



**COLORADO**

Department of  
Transportation



# HQR1 and R2 Building Project Update

January 19, 2017



HQR1

# Milestone Accomplishments

- Property Closing - December 13, 2017
- Construction Start Date - December 13, 2017
- COP Closing - December 29, 2017



# HQR1 COP Summary

The Series 2016 Certificates were issued in an amount sufficient to produce approximately \$71.4 million in construction fund proceeds

CDOT also capitalized interest through June 15, 2018 (the expected date of substantial completion is April 2018); meaning the first budgeted lease payment will occur in FY18/19

The Bonds were amortized to produce level, annual debt service through the term of the lease (i.e., 25-years)

CDOT incorporated Optional Redemption language to allow \$22.29 million of the Series 2016 Certificates to be called on June 15, 2019 (green shading in adjacent table), from proceeds expected to be received from the sale of certain properties that will no longer be needed with construction of the Denver Headquarters Building

Colorado Department of Transportation Net Debt Service			
Fiscal Year Ending	Principal	Interest	Net Debt Service
2017	-	-	-
2018	-	-	-
2019	1,745,000	3,404,900	5,149,900
2020	1,830,000	3,317,650	5,147,650
2021	1,925,000	3,226,150	5,151,150
2022	1,980,000	3,168,400	5,148,400
2023	2,080,000	3,069,400	5,149,400
2024	2,185,000	2,965,400	5,150,400
2025	2,295,000	2,856,150	5,151,150
2026	2,405,000	2,741,400	5,146,400
2027	2,530,000	2,621,150	5,151,150
2028	2,655,000	2,494,650	5,149,650
2029	2,735,000	2,415,000	5,150,000
2030	2,870,000	2,278,250	5,148,250
2031	3,010,000	2,138,250	5,148,250
2032	3,160,000	1,987,750	5,147,750
2033	3,320,000	1,829,750	5,149,750
2034	3,485,000	1,663,750	5,148,750
2035	3,660,000	1,489,500	5,149,500
2036	3,840,000	1,306,500	5,146,500
2037	4,035,000	1,114,500	5,149,500
2038	4,235,000	912,750	5,147,750
2039	4,445,000	701,000	5,146,000
2040	4,670,000	478,750	5,148,750
2041	4,905,000	245,250	5,150,250
<b>Total</b>	<b>\$70,000,000</b>	<b>\$53,401,187</b>	<b>\$123,401,187</b>



# HQR1 Budget Summary

Description	BUDGET		INVOICES
	August TC Presentation Budget	Current Projected Budget	Current Spend (January 6, 2017)
<b>Fixed Limit of Design &amp; Construction (FLODC)</b>			
Design/Build Contract	\$47,777,977.00	\$50,372,642.64	\$2,528,180.73
<b>SUBTOTAL FLODC</b>	<b>\$47,777,977.00</b>	<b>\$50,372,642.64</b>	<b>\$2,528,180.73</b>
<b>SOFT COSTS</b>			
Legal	\$43,750.00	\$250,000.00	\$226,793.36
Brokerage Fee	\$2,100,000.00	\$2,100,000.00	\$0.00
3rd Party Special Inspections	\$350,000.00	\$350,000.00	\$0.00
Project Management	\$1,050,000.00	\$1,050,000.00	\$295,261.07
Permits & Tap Fees	\$525,000.00	\$525,000.00	-\$7,473.37
Oversight (NV5 & Gleeds)	\$57,360.00	\$57,360.00	\$57,360.00
<b>SUBTOTAL HARD COSTS</b>	<b>\$4,126,110.00</b>	<b>\$4,332,360.00</b>	<b>\$571,941.06</b>
<b>FURNITURE FIXTURES &amp; EQUIPMENT</b>			
Cci Furniture	\$4,375,000.00	\$4,375,000.00	\$0.00
IT/AV & Teledata	\$1,600,000.00	\$0.00	\$0.00
<b>SUBTOTAL FF&amp;E</b>	<b>\$5,975,000.00</b>	<b>\$4,375,000.00</b>	<b>\$0.00</b>
<b>RELOCATION</b>			
Move Costs	\$262,500.00	\$262,500.00	\$0.00
<b>SUBTOTAL RELOCATION</b>	<b>\$262,500.00</b>	<b>\$262,500.00</b>	<b>\$0.00</b>
<b>MISC/OTHER</b>			
Land Costs	\$5,999,999.00	\$5,999,999.00	\$5,999,999.00
Environmental Remediation	\$1,900,000.00	\$1,135,754.00	\$0.00
<b>SUBTOTAL MISC/OTHER</b>	<b>\$7,899,999.00</b>	<b>\$7,135,753.00</b>	<b>\$5,999,999.00</b>
<b>SUBTOTAL ALL COSTS</b>	<b>\$66,041,586.00</b>	<b>\$66,478,255.64</b>	<b>\$9,100,120.79</b>
<b>CONTINGENCY</b>	<b>\$3,958,414.00</b>	<b>\$3,521,744.36</b>	
<b>TOTAL PROJECT BUDGET</b>	<b>\$70,000,000.00</b>	<b>\$70,000,000.00</b>	<b>\$9,100,120.79</b>



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# HQR1 Project Schedule

- December: Site prep and Excavation
- January - April: Drilled Piers and Foundations
- April - June: Precast Panels
- June - September: Roofing, Interior Infrastructure
- September - February: Drywall and Interior Finishes
- March - April: Furniture, Fixture and Equipment Install
- April: Move In



# HQR1 Project Risk

- Site Excavation
  - Minor Monitoring Wells
  - Inlet Structures
- Environmental
  - Denver Water Easement
  - Drilled Piers
- Schedule
  - Built In Days: 38
  - Current Weather Days Used: 2
- Change Order Impacts
  - NV5 Cost Review
  - Foster Graham Legal Review





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# HQR1 Project Site Photo





# R2 Project Schedule

- November 7, 2016: Construction Start Date
- November-January: Site Excavation and Site Work
- January - February: Caissons and Foundations
- April-October: Structure and Exterior Envelope
- August - April: Drywall and Interior Finishes
- April - May Furniture, Fixture and Equipment Install
- May: Move In





# R2 Budget Summary

Trade Description	CDOT Budget	CSP Budget	Total Budget
<b>OWNER COSTS</b>			
Permit & Tap Fees	\$ 327,000	\$ -	\$ 327,000
Geotech/Material Testing	\$ 224,102	\$ -	\$ 224,102
Project Management	\$ 364,526	\$ -	\$ 364,526
Brokerage Fee	\$ 200,000	\$ -	\$ 200,000
<b>TOTAL SERVICES/FEES</b>	<b>\$ 1,115,628</b>	<b>\$ -</b>	<b>\$ 1,115,628</b>
<b>FIXED LIMIT OF DESIGN &amp; CONSTRUCTION</b>			
Design & Engineering	\$ 1,033,755	\$ 181,098	\$ 1,214,853
Administration	\$ 7,976,550	\$ 2,856,635	\$ 10,833,185
Maintenance/Traffic	\$ 7,595,457	\$ -	\$ 7,595,457
Site	\$ 3,533,452	\$ 1,431,767	\$ 4,965,220
<b>TOTAL FLDC</b>	<b>\$ 20,139,215</b>	<b>\$ 4,469,500</b>	<b>\$ 24,608,715</b>
<b>TECHNOLOGY AND EQUIPMENT</b>			
<b>TOTAL TECHNOLOGY &amp; EQUIPMENT</b>	<b>\$ 354,686</b>	<b>\$ -</b>	<b>\$ 354,686</b>
<b>FURNITURE, FIXTURES AND EQUIPMENT</b>			
<b>TOTAL FF&amp;E</b>	<b>\$ 893,429</b>	<b>\$ -</b>	<b>\$ 893,429</b>
<b>RELOCATION</b>			
<b>TOTAL RELOCATION</b>	<b>\$ 167,866</b>	<b>\$ -</b>	<b>\$ 167,866</b>
<b>CONTINGENCY</b>			
<b>TOTAL PROJECT CONTINGENCY</b>	<b>\$ 604,176</b>	<b>\$ 1,134,085</b>	<b>\$ 1,738,261</b>
<b>PROJECT TOTALS</b>	<b>\$ 23,275,000</b>	<b>\$ 5,603,585</b>	<b>\$ 28,878,585</b>



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# R2 COP Update

- February 17, 2017: Documents to Rating Agencies
- March 16, 2017: Present COP Documents to TC for Approval
- April 10, 2017: Price COP's
- April 24, 2017: COP Closing



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# R2 Project Site Photo

