



**Vince Rogalski, Chairman**

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## Transportation Commission: On 2045 Plan

The TC is preparing for the 2045 Statewide Transportation Plan (SWP) with revenue projections, including High, Medium, and Low scenarios discussed. Currently they are reviewing the formula programs and so far they have concurred with STAC recommendations for Metro Planning, STP-Metro, Transportation Alternatives Program (TAP) and Congestion Mitigation and Air Quality (CMAQ). FASTER Safety and Regional Priority Program (RPP) will be discussed at the next meeting.

Members of the TC expressed appreciation for the collaboration and support of STAC.

### **INFRA Discretionary Grants – Debra Perkins-Smith (Division of Transportation Development) & Herman Stockinger (Office of Policy & Government Relations)**

- a) INFRA grants are intended to support economic vitality at a national and regional level, attract non-federal sources of investment, and deploy innovative technologies. There are \$902.5 million available nationwide.
- b) CDOT (or any other entity) may submit no more than 3 applications. Required match is 40% but competitive applications will likely have a higher match level.
- c) CDOT staff reviewed candidate projects for submission and, in consultation with STAC representatives, identified 3 to submit (plus 1 more to support).
  - i) US 287: Passing Lanes from OK State Line to Kit Carson
  - ii) SH 13: Rifle North Safety and Mobility Improvements
  - iii) Statewide Smart Fiber Infrastructure
  - iv) Support Adams County's US 85 and 120<sup>th</sup> Ave: Bridge / Grade Separation project application
- d) STAC Discussion: Representatives discussed the pros and cons of different potential project applications, discussed strategy around apply for "large" vs "small" projects, and prioritized which ones to recommend to the TC for CDOT submission.
- e) STAC Action: The STAC voted unanimously to recommend CDOT applications for the US 287, SH 13, and Statewide Smart Fiber Infrastructure projects and support for Adams County's US 85 application.

## Bustang Fare Increase Proposal – David Krutsinger & Mike Timlin (Division of Transit & Rail)

- 1) Bustang ridership is continuing to increase, necessitating the dispatch of extra buses, particularly on the West line to Grand Junction.
- 2) Bustang is facing several cost factors that are impacting its overall budget:
  - a) Diesel fuel costs are up 22% from 2015, from an equivalent of \$.38 per revenue mile to \$.52 per revenue mile.
  - b) There is also a shortage of CDL drivers, causing other organizations to increase salaries in order to attract and retain talent. CDOT has done the same in order to compete.
- 3) Staff are proposing to increase fares by \$1.00 per trip, with senior and disabled fares held harmless. Would like to hear any comments from the STAC on this proposal.
- 4) STAC Discussion: STAC representatives inquired about current fares and suggested that increases should be proportional rather than a flat rate across the board.

## Bustang Outrider Phase III – David Krutsinger & Mike Timlin (Division of Transit & Rail)

- i) CDOT is considering the next logical expansion of the Bustang Outrider rural transit network. Staff analyzed 21 potential routes across the state and assessed them based on 4 criteria:
  - (1) *Implementation Feasibility* – based on operational cost, existing service, previous planning efforts, and local support.
  - (2) *Social Equity* – Percent minority population, % below poverty line, % of households without vehicle access.
  - (3) *Geographic Equity* – distribution across all areas of the state.
  - (4) *Ridership Forecasts* – Based on population, employment, disadvantaged populations.
    - (a) Ridership forecast methodology was tested against actual ridership numbers on existing routes and found to be accurate.
- ii) Initial results have delineated the 21 routes but no conclusions will be drawn until CDOT completes regional outreach to identify top regional and state priorities.
- iii) STAC Discussion: Representatives discussed a number of potential routes and their initial scores for feasibility and ridership. Others encouraged staff not to unintentionally duplicate or compete with existing Medicaid transportation services and discourage the use of rural hospitals in favor of larger metropolitan facilities. Staff confirmed that no final conclusions have been drawn from the initial results and that routes considered unsuitable for rural Outrider service may be better suited for more commuter-focused Bustang service.

## Construction Contracts and Administration (Josh Laipply)

**Purpose:** Provide background on how the construction contracting and administration of construction works. The three commonly used construction contracts and how changes to the contracts are administered during execution of the work. Josh discussed the current methods of dealing with changes and un-quantifiable work during construction. Input and comments from the TC were solicited to produce a follow up workshop with staff recommendations.

**Action:** None.

CDOT utilizes three main construction contracts:

- o **Design Bid Build** – The majority of our contracts are delivered via this method and are usually considered relatively low-risk and limited ability for innovations. The Contractor is given complete design plans with a list of items with estimated quantities to bid on. The lowest responsive bid is awarded the project.

- **Construction Manager/General Contractor (CMGC)** - Typically projects of larger scale, complexity and risk are delivered with this method. Contractors are screened down to the top three based upon experience and on the type of work that needs to be performed, and on their approach to pricing the project. Contractors are given a conceptual level of plans and are interviewed based on their approach to achieve the project goals and how to mitigate risk. The selected Contractor then assists CDOT in the final design of the work by evaluating the means, methods and costs to performing the work.
- **Design/Build** – Typically projects of larger scale, complexity and risk are delivered with this method. Typically, Contractors are screened down to the top three based upon their particular experience on the type of work that needs to be performed. Then Contractors are given a conceptual level of plans, with performance specifications to design and produce to and are either provided a maximum dollar amount with flexible scope, or a set scope with a low price component that is part of the overall selection score.

The approach to minimizing total project costs are a combination of mitigating risk and achieving the goals associated by selecting the right contract. Then balancing the amount of design and level of quality control that produces a good set of plans for the contract. A perfect set of plans does not exist and an effort to attempt to achieve that can drive up front costs and time delays, that become detrimental to the total project cost. Striking the balance of producing plans that are clear with little ambiguity without mitigating every risk that may materialize in the field is the goal.

CDOT has contractual mechanisms to assume construction risk from the Contractor (so that they do not price it into their bid) and to accommodate unforeseen risks or incorporate project benefits that were not known at the time of contract award. Force account is the tool that is used to pay for known un-knowns. An example would be Railroad Flagging, we know we need it do to work adjacent to the rail, but we don't know for how many days. Change Orders include design errors, CDOT initiated scope changes or site conditions that differ from those used as the basis of design.

**Discussion:**

Commissioner comments were on the following topics:

☒ **Low Bids** – Commissioner Jesus Pulido asked if CDOT always has to award a contract to the low bidder. Kathy Young of the Attorney General's Office answered that Colorado law requires CDOT to take the low bid for the design-bid-build projects, but allows more flexibility for the CMGC and the design/build projects. Josh Laipply said that 95 percent of the projects are design-bid-build.

☒ **Large, Complex Projects** - Commissioner Ed Peterson said the larger, more complex projects often require new delivery systems like CMGC, and gives CDOT the advantage of more eyes on a project to address problems as they arise. David Spector of HPTe said different contracting methods like CMGC never transfer the risk from CDOT, they just help CDOT manage the risk better. When asked, Josh Laipply said CDOT has no hard rules about how large a project needs to be before CMGC or design/build are used.

☒ **Change Orders** – Several commissioners expressed concerns about change orders, and how frequently contractors use them. Some change orders are due to CDOT-initiated scope changes or site conditions that differ from those used as the basis of design. Commissioner Stephen Hofmeister asked if CDOT could disqualify some from bidding if the record shows they have a history of bidding low and then hiking the price through change orders. Josh Laipply said that a contractor's history of bidding low and raising the cost through change orders should be more of a weighted factor. Commissioner Ed Peterson said using a prequalification matrix is as much science as art. Josh Laipply said CDOT tries to find the sweet spot between risk and predictability for contractors. Commissioner Hofmeister said fuel costs should never be a reason for a change order; a good contractor has all supplies already lined up before a job begins. Commissioner Kathy Hall said she knows a contractor who contends that CDOT's project designs don't work for them.

☒ **Audit Committee** – Commissioner Bill Thiebaut recommended that the commissioners study a report that Frank Spinelli of the CDOT Division of Audit produced. That report indicates that from 2014-2017, 18 percent of total project costs were due to change orders. Josh Laipply said Jane Fisher of the Office of Program Management tracks project costs and the reasons for cost increases.

☐ Other – Commissioner Rocky Scott commented that issues contractors have with CDOT might be elevated to state legislators.

## Colorado Freight Plan (Tim Kirby)

**Purpose:** The purpose of this workshop was to provide an overview and update on the development of the Colorado Freight Plan (CFP).

**Action:** Informational only; no action is required.

The CFP is a statewide, multimodal plan addressing Colorado’s primary freight modes, including highway, freight rail, and air cargo systems. The CFP emphasizes highway freight mobility to reflect the importance of trucks in moving goods in Colorado and to reflect CDOT’s roles and responsibilities for the state highway system. The CFP is a strategic policy plan with goals aligned to the SWP and national freight program.

A required element of the CFP is a Freight Investment Plan (FIP). The FIP documents and outlines CDOT’s strategic investment approach to allocate National Highway Freight Program (NHFP) funding. The TC guides this approach through the selection of NHFP projects. The FIP is included as an appendix to the CFP and is a listing of prioritized freight-specific projects anticipated for funding through the NHFP. In September, the Commission approved the NHFP FY 18 project list that will be included in the FIP. The CFP will be amended in future years as projects are selected.

Development of the CFP started in January of 2017 and is anticipated to be completed in March 2019, following FHWA approval.

### Discussion:

☐ Tim Kirby, CDOT Multimodal Branch Manager, overviewed the steps that occurred in developing the CFP.

☐ As part of compliance with the FAST Act, CDOT developed the State Highway Freight Plan and then the Colorado Freight Plan.

☐ Commissioners are free to review and comment on the document as a link to the CFP is provided on the memo and in the presentation in the TC packet.

☐ Two key components of the CFP are the plan document and FIP where projects live in the Plan Appendix. The intent is to update annually the FIP in the appendix vs. amending the plan annually.

☐ The CFP is also linked to the 2040 Statewide Transportation Plan (SWP).

☐ The CFP serves as a strategic tool for discretionary grants, as there are instances where more weight is given to projects and improvements included in the CFP, and other candidate projects.

☐ CDOT staff engaged the Statewide Transportation Advisory Committee (STAC) and Transit and Intermodal (T&I) Committee at every step along the way of CFP development.

☐ Key sections of the Plan that Tim highlighted included:

○ Engaging stakeholders

▪ A diverse group of stakeholders were engaged and survey were conducted with a number of stakeholder groups

▪ FHU was the consultant partner

○ Connecting freight to the economy

▪ General public doesn’t connect freight to economy – Colorado Delivers is the initiative that is a response to this concern. It highlights the importance of freight to the state economy, and provides an opportunity to shares communication materials with partners.

▪ Key trading partners with Colorado were overview providing information on inbound and outbound Colorado freight transported by tonnage and value to other states Key states noted for Colorado in terms of inbound and outbound freight movement are Wyoming Utah, Texas, and California.

○ Assessing safety, mobility and asset condition

▪ An overview of how Safety was integrated into the CFP as an example was highlighted.

▪ Crash data used included truck crash hot pots and high volume truck crash locations

- Safety is a goal of the CFP, and Safety strategies, performance measures and investments are presented in the CFP.
- For the Commercial vehicle safety goal area, a strategy is to prioritize identified commercial vehicle safety locations for funding within NHFP project selection.
- A commercial safety performance measure is the number of commercial vehicles involved incident rate per 1 million truck VMT.
- An investment action in the CFP is “Commercial vehicle safety is an identified FAC priority investment and safety is a criterion in the NHFP project selection process. CDOT employs the Multiple Objective Decision Analysis (MODA) process and tool for NHFP project selection including the safety criterion”.
- Next Steps include:
  - TC CFP Review period– see link to document in the TC packet memo.
  - TC Comments are due back to staff by end of January 2019.
  - In February 2019 staff will address TC comments and return to review the revisions if needed.
  - After that key elements of the CFP will be integrated into the 2045 SWP when coordination with partners discusses CFP implementation actions.
- TC members raised no comments on the CFP as the workshop concluded.

## **NEXT MEETING NOTICE TPR meeting March 7, 2019**

**Place: Region 10 Offices 10:00 to 2:00pm**