



2022

ANNUAL REPORT

*a history-
making year*

E-470 ROUTE



NEW LEADERSHIP SAME DEDICATION TO EXCELLENCE

As the Chair of the E-470 Board of Directors and the new Executive Director of the Authority, we are honored to be associated with this prestigious organization. Enterprising agencies like E-470 are the influencers in finding and implementing innovative solutions in mobility, transportation, tolling, and customer service. It is a privilege to be part of the Authority's future success and to help guide the organization into its next chapter.

With the historical knowledge of the Board and Authority Staff, and the vision of a new leader, we feel we are primed to tackle our next round of innovative projects. We will approach this exciting phase with forward-thinking leadership, and we will continue to invest in the communities we serve while utilizing our skills to embrace the rapidly evolving transportation landscape in Colorado.

Sincerely,

John Diak, E-470 Board Chair and Town of Parker Council Member

Beau Memory, E-470 Executive Director

After a nationwide search in early 2022, the E-470 Board of Directors chose Beau Memory as the next Executive Director for the Authority. Memory came to E-470 from North Carolina where he served as the Chief Operating Officer and Chief Deputy Secretary of the Department of Transportation (NCDOT), overseeing one of the largest state-maintained highway systems in the nation.

Memory brought his experience in the toll industry and paired it with a fresh perspective on the Authority's needs to guide the organization through the execution of several critical capital projects. These projects include but are not limited to the E-470 Road Widening project, new interchanges, service stations added along the roadway, the Next Generation Lane Toll System implementation, the development of a new back-office toll collection system, the Contact Center Transformation Project, and the move towards toll interoperability with neighboring states. The next few years bring many exciting changes and tremendous challenges that the organization is excited to embrace under the leadership of its new Executive Director, the existing guidance from the Board of Directors, and the experience of its talented staff.

E-470 PUBLIC HIGHWAY AUTHORITY LEADERSHIP

BOARD OF DIRECTORS



JOHN DIAK
Chair
Council Member,
Town of Parker



FRANÇOISE BERGAN
Vice Chair
Council Member,
City of Aurora



JAN PAWLOWSKI
Treasurer
Council Member,
City of Brighton



CRAIG HURST
Secretary
Council Member,
Commerce City



BILL HOLEN
Commissioner,
Arapahoe County



TONY UNREIN
Council Member,
City of Thornton



GEORGE TEAL
Commissioner,
Douglas County



CHAZ TEDESCO
Commissioner,
Adams County

E-470 EXECUTIVE LEADERSHIP



BEAU MEMORY
Executive Director



ANJIE VESCERA
Director of
Operations



JASON MYERS
Director of Finance



JESSICA CARSON
Director of Public
Affairs



KEN SMITH
Director of
Information
Technology



NEIL THOMSON
Director of
Engineering
and Roadway
Maintenance



MAKING HISTORY

For the first time in the E-470 Public Highway Authority's 30-year history, E-470 customers saw a reduction in all mainline tolls along the 47-mile roadway starting on January 1, 2022. This followed the decrease in rates at the mainline toll plaza just south of Pena Boulevard in 2018 and the multi-axle reduction in 2020.

In a stunning show of financial stability of the Authority and appreciation to customers, the E-470 Board of Directors approved a \$0.05 decrease at all mainline toll plazas, and a \$0.10 decrease at toll Plaza A at the southern end of the roadway in Douglas County for ExpressToll and License Plate Toll users.



EXCELLENCE IN TOLLING

The reduction in E-470 toll rates resulted in the International Bridge, Tunnel and Turnpike Association (IBTTA) presenting the Authority with a 2022 Toll Excellence Award in the Administration and Finance category.

E-470 was able to achieve this honor by updating its debt management policy and closing on a major debt restructuring in the spring of 2020. Despite the COVID-19 pandemic, which kept many people from commuting as they normally would, the restructuring allowed the Authority to move forward with its long-standing goals of:

- Restructuring and leveling its debt service profile
- Achieving savings of \$80 million in 2020 with the 2020 bond transaction
- Realizing savings of \$2 million in 2021 with a 2021 bond transaction
- Lowering toll rates for E-470 customers in 2022

The Authority and its Board of Directors were honored to be internationally recognized for financial resiliency that provided value and savings to customers during such a challenging time.



TRANSPORTATION SAFETY FOUNDATION

2022 was another record-breaking year for the E-470 Transportation Safety Foundation (TSF) – the Authority’s charitable arm that raises money to support transportation safety initiatives throughout Colorado without utilizing toll revenue. After record proceeds were raised in 2021, the TSF awarded eleven \$2,500 grants, the most in its history, to local nonprofit organizations to fund transportation safety programs.

Additionally, the TSF was able to fund 23 Colorado high schools with \$200 each to support After Prom events, providing students with safe and fun activities on prom night.

The TSF also hosted its second ever Topgolf event in August. Thanks to the support of more than 40 organizations and nearly 200 participants, the 2022 event raised over \$60,000 to further support future foundation grants and program expenses.

2022 GRANT WINNERS

- Arapahoe County Early Childhood Council
- Children’s Hospital Colorado Foundation
- Thriving Families
- Tri-County Health Department Nurse Support Program
- WeeCycle
- Castle Rock Senior Activity Center
- Cultivate
- Save Our Youth
- South Metro Safety Foundation
- Denver Police Museum
- DRIVE SMART Weld County



GOOD GUYS

The staff-led E-470 Good Guys also expanded their reach in 2022 by supporting new organizations and hosting a brand-new Trunk-or-Treat event.

2022 Highlights:

- Hosted summer blood drive
- Boxed nearly 58,000 meals at Food Bank of the Rockies
- Hosted a free Trunk-or-Treat event for the community and staff families
- Donated over 3,500 pieces of Halloween candy to children and families served by Denver Children’s Home, Gateway Domestic Violence services and Adams County Foster Care
- Raised hundreds of dollars and donated clothes, shoes, essential items and toys that were distributed to 40 local children and adults through the Salvation Army Angel Tree Program
- Adopted a family of four from Fort Carson Army Base for Operation Christmas Spirit, providing individualized gifts for each of them
- Donated new and gently used coats to Coats for Colorado





BIKE TO WORK DAY

For the first time in the Authority's history, E-470 participated in Bike to Work Day on the E-470 Trail in Parker. Staff set up a breakfast station to educate dozens of people on bikes about E-470 trail projects and other multimodal enhancements along the corridor.

COMMUNITY SPONSORSHIPS

Each year, E-470 supports its member jurisdictions by sponsoring events in the community. In 2022, the Authority sponsored:

- Aurora Armed Forces Luncheon
- Brighton Summerfest and Festival of Lights Parade
- Parker Mayor's Holiday Tree Lighting
- Thornton 4th of July Festival
- Adams County Fair
- Arapahoe County Fair and other local events
- Douglas County Fair & Rodeo



MARSHALL FIRE SUPPORT

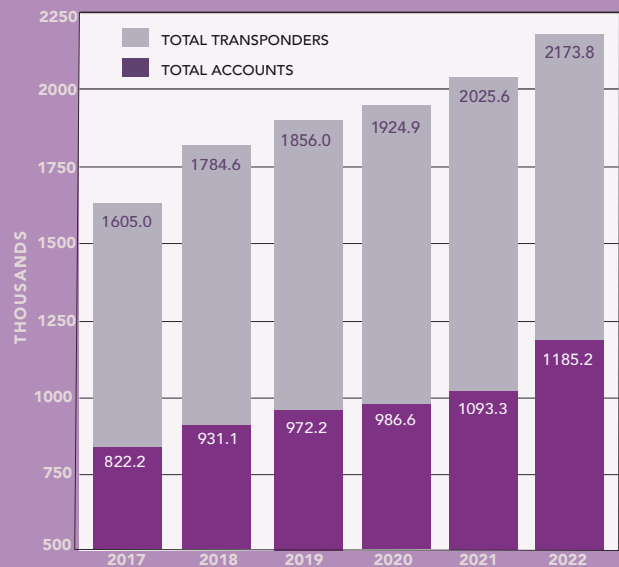
E-470 is dedicated to supporting our partners in good times and in bad. Two days before the start of 2022, the historic Marshall Fire destroyed 1,000 homes in Boulder County. The Authority assisted the Northwest Parkway in initiating their Marshall Fire Toll Relief Program. E-470 provided back office support in reimbursing Northwest Parkway tolls for eligible ExpressToll customers who lost their homes in the fire.

PARKER ROAD PEDESTRIAN BRIDGE

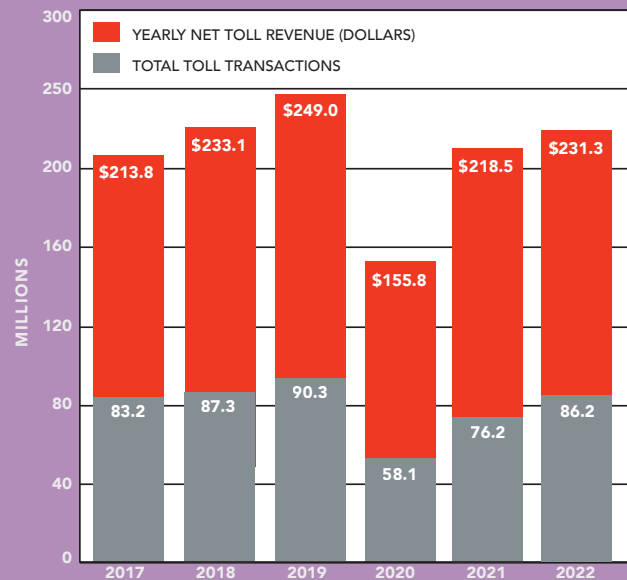
Partnering to build out local trail systems continues to be a part of the Authority's commitment to supporting the communities surrounding E-470. Construction on the High Plains Trail connector project began in April 2022. When complete, the High Plains Trail will be connected to the Cherry Creek Regional Trail with a pedestrian overpass over Parker Road. The Authority partnered with Arapahoe County, Town of Parker, City of Aurora, City of Centennial and Douglas County to fund this \$5.2 million strategically significant trail project.



EXPRESSTOLL ACCOUNTS AND TRANSPONDERS



E-470 YEARLY TOLL REVENUE AND TRANSACTIONS



2022 FINANCIAL OVERVIEW

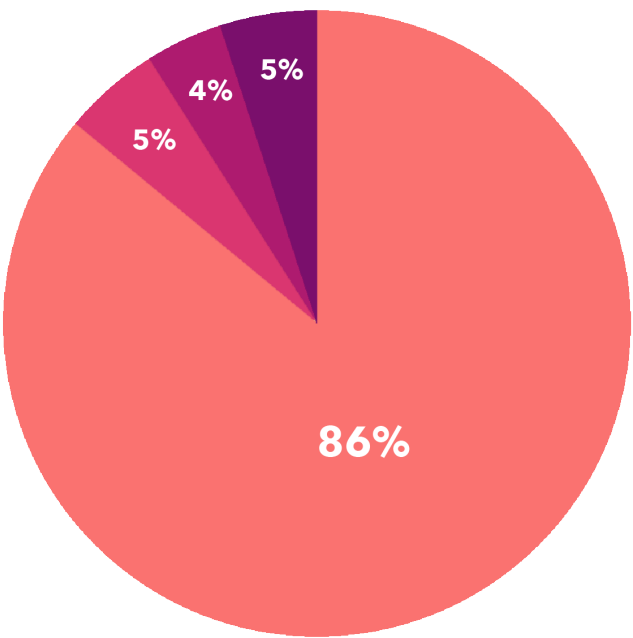
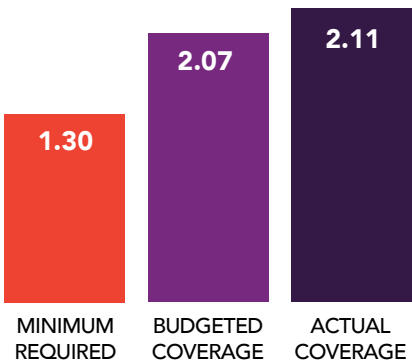
2022 OPERATING REVENUES

	2022 BUDGET	2022 ACTUAL
Tolls	\$ 237,917,000	\$ 231,325,278
Other fees	10,000,000	12,941,449
Unrestricted Investment Income	9,000,000	9,668,107
Other Income	11,649,000	13,855,139
TOTAL	\$268,566,000	\$267,789,973

2022 OPERATING BUDGET

	2022 BUDGET	2022 ACTUAL
Operating Revenues	268,566,000	267,789,983
Operating Expenses	(64,216,200)	(60,868,920)
Net Income Available for Senior Debt Service	204,349,800	206,921,053
Aggregate Senior Bonds Debt Service, Net	98,500,000	98,164,945
Senior Bonds Debt Service Coverage Ratio	2.07	2.11

2022 DEBT SERVICE COVERAGE



2022 REVENUES: \$268 MILLION

- 86% Tolls
- 5% Other Fees
- 5% Unrestricted Investment Income
- 4% Other Income

2022 FINANCIAL STATEMENTS

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION

Operating revenues	Year ended December 31, 2022
Tolls	\$ 231,325,278
Other fees	12,941,449
Tolling services	10,348,968
Total operating revenues	254,615,695
Operating expenses	
Toll road operations	51,681,128
Salaries and benefits	10,501,553
General and administrative	3,322,955
Total operating expenses before depreciation	65,505,636
Depreciation	39,885,962
Total operating expenses	105,391,598
Operating income	149,224,097
Nonoperating revenues (expenses)	
Investment income	11,065,087
Change in fair value of derivative instruments and investments	11,713,037
Interest expenses	(76,147,252)
Other income	3,473,103
Total nonoperating expenses, net	(49,896,025)
Change in net position	99,328,072
Net position, beginning of year	(181,478,506)
Net position, end of year	\$ (82,150,434)

STATEMENT OF NET POSITION

Assets	As of December 31, 2022
Current unrestricted assets	\$ 282,474,905
Current restricted assets	99,863,105
Capital assets (net of accumulated depreciation)	574,735,271
Other noncurrent assets	307,151,063
Total assets	1,264,224,344
Deferred outflows of resources	39,487,295
Total assets and deferred outflows of resources	1,303,711,639
Liabilities	
Other current liabilities	65,183,481
Current bonds payable	87,395,000
Other noncurrent liabilities	20,480,507
Noncurrent bonds payable	1,208,742,191
Total liabilities	1,381,801,179
Deferred inflows of resources	4,060,894
Net Position	
Net investment in capital assets	64,970,221
Unrestricted	(147,120,655)
Total net position	(82,150,434)
Total liabilities and deferred inflows of resources and net position	\$1,303,711,639



CHALLENGING YEAR WITH POSITIVE RESULTS

2022 brought several new challenges and traffic pattern changes along the corridor. The COVID-19 Omicron variant swept through the country and the local region causing travel disruptions over the holidays and into January. The trials and tribulations continued with a very snowy February, and gas prices and inflation on consumer goods spiked and remained historically high through the summer, causing variations in the Authority's normal summer traffic patterns and volumes.

Despite these challenges, the Authority successfully managed its operations, budget, capital projects, financial position, liquidity, and key financial metrics including debt service coverage. E-470 is self-funded and financed, and does not use any local, state, or federal funding. It is a financially stable roadway that is actively paying down its debts and expanding services to meet the continually growing demand of the communities it serves and improving regional transportation mobility.

Overall, the Authority ended the year 13% higher than 2021 traffic levels. Toll transactions finished at 96% of 2022 projections and budget. This correlated to net toll revenues ending at 97% of budget, with other revenues finishing the year over budget. This allowed the Authority to end the year at 99.7% of total budgeted revenues. This combined with finishing the year at 95% of operating expenses and debt service paid of \$98.2 million yielded a debt service coverage ratio of 2.11.

The Authority did not have any bond transactions in 2022, and remained steady with its ratings, maintaining the "A" underlying bond rating from S&P and "A2" rating from Moody's Investor Services. The Authority maintained compliance with its debt management plan, which includes financial goals for year-end results and achieving savings on debt transactions and structure, which will allow the Authority to continue to invest in future phases of expansion, technology, and infrastructure improvements.



ANNUAL CUSTOMER EXPERIENCE SURVEY

Each year, the E-470 Public Highway Authority asks customers to share their experience with E-470 and ExpressToll. Their answers help us identify ways to make the experience better for every customer, and also inform the Authority's future investments. More than 35,000 people responded to the 2022 survey, which covered customer demographics, communication channels, payment methods, road conditions and satisfaction with E-470 and ExpressToll. Full survey results can be found on the News and Updates section of E-470.com.

SURVEY HIGHLIGHTS

- ExpressToll service satisfaction rating: **4.66 out of 5 stars**
- E-470 road conditions satisfaction rating: **4.61 out of 5 stars**
- The most important item to E-470 customers: **E-470 is kept free of snow**
- The #1 reason customers choose E-470: **E-470 saves time**

EXPRESSTOLL BY THE NUMBERS

- ExpressToll accounts opened in 2022: **150,361**
- Total active ExpressToll accounts in 2022: **1,185,215**
- Total outstanding ExpressToll transponders in 2022: **2,173,888**
- Total outstanding HOV transponders in 2022: **293,724**
- Inbound customer service calls in 2022: **870,855**
- Image transactions processed in 2022: **74,423,383**



BUILDING MORE CAPACITY

In September of 2022, the Authority started construction on the latest phase of the E-470 Road Widening and Trail Expansion program. The Authority is adding more capacity in a rapidly growing part of the Denver Metro area by adding a third travel lane in each direction of E-470 from I-70 to 104th Avenue, a distance of 11 miles.

The project also includes several interchange improvements. Crews will construct two new interchanges at 48th and 38th Avenues to improve connectivity and traffic flow in newly developed communities, like the Aurora Highlands, High Point, and the Windler Homestead. They will also expand the Pena Boulevard and 64th Ave. interchanges and widen the existing bridges.



BUILDING OUT LOCAL TRAIL SYSTEMS

As part of the road widening project, crews will also construct extensions of the High Plains Trail, a 10-foot-wide concrete paved multi-use path, four miles from 26th to 64th Avenues in the City of Aurora and two miles from 88th Avenue to 104th Avenue in Commerce City. This is in addition to the already completed 12.5 miles of trail along the corridor. The Authority is also partnering with the City of Aurora to build a connection from the High Plains Trail to Jewell Avenue, and with Adams County to build part of the future High Plains Trail as part of the County's Riverdale Bluffs Regional Park project.



NEXT GENERATION TOLLING SYSTEM

E-470 kicked off its Next Generation Lane Toll System planning and design during the summer of 2020. The Authority is currently testing and integrating the next generation system along the roadway, completing its first successful transition during fall of 2022. This new technology allows for improvements in accuracy, reliability, and efficiency for both customers and the Authority. The new system is anticipated to be fully operational near the end of 2023.

NEW SYSTEM IMPROVES MOUNTAIN TRAVEL

E-470 also supported its partners at the Colorado Department of Transportation and its tolling arm Colorado Transportation Investment Office (CTIO), in the go-live of the I-70 Mountain Express Lanes. The next generation lane toll system was installed and integrated at this new location as well. Tolling began on the Westbound Mountain Express Lanes in early July of 2022. The 12-mile managed lane stretches from the Veteran's Memorial Tunnel to Empire.



SAFETY IS KEY

E-470 continues to make safety a top priority by investing in enhancements on and off the roadway. In 2022, the Authority made the following improvements to continue providing a safer commute for its customers:



IMPROVED INTERSECTION SAFETY

The Authority partnered with the City of Thornton to install traffic signals at the intersection of E-470 and Quebec Street to facilitate safer crossings for those in vehicles and on foot. The Authority is also partnering with the City of Aurora to fund future temporary traffic signals at the Jewell Avenue and Gartrell Road interchanges.

ENHANCED VISIBILITY AT RAMPS

Crews refreshed pavement markings on several E-470 ramps to make them easier to see at night and in inclement weather.



NEW CABLE BARRIER LOCATIONS

E-470 utilizes cable barrier in the median along all 47 miles of the roadway to reduce cross-over crashes. In 2022, the Authority began installing this safety feature at select ramp locations identified for improved safety. If a vehicle veers off the roadway, the cable barrier will absorb its impact energy to reduce the severity of a crash. Work was complete on the ramps from northbound E-470 to I-76 in Commerce City and from northbound E-470 to northbound I-25 in Thornton with additional locations scheduled for cable barrier installation in 2023.

UPGRADED SIGNAGE

The Authority installed two new types of signage along the roadway in 2022 to catch the attention of drivers. First, crews installed solar powered back-lit "do not enter" signs at ramps and crossovers to alert potential wrong-way drivers. Second, the chevron directional signs at the off ramp from northbound E-470 to Gun Club Road/Quincy Ave were upgraded with solar powered flashing lights. The new feature will help safely guide drivers through the curve from dusk until dawn.



NEW VEHICLES TO ASSIST MOTORISTS

The E-470 Roadside Assistance team provides free, 24/7 help to motorists along the roadway, and in 2022, their vehicles got a major upgrade. The team will be able to better serve customers after transitioning to larger, Ford F-150 trucks with enhanced features including:

- Front push bumpers to clear disabled vehicles from the roadway faster
- Kinetic tow ropes to assist stranded or stuck motorists
- Slide out beds for safer access to tools
- Portable air compressors for quicker assistance
- High-vis, retroreflective graphics, and additional strobe lights for better visibility at night

The Roadside Assistance teams also became even easier for customers to reach in 2022. Any customer with a mobile phone can now dial *470 to be connected directly to roadside assistance dispatch for help along E-470 anytime.

PRIORITIZING **SUSTAINABILITY**

E-470 is committed to environmental stewardship, especially in the communities surrounding the roadway. Some highlights of 2022 sustainability efforts include:

PROTECTING **WATER QUALITY**

The Cherry Creek and Barr Milton Watersheds are adjacent to E-470, and the Authority plays a role in keeping those watersheds clean through a permit with the Colorado Department of Public Health and Environment. In 2022, E-470 worked to educate customers on the ways they can do their part to help protect and improve water quality. The Authority communicated these tips to customers through its website, quarterly newsletter, and social media posts.

IMPROVING **AIR QUALITY**

The Authority partners with the Regional Air Quality Council to promote the Simple Steps. Better Air. program. On poor air quality days, the Authority shares ozone alert messages on variable message signs along E-470 to remind drivers of the actions they can take to reduce vehicle pollution, such as avoiding engine idling.



EV CHARGER **UPGRADE**

Over the summer, the Authority upgraded the ChargePoint "DC Fast Charge" electric vehicle (EV) charging units at its administrative building in Aurora. The new units increase output based on what an EV will allow, and feature modular technology, which allows for future upgrades without needing to fully replace the units. The Authority offers this service to the public free of charge.





Public Highway Authority

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