



**Bond Implementation Committee
Summary**

Mon. Jan. 26, 2009

4:00 p.m.

Conference Room 391

Committee Members Present: Hancock, Faatz, Lehmann

Committee Members Absent: Garcia

Other Council Present: Lopez, Madison, Nevitt, Robb

Agenda: Year One Status
2009 Work Plan
Contracts: JF Sato; Durrant+Smith Group Architects; PB Americas; Humphries Poli Architects; Parsons Commercial Technology Group

1. Better Denver Bonds: Year One Status Report

Committee Action

- Councilmember Hancock:
 - requested email alerts to Council Members as projects in their districts reach important milestones, such as contract signed, ground breaking, etc.
 - requested an article explaining the signs be sent to all Council Members for their newsletters.
 - requested the number of jobs generated by the program.
- Councilmember Lehmann:
 - suggested the bond project signs should be showcased and explained in Public Service Announcements on Channel 8.
 - cautioned about sacrificing quality in the interest of speed.
- Councilmember Robb:
 - Cautioned about missing opportunities for these projects, many of which will be around for 30+ years.

Summary of Discussion

Don Hunt, Bond Implementation Manager, gave an overview of the accomplishments of 2008, the start-up year. While the work completed fell slightly short of the work planned to be completed, the gap does not represent serious slippage.

Status at end of 2008

- 109 projects in planning stage
- 73 in design stage
- 22 under construction
- 11 complete

- Cranmer Park Irrigation
- Auraria Parkway Median Irrigation
- Montbello Recreation Center Maintenance
- Montclair Recreation Center Maintenance
- Scheitler Recreation Center maintenance
- Lowry Child Care center
- Edna Oliver Child Care Center
- Northeast Child Care Center
- University Boulevard – Buchtel to Asbury
- DTC Boulevard – I-225 to Belleview
- Tennyson Street – 26th to 32nd
- Land acquired for two 2 projects: Eastside Human Services Office Bldg; Green Valley Ranch branch library)

Bond Program Organization

- A highly collaborative effort between City and a private sector program management firm (CH2M Hill selected in Jan. 2008, and its team located in the Webb Building in Aug. 2008).
- Executive Committee consists of managers of Public Works, Parks & Recreation, Finance, and General Services
 - Coordinated by Bond Implementation Manager Don Hunt
 - Assisted by Mayor's Office, City Council, Legal, CH2M Hill and Matrix Design Group, subconsultant to CH2M Hill
- Bond Leadership Team consists of representatives of Mayor's Office, Public Works, General Services, Parks & Recreation, and Finance
 - Coordinated by Bond Program Manager Chris Bisio of CH2M Hill
 - Staffing covers Program Controls, Legal, Communications, and Real Estate

Major Activities/Deliverables

- Implementation of legacy tools and processes that will remain with the City
 - Program control system for tracking schedule, budget, external funding
 - Document management system- uniform filing/retrieval program
 - Change control process – document, justify; impact on scope, schedule, and budget
- Knowledge & skill-building for project managers (PM)
 - Project manager training
 - PM manuals
 - PM plan
- Tools for successful project delivery

Key communication activities

- Bond project signage
 - 27 exterior signs identifying project sites.
 - 20 interior posters identifying interior work.
- Program website created with list of projects and costs, accessible through DenverGov.org.
- Public outreach
 - Design and Construction Fair – Dec. 16 in conjunction with the Association of Contractors and the Office of Economic Development; drew 600 attendees from design and construction industry. Purposes - to make contractors aware of the bond projects; to provide an idea of the project schedules, advance notice of Requests for Proposals.
 - Presentations to InterNeighborhood Cooperation, other groups.

Financials

Lotte Dula, Bond Financial Manager, and Margaret Danuser, Debt Administrator, discussed financial aspects of the program.

- \$26M has been spent; \$90M is encumbered.
- 74% of the \$26M was spent on construction; 8% on program management.
- Commercial Paper draws in May and Aug. total \$38M have been carrying the program.
- Bonds issued in 3rd Quarter 2009 will pay off the Commercial Paper.
- AAA rating and letter of credit from Wachovia and Wells Fargo give us good market access.

Earned Value

Mr. Hunt said the original scheduled called for being at \$53M earned value at the end of 2008. This is a metric for measuring progress, not exactly real dollars. Early reporting indicates the program is at about \$40M, or 75%. This number should improve with more complete reporting by end of January, but there is no doubt that the program is behind. We won't be able to catch up, but it should not fall any further behind. The main culprit is the Animal Shelter. A decision on the location was not made as quickly as thought, so design has not started, slipping that project by \$3M in earned value. Other projects with some type of delaying issues include the Lowry Fire Station (needs land) and the Civic Center Historic Features Restoration (design guidelines weren't adopted when expected).

Councilwoman Robb noted that the Civic Center Guidelines don't impact the Historic Features Restoration. She said the City Attorney's Office has indicated part of its share of the \$22M budget reduction will be achieved by doing more of the bond project work in-house. She wondered if it was realistic to shorten the bond program from 5 to 4 years.

2. Planned Focus Areas for 2009

Don Hunt, Bond Implementation Manager, outlined the key focus areas for 2009, aiming to meet the goals of finishing most of the projects by the end of 2011. These include:

- Accelerating projects where possible without compromising quality.
- Actively correcting schedule slippage in 2008.
- Closely managing the project Change Control process.
- Assisting delivery of vertical building projects, a large financial portion of the Program.
- Working with the Cultural facilities on their fundraising schedules, which impact the overall project delivery.
- Recommending improvements to existing city processes.
- Enhancing website reporting.

3. Contracts for Approval

Committee Action

The Committee approved filing bills approving the following contracts. Councilman Hancock requested that the minority and woman owned business goals for each contract and the contractor's commitment be included on the ordinance request forms. Councilwoman Robb requested a briefing on the crime lab project since she did not know the site selection had been made.

Summary of Discussion

Stu Williams, Deputy Bond Program Manager, presented the first four contracts, which are purely Bond Program contracts. Raul Rodriguez, Public Works Design Engineering Services, presented the Parsons contract.

- JF Sato contract for project management and construction administration for Civic Center Historic Features, including the Greek Theatre and the Voorhies Monument, and La Alma Pool – 22 months; \$700,000. We want to have this contract in place so work can begin as soon as Mark Bernstein, Parks & Recreation is ready. The bill approving this contract will not be filed until Feb. 12.
- Durrant+Smith Group Architects contract for design and construction administration for Police Crime Lab – 22 months; \$1.8 million. The lab will be constructed on the southeast corner of 14th and Delaware, in the existing parking lot. Councilwoman Robb expressed surprise that the site had been chosen. She said the contractor will have to work closely with the Golden Triangle Neighborhood. Mr. Williams noted that public involvement is specified in the contract.
- PB Americas contract for project management and construction management for Police Crime Lab – 22 months; \$1.6 million. This requires the contractor to ensure the building is designed so that it can obtain LEEDS Certification as a “green” building. The bill approving this contract will not be filed until Feb. 12.
- Humphries Poli Architects contract for design and construction administration for Green Valley Ranch Library – 22 months; \$714,000. Councilman Hancock asked if this preclude the option of design-build. Mr. Williams replied that for this site, they selected the method they thought provided the best value through getting the construction documents delivered. It could possibly be changed to design-build, but that would need to be done very quickly so it is early enough in the design process. Another possibility for this project is the Construction Management-General Contractor process.
- Parsons Commercial Technology Group contract for construction of several Bond projects and Public Works projects - expect to complete in 3 years; \$42,000,000. Mr. Rodriguez said this is the 3rd year the City has let a consolidated construction contract, and Public Works is very pleased with the process. The engineers can turn over the plans to the contractor and get back to design engineering other projects. This \$42M contract includes \$25.2M in Bond Projects, \$11M in traffic engineering projects, and \$6M in storm sewer work. Many of the projects integrate Bond projects and other work, taking advantage of opportunity.