

Resolution #TC-3196

Approved by the Commission on October 16, 2014

BE IT HEREBY RESOLVED THAT, the Transportation Commission's Regular Meeting Minutes for September 18, 2014, are approved as published in the official agenda of the October 15 & 16, meeting.

**Transportation Commission of Colorado
Regular Meeting Minutes
September 18, 2014**

Chairman Ed Peterson convened the meeting at 12:02pm in the Washington County Event Center.

PRESENT WERE: Ed Peterson, Chairman, District 2
Kathy Connell, Vice Chairman, District 6
Shannon Gifford, District 1
Gary Reiff, District 3
Doug Aden, Chairman, District 7
Sidny Zink, District 8
Les Gruen, District 9
Bill Thiebaut, District 10
Steven Hofmeister, District 11

EXCUSED: Heather Barry, District 4
Kathy Gilliland, District 5

ALSO PRESENT: Scot Cuthbertson, Deputy Executive Director
Josh Laipply, Chief Engineer
Scott Richrath, CFO
Herman Stockinger, Director of Policy and Government Relations
Kathy Young, Chief Transportation Counsel
Alicia Nolan, FHWA
Vince Rogalski, Statewide Transportation Advisory Committee (STAC)

AND: Other staff members, organization representatives,
the public and the news media

An electronic recording of the meeting was made and filed with supporting documents in the Transportation Commission office.

Audience Participation

Chairman Peterson stated that there were no audience members who wanted to address the Commission.

Herman Stockinger stated that the Executive Director of Progressive 15 Cathy Shull was attending a Progressive 15 Conference in Aurora. She regretted that she could

not attend, but she was thankful the Commission made the trip to Northeast Colorado. He stated that Cathy hoped the Commission had a good trip.

Individual Commissioner Comments

Commissioner Aden thanked Johnny Olson, the Region 4 staff and Commissioner Hofmeister for planning the road trip. He stated that he had gained a better understanding of the issues and the economic drivers of the region. He stated that it had been a good trip.

Commissioner Zink stated that she had attended five County Commissioner meetings and was about halfway through that process. She stated that had been very worthwhile to meet with them directly. They have positive comments and additional requests. These meetings allow the Transportation Commission to be more active in the planning regions, which has been a positive step.

Commissioner Hofmeister thanked everyone for attending the tour and traveling on the roads. He stated that these are not the mountains, but there are people who live on the plains and love it.

Commissioner Thiebaut thanked everyone who made the trip informative and enjoyable. He stated that he hoped that at some point the Commission would be able to travel to Southeast Colorado to see some of the good things that are being done and the issues that need to be addressed.

Commissioner Reiff stated that he had attended County Commissioner meetings in Arapahoe and Douglas Counties. He thanked everyone for putting together a great road trip, especially Commissioner Hofmeister and Johnny Olson.

Commissioner Gifford stated that there would be lots of upcoming on the I-70E SDEIS so there will be more to report next month. She thanked everyone for putting the road trip together.

Chairman Peterson thanked everyone for their hard work on the road trip. He stated that it is always good to have first-hand experience. He thanked Johnny Olson and everyone at Region 4, especially Karen Schnieders, who brought the lunches.

Vice Chairman Connell echoed all the Commissioners and thanked Tromila Maile for her efforts in planning the trip. She stated that the trip had been very informative. She stated that she is also attending County Commissioner meetings and STIP meetings. The staff have done a great job with the presentations, and the participants have been pleased with the meetings.

Chief Engineer's Report

Josh Laipply thanked the Commission for his first opportunity to be on a road trip. He stated that the Commission had a retreat and that STAC had a retreat. There have been positive outcomes from more people talking with one another and coming together more. He stated that it is always good to hear from people and to have them understand the constraints that the staff is under. He stated that he and Scott

Richrath approved the FY'16 surface treatment list and that it is available on the internal website.

High Performance Transportation Enterprise (HPTE) Director's Report

Commissioner Aden stated that there is progress on the Peak Period Shoulder Lanes, the I-70E Viaduct and C-470. Director Cheroutes hopes to have the RFQ for the I-70 Viaduct authorized by the board and released in the first week of December. C-470 public outreach is ongoing. There are five or six vendors that have expressed interest in loaning HPTE \$30-35 million to close the funding gap for Peak Period Shoulder Lanes. Mike Cheroutes and Scott Richrath will start work on the short list to examine the terms.

FHWA Division Administrator Report

Alicia Nolan expressed appreciation for the opportunity to be on the road trip. She stated that she has been in Colorado for about six months, and that the tour has highlighted the varying needs and challenges across the state. There is a different economy of scale for the state as a whole. She stated that the Commission works hard to reach that balance for the needs of the whole state.

She stated that on a national level, the FHWA has been promoting innovation. The third round of Every Day Counts has recently gotten underway. The FHWA will work with CDOT and locals to promote innovation and technology. In Colorado, there is a statewide innovation council. The first round for that program is finished, and there will be another round in FY'15 for those incentive funds. Innovation is a way to use limited resources and partner together.

STAC Report

Vince Rogalski stated that he was not reporting on the STAC meeting but on the STAC retreat. He stated that it took place on September 11, 2014. Everyone had to put their telephones and laptops away, which contributed to excellent participations and discussions all day, especially about the bylaws and the original legislation. About ten years ago, the Chairman at the time asked for reports to the Commission. According to statute the STAC is supposed to advise the Department, not the Commission. The STAC report will no longer be on the agenda, but he stated that he will continue to attend the meetings as a resource. STAC discussed how to be more effective and interact with staff more closely. The STAC would like the staff to bring STAC issues before a decision is made rather than a decision to approve. STAC and CDOT staff will become true partners, and engage with staff early to help staff development recommendations to bring to the Commission. Beginning in January, the STAC meeting will be the Friday following Commission.

At the STAC meeting itself, there were changes right away. The staff looked for input during the meeting, and everyone was very engaged. While some pushback had been anticipated, there was more positive response to the retreat than expected. Everyone contributed in a positive way. STAC hopes to be a real resource to the Commission through the Department.

Commissioner Connell stated that she really appreciated all of Vince Rogalski's efforts and that she looked forward to continuing to work with him and to having STAC as a resource.

Commissioner Gruen stated that he appreciated the summary and that the new direction makes a lot of sense. It will be much more beneficial for all involved and is a step in the right direction.

Vince Rogalski stated that the big goal is make it happen and that the key is engaging at the beginning.

Chairman Peterson thanked Vince Rogalski and thanked the STAC for agreeing to a facilitated retreat. He stated that he looks forward to relying and depending upon the true value of the STAC to the Department. He asked Vince to convey his personal thanks to the members of STAC for helping fulfill the mission and for being a huge resource to staff.

Commissioner Thiebaut stated that the report was very encouraging. He had been concerned about the direction in which things had been headed, but with Vince's leadership, some commissioners and staff, they were getting on the right track. He stated that the changes were encouraging and impressive.

Audience Participation

Chairman Peterson opened the floor for audience participation. A gentleman welcomed the Commission to Washington County, and stated that the Carnival was currently in town. He hoped everyone enjoyed their visit and thank them for coming.

Act on Consent Agenda

Chairman Peterson entertained a motion to approve the Consent Agenda. Commissioner Gruen moved to approve the agenda, and Commissioner Connell seconded the motion. Upon vote of the Commission, the Consent Agenda passed unanimously.

Resolution #TC-3190

BE IT HEREBY RESOLVED, that the Transportation Commission's Regular Meeting Minutes for May 15, 2014, are approved as published in the official agenda of the August 20 & 21, 2014, meeting.

Resolution #TC-3191

Resolution #TC-3191

Adopting a request to the Capital Development Committee of the General Assembly for FY 2015-16 Capital Construction Funds

Approved by the Transportation Commission on September 18, 2014

WHEREAS, in accordance with C.R.S. 2-3-1304(1)(a.5) and C.R.S. 43-1-113(2.5), the Capital Development Committee of the General Assembly shall determine certain projects that may be funded with Capital Construction Fund monies for state highway reconstruction, repair, or maintenance projects; and

WHEREAS, the Transportation Commission shall submit an annual request to the Capital Development Committee (CDC) for Capital Construction Fund monies; and

WHEREAS, such request shall consist of a prioritized list of recommended state highway reconstruction, repair, and maintenance projects based on statewide transportation improvement programs; and

WHEREAS, the Department developed a project list which can utilize Capital Construction Fund monies during Fiscal Year 2015-16; and

WHEREAS, the Commission recognizes that approval and funding of this project list are contingent upon available revenue and other statewide priorities for Capital Construction Fund monies as determined by the Governor and the General Assembly.

NOW THEREFORE BE IT RESOLVED, that the Commission approves a request of:

- Priority 1: \$2,700,000 for an Automated Avalanche Reduction Project (Loveland Pass, I-70, Vail Pass Narrows);
- Priority 2: \$556,000 for the I-70 Genesee Bike Path Project; and
- Priority 3: \$2,497,960 for the Dry Creek Wildlife Mitigation Underpass.

BE IT FURTHER RESOLVED, that Department staff is instructed to submit the request to the Capital Development Committee for consideration and approval for funding.

Herman F. Stockinger II
Herman Stockinger, Secretary
Transportation Commission of Colorado

9-30-14
Date

Resolution #TC-3192

Resolution Number #TC-3192

A Resolution of the Colorado State Transportation Commission Approving the Master Installment Purchase Agreement Between the Colorado Department of Transportation and the High Performance Transportation Enterprise

Approved by the Transportation Commission on September 18, 2014

WHEREAS the Transportation Commission is responsible, pursuant to Section 43-1-106(8), C.R.S., for formulating the general policy with respect to the management, construction and maintenance of public highways and other transportation systems in the State; and

WHEREAS the Transportation Commission promulgates and adopts all budgets for the Colorado Department of Transportation ("CDOT") and state transportation programs; and

WHEREAS the General Assembly created the Colorado High Performance Transportation Enterprise ("HPTE"), pursuant to Section 43-4-806, C.R.S., as a government-owned business within CDOT to pursue innovative means of more efficiently financing important surface transportation projects that will improve the safety, capacity, and accessibility of the surface transportation system; and

WHEREAS HPTE is specifically authorized, pursuant to Section 43-4-806(c)(I), C.R.S., to impose user fees on the travelling public for the privilege of using surface transportation infrastructure; and

WHEREAS CDOT and HPTE are working together to complete, implement and operate several surface transportation infrastructure projects across the State of Colorado that will include an express lanes component, including the I-25 North Express Lanes, the I-70 Peak Period Shoulder Lanes, and the C-470 Express Lanes Project (collectively, the "Projects" and each a "Project"); and

WHEREAS HPTE plans to implement a user-fee system on each of the Projects and, in furtherance of this effort, HPTE has requested that CDOT enter into an installment-purchase arrangement with HPTE to allow HPTE to finance the capital costs of the equipment, both hardware and software, needed to implement user-fee systems on each Project ("Tolling Equipment"); and

WHEREAS this installment-purchase arrangement for all the Projects has been documented in a Master Installment Purchase Agreement ("Master Installment Purchase Agreement") and the Transportation Commission has reviewed the terms of the Master Installment Purchase Agreement; and

WHEREAS the Transportation Commission recognizes and respects the legal principle that it cannot bind future Transportation Commissions with respect to budgetary and policy decisions, recognizes it cannot agree, in advance, to allocate and transfer state highway funds for Tolling Equipment and agrees that any decision as to whether or not to allocate and transfer such funds for such purposes shall be made by the Transportation Commission, in its sole discretion, in the year in which the transfer occurs.

NOW THEREFORE BE IT RESOLVED, the Transportation Commission of Colorado approves and authorizes CDOT to enter into the Master Installment Purchase Agreement with HPTE in substantially the form presented to the Transportation Commission, which allows CDOT to purchase Tolling Equipment for each Project, allows HPTE to use and operate the Tolling Equipment, and requires HPTE to make installment payments in return; and

BE IT FURTHER RESOLVED, CDOT's total cost for the Tolling Equipment for all Projects combined shall not exceed \$5 million and the amount used for such purpose shall incur interest at the rate charged by the State Infrastructure Bank on the effective date of the Master Installment Purchase Agreement; and

BE IT FURTHER RESOLVED, the CDOT Chief Financial Officer is hereby delegated the authority to determine and approve any additional terms necessary to implement the Master Installment Purchase Agreement consistent with this Resolution.

Herman Stockinger II
Herman Stockinger, Secretary
Transportation Commission of Colorado

9-30-14
Date

Resolution #TC-3193

Resolution #TC-3193

Addition to Fiscal Year 2015 over \$50,000 project list approval

Approved by the Transportation Commission on: September 18, 2014

WHEREAS, under Senate Bill 98-148, public projects supervised by the Colorado Department of Transportation (CDOT) are exempt from the requirements of the "Construction Bidding for Public Projects Act;" and

WHEREAS, Section 24-92-109, Colorado Revised Statutes, as amended, requires CDOT to prepare cost estimates for projects to be undertaken by CDOT maintenance crews that exceed \$50 thousand, but are less than or equal to \$150 thousand for submission to the Transportation Commission for review and approval; and

WHEREAS, CDOT staff have prepared cost estimates for this projects to be done in Fiscal Year 2015 as detailed in the memorandum entitled; Addition to FY 15 over \$50,000.00 project list dated August 21, 2014; and

WHEREAS, the funding for these projects are contained in the Fiscal Year 2015 Budget.

NOW THEREFORE BE IT RESOLVED, the Transportation Commission has reviewed the cost estimate, as contained in the official agenda, and approves CDOT Maintenance Forces undertaking the project therein.



Region 4 - Greeley				
Highway	Begin MP	End MP	Type	Estimate
85	244	N/A	Culvert Repair	\$ 71,842.80
		Total - Greeley		\$ 71,842.80
		Statewide Total		\$ 71,842.80

Sufficient funds exist within the appropriate MPA's to pursue these projects. The projects are in accordance with the directive and all other requirements.

Herman J. Stockinger III
Herman Stockinger, Secretary
Transportation Commission of Colorado

9-30-14
Date

Discuss and Act on the 3rd Supplement to the FY2015 Budget

Scott Richrath stated that this was the first month operating under PD703.0. There were about \$2.4 million that were signed by two signatures, and that number came down from \$5 million. There is only one project in the Budget Supplement for September, a \$33,000 request. The policy was changed to take small items off the table; however, RAMP policy requires more scrutiny. Anytime a project needed 7.5% of additional budget or an entire RAMP program exceed approval by more than 3.5%, Commission would have to approve that increase. Peak Period Should Lanes last month pushed the Operations program over its limit. Therefore, any further increase in the Operations program will have to come before the Commission. Public-public

and public-private programs have not exceeded this limit, but Operations has. He stated that they are currently looking into a possible recommendation to change this policy.

The next item is from the Division of Transit and Rail. The federal grant program requires that CDOT make grants to the grantees before the Transit Program shows up with the grant amount. Unit now, cash has been taken from the Contingency and then restored to the Contingency when the money from the federal program showed up. He stated that in this supplement he is requesting permission from the Commission to use cash management instead of Contingency money until the FTA shows up with that money. Until now, there has been 100% restoration. If ever it happened that the FTA did not come through, he stated that he would return to the Commission to request Contingency funds.

He stated that they have used \$1 million of the \$10 million Transition Contingency Fund.

He stated that the Contingency balance is at \$89 million. The goal is to start the state fiscal year with \$50 million, draw that down to \$25 million for needs and then replenish it at the start of the fiscal year to \$50 million. There is usually a Contingency line item in the budget, but there will not be one in the FY'16 Budget because the balance sheet already has more than the year usually begins with.

Chairman Peterson entertained a motion to approve the Budget Supplement. Commissioner Aden moved to approve the resolution, and Commissioner Gifford seconded the motion. Upon vote of the Commission, the resolution passed unanimously.

Resolution #TC-3194

BE IT SO RESOLVED, That the First Supplement to the Fiscal Year 2014-2015 Budget be approved by the Commission.

Discuss and Act on the Resolution to Approve the Greeley Application for an SIB Loan

Scott Richrath stated that there was a lot of time without much activity in the State Infrastructure Bank, but there is more activity coming forward. The Commission recently approved the Colorado Springs Loan. This current loan application came from the Greeley-Weld County Airport. This application was discussed at the SIB Committee meeting, comprised of one commissioner Doug Aden, CDOT CFO Scott Richrath, Joe Duhon from the Budget Department and a subject matter expert from staff Dave Gordon from Aeronautics. The process to perfect the oil and gas revenues would have been cost prohibitive on a \$1 million loan, so the SIB Committee asked the airport to secure the loan with \$1 million in cash reserves. The middle ground is that they will not set aside the total in a separate escrow account but that they will commit to maintaining that fund balance and will allow the State Infrastructure Bank to monitor the amount. The airport will come back to the Committee if they want to draw that amount down.

Commissioner Reiff stated that the agreement is not a secured pledge. It is a covenant to maintain the account. It is not a perfected interest in anything; it is only a promise to maintain the cash. He stated that he is comfortable with the current language in the resolution.

Commissioner Aden stated that Commissioner Reiff was correct. The airport has a strong balance sheet and is basically debt free. He stated that this was a fine way to move forward and that he had no objection to it.

Chairman Peterson entertained a motion to approve the resolution for the Greeley-Weld County SIB Loan Application. Commissioner Aden moved to approve the resolution, and Commissioner Reiff seconded that motion. Upon a vote of the Commission, the resolution passed unanimously.

Resolution #TC-3195

Resolution #TC-3195

Resolution to Approve the Greeley-Weld County State Infrastructure Bank Loan Application

Approved by the Transportation Commission on September 18, 2014

WHEREAS, the Colorado State Infrastructure Bank (bank) is a transportation investment bank with the ability to make loans to public and private entities for the formation of public transportation projects within the state; and

WHEREAS, the General Assembly passed Legislation (43-1-113.5 CRS) that made certain provisions for the bank and established within the bank, a highway account, a transit account, an aviation account and a rail account; and

WHEREAS, a loan application has been submitted by the Greeley-Weld County Airport (borrower), to borrow \$1,000,000 from the aviation account to correct drainage issues and resurface taxiways; and

WHEREAS, the Transportation Commission has adopted rules, pursuant to 43-1-113.5 CRS, in 2 CCR 605-1 regarding the eligibility requirements, disbursement of funds, interest rates, and repayments of loans from the bank; and

WHEREAS, pursuant to 2 CCR 605-1, Rule VI, Section 4 the Colorado State Infrastructure Bank Committee has reviewed and is in support of the application; and

WHEREAS, 2 CCR 605-1, Rule VI, Section 6 (2) provides "loan agreements for construction will specify that funds will be disbursed in their entirety to a third party fiduciary or escrow agent" unless the Transportation Commission provides a specific exemption; and

WHEREAS, the borrower has expressed its intent to attain Wells Fargo (the agent) as the third party fiduciary, escrow, or administrative agent to confirm proper documentation from the borrower for loan draws, with the Department's Division of Aeronautics, directly disbursing funds to the borrower upon receipt of the agent's confirmation; and

WHEREAS, the Division of Aeronautics and the Colorado Aeronautic Board has technically approved this aviation project; and

WHEREAS, a sufficient amount is available to loan in the aviation account;

NOW THEREFORE BE IT RESOLVED, the Transportation Commission authorizes the Department, under the guidance and direction of the Chief Financial Officer, to execute a loan agreement with the borrower in an amount of \$1,000,000 under the terms and provisions set forth in the adopted rules.

Herman F. Stockinger III
Herman Stockinger, Secretary
Transportation Commission of Colorado

9-30-14
Date

Other Matters

Chairman Peterson stated that there were no other matters to come before the Commission.

Adjournment

Chairman Peterson announced that the meeting was adjourned at 12:39pm.

Herman F. Stockinger III
Herman Stockinger, Secretary
Transportation Commission of Colorado

11-17-14
Date