

BOARD OF DIRECTORS MEETING AGENDA



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

Date: July 13, 2023

Time: 10:00 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 June 15, 2023
 - b. Town of Parker Trail IGA Amendment
5. Engineering and Roadway Maintenance Department Neil Thomson
 - a. Roadside Mowing Maintenance Contract
 - b. 64th Avenue Interchange IGA
 - c. Capital Projects Update
6. Executive Director Report.....Beau Memory
7. Executive SessionChair John Diak
Executive session, (a) 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 and (b) pursuant to C.R.S., Sections 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 Authority’s contracts with Applegreen and ETC, and related matters.
8. Other BusinessChair John Diak
9. Adjourn MeetingChair John Diak

The next anticipated E-470 Board of Directors Meeting will be August 10, 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 SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE
E-470 PUBLIC HIGHWAY AUTHORITY

Held: Thursday, June 15, 2023, at 9:00 a.m., at 22470 E. Stephen D. Hogan Parkway, in the Board Room, Aurora, Colorado.

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:

John Diak, Councilmember Town of Parker
Francoise 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*)
Kelly Brown, CTIO (CDOT HPTE) (*non-voting*)

Also present were: Katie Basse, operations analytics manager, Dan Cannan, roadway inspector, Jessica Carson, public affairs director, Wanda DeVargas, roadway maintenance supervisor, Anne Disney, senior accountant, Geoffrey Doctoroff, risk and administrative services manager, Ryan Dole, senior financial analyst, Terry Fabrizio-Rollert, operations coordinator, Aliya Getchell, communications intern, Ted Gies, team lead, IT service desk, Michael Hancock, tolling operations manager, Jaime Heitman, controller, Jimmy Herrera, lane system technician, 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, Tanner Rutigliano, engineering intern, Aaron Schilz,

IT service desk technician, Derek Slack, roadway maintenance manager, Briana Summers, accounting manager, Neil Thomson, engineering and roadway maintenance director, Anjie Vescera, director of operations and Chuck Weiss, engineering manager, E-470 Public Highway Authority; Chris Chovan, Adams County; Dave Kristick, Atkins Global; Melissa Kuipers-Blake, Brownstein, Hyatt, Farber, Schreck; Daniel Estes and Jeffrey Range, CDR Associates; Scott Spendlove, Intermountain Corporate Affairs; Brenda Schuler, NWPLLC; Robyn Moore, Piper Sandler; Susan Ermisch, WSP; and Tamara Seaver, Icenogle Seaver Pogue, P.C.

Call to Order: Councilmember Diak, noting the presence of a quorum of the directors, called the special meeting to order at 9:00 a.m.

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

Public Comment: None.

Consent Calendar: Mayor Pro Tem Bergan moved approval of the consent agenda, comprising meeting minutes of May 11, 2023, Adams County Trail IGA Amendment, Mineral Rights Lease, KPMG Contract Extension, City of Thornton Fourth of July Event and Aurora Community Events Sponsorship. The motion was seconded by Councilmember Unrein and approved unanimously by the Board.

Operations
Department:

Fourth Amendment to CSP IGA: Mr. Doctoroff addressed the Board and reviewed the history and terms of the Intergovernmental Agreement with Colorado State Patrol (CSP). He noted the terms for the Fourth Amendment to the IGA. Commissioner Holen inquired about the changes to the HAZMAT program and Mr. Doctoroff responded.

Mayor Pro Tem Bergan moved that the Board approve the Fourth Amendment to the Intergovernmental Agreement with the Colorado Department of Public Safety, Colorado State Patrol for the 2023-2024 State fiscal year in an amount not to exceed \$2,621,547, and to authorize the Executive Director to execute the amendment, all subject to final review and approval of General Counsel. The motion was seconded by Councilmember Hurst and approved unanimously by the Board.

Engineering and
Roadway
Maintenance
Department:

Jewell Avenue
Trail Connection
Contract:

Mr. Thomson introduced Ms. Oberleas who reviewed with the Board the bids received for the Jewell Avenue Trail Connection. She noted Northstar Concrete was the low bidder and had excellent references from various governments.

Following discussion, Councilmember Unrein moved that the Board approve the award of Contract EN-23-JTCP-1 for Jewell Avenue Trail Connection to Northstar Concrete, Inc. with a not to exceed value of \$246,838.00 and to authorize the Executive Director to execute the Contract subject to the review and approval of General Counsel. Commissioner Holen seconded the motion which was unanimously approved by the Board.

Finance

Department:

Rating Agencies
Update:

Mr. Myers updated the Board regarding the Authority's recent meetings with rating agencies and updated ratings. He reported regarding S&P's recent upgrade of the Authority's underlying debt to A+ (from A) and noted the press release sent out on May 19th regarding the same. He then provided some highlights as provided by the S&P report, and then reviewed the history of the Authority's bond ratings from 2007 forward. He then reported on future debt call opportunities and the planned underwriter pool request for proposals planned for the fall of 2023. Commissioner Holen commended Mr. Myers for his stewardship over financial matters. RTD Board member Catlin inquired about typical toll agency ratings and Mr. Myers responded and noted he could provide more detailed information as well. Councilmember Diak echoed Commissioner Holen's comments.

2023 Toll Rates
Evaluation and
Briefing:

Mr. Myers presented toll rate history, and financial updates, from December of 2022 forward, noting the current toll rates topic for discussion. He then reviewed the history of toll rate reductions and freezes as well as elimination of vehicle registration and highway expansion fees that have occurred since 2017, noting the toll rate reductions and lack of toll increases during this entire period and how that would differ from most or all costs customers are experiencing in their budgets. He then reviewed a comparison with other local tolling agencies and thereafter with other tolling agencies around the country. Mayor Pro Tem Bergan inquired about Gun Club Road and an agreement not to widen the same. Ms. Seaver addressed the question.

Ms. Heitman then addressed the Board and reviewed monthly transaction trends through May 31, 2023. She then reviewed 2023 transactions as compared to budget. She then reported on toll revenue through the same period and Authority fund balances. She noted the unrestricted fund balances were a bit lower than year end 2022 noting large capital expenses and that this trend will continue over the next few years due to the significant capital plan.

Mr. Myers reviewed with the Board the Authority's financial goals and balancing operating budget, debt plan, capital projects, and revenues as well as bond covenants and debt service coverage ratio requirements. Mr. Myers then provided additional details regarding toll revenue estimates from the original projections provided in December of 2021 with the current budget plan and updated projections with positive results from 2023 through 2025. He married the toll revenue estimates and how they impact the financial goals and trends of debt service coverage ratios through 2025, and reviewed fund balances for the same time period. Mayor Pro Tem Bergan inquired about the balance between paying off debt and maintaining debt service coverage ratios. Mr. Myers noted that balance is precisely what he and his team will continue to evaluate and will work with the finance committee and board on the proper use of those funds as we get into 2024 with the upcoming bond deals.

Mr. Myers then reviewed the recent federal interest rate activity and inflation from 2016 through the current year. He noted that while inflation has slowed, it is still 4% higher than it was a year ago which was significantly higher than the year before that. He then reviewed the CDOT Inflation Index for local construction projects revealing still significant increases and no flattening or negative activity. Mr. Thomson provided some additional background and his hope that more stable times are ahead. Mayor Pro Tem Bergan inquired about supply chain stabilizations and Mr. Thomson responded. Councilmember Pawlowski inquired about the recent excessive precipitation and testing to ensure the integrity of the pavement and Mr. Thomson reported regarding on-site inspectors and related matters.

With respect to capital budget estimates, Mr. Myers noted the continuing capital projects and Authority attempts to manage them including capital budget planning to occur in the fall. He then covered the probability of a recession within the next several months at over 60% by economists and reported on the results of stress testing replicating the Great Recession and a scenario modeling 50% of the impacts of the Great Recession (milder recession). Councilmember Hurst inquired about the impact of all of the development along the E-470 Corridor. Mr. Myers noted the development was factored into past traffic & revenue studies, and are in the process of updating again this year. Councilmember Diak noted that the Authority is very data driven and expressed his appreciation for Mr. Myers and his team responding to requests from the Finance Committee as well as the desire to position the Authority and E-470 customers in the best position possible. Commissioner Holen echoed Councilmember Diak's comments.

Finally, Mr. Myers reported regarding existing toll rates and provided his recommendation to retain those toll rates based on all of the information presented to the Board, with re-evaluation through the upcoming budget cycle. Following extended Board comments and discussion, the Board determined to accept staff's recommendation to hold the current toll rates per Resolution 22-02 and directed Authority staff to produce a press release regarding the same.

Public Affairs:

E-470 Now Q2
Video:

Ms. Carson addressed the Board, previewing and played the second quarter E-470 Now Video, noting the integral role of Ms. McCue in preparing the presentation.

Executive Director
Report:

Mr. Memory noted a recent contact from Applegreen regarding significantly higher bids for work on the service plaza sites. Mr. Weiss then provided background on the project as well as a status report.

Mr. Memory reported on the success of the TSF Golf Tournament and noted the upcoming IBTTA Annual Conference to be held on October 7-10th.

Executive Session:

Councilmember Diak tabled the executive session item. Commissioner Tedesco departed the meeting at 10:13 a.m.

Other Business:

Ms. Vescera introduced Katie Basse, operational analytics manager. Ms. Carson introduced Aliya Getchell, communications intern. Mr. Thomson introduced Dan Cannan, roadway inspector and Tanner Rutigliano, engineering intern. The Board welcomed the new employees.

Councilmember Diak noted the changed time for the July Board meeting from 9 a.m. to 10 a.m. in order to accommodate the TSF Grant ceremony at 8:00 a.m.

Director Unrein thanked the Authority for their contribution to the City of Thornton's July 4th event.

Adjournment:

There being no further business to come before the Board, Councilmember Diak adjourned the meeting at 10:34 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

January 2 New Year's – Office Closed
January 16 Martin Luther King, Jr.'s Day -Office Closed
January 26 Roadway Committee – 1:00 P.M.

February 2023

February 9 Executive Committee – 8:00 A.M.
February 9 BOARD MEETING - 9:00 A.M.
Board Officer Nominations and Election
February 20 Presidents' Day – Office Closed
February 22 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

March 9 Executive Committee – 8:00 A.M.
March 9 BOARD MEETING 9:00 A.M.
March 23 Roadway Committee – 1:00 P.M.
March 29 Joint IT/RM/Ops – 1:00 P.M.

April 2023

April 13 Executive Committee – 8:00 A.M.
April 13 BOARD MEETING - 9:00 A.M.
April 20 Finance Committee – 9:00 A.M.
April 26 Joint IT/RM/Ops – 1:00 P.M.
April 27 Roadway Committee – 1:00 P.M.

May 2023

May 11 BOARD MEETING 9:00 A.M.
May 25 IT and RM Committee – 1:00 P.M.
May 25 Finance Committee – 9:00 A.M.
May 25 Roadway Committee – 1:00 P.M.
May 29 Memorial Day – Office Closed

June 2023

June 15 Executive Committee – 8:00 A.M.
June 15 BOARD MEETING 9:00 A.M.
June 19 Juneteenth – Office Closed
June 25-28 CML Conference - Aurora
June 29 Roadway Committee – 1:00 P.M.

July 2023

July 4 Independence Day – Observed
Office Closed
July 13 TSF Grant Ceremony – 8:30 A.M.
July 13 BOARD MEETING 10:00 A.M.
July 21-24 NACo Annual Conference
July 26 Joint IT/RM/OPS – 1:00 P.M.
July 27 Finance Committee – 9:00 A.M.
July 27 Roadway Committee – 1:00 P.M.

August 2023

August 10 Executive Committee – 8:00 A.M.
August 10 BOARD MEETING 9:00 A.M.
August 24 Finance Committee – 9:00 A.M.
August 24 Ops and Comm – 10:30 A.M.
August 24 Roadway Committee – 1:00 P.M.
August 30 IT and RM Committee – 1:00 P.M.

September 2023

September 4 Labor Day – Office Closed
September 14 BOARD MEETING 9:00 A.M.
September 27 IT and RM Committee – 1:00 P.M.
September 28 Finance Committee – 9:00 A.M.
September 28 Roadway Committee – 1:00 P.M.

October 2023

October 7 IBTTA 91st Annual Meeting and
To October 10 Exhibition – Seattle, Washington
October 12 BOARD WORKSHOP – 8:00 A.M.
October 25 IT and RM Committee – 1:00 P.M.
October 26 Finance Committee – 9:00 A.M.
October 26 Ops and Comm – 11:00 A.M.
October 26 Roadway Committee – 1:00 P.M.

November 2023

November 9 Executive Committee – 8:00 A.M.
November 9 BOARD MEETING – 9:00 A.M.
November 10 Veteran's Day – Office Closed
November 16 Roadway Committee – 1:00 P.M.
November 23 Thanksgiving – Office Closed
and 24
November 29 IT and RM Committee – 1:00 P.M.

December 2023

December 14 Executive Committee – 8:00 A.M.
December 14 BOARD MEETING 9:00 A.M.
December 21 Ops and Comm – 9:00 A.M.
December 25 Christmas – Office Closed
and 26
December 27 IT and RM Committee – 1:00 P.M.
December 28 Roadway Committee – 1:00 P.M.