

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
SPECIAL BOARD MEETING AGENDA

Board of Directors:

Matthew Hopper, Chairman
 Dave Gruber, Vice-Chair
 Nicole Johnston, Secretary
 Steve O’Dorisio, Treasurer
 Charles “Chaz” Tedesco, Director

Date: November 7, 2018 (Wednesday)
Time: 11:00 a.m.
Place: Adams County Government Center
 4430 S. Adams County Parkway
 Brighton, CO 80601
 (5th Floor Study Session Conference Room)

1. CALL TO ORDER
2. DECLARATION OF QUORUM/DIRECTOR QUALIFICATIONS/DISCLOSURE MATTERS
3. APPROVE AGENDA
4. PUBLIC COMMENT and/or GUESTS
 Members of the public may express their views to the Board on matters that affect the Authority, Comments will be limited to three (3) minutes. Please sign in.
5. ADMINISTRATIVE MATTERS
 - A. Review and Consider Approval of October 24, 2018 Special Meeting Minutes (enclosed)
 - B. Other
6. ENGINEERING/CONSTRUCTION MATTERS
 - A. Update on Initial Design and Adjacent Improvements Initial Design IGA - Todd Johnson
 - B. Review Options for Professional Engineering Independent Cost Verification Services
7. FINANCIAL MATTERS
 - A. Consider for Approval Letter to City of Aurora Regarding Potential Financing of Regional Transportation System (enclosed)

- B. Consider for Approval Request for Proposals to Finance Regional Transportation System (enclosed)
- C. Other

8. MANAGER MATTERS

- A. Other

9. LEGAL MATTERS

- A. Discussion and possible action concerning regional public improvements financing options (possible executive session under C.R.S. 24-6-402(4)(e) to develop negotiating positions, strategy, or instruct negotiations concerning the same).

10. OTHER BUSINESS

11. ADJOURNMENT

NEXT SCHEDULED BOARD MEETING

Wednesday, November 14, 2018

City of Aurora

15151 E. Alameda Avenue

Aurora, CO 80012

(5th Floor Mt. Elbert Conference Room)

FUTURE MEETING SCHEDULE

Wednesday, November 28, 2018

Wednesday, December 5, 2018

Wednesday, December 12, 2018

Wednesday, December 19, 2018

**MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS OF THE
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
HELD
October 24, 2018**

A meeting of the Board of Directors (the “Board”) of the Aerotropolis Regional Transportation Authority (the “Authority”) was held on Wednesday, October 24, 2018 at 11:00 a.m. at the Adams County Government Center, 4430 S. Adams County Parkway, Brighton, Colorado.

Attendance: In attendance were Board members:

- Matthew Hopper, Chairman
- Dave Gruber, Vice-Chairman
- Nicole Johnston, Secretary
- Steve O’Dorisio, Treasurer
- Charles “Chaz” Tedesco, Director

Also in attendance were:

- Alisha Reis and Ray Gonzales; Adams County
- Jason Batchelor and Michelle Gardner; City of Aurora
- Bob Blodgett and Anna Jones; CliftonLarsonAllen LLP
- Tom George; Spencer Fane LLP
- MaryAnn McGeady; McGeady Becher P.C.
- Rick Gonzales; Marchetti & Weaver, LLC
- Todd Johnson; AACMD
- Carla Ferreira; AACMD
- Eric Rolle and Joe Wiesinger; Shewsberry

1. Call to Order and Approve Agenda

Chairman Hopper called the meeting to order at 11:18 a.m.

2. Declaration of Quorum/Director Qualifications/Disclosure Matters

Chairman Hopper noted that a quorum was present. No additional disclosures of potential conflicts of interest were made.

3. Approve Agenda

Upon a motion duly made by Treasurer O’Dorisio, seconded by Director Tedesco, and upon vote unanimously carried, the Board approved the agenda as presented.

4. Public Comment

Mr. Rolle and Mr. Wiesinger from Shewsberry introduced themselves and reported they were attending the meeting to listen.

5. Administrative Matters

- A. Review and Consider Approval of October 10, 2018 Special Meeting Minutes and October 17, 2018 Special Meeting Minutes

After review, upon a motion duly made by Vice-Chairman Gruber, seconded by Treasurer O’Dorisio, and upon vote unanimously carried, the Board approved the minutes of the October 10, 2018 Special Meeting. The Board decided to table the October 17th minutes to the October 31st meeting. In the future, staff may present the meeting minutes at the Board meeting two weeks following the initial meeting.

- B. Other

None.

6. Financial Matters

- A. Consider Approval of September Claims

Upon a motion duly made by Treasurer O’Dorisio, seconded by Vice-Chairman Gruber, and upon vote unanimously carried, the Board approved the claims subject to receipt of the detail backup information from CLA prior to the October 31, 2018 meeting.

- B. Other

None.

7. Engineering/Construction Matters

- A. Update on Initial Design and Adjacent Improvements Initial Design IGA - Todd Johnson

Mr. Johnson updated the Board.

- B. Other

None.

8. Managers Matters

- A. Other

None.

9. Legal Matters

A. General Matters

Mr. George stated he will prepare for Board consideration the previously discussed amendment to the Authority Bylaws clarifying that the written and approved minutes of the Board meetings are the official record of the Authority at the October 31, 2018 meeting.

Mr. George reported that he has discussed the process for selecting the engineer to perform the cost verification services for the initial improvements with Ms. McGeedy, and the District will bring forth recommendations at the October 31, 2018 meeting if possible.

Following discussion, the Board decided to conduct its 2019 budget public hearing at the November 14, 2018 meeting.

Mr. George asked the District for an update on negotiations with Conoco Phillips and Extraction Oil and Gas related to the Aurora Highlands project.

Ms. Ferreira reported the developer is close to an agreement to relocate the Conoco Phillips surface use agreements. This agreement would meet the requirement of the City's conditional approval of the Framework Development Plan so that the site plan approval can proceed. Ms. Ferreira clarified that the proposed development by Extraction Oil and Gas is located just outside the boundaries of the Aurora Highlands and the RTA boundaries, and the developer would also like them to relocate so they do not impact the properties within the Aurora Highlands project. This proposed agreement is not a requirement of the City of Aurora's conditional FDP approval.

The Board thanked Ms. Ferreira for her update on the Aurora Highlands project.

On behalf of the District, Ms. McGeedy urged the Board to focus on developing a potential term sheet at today's meeting, if possible, so it can be submitted to the District in the near future to discuss in advance of the District's November 15, 2018 deadline for an agreement.

- A. Discussion and Possible Action Concerning Regional Public Improvements Financing Options (possible executive session under C.R.S. 24-6-402(4)(e) to develop negotiating positions, strategy, or instruct negotiations concerning the same).

Upon a motion duly made by Vice-Chairman Gruber, seconded by Treasurer O'Dorisio, and unanimously approved, the Board entered into executive session pursuant to C.R.S. 24-6-402(4)(e) to develop negotiating positions, strategy, or instruct negotiations concerning regional public improvement financing options at 11:55 a.m. Upon a motion duly made by Vice-Chairman Gruber, second by Secretary Johnston, and unanimously approved, the Board adjourned out of executive session at 1:51 p.m.

No action was taken by the Board.

10. Other Business

None.

11. Adjournment

As there were no further matters to discuss, upon a motion duly made by Vice-Chairman Gruber, seconded by Treasurer O'Dorisio, the Board adjourned the meeting at 1:52 p.m.

Respectfully submitted,

Secretary for the Meeting



November 7, 2018

Honorable Bob LeGare, Mayor
 City of Aurora
 15151 E. Alameda Parkway
 Aurora, CO 80012

Dear Mayor LeGare:

As you may be aware, the Aerotropolis Regional Transportation Authority (“ARTA”) is moving forward in the next several years with a number of important regional transportation projects that were outlined in the ARTA establishing agreement entered into between the City of Aurora (the “City”), Adams County, and the Aerotropolis Area Coordinating Metropolitan District (“AACMD”). To keep the ARTA projects on track with the capital plan set forth in the establishing agreement, ARTA is looking to secure between \$15 million and \$20 million of financing to fund the preliminary design, planning and construction of its early phase projects in the next several months.

ARTA has been working with its financial advisors to develop a financing plan that will accomplish the regional transportation system goals set forth in the original three-party agreement, which transportation system is expected to serve as a catalyst to the success of the planned Aurora Highlands development located within ARTA boundaries as well as the greater region. If developed, ARTA’s proposed regional transportation improvements are anticipated to promote regional economic growth that is projected to include \$18 billion in overall market value, \$3.7 billion in assessed value, \$88 million in sales tax revenue, and 170,000 jobs. To that end, our advisors have indicated a benefit of securing financing from the City for the preliminary planning projects.

While our consultant team has had some preliminary discussions with City staff regarding the possibility of the City financing a portion of ARTA’s proposed regional transportation improvements, with this letter ARTA is formally requesting that ARTA and the City enter negotiations for the City to purchase an initial tranche of ARTA debt to be issued in the coming months. It is envisioned that such an investment would be similar to the City’s recent investment in the Gaylord development.

We look forward to working with the City to explore the possibility of City financing to help accomplish the goals and purposes of ARTA.

Respectfully,

Aerotropolis Regional Transportation Authority
 Matthew Hopper, Chair

Cc: Dave Gruber, Vice-Chair
 Nicole Johnson, Secretary
 Steve O’Doriso, Treasurer
 Charles “Chaz” Tedesco, Director
 Jason Batchelor, Deputy City Manager

8390 E Crescent Parkway, Suite 300
 Greenwood Village, CO 80111



**AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
REQUEST FOR PROPOSALS (“RFP”)
TO SERVE AS UNDERWRITER**

A. INTRODUCTION

The Aerotropolis Regional Transportation Authority (“ARTA”) is currently seeking proposals from qualified financial institutions interested in serving as underwriter for one or more series of limited tax general obligation bonds or notes¹, potentially as one or more “fill up notes” (the “Bonds”), and ongoing ARTA operations.

The total of all issues, or maximum amount of the Bonds to be issued over a multiple year period, is not expected to exceed **\$230,000,000** for the purposes of funding regional public street and transportation improvements. Attached is the planning schedule for the proposed improvements to be funded by ARTA.

Firms interested in serving as Underwriter are invited to respond to this Request. Please note only proposals from firms staffed with municipal finance banking professionals will be considered.

B. BACKGROUND

ARTA is a regional transportation authority created by an intergovernmental agreement between Adams County, the City of Aurora, and the Aerotropolis Area Coordinating Metropolitan District, organized and operating under Part 6, Article 4, Title 43, C.R.S. Its members, functions, structure, Board membership, and election questions are described in the intergovernmental agreement provided with this RFP.

For additional information about ARTA, a copy of the Colorado Aerotropolis Visioning Study may be accessed via the Colorado Department of Transportation’s website at: <https://www.codot.gov/library/studies/study-archives/aerotropolis/reports>

C. PROPOSAL PROCEDURES

1. Anticipated Schedule of Proposal:

Issue RFP:	November 7, 2018
Proposals Due:	December 7, 2018 5:00pm (MST)
Notification of Award:	Approximately 2 weeks after the Response Due Date

¹ The precise type, structure, and amount are subject to change. The Bonds may be structured as revenue bonds.



2. *Preparation of Proposals*

Each proposal shall be prepared simply and economically avoiding the use of elaborate promotional materials beyond what is sufficient to provide a complete, accurate, and reliable presentation. Proposals should be limited to **15 pages**.

All proposals and supplementary materials shall become the property of ARTA. To the extent permitted by law, proposals will be opened in a manner that avoids disclosure of their contents until after award of the engagement. Any proprietary information contained in a proposal should be explicitly labeled as such. ARTA can make no representation or commitment that such proprietary information shall remain confidential.

3. *Inquiries and Submission of Proposals:*

All proposals shall be delivered in electronic format only on or before **December 7, 2018 at 5:00 pm (MST)**. Proposals received after the above date and time may not be considered.

Proposals should be addressed as follows:

Aerotropolis Regional Transportation Authority
c/o Jim Mann, Senior Municipal Advisor
Ehlers & Associates
4700 S. Syracuse St., Ste. 860
Denver, CO 80237
JMann@ehlers-inc.com
(with a copy to MBuck@ehlers-inc.com)

Inquiries concerning this RFP must be directed in writing to Jim Mann or Melissa Buck, municipal advisors to ARTA, by electronic mail at: JMann@ehlers-inc.com or MBuck@ehlers-inc.com

4. *Time and Location*

Selected respondents may be requested to provide oral presentations. ARTA is under no obligation to hold such presentations. Should the ARTA Board of Directors request an oral presentation, selected respondents will be notified to arrange specific times.

5. *Right to Reject*

ARTA reserves the right to reject any and all proposals for any reason or no reason and without penalty to ARTA, and may waive any defect, irregularity, or informality contained in a proposal. ARTA reserves the right to select the proposal deemed most

advantageous to the ARTA, in its sole discretion, and to negotiate directly with any respondents. Preparation and submission of a response to this RFP is at the sole expense and risk of the responding firms, and it is understood by the selected firm that no fees or other compensation will be paid if the proposed financing is abandoned or does not close. If deadlines are modified or addenda to this RFP are prepared, all parties shall be notified contemporaneously.

6. *Award of Contract*

ARTA shall select a firm by means of a Notice of Award. Neither the selection of a respondent(s) nor the issuance of a Notice of Award shall constitute a binding commitment on behalf of ARTA to enter into a services contract with such respondent, as any binding arrangement must be set forth in definitive documentation signed by both parties and subject to all requisite approvals.

D. OUTSTANDING DEBT

As of November 7, 2018, ARTA had approximately \$750,000 of outstanding notes. It is anticipated that a portion of proceeds from the first issuance of Bonds will be used to retire these outstanding notes.

E. SCOPE OF SERVICES

The scope of services to be provided by the selected firm(s) will include, but not be limited to, the following:

1. Evaluate and assist in refining financial plans and objectives with regard to the sale of new money bonds; assist in the identification of financing alternatives; and recommend adjustments where appropriate.
2. Assist the ARTA in the successful structuring, marketing, and sale of the debt obligations to achieve the lowest possible borrowing cost consistent with ARTA's risk profile.
3. Assist in the preparation of the official statement (if applicable) and other legal and disclosure documents used in connection with the sale of bonds.
4. Recommend financing structures that most efficiently achieve ARTA's financing objectives while providing feedback with regards to investor acceptance and preferences.
5. Follow ARTA's policies, either oral or written, for liability, designation and retention procedures, pricing procedures, allocation procedures, and the process of selling debt obligations.
6. Assist ARTA in the post-financing evaluation process through the timely submittal of all required reports, post-bond sale descriptions which include: how ARTA's bonds were sold, feedback from investors, and sales performance of the underwriting team.

F. PROPOSAL CONTENTS

Proposals must address:

1. *Cover Letter*

- a. The cover letter must contain the firm's name, address, and primary contact for the proposal. Please state the reasons you believe your firm should be selected and describe any unique capabilities distinguishing your firm from others, or which could contribute to successful financings.

2. *Commitment and Experience*

- a. Please describe the strategic significance of municipal finance to your firm, including the focus of your municipal business.
- b. Identify individual(s) in your firm who will be assigned to this engagement and their respective roles and responsibilities. Describe their relevant professional experience, including transportation authority and metropolitan district experience. State the person who will be responsible for the day-to-day management of the team.

3. *Financial Strength*

- a. State your firm's total capital, equity capital, and excess net capital as of December 31, 2017. If financial data is not available for year-end, please provide data for the most recent quarter for which it is available. Describe your firm's willingness and ability to commit capital for the benefit of the ARTA.
- b. Please list your three most recent fixed rate deals, for which you had the largest participation. Provide your firm's role in the transaction, the issuer, issue date, par amount of the financing, and your firm's participation level for each of the three deals. If you served as lead underwriter, please indicate any balances you were responsible for taking down after the initial sale.

4. *Selling, Distribution, and Marketing Capabilities*

- a. Describe your firm's municipal distribution capabilities, particularly with respect to private placements and institutional sales, and any distribution advantages your firm possesses.
- b. Describe your firm's distribution and marketing capabilities and approach for ARTA debt. What do you see as ARTA's major credit and marketing opportunities and challenges.

5. *Industry Experience and Innovation*

- a. Describe your firm's experience with authorities, transportation and Colorado metropolitan district financings.
- b. Describe your firm's experience with the use of non-traditional financing tools for the funding of transportation projects. What was your firm's role in such transaction(s).

6. *Sound Regulatory Standing*

- a. Please indicate if your firm is in compliance with MSRB Rule G-3.
- b. Describe any potential conflicts of interest, particularly representation of any ARTA member entity, property owner within ARTA, or adjacent municipalities, authorities, and districts.
- c. Indicate if your firm is a party to any litigation or investigation or has been notified of an investigation by any federal or state regulatory agency.
- d. Describe any sanctions or penalties brought against your firm or any of its personnel (including suspension or disbarment) by any regulatory or licensing agencies. Include a description of the reasons for the sanction or penalties and whether such sanctions or penalties are subject to appeal.
- e. Disclose all compensation/fee arrangements (formal or informal) that your firm, its related entities, or any individuals listed in response to Section 2 above currently has, or within the past 12 months has had, with any of the parties listed under Section 6b above.

7. *Fees*

- a. Please state your firm's proposed rates, fees, and charges and their method of calculation. Clearly state which amounts are subject to market conditions.
- b. ARTA reserves the right to negotiate lower prices with firms for actual transactions.

8. *Proposed Schedule and Availability to Begin Work*

- a. Please describe your firm's availability to begin work and anticipated schedule regarding the first issuance of Bonds.

Please note any costs and expenses incurred by respondents in preparing or submitting qualification statements, including travel expenses incurred to attend meetings or interviews are the sole responsibility of the respondent.

G. PROPOSAL EVALUATION

ARTA's Board of Directors and consultants will review all submitted proposals. ARTA's Board of Directors or its consultants may request a meeting with some qualified Respondents prior to final selection. Proposals will be reviewed in accordance with the following criteria:

1. Commitment and experience of firm personnel, including expertise in municipal finance with a transportation and/or metropolitan district focus, including structuring and identifying financing opportunities;
2. Capital and financing strength to underwrite complex and high yield bond offerings;
3. Proven selling, distribution and marketing capabilities of municipal bonds in all market segments;



4. Transportation and metropolitan district finance expertise and innovation with demonstrated understanding of credit and industry dynamics;
5. Sound regulatory standing;
6. Competitive underwriter's compensation; and
7. Capability to provide required services on a timely basis.