

Resolution #BE - 20

Approval of January 2010 Minutes

Approved by the Bridge Enterprise Board of Directors on: February 18, 2010

BE IT HEREBY RESOLVED, The Bridge Enterprise Board of Director's Regular Meeting Minutes for January 21, 2010 are hereby approved.



**Stacey Stegman, Secretary
Colorado Bridge Enterprise**

Bridge Enterprise Board of Directors
(BE - BOD)
Meeting Minutes
January 21, 2010

Chairwoman Kim Killin convened the meeting at 11:40 a.m. in the auditorium of the headquarters building of the Colorado Department of Transportation in Denver, Colorado.

PRESENT WERE: Kimbra L. Killin, Chairwoman, District 11
Les Gruen, Vice Chairman, District 9
Michael Cheroutes, District 1
Jeanne Erickson, District 2
Gary Reiff, District 3
Heather Barry, District 4
Bill Kaufman, District 5
George Krawzoff, District 6
Doug Aden, District 7
Gilbert Ortiz, Sr., District 9
Stacey Stegman, Secretary

ABSENT: Steve Parker, District 8

ALSO PRESENT: Russ George, Executive Director
Peggy Catlin, Deputy Executive Director
Heather Copp, Chief Financial Officer

Jennifer Finch, Transportation Development Director
Rick Gabel, Staff Services Director
Tony DeVito, Region 1 Transportation Director
Tim Harris, Region 2 Transportation Director
Weldon Allen, Region 3 Transportation Director
Bob Garcia, Region 4 Transportation Director
Reza Akhavan, Region 6 Transportation Director

AND: Karla Petty, Federal Highway Administration
Vince Rogalski, Statewide Transportation Advisory
Committee (STAC) Chairman

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

One audiotape of the meeting was made and supporting documents are filed in
the Bridge Enterprise Board office.

BE Working Committee Report

Director Cheroutes provided a report to the Board about the BE Workshop held
January 20, 2010. A written summary of the BE Workshop has been filed in the
Bridge Enterprise Board Office.

Director Cheroutes reported that there was discussion on BE progress and
issues regarding financing alternatives, early construction and short term and
long term arrangements. He noted that the BE annual report was posted online
on January 15, 2010 and the report to the Legislature is due February 15, 2010.
Heather Copp discussed bridges that need to be transferred to the list of
bridges for consideration. Matt McDole (LS Gallegos) provided an update of his
firm's activities and the direction they are headed, including their schedule.
Heather Copp and Steve Bell (Stifel Nicolaus) presented a report of their
preliminary examination of financing alternatives.

LS Gallegos presented a strawman scenario to provoke discussion and
resolution of alternatives and issues, including a review of the status and
location of poor bridges proposed BE principles and proposed action plan for
the Board consideration.

Workshop concluded at 1:45 p.m. The next subcommittee meeting is scheduled
for February 4, 2010 in the afternoon, time TBD.

Meeting Minutes

Director Killin asked for consideration of the December 17, 2009 Bridge Enterprise meeting minutes. Director Krawzoff moved for adoption of the meeting minutes. Director Kaufman seconded the motion and on a vote by the Board of Directors, the minutes were unanimously adopted.

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BE IT HEREBY RESOLVED, the Bridge Enterprise Board of Director's Regular Meeting Minutes for December 17, 2009 are hereby approved.

Third Budget Supplement

Chief Financial Office Heather Copp presented the Third Budget Supplement resolution and asked the Board for approval. Ms. Copp noted that one project is going to add shortly and that funds needed to be budgeted. This first BE project is in Huerfano County.

Director Ortiz moved for adoption of the Third Budget Supplement. Director Barry seconded the motion and on a vote by the Board of Directors, the Third Budget Supplement was unanimously adopted.

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BE IT HEREBY RESOLVED, that the Third Supplement to the 2009-1010 Budget be approved by the Bridge Enterprise Board.

Heather Copp discussed the issue of being able to explore a future bonding program. Ms. Copp discussed the need move forward with the process of hiring bond and disclosure attorneys and possibly other assistance such as rating agencies and investment bankers for this. Cost estimates should be available by the next subcommittee meeting. She asked the Board to authorize staff to begin the process now before settling on a financing mechanism. The BE Board would be asked to give consideration and approval before proceeding on a specific plan.

Director Kaufman asked Ms. Copp to explain what a disclosure attorney is. She explained that a bond attorney gives an opinion on being able to issue bonds and a disclosure attorney would assist with writing an official disclosure statement to ensure we have disclosed everything necessary for investors and the public.

Director Ortiz moved for adoption of the resolution to allow CDOT staff to take steps to explore a future bonding program. Director Kaufman seconded the

motion and on a vote by the Board of Directors, the resolution was adopted. Director Cheroutes abstained from voting.

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WHEREAS, pursuant to SB09-108 and C.R.S. 43-4-805(2)(a)(I) the Statewide Bridge Enterprise was created as a government-owned business within the Colorado Department of Transportation (CDOT); and

WHEREAS, the business purpose of the Bridge Enterprise is to complete designated bridge projects that involve the financing, repair, reconstruction, and replacement of bridges designated as structurally deficient, functionally obsolete or rated as poor by CDOT; and

WHEREAS, the Bridge Enterprise is authorized, under C.R.S. 43-4-805(2)(b)(II) to issue revenue bonds; and

WHEREAS, the Bridge Enterprise would like to begin the bonding process to be ready to take advantage of favorable market conditions and advance the bridge program; and

NOW THEREFORE BE IT RESOLVED, the Bridge Enterprise Board hereby approves the Bridge Enterprise staff to take the necessary steps to prepare for a bonding program including but not limited to, hiring bond attorneys, disclosure attorneys, investment bankers, and rating agencies.

NOW THEREFORE BE IT FURTHER RESOLVED, that proposed financing will be brought back to the Bridge Enterprise for approval prior to the bonds being issued.

Progress Report

Pam Hutton, Chief Engineer, introduced Matt McDole from LS Gallegos to give an update on their activities. Mr. McDole told the Board that they completed the BE Report to the Legislature. He credited Herman Stockinger for his help in completing that report. He noted that they have been looking at the BE program, getting input from CDOT and stakeholders and have interviewed over 30 people. This included consultants and contractors as well as investment bankers on the potential for an early bonding program. He expressed that there has been progress on the candidate bridge list, the first bridge funding was just approved and others are in good shape and ready to proceed during the remainder of this year, furthering the need for Board consideration of an early bonding program.

Mr. McDole explained the strawman concept in further detail in that LS Gallegos is putting forward one way of proceeding including potential BE principles, action plan with a schedule showing early construction while establishing framework for the long term program. He also noted that they will be looking at 2011 bridges that might be ready to move to design. Mr. McDole also noted that at the workshop they discussed policy issues and getting resolution on how to proceed with the development of a program manager scope and procurement. He expects to have a memorandum for the Board summarizing their first task and findings in the next month. He is anticipating starting on their second task in early February that will include refinement of the schedule for development of the procurement documents and better definition of the process of procuring a program project manager through an RFQ/RFP process. They will also continue to assist with BE subcommittee meetings and workshops.

Director Cheroutes asked Mr. McDole if they were satisfied with the feedback they received on the principles for the strawman proposal. Mr. McDole asked the Board to consider the strawman proposal and principles further and said that additional definition on how to move forward with the program could be provided at the February 4th meeting. Director Cheroutes asked the Board to provide any additional comments on the workshop materials by the February 4th meeting.

Adjournment

And there being no further matters to discuss, Director Killin adjourned the meeting at 11:59 a.m. on January 21, 2010.

A handwritten signature in black ink, appearing to read "Stacey Stegman", written over a horizontal dashed line.

Stacey Stegman, Secretary
Statewide Bridge Enterprise