

**Resolution #BE-129**

**Regular Meeting Minutes for April 18, 2013**

**Approved by the Bridge Enterprise Board of Directors on: May 16, 2013**

BE IT RESOLVED THAT, the Minutes for the April 18, 2013 meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board.

**Bridge Enterprise Board  
Regular Meeting Minutes  
Thursday, April 18, 2013**

PRESENT WERE: Gary Reiff, Chairman, District 3  
Ed Peterson, District 2  
Heather Barry, District 4  
Kathleen Gilliland, District 5  
Douglas E. Aden, District 7  
Leslie Gruen, District 9  
Gilbert Ortiz, Sr., District 10  
Steven Hofmeister, District 11

EXCUSED: Trey Rogers, District 1  
Kathy Connell, District 6  
Steve Parker, District 8

ALSO PRESENT: Don Hunt, Executive Director  
Gary Vansuch, Director of Process Improvement  
Ben Stein, CFO  
Heidi Bimmerle, Director of Admin & Human Resources  
Debra Perkins-Smith  
Tim Harris, Chief Engineer  
Mike Cheroutes, Director of HPTE  
Scott McDaniel, Director, Staff Services  
Herman Stockinger, Director of Policy and Government Relations  
Amy Ford, Director, Public Relations  
David Gordon, Director, Aviation  
Ryan Rice, Director, Operations Division  
Darrell Lingk, Director, Office of Transportation Safety  
Tony DeVito, Region 1 Transportation Director  
Tom Wrona, Region 2 Transportation Director  
Johnny Olson, Region 4 Transportation Director  
Kerrie Neet, Region 5 Transportation Director  
Kathy Young, Chief Transportation Counsel  
John Cater, FHWA  
Vince Rogalski, Statewide Transportation Advisory Committee (STAC)

AND: Other staff members, organization representatives,  
the public

Chairman Reiff convened the meeting at 1:05 p.m. in the CDOT Headquarters building at 4201 E. Arkansas Avenue, Denver, CO.

### **Audience Participation**

The Chair noted that no members of the Audience had signed up to address the Board of Directors.

### **Act on Consent Agenda**

Chairman Reiff stated that the next thing on the Agenda was action on the Consent Agenda. Director Aden moved for approval of the Consent Agenda. The motion was seconded by Director Gruen. Chairman Reiff asked if there was any discussion of the motion and hearing none he asked for those in favor to signify by stating Aye and asked for those opposed to state no. He stated that the motion had passed unanimously.

### **Approval of the Regular Meeting Minutes for March 21, 2013**

#### **Resolution #BE-125**

Approval of Regular Meeting Minutes for March 21, 2013

BE IT RESOLVED THAT, the Minutes for the March 21, 2013 meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board as published in the Agenda for the April 18, 2013 meeting of the Bridge Enterprise Board of Directors.

### **Discuss and Act on Resolution to Approve the 11<sup>th</sup> Budget Supplement**

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

Chairman Reiff asked if anyone had any questions and if there was any discussion on the item and hearing none, Director Peterson motioned for the approval of the Budget Supplement and Director Hofmeister seconded the motion. He asked for those in favor to signify by stating Aye and asked for those opposed to state no. He stated that the motion had passed unanimously.

#### **Resolution #BE-126**

BE IT RESOLVED THAT, the 11<sup>th</sup> Supplement to the FY 2013 Budget is hereby approved by the Bridge Enterprise Board.

## **Discuss and Act on the CBE FY2014 Annual Program Budget**

Ben Stein mentioned that the information provided in the April packet was one detail that was the portrayal of the budget which is highly summarized from the Department Budget that had been approved earlier during the Transportation Commission meeting and that a more detailed version was also included in the packet and that it was the administrative budget for day to day operation of the Bridge Enterprise program management, not for projects. He declared that there had been a presentation on the budget at the March 2013 meeting. He asked if anyone had any questions and stated that if there were no questions he was requesting approval of the 2014 Budget.

Chairman Reiff asked if anyone had any questions and if there was any discussion on the item and hearing none, Director Ortiz motioned for the approval of the Program Budget and Director Gruen seconded the motion. He asked for those in favor to signify by stating Aye and asked for those opposed to state no. He stated that the motion had passed unanimously.

### **Resolution #BE-127**

#### **RESOLUTION FOR THE FY 2013-2014 Program Budget**

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

### **Present the Q2 FY2013 Bond Program Allocation Plan Update**

Ben Stein reported on the current bond program and declared that he was sorry to report that the current allocation plan update indicates that the program is projected to expend \$249.1M by year-end; a forecasted \$5.9M deficit. Ben stated that much of it is attributable to the fact that projects are being completed and closing for less than anticipated giving the department more money to do other projects with. He stated that additionally, projects had been delayed to be more efficient as in one recent case, on the US 6 bridge. He explained that the project was delayed so that it could be consolidated and completed as part of a 5 bridge project. He reported that they are analyzing the way things are being budgeted but that currently, project close out numbers are higher than 5% and that projects are currently being over budgeted at 10%.

Chairman Reiff declared that as part of a broader discussion about over budgeting on projects, that the Commission has a strong concern about over-budgeting on a regular basis and that they have requested that the practice be reviewed during this fiscal year and that methods be brought forth to limit the practice substantially. Ben confirmed that there had been conversations with Bridge Enterprise staff, AECOM, regarding the issue and that they will be putting measures in place to help with the problem. Chairman Reiff confirmed that the issue was broader than the Bridge Enterprise Program and included the whole department and its processes. Director Gruen stated that he concurred with the Chair's comments regarding the practice of over-budgeting.

**Discuss and Act on the Resolution to Adopt the CDOT/CBE Preservation Plan Memorandum of Understanding**

Ben stated that there had been a discussion on the program in March and that the preservation program to accomplish bridge life extension was very important as explained by Josh Laipply.

Chairman Reiff asked if anyone had any questions and if there was any discussion on the item and hearing none, Director Peterson motioned for the approval of the item. Director Barry seconded the motion. He asked for those in favor to signify by stating Aye and asked for those opposed to state no. He stated that the motion had passed unanimously.

**RESOLUTION #BE-128**  
**Pilot Preservation Program Agreement**

**Approved by the Bridge Enterprise Board of Directors on: April 18, 2013**

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

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

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

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

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

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

  
\_\_\_\_\_  
Herman Stockinger, Secretary  
Bridge Enterprise Board of Directors

5-3-13  
Date

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

By and between the

**COLORADO DEPARTMENT OF TRANSPORTATION**

**AND**

**COLORADO BRIDGE ENTERPRISE**

THIS AGREEMENT, entered into as of the 29<sup>th</sup> day of April, 2013 by and between the Colorado Department of Transportation ("CDOT"), an agency of the State of Colorado (the "State"), and the Colorado Bridge Enterprise (the "Bridge Enterprise"), a government-owned business created within CDOT by the "Funding Advancements for Surface Transportation and Economic Recovery Act of 2009" ("FASTER"), cited as Chapter 5, Session Laws of Colorado 2009, First Regular Session, 67<sup>th</sup> General Assembly ("FASTER"). CDOT and the Bridge Enterprise are referred to in this Agreement individually as a "Party" and jointly as the "Parties".

**RECITALS**

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

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

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

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

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

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

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

## **Article One**

### **Obligations of CDOT and Bridge Enterprise**

#### **1.1 Preservation Activities**

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

#### **1.2 CDOT's and the Bridge Enterprise's Obligations**

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

## **Article Two**

### **Reimbursement Rates and General Provisions**

#### **2.1 Rates for Bridge Preservation**

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

**2.2 Monthly Reimbursement for Preservation Activities.**

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

**2.3 Effective Date and Term**

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

**2.4 Termination - By Parties**

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

**2.5 Termination - By General Assembly**

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

**2.6 Amendment**

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

**2.7 Non-Funding Agreement**

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

**2.8 Payments Subordinate to Trust Estate**

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

**SIGNATURE PAGE**

**COLORADO BRIDGE ENTERPRISE**

Handwritten signature of Don Hunt in cursive script, written over a horizontal line.

**DON HUNT, EXECUTIVE DIRECTOR**

**COLORADO DEPARTMENT OF TRANSPORTATION**

Handwritten signature of Tim Harris in cursive script, written over a horizontal line.

**TIM HARRIS, CHIEF ENGINEER**

**Monthly Progress Report**

Chief Engineer Tim Harris presented the April update as follows:

Program Schedule

## Program schedule updated for work complete through March 2013

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

## Major Achievements (March workshop – April workshop)

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

## Design Build Procurements

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

\*FASTER eligible bridges completed with other funding

Tim Harris presented information from slides on the Total Program Financial Performance, Status on Bridges, and facts about the Rocky Ford Bridge Move. He finished his presentation by showing an excellent video of the Rocky Ford Bridge move which included interviews with the engineers and contractors involved in the project and time lapse video of the move.

**Adjournment**

Chairman Reiff asked if there were any more matters to come before the Bridge Enterprise Board and hearing none, he announced the adjournment of the meeting at 1:30 p.m.

Herman J. Stockinger III  
Herman Stockinger, Secretary  
Colorado Bridge Enterprise Board

5-23-13  
Date