

	<p><u>Express Lane Master Plan (ELMP)</u></p> <ul style="list-style-type: none"> Acting HPTE Director, Nick Farber, highlighted that the Express Lane Master Plan will have the traffic and revenue results in the summer and HPTE staff is starting to discuss how best to engage the public. There will be four telephone town halls in July (16/17th July). Mr. Farber requested that board members from the relevant regions participate.
Roll Call Regular Meeting	The Board did not break. The meeting reconvened at 10:24 am, all Board Members were present, with the exception of Director Bowes and Director Scott.
Public Comment	There were no public comments.
Acting Director's Report	<p>Acting HPTE Director, Nick Farber, provided an update to the board, which focused on board retreat outcomes, including:</p> <ul style="list-style-type: none"> Active management of Express Lanes A robust staffing plan to identify key gaps as HPTE moves from 68 miles of operational Express Lanes to over 200 Task Order for the C-470 operations and maintenance contract Toll Rate Setting Policy will be shared with the board in July Governance committee established under Director Scott Updating HPTE Procurement Guidelines, including unsolicited proposals and pre-development agreements. HPTE will share this with the board for feedback before sending it out to the market for comment. This process will help to ensure it is adequately robust. Concession Agreements will be reviewed as part of the ELMP
Communications Update	<p>Acting Communications Director, Megan Castle, noted that the Denver Post has been engaging with CDOT and HPTE staff following the distribution of the press release highlighting HPTE's impact last month. Express Lane data related to revenue, usage, and future plans has been shared.</p> <p>Ms.Castle introduced Kristi Estes from CIG, who gave a presentation on the outcomes from the 'When It Matters Most' winter education campaign. Key highlights included:</p> <ul style="list-style-type: none"> The campaign ran from February to March 2019 and included digital banner ads, in-app ads, and social media posts. Resort media, posted on chairlift panels in Vail, Breckenridge, and Copper Mountain, and further advertising in Winter Park Resort was used to reach a target audience. Social media posts reach: 2, 447,647 (advertising value \$14,500.48). Increased traffic to the website – 63 percent increase compared to the previous year. Over two million impressions, which was 30 percent higher than planned. <p>Ms. Estes also mentioned to the board that HPTE had won an award for the fall campaign from Public Relations Society of America. CIG will attend the event and let board members know if it is a gold or silver award.</p>
Projects Update	Acting HPTE Director, Nick Farber, and CDOT Chief Engineer, Josh Laipply, provided an update to the board on construction progress on C-470, which included:

	<ul style="list-style-type: none"> ● CDOT entered into a settlement agreement (\$17.4 million, which included a revised baseline schedule) with Flatiron/AECOM. ● August 1, 2019, is the deadline for the project to be complete. Financial incentives are in place to encourage Flatiron/AECOM to meet the deadline. ● The project team is working closely with the Flatiron/AECOM to help them reach the August 1st deadline. ● A paving chart, which displayed Flatiron/AECOM pavement production, included their actual monthly average and best paving months, highlighted that in order to meet the August 1st deadline they would have to exceed their best paving months between now and the deadline. ● HPTE debt payments start in August. CDOT will withhold liquidated damages if the project is not completed on schedule and HPTE can go to CDOT for the lost toll revenue - per the CDOT/HPTE C470 Intergovernmental Agreement (IGA). ● HPTE staff has had conversations with TIFIA staff, and will notify bondholders at the end of this month per the Monthly Construction Report to keep them informed of developments. ● CDOT is doing everything it can to ensure the project is completed on schedule. <p><u>Discussion</u></p> <ul style="list-style-type: none"> ● Board members highlighted the importance of a quality end product. <ul style="list-style-type: none"> ○ CDOT staff will hold the contractors to the project design and specifications to ensure the project is up to the standards set by the state. ● Board members asked why the project was having problems. <ul style="list-style-type: none"> ○ There are challenges with putting in enough subgrade and a range of other issues delaying progress. Two paving crews are committed to the project in the summer. ● Board members noted that CDOT and HPTE staff will know in May if the contractors will meet the deadline. <p>Action: HPTE staff to keep board members informed of progress at the next board meeting.</p>
Legislative Update	<p>CDOT Legislative Liaison, Andy Karisan, provided the legislative update to the board, which included:</p> <ul style="list-style-type: none"> ● Just over two weeks left in the legislative session. The General Assembly still has a lot of bills left in committees, when usually by this stage would be on the floor. ● The budget passed last week. An additional \$100 million has been approved from the General Fund for transportation, distributed through the Highway Users Tax Fund (HUTF) formula - sixty percent to CDOT; eighteen percent to municipalities, and twenty-two percent to the counties. ● Senate Bill 18-01, approved during the last legislative session, provided for the electorate to vote on \$2.3 billion in transportation bonds, with debt payments coming out of the General Fund (estimated at \$122 million). There are a number of reasons why it doesn't make sense to include this on the ballot this year, mainly because the De-Bruce measure is being added to the ballot which would allow the state to keep the excess revenue above the TABOR cap and distribute it to transportation and two other departments. Adding another ballot measure would increase the likelihood of both failing like 109 and 110 did last year.

	<ul style="list-style-type: none"> ● Colorado Clean Pass Act, which allowed additional electric vehicles into HOV lanes for a reduced cost, failed in the Finance Committee this week.
<p>Sales Tax Update</p>	<p>Assistant Attorney General, Andrew Gomez, provided an update to the board on compliance with sales tax legislation. The report included the following:</p> <ul style="list-style-type: none"> ● Previously, online retailers needed to collect and remit sales tax based on the location of the business’s address only, and not the location of the customer’s address who purchased the taxable good. ● The new regulations compel online retailers that sell over \$100,000 annually, like HPTE’s transponder sales, to collect and remit sales tax based on the jurisdiction’s tax rate at the taxable good’s place of delivery (the “Destination Sourcing Rule”). ● HPTE collects sales tax on a few municipalities for the switchable transponders sent to customers currently, but to conform with the new regulations, HPTE will potentially have to collect sales tax for over 700 taxing jurisdictions in Colorado alone. ● There are vendors that can carry out this task on HPTE’s behalf, which requires an additional cost and necessitates increasing the overall cost of the transponder, based on a break-even analysis conducted by HPTE staff that was included in the board documentation. <p><u>Discussion</u></p> <ul style="list-style-type: none"> ● Board members discussed the range of options listed in the memo provided by HPTE staff, which included: <ul style="list-style-type: none"> ○ Not charging a fee for transponders. ○ Raising the price of transponders to cover the added cost of calculating and remitting sales tax. ○ Selling transponders at the CDOT regional offices. ○ Creating a deposit system. ● Board members and HPTE staff discussed the increased likelihood of the number of people cheating rising exponentially above the current ten to fifteen percent leakage rate if the transponders were given away for free. ● Board members discussed having a technology solution for this challenge in the future. HPTE staff highlighted that current technology is available to self-declare HOV use via a phone app, which is being used in other states, but the GPS technology isn’t accurate enough to detect when a vehicle is in the Express Lane. HPTE staff will review this and come back to the board with possible technology options later this year. ● Board members agreed with the staff recommendation (raising the price of transponders to cover the added cost). <p>Action: Upon a motion by Vice Chair Gifford and second by Director Khokhryakova the HPTE Board unanimously approved the staff recommendation to raise the price of transponders from \$15 to \$18 to cover the added cost.</p>
<p>Consent Agenda Resolutions #293</p>	<p>Action: Upon a motion by Director Gilliland, and second by Vice Chair Gifford, a vote was conducted, and the Consent Agenda Resolution #293 was unanimously approved.</p>
<p>C-470 Express Lane Staffing</p>	<p>HPTE Tolling Operations Manager, Kelly Brown, presented to the HPTE Board on the staffing needs and staffing plan for the C-470 Express Lanes that are expected to</p>

	<p>open by the end of the 2019 construction season. The presentation included the following:</p> <ul style="list-style-type: none"> ● C-470 Operations Needs; ● Active Management of Express Lanes; ● Data and Reporting; ● Equipment Monitoring & Maintenance; ● Staffing Needs; ● Pros and Cons: Contractors vs. FTEs; ● Staffing Schedule for C-470 Express Lanes; ● Staffing cost for C-470 Express Lanes. <p><u>Discussion</u></p> <ul style="list-style-type: none"> ● Board members discussed the staffing analysis and costs, including all benefits, for full-time employees. <p>The HPTE Board adjourned for a break at 11:29 am.</p>
Executive Session	<p>The HPTE Board reconvened at 11:37.</p> <p>HPTE Board Chair Marostica requested a motion to convene the Board in Executive Session to discuss confidential information regarding personnel policies related to the new HPTE Director. Upon a motion by Director Gilliland and second by Director Easton the HPTE Board entered Executive Session. Members of the public were excused.</p> <p>The executive session discussion is required to be kept confidential pursuant to Section 24-6-402(3)(b)(II).</p> <p>The HPTE Board exited Executive Session at 12:05 pm.</p>
Adjourn	<p>The HPTE Board adjourned at 12:05 pm.</p>