

**Transportation Commission– February 18-19, 2015**

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**Wednesday, February 18, 2015****Lead and Lag Metrics (Scott Richrath)**

The Lead/Lag Metrics Initiative fulfills a request from CDOT's Executive Director to develop performance metrics and targets that align with The Four Disciplines of Execution (4DX), an approach to executing strategic goals taught by the Franklin Covey Co. Outcomes are referred to as "lag" metrics and processes that influence those outcomes are referred to as "lead" metrics. In simplest terms, tons of magnesium chloride deployed would be a lead metric while winter mobility would be a lag. Attachment is the L2 Report.

A list of about 40 lag metrics and 70 lead metrics was finalized in January 2015 (See Attachment B for the full list of approved metrics). A report that tracks performance on these metrics will be issued each month, starting in late February. Expenditure Performance Index (XPI) represents a key concept within lead performance reporting because the index demonstrates a program's ability to deliver on its annual project and spending commitments. In this and future monthly Program Management presentations, staff will place additional emphasis on XPI.

See Attachments A and B for more details at: <https://www.codot.gov/about/transportation-commission/current-agenda-and-supporting-documents/01-lead-and-lag-metrics.pdf>

**Program Management Workshop (Richard Zamora, Josh Laipply, Maria Sobota)**

**Cash Balance** - the Cash balance is approximately \$1,257.0 million, \$212.0 million above the target. The Cash plus Cash Equivalents balance is approximately \$1,621.0 million, \$49.3 million over the target. The higher Cash plus Cash Equivalents balance is driven primarily from receipt of a significant portion the FHWA Continuous Resolution (CR) obligation in January 2015. This balance is now closer to normal expectations for this time of year.

**XPI** - This month the XPI increased to 0.77, a fifth consecutive monthly improvement of XPI as the Department draws nearer to its \$900 million 2015 expenditure goal.

**RAMP** - As of February, \$11,627,747 of the Transportation Commission Contingency RAMP Reserve has been used for two projects and the balance remains at \$28,373,253. Details are included in this month's Supplement.

**RAMP IGAs**

As of January 31st, 2014, a total of 40 RAMP IGA's have been executed, 4 are awaiting local review/signature, 8 are being drafted at HQ, and 3 are pending submittal to HQ. Of the eleven (8+3) IGAs still in draft stage, none are currently delaying CDOT construction; seven are associated with devolution, three contain unique local in-kind match to be documented in the IGA, and one is the third phase of a local agency project already underway.

See supporting detailed information at: <https://www.codot.gov/about/transportation-commission/current-agenda-and-supporting-documents/02-program-management-workshop.pdf>

### **Statewide Plan Committee (Michelle Scheuerman)**

- This committee workshop provided an opportunity for final review of the revised Statewide Plan (SWP) Executive Summary document.
- The action requested was to provide final comments at the February Statewide Plan Committee meeting and recommend March adoption of the SWP to the Transportation Commission
- This workshop provided an opportunity to receive final comments on the SWP Executive Summary. Prior to adoption in March.
- The committee recommended the full Transportation Commission approve the 2040 Statewide Transportation Plan: Transportation Matters in March contingent upon the STAC not having any substantive changes to suggest at its Feb. 27 meeting.
- Commissioners requested revisions to page 21 of the Executive Summary on economic benefits of transportation investments. Without more context, some commissioners said they were concerned readers might conclude that CDOT should only spend its money on capacity expansion projects and that there's more economic benefit from taking care of urban roads over rural roads.
- For more details, see SWP Executive Summary Document at:  
<https://www.codot.gov/about/transportation-commission/current-agenda-and-supporting-documents/03-statewide-plan-committee.pdf>

### **STIP Workshop (Maria Sobota, Jeff Sudmeier)**

Provided an overview of key changes to the approach for the FY 2016-FY 2019 Statewide Transportation Improvement Program (STIP) that includes:

- **Expenditure-Based-** Projects will be included in the STIP on an expenditure basis to align with cash management processes. This is in contrast to the previous approach wherein projects were included in the STIP according to the budget year of funds.
- **Rolling Four Years-** In the past the STIP was developed as a “static” six-year program, with years five and six considered additional “illustrative years” not part of the official STIP. These illustrative years were not fully developed or programmed. The FY 2016-FY 2019 STIP will be a four year “rolling” STIP meaning that once per year the STIP will be amended to add in an additional year of projects to maintain a four year time horizon. The current four year update schedule will remain, meaning that the STIP will be amended in 2016, 2017, and 2018 with a new four year STIP developed and adopted in 2019.
- **Streamlined STIP-** The FY 2016-2019 STIP will be streamlined to better align with federal requirements and reduce the need for frequent amendment. Amendments will be planned twice per year- in December and June, although more frequent amendments can still occur if necessary.
- **Next Steps:** Transportation Commission review of the draft STIP document at a March TC workshop.

For more details see STIP Presentation at: <https://www.codot.gov/about/transportation-commission/current-agenda-and-supporting-documents/04-stip-workshop.pdf>

**Thursday, February 19, 2014**

**Individual Commissioner Comments (Commission Members in Attendance)**

Transportation Commissioners in attendance welcomed the new Executive Director, Shailen Bhatt.

**Executive Director's Report (Shailen Bhatt)**

Thanked everyone for their welcomes and described the statewide tour he participated in. Heard all around the state the importance of transportation. He recognized the amount of work and effort partners put in, and looks forward to working with them. Thanked John Cater of FHWA for participating in the tour. Expressed excitement about leading CDOT, and wants to make CDOT the best DOT in the country – in some ways it already is, and in other areas it needs to be driven forward. Looking forward to delivering large projects and continuing changes Don Hunt began, moving CDOT into the 21<sup>st</sup> Century.

**Chief Engineer's Report (Josh Laipply)**

- New Construction Cost Index came out in February 2015 that indicated: 10% of bids over last quarter; asphalt prices in last quarter are up 10%; Concrete and earthwork rates decreased
- Welcomed Shailen Bhatt; enjoyed his one day of the road trip with the new Executive Director, and is supportive of the new Executive Director's goal to be the best DOT.

**HPTE Director's Report (Mike Cheroutes)**

- Two-thirds through legislative audit process directed by legislature last spring; Executive Session report of audit recommendations, specifically related to US 36, will be made public once the report is delivered.
- Board adopted resolution in support of Commission role will be considered for the Board on the I-70E Project.
- In contemplation of the opening of the Phase I segment of US 36 they have a toll adjustment process that will culminate in a public meeting on March 3, 2015, at 10am, during which the HPTE Board will consider the toll request that Plenary is making for that project when it opens around July 2016.
- Recognized Scott Richrath for being instrumental in the sustainability of HPTE going forward.

**FHWA Division Administrator's Report (John Cater)**

- Thanked everyone for opportunity to be on the statewide tour; it was great to hear from constituents on concerns and positive things about the highway program and how it is being delivered in Colorado; it was nice to confirm CDOT is doing a great job; will be a challenge to keep that momentum going and build on that, and delivering major projects coming up
- Congratulated CDOT for receiving the History Colorado Stephen H Hart Award for Historic Preservation a few weeks ago and nominated by Colorado SHPO for "developing and applying a collective approach for mitigating adverse effects to historic properties."
- CDOT received the day before \$56 million of Emergency Response funds and received a larger portion of the \$500 million compared to any other state – will keep Region 4 projects going.

## FEBRUARY 2015 TRANSPORTATION COMMISSION MEETING

- Working with CDOT on Stewardship and Oversight Agreement – a framework for roles and responsibilities of how they oversee federal aid projects.
- Expressed regrets over Scott Richrath leaving CDOT. Wished Scott the best.

**Act on Consent Agenda**

- TC – 15-2-2 Award of FY 2016 – 17 FASTER Transit Funds - passed and was approved on February 19, 2015 by the Commission.
- TC 15-2-3 – Addition to FY 2015 over \$50,000 project list approval – approved undertaking of US24 MP 286.2 project to place culvert pipe for a cost of \$80,122.60, and approved on February 19, 2015 by the Commission.

**Discuss and Act on the 8<sup>th</sup> Supplement to the FY 2015 budget**

- Request for two items from Commission Contingency Reserve:
  - Region 5 request for \$402,000 to purchase ROW from Iowa Pacific Holdings and San Luis and Rio Grande Railroad currently encroached by US 285
  - Request from Maintenance of \$3 million for snow and ice removal
- Request for cost center shifts from Personal Services to Operating Costs:
  - Both TSMO and Division of Transit and Rail (DTR) requested budget office to make shifts:
    - In the case of TSM&O, the funds will be used for the design and integration of Phase II of the Situational Awareness Software Building on the work completed in Phase I. They have asked to move \$1 million of Personal Service to Operating to cover this.
    - For the DTR as they unfolded the business process for Bustang, extra costs were identified for administration and amenities. They have asked to move \$1.5 million from Personal Services to Operating.
  - Added walk on request for RAMP to move C-470 Managed Toll Express Lanes from red to green on the map – if approved the change will be reflected in next month's report. Also added a resolution regarding a pledge of C-470 toll proceeds for debt service.
  - Also, the Commission approved \$10 million to be used for program funding in the event that due to a program change or a formula change the funding would no longer be available. Two items in this predicament are the US 85/SH 86 Factory Shops to Allen Way request \$142,000 and a small request of \$1,000 from Region 3 for the SH 82 pedestrian underpass. If resolution approved there would be \$6.6 million remaining in that fund.
- Resolution on this TC 15-2-4 - Eighth Supplement to FY 2014-2015 Budget as amended was approved on February 19, 2015 by the Commission unanimously.

**Discuss and Act on the Resolution for the I-70 E Project**

- TC 15-2.5 I-70 East Corridor Project Scope, Delivery Method, and Financing Mechanism was approved on February 19, 2015 by the Commission.
  - Obtained Commissioner comment on whether to use Design Build Operate and Maintain (DBOM) contract or use Design Build Finance Operate and Maintain (DBFOM) contract with the private consultant for this project. The DBFOM has the least amount of toll-revenue risk for CDOT regarding the I-70 E project to DIA.
  - DBFOM was the option that received the most support of the Commission with one dissent from Commissioner Thiebaut, with Commissioner Aden excused from this meeting.

**Discuss and Act on the Resolution to Approve the Central City SIB Loan**

- TC 15-2 -6 – Approval of Central City SIB Loan – was approved on February 19, 2015 by the Commission unanimously.
  - Request to approve \$1.5 million State Infrastructure Bank loan for Central City to augment local funds for storm drainage, parkway repairs, retaining wall repairs and rockfall mitigation.

**Discuss and Act on the Resolution to Approve Policy Directive (PD) 14**

- TC 15-2-7 – Adoption of updated PD 14 and Repeal of PD 13 – Approved by the Commission on February 19, 2015 unanimously.
  - Request for two actions: 1) Repeal PD 13 titled CDOT Statewide Operating Principles – currently incorporated into the Statewide Transportation Plan and/or PD 14; 2) Approve PD 14 – Policy Guiding Statewide Plan Development.

**Discuss and Act on the Resolution to Approve Safe Routes to School Projects**

- TC 15-2-8 – Approve 13 Safe Routes to School Projects – Approved by the Commission on February 19, 2015 unanimously.
  - Request for the Commission to approve the recommended 13 Safe Route to School projects for the \$700,000.

**Discuss and Act on the Approval of C-470 Resolution**

- TC 15-2-9– C-470 Phase 1 Corridor Project, Gross Pledge of Toll Proceeds for Debt Service – Approved by the Commission on February 19, 2015 unanimously.
  - Request the Commission approve the procurement of the C-470 project under a Gross Pledge of Toll Proceeds for debt service, and staff provide updates including relevant changes to financial analysis through the Transportation Infrastructure Finance and Innovation Act (TIFIA) and procurement processes.