



COLORADO

Department of Transportation

Statewide Bridge Enterprise

Colorado Bridge Enterprise

Quarterly Report No. 21 (Q4 FY2016)



Shahn Sederberg | CDOT

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Introduction

Prior to July 2016, Bridge Enterprise staff provided the Board of Directors with monthly progress updates as well as quarterly financial reports and quarterly progress updates. In accordance with the Board's request, Bridge Enterprise staff will be eliminating the traditional monthly progress report and transitioning to a consolidated quarterly reporting frequency. The new quarterly reports will include all the information typically conveyed in the monthly progress reports, as well as financial status updates that were included in the previous quarterly report formats. Additionally, the consolidated quarterly report will include various program planning and forecasting updates such as the most current Prioritization Plan and multi-year planning updates.

This report is the 21st Quarterly Report (Report) published in support of the Colorado Bridge Enterprise (CBE or "Program"). This Report outlines progress and accomplishments associated with the Program for work completed during April, May, and June of 2016; which coincides with the fourth quarter of CDOT's 2016 fiscal year (Q4 FY2016). Detailed information regarding the FASTER (Funding Advancement for Surface Transportation and Economic Recovery) legislation, program development activities, bond program, previous significant milestones and achievements can be found in the Program Annual Reports and previous Quarterly Reports viewable on the Colorado Department of Transportation (CDOT) website at www.coloradodot.info/programs/BridgeEnterprise.

During Q4 FY2016, the Program primarily focused on the closure of completed bridge projects partially or fully funded by the 2010A bond program. Additionally, program staff conducted numerous meetings and analysis related to the creation of the mid-range and long-range program forecast plans. The following is an itemization of other significant achievements, some of which are discussed in further detail later in the report:

- Drafted and finalized the 20th Bridge Enterprise Quarterly Report for Q3 FY2016 (January, February, and March of 2016).
- Completed monthly updates to the overall Program Schedule for work completed in April, May, and June of 2016.
- Approval and adoption of the FY2016 Bridge Enterprise Sixth Budget Supplement.
- Updated program status for various program metrics including Major Achievements, Total Program Financial Performance, Status of FASTER Eligible Bridges, Status of 2010A Bond Bridges, Status of 30 Most Deficient Bridges, and Un-Programmed Priority Bridge Enterprise Bridges.
- Continued efforts on de-programming of resources on projects with completed phases and re-programming those resources in order to manage cash efficiently.

Program Highlights

There are 89¹ bridges that are partially or fully funded to be completed as part of the 2010A bond program. Nearly ninety-nine percent of the bond funded bridge projects can be classified as complete, in construction or are waiting to go to construction (88 in total); as compared to the number of bridges in the pre-construction, design or project startup phase (1 in total). Projects in the preconstruction phase are primarily focused on the completion of the Plans, Specifications and Estimates (PS&E's). In conjunction with this, CDOT specialty groups are diligently working on completing the requisite approvals and permits associated with environmental, railroad, and utility clearances or relocations; securing the necessary Right-of-Way (ROW); and finalizing intergovernmental agreements (as required), etc. Based on the current program schedule, construction work is projected to continue to decline during calendar year 2016 in preparation for the Central 70 project.

As of the end of June 2016, there were a total of one-hundred-ninety-four (194) bridges considered eligible to receive FASTER funding. The progress status associated with the 194 structures and 89 2010A Bond program structures are itemized in *Table 1 and Table 2* below; 2 new structures were added to the program in Q4 FY2016.

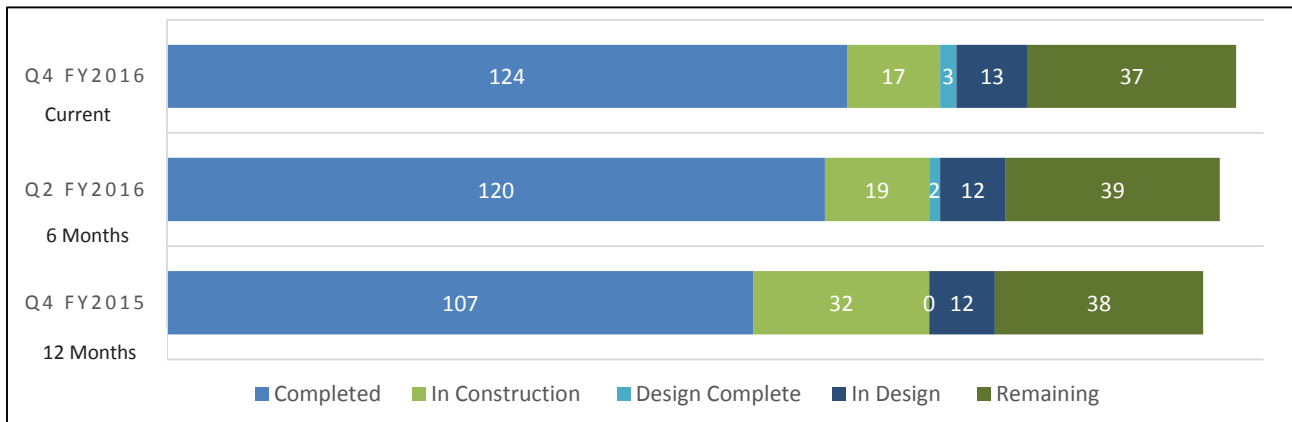
Table 1. Project Status of FASTER Eligible Bridges as of Q4 FY2016

Project Phase	# of Bridges
Remaining	37
In Design/Design Completed	16
In Construction	17
Projects Completed	124
Total	194

Table 2. Project Status of 2010A Bond Program Bridges as of Q4 FY2016

Project Phase	# of Bridges
Design Completed	2
In Design	1
In Construction	17
Projects Completed	69
Total	89

Figure A. Historic Status of FASTER Eligible Bridges



¹Four structures were removed from the bond count at the close of FY15; these structures had been initially programmed to use bond funds but were ultimately budgeted with other funds. The methodology for the Series 2010A Bond Program bridge count has been revised from programmed bridges to budgeted bridges in Q1 2015.

Other relevant bridge and financial statistics are as follows:

- Approximately 73% of FASTER eligible bridges are now in construction or completed.
- Approximately 8% of FASTER eligible bridges are currently in design or design is completed.
- Approximately 19% of FASTER eligible bridges remain to be programmed.
- Additionally, \$307.9M of bond program funds have been expended to date. (reference *Table 6*).

Completed Projects

Two structures and one design were completed during this period as itemized in *Table 3* and *Table 4*.

Table 3. Completed Projects / Bridges

Region	Original Bridge Number	County	Facility Carried over Featured Intersection	Completion Date
1	F-16-ER	Jefferson	US 6 over Garrison Street	4/2016
1	F-14-Y	Clear Creek	I-70 Business RT over I-70	6/2016

Table 4. Completed Design Projects

Region	Original Bridge Number	County	Facility Carried over Featured Intersection	Completion Date
4	C-17-B	Weld	SH 60 over South Platte River	6/2016

Image 1 below, Region 1 US 6 over Garrison



F-16-ER (*Image 1*), was open to traffic on April 25 and officially completed on April 30. The \$15.2M design-build project took just under 15 months to complete.

Image 2 below, Region 1 I-70 Business RT over I-70 ML



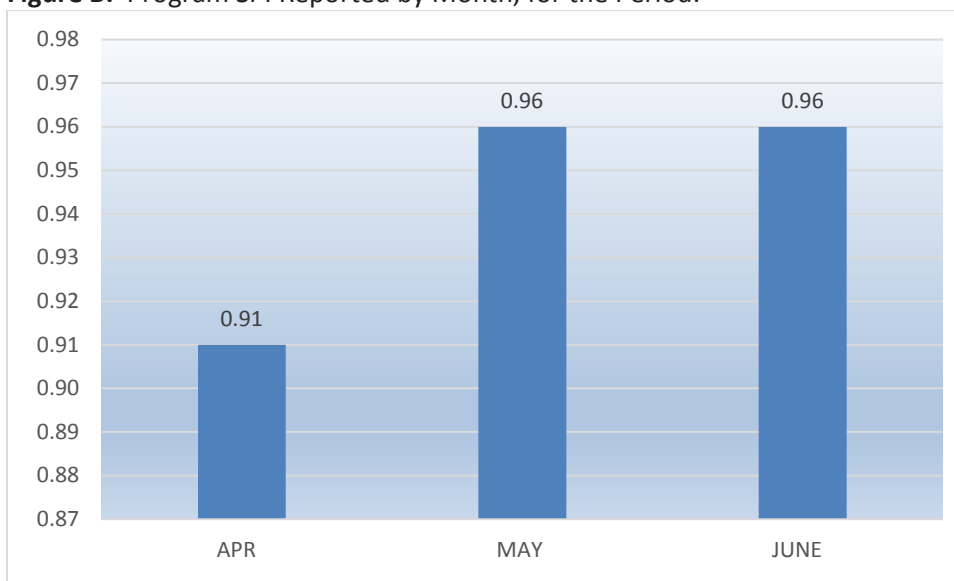
F-14-Y (*Image 2*), a CM/GC project, was part the larger PPSL project. This \$11M project was completed in June.

Program Activities and Accomplishments in Q4 FY2016

Program Schedule Update

The program schedule was updated three times during the period for work completed in April, May and June of 2016. This includes publishing the monthly updated program bar-chart schedule, cost and schedule database, and list of projects with a Scheduled Performance Index less than 0.90. This information was consolidated and distributed to the Regional Transportation Directors (RTDs) and their respective Program Engineers. The SPIs reported for each month during the quarter are graphically depicted in *Figure B* below.

Figure B. Program SPI Reported by Month, for the Period:



Prioritization Plan

Bridge Enterprise staff completed the bi-annual update of the Prioritization Plan² in Q4 based on the poor list published by Staff Bridge in May 2016. Through this update, two structure were added (I-13-H & D-16-CV) and can be found in the attached appendix. This was the first opportunity for BE staff to implement the requirements of the Procedural Directive (PD) BE16.1 adopted by the Board of Directors in January 2016. In accordance with the PD, BE staff performed both a quantitative and qualitative analysis of all BE eligible bridges that have not been repaired or replaced. This included extensive coordination with CDOT Region staff, and Staff Bridge Branch.

² Reference Appendix A for the Prioritization Plan

Mid-range and Long-range Program Plans

CDOT has implemented an initiative where programs have rolling mid-range (four year) plans and long-range (ten year) plans. These plans are updated annually as program resources and goals evolve. Each plan utilizes anticipated BE revenues to forecast and plan expenditures on various project commitments.

Mid-Range Plan

The mid-range planning period is currently set at four years. The FY2017-2020 Four-Year Plan represents the first mid-range plan by BE. For planning purposes, revenues during this period are expected to remain relatively similar to the previous four years, at approximately \$100M. Consistent with BE Board of Directors Resolution 15-8-2, commitments to projects in this period are identified as either Central 70, or Non-Central 70. All projects that are anticipated to be completed within this period are shown on the BE Prioritization Plan discussed above. During Q4 FY2016 BE staff submitted the final draft of the four-year plan for review.

Long-Range Plan

The long-range planning period is currently set at ten years. The FY2017-2026 Ten-Year Plan represents the second long-range plan by BE. For planning purposes, revenues during this period are expected to rise due to organic growth. Commitments to projects in this period are both consistent with BE Board of Directors Resolutions regarding Central 70 and continue beyond the Central 70 construction period. Projects that are anticipated to be completed within this period are a combination of projects on the BE Prioritization Plan and a forecast of bridges that will become poor. During Q4 FY2016 BE staff continued to develop the final draft of the ten-year plan.

Budget and Encumbrance Balances

Bridge Enterprise Staff continues to coordinate with the Regions to de-budget projects that have been substantially complete for more than six months. *Table 5* below shows the encumbrance and budget balances as of June 30, 2016 by Region for projects that have been substantially complete for more than six months.

Table 5. Projects Substantially Complete over Six Months Aging Encumbrance and Budget Balances

Region	Encumbrance (\$)	Budget Balance (\$)	Projects	Phases
1	2,245,557	2,685,469	10	13
2	18,796	25,978	1	1
3	-	-	0	0
4	704,255	1,455,580	2	3
5	-	-	0	0
Total	\$2,968,609	\$4,167,028	13	17
% of Total Current Program	2.1%	5.4%	33.3%	26.2%
Previous Quarter (Q3 FY2016)	1,669,081	1,939,581		
Difference	1,299,528	2,827,447		

While progress was being made, the balances did increase from March 31, 2016. During this time, three projects were added and two closed out, giving a net increase of one project to the program.

Removed/Closed Out:

- SH 121 Wadsworth/Bear Creek – F-16-CS
- SH 95 over UPRR RR Spur – E-16-GQ

Additions:

- I-76/UPRR – E-17-DC/DU
- US 6/Bryant St. – F-16-EN
- US 6/BNSF – F-16-EJ
- US 6/S. Platte River – F-16-EF
- SH 14/Cache La Poudre River – B-16-D

Program Financial Information

The following is a program overview of financial statistics as of June 30, 2016.

- The program has multiple funding sources including: proceeds from the Build America Bond program, FASTER bridge dollars which is commonly referred to as the statewide pay-go program (collected yearly revenues from vehicle registrations), Bank of America Loan, and Other Funds which are primarily Federal-aid BR funding.
- From program inception (life-to-date) through June 30, 2016, a total of \$888.7M has been budgeted (all funding sources), and Expenditures and Encumbrances are \$660.0M and \$102.9M (all funding sources), respectively. Reference *Table 6* below for details by funding source.
- For comparison purposes, the totals from the previous quarterly report (Q3 FY2016) are also reported in the far right column.
- All \$307.9M of bond proceeds and interest earnings available have been expended as of June 30, 2016.

Table 6. Program Financial Statistics as of June 30, 2016 (\$ in Millions)

	Build America Bonds 2010 A Proceeds	FASTER Bridge	Bank of America Loan	Other Funds	Total Q4 FY2016	Total Q3 FY2016
Budget	\$307.9	\$500.2	\$40.7	\$39.9	\$888.7	\$884.0
Expenditures	\$307.9	\$280.7	\$40.7	\$30.7	\$660.0	\$616.0
Encumbrances	\$0.0	\$99.9	\$0.0	\$3.0	\$102.9	\$134.8

- The Statewide Bridge Enterprise program currently consists of one-hundred-nineteen (119) funding-eligible bridges, including eighty-nine (89) bridges budgeted with bond funds. The methodology for the Series 2010A Bond Program bridge count has changed from programmed bridges to budgeted bridges. The current programmed amount for these one-hundred-nineteen bridges is approximately \$926.2M. *Table 7* below provides an itemization of current funding sources for the Bridge Enterprise program.

Table 7. Current Allocation Plan (\$ in Millions)

Build America Bonds	FASTER Bridge	Other Funds	Bond Interest	Total
\$298.1	\$537.7	\$80.6	\$9.8	\$926.2

Attached is the Program Allocation Plan³ that tracks Bridge Enterprise projects programmed since the beginning of the Bond Program by funding source, pre-construction activity and construction activity. In addition, the Program Allocation Plan includes projects that have yet to be budgeted and also includes budget adjustments that have not been posted to the accounting system as of June 30, 2016. Projects that were budgeted prior to the Bond Program are shown in summary at the bottom of the third page as

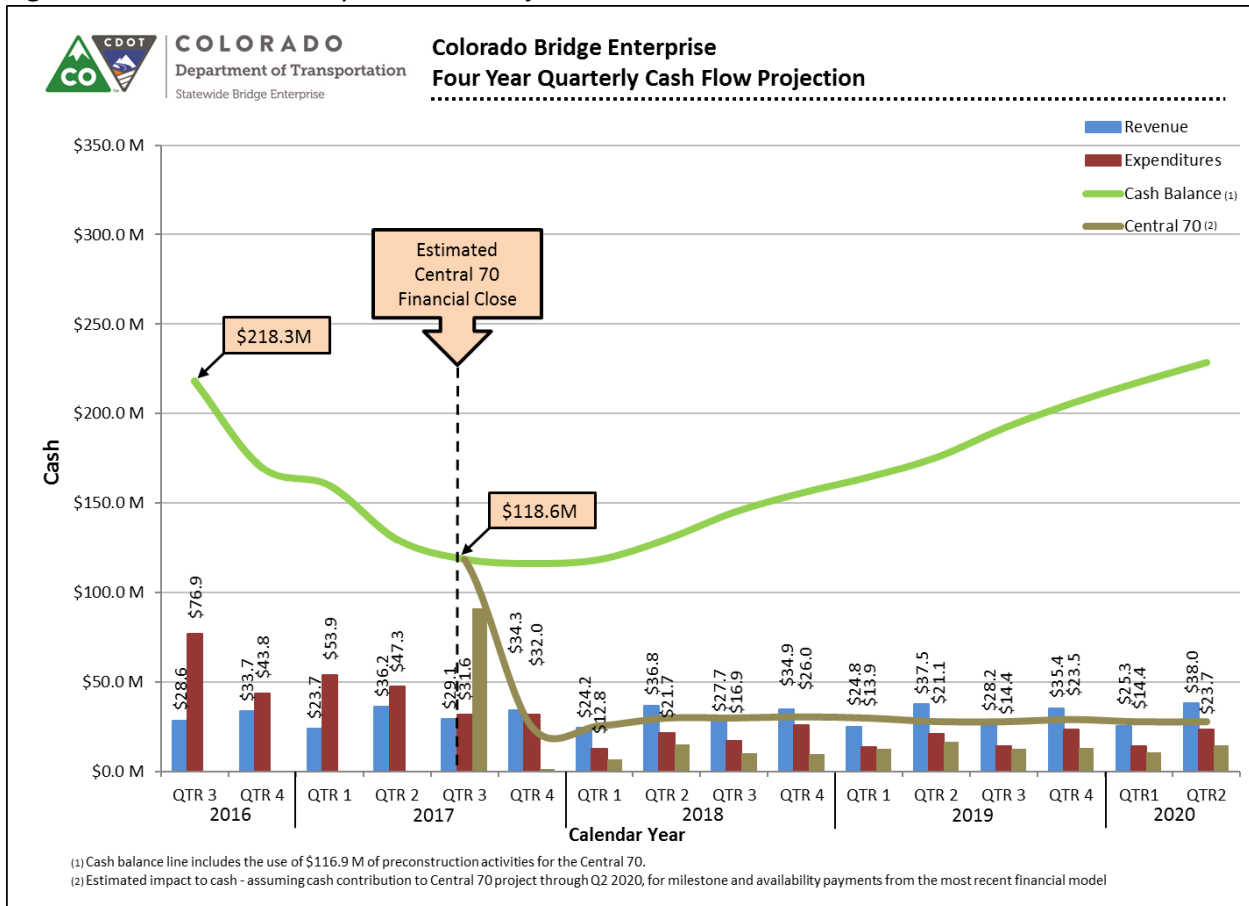
³ Reference Appendix B for the Current Allocation Plan

Pre-Bond Projects. The program life-to-date (LTD) total liabilities for the BE program are \$926.2M, a decrease of \$0.5M from the \$926.7M total liability reported on March 31, 2016.

Below is the Four Year Quarterly Cash Flow Projection (*Figure C*), which depicts all current available BE cash balances, forecasted revenues, and forecasted expenditures for currently programmed projects. Bridge Enterprise has forecasted the cash balance to decrease by \$90.6M due to the Central 70 project during the period of August 2017 through June 2020. This is based on a model that uses a combination of milestone and availability payments. The cash flow forecast model has taken into account Resolution BE 15-8-2 passed in August of 2015 which sets parameters for the use of BE funds during the construction period of the Central 70 project. These figures are expected to change once the project team is able to determine the ultimate scope and optimal funding scenario.

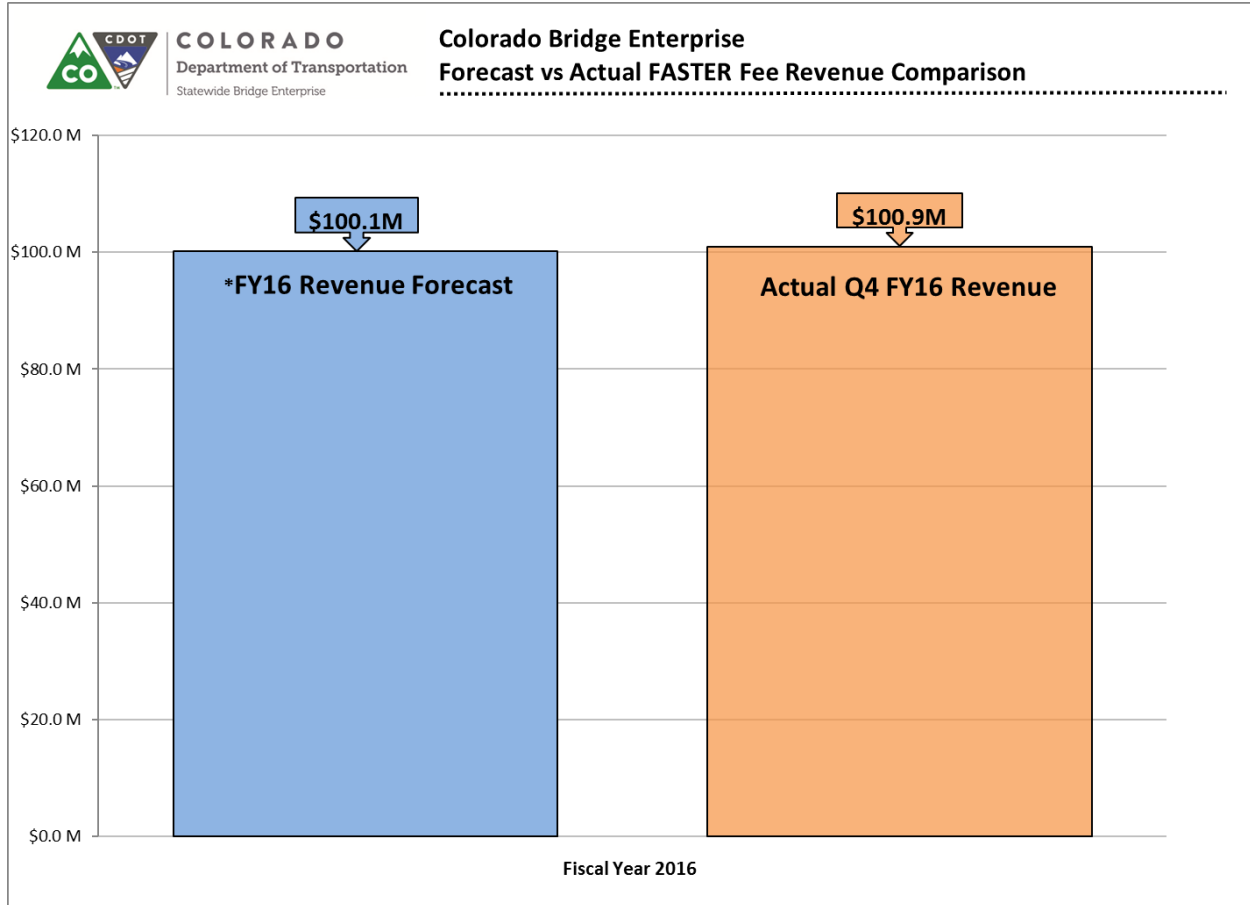
During the four-year time period of the cash flow, the program cash balance is forecast to decrease from \$218.3M on June 30, 2016 to \$28.0M by June 30, 2020 if the Central 70 project proceeds as currently scheduled and modeled. During construction of the Central 70 project (from FY2018 through FY2022) the amount available for other BE projects as currently modeled will be minimal in order to maintain the program cash minimum balance of \$25M.

Figure C. Four Year Quarterly Cash Flow Projection



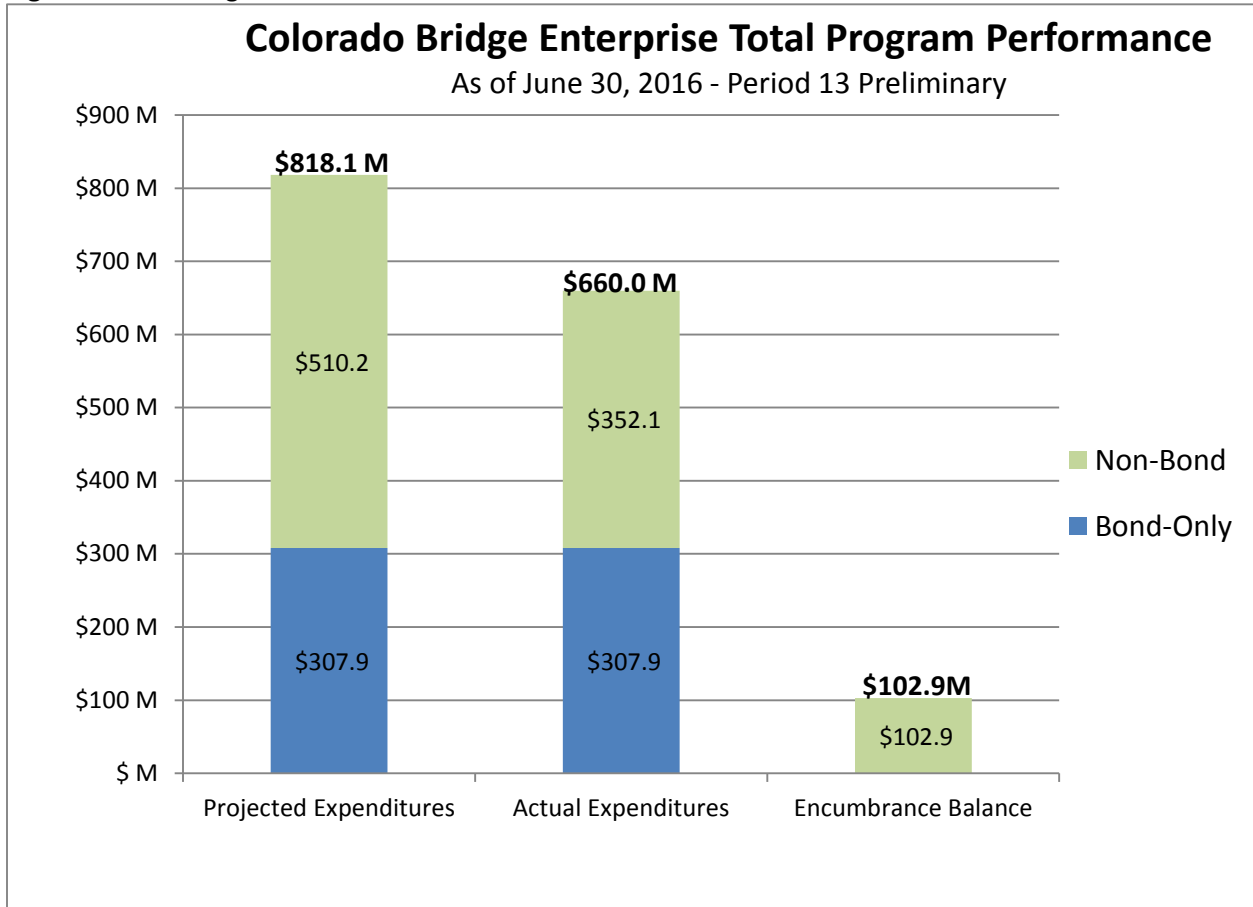
Actual FY2016 FASTER revenues reported at \$100.9, which is \$0.8M more than the prior year forecast of \$100.1M, as shown in *Figure D*.

Figure D. Forecast vs Actual FASTER Fee Revenue Comparison



The Total Program Financial Performance graph (*Figure E*) depicts actual expenditures and encumbrances against projected expenditures by Bond and Non-Bond funds. Projected expenditures are forecasted at \$818.1M on June 30, 2016, an increase of 4.5% since March 31, 2016. Actual LTD expenditures as of June 30, 2016 are \$660.0M as compared to 616.0M on March 31, 2016, an increase of \$40.0M or 6.5%. The current encumbrance balance is \$102.9M compared to \$134.8M on March 31, 2016, a decrease of \$31.9M or -23.0%.

Figure E. Total Program Financial Performance



Series 2010A Bond Spending

Including net bond proceeds and interest earnings on the bond proceeds, the actual spend down reached 100% on June 30, 2016.