

BOARD OF DIRECTORS MEETING AGENDA



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

Date: June 15, 2023

Time: 9:00 a.m.

E-470 Board of Director Officers
Chair – Council Member John Diak (Parker)
Vice Chair – Mayor Pro-Tem Francoise Bergan (Aurora)
Secretary Council Member Craig Hurst (Commerce City)
Treasurer – Council Member Jan Pawlowski (Brighton)

PLEASE NOTE ALL MEMBERS OF THE PUBLIC ARE ALSO WELCOME TO PARTICIPATE VIRTUALLY VIA THE FOLLOWING:

TEAMS MEETING
Or call in (audio only)
+1 323-618-1887 | Conference ID: 431 230 241#

Agenda details:

1. Call to OrderChair John Diak
2. Pledge of AllegianceChair John Diak
3. Public CommentChair John Diak
4. Consent Calendar.....Chair John Diak
 - a. Meeting Minutes of May 11, 2023
 - b. Adams County Trail IGA Amendment
 - c. Mineral Rights Lease
 - d. KPMG Contract Extension
 - e. City of Thornton Fourth of July Event
 - f. Aurora Community Events Sponsorship
5. Operations Department.....Anjie Vescera
 - a. Fourth Amendment to CSP IGA
6. Engineering and Roadway Maintenance Department Neil Thomson
 - a. Jewell Avenue Trail Connection Contract
7. Finance DepartmentJason Myers
 - a. Rating Agencies Update
 - b. 2023 Toll Rates Evaluation and Briefing
8. Public AffairsJessica Carson
 - a. E-470 Now Q2 Video

- 9. Executive Director Report.....Beau Memory
- 10. Executive SessionChair John Diak
Executive session, pursuant to C.R.S., Section 24-6-402(4)(d), for the purpose of discussing specialized details of security arrangements or investigations where public disclosure of the matters discussed might reveal information that could be used for the purpose of committing, or avoiding prosecution for, a violation of the law related to the Authority’s cyber and security related assets.
- 11. Other BusinessChair John Diak
- 12. Adjourn MeetingChair John Diak

The next anticipated E-470 Board of Directors Meeting will be July 13, 2023 at 9:00 a.m. at the AHF Offices, 22470 E. Stephen D. Hogan Parkway, Aurora, Colorado 80018

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

E-470 PUBLIC HIGHWAY AUTHORITY

Held: Thursday, May 11, 2023, at 9:00 a.m., at 22470 E. Stephen D. Hogan Parkway, in the Board Room, Aurora, Colorado.

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:

John Diak, Councilmember Town of Parker
Françoise Bergan, Mayor Pro-Tem City of Aurora
Bill Holen, Arapahoe County Commissioner
George Teal, Douglas County Commissioner
Craig Hurst, Councilmember City of Commerce City
Tony Unrein, Councilmember City of Thornton
Jan Pawlowski, Councilmember City of Brighton
Chaz Tedesco, Adams County Commissioner

Wynne Shaw, Councilmember City of Lone Tree (non-voting)
Deborah Mulvey, DRCOG (non-voting)
Peggy Catlin, RTD (non-voting)

Also present were: Cassie Bennett, staff accountant, Jessica Carson, toll operations director, Wanda DeVargas, roadway maintenance supervisor, Geoffrey Doctoroff, risk and administrative services manager, Ryan Dole, senior financial analyst, Terry Fabrizio-Rollert, operations coordinator, Ted Gies, team lead, IT service desk, Michael Hancock, tolling operations manager, Jaime Heitman, controller, Kris Kellim, procurement manager, Brandi Kemper, permit supervisor, Jacob Kramer, HR manager, Diane Lundquist, executive assistant, Tiffany McCue, marketing specialist, Beau Memory, executive director, Tricia Morales, customer service manager, Jason Myers, director of finance and administrative services, Kate Oberleas, project engineer, Derek Slack, roadway maintenance manager, Ken Smith, information technology director, Briana Summers, accounting manager, Neil Thomson, engineering and roadway maintenance director and Anjie Vescera, director of operations, E-470 Public Highway Authority; Chris Chovan, Adams County; Dave Kristick, Atkins Global; Mac Callison, City of Aurora; Pedro Costa and Brenda Schuler, NWPLLC; Andrew Ma and Robyn Moore, Piper Sandler; Susan Ermisch, WSP;

Jeremy Nash, KPMG; Christian Jones, North Highland; Daniel Robicheaux, HNTB Engineering; and Tamara Seaver and Shannon Smith Johnson, Icenogle Seaver Pogue, P.C.

Call to Order: Councilmember Diak, noting the presence of a quorum of the directors, called the regular meeting to order at 9:01 a.m.

Pledge of Allegiance: Councilmember Diak led all present in the Pledge of Allegiance.

Public Comment: None.

Consent Calendar: Councilmember Unrein moved approval of the consent agenda, comprising meeting minutes of April 13, 2023, Meridian Metro District Common Use Agreement, Property Sale and Adams County Fair Agreement. The motion was seconded by Councilmember Pawlowski and approved unanimously by the Board.

Finance

Department:

KPMG 2022

Financial

Statement Audit –

Results and

Acceptance:

Ms. Heitman addressed the Board and reviewed the 2022 Financial Statement Report issued by KPMG on April 17th. She thanked her staff for their hard work on the audit and noted the financial statements and audit opinion were issued on time and the opinion was clean. Thereafter Mr. Nash addressed the Board remotely and represented detailed audit results and unmodified opinion as a testament to the Authority’s staff. He reported on auditing standards and the long and detailed process of conducting the audit, as well as the very detailed presentation to the Authority’s Finance, Budget and Audit Committee in April. Commissioner Holen, as a member of the Committee, expressed his appreciation for the work and the Authority’s Finance Department. Councilmember Diak echoed the comments and noted KPMG’s time spent with him.

Mayor Pro-Tem Bergan moved that the Board accept and authorize release of the E-470 Public Highway Authority 2022 Financial Statement Audit Report from KPMG. The motion was seconded by Councilmember Unrein and approved unanimously by the Board.

E-470 Annual Report Briefing:

Mr. Myers then addressed the Board regarding the Authority’s Annual Report which he noted serves the dual purposes of bond continuing disclosure compliance and a public information tool. He noted the full report was available on BoardPaq, and will be posted publicly after the meeting. Mayor Pro-Tem Bergan noted she found the report to be very impressive.

Q1 Financial Review –

Mr. Myers introduced the First Quarter Dashboard Report, opening by reporting on monthly transaction trends from 2019 through Q1 and added the update on

Dashboard Report Briefing: traffic through April 30, 2023 as it was available. He then reviewed 2023 transactions comparing to 2023 Budget and year-to-date projections.

Ms. Heitman then addressed the Board and reviewed ExpressToll® and License PlateToll® transactions through the first quarter and associated toll revenue with a breakout of revenue by collection method. She then reviewed the First Quarter Operating Budget and debt service coverage ratio as well as the Capital Budget as compared to budget. Commissioner Holen inquired about HPTE’s revenues and Ms. Heitman noted she would have to defer to HPTE on their revenues. Councilmember Shaw inquired about prior improvements to temporary tags and whether those improvements were of impact. Ms. Heitman noted the improved ability to read those tags and Mr. Myers noted the lowered leakage after SB-90 dating back several years.

Ms. Summers reviewed with the Board the Authority’s various fund balances as of March 31, 2023 as well as the Authority’s unrestricted fund balance trends and future debt service structure and upcoming series of callable bonds in 2024. She reported on the Authority’s debt and associated SWAPs and she then presented the Authority’s First Quarter 2023 Back Office transactions.

Mr. Myers wrapped the Finance Department presentation by discussing the Authority’s financial planning for the remainder of 2023 and into 2024 which will be impacted by decisions as to the 2 series of callable bonds in 2024. Mr. Myers reviewed a high level synopsis/timeline of upcoming financial planning and analysis noting the May 25, 2023 Finance, Budget and Audit Committee Session to review projections, cash flows (including stress tests) and 2023 toll rates for the rest of the year. He then reported on efforts throughout 2023. Mayor Pro-Tem Bergan inquired about the callable opportunities and the interplay of interest rates in that analysis. Mr. Myers noted interest rates will play into the decisions as well as myriad other financial factors.

Information
Technology
Department:
GTTC Vendor
Pool Selection:

Mr. Smith reviewed the process of the General Tolling Technology Consultant (GTTC) Request for Proposals as well as providing background regarding services performed by GTTC consultants. He noted their involvement in the Central US Interoperability HUB (CUSIOP), Next Generation Lane Tolling System, Back Office development and implementation, Applegreen support and future support of HPTE/CTIO. Mr. Smith then reviewed with the Board the proposed contract structure and term, noting the recommendation for a pool of vendors and the recommendation to re-solicit vendors on a rolling 3 year cycle to ensure the vendor pool remains competitive and allows new pool participants.

He reviewed the RFP timeline, the cross-departmental evaluation and scoring process and the proposals received from Atkins, HNTB, North Highland and Arcadis. He summarized for the Board the staff evaluation of the four proposers

as well as their various skill sets and staff's recommended pool of vendors as Atkins, HNTB and North Highland as providing the best value to the Authority.

He then provided a historical GTTC snapshot of expenses as compared against expected projects and associated expenditures in 2023 and 2024, notably including Next Generation Lane System and the Back Office Project.

Mayor Pro-Tem Bergan inquired about the Atkins and HNTB and their work for other customers interfering with their ability to perform work for the Authority. Mr. Smith noted the two consultants were extremely large but that is always a potential issue which his team works to get ahead of with planning communication and managing with the vendors. Councilmember Mulvey, expressed support for the pool from her participation on the Information Technology Committee. Councilmember Diak then noted the North Highland presented an opportunity to find strength in different areas and Mr. Smith noted North Highland's security experience. RTD Representative Catlan inquired about the pool vendors and whether they were under contract with HPTE/CTIO. Mr. Smith noted that Atkins does work with CTIO and "fire walls" as between various clients.

Councilmember Hurst made a motion to enter in three separate 3-year consulting service order contracts for general tolling technology consulting services with a vendor pool comprised of Atkins North America, Inc., HNTB Corporation and The North Highland Company, LLC, with (a) combined not-to-exceed combined compensation amount for the time period running from July 1, 2023 through June 30, 2024 of \$5,441,680 (the "NTE"), and (b) all future years' pooled NTEs to come back to the Board for approval, and to authorize the Executive Director to execute the same subject to the review and approval of General Counsel. Commissioner Holen seconded the motion which was unanimously approved by the Board.

Engineering and
Roadway
Maintenance
Department:
Electric and
Lighting
Maintenance
Contract:

Ms. DeVargas addressed the Board regarding the electric and lighting maintenance contract procurement. She noted that the procurement married two prior contracts to realize scope and price efficiencies. She reviewed various elements of the scope of the contract. She noted the contract does not include materials which can be purchased more cost effectively by the Authority and provided to the contractor. She noted that the results of the request for bids had been presented to the Roadway Committee in April and then provided the bid summary for the four bidders. She reported on the staff's recommendation to award the contract to Colorado Lighting, Inc.

Councilmember Hurst moved that the Board approve the award of Contract EN-23-ELEC-1 for Electrical and Lighting Maintenance to Colorado Lighting, Inc., with a three-year not to exceed value of \$500,000.00, and authorizes the

Executive Director to execute the Contract subject to the review and approval of General Counsel. The motion was seconded by Councilmember Unrein and approved unanimously by the Board.

Operations
Department:
Contact Center
Transformation
Consultant
Contract:

Ms. Carson addressed the Board regarding the Contact Center Transformation Consultant (CCTC) procurement and provided history regarding the Authority's customer service and 22 year relationship with WSP. She noted the third party analysis of the Contact Center given changes in technologies and operational needs. That analysis revealed the myriad complexities in the various aspects of the Contact Center, CCaaS Solution, Business Process Engineering, Scorecard and Dashboard build (evaluating key performance metrics), Workforce Management Build (long term forecasting).

Ms. Carson then reviewed with the Board the timeline for the analysis, and making changes that did not require technical development, which Ms. Morales was key in implementing. She then noted the RFP process for the CCTC. Mayor Pro-Tem Bergan inquired about the current workforce for WSP and their consistency with staffing. Ms. Carson noted the slight changes during COVID but reported that WSP is quite good at managing attrition. She reviewed the timeline for the RFP as well as the University of Colorado, Boulder MBA team who helped facilitate the project. She then reviewed the scoring results for the four proposers and the best and final offers received from two of the four proposers. She noted staff's recommendation of North Highland for contract award given their understanding of the complexity of the Authority's various Contact Center elements and tolling in general.

Councilmember Diak noted the importance of choosing the most responsible proposer. Councilmember Shaw noted it did appear that the second Bidder did not appear to appreciate the scope and complexity and inquired about them using technology to make up for lack of staff. Ms. Carson responded to the query.

Councilmember Hurst motioned to enter into a consulting task order contract with The North Highland Company, LLC., for Contact Center consulting services for a two -year term and not-to-exceed compensation amount of \$2,680,664, and authorize the Executive Director to execute the contract, subject to the review and approval of the final contract terms by the Executive Director and General Counsel. The motion was seconded by Mayor Pro-Tem Bergan and approved unanimously by the Board.

Q1 Operations
Review –
Dashboard Report
Briefing:

Ms. Carson then provided the Operations Dashboard, noting the full dashboard was available on the Authority's website. She touched on ExpressToll® accounts opened, the Contact Center's call volumes and customer satisfaction scores. She then touched on email volumes and escalated calls payment plans and the like handled by the Authority's advanced account advisors. Ms. Carson reported on transponder fulfillments and image processing.

Public Affairs

Department:

Q1 Public Affairs
Review –
Dashboard Report
Briefing:

Ms. Jackson provided a public affairs briefing to the Board noting paid, shared, owned, media and their various roles in reaching customers. She reported on First Quarter marketing analytics including monthly new accounts and revenue generated. She reviewed the various promotional categories and related account generation. She then provided more detail regarding the advertising and focused account conversion efforts. She reported on transactional email campaigns and their success rates and provided additional detail on the negative balance campaign action. Councilmember Mulvey inquired about the difference between open and click and action rates and Ms. Jackson responded to the query. Mayor Pro-Tem Bergan noted she is very leery of opening links and Ms. Jackson commented regarding the same. She reviewed the Authority's social media accounts and activity, played an E-470 informational video, and reported on media relations. Finally, she reported on the Authority's communications consultant CDR Associates and their efforts on the Authority's behalf.

Executive
Director Report:

Mr. Memory addressed the Board and reminded them about the TSF Golf Tournament on June 12th at Blackstone Country Club. He reported on having roadside assistance wear uniforms for each of recognition and customer safety.

Other Business:

Councilmember Diak noted that the July Board meeting will begin at 10 a.m. due to the TSF Grant Awards Ceremony being conducted prior to the meeting. He noted the Annual Board Retreat at Heritage Eagle Bend, breakfast will begin at 8:00 AM with a meeting at 9:00 AM on Thursday September 14, 2023.

Adjournment:

There being no further business to come before the Board, Councilmember Diak adjourned the meeting at 10:38 A.M.

Chair of the Meeting

PRELIMINARY E-470 2023 Calendar

Committee Work Sessions will be convened as needed and publicly posted as prescribed by statute and resolution – Please allow 1 ½ Hours for Work Sessions

	January 2023		July 2023
January 2	New Year's – Office Closed	July 4	Independence Day – Observed Office Closed
January 16	Martin Luther King, Jr.'s Day -Office Closed	July 13	BOARD MEETING 9:00 A.M.
January 26	Roadway Committee – 1:00 P.M.	July 21-24	NACo Annual Conference
		July 26	IT and RM Committee – 1:00 P.M.
		July 27	Finance Committee – 9:00 A.M.
		July 27	Roadway Committee – 1:00 P.M.
	February 2023		August 2023
February 9	Executive Committee – 8:00 A.M.	August 10	Executive Committee – 8:00 A.M.
February 9	BOARD MEETING - 9:00 A.M.	August 10	BOARD MEETING 9:00 A.M.
	Board Officer Nominations and Election	August 24	Finance Committee – 9:00 A.M.
February 20	Presidents' Day – Office Closed	August 24	Roadway Committee – 1:00 P.M.
February 22	IT and RM Committee – 1:00 P.M.	August 30	IT and RM Committee – 1:00 P.M.
February 23	Finance Committee – 9:00 A.M.		
February 23	Roadway Committee – 1:00 P.M.		
	March 2023		September 2023
March 9	Executive Committee – 8:00 A.M.	September 4	Labor Day – Office Closed
March 9	BOARD MEETING 9:00 A.M.	September 14	BOARD MEETING 9:00 A.M.
March 23	Roadway Committee – 1:00 P.M.	September 28	Finance Committee – 9:00 A.M.
March 29	Joint IT/RM/Ops – 1:00 P.M.	September 28	Roadway Committee – 1:00 P.M.
	April 2023		October 2023
April 13	Executive Committee – 8:00 A.M.	October 7	IBTTA 91st Annual Meeting and To October 10 Exhibition – Seattle, Washington
April 13	BOARD MEETING - 9:00 A.M.	October 12	BOARD WORKSHOP – 8:00 A.M.
April 20	Finance Committee – 9:00 A.M.	October 25	IT and RM Committee – 1:00 P.M.
April 26	Joint IT/RM/Ops – 1:00 P.M.	October 26	Finance Committee – 9:00 A.M.
April 27	Roadway Committee – 1:00 P.M.	October 26	Ops and Comm – 11:00 A.M.
		October 26	Roadway Committee – 1:00 P.M.
	May 2023		November 2023
May 11	BOARD MEETING 9:00 A.M.	November 9	Executive Committee – 8:00 A.M.
May 24	IT and RM Committee – 1:00 P.M.	November 9	BOARD MEETING – 9:00 A.M.
May 25	Finance Committee – 9:00 A.M.	November 10	Veteran's Day – Office Closed
May 25	Roadway Committee – 1:00 P.M.	November 16	Roadway Committee – 1:00 P.M.
May 29	Memorial Day – Office Closed	November 23	Thanksgiving – Office Closed and 24
		November 29	IT and RM Committee – 1:00 P.M.
	June 2023		December 2023
June 15	Executive Committee – 8:00 A.M.	December 14	Executive Committee – 8:00 A.M.
June 15	BOARD MEETING 9:00 A.M.	December 14	BOARD MEETING 9:00 A.M.
June 19	Juneteenth – Office Closed	December 21	Ops and Comm – 9:00 A.M.
June 22	Roadway Committee – 1:00 P.M.	December 21	Roadway Committee – 1:00 P.M.
June 25-28	CML Conference - Aurora	December 25	Christmas – Office Closed and 26
June 28	IT and RM Committee – 1:00 P.M.	December 27	IT and RM Committee – 1:00 P.M.