



PUBLIC WORKS COMMISSION
Regular Meeting

Date: September 9, 2013

Meeting Called to Order: 5:30 p.m.

Meeting Adjourned: 6:30 p.m.

Present: Mike Riedmuller, Brian Logan, Martin Karol, Robert Wells, Steven Peterson, Langford Jordan, Joe Procopio (Council Rep)

Staff Present: Bob Goebel, P.E., Public Works Director; Dan Sailer, P.E., Assistant Public Works Director; Linda Angus, Administrative Supervisor

Absent: Kenneth Brink

ITEM/SUBJECT	ACTION/BY	DISCUSSION/REPORT
Call to Order		Mike Riedmuller, Chair, called the meeting to order. A quorum was present.
Minutes	Motion made by Commissioner Rob Wells; seconded by Commissioner Steven Peterson	It was motioned, seconded and approved by the Public Works Commission to accept the action minutes of August 5, 2013. Motion carries unanimously.
Discussion/Direction: Current Construction Cost Estimates for the N. Meadows Drive Extension Project – Dan Sailer		<p>This agenda item is an information/ discussion item regarding the N. Meadows Drive Extension project. Staff is looking for feedback from the Commission regarding how we should proceed with this project. Dan began his presentation by giving the Commission an overview on the design packages and the milestones that have been achieved for each of the three packages. He also discussed the estimating team and how each team member contributes to the project. The different estimate elements consisting of design quantities, contingency, force account, and owner's contingency were explained along with the construction cost distribution of these elements. The current cost estimate for this project, since the last Commission meeting in February 2013, is much higher. The total in February was about \$55M which was just with some of the actual design quantities; the \$64.7M that we see now has some of the estimated contingencies included.</p> <p>There are two variables that contribute to these increased costs –</p> <ul style="list-style-type: none"> • Overall construction costs have increased within Colorado. Dan presented data to the Commission regarding the construction cost index trends using 2013 CDOT project

		<p>samples. The historical trends show a significant increase between 2002-2005. Since 2005, these costs have been erratic. These costs include material and labor.</p> <ul style="list-style-type: none"> • Design contingency assessed in February was on the low end. <p>Dan presented the current revenue stream from CDOT (\$4.6M), Douglas County (\$10.5M), IREA (\$60,000 for infrastructure they need for their customer base that IREA will pay for) and the Town (\$51.34M). CDOT is requesting items be added into the project to meet their needs. These items, which amount to \$3.29M, were discussed and staff continues to work with CDOT to possibly remove, defer, or receive an increase in contributions.</p> <p>Next steps:</p> <ul style="list-style-type: none"> • Package #1 is at 100% design. We are in the process of acquiring the right-of-way needed for this package and getting clearance from CDOT. We are potentially 4-6 weeks from being able to begin construction. • Package #2 – We expect to be at 100% design by the end of this month. • Package #3 – We expect to be at 100% design by the end of October. <p>Our goal is still to open up the project by the end of 2015.</p> <p>The budget for 2013 was close to \$52M. It was planned that with this budget we would get through the final design of Package #1, finalize the right-of-way, and get the first construction contract underway. We can do all of these things with our current budget. What we can't do is fund the entire project from the construction standpoint. If we go forward with this project, we will have to budget for the entire construction next year. There might be a perception issue that this is over budget but technically we are not over budget but what we are seeing is that we are above what our estimate was for the entire project due to the variables that have been discussed. This is one of the reasons why we wanted to check in with the Commission is that staff realizes there is a significant increase in the estimated price for this project and before we take the construction contract to Council, we would like to find out where the Commission stands. In order to cover the full cost of this project, we would need to pursue and interfund</p>
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		<p>loan. Based on revenue projections from Finance for the Transportation Fund, we are forecasting that this loan could be paid back within a period of a couple of years. This may mean the deferral of capital projects during this period; however, operations and maintenance will not be affected. Any revenue projects in the area are independent of this project. Staff will continue to do value engineering as we go.</p> <p>Commission comments:</p> <ul style="list-style-type: none"> • This is just a case of prices changing during the design of this project. • Move forward as quickly as we can; it is not going to get cheaper • According to the trends, we really don't gain anything by waiting • We are already through some major hurdles in this project let's not stop • Costs haven't gotten so radically out of whack that we shouldn't proceed. <p>Staff appreciates the feedback and comments from the Commission. This item will be presented to Town Council on September 17th for their feedback. If they agree to continue forward, we will do everything we can to get construction started as soon as possible. Staff hopes to be back to the Commission in October with the Package #1 construction contract!</p>
Projects Update – Bob Goebel		An overview of the current Public Works projects/programs was provided to the Commission in their packets.
Council Comments – Joe Procopio		Mr. Procopio noted that he will be out of town for the September 17 th Town Council meeting.
Commission/Staff Comments/Concerns		The Commission thanked Public Works for the great job on the Enderud Blvd. Reconstruction Project – looks great!!
Adjournment		There being no further business, the meeting was adjourned. Next meeting October 7 th .