



E-470 Board of Directors
Chair – Commissioner Chaz Tedesco (Adams County)
Vice Chair – Commissioner Roger Partridge (Douglas County)
Secretary – Council Member John Diak (Town of Parker)
Treasurer – Council Member Francoise Bergan (City of Aurora)

February 13, 2020
9:00 a.m.

22470 E. Stephen D. Hogan Parkway
Aurora, Colorado 80018

1. Call to Order Chair Chaz Tedesco
2. Pledge of Allegiance Chair Chaz Tedesco
3. Public Comment Chair Chaz Tedesco
4. Consent Calendar Chair Chaz Tedesco
 - a. Approve Meeting Minutes of January 30, 2020
 - b. Approve OP-17-HAYN-1 Contract Amendment 1
 - c. Approve Amended Cogensia Contract
5. Operations Department.....Jessica Carson
 - a. Annual Customer Service Survey Results
 - b. Denver Parking Contract - Approval
6. Finance Department.....Jason Myers
 - a. 2019 Year-End Financial Results – Dashboard Report
 - b. Debt and Finance Management Briefing and 2020 Bond Transaction
7. Information Technology Department.....Ken Smith
 - a. Approve NAS and Back-Up Project
8. Executive Director Report Tim Stewart
9. Executive Session..... Chair Chaz Tedesco
Executive Session, pursuant to C.R.S., Section 24-6-402(4)(b) and Section 24-6-402(4)(e), for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations related to the processes regarding joining the Central US HUB.
10. Other Business..... Chair Chaz Tedesco
11. Adjourn Meeting..... Chair Chaz Tedesco

**The next anticipated Board Meeting will be March 12, 2020
at 9:00 a.m. at the E-470 Administrative Headquarters,
22470 E. Stephen D. Hogan Parkway, Aurora, Colorado 80018**

Agenda Item 4a. Approve Meeting Minutes of February 13, 2020

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

E-470 PUBLIC HIGHWAY AUTHORITY

Held: Thursday, February 13, 2020, at 9:00 a.m. at 22470 E. Stephen D. Hogan Parkway, Aurora, Colorado 80018.

Attendance:

A regular meeting of the Board of Directors of the E-470 Public Highway Authority was held as scheduled and in accordance with applicable statutes of the State of Colorado, with the following directors present:

Chaz Tedesco, Adams County Commissioner
Roger Partridge, Douglas County Commissioner
Craig Hurst, Councilmember Commerce City
Bill Holen, Arapahoe County Commissioner
John Diak, Councilmember Town of Parker
Francoise Bergan, Councilmember City of Aurora

Wynne Shaw, Councilmember City of Lone Tree (*non-voting*)
Laurie Anderson, Councilmember, City and County Broomfield (*non-voting*)
George Teal, DRCOG (*non-voting*)
Doug Tisdale, RTD (*non-voting*)

Also present were: Jim Brady, construction manager, Sherry Brunger, IT coordinator, Jessica Carson, operations director, Annie Disney, staff accountant, Geoffrey Doctoroff, risk management supervisor, Ryan Dole, senior financial analyst, Bruce Emberley, operations and tolling services manager, Michael Hancock, procurement supervisor, Jaime Heitman, controller, Jacob Kramer, HR manager, Moss Levenson, financial analyst 2, Diane Lundquist, executive assistant, Tricia Morales, operations analyst, Jason Myers, finance director, Jeff Perkins, network administrator, Derek Slack, roadway maintenance manager, Ken Smith, information technology director, Tim Stewart, executive director, Cassandra Sulmeisters, marketing specialist, Brianna Summers, staff accountant, Neil Thomson, engineering and roadway maintenance director and Maureen Walker, communications and public affairs manager, E-470 Public Highway Authority; David Dinkel, Colorado State Patrol; Susan Ermisch, Benton Greer and Brendan O'Malley, WSP; Michael Lund, Stifel; Pedro Ramos, J.P. Morgan; George Allen, visitor; and Tamara Seaver, Icenogle Seaver Pogue, P.C.

Call to Order:

Chair Tedesco noting the presence of a quorum of the directors, called the regular meeting to order.

- Pledge of Allegiance: Chair Tedesco led all present in the Pledge of Allegiance.
- Public Comment: Mr. Allen addressed the Board and noted he sees things the Board does not see. He noted that the Authority was about to achieve level debt service but that was not good enough and then commented on US Surgical. He then commented on return on assets for all toll roads as it compared to the Authority.
- Commissioner Tedesco reminded the group that Mr. Allen's oversight project has no connection to the Authority but views of a private citizen.
- Consent Calendar: Commissioner Tedesco noted that the Hayne contract amendment should be noted as amendment no. 2 instead of amendment no. 1. With that change, Commissioner Holen moved approval of the consent agenda, comprising minutes of the January 30, 2020 special meeting, OP-17-HAYN-1 Contract Amendment 2 and Amended Congensia Contract. The motion was seconded by Councilmember Bergan and thereafter approved unanimously by the Board of Directors.
- Operations:
Annual Customer Service Survey Results: Ms. Walker reviewed with the Board the results of the 2019 Customer Service Survey, emphasizing the importance of customer service to the Authority. She noted that for 2019 the surveys were tailored for ExpressToll and License Plate Toll customers. She also reported on high satisfaction of E-470 users, survey demographics, communication preferences, and gap analysis. Councilmember Diak asked if there was anything which could be improved. Ms. Walker commented on landscaping and aesthetics scores being lower, possibly due to construction. Ms. Carson commented on responses to questions about improvements customers would like to see from a technological perspective and how the Authority uses that and other data. Councilmember Bergan asked for clarification about how the survey gets delivered to customers. Mr. Stewart complimented Ms. Walker and her team on their work and considering how the Authority can continue to improve and linked the survey to the Authority's strategic plan.
- Denver Parking Contract - Approval Ms. Carson then reviewed with the Board the history of the Authority's parking partnership contracts with Canopy Airport Parking and FINE, as well as the partnership with the Denver International Airport ("DEN"). She commented on the 2015 license agreement and the parking partnership agreement which is planned to replace the same. She then reviewed the terms and conditions of the proposed DEN parking partnership agreement. Following Board discussion and comment, Commissioner Holen moved that the Board of Directors approve and intergovernmental agreement with the City and County of Denver, Department of Aviation, regarding parking partnerships and programs at Denver International Airport (DEN), subject to final review and approval of the Executive Director and General Counsel. The motion was seconded by Councilmember Diak and was approved unanimously by the Board.
- Finance Department:
2019 Year-End Financial Results – Dashboard Report: Mr. Myers introduced the Authority's Controller, Jaime Heitman, who reviewed 2019 summary unaudited financial information with the Board. She reported on monthly transaction trends, toll transactions by location,

ExpressToll vs. LPT transaction growth, transponder usage, 2019 operating statistics, toll transactions processed by entity for which they are processed (including toll revenue generating transactions), 2019 tolling services statistics, the 2019 operating budget summary, 2019 toll revenue as between LPT and ExpressToll transactions, gross toll revenue categories, 2019 capital budget summary, fund balances, a debt service update, interest rate swaps, historical debt service coverage, and the status of the 2019 audit. Councilmember Diak and Commissions Holen commented on the report and level debt service and commended the Finance Department staff.

Debt and Finance
Management Briefing and
2020 Bond Transaction:

Mr. Myers introduced Mr. Lund, the Authority's municipal advisor from Stifel. Mr. Myers then reviewed with the Board of Directors the history of past bond transactions with an overlay of the Authority's debt and transactions. He highlighted the impact of the recession on transactions and the impact thereof, including the growth and trends of the past five years. He then touched on the Authority's existing debt management plan and staff recommendations to amend certain components of the debt management plan going forward. Mr. Myers then reviewed the current Authority debt service structure, outstanding debt composition, and debt transaction briefings with the Board and finance committee from 2019 up to this point. He then noted the projects already in progress to prepare for the 2020 bond issuance. Mr. Lund then reported on the Authority's callable debt, non-callable debt, and the debt that is callable in 2020 to achieve mostly level debt service which has been the Authority's plan since 2004. He noted that the next large call opportunity would be in 2026. He then turned to the 2020 call opportunity reviewing timing, current rates versus the much lower interest rate available today, cash contribution, goal of the transaction, the 2020 finance team. Mr. Lund then commented on the history of the Authority's upgrade history and the Authority's current ratings.

Mr. Myers then updated the Board on the 2013 Debt Management Policy, incorporating new financial goals aligning with the Authority's Strategic Plan. He then discussed the Authority's current toll rate policy and future planning for post 2020 policy. Mr. Myers then reviewed with the Board the 2020 transaction timeline. Councilmember Diak thanked Mr. Myers for the consistent and constant communication with the Finance Committee and the alignment of the debt and other policies with the Authority's Strategic Plan. Mr. Doug Tisdale inquired about the debt service coverage ratio and plans and Mr. Myers noted he would be vetting that with the Finance Committee.

Information Technology
Department:

Approve NAS and Back-
Up Project:

Mr. Smith addressed the Board of Directors and provided an update on the ongoing Board-approved back up and storage replacement project, which he noted to be within the Board-approved budget. He provided a project overview noting the end-of-life status of the current storage technology and moving to more efficient and simplified storage and back-up technologies. He explained the methodology for the project including, among other items a gap analysis, third party assessment. He noted the work with Trace3 to conduct the gap analysis, determine objectives and assess total storage and backup solutions. The new solutions including Qumolo (hardware) and Cohesity (hardware and software) with a summary of anticipated return on investment, ease of maintenance and

capability of the solutions relative to security. Councilmember Shaw asked about latency and Mr. Smith responded.

Executive Director Report: Mr. Stewart directed the Board to two documents included in the Board folios: the 2020 committee assignments and a letter from Mr. Stewart and Commission Tedesco regarding reaching out to the local jurisdictions to meet with them and discuss the Authority. Commissioner Tedesco invited all to consult with him on assignments if there were issues. Mr. Stewart noted that there will be times within the year in which the Authority's Board meetings will be held offsite during the anticipated construction in the AHF. He then reported that Mr. Thomson was interfacing with the local jurisdictions to understand the Authority's Master Plan and how it links with their projects. He encouraged all to communicate with their staffs. He reported that three responses had been received for the abandoned toll plaza redevelopment and two of the three were national retail operators and are being vetted through staff.

Executive Session: Commissioner Partridge moved that the Board convene in Executive Session, pursuant to C.R.S., Section 24-6-402(4)(b) and Section 24-6-402(4)(e), for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations related to the processes regarding joining the Central US HUB.

Councilmember Bergan seconded the motion, which was unanimously approved by the Board at 10:30 a.m.

The Executive Session included all voting members of the Board, Messrs. Stewart, Smith and Myers, Mss. Seaver and Carson and Councilmember Shaw, RTD member Tisdale, and DRCOG member Teal.

Chair Tedesco reconvened open session at 10:55 a.m.

Other Business: Mr. Stewart commented regarding a legislative matter.

Adjournment: There being no further business to come before the Board, Councilmember Diak moved that the Board of Directors adjourn. The motion was seconded by Councilmember Bergan and approved unanimously by the Board.

Chair of the Meeting