



May 6, 2021

Dear Colleagues:

Purpose:

The purpose of this letter is to provide an update to the transportation industry summarizing the Colorado Department of Transportation's (CDOT's) proposed approach to delivering the I-70 Floyd Hill to Veterans Memorial Tunnels Project (Floyd Hill Project). It also provides details on CDOT's strategy to implement the Transparency and Accountability measures for Alternative Delivery on this project that were outlined in the March 18, 2021 Transparency and Accountability Letter.

Project Delivery Background:

In August of 2018, CDOT completed the Project Delivery Selection Matrix (PDSM) for the \$700 million Floyd Hill project. The PDSM is CDOT's standard process to document the decision to use an alternative delivery method on complex transportation projects. The PDSM was completed by CDOT at the time to increase the project's readiness should transportation funding associated with Propositions 109 and 110 be passed in November of 2018. The PDSM workshop was conducted over two days and included 14 subject matter experts from Federal Highway Administration (FHWA), the Colorado High Performance Transportation Enterprise (HPTE), Clear Creek County, Central City, and CDOT. The final project delivery recommendation for the Floyd Hill project based on the 2018 PDSM workshop was Construction Management/General Contractor (CM/GC). Subsequently, the PDSM was reevaluated in April of 2020 as additional information regarding the preferred alternative and project funding became available; however the recommendation remained unchanged. CM/GC was the most appropriate delivery method to meet the challenges and constraints of the project.

The CM/GC delivery method was recommended as the most appropriate delivery method for the I-70 Floyd Hill project because it can better meet the projects needs to manage risk through the development and construction of the project than Design-Build (DB) or Design-Bid-Build (DBB) methods. CM/GC also provides opportunity to develop efficient and realistic schedules and scope flexibility for the project. CM/GC provides for construction of an initial package with secured and identified funding as well as opportunities to advance design, with contractor input, for future packages.

Project Status, Proposed Phasing and Funding:

The Floyd Hill Project Team is currently finalizing the preliminary design and environmental phase of the project. It is anticipated that the Environmental Assessment (EA) will be released for public review and comment in the early summer of 2021. It is the intent of CDOT to align the procurement for design and construction with the release of the EA.

Given the size and cost magnitude of the Floyd Hill Project, the funding for the full project has not been identified. This requires CDOT to take a holistic approach to identify proactive measures to deliver as much of the project with available funding, while maintaining synchronicity with future funding allotments. Given these constraints, CDOT has divided the project into three primary packages or phases - Package 0, Package 1, and Package 2. Note that these packages and costs are preliminary in nature and subject to change but demonstrate the intent of phasing distinct project scope elements with the available funding:

Package 0: Total cost \$110 million (Available Senate Bill 267 Funding)

- Wildlife crossings - Construct two wildlife crossings at strategic locations (Empire and Genesee) to reduce animal vehicle collisions, improve wildlife connectivity and improve safety.

- Roundabouts and micro-transit infrastructure improvements - Construct two new intersection roundabouts to improve community access and operations at the top of Floyd Hill. Transit improvements could include upgrades to park and ride locations providing the infrastructure required to implement micro-transit throughout the Floyd Hill Project and I-70 Corridor.
- West Project Section improvements - Complete the widening and partial reconstruction from the Veterans Memorial Tunnels to the Hidden Valley interchange. This work will add a third westbound lane, flatten curves, restore a short section of Clear Creek, and improve safety through the western portion of the project.
- Floyd Hill eastbound I-70 widening and auxiliary lane - Widen the east portion of the project and add an auxiliary lane for heavy vehicles to improve operations and mobility.

Package 1: Total Cost \$340 million (Anticipated funding available 2022/2023)

- Complete the reconstruction of Westbound I-70 to add a third lane from the top of Floyd Hill to Hidden Valley.
- Construct the westbound I-70 viaduct structure replacing a Bridge Enterprise eligible structure.
- Complete the westbound I-70 interchange reconfiguration/improvements at US 6.

Package 2: Total Cost \$250 million (Future funding needed)

- Construct the eastbound I-70 viaduct from the US 6 Interchange to Hidden Valley Interchange
- Construct the frontage road from the US 6 Interchange to Hidden Valley Interchange.
- Complete the eastbound I-70 interchange reconfiguration/improvements at US 6.

Current Delivery Strategy:

To accomplish the proposed work on this complex and important project, CDOT is proposing to proceed with procuring a construction manager and designer for final design services. The early project element scope items as defined below will be separated into independent contracts.

The current delivery strategy proposes to combine the use of CDOT's standard delivery method, DBB for smaller, independent projects with the use of the alternative delivery method CM/GC for the larger project elements. This approach provides benefits for CDOT as well as the construction industry so that projects are spread throughout multiple contracts and delivery methods while still leveraging the strengths of alternative delivery for the larger project. This will provide more opportunity for prime contractors to compete for work in this strategic corridor. This approach is as follows:

Early Project Elements: DBB Delivery

Three to four separate projects will be bid including the underpass wildlife crossing at Genesee, the wildlife overpass at Empire, the roundabouts at the top of Floyd Hill, and the micro-transit infrastructure improvements. It is anticipated that these projects will be advanced independently and will start construction as early as possible beginning in 2022.

Westbound Improvements (Packages 0 and 1): CM/GC Delivery

This project scope combines the remainder of the Package 0 improvements not built in the early project elements with the Package 1 improvements into one package that is being proposed to be delivered using CM/GC. This approach provides the alternative delivery benefits by looking at the overall project scope, optimizing phasing/packaging and schedule potentially minimizing

impacts to the public and maximizing available funding to provide a more valuable investment to the taxpayers.

Once completed, this will improve operations within the corridor by eliminating the historic westbound bottleneck through additional capacity from the top of Floyd Hill to the Veterans Memorial Tunnels, it replaces deficient bridge infrastructure at the bottom of Floyd Hill, and addresses significant safety/mobility issues at strategic locations throughout the project. It is anticipated that procurement for this work will start in summer of 2021 with construction beginning in 2023.

Eastbound I-70 Improvements (Package 2): TBD

This project scope includes the remainder of the project not completed in Packages 0 and 1. It primarily includes portions of eastbound I-70 and the frontage road from US 6 to the Hidden Valley Interchange. This scope of work will be procured through a separate and independent contract.

Alternative Delivery Transparency and Accountability Approach:

As part of CDOT's continued efforts towards improving accountability and transparency related to alternative delivery of projects, below is a summary of next steps and the approximate timing for this process as it relates to the Floyd Hill Project.

- 1) Conduct a Construction Industry Public Meeting (Virtual) regarding Alternative Delivery to incorporate industry feedback on CDOT's approach for project delivery. The meeting is currently scheduled for Wednesday, May 26, 2021 from 5:30 to 6:30 PM.
- 2) Update PDSM based on feedback and respond to any industry/public comments. (June 2021)
- 3) Provide CDOT's project delivery recommendation to the Transportation Commission for consideration/approval. (June or July 2021)
- 4) Post the PDSM prior to beginning procurement on the CDOT website.
- 5) While procuring a construction manager, the project evaluation team shall not refuse to shortlist prospective construction managers/contractors to continue to the next solicitation phase based solely on their lack of experience in delivering a project by CM/GC within the State of Colorado.
- 6) If CDOT enters into a contract with the selected construction manager, the evaluation scores for each step of the solicitation phase, for all solicitations received and evaluated, will be posted on CDOT's website after award.
- 7) Follow remaining guidance outlined for transparency and accountability including maintaining project dashboards throughout the lifecycle of the project on the CDOT website.

This letter intends to assist the transportation industry and public in understanding the current approach for the Floyd Hill Project, and outlines CDOT's approach to being transparent and accountable for transportation in Colorado. Additional details regarding the Construction Industry Meeting will be forthcoming.