

**Bridge Enterprise Board
Regular Meeting Minutes
Thursday, Aug. 20, 2015**

PRESENT WERE: Kathy Connell, Chairwoman, District 6
Gary Reiff, Vice Chair District 3
Shannon Gifford, District 1
Ed Peterson, Chairman, District 2
Kathy Gilliland, District 5
Sidny Zink, District 8
Bill Thiebaut, District 10
Steven Hofmeister, District 11

ALSO PRESENT: Shailen Bhatt, Executive Director
Josh Laipply, Chief Engineer
Debra Perkins-Smith, Director of Transportation Development
Amy Ford, Communications Director
Maria Sobota, CFO
Mark Imhoff, Director, Division of Transit and Rail
Paul Jesaitis, Region 1 Transportation Director
Karen Rowe, Region 2 Transportation Director
Dave Eller, Region 3 Transportation Director
Kerrie Neet, Region 5 Transportation Director
Kathy Young, Chief Transportation Counsel
Barb Gold, Audit Director
Scott McDaniel, Staff Services Director
Mike Cheroutes, HPTE Director
Ryan Rice, Operations Division Director
Tony DeVito, I-70 East Project Director
Vince Rogalski, STAC Chairman
Gary Vansuch, Process Improvement Director

AND: Other staff members, organization representatives,
the public and the news media

An electronic recording of the meeting was made and filed with supporting documents in the Transportation Commission office.

Chairwoman Connell convened the meeting at 9:32 a.m. in Auditorium at CDOT Headquarters.

Audience Participation

Chairwoman Connell stated that no members of the audience wished to address the Board of Directors.

Act on Consent Agenda

Chairwoman Connell entertained a motion to approve the Consent Agenda. Director Hofmeister moved to approve the resolution, and Director Peterson seconded the motion. Upon vote of the Board the resolution passed unanimously.

Resolution #BE-15-8-1

Approval of Regular Meeting Minutes for July 15, 2015.

BE IT SO RESOLVED THAT, the Minutes for the July 15, 2015, meeting of the Bridge Enterprise Board of Directors are hereby approved by the Bridge Enterprise Board as published in the Agenda for the July 14 & 15, 2015, meeting of the Bridge Enterprise Board of Directors.

Discuss and Act on Establishing CBE Funding Criteria and Commitments for the I-70 East Project

Chief Engineer Josh Laipply walked the Directors through the new memo. The intent of the resolution is to answer questions brought up by the Directors at Wednesday's workshop. He explained that a minimum of 50% of the revenues be available at all times for other statewide projects. Additionally, the Board of Directors will have final say on the financial plan on the project before any deals are signed.

Director Thiebaut thanked the staff for the memo and resolution, and thanked the Board for taking his concerns to heart. He believes the plan is going in the right direction.

Vice Chair Reiff echoed Director Thiebaut's thoughts that it is important that the reconstruction of I-70 East be done in a manner that is fair to everything else in the state that is not I-70 East. He said there are needs throughout the state, and that the Board decided a while back that 50% of BE funds be designated to those needs. This resolution reiterates that.

Chairwoman Connell appreciates staffs late night efforts, and appreciates that the Board is getting more specific with their intent. This will help provide clarity later on as the I-70 East project moves forward.

Chief Engineer Josh Laipply confirmed that there will be more updates given to the Board of Directors on the I-70 East project before any final decisions are to be made. Additionally he recognized Brett Johnson and Brent Butzin for their efforts in creating the resolution.

Chairwoman Connell entertained a motion to approve the Consent Agenda. Vice Chair Reiff moved to approve the resolution, and Director Peterson seconded the motion. Upon vote of the Board the resolution passed unanimously.

Resolution #BE-15-8-2

Resolution #BE-15-8-2

Establishing CBE Funding Eligibility Criteria and Commitments for the I-70 East Project

Approved by the Bridge Enterprise Board of Directors on Aug. 20, 2015

WHEREAS, the Colorado Bridge Enterprise (“CBE”) was created pursuant to Section 43-4-805, C.R.S., as an enterprise for purposes of section 20 of article X of the Colorado Constitution, and as a government-owned business within the Colorado Department of Transportation (“CDOT”), for the business purpose of financing, repairing, reconstructing, and replacing designated bridges, as defined in Section 43-4-803(10), C.R.S.; and

WHEREAS, CBE and the High Performance Transportation Enterprise (“HPTE”) are currently undertaking the Interstate 70 East Reconstruction Project, which generally consists of the removal of the I-70 viaduct between Brighton Boulevard and Colorado Boulevard, the lowering of approximately one mile of I-70 below grade, the construction of a landscaped cover over a portion of I-70, and the addition of managed lanes in each direction on I-70 between I-25 and Tower Road (the “I-70 East Project”); and

WHEREAS, the Board has determined that it is appropriate and in the public interest to prepare for the possibility that the Partial Cover Lowered Alternative ultimately receives approval through the NEPA process and, as permitted under 23 C.F.R. § 636.109, to pursue the procurement of the I-70 East Project concurrent with and prior to the conclusion of the NEPA process; and

WHEREAS, on February 19, 2015, the Transportation Commission approved Resolution #TC-15-2-5, which identified CBE as the Managing Partner for the I-70 East Project and set out that CBE is expected to be eligible to contribute up to \$850 million toward the I-70 East Project; and

WHEREAS, the I-70 East Project is expected to be procured under a design-build-finance-operate-maintain (“DBFOM”) structure through a project agreement among the Colorado Bridge Enterprise, the Colorado High Performance Transportation Enterprise (“HPTE”) and a private entity (the “Developer”); and

WHEREAS, preliminary cost estimates for the I-70 East Project support CBE’s \$850 million (net present value) commitment to the I-70 East Project, which commitment the Board of Directors of the CBE (the “Board”) now desires to further clarify through this Resolution and the memorandum included herewith; and

WHEREAS, in order to maximize the reach and effectiveness of limited bridge surcharge revenues, establish statewide consistency, and provide assurance that only those costs eligible under the provisions of Section 43-4-805, *et seq.*, C.R.S. are funded out of CBE revenues, CBE approved a Guidance Document for project funding eligibility reviews effective December 21, 2011; and

WHEREAS, it is necessary and desirable for CBE to establish project-specific Cost Eligibility Criteria for the I-70 East Project, which criteria are generally consistent with the 2011 Guidance Document; and

WHEREAS, in order that CBE can verify its overall funding contribution does not exceed the total amount CBE is statutorily authorized to fund toward the Project, the Developer will specifically be required to submit a breakdown of costs between CBE-eligible and non-CBE-eligible work with their proposals, utilizing the approved project-specific criteria; and

WHEREAS, in order to reduce overall costs, including costs of borrowing and CBE's ongoing annual capital payment obligations, and to maximize the revenues available for designated bridge projects statewide, the Board further desires to permit flexibility in the financing structure for the I-70 East Project, as further described in the memorandum submitted with this Resolution; and

WHEREAS, the Executive Oversight Committee (EOC) for the I-70 East Project will review financial submissions received from proposers and the overall proposed financing plan and make a recommendation to the Board, which, pursuant to Section 43-4-805(5)(f), C.R.S., shall have the power to approve the final agreement entered into by CBE for the I-70 East Project.

NOW THEREFORE BE IT RESOLVED, the Board of Directors of the Colorado Bridge Enterprise hereby approves in concept the Memorandum Regarding CBE Funding Commitments and Eligibility Criteria for I-70 East Project submitted with this Resolution, which outlines CBE's financial commitments to the I-70 East Project and establishes the desirability for adopting project-specific eligibility criteria to govern the use of CBE revenues for the I-70 East Project; provided, however, that in no event shall CBE commit more than fifty-percent (50%) of available revenues over the estimated thirty-five (35) year duration of the I-70 East Project, nor shall the payment structure increase the overall \$850 million net present value commitment of CBE to the I-70 East Project.

BE IT FURTHER RESOLVED, the Board of Directors of the Colorado Bridge Enterprise hereby adopts the attached Colorado Bridge Enterprise Cost Eligibility Criteria for the I-70 East Project.


Herman Stockinger, Secretary
Bridge Enterprise Board of Directors

8-20-15
Date

Acknowledgements of Board Elections

Scott McDaniels directed the Board to the memo stating that the Transportation Commission has announced a new Chair and Vice Chair. It is standard practice the Chair and Vice Chair of the Transportation Commission to serve in the same roles for the Bridge Enterprise Board of Directors. The memo acknowledges Director Connell and Director Reiff as Chairwoman and Vice Chair respectively. Additionally, Herman Stockinger has been named as Secretary of the Bridge Enterprise Board of Directors.

Monthly Progress Report

Scott McDaniel had nothing significantly new to report for the month, and asked the Board if they had any questions on the reports in the monthly progress report.

Other Matters

Director Peterson confirmed that in the meeting minutes, the Directors are to be referred to as Directors, rather than Commissioners.

Adjournment

Chairwoman Connell asked if there were any more matters to come before the Bridge Enterprise Board of Directors. Hearing none, Chairwoman Connell announced the adjournment of the meeting at 9:41 a.m.