

Transportation Commission May 20-21, 2015

Wednesday, May 20, 2015

Please see <https://www.codot.gov/about/transportation-commission/current-agenda-and-supporting-documents/may-2015-tc-meeting-and-workshops.pdf> for the May 2015 Transportation Commission (TC) Packet.

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

Purpose: Update on Program Management reporting.

Action: No action requested.

- This month there is a focus on the Responsible Acceleration of Maintenance and Partnerships (RAMP) Partnership and Operations, and Safety Programs.
- The cash balance is approximately \$1,190.9 million, \$263.0 million above the target. Cash decreased compared to same time last year, but is not currently decreasing at the rate set by our target.
- The cash plus cash equivalents balance is approximately \$1,488.8 million, \$64.6 million over the target. This balance is now closer to our normal expectations for this time of year.
- Expenditure Performance Index (XPI) remained at 0.79.
- The SPI for Flood is at 0.92, and the RAMP Partnership and Operations program has improved to 0.99 from a 0.93 last month.
- The Chief Engineer and Chief Financial Officer have made it a priority that all RAMP partnership projects be managed so that scope and project costs do not exceed their original TC approved project amounts. Region 3 has a RAMP Partnership project that is requesting additional Contingency RAMP Reserve funds. See TC Packet for more details.
- The Safety program focuses on projects with HSIP and FASTER funds.
- See the corresponding Program Management slide in the TC Packet for more details on the Program Management Office Overview by Program on pdf page 10 of the TC Packet.

CDOT Headquarters (HQ)/R1/R2 Relocation Funding Workshop (Maria Sobota)

Purpose: Update on process of evaluating locations and creating budget estimates for relocating the CDOT HQ Campus, the Region 1 HQ Campus and the Region 2 HQ Campus.

Action: No action requested.

Staff have engaged Jones Lang LaSalle (JLL) as Real Estate Broker for the Headquarters/Region 1 Project. CBRE has been engaged as the real estate brokerage firm to represent CDOT on the Region 2 Project. H+L Architecture has been engaged to complete programming and test fits for the Headquarters/Region 1 Project. Together with the consultant teams, staff have created an objective scorecard to evaluate each site option. Due diligence is currently being completed on the short listed sites for both projects. The project budgets listed below are intended to represent the highest potential project costs. CDOT is targeting occupancy of all buildings involved in both projects by August, 2017. Budgets are: \$90 million for HQ and Region 1, and \$35 million for Region 2.

Next Steps

Staff will continue to evaluate sites and refine project budgets over the course of the next month. Staff will return to TC to request a project funding resolution in June, 2015.

Discussion and Comments

- Region 4 facility is currently under construction and should be complete within one year.
- Region 2 has five sites currently under consideration with a max cost of \$35 million.

- Important to align workforce, real estate, and finance markets in selecting a new HQ/Region 1 site.
- Commissioners urged staff to be thoughtful and not rush into a decision, but recognize the need to take advantage of current real estate climate to maximize return on investments.
- Commission is concerned about the politics of spending money on facilities, while CDOT is short on funds for projects.
- The Executive Director noted that it is not generally politically popular to invest in building infrastructure, but it needs to be done nonetheless. This is a data driven process, not political.
- A consultant noted that the current facility is not viable for a 21st century workforce. The team is looking for sites across the Denver metro area, and have identified four contenders and are using a scorecard to rate and compare them. Some elements include proximity to transit, walkability, access to retail, development timing, and complexity of transaction.
- Consultant is planning to hold an Executive Session (i.e. non-public) meeting in June with CDOT to discuss budget approval. Site selection is anticipated to occur by the August TC meeting. Construction would start in January 2016. Anticipated move in by summer 2017.
- Commissioners expressed concern related to the speed of timetable, new TC members coming on board, and the lack of detailed information currently available. This effort will require a "Board Level" presentation with 40-50 page memo outlining costs, risks, analysis etc. plus sufficient time to study and consider.
- Questions raised included: Is there potential to bundle financing with other facilities projects? Is paying in cash an option?
- Commissioners have decided to convene in June to review available information, develop consensus, and potentially move forward if comfortable. If not, more time to consider options will be required.

Policy Directive 703.0 Workshop (Maria Sobota, Heidi Humphreys, David Fox)

Purpose: Review recommended updates to the appendices of Policy Directive (PD) 703.0 Annual Budget, Project Budgeting and Cash Management Principles.

Action: TC approval/adoption at regular meeting this month regarding the suggested revisions to the appendices (matrix) of PD 703.0. This information was brought to TC Workshop last month for comment and discussion.

See TC May packet for details on specific changes to PD 703.0 Annual Budget appendices.

Discussion and Comments

The TC generally expressed support for the recommended changes, except for a few minor changes. Approved and adopted during regular TC meeting.

SH 6 Devolution Workshop (Maria Sobota, Dave Eller)

Purpose: Updates on the potential devolution of US 6 between Gypsum and Eagle. Region 3 is asking the TC to provide guidance if this devolution proposal should be pursued further, and if so, what financial parameters should be considered.

Action: CDOT Region 3 Staff requests the TC review and consider the devolution of US 6 between Gypsum and Eagle.

The following items have been identified that may benefit CDOT by reducing:

- Future maintenance, engineering and specialty unit staff commitments to the corridor
- CDOT future financial responsibilities for projects not identified in our asset management programs (i.e., corridor capacity improvement projects in the Towns of Gypsum and Eagle)
- CDOT's assets by eliminating 3 bridges, 3 major drainage structures, 3 traffic signals, 194,000 sf of pavement, and an overhead railroad structure with vertical height restrictions.

The communities have suggested a \$13.1 net present value payment is appropriate. The \$13.1 million appears reasonable considering several projects within the corridor have not been included in the current net present value (NPV) worksheets. The devolution of the roadway segments would significantly reduce the amount of CDOT responsibility and financial participation.

See TC Packet for more details regarding the devolution.

Discussion and Comments

The Region 3 Regional Transportation Director asked if the Transportation Commissioners in attendance:

- Would authorize Region 3 to move forward on negotiations and report back in June;
- Wanted more information prior to review in June; or
- Are not interested in pursuing the devolution at this time.

The Commissioners authorized Region 3 to move forward with negotiations, agreeing that the characteristics of SH 6 between Gypsum and Eagle is more of a local roadway than a state highway.

Thursday, May 21, 2015**Audience Participation**

Several individuals participated during this segment of the TC Regular Meeting. All were comments on the Southwest Chief and the TIGER VII Grant. The TIGER VII Grant is proposed to use \$1 million of transit funds from SB228 to contribute to the match for a TIGER Grant to fund improvements on the AMTRAK Southwest Chief line.

- Senator Larry Crowder, who represents the citizens of Senate District 35 in Southern Colorado, provided testimony in support of providing matching funds for the TIGER application.
- Elena Wilken, Colorado Association of Transit Agencies (CASTA) Director, voiced her opposition of using SB228 transit funds for match. Transit needs in Colorado range from \$13-15 million and this \$1 million would have a substantial impact on making other transit improvements in Colorado.
- Nine other individuals participated and voiced their support for the approval of matching funds for the AMTRAK Southwest Chief TIGER application.

Individual Commissioner Comments

Commissioners commented on the following topics and expressed appreciation and/or support for the following campaigns, events, and/or projects:

- Expressed condolences regarding the loss of the Region 5 CDOT employee, David Morris.
- Look to Utah to see how that state has made major investments in transportation.
- Recognition and thank you to Commissioners who will be leaving the TC this summer – Commissioners Barry, Gruen, and Aden.
- Thank you to all the people who came to testify.
- Support and opposition to considering increasing speed limits
- Ground breaking of SH 9 project was mentioned as a successful public private partnership (P3)
- There is no such thing as free transportation – toll lanes improve travel for those who pay and for those in general purpose lanes – a win/win situation.
- Next TC meeting to occur in Grand Junction.

Executive Director's Report (Shailen Bhatt)

- Utah transportation investments are comparatively large, and are an economic benefit to that state – transportation in Colorado is not a nicety, but a necessity.
- Thank you to those who came to testify today.
- Competitiveness regarding TIGER VII funds; \$60 million of Colorado submittals, but there is only \$500 million nationally available.
- Recognition of dedication of employee – Anthony Chavez.
- Congratulated the Division of Administrative Services team for getting all but five of approximately 3,300 employees to enroll for benefits with their successful campaign.
- Service for Dave Morris is tomorrow in Poncha Springs, and there will be a moment of silence tomorrow, May 22 at the time the accident occurred; Helping Hands is collecting donations for the family.
- Orange pins remind us to keep in mind what is truly important.

Chief Engineer's Report (Josh Laipply)

- Add dates are now on track at a two-month lag.
- Welcome to new Deputy Director, Mike Lewis.
- I-70 East Project Manager is Tony Devito.
- Region 1 is now looking for a Regional Transportation Director.

HPTE Director's Report (Mike Cheroutes)

- High Performance Transportation Enterprise (HPTE) Board took action to determine city toll rates for US 36. Rates range from \$2 to \$7.75 – 88th Avenue to Denver, which is less than 0.50 cents per mile and is competitive nationally.
- A ceremony will occur on June 22, 2015 at the First Bank Center in Broomfield.
- Construction for toll lanes is complete; toll lanes on US 36 will be operational in July.

FHWA Division Administrator's Report (John Cater)

- ET-Plus Guard Rails – Questions have been raised about whether the ET-Plus guardrail end terminal satisfies applicable safety criteria and performs as intended in the field.
- FHWA is conducting a comprehensive evaluation of the safety performance of the ET-Plus to answer these questions.
- FHWA will be establishing new criteria for this and will increase crash lab testing and documentation requirements for guardrail hardware.

- A visit to Washington State will occur to see how Washington State operates toll collections, etc. FHWA and CDOT representatives will be traveling to Washington State soon.
- A two-month extension of MAP-21 is anticipated.

Act on Consent Agenda

- Resolution to Approve the **Regular Meeting Minutes of April 16, 2015** (Herman Stockinger) – Approved unanimously with one minor correction on May 22, 2015.
- Discuss and **Act on Southwest Chief TIGER VII Matching Funds** (Mark Imhoff) – Unanimously approved on May 22, 2015 with amendment to **fund from contingency vs. SB228**.
- Discuss and Act on **FY 2016 STIP Approval** (Maria Sobota) – Unanimously approved on May 22, 2015; FHWA to receive adopted STIP for final approval.
- Discuss and Act on **Transfer of CDOT Assets to Bridge Enterprise** (Maria Sobota) – Unanimously passed on May 22, 2015.
- Discuss and Act on the **11th Supplement to the FY 2015 Budget** (Maria Sobota) – Unanimously approved on May 22, 2015.
- Discuss and Act on Approving **Revisions to the PD 703.0 Matrix** (Maria Sobota) – Unanimously approved on May 22, 2015.

Nomination Selection Committee

Three Commissioners were identified to serve on the TC nomination selection committee for TC members leaving after FY 2015. The three Commissioners identified were:

- Zink
- Hofmeister
- Gifford

Announcement

- Kurt Morrison was recently promoted to Director of Legislative Affairs by Governor Hickenlooper.
- Recognized moment of silence for David Morris.

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