

**Resolution – HPTE #235**

**Approving HPTE June 21, 2017 regular meeting minutes**

**BE IT RESOLVED**, that the June 21, 2017 meeting minutes attached hereto, are hereby approved by the High Performance Transportation Enterprise Board of Directors.

Signed as of July 19, 2017

---

Kari Grant  
Secretary, HPTE Board

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

Held: Wednesday, June 21, 2017; 11:30 am

4201 E. Arkansas Ave., CDOT HQ Auditorium, 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	Jan Martin	Trey Rogers
	Thad Noll	Gary Reiff	Don Marostica, Vice Chair

Chair Gilliland called the meeting to order @11:30 am: HPTE Board Director Gifford was excused.

Director's Agenda Overview and Discussion: HPTE Director David Spector introduced Transportation Commissioner Karen Stuart, who recently was appointed to the Commission.

Ron Papsdorf, HPTE Legislative Liaison, gave an update on the end of the 2017 Legislative session. He said there were bills taking aim at tolling and HOV policy which were not successful. Senate Bill (SB) 267 was passed, raising \$1.9B over 20 years for transportation investment. The funding will be raised from the sale and lease-back of state properties over the next 4 years. The 2018 session will bring proposed bills on project priorities. He noted CDOT planners are already working with the transportation planning regions to identify suitable projects.

HPTE Budget Analyst Piper Frode summarized the budget supplement on the Agenda. The budget supplement will permit an end of year payment on HPTE's outstanding debt to the Transportation Commission. She said the goal to reduce the number of budget supplements and increase flexibility in the budget is being met. Board Chair Gilliland noted the payment demonstrates HPTE's commitments to the transportation Commission are being honored.

HPTE Director David Spector introduced the regular toll adjustment proposed by Plenary Roads Denver (PRD). An annual review and discussion on toll adjustments will take place at the end of each fiscal year, so that the process becomes regular and expected with adjustments when necessary. He noted that this year's adjustment applies to I-25 Central and US 36. This item is up for preview and discussion, with formal action in July. Simon Stachnik of PRD summarized the details of the adjustment. He said the toll pricing adjustments will better balance the Express Lanes and general purpose lanes especially during the "peak shoulder" times. The time-of-day rates will change on a 15-minute interval. He said the new toll rates will take effect on July 24, if approved.

Jason Myers, Finance Director for E-470 noted that the license plate toll (LPT) capture rate is on par with national averages. He expects LPT capture rates to continue to improve, citing advancements in tolling technology, and the Colorado temporary tag measure which greatly improves LPT collection. Board Director Gilliland said it is important to have a well-defined and predictable process going forward.

HPTE Communications Manager Megan Castle summarized the public outreach strategy for the toll rate adjustment. HPTE is working with ExpressToll to send heads-up emails to targeted I-25 Central and US 36 customers. Additionally, a press release, variable message signs (VMS) on the roads advising of the new rates and fact sheets are other sources of information. There were comments from the Board reinforcing the need for advance messaging with opportunities for input prior to the action in July.

HPTE Director David Spector briefed the Board on the progress to integrate the HPTE and OMPD offices. He noted the Office of Major Project Development's role is changing from project development to project operations. The Attorney General's Office is amending the existing MOU between HPTE and

CDOT to accommodate the changes. He said there will be a Transportation Commission budget action to complete the merger later this summer.

HPTE Director David Spector quickly updated the Board on the transportation demand management (TDM) program for Central 70, the unique aspects of the C-470 financial close, and the Central 70 Intra-agency Agreement (IAA), which will be considered by the Board toward the end of the meeting.

Board Break,  
Reconvene and Roll  
Call:

The Board took a five-minute break. Upon reconvening, all Board members were present.

Appreciation of  
Service for Gary  
Reiff:

HPTE Board Director and Transportation Commissioner Gary Reiff has completed his terms on both the Board and the Commission. HPTE Board Director Gilliland presented a token of appreciation to Board Director Reiff, citing the intellect, financial expertise and value he brings to his service.

Consent Agenda:  
Resolution #232  
Approving April 2017  
Minutes:

Upon a motion by Board Director Rogers and second by Board Vice-Chair Director Marostica, the Consent Agenda was approved.

Public Comment:

Chair Gilliland invited members of the public to come forward if they wished to comment. No speakers came forward.

Director's Report:

HPTE Director David Spector quickly reviewed the agenda, citing his comments from the lunch discussion. He said he attended the Annual InfraAmericas P3 Conference in New York City, and reported the global infrastructure market regards HPTE as an innovative and progressive entity. He also noted that P3 is also not the only tool HPTE uses, citing the value of the bonds and TIFIA loan for the C-470 project.

OMPD Report:

Joe Mahoney of OMPD updated the Board on the status of current projects. The MOU for the I-70 Mountain Express Lane (MEXL) to increase the annual operational limits is nearing finalization. A potential westbound lane is now being studied. Activity is progressing along I-25: Segment 2 is generating satisfactory revenue, Segment 3 is under construction, and a project request for proposals for Segments 7&8 between Loveland and Fort Collins is nearing finalization. I-25 South between C-470 and Monument has initiated a planning and environmental study (PEL) to advance solutions in that portion of the I-25 corridor.

MEXL Winter  
Operations Report:

Joe Mahoney presented the Winter Operations Report for the Mountain Express Lane, which concluded operations on April 23. He said MEXL received more acceptance this year, with significant growth in toll transactions and toll revenue. At this time, HPTE is comfortable with the project's revenue/debt service. For congestion mitigation, the \$5 toll rate struck the best balance between the Express Lane and general lanes speed differential. He concluded that he expects a lot of demand over the summer season.

Central 70 TDM  
Program:

Tony DeVito, Central 70 Project Director, presented an overview of the transportation demand management (TDM) program that will be put into place before, during and post-construction. He noted that each neighborhood affected by the Central 70 construction will require different mobility solutions. HPTE will contract with Northeast Transportation Connections (NETC) to design and implement the TDM program. Frequent and regular reporting on key initiatives to reduce single-occupant vehicle travel and increase other mobility solutions are part of the contract. He introduced Angie Rivera-Malpede, Executive Director of NETC. She spoke of the various activities supporting TDM including partnering with schools to spread information, transit passes, and shuttles to grocery and shopping destinations. She said the goal of the program is to make it sustainable by changing behavior.

C-470 Financial Close  
Update:

HPTE Operations Manager Nick Farber summarized the successful financial close for C-470, which includes the TIFIA loan and bond issuance. The approximately \$160 million in 2017 Series Senior Revenue Bonds were sold to investors at extremely favorable rates and terms, and demand for the

bonds far exceeded supply. The final sale numbers on the bonds resulted in \$30M in debt service savings over the 30 year life of the bonds. The \$107M TIFIA loan closed at a very low interest rate of 2.81% and provides attractive repayment terms. The final financing terms will enable \$19M in excess RAMP revenues to be reimbursed for other uses. Board Director Reiff said the staff has done an exceptional job on this financing. HPTE Director David Spector noted that the TIP still needs to be amended, and CDOT and Douglas County are working together towards the amendment.

**Regular Toll Rate Adjustment:**

Simon Stachnik of PRD presented the proposed toll rate adjustment to the Board. He said the original rates were set two years ago, and a study of value-of-time and inflation combined with Express Lane/General Purpose lane speed differentials has led to the proposed adjustments. A focus of public information before the new rates are in effect will be to encourage drivers to get transponders to avoid the additional costs of LPT. Depending on the time and location, some toll rates will go up and some will go down, particularly at the west end of the project. On average, the round-trip rate from Boulder to Denver will increase thirty-five cents. He said the toll rates, if approved next month, will take effect on July 24, 2017.

**Communications Report:**

HPTE Communications Manager Megan Castle said her team is working with Plenary and E-470 on targeted outreach to I-25 Central and US 36 commuters to inform them in advance of the toll rate adjustment and provide opportunities for input. HPTE Board Director Rogers reiterated the importance of advance outreach and public comment on the regular toll rate adjustment process. She also noted that the Colorado Municipal League annual conference is coming up, and Board Chair Gilliland will make a presentation.

**Resolution #233  
Approving the FY16-17 Second Budget Supplement:**

HPTE Budget Analyst Piper Frode summarized the budget supplement on the Agenda. The budget supplement will allow for an end of year payment to the Transportation Commission on HPTE's outstanding loans. Upon a motion by Board Director Rogers and second by Vice-Chair Marostica, Resolution #233 was approved.

**Resolution #234  
Central 70 IAA:**

HPTE Director David Spector noted the Board has previously reviewed the Central 70 IAA between HPTE, CDOT and the Bridge Enterprise, at a joint workshop in April. Upon a motion by HPTE Board Director Martin and second by Board Director Rogers, Resolution #234 was approved.

**Other Business:**

None.

**Executive Session:**

HPTE Board Chair Gilliland requested a motion to convene the Board in Executive Session pursuant to C.R.S. Sections 24-6-402(3)(a)(II) and (III) and C.R.S. Section 24-72-204(3)(a)(IV) for the purpose of discussing confidential commercial and financial information and to receive legal advice regarding the Central 70 Project. Members of the public were excused.

**Adjourn:**

The HPTE Board of Directors exited Executive Session at 2:08, and adjourned.