

Memorandum

To: Mayor and Council
From: Tom Baker, Jeff Simonson and John Wenzel
Date: August 18, 2015
Re: CDOT Devolution Process for Main Street

Purpose: The purpose of this item is to request Council send a letter to CDOT requesting CDOT staff begin the devolution process for either the Elk Creek to E Ave (MP 105.8 to MP 106.5) or Elk Creek to Bruce Road (MP 105.8 to MP 107.3). As you will see below staff recommends the first option – Elk Creek to E Ave.

Background and Discussion of Alternatives: Over past years, business owners have encouraged Council to create more parking in the downtown area adjacent to existing businesses. Council has puzzled over how to make Main Street a destination rather than a regional through road with 30 mph speeds and four through travel lanes. Council's goal is to make Main Street more pedestrian and business friendly.

Early this year, the Mayor and group from New Castle met with David Eller, CDOT Region 3 Director and his staff regarding the devolution of Main Street. As you know, "Devolution" is a process of transferring maintenance and operational responsibility of state roads to a local jurisdiction. The reason for the Town to consider devolution is to gain control of parking, traffic speed, lane striping, stop signs and general use of the street for economic development purposes. The reason for CDOT to consider devolution is to remove a roadway and its attendant long-term maintenance from their inventory. In order to make this change workable, CDOT offers 20 years of maintenance funding (using net present value) to allow the local jurisdiction to gradually absorb the cost of this new roadway.

CDOT suggests the town make a specific devolution request and then CDOT would calculate the value of 20 years of maintenance. Once the town reviewed this information, then the town can request CDOT begin a devolution process, which will involve CDOT staff recommendation and a formal decision by the Transportation Commission (CDOT policy body appointed by the Governor).

In February, after Council discussion of this idea, Council made a formal request for CDOT to evaluate two options for devolution, see attached letter dated February 20, 2015. Shortly thereafter the town received an evaluation of devolution for option 2 (Elk Creek to Bruce Road) with a 20 year net present value for maintenance of \$1,009,327, see attached spreadsheet. In June, CDOT staff estimated the 20 year net present value of maintenance for option 1 (Elk Creek to E Ave) to be \$520,000.

Based upon the Town's goal to gain control of parking, traffic speed, lane striping, stop signs and general use of the street for economic development purposes for downtown Main Street, both options work. Option 1, however, (Elk Creek to E Avenue) allows the town the least amount of risk in terms of taking over too much maintenance responsibility at one time. Staff feels that seeking devolution from E Avenue to Bruce Road may be a second phase project as the Kuersten property develops.

Financial Impact: In theory both options are revenue neutral for 20 years because CDOT is providing 20 years of maintenance funding. This of course is only true if the town only uses the CDOT funds for road maintenance of the devolved road section.

Recommendation: Staff recommends Council authorize the Mayor to sign a letter requesting CDOT begin the devolution process for the roadway section Elk Creek to E Ave (MP 105.8 to MP 106.5).

Note: The Mayor and staff are meeting with Dave Eller on Monday the 17th to discuss future roundabout funding and the current Exit 105 Interchange Study. We will give Council a summary at the Tuesday night's meeting.

Attachments:

- CDOT devolution spreadsheet of Main Street from Bruce Road to Elk Creek.
- CDOT email to Jeff S regarding maintenance cost estimate for devolution of Main Street from Elk Creek to E Avenue.
- February 20 letter from Council to CDOT requesting analysis of two devolution options.
- CDOT email to Tom B. and Jeff S. regarding Exit 105 Interchange Study including traffic counts at intersection of CVB/6&24.

DEVOLUTION WORKSHEET

State Highway/Interstate	BEGINNING MILEPOST	ENDING MILEPOST	
ROAD SECTION PROPOSED TO BE TRANSFERRED:	US 6 D	105.8	107.5
Narrative Description of Road Section:			

Name of Local Government Contact:	
Title of Local Government Contact:	
Phone:	Email:

Name of CDOT Contact:	
Title of CDOT Contact:	
Phone:	Email:

Date of Update:

Net Present Value of Projected CDOT Expenditures for the Period FY 2014 through FY 2034	\$ 1,009,327
Less: Net Present Value of Transfer Costs	\$ -
Net Present Value Savings	\$ 1,009,327
Years to Break-even	0

DRAFT

Fiscal Year	Net Present Value of Transfer Costs			
	Cash Payment for Transfer of Section	Drawdown of CDOT Work for Transfer (FY 2014 Dollars)	Transfer Costs in Inflated Dollars	Net Present Value of Transfer Costs
2014	\$ -	\$ -	\$ -	\$ -
2015	\$ -	\$ -	\$ -	\$ -
2016	\$ -	\$ -	\$ -	\$ -
2017	\$ -	\$ -	\$ -	\$ -
2018	\$ -	\$ -	\$ -	\$ -
2019	\$ -	\$ -	\$ -	\$ -
2020	\$ -	\$ -	\$ -	\$ -
2021	\$ -	\$ -	\$ -	\$ -
2022	\$ -	\$ -	\$ -	\$ -
2023	\$ -	\$ -	\$ -	\$ -
2024	\$ -	\$ -	\$ -	\$ -
2025	\$ -	\$ -	\$ -	\$ -
2026	\$ -	\$ -	\$ -	\$ -
2027	\$ -	\$ -	\$ -	\$ -
2028	\$ -	\$ -	\$ -	\$ -
2029	\$ -	\$ -	\$ -	\$ -
2030	\$ -	\$ -	\$ -	\$ -
2031	\$ -	\$ -	\$ -	\$ -
2032	\$ -	\$ -	\$ -	\$ -
2033	\$ -	\$ -	\$ -	\$ -
2034	\$ -	\$ -	\$ -	\$ -
Total NPV				\$ -

Fiscal Year	Net present Value of Projected CDOT Expenditures						Net Present Value of Projected Expenditures
	Routine Expenditures in Inflated Dollars	Surface Treatment Projects (Drawdown in FY 2014 Dollars)	Other Construction Projects (Drawdown in FY 2014 Dollars)	Construction Projects (Drawdown in Inflated Dollars)			
2014	\$ 46,904	\$ -	\$ -	\$ -	\$ 46,904	\$ 46,904	
2015	\$ 48,311	\$ -	\$ -	\$ -	\$ 48,311	\$ 47,018	
2016	\$ 49,761	\$ -	\$ -	\$ -	\$ 49,761	\$ 47,133	
2017	\$ 51,253	\$ -	\$ -	\$ -	\$ 51,253	\$ 47,247	
2018	\$ 52,791	\$ -	\$ -	\$ -	\$ 52,791	\$ 47,362	
2019	\$ 54,375	\$ -	\$ -	\$ -	\$ 54,375	\$ 47,478	
2020	\$ 56,006	\$ -	\$ -	\$ -	\$ 56,006	\$ 47,593.11	
2021	\$ 57,686	\$ -	\$ -	\$ -	\$ 57,686	\$ 47,709	
2022	\$ 59,417	\$ -	\$ -	\$ -	\$ 59,417	\$ 47,825	
2023	\$ 61,199	\$ -	\$ -	\$ -	\$ 61,199	\$ 47,941	
2024	\$ 63,035	\$ -	\$ -	\$ -	\$ 63,035	\$ 48,058	
2025	\$ 64,926	\$ -	\$ -	\$ -	\$ 64,926	\$ 48,175	
2026	\$ 66,874	\$ -	\$ -	\$ -	\$ 66,874	\$ 48,292	
2027	\$ 68,880	\$ -	\$ -	\$ -	\$ 68,880	\$ 48,410	
2028	\$ 70,947	\$ -	\$ -	\$ -	\$ 70,947	\$ 48,527	
2029	\$ 73,075	\$ -	\$ -	\$ -	\$ 73,075	\$ 48,645	
2030	\$ 75,267	\$ -	\$ -	\$ -	\$ 75,267	\$ 48,764	
2031	\$ 77,525	\$ -	\$ -	\$ -	\$ 77,525	\$ 48,883	
2032	\$ 79,851	\$ -	\$ -	\$ -	\$ 79,851	\$ 49,001	
2033	\$ 82,247	\$ -	\$ -	\$ -	\$ 82,247	\$ 49,121	
2034	\$ 84,714	\$ -	\$ -	\$ -	\$ 84,714	\$ 49,240	
Total NPV						\$ 1,009,327	

Historical CDOT Routine Expenditures on Proposed Road Segment											
Fiscal Year	100 - Planning and Scheduling	150 - Roadway Surface	200 - Roadside Facilities	250 - Roadway Appearance	300 - Traffic Services	350 - Structure Maintenance	400 - Snow and Ice Control	Other Routine Expenditures	Adjustment for Any Abnormality	Adjusted Total Annual Historical Expenditure	Routine Expenditures in FY 2014 Dollars
2010			\$527	\$1,193	\$2,090	\$174	\$19,353	\$ -	\$ -		\$23,277
2011	\$653	\$1,850	\$673	\$3,706	\$3,512		\$22,914	\$ -	\$ -		\$33,308
2012			\$182	\$3,656	\$816		\$2,848	\$ -	\$ -		\$7,502
2013		\$9,446	\$1,070	\$782	\$4,053		\$28,937	\$ -	\$ -		\$44,288
2014	\$172	\$72,186		\$7,429	\$4,365		\$41,994	\$ -	\$ -		\$126,146
									Estimated FY 2014		\$ 46,904

Tom Baker

From: Jeff Simonson <JeffS@sgm-inc.com>
Sent: Tuesday, August 11, 2015 9:52 AM
To: Tom Baker
Cc: John Wenzel
Subject: FW: US 6 Devolution: New Castle - Elk Creek to E Avenue (MP 105.8 to 106.5)

Here it is...

Jefferey S. Simonson, PE, CFM
Principal



118 W Sixth St, Suite 200
Glenwood Springs, CO 81601
970.384.9005 / 970.379.4691 cell
www.sgm-inc.com



From: Necessary, Bart [mailto:bart.necessary@state.co.us]
Sent: Thursday, June 18, 2015 11:18 AM
To: Jeff Simonson
Cc: Mark Rogers - CDOT
Subject: US 6 Devolution: New Castle - Elk Creek to E Avenue (MP 105.8 to 106.5)

Jeff,

Yesterday we were discussing an estimated cost for a US 6 Devolution through the Town of New Castle from Elk Creek to E Avenue (Approximate MP 105.8 to MP 106.5).

Earlier, CDOT provided the Town of New Castle with an estimate just over \$1,000,000 for a US 6 Devolution from Elk Creek to Bruce Road (Approximate MP 105.8 to MP 107.30).

In looking at the Maintenance costs, an estimated US 6 Devolution from Elk Creek to E Avenue is \$520,000.

Thanks,

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Bart E. Necessary, P.E.
Glenwood Springs Engineering



P 970.384.3323 | C 970-618-3856 | F 970.947.5133



Town of New Castle Administration
450 W. Main Street **Phone:** (970) 984-2311
PO Box 90 **Fax:** (970) 984-2716
New Castle, CO 81647 www.newcastlecolorado.org

February 20, 2015

David A. Eller, Region Director
CDOT Region 3
222 South Sixth Street, RM 317
Grand Junction, CO 81501-2769

RE: CDOT Devolution Process for SH 6&24

Dear Mr. Eller:

On February 17, 2015, the New Castle Town Council met at a regular meeting to hear a summary of the January 28th CDOT/New Castle meeting and to consider the idea of devolution as a mechanism for New Castle to gain control of Main Street for implementation of various traffic and parking strategies, such as angle parking, reduced traffic speeds, and other traffic control methods/devices to help the downtown become a better shopping and dining environment.

At the Council meeting, the staff and I outlined the two options for devolution that were identified in our January 28th meeting.

1. Devolving SH 6&24 (Main Street) from 8th Street (on the west end of Main) to E Avenue (on the east end of Main Street). This length of Main Street is generally thought of as the original town site.
2. Devolving SH 6&24 from 8th Street (on the west end of Main) to CR 240 (immediately east of City Market). Council understands that this option may not be optimal for CDOT because the Castle Valley Blvd./SH 6&24 intersection may need to stay under CDOT control due to potential interaction with I-70 ramps.

Council spent a considerable amount of time discussing the possible advantages and disadvantages of each option and finally concluded that they would like to understand how CDOT views and evaluates each of the above two options. Of course, as with all small towns, our budget is very modest and our first concern is to understand the economics of the transaction. Therefore, our request is for CDOT to begin the evaluation process for devolution on both options. Once CDOT staff have completed their analysis (or at any time you think appropriate), we can meet to understand and discuss the advantages and disadvantages of each option. After that occurs I expect the Council will be ready to select one of the above options to proceed to the Transportation Commission for consideration and hopefully approval.

Sincerely,

Bob Gordon
Mayor

cc Jeff Simonson, Town Engineer
John Wenzel, Public Works Director
David McConaughy, Town Attorney

Tom Baker

From: Necessary, Bart <bart.necessary@state.co.us>
Sent: Thursday, August 06, 2015 9:15 AM
To: Tom Baker; Jeff Simonson
Cc: Zane Znamenacek; Michelle Hansen; mark@stolfusandassociates.com
Subject: 20169 Exit 105 Interchange Study Notice

Tom / Jeff,

Just letting you know CDOT recently held a Kick-off meeting for the I-70 Interchange Study at Exit 105, New Castle.

This Study will evaluate improvements at the interchange and will consider a 20 year planning period.

CDOT's Consultant is scheduled to perform traffic counts at the interchange during the week of August 24, 2015.

Although the Kum N Go / City Market intersection (just north of US6) is not part of the interchange, we would like to get traffic counts at this location too.

In the near future, you will likely be contacted by Mark Bunnell (Stolfus and Associates). Mark will be looking to gain an understanding of the Town's future development and traffic projections.

This project is just a study. Currently, there are no construction funds.

Please call if you have any questions.

--
Bart E. Necessary, P.E.
Glenwood Springs Engineering



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