



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)

**March 12, 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 February 13, 2020
  - b. Lowry Trust CUA - Approval
5. Engineering and Roadway Maintenance Department.....Neil Thomson
  - a. Smoky Hill Easement - Approval
6. Finance Department.....Jason Myers
  - a. Economic Impact Study Briefing – Economic Planning Systems Presentation
  - b. Future Toll Rate Policy Briefing - CDM Smith Study Presentation
  - c. Debt Management and Derivatives Policy Briefing – Projected Future Cash Flows
7. Operations Department ..... Jessica Carson
  - a. Annual Accident Analysis Review
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 a potential sale of Authority property located at Toll Plaza C and including the Authority’s Central Maintenance Facility, and potential legislation of impact to the Authority .*
10. Engineering and Roadway Maintenance Department.....Neil Thomson
  - a. Central Maintenance Facility/Toll Plaza C Real Property Sale - Approval
11. Other Business..... Chair Chaz Tedesco
12. Adjourn Meeting ..... Chair Chaz Tedesco

**The next anticipated Board Meeting will be April 23, 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 March 12, 2020**

**RECORD OF PROCEEDINGS**

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

E-470 PUBLIC HIGHWAY AUTHORITY

Held: Thursday, March 12, 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:

Roger Partridge, Douglas County Commissioner  
Craig Hurst, Councilmember Commerce City  
Jeff Baker, Arapahoe County Commissioner  
John Diak, Councilmember Town of Parker  
Francoise Bergan, Councilmember City of Aurora  
Emma Pinter, Adams County Commissioner

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: Jessica Carson, operations director, Geoffrey Doctoroff, risk management supervisor, Ryan Dole, senior financial analyst, Jaime Heitman, controller, Diane Lundquist, executive assistant, Jason Myers, finance director, Ken Smith, information technology director, Tim Stewart, executive director, Cassandra Sulmeisters, marketing specialist, Neil Thomson, engineering and roadway maintenance director, Maureen Walker, communications and public affairs manager and Chuck Weiss, engineering manager, E-470 Public Highway Authority; Matthew Normandin, Colorado State Patrol; Chris Ricks, WSP; Michael Lund, Stifel; David Aron and Kamran Khan, CDM Smith; David Schwartz, EPS; Scott Reed, GBSM; Tom Weihe, Kutak Rock; George Allen, visitor; and Ed Icenogle, Icenogle Seaver Pogue, P.C.

Call to Order:

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

Pledge of Allegiance:

Vice Chair Partridge led all present in the Pledge of Allegiance.

Public Comment:

Mr. Allen suggested the Authority consider placing E-470 under private operation.

Consent Calendar: Councilmember Diak moved approval of the consent agenda, comprising minutes of the February 13, 2020 regular meeting and Lowry Common Use Agreement. The motion was seconded by Councilmember Bergan and thereafter approved unanimously by the Board of Directors.

Engineering and Roadway  
Maintenance:

*Smoky Hill Easement:* Mr. Thomson introduced Mr. Weiss to present information regarding a requested easement in the vicinity of the Smoky Hill interchange. Mr. Weiss informed the Board that Aurora Holdings, LLC has requested a permanent easement for a drainage channel, for which the grantee would be responsible for constructing and maintaining. The easement, he explained, is approximately .05 acre in size and will serve to accommodate outflow from stormwater detention on the grantee's property. Following discussion, Councilmember Diak moved that the described easement be conveyed to Aurora Holdings, LLC in a form approved and executed by the Executive Director and reviewed and approved by General Counsel. Councilmember Bergan seconded the motion, which was unanimously approved by the Board.

Finance Department:

Economic Impact Study  
Briefing – Economic  
Planning Systems  
Presentation:

Mr. Myers introduced two reports by independent analysts, one a briefing on a study of the economic impact of E-470 and the other relating to the upcoming investment grade traffic and revenue study which includes draft alternatives for future toll rate policy, and presented a briefing on future debt management and derivatives policy modifications.

Regarding economic impact, David Schwartz of Economic Planning Systems presented a preliminary report on the economic contributions to the region comprising E-470's influence area, including changes to those contributions since 2015 and the benefits to the Authority's member jurisdictions. Comparing data collected for 2015 with data collected for 2019, Mr. Schwartz's observations regarding E-470's regional contributions over that period included: Population increased by 20,000 per year, an increase of 10%, bringing the E-470 influence area's population to 38% of the people in the seven-county metropolitan area; jobs increased 10,500 per year, an increase of 10%; the gross regional product experienced a 30% increase to \$19.3 billion, and property valuation increased by \$59.4 billion from 2015. Additionally, he reported that in 2019, \$74 million of accident costs were avoided; 43.2 million travel hours were saved, and the net value of travel time saved by customers using E-470 reached \$446 million.

Future Toll Rate Policy  
Briefing – CDM Smith  
Study Presentation:

Regarding the initial results from the investment grade traffic and revenue study including analysis of alternative future toll rate scenarios, Mr. Myers reminded the Board that the final report and final forecasts are not anticipated until April, and might include a motion for future toll rate policy as the Board presently has no policy set beyond 2020. He also noted that, while staff is tracking the current novel coronavirus situation and its potential impact is not specifically reflected in the financial presentation (a presentation by CDM Smith, the Authority's traffic and revenue consultant), data developed for informing the Authority's future toll rates and potential policy has been stress-tested for significant detrimental events including replicating the impacts from the Great Recession or half growth assumptions. Mr. Myers then introduced Kamran Kahn and David Aron of CDM Smith. Mr. Kahn explained that his firm is developing a new E-470 investment

grade traffic and revenue study, for which his presentation was at draft report stage. Among data reported by Mr. Kahn were the following: Toll transactions have increased from 2007 to 2019 at an annual average of 4.3 percent, with revenue having increased over the same period at a rate of 8.9% annual to \$250 million in 2019; E-470 toll rates average 30 cents per mile, compared to a national toll road average of 23 cents per mile, and Pena Blvd. accounts for approximately 30% of all E-470 trips, with 155,000 trips per weekday, but is believed origin and destination trips to and from the airport is around 20 to 25%. Mr. Kahn then reviewed with the Board six potential tolling scenarios, and three variations on one of those scenarios, for the expected impact on traffic and revenue. He advised completion of the study is expected in April.

Debt and Finance  
Management Briefing and  
2020 Bond Transaction:

Regarding debt management and derivatives policy, Mr. Myers briefed the Board on a staff-endorsed five-year toll policy and, from among the policy scenarios studied by CDM Smith at the Authority's request, a scenario providing the lowest net toll revenue amount while yet meeting Authority's new draft financial goals imbedded in the draft debt management and derivatives policy. The recommended scenario involves decreasing ExpressToll® two-axle tolls at Plaza A by 20%, decreasing tolls at Plazas B, C, D, and E by 7%, leaving ramp tolls at present levels, and refactoring the LPT differential and multi-axle toll rate policy based on the new base ExpressToll® rates. This scenario also contemplates adjusting the toll rates as of January 1, 2021 with no scheduled changes through the entire five year policy period. This future toll schedule and policy will be contemplated at a future date, as additional analysis and finalization by CDM Smith is planned in April. Regarding debt management, he noted the Authority may market and price a refunding opportunity as early as mid-May of some callable bonds to take a major step towards achieving a more level debt curve for annual debt service due starting in 2021. However, the Authority may call the bonds up to the call date of September 1, 2020 so there is flexibility in the schedule. Within the updated debt management and derivative policy, staff is planning to propose new recommended financial to include areas such as maintenance of the Authority's credit rating, an annual goal for debt service coverage, self-funding of the Authority's capital plans, do not issue new debt or extend the debt term, continue to plan for future debt call opportunities, maintenance of unrestricted fund balances, the future toll rate policy schedule and annual reaffirmation or review of such schedule.

Discussion by and with the Board followed Mr. Myers' presentation. In response to Chairman Partridge's question, Mr. Myers advised that the recommended toll scenario was chosen because it establishes toll rates which will forecast to meet the Authority's financial goals based on the current information available, while decreasing tolls which E-470 patrons pay. Councilmember Diak expressed support for accomplishing those goals, while ensuring tolls collected meet the future needs and goals of the Authority. He noted the importance of bringing down the per-mile toll rate in the Parker and Douglas County area. Mr. Myers noted that the toll policy scenarios were stress-tested based on the impacts from the great recession which started in 2008, along with toll revenues growing at 50% of projected growth. Director Teal inquired regarding an alternative scenario and Director Tisdale and Chairman Partridge complimented Authority staff and consultants on their work and presentations.

Operations:

Annual Accident Analysis Review: Ms. Carson introduced Mr. Doctoroff to review with the Board of staff's annual accident analysis. Mr. Doctoroff reported that in 2019 despite some accident occurrence spikes related to the E-470 and C-470 construction projects, accidents on E-470, as a function of traffic volume, decreased in 2019; E-470 experienced one traffic fatality; deer strikes had decreased, and, while there were 15 incidents of wrong-way drivers, none of those events resulted in accidents. Accident property damage to Authority assets was \$396,928 in 2019, resulting from 174 incidents, he reported, with pursuit of recovery of those costs underway.

Executive Director Report: Mr. Stewart noted that staff is preparing for appropriate actions for the protection of Authority personnel and the public in connection with the novel coronavirus.

Executive Session: Commissioner Baker moved that the Board convene in Executive Session, pursuant to C.R.S., Section 24-6-402(4)(a), 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 regarding potential legislation and sale of real property.

Councilmember Bergan seconded the motion, which was unanimously approved by the Board at 10:50 a.m.

The Executive Session included all voting members of the Board, Messrs. Stewart, Thomson, Icenogle and Myers and Ms. Carson.

Vice Chair Partridge reconvened open session at 11:15 a.m.

Engineering and Roadway Maintenance:

Central Maintenance Facility/Toll Plaza C Real Property Sale: Mr. Thomson presented information to the Board regarding a proposed agreement for sale of Authority property at the location of its Central Maintenance Facility and Toll Plaza C and relocation of facilities in connection therewith. Councilmember Hurst moved that the Board approve the sale of approximately 80 acres of property at Plaza C to Aurora Highlands LLC for \$7.4 million, subject to terms delineated by staff, and authorized the Executive Director to execute a Purchase and Sale Agreement subject to the review and approval of General Counsel.

Other Business: None.

Adjournment: There being no further business to come before the Board, Vice Chair Partridge adjourned the meeting.

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Chair of the Meeting

# E-470 2020 Calendar

Committee Meetings will be convened as needed and publicly posted as prescribed by statute and resolution

## January 2020

January 1 New Year's Day – Office Closed  
January 9 Committee Work Session – 9 A.M.  
January 20 Martin Luther King, Jr.'s Day  
-Office Closed  
January 30 **BOARD MEETING 9:00 A.M.**  
**Board Officer Nominations and Election**

## February 2020

February 13 **BOARD MEETING 9:00 A.M.**  
February 17 Presidents' Day – Office Closed  
February 27 Committee Work Session – 9 A.M.

## March 2020

March 12 **BOARD MEETING 9:00 A.M.**  
March 26 Committee Work Session – 9 A.M.

## April 2020

April 8 **BOARD RETREAT 8:00 A.M. - 6 P.M.**  
April 23 **BOARD MEETING 9:00 A.M.**

## May 2020

May 14 **BOARD MEETING 9:00 A.M.**  
May 25 Memorial Day – Office Closed  
May 28 Committee Work Session – 9 A.M.

## June 2020

June 11 **BOARD MEETING 9:00 A.M.**  
June 25 Committee Work Session – 9 A.M.

## July 2020

July 3 Independence Day – Observed  
Office Closed  
July 9 **BOARD MEETING 9:00 A.M.**  
July 23 Committee Work Session – 9 A.M.

## August 2020

August 13 **BOARD MEETING 9:00 A.M.**  
August 27 Committee Work Session – 9 A.M.

## September 2020

September 7 Labor Day – Office Closed  
September 10 Committee Work Session – 9 A.M.  
September 13 IBTA 88<sup>th</sup> Annual Meeting and  
To 15 Exhibition – Austin, Texas  
September 24 **BOARD MEETING 9:00 A.M.**

## October 2020

October 8 **BOARD WORKSHOP 9:00 A.M.**  
October 22 Committee Work Session – 9 A.M.

## November 2020

November 11 Veteran's Day – Office Closed  
November 12 **BOARD MEETING 9:00 A.M.**  
November 26 Thanksgiving – Office Closed  
and 27

## December 2020

December 10 **BOARD MEETING 9:00 A.M.**  
December 24 Christmas – Office Closed  
and 25