

**Transportation Commission of Colorado
November 21, 2013**

Resolution Number TC-XXX

WHEREAS, pursuant to C.R.S. 43-1-211, CDOT is authorized to purchase land and/or build buildings suitable for offices for housing machines, tools, and equipment and pursuant to C.R.S. 43-1-212, CDOT may enter into rental or leasehold agreements under which the department may acquire title to such buildings with the approval of the Governor, the Chief Engineer, the Director of the Office of State Planning and Budgeting and a majority of the Transportation Commission; and,

WHEREAS, a Facility Needs Assessment was completed by CDOT Property Management indicated that CDOT Region 4 Headquarters Building located in Greeley, CO, currently has facility deficiencies; and

WHEREAS, the building deficiencies include, but are not limited to, fire and other safety hazards, size constraints, inefficient access and site circulation; and

WHEREAS, CDOT Property Management and Region 4 contracted with real estate brokerage firm CRBE, Inc. to analyze and identify viable alternative relocation sites for the Region 4 Headquarters Building; and

WHEREAS, after a thorough analysis, CDOT and CRBE have identified a site located in Greeley, CO, and on the US 34 Business Loop as the preferred alternative location to build a new CDOT Region 4 Headquarters facility; and

WHEREAS, the current baseline budget for the new Region 4 Headquarters building and sufficient space for the Colorado State Patrol to purchase from CDOT as a part of this transaction is \$19,866,735, which includes LEED certification as required by C.R.S. 24-30-1301(13); and

WHEREAS, relocating the Region 4 Headquarters will also require that a new vehicle maintenance and regional storeroom supply facility be built; and

WHEREAS, CRBE's and CDOT's study of this issue has identified the best location for this facility to be on land that CDOT already owns in Gilcrest, CO, with the cost of erecting this facility included in the dollar amount specified in the prior paragraph; and

WHEREAS, a separate request to advance \$2M of FY15 Property Management Capital Construction Budget has been submitted to fund all

pre-construction activities including design fees and purchase of the land required to build the new facility; and

WHEREAS, CDOT is still evaluating whether to finance the construction of the new CDOT Region 4 Headquarters building and the vehicle maintenance and storage building by issuing Certificates of Participation or to pay for the construction with existing CDOT funds; and

WHEREAS; CDOT will evaluate the cost of financing the construction project and the financial impacts of the September, 2013, flood before making a final decision on how to pay for the remaining project budget in February, 2014; and

WHEREAS, as part of the CDOT Region 4 Headquarters relocation, CDOT will be able to market and sell the existing CDOT Region 4 Headquarters Building located at 1420 2nd Street, Greeley, CO, and also market and sell CDOT Region 4 Engineering Residency located in Loveland, CO, with any proceeds from such sales to be returned to the Transportation Commission for its allocation or, if so permitted by the covenants associated with any potential Certificates, to use such proceeds to accelerate the repayment of them; and

WHEREAS, CDOT's Engineering Residency in Evans, CO, was damaged beyond repair as a result of the flooding that occurred in September, 2013, and the building is scheduled to be demolished; and

WHEREAS, CDOT is coordinating with State Risk and FEMA to determine the total reimbursement CDOT will receive from damage caused to the Evans Residency by the flooding that occurred in September, 2013, with any such reimbursements to be returned to the Transportation Commission for its allocation or, if so permitted by the covenants associated with any potential Certificates, to use such proceeds to accelerate the repayment of them; and

WHEREAS, CDOT may be able to sell the property in Evans where the residency was located after the building is demolished, with any proceeds from such sales to be returned to the Transportation Commission for its allocation or, if so permitted by the covenants associated with any potential Certificates, to use such proceeds to accelerate the repayment of them; and

WHEREAS, key Region 4 Staff are currently 100% allocated to flood restoration projects; and

WHEREAS, design work on the Administrative Headquarters Building will not commence until key Region 4 staff can allocate time to design decisions; and

WHEREAS, the staffing allocations mentioned above may cause up to a three month design delay, which could result in as much as a \$336,546 cost increase to the baseline budget as a result of anticipated construction cost escalations in 2014.

NOW, THEREFORE, BE IT RESOLVED that the Transportation Commission hereby approves CDOT's plan to build a new CDOT Region 4 Headquarters Building in Greeley, CO, and a vehicle maintenance and storage building in Gilcrest, CO and authorizes CDOT to either issue sufficient Certificates of Participation, or to use existing CDOT funds not to exceed \$20.4 million, including the repayment of the \$2M budget supplement for pre-construction activities described above and including the cost of issuance of potential Certificates, to construct these buildings including LEED certification and sufficient space for the Colorado State Patrol, subject to arrival at a mutually satisfactory interagency agreement with the Colorado State Patrol to reimburse CDOT for the State Patrol's pro rata share of the facility.

IT IS FURTHER RESOLVED that the Transportation Commission authorizes CDOT to market and sell in accordance with 43-1-210(5) the existing CDOT Region 4 Headquarters Site and the residencies located in Evans, CO, and Loveland, CO, and authorizes that the funds received from the sale of these properties be returned to the Transportation Commission for it to allocate, or if so permitted by the covenants associated with any potential Certificates, to accelerate the pay down of the balance of the Certificates of Participation issued for the new Region 4 Headquarters project.

IT IS FURTHER RESOLVED that the primary source for the repayment of any potential certificates not repaid from the sale of these properties or the payments toward the cost of the facility reimbursed by the Colorado State Patrol (to the extent permitted by the covenants of the Certificates) shall be repaid through annual allocations made as a part of the annual budget process as approved by the Transportation Commission.

Herman Stockinger, Secretary
Transportation Commission of Colorado