

**RECORD OF PROCEEDINGS**

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

Held: Wednesday, March 16, 2016; 11:30am

4201 E. Arkansas Ave., Denver, CO 80222

The regular 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: Kathy Gilliland, Chair  
Don Marostica, Vice Chair  
Jan Martin  
Thad Noll  
Shannon Gifford

Chair Gilliland called the meeting to order @11:15am: Board Directors Reiff and Rogers were excused; all other Board Directors were present.

Joint Workshop with Transportation Commission  
At 11:15, the HPTE Board convened in a joint workshop with the Transportation Commission on the topic of operations and maintenance (O&M) cost sharing between HPTE and CDOT on managed lanes. HPTE Director David Spector began his presentation by noting that while certain O&M costs are clearly allocable to either HPTE or CDOT, some categories of costs should be shared between the two. Staff recommended that future intra-agency agreements between CDOT and HPTE for managed lane projects utilize the same average daily traffic- (ADT-) based allocation of O&M cost responsibility that was utilized for the recently approved I-25 North Segment 3 Express Lanes Project. The Board Directors and Commissioners engaged in general discussion regarding the categorization of costs, and in particular, which entity should bear the responsibility for costs associated with toll-free travel for high-occupancy vehicles. No action was taken.

The Transportation Commission adjourned and the HPTE Board reconvened for its regular lunch meeting.

Reconvene for Lunch Meeting @11:30am: HPTE Operations Manager Nick Farber updated the Board on the fee-for-service reconciliation. He will provide an analysis of needed revisions in June and propose an amendment to better align HPTE actual project costs with the fee-for-service scope of work. HPTE Director Spector noted that HPTE is undertaking more work now with the same staff resources than a year ago, and is providing CDOT with more value than originally thought.

For the legislative update, HPTE Director Spector noted that SB 123 is still on its way through the Senate, and that HPTE continues to work with the bill sponsors on possible compromises. The business community also opposes the bill.

Director Spector spoke about the upcoming strategic planning retreat on April 19 and 20. Board members can expect to be contacted to fill out a survey in advance, and that the retreat facilitator will be making one-on-one phone calls to each Board member to help set the final agenda.

CDOT will be making an application for a TIGER VIII Grant for I-25 North Segments 7 and 8 between SH 402 and SH 14, which is due on April 29. HPTE is considering the possibility of a construction loan based on toll revenues, and is waiting on an update of the existing Level 2 Traffic and Revenue (T&R) analysis to determine if such a loan is feasible. Board Director Martin asked about the state of readiness for similar opportunities on I-25 south to Colorado Springs and Southern Colorado. Director Spector noted that segment of highway is included in CDOT's 10 Year Development Plan and is in the very early stages of planning and environmental readiness. One of the TIGER grant requirements is that projects be in a shovel-ready status.

Meeting Break  
(12:15):

Chair Gilliland reconvened the meeting at 12:20:

The Board reconvened and roll was called to re-establish a quorum. Board Directors Reiff and Rogers were excused; all other Board Directors were present.

Consent Agenda:  
Resolution #194  
Approving February 17, 2016 Minutes  
Resolution #195  
Appointing Secretary to Board

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

Public Comment:

There was no public comment.

Director's Report:

HPTE Director David Spector noted that OMPD Director Brett Johnson is out of town, and that his report would include OMPD highlights. He said that the construction loan on I-25 North Segment 3 closed in good order, and that the borrowed amount is \$23.6M at a rate of 1.99%. SB 123 will likely go to the House for consideration on Friday, and staff will continue to oppose the bill. Last week, Director Spector and others including the project team for Central 70 attended a P3 conference in Dallas, where Governor Hickenlooper provided a keynote address. He noted that P3 continues to be an important tool for CDOT.

Communications Report:

HPTE Communications Manager Megan Castle reported paid advertising for the opening of US 36 Phase 2 is underway, as well as traditional media coverage and grassroots involvement. June 18 will be the date for the official US 36 bikeway opening, and events are being planned. The I-25 North Segment 2 northbound lane is now open for equipment testing, and commuters are able to try the lanes at no charge to become familiar with them prior to tolling. Southbound will open for testing on March 21. April 4 will be the ribbon cutting ceremony for I-25 North Segment 2. She also noted over 70,000 switchable transponders have been sold to date.

I-70 Mountain Express Lane Tolling Performance Report:

Dave Kristick, E-470 Deputy Executive Director, provided a backoffice overview of tolling performance on the Mountain Express Lane, including equipment installation efforts and cost model statistics. He cautioned that valid data is just now becoming available and the project is still in a ramp-up phase, so any trends are difficult to identify. He did note that the Tolling Services Agreement (TSA) performance metrics look good at this point, and the volume of calls to the customer call center are up since the December opening of the lane. Board Director Noll asked how rental cars are processed, and Mr. Kristick said all the rental car companies have accounts, either by transponder or LPT.

Resolution #196  
Approving FY 2016-17 Budgets:

HPTE Budget Analyst Piper Frode noted that this material had been presented to the Board in previous months, and said recent updates include a few adjustments for estimated tolling revenue. HPTE Director Spector said the staff is being conservative on tolling revenue estimates, and that more hard data will become available as more projects open and begin ramping up. Upon a motion by Board Director Gifford and second by Board Director Noll, the Resolution #196 to approve the HPTE FY 2016-17 Budget for Funds 536 and 537 was approved by all Board Directors present.

Resolution #197  
Approving the P3 Management Manual:

HPTE Operations Manager Nick Farber provided a brief overview of the P3 Manual development, noting that the document is in compliance with the 2015 audit review, and that the Board saw a draft of this last month in a joint workshop with the Transportation Commission. The Manual is intended to supplement existing laws and rules, and will be a living document to be amended over time. The intra-agency agreements will continue as the governing document for each project. He said the Manual brings

a consistent approach to transparency for P3 project delivery and is a great tool for educating CDOT staff on the P3 process. Upon a motion by Board Director Marostica and second by Board Director Martin, Resolution #197 to adopt the P3 Manual was approved by all Directors present.

Other Business: No other business was brought before the Board.

Executive Session pursuant to C.R.S. Section 24-6-402(3)(a)(II) for the purpose of receiving legal advice pertaining to the US 36 Phase 2 Project: Chair Gilliland requested a motion for the Board enter into Executive Session pursuant to C.R.S. Section 24-6-402(3)(a)(III) for the purpose of receiving legal advice pertaining to the US 36 Phase 2 Project. Upon a motion by Board Director Marostica and second by Board Director Gifford, and following an affirmative vote by all Board Directors present, constituting at least two-thirds of the entire membership of the Board, the Board entered into Executive Session at 12:40 p.m. The members of the public were excused.

The Board exited Executive Session at 12:57 p.m.

Adjourn: The meeting was adjourned at 12:58 p.m.