

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
HIGH PERFORMANCE TRANSPORTATION ENTERPRISE (HPTE)**

Held: Wednesday, May 20, 2015; 12:00pm  
4201 E. Arkansas Ave, Denver, CO 80222

A meeting of the Board of Directors of the HPTE was convened in accordance with applicable statutes of the State of Colorado, with the following Directors present:

Attendance:	Tim Gagen, Chair	Don Marostica
	Kathy Gilliland, Vice Chair	Gary Reiff
	Doug Aden	Trey Rogers

Chair Gagen called the meeting to order @12:00pm in Room 225: Roll call was taken to establish a quorum, and it was noted that the absence of Board Director Smith was excused.

General Discussion: The HPTE Board engaged in discussion of matters relating to subsequent agenda items, upcoming projects and administrative and budget matters.

HPTE Director Michael Cheroutes reported that at this meeting the Board would be asked to approve the FY 2015-2016 budgets, and give final consideration of initial toll rates for the US 36 ExpressLanes that were presented in March. Also, HPTE Communications Manager Megan Castle would report on the additional public outreach undertaken related to the new toll schedule. He noted that a Consent Agenda will be used in the future to expedite the approval of routine matters at future Board meetings.

Mr. Cheroutes reported on his participation in a panel presentation in Washington DC at the National Infrastructure Week conference, which emphasized the Colorado's experience in making tough choices regarding project delivery. Panel Chair former U.S. Senator Trent Lott introduced Colorado as important player in the P3 market, which has come a long way in the last 4-5 years and is valuable to states.

Budget Analyst Piper Frode introduced the FY16 budget, drafts of which were presented to the Board in April. She has been working with the Communications Office and Office of Major Project Development (OMPD) to add budget items that reflect all of HPTE's planned activities in FY16. Mr. Cheroutes noted the awkward structure of the budget, but indicated that the passage of Senate Bill 15-187 in this year's legislative session will provide added budgetary flexibility in the future. Accountant Kay Hruska explained further, noting that Transportation Commission loan funds are now permitted to be deposited in Fund 537, the transportation special fund, to cover project shortfalls, and HPTE now has the legal ability to account for loan funds in both Funds 536 and 537.

Fund 537 now reflects for the first time fee-for-consulting services to HPTE from CDOT, and staff is working to finalize the scope of work. The fee-for-services is based on HPTE goals and activities. The \$2M fee was presented to the Board in January as part of the 10-year pro-forma plan. Assistant Attorney General Brent Butzin is finalizing the agreement between HPTE and CDOT for Board consideration in June, with implementation planned by July 1. Mr. Cheroutes noted there is good financial/legal support for the fee-for-services concept.

Mr. Cheroutes said there will be expenditures in next year's budget related to audit recommendations. Chair Gagen inquired about the implementation of the document management system, and whether the budgeted expenses will be one-time or ongoing. HPTE Specialist Nick Farber said the costs will be \$225,000 up front and \$200,000 per year for next the next three years.

Mr. Cheroutes noted the June Board meeting will be cancelled or rescheduled to accommodate the Commission's annual road trip. It may be reset as telephonic meeting, with an agenda limited to one or two items.

Ms. Castle reported on the public outreach conducted on the proposed US 36 toll rates over previous two months. A telephone town hall and a public meeting were both held, with Board members in attendance at each. The telephone town hall reached 6,000 people, with many questions about HOV, P3, how to use the lanes, and how toll prices are set. She noted a chart in the cover memorandum for this item shows Colorado tolls average \$0.45 per mile, which is about average nationally. She said there has been good media coverage on this matter. Vice Chair Gilliland said at the telephone town hall people were really interested, but that there is still some confusion about toll roads vs. Express Lanes, and that the peak hour toll rate does not apply across all times of day. Board Director Reiff said the license plate toll premium looks like a profit center, and that this needs to be framed correctly to communicate the actual cost differential in administering license plate tolling versus transponder tolls. He said more outreach and education on license plate toll rates is necessary.

Mr. Cheroutes introduced Karen Delgado, who is HPTE's new Program Assistant. Chair Gagen also noted that this will be Board Director Aden's last meeting with the HPTE Board. Mr. Aden reflected on his 18 years of service on the Transportation Commission, saying he thinks HPTE's success is in the top five milestones of his experience.

Meeting Break  
(12:55):

The Regular Board meeting moved from Room 225 to the Auditorium.

Chair Gagen  
reconvened the  
meeting at 1:00pm  
in the Auditorium:

The Board reconvened and roll was called to re-establish a quorum. All directors except Ms. Smith were present.

Upon a request by Board Director Reiff, Chair Gagen moved regular agenda items 9 and 10 for consideration immediately following approval of the consent agenda and public comment.

Consent Agenda:  
Appointment of  
Interim Secretary  
Resolution #166;  
Approval of April,  
2015 Minutes  
Resolution #167:

Upon a motion by Board Director Aden and second by Board Director Rogers, the Consent Agenda was approved by all present.

Public Comment @  
1:05pm:

Ms. Julie McCabe of Boulder spoke about the failed Fastracks vote and how it affects the politics of tolling US 36. She expressed that local contributions from Boulder and Broomfield counties were for rail, not buses. Further, the corridor's constituency is not reflected on the Board makeup. She feels the local voters have been ignored, and is massively disappointed and angry that Bus Rapid Transit has come to pass instead of light rail service. She presented the Board with a letter from the RTD Executive Director and a spreadsheet of local contributions for light rail, which are included for the record with these minutes.

Adoption of FY 2015-  
2016 Budgets  
Resolution #168:

Budget Analyst Piper Frode presented the FY 2015-2016 budgets, noting there are separate revenues for Fund 537, which is programmatic, and Fund 536, which is the operating fund. New line items for switchable transponders, advertising, TIFIA fees, and interest payments on PPSL were added since the draft previously presented to the Board. There are also items for the \$2M fee-for-service and repayment of Transportation Commission loans. Transparency and outreach efforts are a combined line item. HPTE Director Cheroutes noted the \$500,000 was budgeted for consultants for the audit. Upon a motion by Board Director Marostica and second by Vice Chair Gilliland, Resolution #168 adopting the FY 2015-16 budgets was approved by all present.

Approve Proposed  
US 36 Tolling  
Schedule  
Resolution #169:

HPTE Director Cheroutes recalled that Plenary Roads Denver Project Manager Terry Ostrom first introduced the proposed toll schedule for the US 36 Phase 1 ExpressLanes in March, and that the Board had subsequently directed staff to undertake more public comment prior to further consideration. HPTE Director Cheroutes noted that the proposed toll schedule presented for approval had not been modified since its initial presentation in March. HPTE Communications Manager Megan Castle reviewed the outreach summary in the Board packet. She said most of the questions received from members of the public had related to how tolls are set, HOV policies, switchable transponders, and use of the ExpressLanes. She noted the project had received substantial and accurate media coverage. Mr. Cheroutes added that all of the questions and answers raised through the outreach process are posted on the HPTE website. He said rates proposed by PRD are comparable to other toll rates nationally.

Board Director Reiff thanked the public for their input and comments. In regard to concerns about local rail, he explained that HPTE has no oversight over RTD. Stakeholders within the US 36 corridor supported this toll facility to gain additional capacity, and communities had participated throughout the state and federal funding processes. He said he supports Resolution #169. Board Director Rogers agreed. He thanked the public for their input, and had also heard the Fastracks concerns during the telephone town hall and public meeting. He heard concerns about the toll rates as well, but commented that the proposed rates are in line with comparable toll systems, and that there are still free general purpose lanes available. Director Rogers remarked that there is no funding available to build additional general purpose lanes, and that the State had to go with the P3 option. Board Director Aden agreed. He thanked the public for their testimony. He said the accomplishments on US 36 are a highlight for CDOT and represent the future of transportation funding unless citizens vote to raise taxes.

Following the discussion, upon a motion by Board Director Rogers and second by Vice Chair Gilliland, Resolution #169 was approved by all present.

Director's Report:

HPTE Director Cheroutes said he was on a panel at the National Infrastructure Week conference representing the state on transportation financing. He also noted that there is no better example of public service than Doug Aden, whose last meeting is today. Mr. Cheroutes said the State owes much to him, and that he is irreplaceable.

OMPD Report:

Peter Kozinski of OMPD reported that the Tolling Services Agreements with E-470 were signed. One hundred thousand switchable transponders are expected to arrive in time for the US 36 Phase 1 project opening. Strides are also being made on the I-70 Mountain Corridor Peak Period Shoulder Lanes (PPSL), with tolling equipment expected to arrive late June and be installed this summer. The PPSL will come online in December. I-25 North Segment 2 is also moving ahead. Mr. Kozinski reported that there are ongoing conversations about cross-section widths for I-25 North Segment 3. He reported that a Request for Qualification for the I-70 East Project has been issued, and Statements of Qualification are due by June 22. The C-470 Level 3 Traffic and Revenue Study is ongoing, as are conversations with TIFIA regarding financing for that project.

Communications  
Report:

Ms. Castle reported on outreach for the opening of the US 36 Phase 1 ExpressLanes and ongoing media coverage. The Phase 1 grand opening is scheduled for June 22, and US 36 the bikeway opening is scheduled for June 24. Outreach efforts will be ongoing throughout July, with an advertising and media campaign focused on "buying a pass."

Other Business:

CDOT Executive Director Shailen Bhatt expressed his thanks for citizen comment on US 36.

Board Director Rogers thanked Mr. Aden for his service, and said he will be missed. Chair Gagen concurred.

Adjournment:

There being no further business to come before the Board, the meeting was adjourned.