

**Resolution Number BE-17-7-3**

Resolution to Approve Contingency for Supervening Events on Central 70 Project and Commission Loan Provision.

**Approved by the Transportation Commission on July 20, 2017.**

**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, 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**, an Interagency Agreement (IAA) for Central 70 has been executed between CDOT, HPTE and Bridge Enterprise which identifies the fiscal responsibilities of each entity during the construction period; and

**WHEREAS**, the IAA further specifies that Supervening Events on the Central 70 Project are potentially unlimited and are in addition to the fiscal responsibilities identified on the IAA; and

**WHEREAS**, for planning purposes, Bridge Enterprise has estimated an initial contingency of \$40,300,000 to fund Bridge Enterprise’s share of the Supervening Events; and

**WHEREAS**, in accordance with resolution BE 15-8-2 adopted by the Board in August 2015, minimum funding levels must be maintained for non-Central 70 Bridge Enterprise eligible projects; and

**WHEREAS**, the IAA includes a Backup Loan provision that allows for the Bridge Enterprise to request a loan from the Transportation Commission in the event that the Bridge Enterprise cannot meet its obligations for the Central 70 project while still maintaining the non-Central 70, prior debt service, and operational program obligations; and

**WHEREAS** The Bridge Enterprise Program Management Team will monitor the Central 70 project risk milestones for adjustments to the contingency estimate and will report quarterly to Bridge Enterprise Board of Directors.

**NOW THEREFORE BE IT RESOLVED**, the Bridge Enterprise Board hereby approves an initial contingency of \$40,300,000 for Bridge Enterprise's share of the Supervening Events on the Central 70 Project, to be adjusted as construction progresses and risk milestones pass; and furthermore directs Bridge Enterprise to utilize debt instruments primarily the Transportation Commission Backup Loan provision in the event Bridge Enterprise's share of the Supervening Events exceeds the current contingency, in order to maintain the funding of the non-Central 70 Bridge Enterprise eligible projects.

  
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Herman Stockinger, Secretary  
Transportation Commission of Colorado

7-20-17  
Date