



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)

May 14, 2020  
9:00 a.m.

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

Zoom Meeting Info: <https://us02web.zoom.us/j/82707693297>  
Webinar ID: 827 0769 3297  
Dial in Information: 253-215-8782

All participation will be via the Zoom meeting location due to the State of Emergency declared by Governor Polis, Public Health Orders 20-23 and 20-24 (revised), Governor Polis' March 25, 2020 Stay at Home Order D2020 017, and CDC recommendations against gathering in large groups in order to mitigate the spread of the COVID-19 virus.

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 April 23, 2020
  - b. Approve AVI System Vendor for AHF Security Upgrades
5. Finance Department.....Jason Myers
  - a. CDM Smith Presentation – Future Traffic and Revenue Projections Briefing
  - b. Future Cash Flows and Financial Goals Briefing
  - c. 2021 Toll Rate Resolution - Approval
  - d. Debt Management and Derivative Policy – Approval
  - e. Series 2020 Bond Resolution – Approval
6. Executive Director Report.....Tim Stewart
7. Other Business..... Chair Chaz Tedesco
8. Adjourn Meeting ..... Chair Chaz Tedesco

**The next anticipated Board Meeting will be June 11, 2020**

**At 9:00 a.m. Via Zoom**

**Agenda Item 4a. Approve Meeting Minutes of May 14, 2020**

**RECORD OF PROCEEDINGS**

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MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

E-470 PUBLIC HIGHWAY AUTHORITY

Held: Thursday, May 14, 2020, at 9:00 a.m. All participation was via the zoom meeting location due to the State of Emergency declared by Governor Polis, Public Health Orders 20-23 and 20-24 (revised), Governor Polis' March 25, 2020 Stay at Home Order D2020 017, and CDC recommendations against gathering in large groups in order to mitigate the spread of the COVID-19. Zoom Meeting - <https://us02web.zoom.us/j/82707693297>  
Webinar ID: 827 0769 3297 Dial in Information: 253-215-8782.

Attendance:

A special 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  
Tim Watts, Councilmember City of Brighton  
Francoise Bergan, Councilmember City of Aurora  
Jessica Sandgren, Mayor Pro Tem City of Thornton

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

Also present were: Jessica Carson, operations director, Ryan Dole, senior financial analyst, Bruce Emberley, operations and tolling services manager, Terry Fabrizio, operations coordinator, Michael Hancock, procurement supervisor, Jaime Heitman, controller, Moss Levenson, financial analyst 2, Diane Lundquist, executive assistant, Jason Myers, finance director, Ken Smith, information technology director, Tim Stewart, executive director, Brianna Summers, staff accountant, Neil Thomson, engineering and roadway maintenance director and Maureen Walker, communications and public affairs manager, E-470 Public Highway Authority; Pedro Costa, NWP LLC.; Jack Nicholls, WSP; Mac Callison, City of Aurora; Michael Lund, Stifel; Jep Seman Attorney ROADIS; Antti Suhonen, J. P. Morgan; Scott Spendlove, Intermountain Corporate Affairs; Ivan Mestre, Magnitvde; Tom Weihe and Jake Ediger, Kutak Rock; David Aron, Paul Vaccarelli, Phani

Jammalamadaka and Kamran Khan, CDM Smith; Jaimie Scranton, Jefferies; Darryl Davis, Morgan Stanley; Helen Atkeson, Hogan Lovells; and Tamara Seaver, Icenogle Seaver Pogue, P.C.

Call to Order: Chair Tedesco noting the presence of a quorum of the directors, called the special meeting to order.

Pledge of Allegiance: Chair Tedesco led all present in the Pledge of Allegiance.

Public Comment: None.

Consent Calendar: Mayor Sandgren moved approval of the consent agenda, comprising minutes of the April 23, 2020 special meeting and AVI System Vendor for AHF Security Upgrades. The motion was seconded by Commissioner Partridge and thereafter approved unanimously by the Board of Directors.

Finance: Mr. Myers reviewed with the Board of Directors financial planning efforts and provided an overview of the various finance topics to be presented to the Board during the Board meeting and the approvals being sought by staff. He noted the unprecedented impact of the COVID-19 pandemic (“COVID-19”) upon the country and toll roads throughout the United States. He mentioned that the bond transaction is being readied for market as interest rates fluctuate in a manner which makes it prudent for the Authority to refund callable debt with the new 2020 Bonds. He explained how the various elements on the agenda were interrelated for the Authority’s financial health.

CDM Smith  
Presentation –  
Future Traffic and  
Revenue Projections  
Briefing:

Mr. Myers reviewed the monthly transaction trends noting the drop in the same related to COVID-19 and associated stay-at-home and safer-at-home orders. He then reviewed the monthly transaction trends year-to-date as compared to 2019. He did note that weekly traffic did increase in late April and early May given the loosening of restrictions on staying at home. Mr. Myers then introduced Kamran Khan, Senior Vice-President with CDM Smith, Inc. Mr. Khan addressed the Board who presented the updated 2020 Investment Grade Traffic and Revenue Study, accounting for COVID-19 impacts, noting that CDM Smith presented 2020 T&R Study draft results, and toll pricing alternatives, to the Board on March 12, 2020. He reviewed the “base case” before COVID-19 and then described estimated annual net toll revenue projections and adjustments thereto given COVID-19 impacts as well as the recent traffic and revenue trends due to COVID-19 and the uncertainty as to how it will have continuing impacts on driver behavior and work environments.

Mr. Myers then introduced Michael Lund with Stifel, the Authority’s Municipal Advisor. Mr. Lund reviewed the Authority’s current debt structure with the Board and then reviewed the 2020 refunding transaction and planned structure, including COVID-19 impacts on the same with a lower cash contribution to preserve Authority cash and adding a longer dated term bond with a short call opportunity. He noted that while level debt service is still a target, the interest rates and associated net-present-value savings are also important and could be significant for this transaction. Mr. Lund then reviewed the potential future debt structure with the Board preserving additional flexibility to the Authority as the nation, State and

region start to recover from COVID-19 impacts. He then reviewed the upcoming rating agency plan, and touched on the history of the rating upgrades, recently noting the Fitch upgrade of the Authority to an A rating making it more in line with the other rating agencies. He reported that S&P assigned a negative outlook to all toll roads in March, including the Authority. Mr. Lund then reported on the financial team for the transaction and the transaction's timeline with a current anticipated closing in late June, knowing that there is flexibility. Councilmember Diak commented on the Finance Department's efforts and his engagement with Mr. Myers during this process as the Finance Committee Chair. He noted the desire to preserve the prior plan and the importance of the advice of the Authority's consultants which makes the current plan prudent. Commissioner Holen echoed Councilmember Diak's thoughts.

2021 Toll Rate  
Resolution:

Following the presentations, Mr. Myers proposed for approval of a 1-year extension of the 2020 toll rates to match the rates within the CDM Smith 2020 investment grade study of future traffic & revenue projections considering the pandemic impacts. Councilmember Diak moved that the Board approve Resolution 20-01 extending the Resolution 19-03 toll rate schedule for 2021. The motion was seconded by Commissioner Holen and approved unanimously by the Board.

Debt Management  
and Derivative  
Policy:

Mr. Myers then reviewed with the Board of Directors the history of the Authority's Debt Management and Derivative policy, the early March draft financial goals and the modified goals considering the current significant financial downturn and expected recession in light of COVID-19. Mr. Myers then reviewed the unrestricted fund balances and their relation to the proposed 2020 Bonds as well as the Projected Cash flows.

Following the complete discussion, Commissioner Holen moved that the Board Authorize Amendments to the Debt Management and Derivative policy, approving the adoption of financial goals and updates to the objectives, debt policy, response and the derivatives policy and approving other actions related thereto. The motion was seconded by Councilmember Diak and approved unanimously by the Board.

Future Cash Flows  
and Financial Goals  
Briefing:

Mr. Myers reviewed the projected cash flows and financial goals including changes from the March 12, 2020 presentation, as adjusted for the COVID-19 pandemic. He then revised the projected debt service coverage adjusted for COVID-19 as well as the projected funding and unrestricted fund balances. He then reported on the stress tests for the financial goals with a second COVID-19 wave and potential renewal of state at home orders and reviewed the impacts of the analysis.

Series 2020 Bond  
Resolution:

Mr. Myers reviewed the terms of the Amended and Restated Master Bond Resolution and Series 2020A Bond Resolution with the Board noting Tom Weihe from Kutak Rock (Bond Counsel) and Helen Atkinson (Disclosure Counsel) were available for questions.

Councilmember Diak moved that the Board approve a Resolution Amending and Restating the Authority's existing Master Bond resolution to incorporate amendments previously made by the Authority's Supplemental Bond

Resolutions and to make certain additional amendments thereto; providing various covenants, agreements and other matters relating thereto; and providing the effective date thereof. The motion was seconded by Commissioner Holen and approved unanimously by the Board of Directors.

Mr. Myers reviewed the terms of the 2020A Supplemental Bond Resolution with the Board. Thereafter, Commissioner Holen moved to approve a Resolution authorizing the issuance of the E-470 Public Highway Authority Senior Revenue Bonds, Series 2020A, for the purpose of refunding all or a portion of the Authority's Senior Revenue Bonds, Series 2004B and Series 2010C; providing for certain amendments to the Authority's Amended and Restated Master Bond Resolution and First Supplemental Resolution; providing for the payment from the surplus fund of certain amounts; providing various covenants, agreements and other matters relating thereto; ratifying action previously taken; providing the effective date; and authorizing authority representatives to sign any and all documents relating thereto. The motion was seconded by Commissioner Partridge and approved unanimously by the Board.

Following discussion Commissioner Tedesco thanked Mr. Myers and his staff as well as the Finance Committee and noted his support for the transaction.

Executive Director  
Report:

Mr. Stewart thanked Mr. Myers and the financial team for their work on the various financial items. Mr. Stewart noted there will be no meeting on May 28, 2020 but committee meetings will take place, including a Roadway Committee meeting. He reported that the Road Widening project continues to progress and that the Next Generation Lane System project will kick-off in June. He reported on the status of HAZMAT presentations to the various members and scheduling for the same as well as comments on the Authority's Master Plan from the member jurisdictions. Mr. Stewart then noted the anticipated return to the office on June 1, 2020 with diminished staff and efforts to normalize will begin.

Other Business:

None.

Adjournment:

There being no further business to come before the Board, Chair Tedesco declared the meeting adjourned.

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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 IBTTA 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