

**Bridge Enterprise Board  
Regular Meeting Minutes  
April 21, 2016**

**Chairwoman Kathy Connell convened the meeting at 10:25 a.m. at CDOT Headquarters in Denver.**

PRESENT WERE: Kathy Connell, Chairwoman, District 6  
Gary Reiff, Vice Chair District 3  
Shannon Gifford, District 1  
Ed Peterson, District 2  
Heather Barry, District 4  
Kathy Gilliland, District 5  
Sidny Zink, District 8  
Bill Thiebaut, District 10  
Steven Hofmeister, District 11

Excused: Kathy Hall, District 7  
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  
Paul Jesaitis, Region 1 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  
Scott McDaniel, Staff Services Director  
David Specter, HPTE Director  
Ryan Rice, Operations Division Director  
Mark Imhoff, Director of Transit and Rail  
Vince Rogalski, STAC Chairman  
David Ulane, Director of Aeronautics  
John Cater, FHWA Administrator

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 Hall seconded the motion. Upon vote of the Board the resolution passed unanimously.

### **Resolution #BE-16-4-1**

Approval of Regular Meeting Minutes for March 17, 2016.

BE IT SO RESOLVED THAT, the Minutes for the March 17, 2016 meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board as published in the Agenda for the April 20 & 21, 2016, meeting of the Bridge Enterprise Board of Directors.

### **Monthly Progress Report**

Scott McDaniel opened the floor for questions on the Monthly Progress Report. There were none.

### **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 10:05 a.m.



TO: Bridge Enterprise Board of Directors  
 FROM: Maria Sobota, Acting Chief Financial Officer  
 DATE: May 19, 2016  
 SUBJECT: Sixth Supplement to the FY 2015-16 Bridge Enterprise Budget

Enclosed is the Sixth Supplement to the FY 2015-16 Bridge Enterprise Budget.

**Region 5:**

**\$5,392,000** - SH90 ML over Dolores River in Montrose County: (old K-01-C) (new K-01-L).  
 To establish the construction phase for this bridge replacement project.

Justification: In September 2014 a fracture was discovered in a vertical member of the existing K-01-C bridge. The bridge was closed from September 16, 2014 to September 19, 2014 while emergency repairs were made. The bridge was opened in a one lane configuration with weight restrictions. A one lane temporary bridge was installed and opened with no weight restrictions in December 2014.

Traffic is currently utilizing only the one lane temporary bridge with a traffic signal alternating the direction of traffic. The design of the replacement bridge is nearing completion and the project is expected to be advertised for construction in June.

Region 5 and CBE staff have been in communication with the Montrose County Commission throughout the development of the project. Due to the nature of this bridge, it is now the highest priority on the prioritization plan.

The design budget was previously approved in increments. FIR level design was approved in December 2014, and FOR level design was approved in October 2015. AD Date June 2016. (20817/1000...).

SH90 ML Over Dolores River in Montrose County  
 (old K-01-C) (New K-01-L)  
 Budget Components by Phase, Funding Program, Fiscal Year

Phase of Work	Funding Program	Current Budget	Third BE Supplement Action				Revised Budget	Expended To-Date
			Year of Budget			Total Request		
			FY 2016	FY 2017	FY 2018			
DESIGN	<i>FASTER Bridge Enterprise</i>	\$966,950	\$0	\$0	\$0	\$0	\$966,950	\$827,338
	<b>Total Design</b>	<b>\$966,950</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$966,950</b>	<b>\$827,338</b>
Construction	<i>FASTER Bridge Enterprise</i>	\$0	\$0	\$5,392,000	\$0	\$0	\$5,392,000	\$0
	<b>Total Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,392,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,392,000</b>	<b>\$0</b>
<b>Total Project Budget &amp; Expenditure</b>		<b>\$966,950</b>	<b>\$0</b>	<b>\$5,392,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,358,950</b>	<b>\$827,338</b>
			Year of Expenditure			Total Request		
			FY 2016	FY 2017	FY 2018			
			\$0	\$5,392,000	\$0	\$5,392,000		

**Resolution No. BE-**

**“BE IT RESOLVED, That the Sixth Supplement to the Fiscal Year 2015-2016  
Budget is approved by the Bridge Enterprise Board.”**



MEMORANDUM

**TO: BRIDGE ENTERPRISE BOARD OF DIRECTORS**  
**FROM: MARIA SOBOTA, CHIEF FINANCIAL OFFICER**  
**DATE: MAY 19, 2016**  
**SUBJECT: Q3 FY16 BRIDGE ENTERPRISE PROGRAM FINANCIAL UPDATE**

**Purpose:**

The Bridge Enterprise (BE) team has prepared a BE Program Update as of Q3 FY16 for the Board of Directors information. No action is requested from the Board; this is being presented for informational purposes only. Summarized below are the tables contained in this report.

**Bridge Enterprise Program Liability:**

The program life-to-date (LTD) total liabilities for the BE program are \$926.8M, a decrease of \$4.8M from the \$931.6M total liability reported on December 31, 2015. LTD expenditures as of March 31, 2016 are \$616.0M as compared to \$590.4M on December 31, 2015. The current encumbrance balance is \$134.8M compared to \$146.8M on December 31, 2015.

**Cash Flow:**

Attached is Figure 2, which depicts all current available BE cash balances, forecasted revenues, and forecasted expenditures for currently programmed projects. Starting this quarter, the forecast period has been expanded from three years to four years. BE has forecasted the cash balance to decrease by \$87.4M due to the Central 70 project during the period of August 2017 through March 2020. This is based on a model that uses a combination of milestone and availability payments. The cash flow forecast model has taken into account Resolution BE 15-8-2 passed in August of 2015 which sets parameters for the use of BE funds during the construction period of the Central 70 project. These figures are expected to change once the project team is able to determine the ultimate scope and optimal funding scenario.

During the four-year time period of the cash flow, the program cash balance is forecast to decrease from \$238.0M on March 31, 2016 to \$34.3M by March 31, 2020 if the Central 70 project proceeds as currently scheduled and modeled. During construction of the Central 70 project (from FY 2018 through FY 2021) the amount available for other BE projects as currently modeled will be minimal in order to maintain the program cash minimum balance of \$25M.

**Debt Service Coverage Ratio:**

The current debt service coverage ratio is 6.6:1 and is forecasted to reach 7.1:1 by FY21. Starting in FY22, the forecast assumes \$33.5M annual expenditure for Availability Payments on the Central 70 project. It is anticipated this will decrease the debt service coverage ratio to 2.5:1. It is anticipated that the ratio will further decrease to



2.3:1 starting in FY26, the year that the annual debt service payment for the Series 2010A Bonds increases to \$31.5M from the current \$18.2M.

Revenues:

FY16 FASTER revenues are currently forecasted to be approximately \$100.1M. Historical analysis indicates that \$75.0M of FASTER revenues would be collected as of Q3 end, actual Q3 FY16 end FASTER Revenues are indeed \$75.0M. If this trend were to continue, revenues at Q4 FY16 end would meet the current revenue forecast.

Expenditure Performance Index (XPI):

This metric measures a programs ability to spend revenues as efficiently as possible. The XPI tracks actual expenditures and compares them to actual revenues on a monthly basis. As shown on Figure 1 below, the XPI is high due to expenditures exceeding revenues so far this calendar year. This includes expenditures from projects that have been encumbered in a previous fiscal year(s) but are still or just now expending due to the multi-year duration nature of the projects.

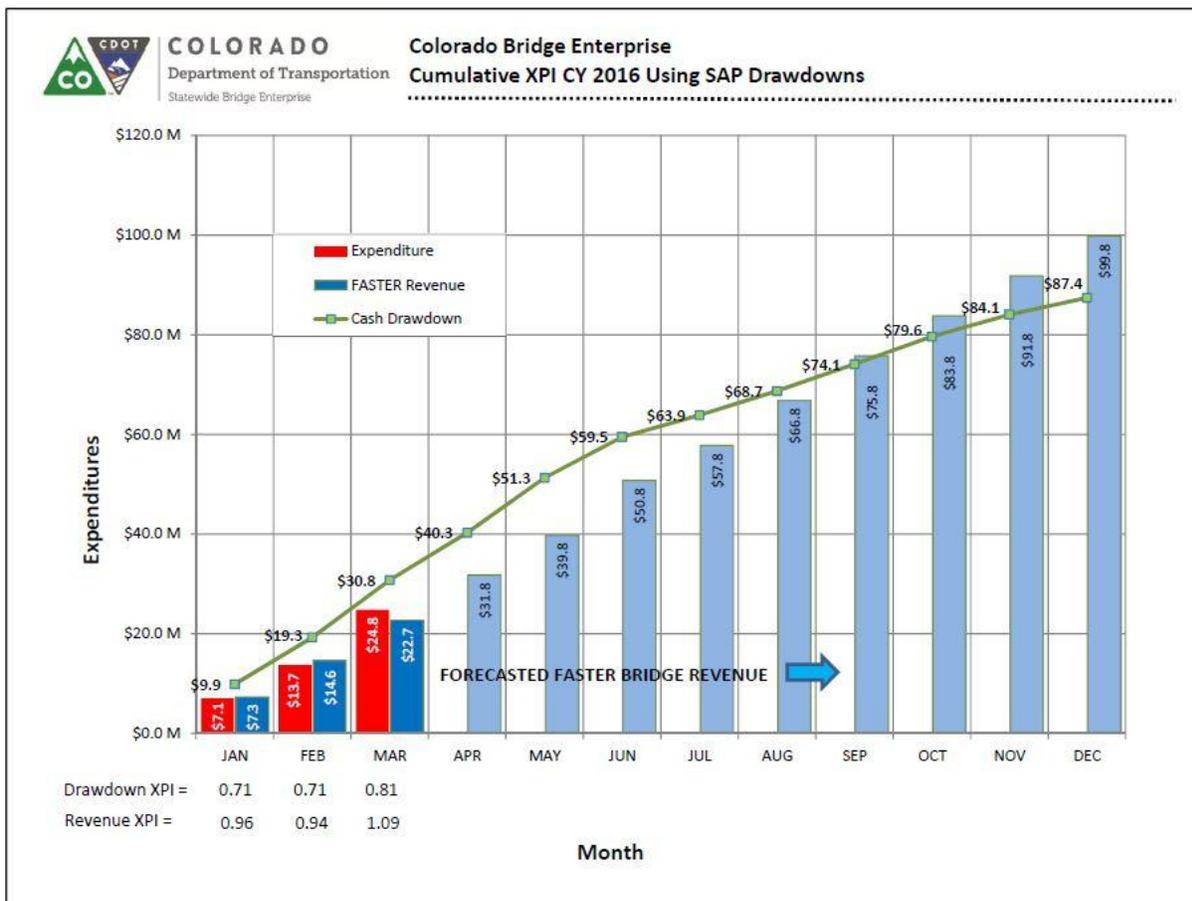


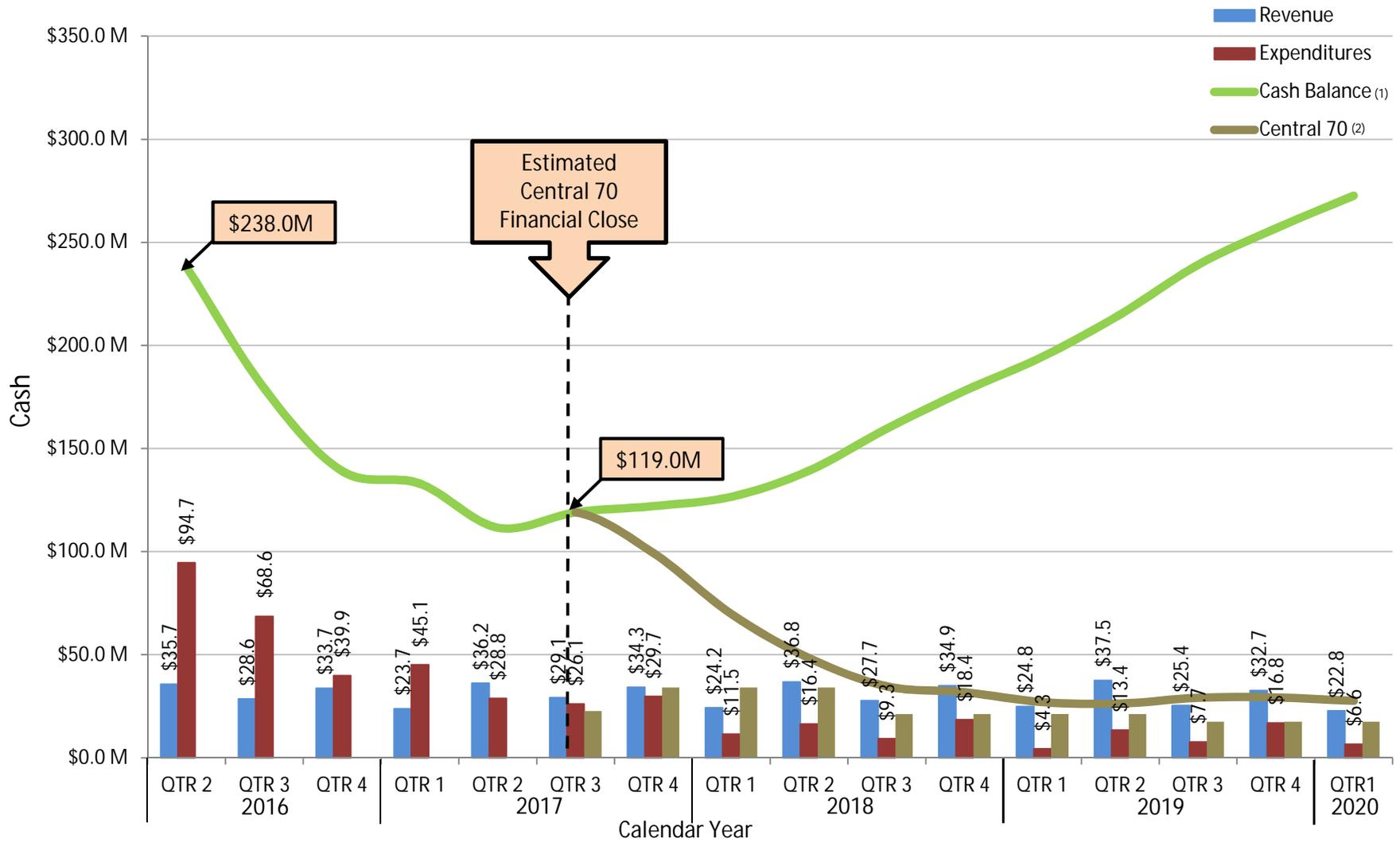
FIGURE 1

As of March 31, 2016





## Colorado Bridge Enterprise Four Year Quarterly Cash Flow Projection



(1) Cash balance line includes the use of \$116.9 M of preconstruction activities for the Central 70.

(2) Estimated impact to cash - assuming cash contribution to Central 70 project through Q1 2020, for milestone and availability payments from the most recent financial model

FIGURE 2

As of March 31, 2016



**MEMORANDUM**

**TO:** Bridge Enterprise Board of Directors  
**FROM:** Scott McDaniel, PE, Director of Project Support  
**DATE:** May 19, 2016  
**SUBJECT:** May 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 April 2016. The April Schedule Performance Index (SPI) = 0.91, a decrease 0.01 from prior month (March SPI = 0.92).

**Over-performing projects**

- There are 3 projects with \$4.5M in combined Earned Value (EV) greater than planned, which increases the overall program SPI by 0.006; a 0.005 decrease from prior month (March SPI = 0.011).

**Under-performing projects**

- There are 3 projects with \$62.8M in combined lost EV which reduces overall program SPI calculation by 0.08; no change from prior month (March = 0.08). Of the 13 Railroad involved project, one (Ilex 19205), is currently being impacted by railroad delays.

**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

**RECENT PROJECT ACTIVITY:**

**Project Completion**

- Region 1, F-16-ER. The US 6 over Garrison project was completed and all lanes opened to traffic on 04/25/2016. The \$15.2M project was delivered as a stream line design build and took just under 15 months to complete this major reconstruction.

**Project Progress**

- Region 1, F-17-GO/GA, US 6 over Tollgate Creek, resumed construction in April 2016. Completion of the project is scheduled for mid-July 2016. Construction was previously shut down for winter.

**TOTAL PROGRAM FINANCIAL PERFORMANCE**

Expenditure and encumbrance data through March 31,2016 summarized below:

- Overall projected expenditures increased by \$10.7 M or 1.4%
- Overall actual expenditures increase by \$11.1 M or \$1.8%
- All but \$0.9M of the \$9.8M balance will be expended in April, balance by 6/30/16
- Overall encumbrances increased by \$5.4 M or -7.7%
- 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. Once the billing and interest earnings are reconciled, we will adjust the budget and expend any remaining budget balances. Once Bond Proceeds are expended, the Interest will be billed.

**BUDGET AND ENCUMBRANCE BALANCES STATUS**

Beginning March 2016, Bridge Enterprise will include a Budget and Encumbrance Balancing table in the monthly progress report. This table shows the encumbrance and budget balances for projects that have been substantially complete for more than 6 months, by Region. For the purpose of this tracking, substantially complete is defined as a new bridge open to traffic, not project completion. There is often work pending such as final paving, striping and railing, which is performed after substantial completion milestone.

It should be noted that it is often appropriate for a project to remain in an “open” status and carry a balance after substantially complete due to various work remaining to be completed and cannot be escrowed.

Consistent with the recent FASTER audit, the Bridge Enterprise Program Management Team works with the 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. See attached presentation package for the detailed table.

**STATUS OF FASTER ELIGIBLE BRIDGES**

There are currently 192 bridges eligible for the BE program.

Completed	122
In Construction	18
Design Complete	2
In Design	14
Remaining	36

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

There are currently 89\* bridges in the BE bond program.

Completed	68
In Construction	19
Design Complete	2
In Design	1

*\*The methodology for the 2010 bond program bridge count has changed from programmed bridges to budgeted bridges .*

**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

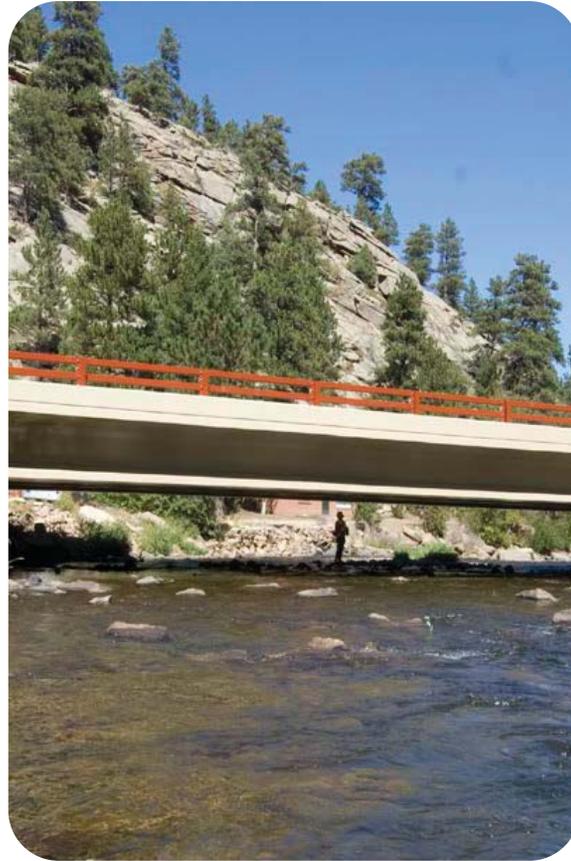
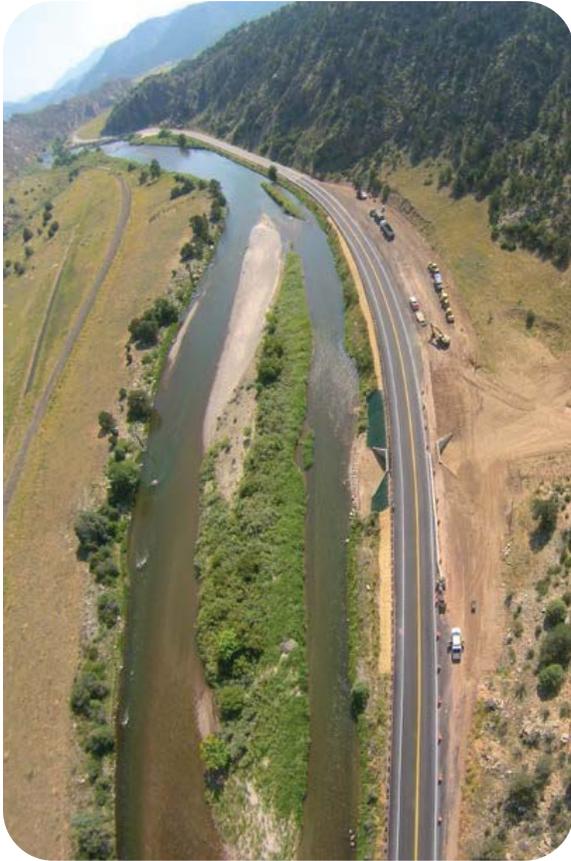
**BRIDGE ENTERPRISE DBE PARTICIPATION**

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.



# COLORADO

Department of  
Transportation



## Colorado Bridge Enterprise

May 2016 Monthly Progress Report  
Board of Directors Meeting



# Program Schedule

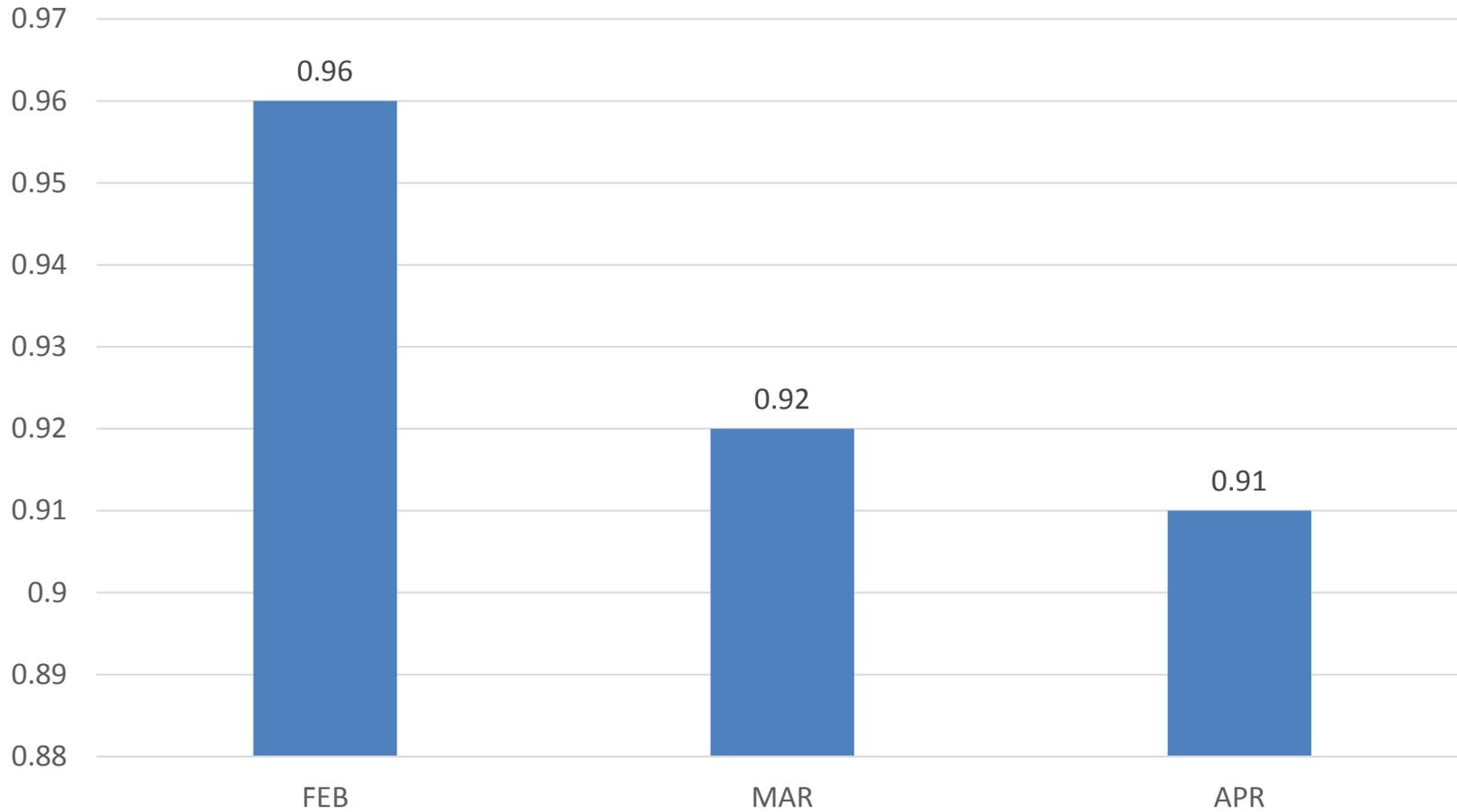
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- Program schedule updated for work complete through April 2016
- April Schedule Performance Index (SPI) = 0.91; a DECREASE of 0.01 from prior month (March SPI = 0.92)
- **Over-performing projects**
  - 3 projects with \$4.5M in combined Earned Value (EV) greater than planned
  - INCREASES overall program SPI by 0.006; a 0.005 DECREASE from prior month (March = 0.011)
- **Under-performing projects**
  - 3 projects with \$62.0M in combined lost EV
    - Reduces overall program SPI calculation by 0.08; NO CHANGE from prior month (March = 0.08)
  - Of 13 Railroad involved projects, one Ilex (19205), is currently being impacted by Railroad delays.



# Program Schedule

## Program SPI by Month

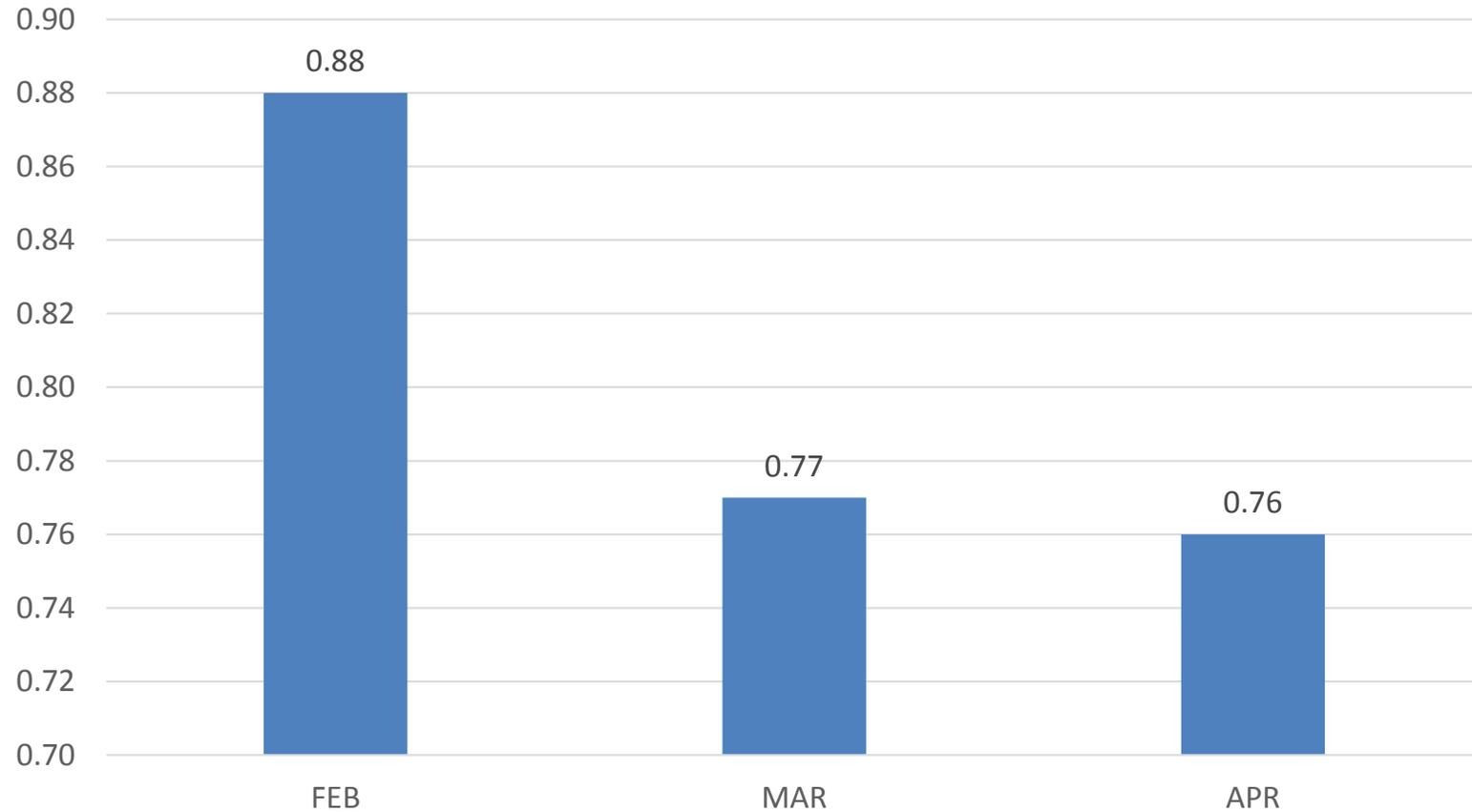


Program Goal SPI  $\geq$  0.90



# Program Schedule

## Active Program Projects Only SPI by Month



Program Goal SPI  $\geq$  0.90



# Program Initiatives

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## CURRENT PROGRAM ACTIVITY & INITIATIVES:

- 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



# Recent Project Activity

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## Project Completion

- Region 1, F-16-ER, the US 6 over Garrison project was completed and all lanes opened to traffic on 04/25/2016.
- The \$15.2M project was delivered as a stream line design build.
- The project took just under 15 months to complete this major reconstruction.





# Recent Project Activity

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## Project Progress

- Region 1, F-17-GO/GA, US 6 over Tollgate Creek, resumed construction in April 2016. Completion of the project is scheduled for mid-July 2016. Construction was previously shut down for winter.





# Total Program Financial Performance

## Colorado Bridge Enterprise Total Program Performance

As of March 31, 2016



■ Non-Bond

■ Bond-Only

### Changes from Previous Month

#### Projected Expenditures

- Overall increased by \$10.7M or 1.4%

#### Actual Expenditures

- Overall increased by \$11.1M or 1.8%
- All but \$0.9M of the \$9.8M balance will be expended in April, balance by 6/30/16

#### Encumbrance Balance

- Overall decreased by (\$1.3M) or -0.9%
- No Bond encumbrances remaining



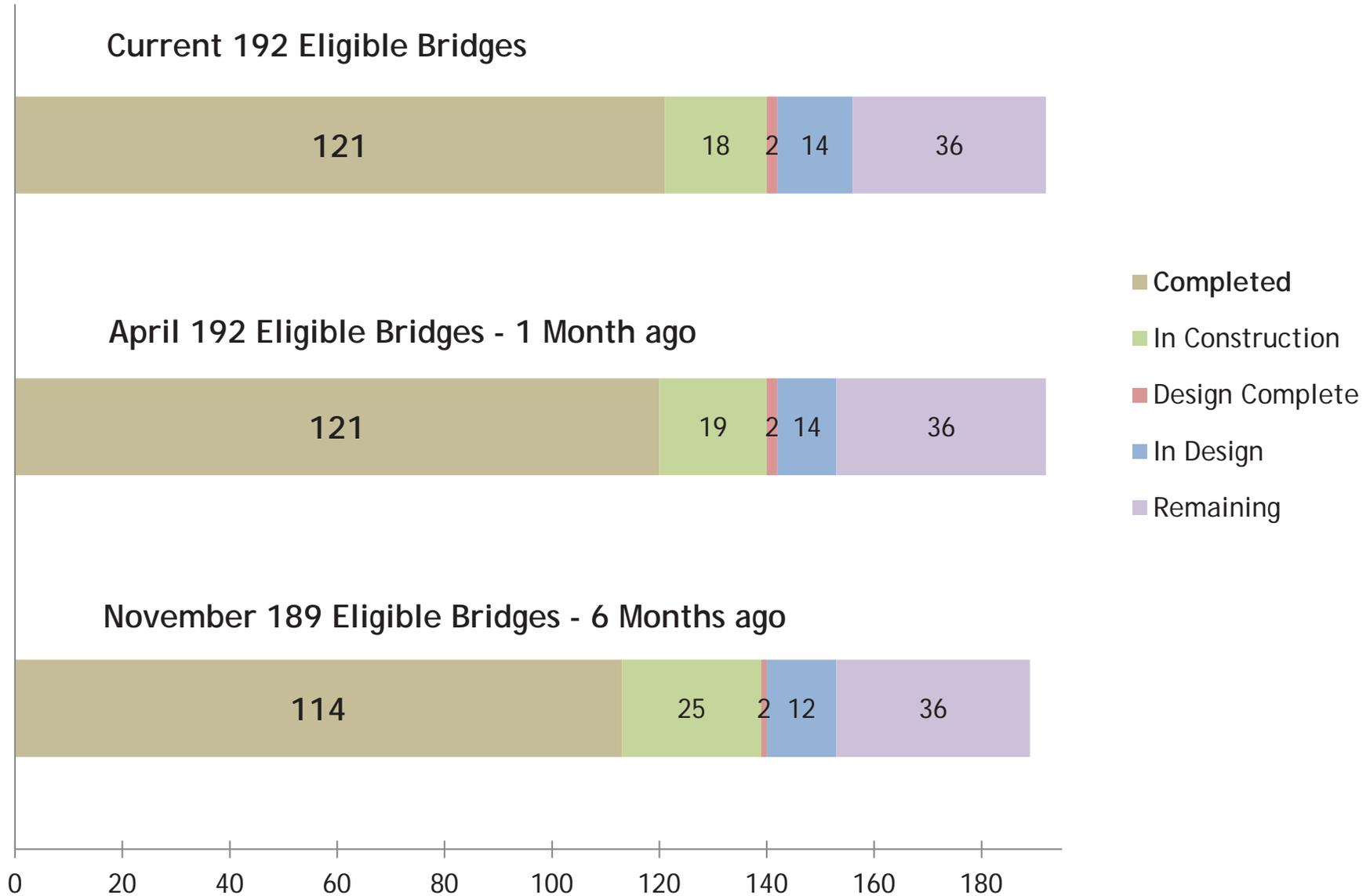
# Budget and Encumbrance Balances Status

- This table 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. However, future balances are expected to increase due to additional projects aging to substantially complete status.

Projects Substantially Closed over Six Months Aging Encumbrance and Budget Balances				
Region	Encumbrance (\$)	Budget Balance (\$)	Projects	Phases
1	1,016,626	1,181,102	7	8
2	86,207	164,005	2	2
3	0	0	0	0
4	633,658	75,554	1	2
5	0	0	<u>0</u>	<u>0</u>
Total	1,736,492	1,420,661	10	12
% of Total Current Program	1.4%	1.2%	26.2%	19.2%
Previous Month	1,989,495	1,630,829		
Difference	(253,003)	(210,168)		

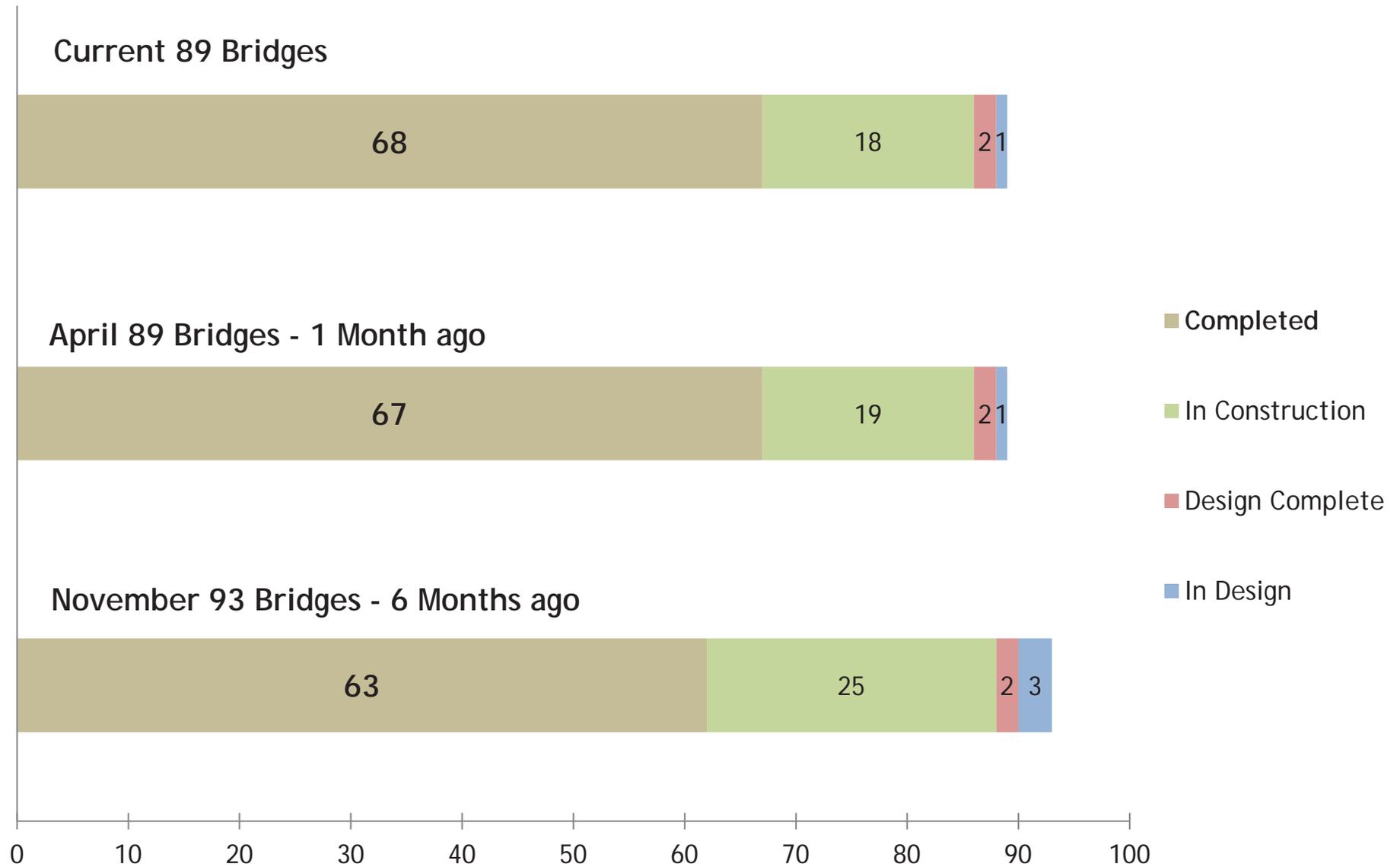


# Status FASTER Eligible Bridges





# Status \$300M Bond Bridges



\*Variation in the bridge count is due to a reconciliation of bond program tracking. The methodology for the 2010 bond program bridge count has changed from programmed bridges to budgeted bridges.



# Status of 30 Most Deficient Bridges

	2015 Poor List Bridges Worst 30 Status	Original 128 Bridges Worst 30 Status
Complete	6	28
In Construction	1	1*
Design Complete	11	0
In Design	8	1**
Remaining (see table below)	4***	0
<b>Total Addressed</b>	<b>30</b>	<b>30</b>

\*L-18-M: I 25 ML NBND over Indiana Ave; \*\* E-17-FX: I-70 Viaduct will be the final original '30 worst' bridge addressed.

\*\*\*Remaining/Not Programmed

Bridge Number	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



## 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:

Program-to-date 3/1/2010 - 12/31/2015	
68 Prime Contracts Awarded	\$502,746,471
1321 Subcontracts Awarded	\$170,985,424
432* Total DBE Subcontracts Awarded	\$52,017,743
DBE Percentage of Subcontract Dollars	<b>30.4%</b>

\*The 432 subcontracts went to 130 individual DBE firms.



# FASTER Q & A

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## Questions & Answers