



CORNERSTONE
HOLDINGS, LLC

September 15, 2017
Sent Via E-mail and Hand Delivered

Town of Winter Park
Attn: Taryn Martin, Town Clerk
50 Vasquez Road
PO Box 3327
Winter Park, CO 80482

Re: Leland Creek UPRR Underpass Crossing – 2018 Budget Appropriation Request

Dear Ms. Martin:

We are writing to request the Town of Winter Park (“Winter Park”) appropriate funds in its budget for 2018 for the Union Pacific Railroad (“UPRR”) Underpass Crossing and Kings Crossing Road Extension projects at Leland Creek pursuant to the Order of Judgment and Dismissal of Case Number: 13CV30045 (“Court Order”) which modified the Annexation Agreement and First Amendment to Annexation Agreement for the Leland Creek Subdivision, (collectively “Contract”). The Court Order provides:

Should Cornerstone wish to seek funding for the Road Extension or the Underpass for the future fiscal years under the Annexation Agreement and First Amendment, Cornerstone shall file a written request with the Winter Park Town Clerk between September 1 and September 15 preceding each fiscal year. Such written request shall state with specificity the funding being requested. The Winter Park Town Council shall consider such request in its process for approving the Town’s annual budget and associated appropriations...

This is the fourth budget request made to Winter Park since the Court Order. Cornerstone obtained the final signed construction and maintenance agreement from the UPRR in July of 2015 for the Leland Creek Underpass Crossing project (“Crossing”). Cornerstone expended 100% of the funds necessary to design, permit, and gain approval of the UPRR and the Colorado Public Utility Commission to construct the project in accordance with its Contract with Winter Park.

After an extensive bidding process, Ames Construction was awarded a contract for construction of the underpass in March of 2017, a right of entry was granted by the Union Pacific Railroad to Cornerstone and Ames in April of 2017, and construction of the project was immediately commenced according to the approved plans.

The Contract, among other things, provides that Winter Park will: pay 100% of the cost to extend Kings Crossing Road (“Kings Crossing Extension”) and fund up to \$1.75 million of the Crossing project construction costs with 18% per annum interest due on invoices that go unpaid after 20 days.

The Crossing project costs will exceed \$3.5 million as represented by the attached Exhibit A budget estimate, so any budget increases to the project are not relevant to Winter Park as those increases will be paid for by Cornerstone pursuant to the terms of the Contract.

The Crossing Construction is underway and Winter Park is past due on \$545,951.73 worth of invoices previously provided to it, with interest accruing daily. Invoices will continue to be directed to Winter Park in accordance with the Contract and interest will continue to accrue at 18% per annum until the invoices are brought current.

The requested 2018 budget appropriation is as follows:

1. UPRR Underpass Crossing Construction – “hard construction costs” – See attached Cost Estimate attached as Exhibit A. Pursuant to the First Amendment to Annexation Agreement – Winter Park is required to fund up to \$1.75 million of the Hard Construction Cost during the course of construction of the Crossing. Cornerstone anticipates reaching \$3.5 million of Crossing Hard Construction Costs prior to December 2017 and in total the Hard Construction Cost will significantly exceed \$3.5 million. Cornerstone is requesting Winter Park budget the full \$1.75 million Crossing Hard Construction Costs funding for its 2018 fiscal year.
2. 18% Interest – Winter Park has failed to pay its invoices within the specified 20 day period, and interest at the rate of 18% per annum is accruing against those previously invoiced amounts. In light of Winter Park’s inability to pay these invoices, Cornerstone is requesting Winter Park budget the estimated 2017 year end interest amount of \$90,320 plus the estimated 2018 interest of \$363,784 for a total estimated interest of \$454,104 that will be owed to Cornerstone by year end of 2018 if invoices continue to go unpaid. Winter Park may bring its invoices current at any time along with the past due interest to the date of payment.
3. Road Extension (Kings Crossing) – see attached Exhibit B Estimate for detailed line item descriptions and costs associated with the Kings Crossing Road Extension – 2018 budget request: \$1,193,375.

In summary, Cornerstone is requesting Winter Park appropriate \$3,397,479 for its fiscal year 2018 budget as more specifically described above and in the attached Exhibits relating to its Contract obligations.

The Court Order requires the Town Council to consider the foregoing request in its process for approving its annual budget. As such, please provide Cornerstone with the details of the process at and during which this request will be considered and acted upon by the Town

Council so that Cornerstone and interested citizens may meaningfully participate in that process.

If you have any questions or wish to discuss please contact me. As always, I am more than happy to attend a Council meeting to answer questions if requested.

Sincerely,
Cornerstone Winter Park Holdings, LLC



Clark Lipscomb, President

Attachments: Exhibit A – Crossing Project Cost Estimate
Exhibit B – Kings Crossing Road Extension Cost Estimate

Cc: Drew Nelson, Winter Park Town Manager
Jimmy Lahrman, Winter Park Mayor
Jeff Durbin, Fraser Town Manager

Exhibit A

Union Pacific Railroad Crossing Project Cost Estimate

Quantities					
ITEM NO.	DESCRIPTION	UNIT	QUANTITY	Unit Price	Cost
BRIDGE ITEMS					
BR1	Reinforced Concrete	CY	282	\$550.00	\$155,100
BR2	Structural Steel	LB	587,930	\$1.57	\$923,050
BR3	Drilled Shaft	LF	215	\$714.00	\$153,510
BR4	1 1/2" Diameter Steel Pipe	LF	992	\$19.00	\$18,848
BR5	Cross Hole Sonic Log Testing	EA	12	\$680.00	\$8,160
BR6	Reinforcing Steel	LB	52,887	\$1.35	\$71,397
BR7	Waterproofing	SY	703	\$105.00	\$73,815
BR8	Deck Drain	LF	476	\$90.00	\$42,840
BR9	Galvanized Corrugated Steel Pipe (Non-perforated)(6 inch)	LF	188	\$35.00	\$6,580
BR10	Galvanized Corrugated Steel Pipe (Perforated)(6 inch)	LF	84	\$24.00	\$2,016
BR11	Granular Backfill	CY	235	\$68.50	\$16,098
BR12	Structure Excavation	CY	277	\$14.50	\$4,017
BR13	Unclassified Excavation	CY	10,813	\$5.75	\$62,175
BR14	1" x 12" Bearing Pad	EA	12	\$138.00	\$1,656
BR15	Concrete Slope Paving (Reinforced)	CY	53	\$1,070.00	\$56,710
BR16	Retaining Wall	SF	682	\$58.00	\$39,556
BR17	Steel Piling HP 14x89 (Retaining Wall)	LF	364	\$180.00	\$65,520
a)	SUBTOTAL BRIDGE ITEMS				\$1,701,047
ROADWAY ITEMS					
A. Roadway Construction (Grand Park Drive and Roundabout)					
A1	Rough road grading (includes CUT in railroad ROW)	CY	32,000	\$5.00	\$160,000
A2	Onsite usable material disposal HAUL/STOCKPILE 1 MILE	CY	25,000	\$10.00	\$250,000
A3	Onsite waste material -DISPOSAL (burn/bury slash, trash ma	CY	1,000	\$20.00	\$20,000
A4	8" road base x (32')	TONS	2,062	\$16.00	\$32,992
A5	Subgrade prep	SY	4,189	\$2.40	\$10,054
A6	5" asphalt (24')	TONS	1,074	\$100.00	\$107,400
A7	2.5' ribbon curb	LF	2,900	\$16.00	\$46,400
A8	4' roadway retaining walls x 500 LF	SF	2,500	\$100.00	\$250,000
A9	Guardrail	LF	600	\$25.00	\$15,000
A10	18" rcp storm sewer	LF	50	\$215.00	\$10,750
A11	36" rcp storm sewer	LF	520	\$300.00	\$156,000
A12	Storm sewer sleeves	LF	0	\$301.00	\$0
A13	Headwalls	EA	2	\$26,000.00	\$52,000
A14	Storm manholes+inlets	EA	5	\$6,000.00	\$30,000
A15	Trail Construction	LF	2,000	\$60.00	\$120,000
A16	WETLANDS mitigation (soft+hard costs)	AC	0.700	\$250,000.00	\$175,000
A18	ROUNDBOUT (paving, C&G, base, grading, etc.)	EA	1	\$350,000.00	\$350,000
i)	SUBTOTAL - ROADWAY CONSTRUCTION				\$1,785,596
C. Sedimentation and Erosion Control					
C1	Tree Clearing	EA	1	\$875.00	\$875
C2	Silt fence/erosion log	LF	6,000	\$6.50	\$39,000
C3	Rock check dams	EA	25	\$625.00	\$15,625
C4	Revegetation	AC	8	\$3,800.00	\$30,400
C5	Detention pond	EA	0	\$20,000.00	\$0
C6	Rip Rap	TONS	500	\$59.00	\$29,500
iii)	SUBTOTAL - SEDIMENTATION AND EROSION CONTROL				\$115,400
b)	SUBTOTAL ROADWAY ITEMS				\$1,900,996
RAILROAD ITEMS - CONTRACTOR FORCES					
5630091	Grading - Clearing and Grubbing	ACRE	3	\$13,200.00	\$39,600
5630045	Seeding - Hydro	ACRE	2	\$3,400.00	\$6,800
5634744	Pollution Prevention Plan - Storm Water (SWPPP)	LS	1	\$11,300.00	\$11,300
5633475	Trailer - Office - for on site use	MO	6	\$5,800.00	\$34,800
5646517	Grading - Excavation	CY	38,780	\$5.50	\$213,290
5633686	Grading - Subexcavation	CY	4,000	\$7.60	\$30,400
5630257	Grading - Replace subexcavation with approved compacted fill	CY	4,000	\$11.00	\$44,000
5630260	Fabric - Geotextile - furnish & place	SY	6,000	\$3.60	\$21,600

Exhibit A

Union Pacific Railroad Crossing Project Cost Estimate

5645359	Fabric "GEOGRID" - geotextile - furnish & place	SY	6,000	\$5.40	\$32,400
5631363	Labor - Survey Crew - 3 personnel & equipment - survey work	HR	20	\$165.00	\$3,300
5633050	Track - Construct 6" base CWR - 24 ties per 39'	TF	1,329	\$120.00	\$159,480
	Rail - 141# HH CWR	TF	1,329		\$0
	Track ties - 9' wood - pre-plated	EA	1,027	\$260.87	\$267,913
5644466	Aggregate - Subballast - furnish & place	CY	1,900	\$66.00	\$125,400
	Aggregate - Ballast - furnish & place	CY	1,650	\$48.00	\$79,200
	Culvert - 48" dia. CSP - Furnish and Install	LF	36	\$170.00	\$6,120
5630057	Asphalt - Removal & Disposal	SY	164	\$20.00	\$3,280
5643412	Asphalt - Saw cutting - road approaches (Phase 2)	LF	69	\$14.00	\$966
5643412	Asphalt - Saw cutting - road approaches (Phase 3)	LF	69	\$14.00	\$966
5633592	Asphalt - 6" paving - furnish & place (Phase 2)	SY	82	\$64.00	\$5,248
5633592	Asphalt - 6" paving - furnish & place (Phase 3)	SY	82	\$64.00	\$5,248
5636995	Grading - subgrade preparation (Phase 2)	SY	82	\$10.00	\$820
5636995	Grading - subgrade preparation (Phase 3)	SY	82	\$10.00	\$820
5630085	Aggregate - 4" base course - furnish, place & compact (Phase	CY	9	\$126.00	\$1,134
5630085	Aggregate - 4" base course - furnish, place & compact (Phase	CY	9	\$126.00	\$1,134
5636798	Raise Track tie replacement	TF	678	\$125.00	\$84,750
5650906	Ties - Remove & Dispose of wood ties (including disposal fee)	EA	209	\$15.00	\$3,135
5633715	Track - remove & stockpile	TF	114	\$24.00	\$2,736
5650902	Track - Removal & disposal - including ties	TF	1,215	\$18.00	\$21,870
	Relocate Fiber Optic Line	LS	1	\$118,000.00	\$118,000
	Shoring	LS	1	\$210,000.00	\$210,000
	Temporarily Relocate Whistle Post Sign	LS	1	\$3,000.00	\$3,000
c)	SUBTOTAL RAILROAD ITEMS				\$1,538,710
Quantities					
ITEM NO	DESCRIPTION	UNIT	QUANTITY		
FORCE ACCOUNT ITEMS - UPRR FORCES					
FA1	Railroad Flagging	MD	250	\$1,267.00	\$316,750
FA2	Shift Track - Tie replacement	TF	1,390	\$125.00	\$173,750
FA3	Ties - Remove & Dispose of wood ties (including disposal fee)	EA	1,390	\$15.00	\$20,850
FA4	Track ties - 9' wood - pre-plated	EA	1,390	\$260.87	\$362,609
FA5	Shift Track	TF	1,390	\$125.00	\$173,750
FA6	Shift Crossing Panels	LF	80	\$400.00	\$32,000
FA7	Relocate Overhead Power	LS	1	\$15,000.00	\$15,000
d)	SUBTOTAL FORCE ACCOUNT ITEMS				\$1,094,709
e)	TOTAL BRIDGE, ROADWAY, RAILROAD, TRAIL AND F/A (a+b+c+d)				\$6,235,463
f)	GENERAL CONDITIONS/MOBILIZATION (12%)				\$748,256
g)	CONSTRUCTION SUBTOTAL WITHOUT CONTINGENCY (e+f)				\$6,983,718
h)	CONTINGENCY (10%)				\$698,372
i)	CONSTRUCTION SUBTOTAL (g+h)				\$7,682,090
j)	CONSTRUCTION MANAGEMENT (8% of i)				\$614,567
	TOTAL PROJECT COST (i+j)				\$8,296,657

Exhibit B
Cost Estimate for Public Improvements
Kings Crossing Road Extension

Item Description	Unit	Unit Cost	Estimated Quantity	Estimated Cost
Demolition				
Saw Cut Existing Pavement	LF	\$ 4.20	58	\$ 243.60
Asphalt Removal	SY	\$ 16.20	800	\$ 12,960.00
Fence removal	LF	\$ 8.10	400	\$ 3,240.00
Grading				
Mobilization	LS	\$ 5,040.00	1	\$ 5,040.00
Clearing & Grubbing	AC	\$ 2,160.00	1.30	\$ 2,808.00
Cut to Fill On-Site	CY	\$ 3.00	3,121	\$ 9,363.00
Cut to Export	CY	\$ 3.90	0	\$ -
Import	CY	\$ 12.00	2,200	\$ 26,400.00
Wetlands Mitigation	LS			\$ 124,496.00
Paving				
Mobilization	LS	\$ 1,800.00	1	\$ 1,800.00
Subgrade Prep	SY	\$ 2.70	6,009	\$ 16,224.00
Asphalt Paving 5"	SY	\$ 54.00	4,507	\$ 243,360.00
Concrete - Curb, Gutter, Walks, Etc.				
NA	LF	\$ -	0	\$ -
Storm Drainage				
4' x 6' Box Culvert	LF	\$ 780.00	59	\$ 46,020.00
Culvert Headwall	FSF	\$ 42.00	200	\$ 8,400.00
Type 'M' Riprap	TON	\$ 105.60	144	\$ 15,206.40
Misc. Utilities				
Sleeves	LF	\$ 18.00	160	\$ 2,880.00
Landscaping & Trail				
Retaining Walls	FSF	\$ 42.00	870	\$ 36,540.00
Trail	LF	\$ 19.20	1,690	\$ 32,448.00
Signs	EA	\$ 420.00	2	\$ 840.00
Fencing	LF	\$ 14.40	1,000	\$ 14,400.00
Traffic Control & Signage				
Temporary Barricade	EA	\$ 840.00	2	\$ 1,680.00
Jersey Barricade	EA	\$ 600.00	4	\$ 2,400.00
Signs	EA	\$ 420.00	2	\$ 840.00
Striping	LF	\$ 2.40	1,690	\$ 4,056.00
Guard Rail	LF	\$ 48.00	450	\$ 21,600.00
Erosion & Sediment Control				
Silt Fence	LF	\$ 2.40	1,600	\$ 3,840.00
Construction Fence	LF	\$ 2.40	3,000	\$ 7,200.00
Stabilized Staging Area	EA	\$ 1,800.00	1	\$ 1,800.00
Concrete Washout	EA	\$ 180.00	1	\$ 180.00
Rough Cut Street Control	LF	\$ 2.40	180	\$ 432.00
Erosion Control Log	LF	\$ 2.40	150	\$ 360.00
Erosion Control Blanket	SY	\$ 6.00	500	\$ 3,000.00
Vehicle Tracking Control	EA	\$ 1,440.00	1	\$ 1,440.00
Native Seeding & Mulching	AC	\$ 3,000.00	1.30	\$ 3,900.00
Maintenance	LS	\$ 4,200.00	1	\$ 4,200.00
Total Estimated Construction Costs				\$ 659,597.00
Soft Costs				
Survey	LS			\$ 32,979.85
Geotechnical	LS			\$ 46,171.79
Engineering	LS			\$ 40,000.00
NPDES Permitting	LS			\$ 13,191.94
404 Permitting	LS			\$ 39,575.82
CLOMR/LOMR	LS			\$ 65,959.70
Erosion Control Inspections	LS			\$ 6,595.97
Total Estimated Soft Costs				\$ 244,475.07
Contingencies (10%)				\$ 90,407.21
Cornerstone construction fee (per contract)			20%	\$ 198,895.86
TOTAL ESTIMATED COSTS				\$ 1,193,375.13