

Resolution – HPTE #258

Approving HPTE January 17, 2018 meeting minutes

BE IT RESOLVED, that the January 17, 2018 meeting minutes attached hereto, are hereby approved by the High Performance Transportation Enterprise Board of Directors.

Signed as of February 14, 2018

Kari Grant
Secretary, HPTE Board

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

Held: Wednesday, January 17th, 2018; 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:

Kathy Gilliland, Chair
Don Marostica, Vice Chair

Thad Noll
Rocky Scott

Shannon Gifford
Anastasia Khokhryakova

Chair Marostica called the meeting to order @11:32 am:

All Board Directors were present.

Director's Agenda Overview and Discussion:

HPTE Director David Spector said there are significant personnel changes to announce. He introduced Board Director Anastasia Khokhryakova, noting her extensive public finance and P3 expertise. She is appointed by the Governor to represent the DRCOG planning area through 2021. He also introduced Kelly Brown, the new HPTE Tolling Operations Specialist. Ms. Brown has 18 years of tolling experience, including at E-470. Mr. Spector also announced that Joe Mahoney will retire at the end of January. Mr. Mahoney has 25 years of CDOT experience, and was essential to the development and implementation of the I-70 Mountain Express Lane. The Board welcomed the new HPTE team members, and thanked Mr. Mahoney for his service through the years.

Director Spector said the 2017 HPTE Annual Report has been posted to the website in accordance with statute. He said it is a valuable resource for stakeholder outreach and will be presented to the Legislature by February 15, 2018. Director Spector and the Board commended Ms. Grant for producing another excellent annual report.

Mr. Spector announced that the Central 70 P3 deal closed at the end of the year. The interest rate on the TIFIA loan and bond pricing drive down the total cost of the Project over 30 years. He congratulated the Board and thanked them for their hard work on the Project.

He invited HPTE accounting manager Kay Hruska to preview the Audit results that the Board will see in February. She said the Audit report is final and has been released by the Legislative Audit Committee. The report had no findings despite numerous complex transactions this year. Director Spector noted the importance of a clean Audit report.

HPTE Legislative Liaison Ron Papsdorf reported on early session activity. While transportation funding will be a major issue, there is so far little agreement on potential solutions. Board Director Scott said developments in Texas should be watched, as the new governor there has an anti-toll position. It was agreed this highlights the need for awareness, monitoring and public communications. Messaging should emphasize that Express Lanes are to manage congestion rather than just generate revenue. CDOT Executive Director Mike Lewis noted this is especially a critical conversation as the I-25 South Project progresses. HPTE Director Spector said that local leaders at the recent Legislative Breakfast hosted by Commuting Solutions were now promoting the advantages of the US 36 Express Lanes, which points to the importance of data in backing up our communications. Capturing testimonials and face-to-face discussions are important strategies to continue to build public support.

HPTE Operations Manager Nick Farber gave a quick overview of the Fee-for-Service item on the agenda, noting this is a regular six-month report to the Board.

HPTE Director Spector said approval of the Branded Cities digital communications proposal is on the agenda. Action by the Board is contingent upon approval by the Transportation Commission. The

Program Agreement allows digital signs on CDOT property that is leased to HPTE, although the number of available sites is expected to be extremely limited. Mr. Spector noted for the record that the cover memo in the Board packets will be corrected to say the use of any revenue from the program is a prerogative of the Board, and is not a contractual provision.

Mr. Spector shared some stories and insights from his recent travel to Malaysia and Vietnam as part of a cultural exchange by the American Council of Young Political Leaders. He said both countries are forward-thinking on transportation and technology. He also managed to lose his cellphone in a Malaysian taxicab.

**Board Break,
Reconvene and Roll
Call:**

The Board took a five-minute break. Upon convening all Directors were present. HPTE Board Chair Don Marostica announced that Governor Hickenlooper made a new appointee to the Board, and introduced Anastasia Khokhryakova who will fill the vacant seat from the DRCOG planning area, which term expires on October 1, 2021. Ms. Khokhryakova recited the Oath of Office, and was welcomed by all present.

Director's Report:

HPTE Director Spector welcomed new Board Director Anastasia Khokhryakova and new HPTE Toll Operations Specialist Kelly Brown, and announced Joe Mahoney will retire at the end of the month.

Director Spector said the Central 70 Project reached financial close on December 21st and congratulated the Project team on the significant benchmark. The South I-25 Project team is now working with area stakeholders and the public to understand the purposes and benefits of Express Lanes. Additionally, the HPTE staff recently sketched a "white board" two-year work timeline as a planning exercise, and Mr. Spector invited the Board to drop by the office to have a look. He also announced the HPTE Annual Report has been posted in accordance with statute, and noted it is an effective public engagement tool.

**Communications
Update:**

HPTE Communications Manager Megan Castle said she is working with a research consultant on using focus groups and targeted messaging for Express Lanes projects. She noted that media coverage on I-25 North has been positive. In the coming months, the Communications Office will provide on-going support Central 70 as well. Ms. Castle noted that Communications Specialist Tamara Rollins is assigned to the I-25 South Project.

Legislative Update:

HPTE Legislative Liaison Ron Papsdorf reported that the early Legislative session interest is focusing on transportation funding, although there is not a clear path forward at present. SB 1 refers a \$3.5 billion bond initiative to the public, and will be closely watched. He also noted proposals for Federal tax reform will drive down corporate tax rates, affecting bank activity and possibly causing earlier-than-anticipated HPTE payments.

**Major Projects
Update:**

HPTE Operations Manager Nick Farber reported the traffic and revenue analysis and stated preference survey for I-25 South are expected to be completed in late April or early May. HPTE is assisting Region 1 to evaluate implementing variable speed limits for the I-70 Mountain Corridor Express Lanes as a tool to manage corridor congestion. The safety audit for I-25 North is expected to be completed in the spring, and HPTE is working with Region 1 on the report outcomes. He noted that C-470 construction is under way, requiring regular progress reporting to TIFIA. The I-25 North Project from Johnstown to Fort Collins has selected a contractor, and local communities have come forward with significant funding to get the Project started.

**Fee-for-Service
Reconciliation
Report:**

Mr. Farber reminded the Board the Fee-for-Service Agreement allows HPTE to charge CDOT for professional services, and shall be reconciled on a biannual basis. From July through December 2017, major efforts included the Central 70 Project financial close (necessitating extensive work with TIFIA), negotiating a maintenance boundary change with Plenary Roads Denver, managing bond disbursements, the road safety audit, and the annual toll rate adjustments. Mr. Farber also announced that selection of a consultant for the Express Lanes Master Plan is imminent, with a kick-off for the two-year project in March or April.

Public Comment:

Chair Marostica invited members of the public to speak to the Board. There were none.

Consent Agenda:
Resolution #255

Approving
November 18, 2017
Minutes

Resolution #256
Approving December
5, 2017 Minutes

Upon a motion by Vice Chair Gifford and second by Board Director Scott, the Consent Agenda was approved unanimously.

Resolution #257
Approving Branded
Cities Proposal:

HPTE Director Spector said the Branded Cities proposal for digital communications along CDOT highways fits HPTE's mission to aggressively seek project funding, as it generates revenues and provides a new service. He noted for the record that the cover memo in the Board packets will be corrected to say the use of any revenue from the program is a prerogative of the Board, and is not a contractual provision. The Board discussed topics including where digital signs can be located, and the expectation that there will be a limited number of appropriate sites. Proliferation of signs was a shared concern. The Board reserves the ability to say no to proposals that present distraction and safety issues. Mr. Spector said Board action on this item will be contingent on the Transportation Commission's action. Upon a motion by Board Director Scott and second by Vice-Chair Gifford, Resolution #257 was approved unanimously.

Adjourn:

The Board of Directors adjourned at 1:31 pm.

DRAFT