

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
HELD
May 17, 2019**

A special meeting of the Board of Directors (the "Board") of the Aerotropolis Regional Transportation Authority (the "Authority") was held on Friday, May 17, 2019 at 11:00 a.m. at the City of Aurora, 15151 E. Alameda Avenue, Aurora, Colorado.

Attendance: In attendance were Board members:

Matthew Hopper, Chairman
Dave Gruber, Vice-Chairman
Steve O'Dorisio, Treasurer
Nicole Johnston, Secretary
Charles "Chaz" Tedesco, Director

Also in attendance were:

Bob Blodgett, Anna Jones and Wesley LaVanchy; CliftonLarsonAllen
LLP
Jason Batchelor, Dan Brotzman, Michele Gardner and Mike Shannon;
City of Aurora
Benjamin Dahlman; Adams County
Tom George; Spencer Fane LLP
MaryAnn McGeady; AACMD
James Mann; Ehlers
Rick Gonzales; Marchetti & Weaver
Michael Baldwin; Citi Group
Carla Ferreira; AACMD
Todd Johnson; AACMD
Andrew Rubin; Greenberg Traurig LLP
Rita Connerly; Fairfield & Woods
David Lucas; Sherman & Howard
John Aguiler, 5990 Washington Street

1. Call to Order

Chairman Hopper called the meeting to order at 11:28 a.m.

2. Declaration of Quorum/Director Qualifications/Disclosure Matters

Chairman Hopper noted that a quorum was present. Mr. George noted that transactional disclosures for today's meeting had been filed with the Colorado Secretary of State. No additional disclosures of potential conflicts of interest were made.

3. Approve Agenda

Upon a motion duly made by Vice-Chairman Gruber, seconded by Director Tedesco, and upon vote unanimously carried, the Board approved the agenda as presented.

4. Public Comment

None.

5. Consent Agenda

A. Review and consider approval of May 1, 2019 and April 24, 2019 Regular Meetings

B. Other

Upon a motion duly made by Secretary Johnston, seconded by Treasurer O’Dorisio, and upon vote, with Director Gruber abstaining, the Board approved the Consent Agenda.

6. Engineering/Construction Matters

A. Presentation, discussion and possible action concerning the First Amended and Restated IGA for Project Funding and Reimbursement for Design and Construction of Phase I Improvements, and the planning, design and construction of Authority’s Regional Transportation System and related matters

1. AACMD Status Report

Mr. Johnson reported the District met with Schedio regarding cost verification. Schedio will submit a report to the District and ARTA in the near future. Schedio is pulling together all of the 2018 ARTA cost information for submittal to Mr. Gonzales for the 2018 audit.

Mr. Johnson reported grading, storm drainage and sanitary sewer work is underway on site. He reviewed a PowerPoint presentation with pictures of future roads, storm sewer and sanitary sewer construction. He indicated the District continues to work with the City in finalizing approvals for all of the horizontal infrastructure.

Treasurer O’Dorisio asked if there are any pending oil and gas issues or complications, including those previously discussed by the Board, preventing completion of the project. Mr. Johnson reported the proposed oil and gas operators are moving forward on the oil and gas pad sites in the ATEC section of the District as planned. There has been no indication from the developer that any of the infrastructure work should stop.

The Board thanked Mr. Johnson and the District for their work.

B. Discussion and possible action concerning the review and verification of project costs associated with the Authority’s Regional Transportation System

No action taken.

- C. Discussion and possible action concerning planning, design and construction of Authority's Regional Transportation System and related matters

No action taken.

7. Financial Matters

- A. Presentation, discussion and possible action concerning financial statements

Mr. Gonzales reviewed the April 30, 2019 Financial Statements with the Board. He reported he is collecting consultant costs related to the upcoming bond issue for legal, management and accounting, and suggested that various expenditures from the General Fund for bond-related work may be able to be reimbursed from the cost of issuance fund. Mr. George added that project-related expenditures from the General Fund may be able to be reimbursed from the Capital Projects Fund to the General Fund utilizing future bond proceeds. Mr. Blodgett will review recent CLA bills to ensure reimbursable costs for project and bond work are identified.

Upon a motion duly made by Treasurer O'Doriso, seconded by Vice-Chairman Gruber, and upon vote unanimously carried, the Board accepted the April 30, 2019 Financial Statements.

- B. Presentation, discussion and possible action on April 2019 Claims Payable \$24,763.73

Mr. Gonzales reviewed the claims with the Board. Upon a motion duly made by Vice-Chairman Gruber, seconded by Director Tedesco, and upon vote unanimously carried, the Board approved the April 2019 claims in the amount of \$24,763.73.

- C. Presentation, discussion and possible action concerning financing matters related to the Authority's Regional Transportation System, including but not limited to action on proposed 2019 bond issuance.

- 1. Presentation, discussion and possible action to approve Comprehensive Plan of Finance, Series 2019 Debt Issue

Mr. Mann presented to the Board the proposed Comprehensive Plan of Finance and described that the Plan provides for the financing of the Authority's projected \$200 million in obligations associated with the Regional Transportation System as set forth in the Authority's Establishing Agreement, including the currently proposed Series 2019 bond issue and a potential additional \$15 million bond issue to be funded later in 2019, and meets the industry standard coverage issue of 1.25, with an overall coverage of 1.29. He reported the residential coverage is in the 3 to 5 times range. Mr. Baldwin stated the Comprehensive Plan of Finance takes a very

conservative approach to the Authority's financial projections, and projects excellent coverage for this kind of financing package.

Vice-Chairman Gruber asked if the anticipated financial risk to the Authority under the Comprehensive Plan of Finance as proposed was manageable. Mr. Baldwin reported in the affirmative. Mr. Rubin stated that pursuant to the proposed financing documents, failure by the Authority to meet the required debt service payments is not a default as long as the Authority has met its required financial obligations regarding the imposition of its 5.000 mill levy. Secretary Johnston asked about the blanks in the draft Preliminary Limited Offering Memorandum (PLOM). Mr. Rubin stated that many of the blanks identified by Ms. Johnston have since been completed in the most recent draft prepared this morning, and that all other blanks associated with bond pricing would be completed when the bonds are priced. Secretary Johnston noted the 9% interest rate in the bond resolution per the Authority's election question. She recommended this parameter to be changed to 7% in the bond resolution. Mr. Baldwin concurred this can be done.

Mr. Rubin clarified the difference between the PLOM and the indenture. The indenture is a contract between ARTA and the trustee regarding the necessary debt service payments.

Following discussion, upon a motion duly made by Director Tedesco, seconded by Vice-Chairman Gruber, and upon vote unanimously carried by roll call vote of each Board member, the Board approved the Comprehensive Plan of Finance as presented.

2. Discussion and possible action to make a final determination to issue revenue bond indebtedness by the adoption of a parameters resolution authorizing the issuance of revenue bond indebtedness in the form of \$25,000,000 (maximum) Aerotropolis Regional Transportation Authority, Special Revenue Bonds, Series 2019, and approving the execution and delivery of certain documents related thereto.

Mr. Lucas presented the proposed bond documents to the Board, and noted that the proposed bond resolution will approve the following four documents: 1) the Indenture of Trust; 2) the PLOM; 3) the Continuing Disclosure Agreement, and; 4) the Bond Purchase Agreement between Citigroup and ARTA. Secretary Johnston requested that underwriter's counsel provide the Board with a copy of the final Limited Offering Memorandum showing changes made from the PLOM when available.

Director Tedesco inquired as to the reason for the recent addition of the \$15 million project/debt authorization in the Comprehensive Plan of Finance and the proposed bond issue. Mr. Mann and Mr. Batchelor explained that the additional \$15 million was added at the City's request in order to allow for the potential acceleration of work on 38th Ave. Director Tedesco expressed concern that the Authority Board was not previously made aware of this request. The Board directed that in the future

any and all such requests shall be communicated to the Authority manager and counsel when the request is made so the Board can be informed immediately.

Treasurer O'Doriso stated that the desire to accelerate the 38th Ave. project is good news, and perhaps indicates that ARTA is being successful and other property owners may want to join the Authority and participate in future regional transportation improvements.

Following discussion, upon a motion duly made by Director Tedesco, seconded by Vice-Chairman Gruber, and upon vote unanimously carried by roll call vote of each Board member, the Board approved the bond resolution, as amended to provide a maximum 7% interest rate as discussed by the Board.

3. Identify and authorize Authority Board members to approve and execute documents and other items related to the proposed Series 2019 Bond Issuance

Mr. George reported this was approved in the bond resolution.

4. Review Updated Distribution List and Bond Issuance Schedule

Mr. George reviewed the projected schedule with the Board. The Board will review the final draft of the PLOM at the May 22nd meeting. Pricing is still planned for the week of June 5th. Posting of the PLOM will be on May 28th. Closing on the bond purchase will be within a week to 10 days after June 5th.

D. Other

Mr. Blodgett reviewed the information received from Metrostudy regarding ARTA membership and the ability to review market study reports in the Denver Metro area. After discussion, the Board asked Mr. Blodgett to contact Metrostudy to obtain a quote for an annual update of the March 2019 Aurora Highlands study done in conjunction with the bond issuance.

8. Manager Matters

A. Authority Manager Report

No report.

B. Discussion and possible action concerning matters presented by Authority Manager

None.

C. Website Update

Mr. Blodgett reported the packet was added to the website this morning. The remainder of the website is up to date.

D. Other

None.

9. Legal Matters

A. Authority Legal Counsel Report

B. Discussion and possible action concerning contracts, intergovernmental agreements and other legal arrangements related to the planning, design and construction of the Authority's Regional Transportation System and related matters.

1. Discussion and possible action concerning Intergovernmental Agreement with AACMD regarding the imposition, collection and transfer of ARI Mill Levies

Deferred to the May 22nd Board meeting for review and approval.

2. Discussion and possible action concerning Intergovernmental Agreement with AACMD regarding coordinated design and construction of Regional Transportation System.

Deferred to the May 22 board meeting for review and approval.

3. Discussion and possible action concerning Intergovernmental Agreement with E470 PHA regarding 38th Interchange and Phase 1 access.

1. Expected Schedule for E470 IGA:

May 7, 2019 – Meeting with E470

May 10, 2019 – Revisions to IGA

May 24, 2019 – IGA language finalized

May 29, 2019 – ARTA Board approves IGA

TBD – E470 Board approves IGA

Mr. George reported he, Chairman Hopper and Vice-Chairman Gruber met with the E470 Public Highway staff recently to discuss a proposed intergovernmental agreement between ARTA and E470 regarding the E470 interchange at 38th Avenue. The final interchange design is underway and should be complete by December. Chairman Hopper reported that E470 will be widened as the next major project from I-70 to Pena Boulevard. This is projected to occur in the 2021-2022 time frame.

Mr. George reported the current plan is for a proposed IGA to be drafted and submitted to the E470 Public Highway Authority Board for approval at

their July meeting. Mr. George stated ARTA may need a performance bond associated with the IGA.

After discussion, action on this IGA was deferred to the May 22nd Board meeting.

10. EXECUTIVE SESSION (If needed, an executive session may be called pursuant to and for the purposes set forth in Section 24-6-402(4), C.R.S., after announcement of the specific topic for discussion and statutory citation authorizing the executive session, and a vote of two-thirds of the quorum of the Board present)

Not necessary.

11. Other Business

The Board confirmed a May 22nd meeting at Adams County to review the final draft of the PLOM and review and approve the IGAs described above under legal items.

12. Adjournment

As there were no further matters to discuss, upon a motion duly made by Director Tedesco, seconded by Vice-Chairman Gruber, and upon vote, unanimously carried, the Board adjourned the meeting at 1:00 p.m.

Respectfully submitted,



Secretary