



MEMORANDUM

TO: TRANSPORTATION COMMISSION (TC)
 FROM: JEFF SUDMEIER, CHIEF FINANCIAL OFFICER
 DATE: MAY 16, 2019
 SUBJECT: ELEVENTH BUDGET SUPPLEMENT - FY 2018-2019

Region 1

\$14,572,173 - Surface Treatment and Regional Priority Program - I-70 Westbound Peak Period Shoulder Lane Project. Project 21893 went to ad on March 14, 2019. All bids received were above the original approved budget amount. In order to award the project to the lowest bidder, Region 1 is requesting an additional \$14,572,173. The amount being requested is greater than \$5,000,000 and more than 15% of the original approved budget. Per PD703.0 an increase of this kind requires TC approval before being allocated to the project.

I-70 Westbound Peak Period Shoulder Lane Project
Budget Components by Phase, Funding Program, Fiscal Year

Phase of Work	Funding Program	Current Budget	Supplement Action				Revised Budget	Expended To-Date	
			Year of Budget			Total Request			Percent Increase
			FY2020	FY2021	FY2022				
Right of Way	Regional Priority Program	\$2,050	\$0	\$0	\$0	\$0	0%	\$2,050	\$2,050
	Total Right of Way	\$2,050	\$0	\$0	\$0	\$0	0%	\$2,050	\$2,050
Design	TCCRF Region Design	\$1,000,000	\$0	\$0	\$0	\$0	0%	\$1,000,000	\$1,000,000
	Regional Priority Program	\$5,397,950	\$0	\$0	\$0	\$0	0%	\$5,397,950	\$4,808,380
	Total Design	\$6,397,950	\$0	\$0	\$0	\$0	0%	\$6,397,950	\$5,808,380
Construction	Senate Bill 1	\$24,496,162	\$0	\$0	\$0	\$0	0%	\$24,496,162	\$0
	Senate Bill 267	\$17,400,001	\$0	\$0	\$0	\$0	0%	\$17,400,001	\$0
	Discretionary Allocations	\$23,103,837	\$0	\$0	\$0	\$0	0%	\$23,103,837	\$0
	Surface Treatment	\$0	\$7,000,000	\$0	\$0	\$7,000,000	100%	\$7,000,000	\$0
	Regional Priority Program	\$0	\$0	\$7,572,173	\$0	\$7,572,173	100%	\$7,572,173	\$0
	Total Construction	\$65,000,000	\$7,000,000	\$7,572,173	\$0	\$14,572,173	22%	\$79,572,173	\$0
Total Project Budget		\$71,400,000	\$7,000,000	\$7,572,173	\$0	\$14,572,173	20%	\$85,972,173	\$5,810,430
			Year of Expenditure			Total Request			
			FY2020	FY2021	FY2022	Total Request			
			\$7,000,000	\$7,572,173	\$0	\$14,572,173			

Please see the attached WB PPSL Region 1 memo for additional information



Region 4

\$2,000,000 - Transfer from HQ ITS Cost Center OI440-010 to Region 5 ITI Pool - *US 160 Wolf Creek West Fiber*. Region 5 was awarded an Advanced Transportation and Congestion Mitigation Technologies Deployment (ATCMTD) grant for the Wolf Creek West Fiber project. This project will install new fiber optic cable along Wolf Creek Pass. The fiber optic cable will be used by Region 5 to communicate with upgraded ITS equipment, a snow shed, and variable message signs along Wolf Creek pass. Per the grant agreement, the recipient must contribute a minimum 50% of matching funds to the project. The amount awarded is \$2,366,298 and Region 5 is requesting to transfer \$2,000,000 to be used as the required match. A transfer of this amount from a Cost Center to a project requires TC approval per the requirements stated in PD 703.

High Performance Transportation Enterprise

\$5,313,180 - Transportation Commission Program Reserve - *US 36 Initial Works*. In March of 2016, Plenary Roads of Denver (PRD) took over the operation of US 36 Phase 1 and 2. In preparation of the takeover it was agreed that CDOT would bring all assets, within the project limits, up to a minimum standard of maintenance. CDOT began work on bringing these assets up to the minimum standard, but was un-able to finish the work due to budgetary constraints. PRD is proposing to finish the remaining work and estimates the cost at \$5,313,180. Per Plenary Roads if funding is made available in full the work can be finished by early 2020. If funding is not made available, the remaining work will fall on Region 1 and 4 to complete using its own financial resources. Due to higher priorities in both Regions and limited financial resources, this option could lead to an un-defined completion date.

Please refer to the US 36 Initial Works explanation in the April 2019 Budget Workshop memo for additional information

Attachments:

- a. Region 1 WB PPSL Award memo



**Transportation Commission Contingency Reserve Fund Reconciliation
Eleventh Supplement FY 2019 Budget**

Transaction Date	Transaction Description	Amount	Balance	Reference Document
June-18	<i>Ending Balance 12S18</i>		\$34,522,958	
July-18	<i>Balance 1S19</i>		\$35,589,869	
August-18	<i>Balance 2S19</i>		\$32,428,920	
September-18	<i>Balance 3S19</i>		\$28,571,298	
October-18	<i>Balance 4S19</i>		\$28,268,373	
November-18	<i>Balance 5S19</i>		\$28,268,373	
December-18	<i>Balance 6S19</i>		\$28,268,373	
January-19	<i>Balance 7S19</i>		\$31,143,657	
February-19	<i>Balance 8S19</i>		\$30,924,725	
March-19	<i>Balance 9S19</i>		\$28,980,787	
April-19	<i>Balance 10S19</i>		\$19,779,787	
	<i>State match for ER permanent repair projects</i>	\$ 642,029		Multiple
	<i>Savings Region 5 ER Cribwall Repair due to Weather Event</i>	\$ 1,140,000		1000261021
May-19	<i>Pending Balance 11S19</i>		\$21,561,816	

**Transportation Commission Program Reserve Fund Reconciliation
Eleventh Supplement FY 2019 Budget**

Transaction Date	Transaction Description	Amount	Balance	Reference Document
June-18	<i>Ending Balance 12S18</i>		\$123,596,622	
July-18	<i>Balance 1S19</i>		\$139,706,203	
August-18	<i>Balance 2S19</i>		\$139,706,203	
September-18	<i>Balance 3S19</i>		\$144,391,203	
October-18	<i>Balance 4S19</i>		\$214,008,265	
November-18	<i>Balance 5S19</i>		\$144,078,552	
December-18	<i>Balance 6S19</i>		\$133,078,552	
January-19	<i>Balance 7S19</i>		\$133,078,552	
February-19	<i>Balance 8S19</i>		\$44,278,552	
March-19	<i>Balance 9S19</i>		\$44,278,552	
April-19	<i>Balance 10S19</i>		\$80,391,218	
	<i>US 36 Initial Works Package</i>	\$ (5,313,180)		Pending
May-19	<i>Pending Balance 11S19</i>		\$75,078,038	

Date	Transaction Description	Amount	Balance	Document
	<i>FY19 Budget Allocation</i>	\$10,000,000		1000250070
	<i>FY18 to FY19 Roll Forward</i>	\$10,000,000		1000250990
July-18	<i>Balance 1S19</i>		\$20,000,000	
August-18	<i>Balance 2S19</i>		\$20,000,000	
September-18	<i>Balance 3S19</i>		\$10,000,000	
October-18	<i>Balance 4S19</i>		\$10,000,000	
November-18	<i>Balance 5S19</i>		\$10,000,000	
December-18	<i>Balance 6S19</i>		\$10,000,000	
January-19	<i>Balance 7S19</i>		\$10,000,000	
February-19	<i>Balance 8S19</i>		\$8,184,000	
March-19	<i>Balance 9S19</i>		\$462,000	
April-19	<i>Balance 10S19</i>		\$0	
	<i>No Request this Month</i>			
May-19	<i>Pending Balance 11S19</i>		\$0	



Transportation Commission Contingency Reserve Fund
Emergency and Permanent Repairs-Nonparticipating costs and state match

September 11, 2013 Flood Related Monthly Activity

Reg	State		Mileposts	Project Description	County	Total Budget	
	Highway					TCCRF	
0	0	0.000	- 0.000			\$	-
Total						\$	-

Spring 2015 Flood Related Monthly Activity

Reg	State		Mileposts	Project Description	County	Total Budget	
	Highway					TCCRF	
2	024E	1.310	- 1.360	Savings from project 22792	El Paso	\$	783,253
2	024A	294.000	- 294.300	Montessori Wall install Rip Rap, Boulder Wall, and Re-grade Slope	El Paso	\$	(83,359)
2	115A	34.737	- 35.748	SH 115 Install Curb, Blade Ditch, and Place Embankment Material	El Paso	\$	(57,865)
Total						\$	642,029

Grand Total TCCRF Activity for Emergency Relief Since Last Reporting **\$ 642,029**



FY 2018-2019 Contingency Reserve Fund Balance Projection		
April		
TC Contingency Balance (Emergencies)	\$19,779,787	
<i>Pending Requests:</i>		
State match for ER permanent repair projects	\$642,029	
Savings Region 5 ER Cribwall Repair due to Weather Event	\$1,140,000	
Pending May		
TC Contingency Reserve Balance	\$21,561,816	
<i>Projected Outflow:</i>		
	Low Estimate	High Estimate
State Match for Emergency Relief/Permanent Recovery	(\$2,000,000)	(\$5,000,000)
State Match for Spring 2015 Floods	\$0	(\$2,500,000)
<i>Projected Inflow:</i>		
	Low Estimate	High Estimate
FY 20 Programmed Budget Amount for TCC Pool	\$15,000,000	\$15,000,000
Projected FY 2018-2019 YE Contingency Balance	\$34,561,816	\$29,061,816
<i>TCCRF Surplus (Deficit) to Reach \$30M Balance July 1, 2019</i>	<i>\$4,561,816</i>	<i>(\$938,184)</i>

FY 2018-2019 Program Reserve Fund Balance Projection		
April		
TC Program Reserve Balance	\$80,391,218	
<i>Pending Requests:</i>		
US 36 Initial Works Project	(\$5,313,180)	
Pending May		
TC Program Reserve Fund Balance	\$75,078,038	
<i>Projected Outflow:</i>		
	Low Estimate	High Estimate
Backfill to TCC Pool	\$0	(\$938,184)
Allocation of Additional STBG Funds	\$0	(\$37,344,000)
<i>Projected Inflow:</i>		
	High Estimate	Low Estimate
Reimbursement for Demolition of CDOT Headquarters	\$2,000,000	\$0
FY 20 Programmed Budget Amount for TCI Pool	\$8,733,169	\$8,733,169
Projected FY 2018-2019 YE Program Reserve Balance	\$85,811,207	\$45,529,023

FY 2018-2019 Outstanding Potential Grant Commitments		
<i>Projected Outflow:</i>		
	Low Estimate	High Estimate
USDOT Competitive Highway Bridge Program* - Pending	\$0	(\$15,000,000)
US 550 Animas Crossing (NSFLTP Grant)* - Pending	\$0	(\$26,000,000)
Colorado V2X Project Internet of Roads (BUILD)* - Awarded	\$0	(\$3,000,000)
I-25 North Segments 5 and 6 (BUILD)* - Awarded	\$0	(\$20,000,000)
US 50 Little Blue Canyon (FLAP)* - Awarded	\$0	(\$12,000,000)
*Commitment associated with pending or previously awarded federal grant. May be funded with anticipated SB 1, SB 267 funding or other state General Funds. □		
Projected FY 2018-2019 Outstanding Potential Grant Commitment Total	\$0	(\$76,000,000)



Resolution # TC-19-05-XX

Approval and Adoption of the Eleventh Supplement to the Fiscal Year 2018-2019 Budget for the Colorado Department of Transportation

Approved by the Transportation Commission on May 16, 2019.

WHEREAS, the budget requests being presented to the Transportation Commission this month have been reviewed and were determined to meet the criteria outlined in Policy Directive 703.0, requiring approval by the Transportation Commission; and

WHEREAS, the project requests included in the Supplement are consistent with the FY 2019 through FY 2022 STIP, and funds are available from existing program allocations, unless otherwise indicated.

NOW THEREFORE BE IT RESOLVED, after review and consideration, the Eleventh Supplement to the Fiscal Year 2018-2019 Budget is approved by the Transportation Commission.

Herman Stockinger, Secretary
Transportation Commission of Colorado

Date





MEMORANDUM

DATE: APRIL 30, 2019

TO: TRANSPORTATION COMMISSION

FROM: PAUL JESAITIS, REGION 1 TRANSPORTATION DIRECTOR

SUBJECT: WB PPSL NHPP 0703-445 (21893) - Construction Award Budget Supplement

Purpose

Region 1 is requesting approval to budget \$14.6 M of additional Funds to allow the award of the Westbound Peak Period Shoulder Lane Project.

Action

Per P.D. 703, staff is requesting Transportation Commission (TC) approval to budget \$14.6 M to award the construction contract for the WB Peak Period Shoulder Project on Interstate 70 in Clear Creek County. The funding for this supplemental budget is proposed to be comprised of \$7 million of the Region's resurfacing pool, and \$7.6 million of the Region's priority pool. The current project budget is comprised of SB 1, SB 267, and INFRA grant funds. Recognizing that decisions on the allocation of additional SB 1 and SB 267 funds will not be made until after the conclusion of the planning process this summer, the Region has identified other sources of funding to maintain the current schedule. As these funds are anticipated as being available for other planned surface treatment and RPP projects, the Region intends to swap out with SB 267 or other General Funds if and when approved by the transportation commission.

Background

On April 25, bids were opened for the WB Peak Period Shoulder Lane (WB PPSL). The Engineers estimate for the project, including all CE, Indirects and Force Account items was approximately \$70.4M. The apparent low bid, also including CE, Indirects and Force Account items was \$79.6M, which is 13% above the engineers estimate. There were two other bidders, with bids 23% and 55% over the engineers estimate. The bidding was performed under a pilot program, whereby a prequalification questionnaire was required of bidders to ensure that they had the capacity and capability to meet all project goals as identified by CDOT, FHWA, and the local stakeholders.

The WB PPSL project is part of an INFRA grant that was awarded to CDOT in 2018. The grant packages together four projects; the WB PPSL, the Fall River Road Bridge, the CR 314 Frontage Road Connection, and multiple segments of the Clear Creek Greenway. At the time of the grant application, the Transportation Commission committed to funding \$80M toward this package of projects. The INFRA



grant that was awarded totals \$25 M, there was also an additional \$4M that had been previously budgeted for project design and development. The total funds committed to the INFRA grant package are \$109M.

At this point in time, the Transportation Commission has budgeted \$3.2M in the construction phase for the Fall River Road Bridge, which is awarded and about to start construction, and \$65M for the WB PPSL. The Fall River budget is comprised of \$1.9M of INFRA funds and \$1.3M of year 1 SB 267. The WB PPSL budget is comprised of \$23.1 M of INFRA funds, \$24.5M of SB 1 funds, and \$17.4M of year 1 SB 267 funds. To date, the INFRA package of projects has had 100% of the INFRA dollars budgeted (\$25M) and 54% (\$43.2 M) of the \$80M committed state funds. The other projects in the INFRA package: the Greenway and the CR 314 construction are under design, and remain within the total budget committed to in the INFRA grant.

The region understands that year 2 SB 267 funds are not available to immediately budget the additional \$14.7M needed to award the WB PPSL project. It is understood that those funding decisions will be driven by the planning process that will be occurring later this summer. The region has identified two out-year sources, \$7M of resurfacing and \$7.6M of RPP to make the project whole and award under this bid. It is anticipated that these funds would be replenished with SB 267 year 2 funds if and when they become available.

It is in the department’s best interest to award this project immediately. Delaying award will result in the loss of several months of good weather for construction-and potentially delay the completion of the project through another summer. A review of the bid tabs indicates that the heavy civil items were bid reasonably close to the engineers estimate. The overruns were largely contained in the ITS items on the project. The ITS industry is undergoing huge growth right now, and there is a shortage of qualified contractors and skilled labor in that industry. Re-advertising the project several months from now will not address that issue.

INFRA Project Summary

Project	Construction Cost	Funds Budgeted	Status
Fall River Road Bridge	3.2M	3.2M	Awarded
Westbound PPSL	79.6M	\$65.0M	Bids opened
Greenway	9.1 M	0.0	Under Design
CR 314	8.9 M	0.0	Under Design
Design Costs for all 4 projects	\$8.2 M	\$6.4M	
Total	\$109M	\$74.6M	

Key Benefits

With this funding supplement, the contract can be awarded immediately, and several months of good construction weather can be used. Delaying the award is unlikely to result in better prices, and will impact the completion of the project. The project schedule has been arranged to coordinate with the other INFRA companion projects that are scheduled to be advertised in the spring of 2021. There also exists the \$80M dollar commitment to the INFRA grant that must ultimately be honored.



Options

1. Approve the supplemental funding and award the project, using the Resurfacing and RPP funds identified by the Region. Those funds could be backfilled with SB 267 or other General Funds if approved after the project prioritization process concludes. (Staff Recommendation)
2. Repackage the plans and readvertise after the project prioritization process concludes this summer, assuming this project is selected.

Next Steps

Upon approval of the funding request, the Region will complete the necessary steps to award the contract.

cc: Lew
Stockinger
Laipply
Sudmeier

