



**Bond Implementation Committee
Summary**

Oct. 26, 2009

4:00 p.m.

Conference Room 391

Committee Members Present: Hancock, Faatz, Lehmann

Committee Members Absent: Garcia

Other Council Present: Boigon, Johnson, Madison, Robb

- Agenda:**
1. Better Denver Bond Program 2009 3rd Quarter Report
 2. Contract for land acquisition for Central Denver Recreation Center
 3. Contract with OZ Architecture for Stapleton branch library
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1. Better Denver Bond Program 2009 3rd Quarter Report

Stu Williams, CH2MHill; Lotte Dula, Better Denver Bond Program Financial Manager; and Margaret Danuser, Treasury, presented the quarterly report. Key points included:

Project Work

- Earned Value of Work (actual work completed, even though not all expenses have been processed and posted) passed the \$100M milestone in the 3rd quarter (\$100,103,000).
- Planned Value of Work at this point is 96% of the anticipated \$104M, representing a 2 percentage point increase over 2nd quarter 2009.
- Over 90% of the 283 projects have been started (are at least in the planning stage).
- 50% of projects are either completed (83) or under construction (58).
- City departments assumed responsibility from Bond Program staff for reporting forecast projections on their projects as one element of the legacy transition.
- Several project schedules were successfully accelerated, including playgrounds at 3 parks; infrastructure at Southmoor and Hampden stations; and letter of intent on land acquisition for central recreation center has been signed.
- Significant progress was made on several projects, including:
 - Renovation of 200 W. 14th Street building
 - Cherry Creek Trail improvements
 - Phipps Exhibit Hall (Denver Museum of Nature & Science)
 - Renovation of the Westwood Child Care Center
 - Eastside Human Services facility
 - Eisenhower Recreation Center improvements
 - Firing range and Traffic Operations facility
 - Street Maintenance projects

Financials

- “Cash out the door”, which is less than Earned Value of Work because not all the bills have actually been paid, is \$79,722,807.
- Encumbrances are \$105,805,904.

- The total program budget increased from the original \$549.7M to \$552.8M due to interest earnings and premium from the June 2009 bond issuance.
- \$2.6M in bond premium was added to the purpose contingency funds.
- \$490,000 in interest earnings was added to the program management budgets.
- Cash flow will ramp up significantly in 2010.
- On Tues. Oct. 27, the City will close on a \$22M commercial paper draw. Balance from the previous draw is 0.
- The City may issue more GO bonds late 2nd quarter/early 3rd quarter to pay off the Oct. 27 draw.
- Interest rates are historically low, which has benefited the program.
- Construction cost overall is down 7.4% from August 2008 (American's Producer Price Indexes).

2. Contract for land acquisition for Central Denver Recreation Center

Committee Action

The Committee approved filing a bill for acquisition of a 2.56 acre parcel at 1530 Josephine (E. Colfax and Josephine) from B.A. Clark for a recreation center in central Denver for \$6M.

Summary of Discussion

Stu Williams, CH2MHill, said the City has signed a letter of interest with the owner of the property known as the Church in the City site. Lisa Lumley, Division of Real Estate, said the survey and environmental work on the site has been completed, and \$25,000 deposit has been paid (\$5,000 non-refundable).

Councilwoman Robb, Councilwoman Madison, Kevin Patterson, Manager of Parks & Recreation, and Chantal Unfug, Parks & Recreation, discussed the extensive, two-year community process involving many public meetings, surveys and questions and answers. That process led to the decision to purchase this property for the recreation center. The other leading contender was the area around the Congress Park outdoor swimming pool. Issues involved in consideration included:

- Superior public transit access to and parking at the Josephine site;
- Lack of parking at Congress Park;
- Problems working around the existing swimming pool at Congress Park;
- Opportunities for partnerships with private development and/or DPS at the Josephine site;
- Issues around building on green space in a park;
- Possibly earlier project completion at Congress Park (estimated 2013); and
- Control of land at Congress Park.

Councilwoman Robb said several people would like to also acquire the gas station on the corner of Colfax and Josephine and incorporate that parcel into the project.

Councilwoman Faatz asked if the cost of construction of the recreation center would be the same at both sites. Mr. Williams replied that the concepts prepared for each site had equal construction costs, after factoring in the various issues at both sites.

3. Contract for design services with OZ Architecture for branch library at Stapleton

Committee Action

The Committee approved filing a \$648,648 contract with OZ Architecture for design of the branch library to be constructed at Stapleton Town Center, and approved presentation at the Mayor/Council meeting on Oct. 27 for filing on Oct. 29.

Summary of Discussion

Rafael Augusta, Public Works project manager, said the architects would start in November and complete design work by the fourth quarter of 2010, possibly earlier. The initial work will involve a community process to determine the type of library desired. The Denver Public Library (DPL) anticipates that this location will be either a contemporary or family & children facility.

Councilwoman Faatz asked how the building would differ depending on the selection. Letty Icolari, Director of Administrative Services for DPL, said the family & children model contains areas designed for toddlers and young children with low shelves and gathering spaces for story time. The contemporary model appears more like a retail book store, and while it does provide a children's area, there is less focus on children and toddlers.

Mr. Augusta said this project will be a Construction Management General Contractor model, where the construction contractor is selected early to assist in the design process. This model takes additional time upfront but has advantages later in the process.

Stu Williams, CH2MHill, asked for the Committee's permission to present at Mayor/Council on Oct. 27 and file the bill Oct. 29.