



CLEAN TRANSIT ENTERPRISE BOARD MEETING - AUGUST 8, 2023


SCHEDULE & AGENDA

- I. **Welcome, Roll Call, Agenda Review (5 minutes)**
Matt Frommer, Chair
2:00 - 2:05 p.m.
- II. **Action Agenda (5 min)**
Matt Frommer, Chair
2:05 - 2:10 p.m.
 - A. **Approval of Minutes - May 02, 2023 CTE Board Meeting**
- III. **Program Administrator Update (5 min)**
Kay Kelly, (CDOT)
2:10 - 2:15 p.m.
- IV. **Enterprise Financial Update (10 min)**
Kay Hruska and Celeste Kopperl (CDOT)
2:15 - 2:25 p.m.
 - A. **Approval of of revised FY22-23 and FY23-24 Budgets**
 - B. **Approval of CTE Budget Policy Directive**
- V. **Update on NOFA (10 min)**
Michael King & Jan Rowe (CDOT)
2:25 - 2:35 p.m.
- VI. **Legal Update - Americans for Prosperity Lawsuit Update (25 min)**
George Hypolite and Kathy Young, COAG
2:35 - 3:00 p.m.
- VII. **Adjournment**
3:00 - 3:05 p.m.

Clean Transit Enterprise Board Meeting

May 2, 2023

Regular Board Meeting – Tuesday, May 2, 2023. 2:00 – 4:00pm, Virtual via Zoom Meeting

Video Recording:  Clean Transit Enterprise - May 2023 - Board Meeting

1. Call to Order, Roll Call, Agenda Review (David Averill) - Time 2:02

Director Dawn Block,
Director Rick Coffin,
Director Cris Jones,
Director Theresa Takushi,
Director Mark Garcia,
Vice Chair David Averill.

2. Action Agenda - Time 2:03

A motion by Director Garcia to approve the meeting minutes from the last board meeting on March 7th, 2023. Seconded by Director Block. Motion passes unanimously. No oppositions or abstentions.

3. Program Administrator Update (Kay Kelly) – Time 2:04

- Legislative session ends May 6th, 2023
 - Things are moving fast at this point in the session so they may have changed even since this morning.
 - SB23-143 creates an exemption from the Retail Delivery Fee for businesses below a certain level of revenue, which is burdensome to track for the Department of Revenue. This has passed and is expected to be signed by the Governor.
 - There will be some minimal fiscal impact and we will monitor that moving forward.
 - Another bill (HB23-1166) that would have entirely repealed the Retail Delivery Fee has not advanced.
 - SB23-1101 passed and has been signed by the governor. This legislation will build upon last year's successful ozone season transit grant program. Also requires CDOT to do a study assessing the current boundaries of TPRs.
 - SB23-016 has passed the House and Senate, needs to go back to the Senate for concurrence on some amendments before going to the Governor for signature. Will update existing state GHG reduction targets by adding new interim targets including a 65% reduction by 2035 and an 80% reduction by 2040 compared to the 2005 baseline.
- The Colorado Aeronautics Board and other enterprise boards meet annually with the Transportation Commission for lunch to exchange information and better understand one another's perspectives. The CTE Board could consider participating in a similar annual meeting with the TC annually moving forward.
 - CTE directors concur that this is a good idea.
- In the March meeting, CDOT staff expressed an intention to open the first round of CTE-funded grant programs for applications with the next Division of Transit & Rail "Super Call" in April. However that timeline has slipped a bit and we now expect the Planning category of funds to be announced as part of the DTR call in May and the Vehicle, Infrastructure, and Facilities portions of the funding to be announced later in the summer with the capital portions of the DTR call.
 - We will share more information about the Planning NOFA later in this meeting and more information about the other three categories during our meeting in August.

Director Garcia: Is there any update on the lawsuit that relates to this enterprise and the others?

George Hypolite: We do not have an update. The case is in district court. The original judge assigned to the case got reassigned to the criminal division. The new judge on the proceeding is preparing the case and has not issued an order on our motion to dismiss.

4. Enterprise Financial Update (Celeste Kopperl) – Time 2:14

- Total Retail Delivery Fee collected: **\$6,019,273.00**

- Budget Highlights:
 - Actual revenues collected in March 2023 only off from the estimate by about \$190,904
- Overview of new Policy Directive which lays out responsibility of duties and decisions that CTE staff may address independently versus those which are higher-risk and should be reviewed and approved by the members of the CTE Board
- 3 Priority Levels:
 - Board Review & Approve
 - Inform Board
 - Staff Manage
- Staff have developed a matrix for different Categories and Levels of Action that would dictate the appropriate decision process
- Celeste walks through the matrix
 - Annual Budget Development, Budget Management, Enterprise Revenue, Misc. and Project Related Transactions
- Director Averill likes the work so far but would like to defer any decisions until more board members are present.

Director Takushi: Why is \$150,000 the threshold - is there precedent for that?

Celeste: Not a precise reason, an estimate based on the general size of CTE budgets but open to discussion and change if the board prefers a different threshold.

Director Garcia: Given the grant cycles that we are moving towards, how will those align with the budget cycle since we would need to know the expenditure level for each grant cycle?

Celeste: So long as the amount being awarded in a given grant round is less than the amount budgeted, there should be no issue, but if we want to award more than was previously budgeted then we would need legislative approval.

Kay: Seeking clarification on the question from Director Garcia.

Director Garcia: Normally in a budget you need to account for how much funding you will be awarding so how does our February budget approval work with our anticipated calls for projects?

Kay: We would be awarding funds accrued in the previous year, so for instance this year we have been collecting revenues since July 2022 and our grants being awarded later this year would use the funds collected since then. We would be about 1 year behind moving forward.

Director Garcia: How many policy directives does the CTE have?

Kay: This would be the first.

5. CTE Planning Grant NOFA Update (Mike King) – Time 2:32

- DTR will issue their call for planning grant applications in May and for the capital project categories later in the summer. Therefore, CTE's planning grant would be issued in May and CTE's vehicles, infrastructure and facility categories would be issued in the summer with the larger capital call.
- The CTE planning grant application is similar to the previous EV planning grant application issued by DTR that prior scoring committees have found to be a good model. It includes a list of questions for applicants to answer related to fleet, facilities, utility coordination, equity, financial need, etc.
- The scoring rubric includes aspects related to project need/benefit, EDI, project readiness, agency capacity and application quality.
- Review committee is made up of staff from CDOT, CEO, CDPHE and technical experts from organizations like NREL, CASTA to ensure a diversity of perspectives. We will present committee recommendations to the board for final review and approval.

Director Coffin: Is there an opportunity for applicants to answer follow-up questions during the application review phase if they come up from the reviewers?

Mike: Typically, we do allow for clarification questions from the committee to be answered by the applicant before finalizing decisions.

6. CDOT Equity 360 Initiative & CTE Equity Approach (Marsha Nelson & Celina Milner Leon) – Time 2:43

- The Equity & Environmental Justice Branch was established by SB 260 in 2021
- Upon joining CDOT, Marsha started by focusing on 3 key areas: Nondiscrimination Compliance, Environmental

Justice, and Workforce

- Also adding an Affirmative Action and Equal Employment Opportunity (AA/EEO) Officer, formerly part of Human Resources but now housed in the Equity & Environmental Justice Branch
- Celina is the first new FTE hired to focus on EJ
- Equity is moving beyond just compliance - an opportunity for CDOT to be a national leader
- Equity 360 is a vision of an agency mindset and philosophy that establishes a holistic approach that weaves equity into all the processes, procedures, and programs across CDOT
 - Embedding EDI in the organizational culture
- Guiding Principles:
 - Proactive Compliance
 - Creativity & Innovation
 - Knowledge
 - Humility & Respect
- EJE Branch Accomplishments
 - Established EQUITY360
 - Integrated equity into the Title VI Program
 - Participated in the Environmental Justice Action Task Force with CDPHE and other partners
 - Garnered support from regional environmental managers to adopt an EJ Analysis process for all categorical exclusions under NEPA
 - Updated the CDOT ADA Transition Plan to include enhanced data collection and dashboards
 - Started process of building a Transit-focused DBE Program
 - Assessing and reimagining Small Business Programs, including the Emerging Small Business Mentor Protege program
 - Collaboration with OIM, OEDIT, and more on workforce development needs for the new transportation landscape
 - Includes ZEV-specific workforce needs in the realm of the Clean Transit Enterprise (CTE).

Director Garcia: Is there a way to reach out to applicants as part of our grant process? What are the opportunities?

Marsha Nelson: Need to be mindful of the potential for there to be a gap where people aren't aware of the opportunities available to them. How can we interact with these communities to build knowledge and to understand what support they need to find and apply for these opportunities. We could potentially offer mentoring to help them apply.

Director Garcia: These are all great ideas, since we are starting this enterprise from scratch. These are all good considerations to keep in mind for grant funding when looking at where the biggest impacts are, especially when talking about planning grants and equity within their organizations.

Director Averill: It would be great to have Marsha present at an upcoming CASTA Conference.

Director Takushi: Could we use our equity tool on future projects?

Marsha Nelson: We are creating an equity scorecard and tying an equity score (benefits and burdens) to CDOT projects. Right now, it is being applied to GHG impacts, but there is opportunity to expand that concept to things like the CTE.

Mike King: Equity scorecard could be of interest to this group. Our initial discussions have revealed that many of our current metrics are geographically based and may not be the best mechanism to approach equity for transit grants. What are other options? In addition, how can we best set a longer term and more holistic equity target for the enterprise? We won't answer any of this today, but today's invitation to Marsha was intended to move us in that direction.

Marsha Nelson: DBE goals are required for anything using federal FTA funds.

Director Coffin: CTE grant evaluation criteria include EDI elements. Will you have any resources available to help the first team of reviewers for our enterprise grants evaluate those responses?

Celina Milner Leon: Working on an equity index with several layers of information that could be helpful.

Director Garcia: Where can we find records of our previous conversations on this topic?

Mike King: Can be found in individual meeting recordings, but we could also summarize for the board and use for our next conversation with Marsha's team.

7. Future CTE Meeting Schedule (Kay Kelly) – Time 3:16

- Upcoming Meetings:
 - Tuesday August 8, 2023- 2:00-4:00 p.m.
 - Tuesday October 10, 2023- 2:00-4:00 p.m.
- Topics:
 - Continue equity conversation
 - Public accountability dashboard development
 - Transit agency presentations

Kay Kelly: Schedule changes may be necessary depending on interests to join the TC meeting in August.

8. Meeting Adjourned (David Averill) - Time: 03:19

CTE Policy Directive (August 2023)

Level of Action		
Board Review and Approve	Report to and Inform Enterprise Board	Staff Manage
Annual Budget Development		
February- Adoption of Final Fiscal Year Budget	October- Review draft budget information that will be included in the CDOT draft budget allocation plan January- review final budget for comment	August - February Budget Development May - June Implementation of approved budget
Plan next fiscal year's estimated grant/rebate/loan expenses prior to OSPB deadline	Any changes to annually appropriated budget require OSPB approval ahead of the deadlines listed on OSPB's website	
Addition of a new budget category with an amount greater than or equal to \$150,000, or increases to the contingency reserve or debt service lines by any dollar amount	Addition of a new budget category that is under \$150,000	
Budget Management		
Any change to a budget line item during the fiscal year that is greater than or equal to \$150,000		Any change to a budget line item during the fiscal year that is less than \$150,000
	Budget to Actual Reports will be provided on a quarterly basis	
Any use of the CTE Contingency Reserve		
Enterprise Revenue		
Adjustments to the SB 21-260 fees to account for inflation		
Changes to the budget as a result of changes in forecasted revenue	Revenue forecast will be updated quarterly and presented to the Board	
	Report on prior fiscal year revenue reconciliation results	
Misc. and Project-Related Transactions		
Changes to existing loan terms or any agreements with transit agencies or CDOT		
		Work with CDOT project staff to ensure that approved project funds are budgeted and spent
Any payment to be made on existing debt		
Determine project selection criteria and required match levels Board approves awards		



COLORADO

Department of Transportation

Clean Transit Enterprise Board

August 8, 2023



AGENDA

Topic	Presenter
Welcome, Roll Call, Agenda Review (5 min)	Matt Frommer, Chair
Action Agenda (5 min) <ul style="list-style-type: none"> • Approval of Minutes - 05/02/23 CTE Board Meeting 	Matt Frommer, Chair
Program Administrator Update (5 min)	Kay Kelly, CDOT
Enterprise Financial Update (10 min) <ul style="list-style-type: none"> • Approval of revised FY22-23 and FY23-24 Budgets • Approval of CTE Budget Policy Directive 	Celeste Kopperl & Kay Hruska, CDOT
Update on NOFA (10 min)	Mike King and Jan Rowe, CDOT
Legal Update - Americans for Prosperity Lawsuit Update (25 min)	George Hypolite and Kathy Young, COAG
Adjournment	Matt Frommer, Chair



Program Administrator Update



Program Administrator Update

- Welcome to our new DTR Director - Paul DesRocher!
- Joint Session with CTE Board and CDOT Transportation Commission to be scheduled for a later date
- Update on first CTE Funding Opportunities:
 - **Planning** Notice of Funding Availability
 - Released on May 22, 2023
 - Applications Due: July 21, 2023
 - Team will be reviewing applications and making recommendations to the CTE board at a future meeting
 - **Capital** Notice of Funding Availability (including Vehicles, Infrastructure, Facilities)
 - Estimated Release: Winter 2023



Enterprise Financial Update



CTE Accounting Update

Year-To Date Figures Through June 2023

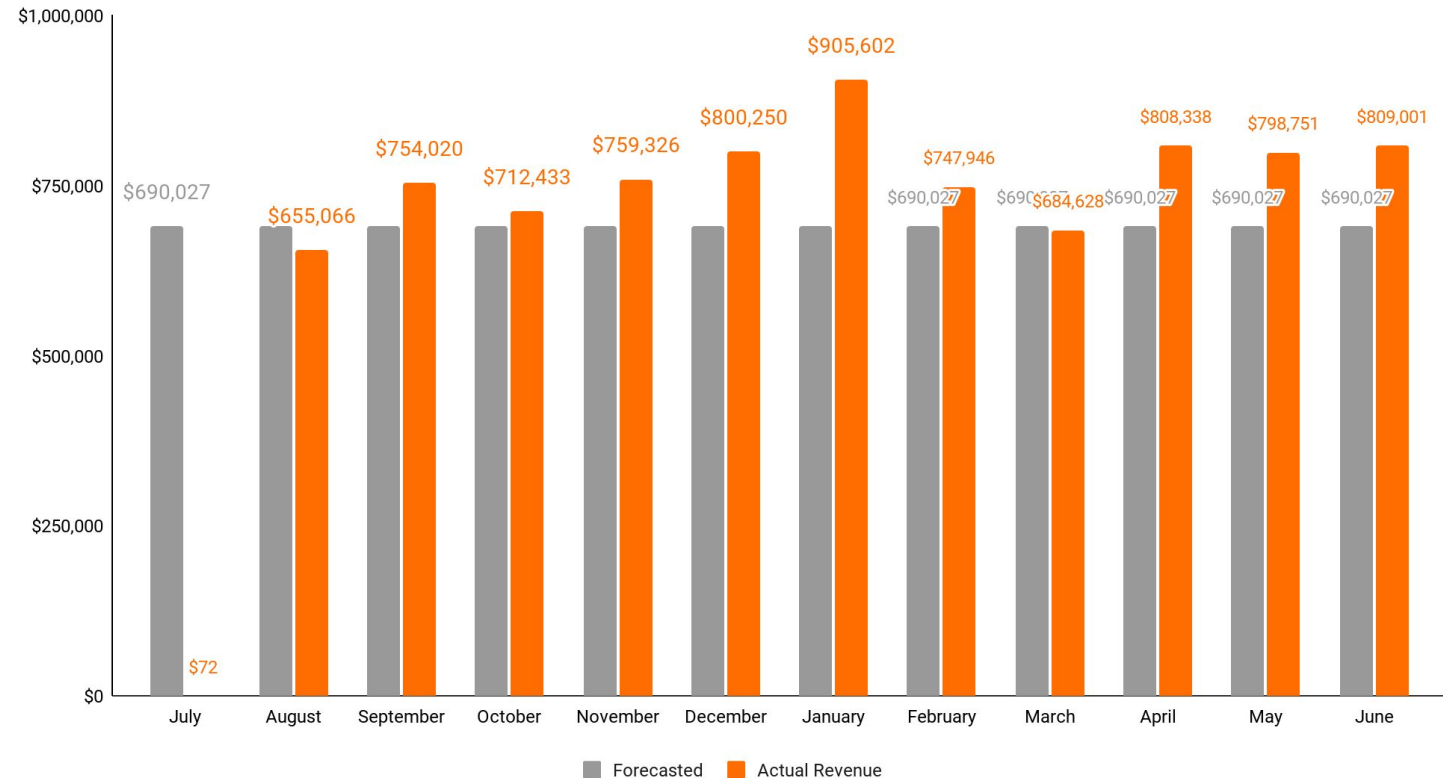
Fiscal Year 2022-23 Budget to Actual for Fund 540								
Clean Transit Enterprise								
Line Item		Approved Budget	Total Quarter 1	Total Quarter 2	Total Quarter 3	Total Quarter 4	Total	Remaining Funds
1	Fiscal Year Revenues							
2	Clean Transit Retail Delivery Fee	\$ 8,280,329	\$ 1,409,158	\$ 2,272,010	\$ 2,338,176	\$ 3,315,172	\$ 7,625,768	
3	Interest Revenue	-	319	10,275	28,794	74,799	\$ 70,232	
4	Total FY 2022-23- Revenue	\$ 8,280,329	\$ 1,409,477	\$ 2,282,285	\$ 2,366,970	\$ 3,389,971	\$ 7,696,000	\$ 584,329
5	Fiscal Year Allocations							
6	Administration & Agency Operations							
7	Administration and Agency Operations							
8	Staff Salaries	\$ 411,900	\$ 74	\$ 6,290	\$ 3,149	\$ 4,707	\$ 12,618	\$ 399,282
9	Attorney General Fees	5,000	285	1,085	1,173	66	\$ 2,609	2,391
10	Office of the State Audit-Annual Financial Audit	2,000	-	-	-	-	\$ -	2,000
11	Professional Services	100,000	-	-	-	-	\$ -	100,000
12	Language Translation Services	25,000	-	-	-	-	\$ -	25,000
13	Board/Staff Travel	5,000	-	-	-	-	\$ -	5,000
14	Board Meeting Expenses	600	-	-	-	-	\$ -	600
15	Miscellaneous	1,000	-	-	-	-	\$ -	1,000
16	FY22 TC Loan Repayment	76,128	74,872	-	-	-	\$ 74,872	1,256
17	Total Administration and Agency Operations	\$ 626,628	\$ 75,231	\$ 7,376	\$ 4,322	\$ 4,773	\$ 90,100	\$ 536,528
18	Contingency Reserve							
19	Board Reserve Fund (10%)	\$ 828,033.00	\$ -	\$ -	\$ -		\$ -	\$ 828,033.0
20	Total Reserve Funds	\$ 828,033.00						\$ 828,033.0
21	Programmed Funds							
22	Programmed Funds	\$ 6,825,668.00	\$ -	\$ -	\$ -		\$ -	\$ 6,825,668.0
23	Total Programmed Funds	\$ 6,825,668.00						\$ 6,825,668.0
24	Total FY 2022-23 Budget	\$ 8,280,329.00						
25	Total FY 2022-23 Allocations	\$ 8,280,329.00						



Clean Transit Enterprise - Retail Delivery Fee

- **Retail Delivery Fee (\$0.03):**
 - Total Forecasted: 8,280,329
 - Total Collected: \$8,435,364
 - Difference: \$155,035

Clean Transit Enterprise Retail Delivery Fee Forecasted to Actual





Decision Item: FY23 and FY24 Budget Adjustments (SB23-134)

SB23-143 - Retail Delivery Fees - This bill exempts small businesses with retail sales less than or equal to \$500,000 in the prior year from paying the Retail Delivery Fee created by SB21-260. The bill also provides retailers flexibility in how they remit the Retail Delivery Fee to the state. The fiscal impact of the bill is a minor reduction to revenue for the HUTF, Multimodal Options (MMOF), and the Bridge and Tunnel, Clean Transit and Nonattainment Area Enterprises.

Retail Delivery Fee Recipient	FY 2022-23	FY 2023-24	FY 2024-25
HUTF	(\$27,090)	(\$119,784)	(\$129,912)
MMOF	(\$28,482)	(\$125,933)	(\$136,582)
Bridge and Tunnel Enterprise	(\$30,618)	(\$135,380)	(\$146,827)
Clean Transit Enterprise	(\$34,020)	(\$150,422)	(\$163,141)
NAAPME	(\$7,938)	(\$35,099)	(\$38,066)
Grand Total	(\$134,765)	(\$746,295)	(\$809,397)



Decision Item: FY23 and FY24 Budget Adjustments (SB23-134)

FY23 Revised Budget (\$34,020 reduction to Administration)

LINE ITEM	FY2022-23 Budget	Revised Allocations
TOTAL REVENUES	\$ 8,280,329	\$ 8,246,309
Clean Transit Retail Delivery Fee	\$ 8,280,329	\$ 8,246,309
ADMINISTRATION & AGENCY OPERATIONS	\$ 550,500	\$ 516,480
Staff Salaries	\$ 411,900	\$ 377,880
Attorney General's Office Fees	\$ 5,000	\$ 5,000
Office of State Audit - Annual Financial Audit	\$ 2,000	\$ 2,000
Professional Services	\$ 126,000	\$ 126,000
Language Translation Services	\$ -	\$ -
Administrative Expenses	\$ 5,600	\$ 5,600
Board/Staff Travel	\$ 5,000	\$ 5,000
Board Meeting Expenses	\$ 600	\$ 600
Miscellaneous	\$ -	\$ -
CONTINGENCY RESERVE	\$ 828,033	\$ 828,033
Board Reserve Fund (10.00%)	\$ 828,033	\$ 828,033
PROGRAMMED FUNDS	\$ 6,825,668	\$ 6,825,668
Programmed Funds	\$ 6,825,668	\$ 6,825,668
DEBT PAYMENTS	\$ 76,128	\$ 76,128
TOTAL - CTE	\$ 8,280,329	\$ 8,246,309

FY24 Revised Budget (\$150,422 reduction to Administration)

LINE ITEM	FY2023-24 Budget	Revised Allocations
TOTAL REVENUES	\$ 9,132,872	\$ 8,982,450
Clean Transit Retail Delivery Fee	\$ 9,132,872	\$ 8,982,450
ADMINISTRATION & AGENCY OPERATIONS	\$ 560,917	\$ 410,495
Staff Salaries	\$ 426,317	\$ 275,895
Attorney General's Office Fees	\$ 1,000	\$ 1,000
Office of State Audit - Annual Financial Audit	\$ 2,000	\$ 2,000
Professional Services	\$ 100,000	\$ 100,000
Language Translation Services	\$ 25,000	\$ 25,000
Administrative Expenses	\$ 6,600	\$ 6,600
Board/Staff Travel	\$ 5,000	\$ 5,000
Board Meeting Expenses	\$ 600	\$ 600
Miscellaneous	\$ 1,000	\$ 1,000
Loan Payments	\$ -	\$ -
CONTINGENCY RESERVE	\$ 913,287	\$ 913,287
Board Reserve Fund (10.00%)	\$ 913,287	\$ 913,287
PROGRAMMED FUNDS	\$ 7,658,668	\$ 7,658,668
Programmed Funds	\$ 7,658,668	\$ 7,658,668
TOTAL - CTE	\$ 9,132,872	\$ 8,982,450



Enterprise Board Action

Proposed Motion for Board of Directors Consideration:

Move for the Clean Transit Enterprise to adopt the revised fiscal year 2022-23 and 2023-24 budgets, based on the recommendations of Enterprise staff.



Policy Directive Overview

- Purpose of PD
 - Compliance with statutes and other regulations
 - Policy Decisions - Board decisions vs. ones that can be delegated to staff
 - Visibility important for Board oversight
- Level of Action
 - Board Review and Approve
 - Inform Board
 - Staff Manage
- Categories
 - Annual Budget Development
 - Budget Management
 - Revenue
 - Misc. and Project-Related Transactions



Annual Budget Development: New Category

Board Review and Approve	Report to and Inform CTE Board	Staff Manage
February- Adoption of Final Fiscal Year Budget	October- Review draft budget information that will be included in the CDOT draft budget allocation plan January- review final budget for comment	August - February Budget Development May - June Implementation of approved budget
Plan next fiscal year's estimated grant/rebate/loan expenses prior to OSPB deadline	Any changes to annually appropriated budget require OSPB approval ahead of the deadlines listed on OSPB's website	
Addition of a new budget category with an amount greater than or equal to \$150,000, or increases to the contingency reserve or debt service lines by any dollar amount	Addition of a new budget category that is under \$150,000	



Board Review and Vote:

- Adoption of next fiscal year budget
- Adoption of spending plan
- Addition of new budget category/budget transfers of at least \$150,000
- Adjustments to fees
- Mid-year changes to budget
- Changes to existing loan terms or agreements with transit agencies/CDOT
- Use of contingency reserve

Report to Board:

- Budget adjustments under \$150,000
- Financial and other required reporting

Staff Manage:

- Budget adjustments under \$150,000
- Financial and other required reporting
- ensure approved project funds are budgeted and spent



Feedback



Enterprise Board Action

Proposed Motion for Board of Directors Consideration:

Move for the Clean Transit Enterprise to adopt the CTE Budget Policy Directive



CTE Planning Grant NOFA Update



Planning Grant Applications

DTR received a total of 5 applications for ZEV Transition Planning Grants in the latest round of the program, totalling \$375,000 in requests.

The scoring committee is comprised of subject matter experts from DTR, OIM, DTD, the Environmental Justice & Equity (EJE) Branch, Colorado Energy Office, Colorado Department of Public Health & Environment, CASTA, and the National Renewable Energy Laboratory (NREL).

Applications will be reviewed and scored by the end of September and recommended awardees will be presented to the CTE Board for review and approval at the next meeting.



Planning Grant Evaluation Criteria

Zero Emission Vehicle (ZEV) Transition Planning Grants Evaluation Criteria	
Project Need and Benefit	35%
Equity, Inclusivity, and Access for Disproportionately Impacted (DI) Communities	30%
Project Readiness	15%
Agency Capacity	10%
Application Quality	10%



Legal Update - Americans for Prosperity Lawsuit Update



Questions / Discussion



Upcoming Meetings and Topics

Upcoming Meetings:

- Tuesday October 10, 2023 - 2:00-4:00 pm

Topics:

- Public accountability dashboard development
- Transit agency presentations
- Other topics at the Board's pleasure



Clean Transit Enterprise Information



<https://www.codot.gov/programs/innovativemobility/cte>

Programs

Resources

- Clean Transit Enterprise
- Electric Vehicle Ride & Drive Event
- Electrification
- Mobility Services
- Mobility Technology
- Transit and Rail

Clean Transit Enterprise

To support Colorado's transit electrification through planning efforts, transit site upgrades, procurement of electric transit buses, and deployment of associated charging infrastructure.



About the Clean Transit Enterprise

This enterprise is created within the Colorado Department of Transportation (CDOT) to support public transit electrification planning efforts, facility upgrades, fleet motor vehicle replacement, as well as construction and development of electric motor vehicle charging and fueling infrastructure. The bill allows the enterprise to impose a clean transit retail delivery fee to fund its operations, and to issue grants, loans or rebates to support electrification of public transit.

Contact Us

codot_cleantransitenterprise@state.co.us

Resources

- [Board Appointments](#)
- [Enterprise Funds](#)
- [Board Powers & Duties](#)
- [Clean Transit Enterprise 10 Year Plan](#)
- [2021 Transit Zero Emission Vehicle \(ZEV\) Roadmap](#)
- [Clean Transit Enterprise Processes and Fees, 2 CCR 607-1](#)

Upcoming Meetings

Board of Directors Meeting
 July 13, 2022
 12:00-2:00 pm
[YouTube Link](#)
[Schedule & Agenda](#)

Prior Meetings

Board of Directors Meeting - January 31st, 2022
[Video Recording](#)

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THANK YOU!

