

**High Performance Transportation Enterprise
Board of Directors Meeting Minutes
CDOT Headquarters Building, Conference Rm. 225
December 17th, 2010**

PRESENT: Charlotte Robinson
Trey Rogers
Doug Aden
Heather Barry
Dan Cleveland
Tim Gagen

ABSENT: Stan Matsunaka

ALSO PRESENT: Michael Cheroutes, HPTE Director
Peggy Catlin, CDOT Deputy Executive Director
Pam Hutton, Chief Engineer
Ben Stein, CFO
Reza Akhavan, Region 6
Marina Krasny, HPTE Accountant
Michelle Halstead, Government Relations
Kathy Young, HPTE Legal Council

AND: Phoebe Selden, Scott Balice Strategies
Bill Van Meter, RTD,
Jeff Leib, The Denver Post
Other staff members, organization representatives and public.
All supporting documents are filed in the HPTE office.

1. Call to order and Roll Call

Chairwoman Robinson convened the HPTE Board of Directors regular meeting at 9:30 a.m.

2. Public Comment.

No public comment.

3. Board Members' Comments.

Chairwoman Robinson stated that Executive Director Russ George has been extremely helpful and he will be greatly missed. Director Aden added that Executive Director George has shown great support to this organization. Director Aden also stated that he is looking forward to working with the next Executive Director that Governor appoints.

4. HPTE Director Report.

HPTE Director Mike Cheroutes introduced Phoebe Selden with Scott Balice Strategies. Phoebe has been working with HPTE as financial advisor for TIFIA process. Mike Cheroutes reported that on Monday, December 12th, HPTE team made the first presentation to Fitch Rating Agency describing US 36 project and walking through preliminary financial information. He thanked Michelle Halstead, Ben Stein and Kathy Young for support they provide to HPTE in pursuing this project.

Director Cheroutes reported that HPTE received a significant number of proposals in response to the RFP for underwriting and P3 advisor services. At this time, evaluation panel is going through the proposals. Early next week, we expect to make a decision on the underwriting services and include it in the financing plan. Next month we would like to present the financing plan to the Board.

Director Aden asked for the financing plan to be provided ahead of time, so that the Board can review it prior to the meeting.

5. Discuss and Act on the Regular Meeting Minutes for November 19th, 2010.

Chairwoman Robinson asked for consideration of the November 19th, 2010 HPTE regular meeting minutes. Director Rogers moved for adoption of the meeting minutes. Director Gagen seconded the motion and on the vote of the Board, the minutes were adopted.

Resolution Number HPTE-32

BE IT HEREBY RESOLVED, the High Performance Transportation Enterprise Board of Directors' Regular Meeting Minutes for November 19, 2010 are hereby approved.

6. Discuss HPTE Revised Budget for FY2011.

Mike Cheroutes stated that the intend of this presentation is to provide the Board some suggestions for budget revision this month and ask for approval of the revised budget next month.

Marina Krasny reviewed proposed budget changes as outlined in the provided handout. Major changes in the Administrative budget include staff costs increase to reflect HPTE Director compensation, operating costs increase for day to day items, clarification on how TIGER grant money is spent and an adjustment of the prior year carry forward balance from estimated to actual amount. The item for the revenue from the Bridge Enterprise represents the time spent on Bridge Enterprise activities by Marina Krasny who is fully budgeted in HPTE but provides services to the other enterprise. Director Aden clarified that the carry forward balance actually represent unspent portion of the original transfer from the Transportation Commission.

The only proposed change in the I-25 Express Lanes budget is an adjustment of the prior year carry forward balance from estimated to actual amount. Director Barry stated that the last user survey did not provided useful information and suggested removing this item from the budget.

7. Discuss and Act on I-25 HOV/HOT Rate Increase.

HPTE Director Cheroutes presented the letter from RTD notifying HPTE about Express Bus Rare increase effective January 1, 2011. The IGA between HPTE and RTD requires that during the peak periods the facility's toll will continue to be at least equal the Express Bus Fare. To comply with this requirement the Board is asked to approve resolution for toll rate increase during peak periods effective January 1, 2001.

Director Cleveland moved for adoption of the resolution to approve I-25 HOV/HOT Rate Increase effective January 1, 2011. Director Gagen seconded the motion and on the vote of the Board, the resolution was adopted as presented.

Resolution Number HPTE-33

WHEREAS pursuant to C.R.S. 43-4-806, the General Assembly created the Colorado High Performance Transportation Enterprise (HPTE) as a government-owned business within the Colorado Department of Transportation (CDOT) and pursuant to CRS 43-4-806(2)(a)(III)(B), the General Assembly named HPTE as the successor of the Colorado Tolling Enterprise (CTE); and

WHEREAS HPTE is a division of CDOT and is the entity that manages and operates the HOV/HOT lanes on the reversible lane portions of Interstate 25 from mile post 210.8 to 219.8 and on US 36 from mile post 52.5 to 57.26; and

WHEREAS the Regional Transportation District (RTD), a political subdivision of the State of Colorado, is authorized, pursuant to C.R.S. 32-9-107, et seq. to develop, maintain and operate the mass transit system for the benefit of the residents of the regional transportation district; and

WHEREAS the CTE and RTD negotiated an Intergovernmental Agreement (IGA) in May 2006 to set forth the terms of agreement policies, operations and maintenance of the I-25 HOV/HOT lanes and to encourage cooperation and to maximize efficiency of the I-25 HOV/Express Lanes; and

WHEREAS a provision of the IGA states that the toll rates shall not be less than RTD express fares during the peak periods and RTD will not require CDOT to increase peak tolls based on RTD fares more than once per year; and

WHEREAS the IGA defines peak periods to be Monday through Friday from 7:15 a.m. to 8:15 a.m. and from 4:30 p.m. to 6:00 p.m.; and

WHEREAS RTD has provided notice to HPTE that the RTD express fare is scheduled to be raised January 1, 2011; and

NOW THEREFORE BE IT RESOLVED: the High Performance Transportation Enterprise Board hereby approves raising the I-25 Express Lane peak tolls to equal the RTD express fare of \$4.00 effective January 1, 2011.

8. Discuss and Act on Stakeholder input on RTD's Eagle-P3 Savings.

Bill Van Meter, RTD presented an overview of the FasTracks program approved by the votes for funding in 2004. This program is a regional vision to improve mobility throughout the district. Substantial progress has been made since 2004. However, there is a funding shortfall for completing this program by 2018. RTD is now considering the short term and long term strategies for identifying funding sources to cover the shortfall.

As a result of Eagle – P3 bid coming under budget, there is \$305 million available in a short term to fund additional FasTracks projects. RTD staff presented three alternatives for spending the available funds. One option is to apply funding to a single corridor. Second option is to make minimum but meaningful contribution to each corridor. Third option is contributing to completion of final design only in each corridor. RTD is asking the Stakeholder including CDOT and HPTE to provide input on what activities to pursue with available funds. The RTD Board is looking to approve 2011 Annual program Evaluation in February 2011.

Chief Engineer Pam Hutton presented several actions for the HPTE Board's consideration based on the CDOT and HPTE Staff recommendations. As one course of action, the Board could decide to take no action on the opportunity to provide input to RTD. Second option is to draft and approve the resolution with the recommendations and forward it to RTD. Third option would be to instruct the staff to write a letter signed by Executive Director on behalf of both HPTE and CDOT and provide it to RTD.

CDOT had identified several corridors where CDOT is working on the projects to support FasTracks program. CDOT Staff recommendations include investing in US 36 Bus Rapid Transit project, provide additional funding for the I-225 corridor projects, Northwest Rail Corridor projects, and a High Speed Rail connectivity study. US 36 is the first priority, I-225 is the second, Northwest Rail is the third and the Connectivity Study is the fourth priority. Transportation Commission directed the staff to write a letter to RTD with the above recommendations at the December 16th Transportation Commission meeting.

HPTE Director Cheroutes clarified that HPTE doesn't currently have any interest in I-225 projects or Northwest Rail Project or the Connectivity Study. Vice Chair Rogers stated that the only common project with CDOT at this time is US 36. Director Aden suggested HPTE Director Cheroutes writes a letter to RTD in support of the US 36 project.

Director Rogers made a motion to have HPTE Director write a letter to RTD stating the US 36 is the top priority for HPTE. Director Barry seconded the motion and on unanimous vote, the

Board directed HPTE Director to write a letter to RTD identifying US 36 as the top priority for HPTE.

9. Discuss and Act on items related to US 36 Project.

HPTE Director Cheroutes reported that next week the selection will be made for underwrites and P3 advisors. The Board will be asked to approve those selections at the next meeting. Director Cheroutes suggested having a telephone meeting next week to discuss and possibly authorize the selection to allow staff to move forward.

10. Other Matters.

Director Barry asked for an update on the usage data including the hybrid usage. Director Barry also asked for an update on switching direction on I-25 Express Lanes to accommodate traffic demand for special events. Peggy Catlin reported that due to the construction of Denver Union Station it would be very problematic for RTD to make bus route changes. RTD has asked to postpone consideration of configuration changes for special event until the completion of the Denver Union Station project.

Director Barry asked if there will be an opportunity to open this subject up as certain milestones are reached prior to full completion scheduled in 2014. Bill Van Meter responded that routing changes during the construction of the new bus station would be both technically difficult for operations and confusing to the customers. Once the facility is fully operational it will no longer be a challenge.

11. Adjournment.

Chairwoman Robinson adjourned the meeting at 10:25 a.m.