges as specified in the agreements; and

WHEREAS, the Bridge Enterprise Board previously accepted ownership of previously existing structures (listed on Attachment A) transferred via Board approved resolution from CDOT to Colorado Bridge Enterprise, and the previously existing structures have been demolished and replaced with a new structure that was assigned its own unique Bridge ID.

NOW THEREFORE BE IT RESOLVED, the Bridge Enterprise Board hereby acknowledges that the previously transferred existing structures have been demolished and taken-out-of-service and any remaining book-value (if any) will be written-off CDOT accounting records, and Bridge Enterprise accepts asset ownership of the replacement structures with their new bridge identification numbers as itemized on Attachment A.

Herman Stockinger, Secretary,
Bridge Enterprise Board of Directors

Date

Attachment A



COLORADO
Department of Transportation
 Statewide Bridge Enterprise

Transferred Existing Bridge ID	Facility Carried Over Featured Intersection	Replacement Structure New Bridge ID
E-17-DC	I-76 ML EBND over UPRR E of Jct. US 85	E-17-ACS
E-17-DU	I-76 ML WBND over UPRR E of Jct. US 85	E-17-ACT
F-16-EF	US 6 ML over South Platte River	F-16-YZ
F-16-EN	US 6 ML over Bryant Street	F-16-ZA & F-16-ZB
F-16-EJ	US 6 ML over BNSF RR E of I-25	F-16-YJ
K-16-S	SH 120 ML over Draw, UPRR E of Florence	K-16-CI
L-28-C	US 50 ML over BNSF RR E of Granada	L-28-AS
B-16-D	SH 14 ML over Cache La Poudre River E Jct. US 287	B-16-EV



4201 E. Arkansas Ave, Room 124B
Denver, CO 80222-4206

MEMORANDUM

TO: BRIDGE ENTERPRISE BOARD OF DIRECTORS
FROM: MARIA SOBOTA, CHIEF FINANCIAL OFFICER
DATE: JUNE 16, 2016
SUBJECT: ASSET OWNERSHIP OF FASTER FUNDED STRUCTURES

Purpose:

This memorandum is to inform the Bridge Enterprise Board of Directors of a resolution to formally acknowledge asset ownership of a replacement structure.

Action:

This month the Bridge Enterprise Board of Directors is asked to approve the resolution.

Details:

Colorado Bridge Enterprise (CBE) currently utilizes an accounting policy that allocates CBE funding through projects that directly pay for the replacement structure and newly assigned Bridge ID. If an existing structure is scheduled for replacement, CDOT no longer transfers the existing Bridge ID to CBE. This is in compliance with CBE Guidance Document (2011 Number 11; dated November 17, 2011) Asset Transfer / Ownership Policy for Replacement of an Existing Bridge.

For document record keeping purposes, CBE needs to formally acknowledge asset ownership of the replacement structure based upon the following criteria:

- The Bridge Enterprise Board approved the allocation of Bridge Enterprise funding via the monthly budget supplement process.
- Structures were completed and open for traffic in fiscal year 2016.

The attached resolution accepts asset ownership of the following bridge:

New Bridge Enterprise Owned Bridge

F-16-EW
K-14-AA
P-23-D

Facility Carried Over Featured Intersection

US 6 MI over Garrison Street
US 50 ML over Draw between Texas Creek & Cotopaxi
US 160 ML over Smith Canyon Tributary, Near Kim, CO



Colorado Bridge Enterprise
June 16, 2016

Resolution Number BE-
Acknowledge New Bridge Asset Funded by Bridge Enterprise

WHEREAS the General Assembly created the Bridge Enterprise as a government-owned business within CDOT, pursuant to 43-4-805 C.R.S.; and

WHEREAS, PURSUANT TO 43-4-805 C.R.S., the Bridge Enterprise is to operate as a government-owned business within the Department of Transportation and shall constitute an "enterprise" for the purposes of Section 20 of Article X of the Colorado Constitution so long as the Bridge Enterprise retains authority to issue revenue bonds and receives less than ten percent (10%) of its total annual revenue in grants, as defined in C.R.S. 24-77-102(7), from all State and local governments combined; and

WHEREAS, the business purpose of the Bridge Enterprise is to finance, repair, reconstruct, and replace designated bridges in the state; and WHEREAS, Section 43-4-805(5)(f), C.R.S. authorizes the Bridge Enterprise Board to enter into agreements with the Transportation Commission, or the department to the extent authorized by the Transportation Commission, under which the Bridge Enterprise agrees to finance, repair, reconstruct, replace, and, if any given agreement so specifies, maintain designated bridges as specified in the agreements; and

WHEREAS, Bridge Enterprise no longer transfers an existing Bridge ID that is programmed to be replaced; and currently utilizes an accounting policy that provides FASTER funding directly to the planned replacement structure and newly assigned Bridge ID; and

WHEREAS, the Bridge Enterprise Board previously approved the use of FASTER funding via the monthly budget supplement process to construct the below noted replacement structure which was completed and open to traffic in Fiscal Year 2015; and

New Bridge Enterprise Owned Bridge	Facility Carried Over	Featured Intersection
F-16-EW	US 6 ML over Garrison Street	
K-14-AA	US 50 ML over Draw between Texas Creek & Cotopaxi	
P-23-D	US 160 ML over Smith Canyon Tributary, Near Kim, CO	

NOW THEREFORE BE IT RESOLVED, the Bridge Enterprise Board hereby accepts ownership of the new bridge.

Herman Stockinger, Secretary,
Bridge Enterprise Board of Directors

Date



4201 East Arkansas Avenue
Denver, CO 80222-3406

DATE: June 16, 2016

TO: Transportation Commission

FROM: Tony DeVito, Project Director, Central 70 Project

SUBJECT: Quarterly Update

Purpose

This memo summarizes the status of the Central 70 Project across three key areas:

- Status of completing the environmental study
- Status of community outreach and transparency efforts
- Project delivery and procurement

Action

No actions are requested at this time, this memo is for information purposes only.

Background

Commission Resolution 3179 (July 21, 2014) directed staff to prepare quarterly updates on the development of the Central 70 Project and related procurement efforts.

Details

Environmental Impact Statement

The final EIS was released as scheduled on January 15, 2016. A 45-day review period followed during which the Department received more than 700 comments. The Department also hosted two public hearings during the comment period.

A Record of Decision (ROD) for Phase 1 is on schedule and expected to be signed in late summer of this year.

Project Development and Procurement

Following the Commission's decision in February 2015 to pursue a Design Build Finance Operate Maintain (DBFOM) method of delivery for I-70 East, staff has moved forward to engage industry in the Central 70 project. Completed and upcoming milestones include:

- ✓ March 11, 2015: Industry Forum
- ✓ March 25, 2015: Release of Request for Qualifications (available publicly)
- ✓ June 22, 2015: Deadline for receipt of Statement of Qualifications
- ✓ July 24, 2015: Announcement of shortlisted teams
- ✓ September 15 and 29, 2015: Release of Draft No 1 Request for Proposals (available publicly)
- ✓ February 23, 2016: Second Draft RFP (available publicly)
- ✓ June 14, 2016: Third Draft RFP (available publicly)
- Fall 2016: Final RFP (available publicly)
- Spring 2017: Developer selection
- Summer 2017: Financial Close

Community Outreach

Staff continues to engage local communities in the project development. Most recently this has included a series of workshops to finalize the design for the I-70 cover, opening of a project office (with evening hours), and distribution of a new bi-monthly update newsletter.





Project Delivery Transparency

CDOT and HPTE continue to work in partnership to implement provisions of Executive Order D 2014-010 requiring additional transparency measures in the development of projects utilizing public-private partnerships. In addition to the public release of the above noted procurement documents, a fourth series of outreach meetings will be held in advance of the Fall release of the final RFP.

Small Business and Workforce Development

TC Resolution 3179 also directed staff to develop a comprehensive program addressing disadvantaged and small business utilization and workforce development on the Central 70 project. CDOT has established participation goals for DBEs and ESB in the RFP, which apply during the construction period as well as the operating period. The team also has received full approval from FHWA to participate in a SEP-14 Local Hiring Pilot Program—one of only nine DOT projects across the U.S. to receive this approval. An extensive data gathering and stakeholder engagement process has been developed to help inform a local hiring goal for the project, which is included in the RFP documents.

Risk Allocation

Through the RFP development process, CDOT and HPTE have held numerous 1-1 meetings with the shortlisted teams to discuss their comments on the draft RFP documents. Through this dialog, the Project Team has continued to refine and clarify risk allocation, particularly for hazardous materials. The short listed teams have clearly articulated a concern with their inability to proactively price or insure this risk. This has resulted in a refined approach based on quantities of known contaminated fill material which will be the developer's sole responsibility and a tiered matrix of shared risk up to a cap for the unknown contaminated materials.

TIFIA Development

Continued coordination with the TIFIA office in DC continue to prove beneficial in explaining the uniqueness and surety of our funding and the workings of our Enterprises.





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: June 16, 2016
 SUBJECT: June 2016 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 May 2016. The May Schedule Performance Index (SPI) = 0.96, a increase 0.05 from prior month (April SPI = 0.91). The increase in program SPI from April to May is attributed to the approval of a Baseline Schedule Change Request and subsequent baseline reset for the Central 70 (19631) project.

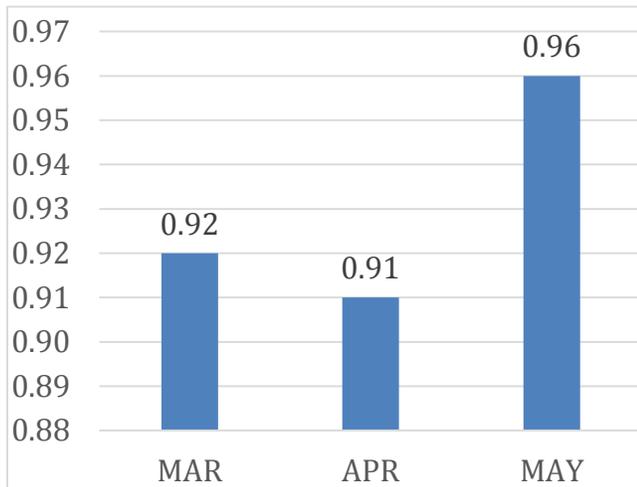
Over-performing projects

- There are 3 projects with \$3.0M in combined Earned Value (EV) greater than planned, which increases the overall program SPI by 0.004; a 0.002 decrease from prior month (April SPI = 0.006).

Under-performing projects

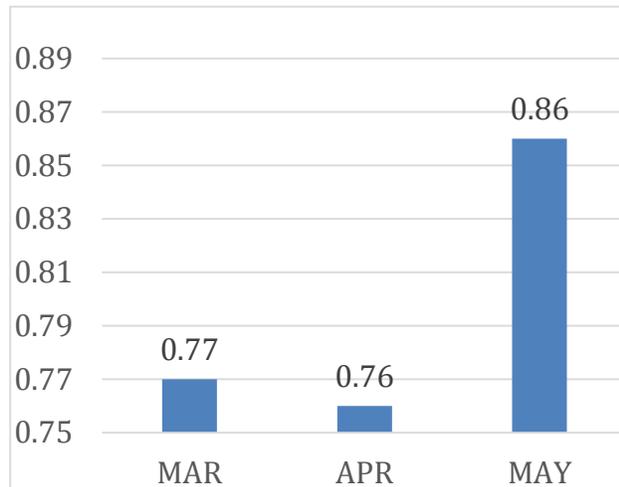
- There are 2 projects with \$22.8M in combined lost EV which reduces overall program SPI calculation by 0.03; a decrease of 0.05 from prior month (April = 0.08). Of the 13 Railroad involved project one, (Illex 19205), is currently being impacted by railroad delays.

Program SPI by Month



Program Goal SPI ≥ 0.90

Active Program Projects Only SPI by Month



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:

- Guidance documentation review/revision
- Ongoing project coordination and oversight
- Closeout and deprogramming funds from completed projects
- Candidate projects for preconstruction activities review
- Continued PMO coordination
- Quarterly Reporting
- Maintenance invoicing
- Drafting 4-year and 10-year plans

TOTAL PROGRAM FINANCIAL PERFORMANCE

Expenditure and encumbrance data through April 30, 2016 summarized below:

- Overall projected expenditures increased by \$12.7 M or 1.6%
- Overall actual expenditures increase by \$9.2M or \$1.5%
- Overall encumbrances decreased by \$9.9 M or -7.3%
- There are no bond encumbrances remaining*

*All Bond Proceeds and Interest Earning that have been budgeted are essentially expended however, we recognize bond expenditures when they are billed to the Trustee. The billing and interest earnings are reconciled by OMFB and Accounting, and the budget has been adjusted to bill the Trustee.

BUDGET AND ENCUMBRANCE BALANCES STATUS

The table below shows the encumbrance and budget balances for projects that have been substantially complete for more than 6 months, by Region. BE works with Region Business Offices and Project Engineers to release excess budget and encumbrance balances prior to the Finals process. In the last 6 months, significant progress has been made in releasing excess balances. As forecasted, balances have increased due to additional projects aging to substantially complete status.

PROJECTS SUBSTANTIALLY COMPLETE OVER SIX MONTHS AGING ENCUMBRANCE AND BUDGET BALANCES				
Region	Encumbrance (\$)	Budget Balances (\$)	Projects	Phases
1	2,118,018	2,366,057	9	12
2	38,396	211,673	2	2
3	-	-	0	0
4	1,337,411	836,307	2	3
5	-	-	0	0
Total	<u>3,493,826</u>	<u>3,414,036</u>	<u>13</u>	<u>17</u>
% of Total Current Program	3.1%	2.7%	33.3%	26.2%
Previous Month	<u>1,736,492</u>	<u>1,420,661</u>		
Difference	<u>1,757,334</u>	<u>1,993,975</u>		

STATUS OF FASTER ELIGIBLE BRIDGES



There are currently 192 bridges eligible for the BE program.

	Current	May	January
Completed	122	122	120
In Construction	18	18	19
Design Complete	2	2	2
In Design	14	14	12
Remaining	36	36	39

STATUS OF \$300M BOND BRIDGES

There are currently 89 bridges in the BE bond program.

	Current	May	January
Completed	68	68	66
In Construction	18	18	19
Design Complete	2	2	2
In Design	1	1	2

STATUS OF 30 MOST DEFICIENT BRIDGES

The CBE has completed 28 of the 30 bridges originally identified as the most deficient. Only 4 of the 30 worst bridges based on the 2015 final ratings remain to be programmed:

Bridge #	Region	County	Facility Carried over Featured Intersection
N-17-S	2	Huerfano	I-25 ML NBND over CO Rd. 103, Butte Creek
L-19-F	2	Pueblo	US 50 BUS. RT over DRAW
F-10-C	3	Eagle	US 6 ML over East Lake Creek
N-11-C	5	Rio Grande	SH 112 ML over Rio Grande Canal

BRIDGE ENTERPRISE DBE PARTICIPATION

For the period of 3/1/2010 - 12/31/2015 BE DBE participation resulted in 30.4% of subcontract dollars going to 130 individual DBE firms.

