

**AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY**  
**SPECIAL BOARD MEETING AGENDA**

**Board of Directors:**

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

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**Date: September 5, 2018 (Wednesday)**  
**Time: 11:00 a.m.**  
**Place: City of Aurora**  
**15151 E. Alameda Avenue**  
**Aurora, CO 80012**  
**(5<sup>th</sup> Floor Mt. Elbert Conference Room)**

1. CALL TO ORDER AND APPROVE AGENDA
2. DECLARATION OF QUORUM/DIRECTOR QUALIFICATIONS/DISCLOSURE MATTERS
3. 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.
4. ADMINISTRATIVE MATTERS
  - A. Review and Consider Approval of August 22, 2018 Special Meeting Minutes (enclosed)
  - B. Other
5. FINANCIAL MATTERS
  - A. Status of June 8, 2018 Term Sheet for Unsolicited Proposal Design, Build and Finance of Certain Transportation Improvements from the Aerotropolis Area Coordinating Metropolitan District (enclosed)
  - B. Update on City, County and District Funding of Authority Operating Account – Eric Weaver/Rick Gonzales
  - C. Accept Final 2018 Budget (enclosed)
  - D. Other

## 6. LEGAL MATTERS

- A. Consider for approval Aerotropolis Regional Transportation Authority Member Contribution Funding Agreement
- B. Discussion and possible action concerning an unsolicited proposal to ARTA from the Aerotropolis Area Coordinating Metropolitan District and to designate the lead negotiator(s) (possible executive session under C.R.S. 24-6-402(4)(e) to develop negotiating positions, strategy, or instruct negotiations concerning the same).
- C. Other

## 7. ENGINEERING/CONSTRUCTION MATTERS

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

## 8. MANAGER MATTERS

- A. Consider Approval of 2018 Insurance Policy (enclosed)
- B. Discuss Website Proposal Schedule
  - 1. The Creative Group
  - 2. The Black Sheep Ltd.
  - 3. Michael Nearing
  - 4. RHS Communications
- C. Status of BoardPaq – Approve Users (enclosed)

## 9. OTHER BUSINESS

- A. Discuss Possible Rescheduling of September 12<sup>th</sup> Board Meeting.

## 10. ADJOURNMENT

**NEXT SCHEDULED BOARD MEETING**  
**Wednesday, September 12, 2018 at 11:00 a.m.**  
**County of Adams**  
**4430 S. Adams County Parkway**  
**Brighton, CO 80601**  
**(5<sup>th</sup> Floor Study Session Conference Room)**  
**FUTURE MEETING SCHEDULE**  
**Wednesday, September 12, 2018**  
**Wednesday, September 19, 2018**  
**Wednesday, September 26, 2018**

## RECORD OF PROCEEDINGS

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**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY  
HELD  
August 22, 2018**

A special meeting of the Board of Directors (the “Board”) of the Aerotropolis Regional Transportation Authority (the “Authority”) was held on Wednesday, August 22, 2018 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  
Nicole Johnston, Secretary  
Steve O’Dorisio, Treasurer  
Charles “Chaz” Tedesco, Director

Also in attendance were:

Alisha Reis; Adams County  
Jason Batchelor, Dan Brotzman and Michelle Gardner; City of Aurora  
James Mann and Melissa Buck; Ehlers  
Bob Blodgett, Anna Jones and Kathy Suazo; CliftonLarsonAllen LLP  
Tom George; Spencer Fane LLP  
Carla Ferreira; District Alternate to the Authority  
MaryAnn McGeady; McGeady Becher P.C.  
Eric Weaver; Marchetti & Weaver, LLC  
Rita Connerly; Fairfield and Woods

1. Call to Order and Approve Agenda

Chairman Hopper called the meeting to order at 11:32 a.m. Upon a motion duly made by Secretary Johnston, seconded by Vice-Chairman Gruber, and upon vote unanimously carried, the Board approved the agenda as presented.

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. Public Comment

There were no public comments.

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4. Administrative Matters

A. Review and Consider Approval of August 15, 2018 Meeting Minutes

After review, upon a motion duly made by Director Tedesco, seconded by Vice-Chairman Gruber, and upon vote unanimously carried, the Board approved the August 15, 2018 minutes.

B. Other

None.

5. Financial Matters

A. Update on City, County and District Funding of Authority Operating Account

Mr. Weaver reported the District's checking account had been established. He reported invoices have been sent to the Aerotropolis Area Coordinating Metropolitan District, the City of Aurora and Adams County. He was asked if a written agreement exists regarding the \$350,000 contribution by each entity. Mr. Weaver stated he understands it is just a verbal agreement reflected in the Board meeting minutes.

Mr. George recommended an agreement be prepared between the parties. The Board concurred. Mr. George will draft this agreement for approval at the September 5<sup>th</sup> Board meeting.

B. Discuss Status of Unsolicited Proposal for Design, Build and Finance of Certain Transportation Improvements from the Aerotropolis Area Coordinating Metropolitan District

Mr. Blodgett reported that the District is still reviewing Ehlers' comments submitted at the August 15<sup>th</sup> Board meeting. Ms. McGeady indicated that their review may be completed this week. Mr. Blodgett reported a group meeting of all consultants will be held the week of August 27<sup>th</sup> to attempt to reach a consensus on the major issues regarding the Unsolicited Proposal for review and discussion by the Board at the September 5<sup>th</sup> meeting.

C. Discuss Investment of Authority Funds

Mr. Weaver reviewed the options regarding investments of Authority funds. He recommended the ColoTrust Plus Fund. It is liquid and has a higher interest rate than other longer-term vehicles.

After discussion, upon a motion duly made by Director Tedesco, second by Vice-Chairman Gruber, and upon vote unanimously carried, the Board authorized the ColoTrust Plus Fund. Mr. Weaver reported all Board members will be established as signers on the account.

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D. Public Hearing on Proposed 2018 Budget; Consider Approval of Resolution Adopting 2018 Budget

Chairman Hopper opened the public hearing at 11:36 a.m. There were no public comments. Chairman Hopper closed the public hearing at 11:37 a.m. Mr. Weaver reviewed the draft 2018 budget with the Board. He recommended that miscellaneous expenses be increased from \$500 to \$2,000 to provide funds for travel, tolls and food at Authority meetings. The Board concurred.

The Board discussed the Capital Projects Fund which consisted of \$375,000 in each of two interchange projects for a total of \$750,000. Chairman Hopper noted that the IGA regarding initial design of improvements provides for six separate projects which should be delineated in the Capital Projects Fund. The Board concurred.

After further discussion, upon a motion duly made by Vice-Chairman Gruber, seconded by Secretary Johnston, and upon vote unanimously carried, the Board approved the 2018 budget subject to the two amendments above. Mr. Weaver will revise the budgets and resubmit to all parties. Chairman Hopper will provide Mr. Weaver the estimates for each of the six projects in the initial design that total \$750,000. These are available from the Authority's engineer.

E. Other

None.

6. Legal Matters

A. Other

None.

7. Engineering/Construction Matters

A. Verbal Update on Progress re Initial Design and Adjacent Improvements Initial Design

Ms. McGeady reported that the District will approve this agreement at their meeting this week. Mr. Johnson will most likely provide future updates on this work to the Authority.

8. Manager Matters

A. Status of Insurance Policy – Colorado Special District Property and Liability Pool Proposal

Mr. Blodgett reported the quote from the Special District Property and Liability Pool is not yet available. It will be available prior to the September 5<sup>th</sup> Board meeting.

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B. Status of Website

Ms. Jones reported the website is still a work in progress. The Board asked that the photos and bios of the Authority members be sent to CLA for inclusion on the website. Ms. Jones reported that Adams County will transition the website to CLA for administration during the next week.

C. Status of BoardPaq

Ms. Suazo provided an update on the implementation to the Board. She distributed a list of users for Board review and approval. Mr. George recommended the Board formally approve the users of BoardPaq at the September 5<sup>th</sup> meeting. The Board concurred. The Board members will provide bios and photos for BoardPaq also. The Board asked the consultants to provide photos for BoardPaq.

Director Tedesco asked that the consultants be separated into each of their disciplines in BoardPaq so that the Board is clearly aware of this information.

9. Other Business

Chairman Hopper reported there is a celebration of the establishment of the ARTA to be held on-site in the District on September 20<sup>th</sup> at 10:30 a.m. Additional information on this event will be provided in the near future.

Vice-Chairman Gruber stated he is not available on September 12<sup>th</sup> for the Board meeting. The Board discussed the possibility of changing this meet date. This will be on the September 5<sup>th</sup> meeting agenda for discussion and action.

10. Adjournment

As there were no further matters to discuss, upon a motion duly made by Secretary Johnston, seconded by Director Tedesco, and upon vote unanimously carried, the Board adjourned the meeting at 12:20 p.m.

Respectfully submitted,

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Secretary for the Meeting

## MEMORANDUM

To: RTA Working Group

From: AACMD Working Group

Date: August 28, 2018

Re: AACMD Working Group Response to RTA Working Group Comments on the Unsolicited proposal.

The purpose of this Memorandum is to provide the Aerotropolis Area Coordinating Metropolitan District (“**AACMD**”) Working Group response to the questions/comments provided in the Memorandum from Rick Kron and Tom George dated June 25, 2018 to the Board of Directors of the Aerotropolis Regional Transportation Authority (“**RTA**”) and the Memorandum from James Mann, Jim Harrington and Melissa Buck dated August 15, 2018 to the Board of Directors of the RTA. Based upon the questions and comments received and discussions with the bond purchaser that has committed to purchase AACMD Bonds (the “**Bond Purchaser**”), our comments include proposed clarifications and revisions to the Unsolicited Proposal (“**Proposed Revisions**”).

1. **Responses to Questions/Comments contained in the Ehlers Memorandum. The comment or question will be set forth in italics and our responses to follow in regular typeface.**

(a) *We have not yet had a chance to speak to Bond Counsel. Due to the proposed structure, the bonds may be taxable.*

(i) The interest rate and call protection on the obligation of the RTA to reimburse the District will be nine (9) percent and will not vary whether the AACMD Bonds are issued as taxable or tax-exempt Bonds.

(b) *Similarly, a 40-year term for each phase may be longer than the useful life of the improvement, which would also make the bonds taxable. So as to maintain the tax-exempt status of the bonds, it may make more sense to issue each phase as a separate bond issue with various terms rather than one cash-flow note.*

(i) The proposal is that a separate RTA Promissory Note be issued for each Phase of the Regional Improvements.

(c) *The Unsolicited Proposal and associated Financing Plan in its current form do not fully finance the roads RTA has agreed to construct (the “Roads”). The Roadway Phasing Plan (the “Phasing Plan”) indicates the RTA portion will cost approximately \$175 million in 2018 dollars. However, according to the Phasing Plan, most the projects are expected to break ground 2022-2032. Meaning, construction cost projections, adjusted for BLS report*

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*3.7% Denver area inflation, are expected to be as follows (refer to chart in Ehlers report, not repeated here).*

(i) In the Proposed Revisions set forth below, AACMD is committing to provide the financing for actual costs of the Regional Improvements even if the total cost exceeds \$175,000,000 subject to the RTA's obligation to issue RTA Promissory Note(s) to reimburse AACMD. AACMD's source of funding the cost overruns is the Bond Purchaser. AACMD will submit a revised Financing Plan taking into account all of the Ehlers and Spencer Fane comments.

(d) *On a related point, how does the RTA and/or District expect to cover construction cost overruns should bids (or actual costs) come in higher than expected.*

(i) AACMD has a committed Bond Purchaser to fund the actual costs of the Regional Improvements, including cost overruns, and the Proposed Revisions commit the RTA to reimburse for the total actual costs.

(e) *How was RTA's portion of total construction costs determined? For example, RTA is responsible for building one of four lanes for the TAH Parkway, which one would assume is 25% of the total cost, yet RTA's portion ranges from 35% to 100% (chart not repeated here).*

(i) The allocation of costs for the various components of the Regional Improvements was negotiated over a 2-year period and the allocation has been agreed to by the City, County and AACMD, as members of the RTA, after consult with internal and external professional staff.

(f) *We have not received a copy of the housing development construction schedule. How does RTA's Phasing Plan correspond with the Aurora Highland's build out? Ideally, roads would be constructed slightly before or in tandem with the benefited housing development.*

(i) The RTA's Phasing Plan relates to the regional vision of connecting transportation corridors and job growth of each of the RTA members as negotiated over a 2-year period and does not tie directly to the housing development construction schedule. The Phasing Plan was based on transportation priorities set forth in studies going back to 1999, 2008, 2015 and 2017. These priorities were agreed to by the City, the County and AACMD, as members of the RTA.

(ii) *The Term Sheet stipulates the bonds accrue interest until sufficient revenues are generated to pay down principal and interest. Meaning, if development fails to follow projections, the RTA could pay significantly more than what is shown in the Finance (sic) Plan.*

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(iii) It is always the case that actual build out deviates from the Financing Plan, and if development occurs more quickly and values are higher than projected, the RTA could pay less than projected and if development occurs more slowly or values are lower than projected, the RTA will pay more than what is projected. All of the revenues pledged for repayment are revenues derived from growth in the RTA boundary.

(g) *Based on various conversations at several RTA related meetings, it seems the investor in the Unsolicited Proposal is someone closely affiliated with the developer. If so, this may be a conflict of interest that must be disclosed.*

(i) AACMD will disclose all conflicts of interest, if any.

(h) *If #8 is true, because the bonds are structured as cash-flow bonds with compound interest accruing daily, the developer may have an incentive to delay developing Aurora Highlands in order to maximize the amount of monies due.*

(i) There is no need to create an artificial incentive for the Developer to want to complete the development, the amount of funding of adjacent improvements to the Regional Improvements (additional lanes, etc.) by AACMD will be approximately 3 to 1 as evidenced by the Initial Phase I Improvements investment of \$750,000 in Regional costs and \$2,700,000 in the Adjacent Improvements. There is significant incentive for the Developer to want to develop and sell lots as quickly as possible.

(i) *Based on our conversations with District staff, the bonds have five-year call protection after which they would be able to be refinanced at par plus accrued interest. However, as presently drafted, the Unsolicited Proposal does not allow partial refinancings. Meaning, RTA will not be able to lower the 9% compound interest rate unless it can refinance the entire 175 million. Based on the Finance Plan, the majority of the bonds do not start cash flowing until 2055, by which point RTA will have paid approximately \$504 million in debt service, most of which is accrued interest (assuming development occurs as projected).*

(i) The Proposed Revisions include the ability of the RTA to issue RTA Debt, for new money or for refinancing, so long as all previously issued RTA Promissory Notes are refinanced as a part of the new money or refinancing RTA Debt issuance and so long as the RTA Debt is issued on a parity basis with any RTA Promissory Note(s) to be issued in the future. Please see the Proposed Revisions Section below for additional details on the definition of what would constitute a parity issuance for purposes of the Proposed Revisions.

(j) *Costs of Issuance were not included in the Term Sheet. What are estimated costs of issuance?*

(i) We will update and resubmit a Financing Plan to address the Ehlers and Spencer Fane comments. The issuance costs of the RTA Promissory Note(s) are

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limited to the RTA issuance costs and are intended to be included in the principal amount of the RTA Promissory Notes.

(k) *It is assumed that the District will undertake a competitive public bidding process to select construction partners and with guaranteed maximum price contracts. What is the District's experience in managing the procurement process and selecting a qualified firm? What will be the RTA's involvement in the selection and the procurement process?*

(i) AACMD does not intend to enter into guaranteed maximum price contracts as this procurement approach results in the contractor increasing the cost of their bids to address the risk of potential cost increases and does not eliminate the possibility of a contractor requesting change orders to increase the contract costs as the project proceeds. AACMD Board of Directors and AACMD consultants have extensive experience in public finance, public project procurement and public project construction management as well as land development and are qualified to proceed with the design and construction of the Regional Improvements. Please advise as to what information on the expertise of each individual and company you would like provided.

(l) *RTA has agreed to finance a portion of the total Road construction with the understanding that the District will eventually build out the rest. What remedies does the RTA have if these additional lands and other road projects are not built?*

(i) AACMD has agreed to design, construct and fund the Regional Improvements, subject to acceptable reimbursement terms. AACMD will also have responsibility to build out that portion of the roads that the City, during its land entitlement processes, determines The Aurora Highlands is responsible to construct. Many of the additional road lanes do not border The Aurora Highlands and will be the responsibility of another developer or another district, and construction of such additional lanes will occur when development adjacent to such roadways occurs. The City has complete and full jurisdiction over the construction of the additional roadwork and a full range of remedies to enforce a developer's failure to comply with any one of the various agreements governing this responsibility. This point was discussed at length during development of the RTA IGA. Rather than wait for development to construct only a segment of a roadway, the RTA improvements create a road network to spur the development that will complete their proportionate share of the roads.

(m) *Similarly, what remedies will RTA have in enforcing contracts or if work performed does not meet expectations?*

(i) The Regional Improvements will be constructed in accordance with the requirements of the jurisdictions that are responsible for the ownership, operation and maintenance of the completed improvements. The applicable jurisdiction will inspect, preliminarily accept and, after expiration of a warranty period, finally accept the improvements for ownership and maintenance. AACMD will have the funds deposited for completion of the

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construction contracts when they are awarded and will have the Bond Purchaser's commitment to advance funds to AACMD to fund any cost overruns. Additional assurances for completion, beyond those set forth in the Intergovernmental Agreement for Project Funding and Reimbursement for Initial Design of ARTA Phase I Improvements between the RTA and AACMD dated August 23, 2018 (the "**Interim Funding IGA**") will only increase the cost of the Regional Improvements and do not need to be required.

(n) *Approximately \$24 million will be spent to construct an interchange at E-470 and 38<sup>th</sup> Avenue. As E-470 will ultimately pay these hard construction costs over a ten-year period, this project should be a separate RTA Obligation. We believe there is a large market appetite for such bonds.*

(i) E-470 will not be advancing money until three years after the completion of construction and they will not be advancing any money for repayment of soft costs, interest, or issuance costs related to the funding of the interchange construction. E-470 will require that a bond be posted to securitize completion of the Interchange. Issuing a separate RTA Debt will require other RTA revenue, other than the E-470 revenue, to repay such an RTA Debt. AACMD will require those other revenues to pay on the RTA Promissory Note(s) that will be issued to fund the Regional Improvements and will not have a committed Bond Purchaser to fund the other Regional Improvements if those revenues are siphoned off to fund a separate RTA Debt issued outside the limitations of the Proposal Revisions.

(o) *9% compound interest represents an onerous burden to the RTA and will limit its ability to finance any additional Improvements for the next 40 to 50 years.*

(i) The Proposed Revisions provide for the ability of the RTA to issue RTA Debt at a lower interest rate within the described parameters.

(p) *There is an inconsistency between the Term Sheet and the attached Financial Plan. RTA is allowed to issue debt with a 40-year maturity, which is reflected in the Term Sheet. The Financial Plan shows a 50 year repayment schedule and may have to be revised.*

(i) Each of the RTA Promissory Note(s), issued for each Phase of the Regional Improvements, is intended to be amortized over a 40-year period. As they are each issued at a different point in time, the 50-year repayment schedule is not inconsistent with the 40-year amortization period. We will submit a revised Financial Plan that addresses the Ehlers and Spencer Fane comments.

(q) *Regarding the Finance Plan's (sic) assumptions: one half of Adams County's General Fund levy is 11.279 mils, not 12.1 mills; the residential assessment rate is modeled at 7.2%. It is expected this rate will decline to 6.11% in 2019; the Financial Plan*

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*assumes the RTA levy is Gallagherized. Per State Statute, the levy is not subject to the Gallagher Amendment.*

(i) We recognize the mill levy established for the County's general fund fluctuates annually and will submit a revised Financial Plan that addresses the Ehlers and Spencer Fane comments.

(r) *How will the above assumption changes affect the Financing Plan?*

(i) We will submit a revised Financial Plan that addresses the Ehlers and Spencer Fane comments.

(s) *EPS notes the preliminary/development/absorption projections were an (sic) aggressive at 695 units per year on average, equal to 40% of the City of Aurora's average annual total construction rate from 2001 to 2015 and 74% of the City's annual development from 2009 to 2015. That being said, it appears these assumptions were scaled down to 652 per year on average. How will a slowdown in construction affect the Financing Plan?*

(i) AACMD will provide an updated absorption analysis as soon as it is available to support the absorption assumptions in the Financing Plan.

(t) *How will RTA administrative costs be paid? The Financial Plan does not appear to provide for these costs.*

(i) We will submit a revised Financing Plan to address the Ehlers and Spencer Fane comments.

**2. Responses to Questions/Comments contained in the Spencer Fane Memorandum. The comment or question will be set forth in italics and our responses to follow in regular typeface.**

(a) *If the RTA accepts the District's proposal, thereafter can the RTA issue notes or bonds to third parties on parity with the Notes issued to the District?*

(i) Under the Proposed Revisions, yes, the RTA can issue RTA Debt within the parameters set forth in the Proposed Revisions.

(b) *Will Notes issued to the District be transferable by the District and if so, what transfer restrictions would apply?*

(i) Under the Proposed Revisions, no, the RTA Promissory Note(s) would not be transferable. The payments made to AACMD under the RTA Promissory Note(s) would be pledged to pay the Bond Purchaser.

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(c) *Can call protection be eliminated for the District notes? Alternatively, can the protection extend for a short period of time such as three or five years?*

(i) Under the Proposed Revisions the call protection on an RTA Promissory Note is five (5) years.

(d) *Section 4(b)(i)(3) anticipates the District's Pre-Execution Costs will be added to the principal of the first Note. How much are those costs and what documentation is there of them?*

(i) AACMD has not yet engaged an independent Engineer to provide cost verification. The Pre-Execution Costs would need to be reviewed and verified as being Regional Improvement costs by the independent Engineer in order to be eligible to be included in the principal of the first RTA Promissory Note under the Proposed Revisions. The documentation to be reviewed by the independent Engineer would include documents customary to this type of review, i.e. invoices, proof of payment, description of work, etc.

(e) *Who will be the planner, right of way negotiator, designer, (persons who select public art, if any), engineer, environmental engineer, construction manager, and other professionals engaged by the District for the work? Public bidding will be required for the construction contractors; will guaranteed maximum price contracts be used? What resources does the District have to pay cost overruns? What bonding, insurance or letters of credit will the District offer to assure completion of each phase?*

(i) AACMD will provide the RTA will the names of the professionals and contractors engaged to provide the work. It is not currently anticipated that guaranteed maximum price contracts will be used as they often result in higher overall project construction costs and do not eliminate the request contractors have for change orders. AACMD will have the commitment of its Bond Purchaser to advance funds for cost overruns. AACMD will have the funds deposited in its bank account prior to award of any construction contracts and so no additional letters of credit will be provided. The contractors will have performance bonds and labor and materials bonds or alternative collateral to secure completion as required by State statutes. Neither the RTA nor AACMD is responsible for public art as a part of the provision of the Regional Improvements.

(f) *Will the RTA be able to review and approve the selection of important professionals (especially the construction manager and engineer) and construction contractors?*

(i) AACMD will be responsible for selection of consultants and construction contractors and will provide reports to the RTA Board on who is selected (note the design work for Phase I is already under contract pursuant to the Interim Funding IGA).

(g) *Will contractor warranties and performance and payment bonds be enforceable by AACMD and the RTA?*

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(i) By AACMD, yes, by the RTA, no. AACMD will be responsible for completion of the Regional Improvements to the various jurisdictions having oversight of each of the Phases of the Regional Improvements. The RTA is not going to own, operate or maintain any of the Regional Improvements.

(h) *What assurance can the District provide the RTA that the District has the expertise to undertake the work? What prior projects have been completed by the District?*

(i) AACMD Board of Directors and AACMD consultants have extensive experience in public finance, public project procurement and public project construction management as well as land development and are qualified to proceed with the design and construction of the Regional Improvements. Please advise as to what information on the expertise of each individual and company you would like provided.

(i) *Has D.A. Davidson provided (or will it provide) a 'reasonableness' opinion concerning interest rate and terms of each RTA Promissory Note prior to its issuance? If 9% is not reasonable at the time of issuance, how would that issue be handled?*

(i) The Proposed Revisions provide for the RTA to go to market to issue RTA Debt within the parameters described. If there is a market at less than 9 percent interest, then the RTA can proceed to issue RTA Debt, if there is no market, then the 9 percent interest rate has been confirmed. Remember, neither the City nor the County have agreed to provide a full faith and credit pledge to the repayment of any RTA obligations, including the RTA Promissory Note(s) or the RTA Debt, and the revenues from the City and the County are only available under an annual appropriation basis for payment on the RTA Promissory Note(s) or the RTA Debt.

(j) *The term sheet discussion anticipates multiple issuances of Notes but the Financing Plan anticipates a fill up note. In the end, it may not matter, but which is being proposed?*

(i) The Proposed Revisions clarify that an RTA Promissory Note is to be issued for each Phase of the Regional Improvements unless RTA Debt is to be issued within the parameters described.

(k) *Do the development projections in the Financial Plan agree with prior projections (by the City and County)?*

(i) AACMD does not have access to the City and County projections and so it is not certain how to respond to this question. AACMD did reduce its absorption assumptions based upon input from the City. AACMD will submit a revised Financing Plan to address the Ehlers and the Spencer Fane comments.

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(l) *Will the RTA have “step-in” rights to be able to take over a Phase if the District or its contractors fail to perform?*

(i) AACMD will have cash on deposit for completion of its Phase prior to awarding the construction contract for each Phase, will have performance and labor and material bonds posted by the construction contractors to assure completion of each Phase, and will be working within the regulations of the jurisdiction responsible for inspection, ownership, operations and maintenance of the Regional Improvements in the Phase. It is not proposed that RTA would have step in rights.

(m) *Does the broad definition of “Pledged Revenue” allow sufficient funds for the RTA to pay its operations and administrative expenses? Section 2.04 of the Establishment Agreement provides for the Pledged Revenues to be subject to carve out up to 1% for RTA administrative and maintenance expenses. The 1% should not be transferred to the District. Authority sales taxes were not included in Pledged Revenue but are to be used for debt payment under Section 5.01(b) of the Establishment Agreement. Can the RTA use the sales tax revenues for obligations outside of the proposed intergovernmental agreement?*

(i) We will submit a revised Financial Plan that includes a hold back by the RTA for payment of RTA administrative expenses. The Proposed Revisions clarify that the RTA cannot impose a sales tax or use the revenue from a sales tax without AACMD Bond Purchaser’s consent.

(n) *Under Section 5(a), can the RTA refuse to accept a Phase Funding Notice, issue its own bonds or notes to a third party, and proceed with the Phase without the District’s involvement?*

(i) The Proposed Revisions provide for issuance of RTA Debt within certain parameters.

(o) *Section 5(a) requires the RTA to issue a Note to the District upon receipt of a Phase Funding Notice, but the Establishment Agreement, Section 5.02, requires the unanimous approval of a plan of finance prior to issuing Bonds (including notes), so the District Agreement must include a step for this RTA review and unanimous approval.*

(i) Let’s discuss the alternative interpretations of the language in Section 5.02 to reach a consensus on how to proceed with the timing on the review of the Financial Plan and the timing on the issuance of RTA Promissory Notes versus RTA Debt.

(p) *Under Section 5(a)(i), if the Phase comes in under budget, who gets the remaining funds? Are they applied to the next Phase to lower the RTA’s costs?*

(i) It would be the preference of AACMD that any extra funds be used to begin work on the next Phase of Regional Improvements.

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(q) *Under Section 5(a)(vi), the requirement to deposit “all revenues” should be “all revenues less Treasurer’s Fees, other costs of collection, and up to 1% for operations and maintenance costs.” Are those reductions problems for the District? (The Financial Plan may take the cost of collection into account, because it shows a 98% collection rate).*

(i) These reductions are not a problem for AACMD. We will submit a revised Financial Plan addressing the Ehlers and the Spencer Fane comments.

(r) *Under Sections 5(a)(vii) and (ix), the requirement that the RTA “will work with” the County and City should be clarified that the RTA will use “reasonable commercial efforts” to seek the approval of the County and City. Will the District commit to adding its “reasonable commercial efforts” to the work?*

(i) The Proposed Revisions include the “reasonable commercial efforts” standard for the RTA and AACMD as described in the comment.

(s) *Under Section 9(a), does the District consider the development projections in the Financial Plan, or any other document, to be a representation or warranty of the RTA, and therefore, failure to achieve the projected level of development would constitute a default (the answer should be no, but the RTA should ask).*

(i) No.

(t) *A clear statement that the standards of construction for the improvements are to be determined by the County, the City, CDOT, or E-470, as applicable. (Are the standards set in regulations? Development Agreements?). Does the RTA have any design review and approval authority? Will there be a public art component and who selects the art?*

(i) The Proposed Revisions clarify the standards for construction are to be determined by the applicable jurisdiction. The standards that apply will be what is in that jurisdiction’s regulations or agreements, as they require. The RTA does not have any design review or approval as that would be duplicative of the responsible jurisdictions review. There is no public art component.

(u) *A provision for interest under 9% when the RTA’s buildout allows for more favorable financing terms. (Refunding 9% notes could be at a lower rate, but the initial 9% rate written to apply to all future Phases).*

(i) The Proposed Revisions allow for issuance of RTA Debt at a lower interest rate within the parameters described.

(v) *A provision for a Note terms of less than 40 years. In some cases, 40 years could be longer than the life of the improvements, which would prevent tax exempt bonding. This could be a more important issue for the District than the Authority.*

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 August 28, 2018  
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(i) A 40-year term for each RTA Promissory Note is what is required.

(w) *More complete terms on progress reporting by the District to the RTA Board. Are the quarterly reports provided in Section 4(b)(ii) enough? Section 4(b)(iii) calls for an engineer that is independent of property owners-the engineer should also be independent of the District.*

(i) Please be specific with regard to what additional reporting the RTA will require so we can evaluate the cost involved in providing the reporting. AACMD does want to provide complete information in a timely way. AACMD is also trying to manage costs by not duplicating effort. The independent Engineer retained by the District will be providing cost verification on all aspects of the work and will be the most familiar with all aspects of the work being provided on the Regional Improvements and the Adjacent Improvements. As the allocation for the costs of the work has been previously agreed upon, it does not seem that another engineer would need to be retained by the RTA to review the costs yet again. AACMD would agree on the form and timing on the presentation of the independent Engineer's cost verification with the RTA.

(x) *A statement that cost overruns for a Phase would be absorbed by the District along with some showing by the District that it could cover them.*

(i) The Proposed Revisions clarify that AACMD will pay for cost overruns, the RTA will reimburse AACMD for funds advanced by AACMD either by issuance of an RTA Promissory Note or from proceeds of an RTA Debt issued within the parameters provided, and AACMD's Bond Purchaser will advance the funds to AACMD to pay for the cost of overruns.

(y) *A termination provision. An outside end date for the discharge of any outstanding Notes.*

(i) AACMD cannot agree to a discharge provision as it will not have a Bond Purchaser if there is a discharge provision in the RTA Promissory Note(s). In addition, it is not reasonable to make an analogy between the RTA Promissory Notes and the limited special district debt issuances that have a discharge provision. In the circumstance of the RTA Promissory Notes there are layers of risk to the Bond Purchaser that are not a part of a special district financing, including, but not limited to, the annual appropriation risk of the revenues to be received from the County and the City for repayment of the RTA Promissory Notes.

(z) *A District event of default for failure to pay the bonds of the District in accordance with their terms. A statement that the RTA, County and the City will have no liability to pay any bonds of the District.*

(i) Please clarify which bonds of AACMD you are referring to in the comment above, so we can understand the ramifications of what is being proposed. We need to

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discuss the nuances of what is proposed in the second sentence as well. It is the case that the RTA, County and the City are not in relationship with the Bond Purchaser, but each of these entities has a responsibility under different documents to perform.

(aa) *A provision for the RTA to require the District to undertake a Phase at a particular time. Section 4 only has the District agreeing to provide the Improvements in the sequence shown in the Phasing Plan-but does not say when the Improvements would be provided. The RTA should have the ability to require the District to proceed with the next Phase or the ability to proceed without the District.*

(i) AACMD can agree to proceed with a Phase so long as the RTA is agreeing it will issue an RTA Promissory Note as required in the PFA, defined below.

(bb) *A provision for the District Board to report potential conflicts of interest, if any, to the RTA Board relating to the issuance of debt, consultant contracting, and construction contracting.*

(i) With regard to conflicts of interest disclosure, the obligation to disclose conflicts of interest is the obligation of each of the AACMD Board members and the RTA Board members. The state statutes in this regard will be complied with by the AACMD Board members and the RTA Board members.

(cc) *Does the District have any Landmark problems that may prevent it from issuing bonds to finance the obligations?*

(i) No.

(dd) *Does the TAM impact the ability of the District to issue tax exempt debt (or is the District planning to issue taxable debt)?*

(i) AACMD will be able to secure the opinion of its Bond counsel as to whether any issuance of Bonds by AACMD will be taxable or tax-exempt at the time of issuance of such Bonds.

(ee) *Does the District have the voted and service plan authority to obligate itself to potentially issue \$175,000,000 of bonds for regional street and transportation improvements and to construct them?*

(i) Yes.

(ff) *If the District needs to use eminent domain, what are the Service Plan constraints on that power (if any)?*

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(i) AACMD shall be constrained by the provisions of the State statutes, the State Constitution and the U.S. Constitution regarding its exercise of the power of eminent domain. The Service Plan does not contain any additional constraints.

3. **Revised Proposal:** The AACMD Proposal is for the RTA to enter into a Public Financing Agreement (“PFA”) with AACMD that sets up the contractual commitment of the RTA to pledge its revenues to repay the costs incurred by the AACMD in designing and constructing the regional public improvements identified in the phasing plan in the RTA IGA and for AACMD to use all commercially reasonable efforts to provide such regional public improvements (the “**Regional Improvements**”). As the District has the commitment of a Bond Purchaser to fund the costs of the Regional Improvements under certain terms and conditions it cannot agree to terms that are not compatible with the requirements of the Bond Purchaser. For clarification, AACMD can agree to the following:

(i) It is the intent of the AACMD and the RTA that funding be available to construct each Phase of the Regional Improvements in a timely way and to that end are entering into the PFA to assure that such funding will be available.

(ii) The contractual commitment of AACMD to design and construct the Regional Improvements will not be limited to \$175,000,000 and the commitment of the RTA is, Phase by Phase, to either issue promissory notes to AACMD or to issue bonds to a third party, the proceeds of which will be transmitted to AACMD in an amount sufficient to fund all of the costs incurred by AACMD in providing the Regional Improvements and the related transaction costs, pursuant to the terms of the PFA.

(1) The RTA and AACMD have determined, as evidenced by the Interim Funding IGA, that it is time to secure funding of Phase I of the Regional Improvements.

a) AACMD has a Bond Purchaser who has committed to fund all of the Regional Improvements with the estimated cost of \$175,000,000.

b) The Phase Funding Notice will be in an amount sufficient to fund the Phase I Regional Improvements, which includes the amount required to evidence the obligation to reimburse AACMD for the RTA reimbursement obligations under the Interim Funding IGA and the Pre-Execution Project Costs (when cost verified and as defined below).

c) RTA agrees to issue an RTA Promissory Note to fund the Phase I Regional Improvements in a principal amount equal to the Phase Funding Notice, plus the transaction costs incurred by RTA in issuance of the RTA Promissory Note within twenty (20) days of execution of the contract. Evidence of the deposit of the amount of funds required in the Phase Funding Notice (and the Verification of the Pre-Execution Project

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Costs for the first RTA Promissory Note) shall be provided at the closing on the issuance of an RTA Promissory Note.

- d) All RTA Promissory Notes issued under the contract shall contain the following terms and conditions:
- i) There shall be five (5) year call protection on RTA Promissory Notes.
  - ii) Amounts due under the RTA Promissory Notes shall accrue and compound annually at the rate of nine (9) percent.
  - iii) RTA Promissory Note(s) will not be transferable, but the revenue received by AACMD under an RTA Promissory Note will be pledged to AACMD issued bonds.
  - iv) The pledge of revenue to repay the RTA Promissory Note shall be the same as the pledge of revenue to repay RTA Debt and shall include all of the RTA revenues as set forth in the Unsolicited Proposal. The Sales Tax that could be imposed by the RTA under the RTA IGA shall be pledged to the repayment of the RTA Promissory Note(s) and the RTA Debt. RTA shall commit to exercise every reasonable commercial effort to secure the required actions of the City and the County as set forth in the Unsolicited Proposal related to the pledge of revenue.
  - v) The flow of funds for repayment of the RTA Promissory Note shall be the same as the flow of funds for repayment of RTA Debt.
  - vi) The repayment of any RTA Promissory Note shall be on a parity basis with the repayment of any RTA Debt.
  - vii) Parity for purposes of the pledge of revenues and the flow of funds for an RTA Promissory Note and for RTA Debt shall be defined as follows:
    - viii) The interest on any RTA Debt shall be, one hundred basis points or more, less than the interest on an RTA Promissory Note;
    - ix) The interest on any RTA Debt shall compound no more frequently than annually;
    - x) The RTA Debt call protection shall be no shorter than the RTA Promissory Note call protection and shall not require a prepayment premium (assuming the RTA Promissory Note contains no prepayment premium);

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xi) The RTA Debt cannot contain any covenants or restrictions that are not contained in the RTA Promissory Note(s) and cannot in any way limit the issuance of future RTA Promissory Note(s);

xii) The RTA Debt cannot contain any provisions for default or penalty interest;

xiii) The RTA Debt cannot contain any provision for acceleration;

xiv) The RTA Debt must have the same payment dates as the RTA Promissory Note(s) and provide for the determination as to how the available Pledged Revenue is distributed for payment on the RTA Promissory Note(s) versus the RTA Debt (see below).

xv) The payment to be made on the RTA Promissory Note(s) and the RTA Debt shall be calculated as follows: the total amount of the outstanding principal and accrued interest on the RTA Debt shall for purposes of this illustration equal "X"; the total amount of outstanding principal and accrued and unpaid interest on the RTA Promissory Notes (issued after the date of issuance of the RTA Debt, as any RTA Promissory Notes issued prior to the date of the issuance of the RTA Debt is required to be refunded from the proceeds of RTA Debt at the time of issuance of RTA Debt), for purposes of this illustration will equal "Y", and the total amount of pledged revenue available for payment for purposes of this illustration will equal "M".

xvi) X plus Y for purposes of this illustration shall equal "Z".

xvii) X shall be divided by Z and the resulting number shall be "A."

xviii) Y shall be divided by Z and the resulting number shall be "B" (and A plus B shall always equal 100).

xix) M shall be multiplied by A and the resulting amount shall be the payment on the RTA Debt.

xx) M shall be multiplied by B and the resulting amount shall be the payment on the RTA Promissory Note.

(2) At the time of initiation of a subsequent Phase of the Regional Improvements AACMD shall provide written notice to the RTA of the need to fund, as more particularly described in the Unsolicited Proposal ("**Phase Funding Notice**").

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a) The RTA shall have thirty (30) days to respond to AACMD as to whether it would like to proceed to secure proposals for issuance of RTA Debt to provide the funds required to fulfill the Phase Funding Notice.

i) All RTA Debt shall contain the same terms and conditions as an RTA Promissory Note except: a) the RTA Debt may provide for longer call protection; and b) the rate of interest to accrue on the outstanding principal amount of the principal amount of the RTA shall be one hundred basis points or more less than the interest on an RTA Promissory Note.

b) If the RTA determines to proceed to secure proposals for issuance of RTA Debt it shall have thirty (30) days from the delivery of written notice to AACMD of its intent to proceed (“**RTA Intent Notice**” and “**RTA Intent Notice Delivery Deadline**”).

c) The RTA shall have thirty (30) days from the delivery of the RTA Intent Notice to secure a Letter of Intent from an underwriter or lender to fund the Funding Request and the refinancing of all RTA Promissory Notes outstanding at that time (“**Funding Commitment**” and “**Funding Commitment Deadline**” respectively) and ninety (90) days from the delivery of the RTA Intent Notice to close and deliver the proceeds to fund the Funding Request (“**Funding Delivery**” and “**Funding Delivery Deadline**”).

d) If the RTA does not deliver the RTA Intent Notice by the Delivery Deadline, the RTA shall proceed to issue an RTA Promissory Note to AACMD as provided in the contract.

e) If the RTA does not deliver the Funding Commitment by the Funding Commitment Deadline, the RTA shall proceed to issue an RTA Promissory Note to AACMD as provided in the contract.

f) If the RTA does not deliver the Funding Delivery by the Funding Delivery Deadline, the RTA shall proceed to issue an RTA Promissory Note to AACMD as provided in the contract.

(iii) The RTA can refund an RTA Promissory Note at any time so long as the RTA Debt issued to refund is issued within the limitations for the issuance of RTA Debt described above and so long as all RTA Promissory Notes outstanding at the time of issuance of the refunding Bonds are refunded.

(iv) D.A. Davidson will not be required to sign off on the interest rate on an RTA Promissory Note when issued as the first RTA Promissory Note is being issued after evaluation by the RTA’s independent financial advisor and future RTA Promissory Note(s) will be issued after the Phase Funding Notice process is exhausted.

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(v) The RTA is not obligated to pay on any bonds issued by AACMD.

(vi) With regard to public bidding and procurement AACMD shall be responsible for the engagement of all professionals reasonably required to provide the Regional Improvements and perform its obligations as set forth in the PFA, including, but not limited to, engineers, project managers, accountants and attorneys. AACMD shall also be responsible for the public bidding, in accordance with State statutes, of all of the construction contracts required to deliver the Regional Improvements, all as set forth in more detail previously in the Unsolicited Proposal.

(1) The Regional Improvements shall be designed in accordance with the requirements of the applicable jurisdictions for the particular Regional Improvement. The PFA shall not require additional construction standards, design review or approval by the RTA.

(2) There is no public art component to the Regional Improvements.

(3) An independent Engineer, retained by the District, will verify all of the costs as set forth in the Unsolicited Proposal, including the Pre-Execution Project Costs.

(4) The RTA shall receive written reports on the project as set forth in the Unsolicited Proposal, but the RTA shall not be involved in the day to day management of the provision of the Regional Improvements.

(5) If a Phase comes in under budget, AACMD shall reserve the funds for the next Phase of Regional Improvements to be funded.

**(b) Advantages of Revised Proposal**

(i) The RTA Promissory Note(s) are issued at nine (9) percent interest, regardless as to tax exempt status of AACMD Bonds.

(ii) The RTA Promissory Notes shall have a five (5) year call protection.

(iii) The RTA can consider soliciting proposals for future financings, so long as outstanding RTA Promissory Note(s) are refunded and so long as the RTA Debt and future RTA Debt and future RTA Promissory Notes are all paid from the same revenue pledges and on a parity basis, so all are paid/diluted in the same manner.

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(iv) The issuance costs of the RTA Promissory Note(s) are limited to the RTA issuance costs and are intended to be included in the principal amount of the RTA Promissory Notes.

(v) Funding for each Phase of the Regional Improvements in the amounts set forth in a Phase Funding Notice shall be deposited in AACMD's bank account and evidence of the deposit provided at the time of issuance of an RTA Promissory Note. No additional security or collateral should be required for the completion of that Phase of the Regional Improvements as such a requirement will only increase the amount of the RTA Promissory Note beyond what is needed to fund that Phase.

**(c) Supplemental Information**

(i) We will provide an updated financing plan to address questions raised regarding Gallagher adjustments, TABOR adjustments, increased construction costs, Treasurer's Fees and will include a hold back of revenues for the administrative costs of the RTA.

(ii) AACMD Board of Directors and AACMD consultants have extensive experience in public finance, public project procurement and public project construction management as well as land development and are qualified to proceed with the design and construction of the Regional Improvements. Please advise as to what information on the expertise of each individual and company you would like provided.

(iii) With regard to conflicts of interest disclosure, the obligation to disclose conflicts of interest is the obligation of each of the AACMD Board members and the RTA Board members. The state statutes in this regard will be complied with by the AACMD Board members and the RTA Board members.

(iv) AACMD is not aware of any Landmark problems at this time.

(v) It is AACMD's position it has the electoral authority to enter into the PFA.

(vi) AACMD does not have any constraints in its Service Plan regarding the exercise of its power of eminent domain.

**4. What AACMD Cannot Agree to Do.**

(i) AACMD has a committed Bond Purchaser but cannot compel that Bond Purchaser to buy RTA Debt.

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(ii) AACMD cannot agree to support the E-470 committed funds to be pledged to a debt issued by RTA that is not issued as RTA Debt described above for the following reasons:

(1) The E-470 committed funds only reimburse the construction costs and E-470 will not begin advancing funds for three years and will pay the costs over a 10-year period.

(2) Other revenues of RTA would need to be pledged to pay the issuance costs of such debt and would also be required to pay the interest on that debt diluting the funds available to pay the RTA Promissory Note(s) or any other RTA Debt.

(iii) AACMD cannot agree to discharge amounts owing under RTA Promissory Note(s) on a specific date.

(1) RTA is not a special district and is not relying on its own mill levy pledge and system development fees to pay the RTA Promissory Note(s). All of the revenues for payment of the RTA Promissory Note(s), other than the 5 mills, is within the annual appropriation promise and discretion of the City and County to appropriate.

(2) The Regional Improvements are not typical special district improvements and will benefit the region for the repayment period on the RTA Promissory Note(s), even if the buildout of the property within the RTA boundary builds out over a longer period of time than projected.

(iv) AACMD cannot agree to renegotiate the phasing of Regional Improvements agreed to in the RTA.

(1) The RTA's phasing plan relates to the regional vision of connecting transportation corridors and job growth of each of the RTA members as negotiated over a 2-year period and does not tie directly to the housing development construction schedule.

(v) AACMD cannot agree to renegotiate the percentages agreed to as to what percentage of the costs would be the RTA's responsibility and what would be AACMD.

(1) The allocation of costs for what would be the amount paid as Regional Improvements and what would be the allocation for Adjacent Improvements was negotiated over a 2-year period and the members of RTA agreed to the current allocation.

(vi) AACMD shall not be obligated to use guaranteed maximum price construction contracts as this approach tends to increase the overall construction costs due to the risks being assumed by the bidder for potential loss.

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(vii) AACMD cannot provide step in rights to complete a design or construction project due to the complexity of what is being designed and constructed and due to the multiple jurisdictions involved in the various projects. The requirements of the applicable jurisdictions will be complied with regard to the design and construction of each project.

(viii) AACMD shall provide certification of the District's Engineer as to the Verified Costs incurred in the provision of the Regional Improvements. For the RTA to engage another engineer to verify the same improvements would be a redundant cost. The RTA and AACMD can agree on a format and timing on the delivery of the reports.

## Suazo, Kathy

---

**From:** Blodgett, Bob  
**Sent:** Tuesday, August 28, 2018 5:58 PM  
**To:** MaryAnn M. McGeady; Elisabeth A. Cortese  
**Cc:** Kron, Norman F. Rick; George, Tom; Jones, Anna; Suazo, Kathy; JHarrington; JMann; MBuck; rick@mwpcaa.com; EWeaver  
**Subject:** RE: [External] AACMD Working Group Response to the RTA Working Group on Ehlers and Spencer Fane comments on the Unsolicited Proposal

Thanks again Mary Ann for getting your responses and revised proposal to us before the August 29 meeting, much appreciated –

Our group (Rick K, James M, Melissa B, Rick G, Eric W, Anna J and me) discussed this afternoon in a conference call, some key points (certainly not all inclusive) to discuss tomorrow:

- 1) The phasing plan – what happens if a recession and growth slows or stops – does the phasing plan continue as is without interruption regardless of the cash flow from ARTA to pay on the notes?
- 2) Bond purchaser guarantee of funding capability for the \$175 million plus additional costs in the future
- 3) Assurances that the district has set aside their \$275 million to complete the adjacent improvements that accompany the 175 million RTA investment
- 4) Related transaction costs – only RTA's?
- 5) Additional RTA expenditures beyond the 175 million? Expansion area?
- 6) Refunding all outstanding promissory notes – principal and accrued interest - whenever RTA exercises a call provision
- 7) No discharge provision – RTA repays in perpetuity until its annual pledged revenue pays off the notes and interest?
- 8) The E470 interchange project financing – separate from the 175 million or not?
- 9) Timing for a revised financing plan

Some of this you may have covered clearly in your memo that we didn't catch, we listed to be sure we covered tomorrow.

We look forward to meeting together as partners to try and figure this out and see if we can reach consensus for the september 5 RTA board meeting.

Thanks,

bob



**Bob Blodgett, Principal**

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8390 E Crescent Parkway, Suite 500, Greenwood Village, CO 80111

[CLAconnect.com](http://CLAconnect.com)

**From:** [Blodgett, Bob](#)  
**To:** [Todd Johnson](#)  
**Cc:** [Suazo, Kathy](#); [Jones, Anna](#)  
**Subject:** Re: [External] ARTA Potential Phasing Breakdown Exhibit  
**Date:** Thursday, August 30, 2018 8:26:38 AM

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Thanks Todd, very helpful!  
Please add Kathy Suazo to future distributions,  
Best,  
Bob

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**From:** Todd Johnson <todd@terraformas.com>  
**Sent:** Thursday, August 30, 2018 5:48 AM  
**To:** Jones, Anna; Blodgett, Bob; BOstler; EWeaver; HMiller; JBatchel; JHarrington; JMann; MBuck; Tina Caraballo; Ray Gonzales; RGonzales; RKron; TGeorge; SMcgrath; Brotzman, Daniel; AReis  
**Cc:** 'Rita Connerly - Fairfield and Woods (rconnerly@fwlaw.com)'; MMcgeady; Elisabeth A. Cortese  
**Subject:** [External] ARTA Potential Phasing Breakdown Exhibit

See attached for reference, showing articulation of the phasing plan into an exhibit showing potential breakdown.

We will work on the additional information requested yesterday and forward as soon as we have it.

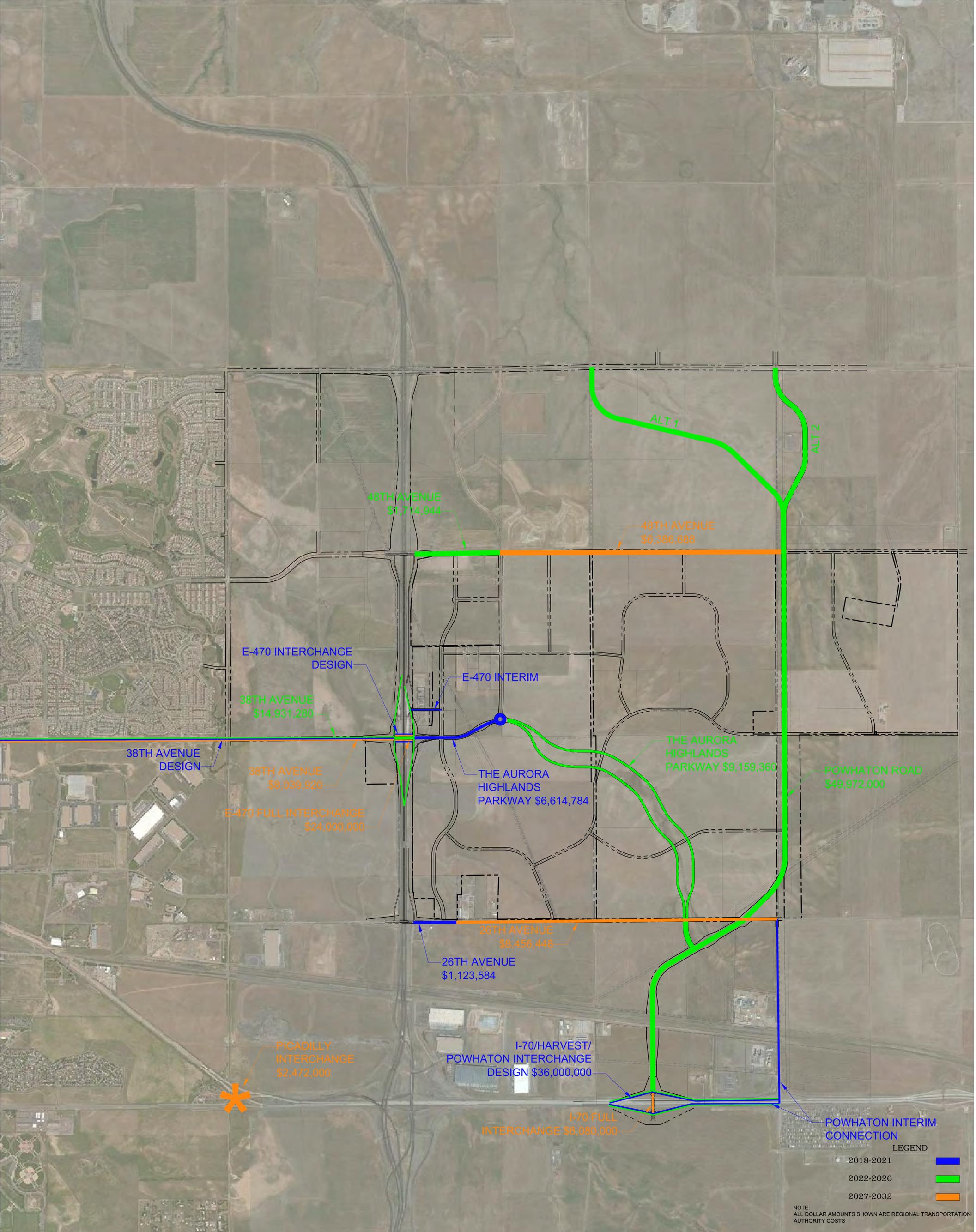
Thanks

**Todd A. Johnson, P.E.**  
President, Cell: 303-257-7653



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E-470 INTERCHANGE DESIGN

E-470 INTERIM

38TH AVENUE \$14,931,280

38TH AVENUE DESIGN

38TH AVENUE \$8,639,920

E-470 FULL INTERCHANGE \$24,000,000

THE AURORA HIGHLANDS PARKWAY \$6,614,784

THE AURORA HIGHLANDS PARKWAY \$9,159,360

POWHATON ROAD \$49,972,000

28TH AVENUE \$8,458,448

26TH AVENUE \$1,123,584

PICADILLY INTERCHANGE \$2,472,000

I-70/HARVEST/POWHATON INTERCHANGE DESIGN \$36,000,000

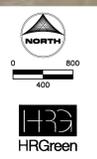
I-70 FULL INTERCHANGE \$6,080,000

POWHATON INTERIM CONNECTION

LEGEND

2018-2021	Blue
2022-2026	Green
2027-2032	Orange

NOTE: ALL DOLLAR AMOUNTS SHOWN ARE REGIONAL TRANSPORTATION AUTHORITY COSTS



**AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY**  
**Statement of Revenues, Expenditures, & Changes In Fund Balance**  
**Modified Accrual Basis For the Period Indicated**

<b>GENERAL FUND</b>	<b>2018 Adopted Budget</b>	<b>Budget Notes/Assumptions</b>
<b>REVENUE</b>		
Contribution - Adams County	350,000	
Contribution - City of Aurora	350,000	
Contribution - District	350,000	
Interest income	6,000	Interest earned on fund balance.
Other income	-	
<b>TOTAL REVENUE</b>	<b>1,056,000</b>	
<b>EXPENDITURES</b>		
<b>Administration</b>		
Accounting	50,000	Marchetti & Weaver estimate
Legal	100,000	Spencer Fane estimate
Management	50,000	CLA estimate
Financial advisor	65,000	Ehlers estimate
BoardPaq fees	3,000	50 users
Board of Directors Meeting Expenses	1,500	
Insurance, bonds & SDA dues	3,000	D&O Liability; SDA dues.
Bank Fees	100	
Website	1,000	
Miscellaneous	500	Check stock etc.
Contingency	100,000	Provision for unforeseen expenditures
<b>TOTAL EXPENDITURES</b>	<b>374,100</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>681,900</b>	
<b>OTHER SOURCES / (USES)</b>		
Transfer In- 1% of Debt Service Fund Revenues	-	None in 2018
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>681,900</b>	
<b>BEGINNING FUND BALANCE</b>	<b>-</b>	
<b>ENDING FUND BALANCE</b>	<b>681,900</b>	
<b>COMPONENTS OF FUND BALANCE</b>		
TABOR emergency reserve	31,700	
Non-Spendable	-	
Unassigned	650,200	
<b>TOTAL ENDING FUND BALANCE</b>	<b>681,900</b>	

**AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY**  
**Statement of Revenues, Expenditures, & Changes In Fund Balance**  
**Modified Accrual Basis For the Period Indicated**

<b>CAPITAL FUND</b>	<b>2018 Adopted Budget</b>	<b>Budget Notes/Assumptions</b>
<b>REVENUE</b>		
Interest income	-	
<b>TOTAL REVENUE</b>	-	
<b>EXPENDITURES</b>		
<b>Capital Outlay (Per Phasing Plan)</b>		
A- 48th Ave- E470 to Gun Club	-	
B- 48th Ave- Gun Club to Harvest	-	
C- 48th Ave- Harvest to Powhatan	-	
D- 38th Ave- Himalaya to E470 North Lanes	-	Planning for 2018 & 2019 Phasing Plan Projects
E- 38th Ave- Himalaya to E470 South Lanes	-	
F- TAH Parkway- E470 to Main Street	27,800	Planning for 2018 & 2019 Phasing Plan Projects
G- TAH Parkway- Main Street to Aura Blvd	22,200	Planning for 2018 & 2019 Phasing Plan Projects
H- TAH Parkway- Aura Blvd to Powhatan	-	
I- 26th Ave- E470 to Main Street	50,000	Planning for 2018 & 2019 Phasing Plan Projects
J- 26th Ave- Main Street to Harvest	-	
K- 26th Ave- Harvest to Powhatan	-	
L- Powhatan- I-70 to 26th	-	
M- Powhatan- 26th to 48th	-	
N- Powhatan- 48th to 56th	-	
O- E470/38th Interchange	400,000	Planning for 2018 & 2019 Phasing Plan Projects
P- HM/PR/I-70 Interchange	100,000	Planning for 2018 & 2019 Phasing Plan Projects
Q- Powhatan/I-70 Interchange	150,000	Planning for 2018 & 2019 Phasing Plan Projects
R- Picadilly Interchange	-	
Debt issuance expense	-	
Miscellaneous	-	
<b>TOTAL EXPENDITURES</b>	<b>750,000</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>(750,000)</b>	
<b>OTHER SOURCES / (USES)</b>		
Transfers in/(out)	-	
Note/IGA Loan Proceeds	750,000	Equal to Expenditures
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>750,000</b>	
<b>CHANGE IN FUND BALANCE</b>	-	
<b>BEGINNING FUND BALANCE</b>	-	
<b>ENDING FUND BALANCE</b>	-	

**AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY**  
**Statement of Revenues, Expenditures, & Changes In Fund Balance**  
**Modified Accrual Basis For the Period Indicated**

<b>DEBT SERVICE FUND</b>	<b>2018 Adopted Budget</b>	<b>Budget Notes/Assumptions</b>
<b>REVENUE</b>		
Property taxes	-	No levy until 2019 budget
Specific ownership taxes	-	No levy until 2019 budget
City of Aurora Use Tax (100%)	-	None in 2018
City of Aurora Residential Impact Fees (100%)	-	None in 2018
Adams County General Fund Ppty Tax (50%)	-	None in 2018
Adams County Road & Bridge Fund Ppty Tax (100%)	-	None in 2018
Interest income	-	No funds to invest
<b>TOTAL REVENUE</b>	<b>-</b>	
<b>EXPENDITURES</b>		
Treasurer's fees	-	No levy until 2019 budget
Unsolicited Proposal interest	-	No funds available
Unsolicited Proposal principal	-	No funds available
Paying agent / trustee fees	-	N/A until bonds are issued
Debt issuance expense	-	N/A until bonds are issued
Miscellaneous	-	None in 2018
<b>TOTAL EXPENDITURES</b>	<b>-</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>-</b>	
<b>OTHER SOURCES / (USES)</b>		
Transfer Out- 1% of revenues to General Fund	-	None in 2018
Bond proceeds	-	Bonds to be issued in later years
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>-</b>	
<b>BEGINNING FUND BALANCE</b>	<b>-</b>	
<b>ENDING FUND BALANCE</b>	<b>-</b>	



## PROPOSAL SUMMARY

**Date:** 28-Aug-18

**Entity:** Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Broker:** T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

Proposal #:	Entity ID:	Effective Date:	Expiration Date:	Proposal Date:
31C61647-5356	61647	01-Jan-18	01-Jan-19	28-Aug-18

Coverage:	Contribution:
General Liability	\$809.46
Public Officials Liability	\$1,163.00
Auto Liability	\$0.00
Non-Owned / Hired Auto Liability	\$132.00
Auto Physical Damage	\$0.00
Hired Auto Physical Damage	\$65.00
Excess Liability	\$0.00
Property	\$0.00
Earthquake	\$0.00
Flood	\$0.00
Equipment Breakdown / Boiler and Machinery	\$0.00
Comprehensive Crime and ID Recovery Extension	\$133.31
Ancillary Lines and/or Reinstatement Charge	\$0.00
<b>Total Estimated Contribution</b>	<b>\$2,302.77</b>

*The following discounts are applied or available (Not applicable to minimum contributions):*

*- An 8% credit will be applied if Workers' Compensation is also placed with the CSD Pool.*

Colorado Special Districts Property and Liability Pool  
PO Box 1539  
Portland, OR 97207-1539  
Toll Free: 800-318-8870 / Fax: 503-943-6622

## This Proposal Does Not Bind Coverage

**Proposal Number:** 31C61647-5356

**Coverage Period:** 1/1/2018 to 1/1/2019

**Named Member:**

Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

**This Proposal is provided only for those coverages indicated below for which a contribution is shown.**

Coverage	Per Occurrence	Annual Aggregate	Deductible	Contribution
<b>Public Entity Liability Coverage incl:</b>	\$2,000,000	None		
General Liability	Included	None	None	\$809.46
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Admin. Liability	Included	None	None	Included
Public Officials Liability	Included	None	\$1,000	\$1,163.00
Employment Practices Liability	Included	None	* \$100,000	Included
Pre Loss Legal Assistance	\$2,000	\$4,000	None	Included
No-Fault Water & Sewer Backup	\$5,000 Per Premises, \$150,000 Per Occurrence	***\$500,000	\$500	Included
Cyber Liability	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liab - Coverage agreements A,B,C,D	No Coverage	No Coverage	N/A	No Coverage
Auto Liability	No Coverage	No Coverage	N/A	No Coverage
Medical Payments - Auto	No Coverage	No Coverage	N/A	No Coverage
Non-Owned/Hired Auto Liability	Included	None	None	\$132.00
Uninsured/Underinsured Motorist	No Coverage	No Coverage	N/A	No Coverage
<b>Auto Physical Damage</b>	No Coverage	No Coverage	N/A	No Coverage
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$65.00
Auto Physical Damage - Employee Deductible Reimbursement	\$2,500	N/A	None	Included
Total Contribution				\$2,169.46

\*Employment Practices Liability Deductible: 50% of loss including Indemnity and Legal Expenses subject to a maximum deductible of \$100,000 each occurrence.

\*\*Cyber Liability and Fiduciary Liability each have a \$1,000,000 All Member Annual Aggregate Limit.

\*\*\*No-Fault Water & Sewer Backup has \$500,000 All Member Annual Aggregate Limit

**Additional Endorsements applicable to Member:**

**BINDING SUBJECTIVITY:** Coverage is effective upon receipt of payment, which is considered "acceptance" of coverage. Please reference the proposal number on the check so that we may properly apply payment.

## Comprehensive Crime Proposal

Insured by the Fidelity and Deposit Insurance Co. of Maryland  
Master Policy Number: CCP0037259

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### This Proposal Does Not Bind Coverage

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**Proposal Number:** 31C61647-5356

**Coverage Period:** 1/1/2018 Until Cancelled

**Named Member:**

Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Billing Period:** 1/1/2018 to 1/1/2019

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

**Covered ERISA Plan:**

**Covered Designated Agent(s):**

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**Coverage, Limits of Insurance and Deductibles**

**Limits**

**Public Employee Dishonesty Coverage:**

\$5,000

- Limit is Per Loss
- Faithful Performance of Duty
- Officers, Directors, and Trustees
- Welfare and Pension Plan ERISA Compliance  
if Covered Plan is shown on application
- Volunteer Workers as Employees

**Forgery or Alteration Coverage:**

\$5,000

**Theft, Disappearance, and Destruction Coverage:**

Inside Premises

\$5,000

Outside Premises

\$5,000

**Computer and Funds Transfer Fraud Coverage:**

\$5,000

**Debit, Credit or Charge Card Forgery Coverage:**

\$5,000

**Money Orders and Counterfeit Paper Currency Coverage:**

\$5,000

**Fraudulent Impersonation Coverage:**

\$5,000

**Crime Deductible:**

\$100

**Fraudulent Impersonation Deductible:** 20% of Fraudulent Impersonation Limit

**Contribution:**

\$133.31

**Policy Forms:**

CR 00260506 Government Crime Policy  
CR 25070300 Include Specified Directors or Trustees on Committee as Employees  
CR 25080300 Include Specified Non-Compensated Officers as Employees  
CR 25090300 Include Volunteer Workers as Employees  
CR 25190506 Add Faithful Performance of Duty  
CR 25120300 Include Treasurers or Tax Collectors as Employees  
CR 02151104 Colorado Changes  
CR 25200300 Debit, Credit or Charge Card Forgery  
CR 25020506 Include Designated Agents as Employees, when listed  
CR 04171115 Fraudulent Impersonation

<p><b>BINDING SUBJECTIVITY:</b> Coverage is effective upon receipt of payment, which is considered "acceptance" of coverage. Please reference the proposal number on the check so that we may properly apply payment.</p>
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## Identity Theft Recovery Proposal

### This Proposal Does Not Bind Coverage

**Proposal Number:** 31C61647-5356

Master Policy Number: 2014 CP IDR Form 2008-034-05

**Named Member:**

Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Coverage Period:** 1/1/2018 Until Cancelled

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

<b>Member:</b>	All permanent employees and District Board members participating in the Colorado Special Districts Property and Liability Pool; Special District Association of Colorado staff and Board of Directors.
<b>Coverage:</b>	Reimbursement Coverage for Expenses arising from a defined "Identity Theft" event. Including: legal fees for answer of civil judgements and defense of criminal charges; phone, postage, shipping fees; notary and filing fees; credit bureau reports; lost wages; child/elder care and mental health counseling.  This coverage does not reimburse the member for monies stolen or fraudulently charged to the member, and excludes loss arising from the members fraudulent, dishonest or criminal act.

<b>Limits:</b>	\$25,000 Case Management Service Expenses Legal Costs	Annual Aggregate Limit Per Member Does not reduce the limit available Reduces the limit available
<b>Sub Limits:</b>	\$5,000 Total \$1,000 Total \$1,000 Total	Lost Wages and Child/Elder Care Mental Health Counseling Miscellaneous Expenses
<b>Coverage Trigger:</b>	Coverage is provided on a discovery basis with a 60-day reporting requirement	
<b>Claims:</b>	For Recovery Assistance and Counseling, please call 1-800-945-4617	
<b>Insurance Carrier:</b>	The Hartford Steam Boiler Inspection and Insurance Company	

**BINDING SUBJECTIVITY:** Coverage is effective upon receipt of payment, which is considered "acceptance" of coverage. Please reference the proposal number on the check so that we may properly apply payment.



## Excess Liability Options Proposal For 2018

### This Proposal Does Not Bind Coverage

This report demonstrates what it would cost your district to increase coverage from your current limit of liability to higher coverage limit(s). For questions please call 800-318-8870.

**Named Member:** Aerotropolis Regional Transportation Authority

**Certificate Number:** 31C61647-535

<u>Excess Limit</u>	<u>Annual Excess Contribution</u>	<u>Change in Contribution</u>
\$1,000,000.00	\$330.00	\$330.00
\$2,000,000.00	\$570.00	\$570.00
\$3,000,000.00	\$810.00	\$810.00
\$4,000,000.00	\$1,020.00	\$1,020.00
\$5,000,000.00	\$1,250.00	\$1,250.00
\$6,000,000.00	\$1,500.00	\$1,500.00
\$7,000,000.00	\$1,750.00	\$1,750.00
\$8,000,000.00	\$2,000.00	\$2,000.00

**Note: This is not your Coverage Document. It was created solely for informational purposes.**

**Colorado Special Districts Property and Liability Pool****Proposal**

General Liability Schedule

Policy Year: 1/1/2018 to 1/1/2019

31C61647-5356

**Fill in the amount for any item that applies to your district.  
This information is required for rating purposes.**

**\* Total Operating Expense does not include debt services or capital expenditures**

**Aerotropolis Regional Transportation Authority**

Per Occurrence Deductible: \$0.00

Agent: T. Charles Wilson Insurance Service

Code	Description	Unit	Amount	Effective	Expiration
				Date	Date
	Additional First Named Members	Total	0	1/1/2018	1/1/2019
	Number of Non-EMT Volunteers	Total	0	1/1/2018	1/1/2019
	Number of district sponsored Events/Fundraisers - No Alcohol Served	Total	0	1/1/2018	1/1/2019
	Number of Board Members	Total	5	1/1/2018	1/1/2019
	Prior Acts Coverage Under a Previous "Claims Made" Policy	Premium	0	1/1/2018	1/1/2019
	Vacant Land	Acres	0	1/1/2018	1/1/2019
	Number of Permanent Employees - Part-Time	Total	0	1/1/2018	1/1/2019
	Number of Permanent Employees - Full-Time	Total	0	1/1/2018	1/1/2019
	Number of District sponsored Events/Fundraisers – With Alcohol Served	Total	0	1/1/2018	1/1/2019
	Maximum Bond Issued	Dollars	0	1/1/2018	1/1/2019
	Services Contracted out to Others	Dollars	172,400	1/1/2018	1/1/2019
	Number of Aboveground Storage Tanks (excluding water tanks)	Total	0	1/1/2018	1/1/2019
	Total Payroll	Dollars	0	1/1/2018	1/1/2019
	Number of Bonds Issued	Total	0	1/1/2018	1/1/2019
	Total Operating Expenses - Any other	Dollars	0	1/1/2018	1/1/2019
	Total Operating Expenses - Transit	Dollars	200,200	1/1/2018	1/1/2019
	Buildings & Premises Occupied by District	Sq. Ft.	0	1/1/2018	1/1/2019



## PROPOSAL SUMMARY

**Date:** 28-Aug-18

**Entity:** Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Broker:** T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

Proposal #:	Entity ID:	Effective Date:	Expiration Date:	Proposal Date:
31C61647-5356	61647	05-Sep-18	01-Jan-19	28-Aug-18

Coverage:	Contribution:
General Liability	\$261.69
Public Officials Liability	\$375.98
Auto Liability	\$0.00
Non-Owned / Hired Auto Liability	\$42.67
Auto Physical Damage	\$0.00
Hired Auto Physical Damage	\$21.01
Excess Liability	\$0.00
Property	\$0.00
Earthquake	\$0.00
Flood	\$0.00
Equipment Breakdown / Boiler and Machinery	\$0.00
Comprehensive Crime and ID Recovery Extension	\$43.10
Ancillary Lines and/or Reinstatement Charge	\$0.00
<b>Total Estimated Contribution</b>	<b>\$744.45</b>

*The following discounts are applied or available (Not applicable to minimum contributions):*

*- An 8% credit will be applied if Workers' Compensation is also placed with the CSD Pool.*

Colorado Special Districts Property and Liability Pool  
PO Box 1539  
Portland, OR 97207-1539  
Toll Free: 800-318-8870 / Fax: 503-943-6622

## This Proposal Does Not Bind Coverage

**Proposal Number:** 31C61647-5356

**Coverage Period:** 9/5/2018 to 1/1/2019

**Named Member:**

Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

**This Proposal is provided only for those coverages indicated below for which a contribution is shown.**

Coverage	Per Occurrence	Annual Aggregate	Deductible	Contribution
<b>Public Entity Liability Coverage incl:</b>	\$2,000,000	None		
General Liability	Included	None	None	\$261.69
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Admin. Liability	Included	None	None	Included
Public Officials Liability	Included	None	\$1,000	\$375.98
Employment Practices Liability	Included	None	* \$100,000	Included
Pre Loss Legal Assistance	\$2,000	\$4,000	None	Included
No-Fault Water & Sewer Backup	\$5,000 Per Premises, \$150,000 Per Occurrence	***\$500,000	\$500	Included
Cyber Liability	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liab - Coverage agreements A,B,C,D	No Coverage	No Coverage	N/A	No Coverage
Auto Liability	No Coverage	No Coverage	N/A	No Coverage
Medical Payments - Auto	No Coverage	No Coverage	N/A	No Coverage
Non-Owned/Hired Auto Liability	Included	None	None	\$42.67
Uninsured/Underinsured Motorist	No Coverage	No Coverage	N/A	No Coverage
<b>Auto Physical Damage</b>	No Coverage	No Coverage	N/A	No Coverage
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$21.01
Auto Physical Damage - Employee Deductible Reimbursement	\$2,500	N/A	None	Included
<b>Total Contribution</b>				<b>\$701.35</b>

\*Employment Practices Liability Deductible: 50% of loss including Indemnity and Legal Expenses subject to a maximum deductible of \$100,000 each occurrence.

\*\*Cyber Liability and Fiduciary Liability each have a \$1,000,000 All Member Annual Aggregate Limit.

\*\*\*No-Fault Water & Sewer Backup has \$500,000 All Member Annual Aggregate Limit

**Additional Endorsements applicable to Member:**

**BINDING SUBJECTIVITY:** Coverage is effective upon receipt of payment, which is considered "acceptance" of coverage. Please reference the proposal number on the check so that we may properly apply payment.

## Comprehensive Crime Proposal

Insured by the Fidelity and Deposit Insurance Co. of Maryland  
Master Policy Number: CCP0037259

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### This Proposal Does Not Bind Coverage

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**Proposal Number:** 31C61647-5356

**Coverage Period:** 9/5/2018 Until Cancelled

**Named Member:**

Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Billing Period:** 9/5/2018 to 1/1/2019

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

**Covered ERISA Plan:**

**Covered Designated Agent(s):**

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**Coverage, Limits of Insurance and Deductibles**

**Limits**

**Public Employee Dishonesty Coverage:**

\$5,000

- Limit is Per Loss
- Faithful Performance of Duty
- Officers, Directors, and Trustees
- Welfare and Pension Plan ERISA Compliance  
if Covered Plan is shown on application
- Volunteer Workers as Employees

**Forgery or Alteration Coverage:**

\$5,000

**Theft, Disappearance, and Destruction Coverage:**

Inside Premises

\$5,000

Outside Premises

\$5,000

**Computer and Funds Transfer Fraud Coverage:**

\$5,000

**Debit, Credit or Charge Card Forgery Coverage:**

\$5,000

**Money Orders and Counterfeit Paper Currency Coverage:**

\$5,000

**Fraudulent Impersonation Coverage:**

\$5,000

**Crime Deductible:**

\$100

**Fraudulent Impersonation Deductible:** 20% of Fraudulent Impersonation Limit

**Contribution:**

\$43.10

**Policy Forms:**

CR 00260506 Government Crime Policy  
CR 25070300 Include Specified Directors or Trustees on Committee as Employees  
CR 25080300 Include Specified Non-Compensated Officers as Employees  
CR 25090300 Include Volunteer Workers as Employees  
CR 25190506 Add Faithful Performance of Duty  
CR 25120300 Include Treasurers or Tax Collectors as Employees  
CR 02151104 Colorado Changes  
CR 25200300 Debit, Credit or Charge Card Forgery  
CR 25020506 Include Designated Agents as Employees, when listed  
CR 04171115 Fraudulent Impersonation

<p><b>BINDING SUBJECTIVITY:</b> Coverage is effective upon receipt of payment, which is considered "acceptance" of coverage. Please reference the proposal number on the check so that we may properly apply payment.</p>
---



## Identity Theft Recovery Proposal

### This Proposal Does Not Bind Coverage

**Proposal Number:** 31C61647-5356

Master Policy Number: 2014 CP IDR Form 2008-034-05

**Named Member:**

Aerotropolis Regional Transportation Authority  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 500  
Greenwood Village, CO 801112814

**Coverage Period:** 9/5/2018 Until Cancelled

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

<b>Member:</b>	All permanent employees and District Board members participating in the Colorado Special Districts Property and Liability Pool; Special District Association of Colorado staff and Board of Directors.
<b>Coverage:</b>	Reimbursement Coverage for Expenses arising from a defined "Identity Theft" event. Including: legal fees for answer of civil judgements and defense of criminal charges; phone, postage, shipping fees; notary and filing fees; credit bureau reports; lost wages; child/elder care and mental health counseling.  This coverage does not reimburse the member for monies stolen or fraudulently charged to the member, and excludes loss arising from the members fraudulent, dishonest or criminal act.

<b>Limits:</b>	\$25,000 Case Management Service Expenses Legal Costs	Annual Aggregate Limit Per Member Does not reduce the limit available Reduces the limit available
<b>Sub Limits:</b>	\$5,000 Total \$1,000 Total \$1,000 Total	Lost Wages and Child/Elder Care Mental Health Counseling Miscellaneous Expenses
<b>Coverage Trigger:</b>	Coverage is provided on a discovery basis with a 60-day reporting requirement	
<b>Claims:</b>	For Recovery Assistance and Counseling, please call 1-800-945-4617	
<b>Insurance Carrier:</b>	The Hartford Steam Boiler Inspection and Insurance Company	

**BINDING SUBJECTIVITY:** Coverage is effective upon receipt of payment, which is considered "acceptance" of coverage. Please reference the proposal number on the check so that we may properly apply payment.



## Excess Liability Options Proposal For 2018

### This Proposal Does Not Bind Coverage

This report demonstrates what it would cost your district to increase coverage from your current limit of liability to higher coverage limit(s). For questions please call 800-318-8870.

**Named Member:** Aerotropolis Regional Transportation Authority

**Certificate Number:** 31C61647-535

<u>Excess Limit</u>	<u>Annual Excess Contribution</u>	<u>Change in Contribution</u>
\$1,000,000.00	\$330.00	\$330.00
\$2,000,000.00	\$570.00	\$570.00
\$3,000,000.00	\$810.00	\$810.00
\$4,000,000.00	\$1,020.00	\$1,020.00
\$5,000,000.00	\$1,250.00	\$1,250.00
\$6,000,000.00	\$1,500.00	\$1,500.00
\$7,000,000.00	\$1,750.00	\$1,750.00
\$8,000,000.00	\$2,000.00	\$2,000.00

**Note: This is not your Coverage Document. It was created solely for informational purposes.**

**Colorado Special Districts Property and Liability Pool****Proposal**

General Liability Schedule

Policy Year: 9/5/2018 to 1/1/2019

31C61647-5356

**Fill in the amount for any item that applies to your district.  
This information is required for rating purposes.**

**\* Total Operating Expense does not include debt services or capital expenditures**

**Aerotropolis Regional Transportation Authority**

Per Occurrence Deductible: \$0.00

Agent: T. Charles Wilson Insurance Service

Code	Description	Unit	Amount	Effective	Expiration
				Date	Date
	Additional First Named Members	Total	0	9/5/2018	1/1/2019
	Number of Non-EMT Volunteers	Total	0	9/5/2018	1/1/2019
	Number of district sponsored Events/Fundraisers - No Alcohol Served	Total	0	9/5/2018	1/1/2019
	Number of Board Members	Total	5	9/5/2018	1/1/2019
	Prior Acts Coverage Under a Previous "Claims Made" Policy	Premium	0	9/5/2018	1/1/2019
	Vacant Land	Acres	0	9/5/2018	1/1/2019
	Number of Permanent Employees - Part-Time	Total	0	9/5/2018	1/1/2019
	Number of Permanent Employees - Full-Time	Total	0	9/5/2018	1/1/2019
	Number of District sponsored Events/Fundraisers – With Alcohol Served	Total	0	9/5/2018	1/1/2019
	Maximum Bond Issued	Dollars	0	9/5/2018	1/1/2019
	Services Contracted out to Others	Dollars	172,400	9/5/2018	1/1/2019
	Number of Aboveground Storage Tanks (excluding water tanks)	Total	0	9/5/2018	1/1/2019
	Total Payroll	Dollars	0	9/5/2018	1/1/2019
	Number of Bonds Issued	Total	0	9/5/2018	1/1/2019
	Total Operating Expenses - Any other	Dollars	0	9/5/2018	1/1/2019
	Total Operating Expenses - Transit	Dollars	200,200	9/5/2018	1/1/2019
	Buildings & Premises Occupied by District	Sq. Ft.	0	9/5/2018	1/1/2019

## **Aerotropolis Regional Transportation Authority**

### **Directory Listing**

Alisha Reis  
Deputy County Manager  
Adams County  
Staff: Adams County

Anna Jones  
ARTA Assistant Manager  
CliftonLarsonAllen LLP  
Staff: Consultants

Bob Blodgett  
ARTA Manager  
CliftonLarsonAllen LLP  
Staff: Consultants

Carla Ferreira  
District Alternate to the Authority  
The Aurora Highlands

Charles Tedesco  
ARTA, Director  
Adams County  
Member: Board

Daniel Brotzman  
City Attorney  
City of Aurora  
Staff: City of Aurora

David Gruber  
ARTA Vice-Chairman  
City of Aurora

**Member: Board**

Debra Sedgeley  
AACMD Accountant  
CliftonLarsonAllen LLP  
Staff: Consultants

Elisabeth Cortese  
AACMD Attorney  
McGeady Becher P.C.  
Staff: Consultants

Eric Weaver  
Principal  
Marchetti & Weaver LLC  
Staff: Consultants

Heidi Miller  
Attorney for County  
Adams County  
Staff: Adams County

James Harrington  
Senior Municipal Advisor  
Ehlers  
Staff: Consultants

James Mann  
Municipal Public Advisor  
Ehlers  
Staff: Consultants

Jason Batchelor  
Deputy City Manager  
City of Aurora  
Staff: City of Aurora

Jennifer Pino  
AACMD Paralegal  
McGeady Becher P.C.  
Staff: Consultants

Kathy Suazo  
ARTA District Administrator  
CliftonLarsonAllen LLP

Lisa Johnson  
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SDMS  
Staff: Consultants

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AACMD Attorney  
McGeady Becher P.C.  
Staff: Consultants

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ARTA Chairman  
Summit Strategies/AACMD  
Member: Board

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Municipal Advisor  
Ehlers  
Staff: Consultants

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Assistant City Attorney  
City of Aurora  
Staff: City of Aurora

Nicole Johnston  
ARTA Secretary  
City of Aurora

Member: Board

Raymond Gonzales  
County Manager  
Adams County  
Staff: Adams County

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ARTA Accountant  
Marchetti & Weaver LLC  
Staff: Consultants

Rick Kron  
ARTA Attorney  
Spencer Fane LLP  
Staff: Consultants

Steven O'Dorisio  
ARTA Treasurer  
Adams County  
Member: Board

Todd Johnson  
Engineer  
Terra Forma Solutions, Inc.

Tom George  
ARTA Attorney  
Spencer Fane LLP  
Staff: Consultants

The Following Are Post Packet Items:

Items That Were  
Distributed At The Meeting  
And Not In  
The Original Packet

**AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY MEMBER  
CONTRIBUTION FUNDING AGREEMENT**

THIS AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY MEMBER CONTRIBUTION FUNDING AGREEMENT (this “Agreement”) is entered into and effective as of the 5th day of September, 2018, by and among the AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY, a regional transportation authority established pursuant to the Regional Transportation Authority Law, Section 43-4-601, et seq., C.R.S., as amended (the “RTA”); the COUNTY OF ADAMS, a political subdivision of the State of Colorado (the “County”); the CITY OF AURORA, a home rule municipal corporation of the Counties of Adams, Arapahoe and Douglas (the “City”); and the AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT, a political subdivision of the State of Colorado and quasi-municipal corporation (the “District”) (the County, City and District may be referred to collectively herein as the “Members;” the RTA and the Members may be referred to collectively herein as the “Parties”).

WHEREAS, the RTA was established by the Members pursuant to the Establishment Agreement for the Aerotropolis Regional Transportation Authority made and entered into February 27, 2018 (as may be amended, the “IGA”) and consistent with the provisions of the Regional Transportation Authority Law, Section 43-4-601, et seq., C.R.S., as amended; and

WHEREAS, the Members formed the RTA, in part, in furtherance of supporting the public interest and economic health of the region to effectuate the goals of fostering and supporting economic development through the expansion and creation of transportation improvements, and for the stated purpose of constructing, or causing to have constructed, a regional transportation system within or outside the boundaries of the RTA for the primary benefit of those residing or owning property within the boundaries, as further described in the IGA; and

WHEREAS, it is anticipated that the RTA will receive ongoing revenues from revenue sources including but not limited to the RTA’s future ad valorem property tax mill levy, and from the County and the City pursuant to and as further set forth in the IGA; and

WHEREAS, the Members recognize that the RTA’s revenue sources as set forth in the IGA are not currently sufficient to fund the operations of the RTA; and

WHEREAS, the Members desire to contribute funds to the RTA in order to support the RTA’s operations as further set forth herein.

NOW THEREFORE, as full consideration for and in furtherance of the goals, intents, and purposes of the IGA, and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated as though fully set forth herein.

2. Purpose. The purpose of this Agreement is to memorialize the Members' agreement to provide funding contributions to support the RTA and to establish the process by which their contributions will be accomplished.

3. Member Contribution Funds. Each of the Parties agrees to transfer to the RTA the amount of THREE HUNDRED AND FIFTY THOUSAND DOLLARS (\$350,000.00), as a one-time funding contribution (the "Member Contribution Funds"). The District has previously delivered its Member Contribution Funds, and the RTA acknowledges its receipt of the same. The County and the City shall each, as soon as practicable following the effective date first set forth above and in a manner reasonably acceptable to the RTA, transfer its respective Member Contribution Funds to the RTA. The Parties acknowledge and agree the Member Contribution Funds are not intended to be reimbursed by the RTA, and therefore the RTA shall have no obligation to reimburse, repay or otherwise refund the Member Contribution Funds. The Parties further agree that upon receipt by the RTA, the Member Contribution Funds may be utilized by the RTA in the full discretion of the Board of Directors of the RTA for any and all purposes of the RTA consistent with the IGA.

4. Conflict of Provisions. In the event of any conflict between the provisions of this Agreement and those of the IGA, the provisions of the IGA shall control.

5. Miscellaneous Provisions.

a. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

b. The Parties do not intend and nothing contained in this Agreement shall be deemed to create a partnership, co-tenancy, joint venture, or agency of any kind between the Parties.

c. This Agreement shall be construed in accordance with the laws of the State of Colorado. In the event of any dispute between the Parties, the exclusive venue for dispute resolution shall be the District Court for and in Adams County, Colorado.

d. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. This Agreement is solely between and for the benefit of the Parties, and no consultant, contractor, any subcontractor nor any other person or entity is a third-party beneficiary to or under this Agreement.

e. This Agreement contains the entire agreement of the Parties with respect to its subject matter. Any assignments, amendments or modifications to this Agreement must be in writing executed by the Parties in order to be valid and binding.

f. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.

g. The Parties are political subdivisions of the State of Colorado and, as such, any and all financial obligations described hereunder are subject to annual budget and appropriations requirements.

h. The Parties, and their respective elected officials, directors, officers, agents and employees are relying upon and do not waive or abrogate, or intend to waive or abrogate by any provision of this Agreement the monetary limitations or any other rights, immunities, or protections afforded by the Colorado Governmental Immunity Act, §§24-10-101 et seq., C.R.S., as the same may be amended from time to time.

i. No elected official, director, officer, agent or employee of the Parties shall be charged personally or held contractually liable under any term or provision of this Agreement, or because of any breach thereof or because of its or their execution, approval or attempted execution of this Agreement.

j. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the day and year first above written.

*[remainder of page intentionally left blank; signature pages follow]*

**AEROTROPOLIS REGIONAL  
TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**COUNTY OF ADAMS**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**CITY OF AURORA**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**AEROTROPOLIS AREA COORDINATING  
METROPOLITAN DISTRICT**

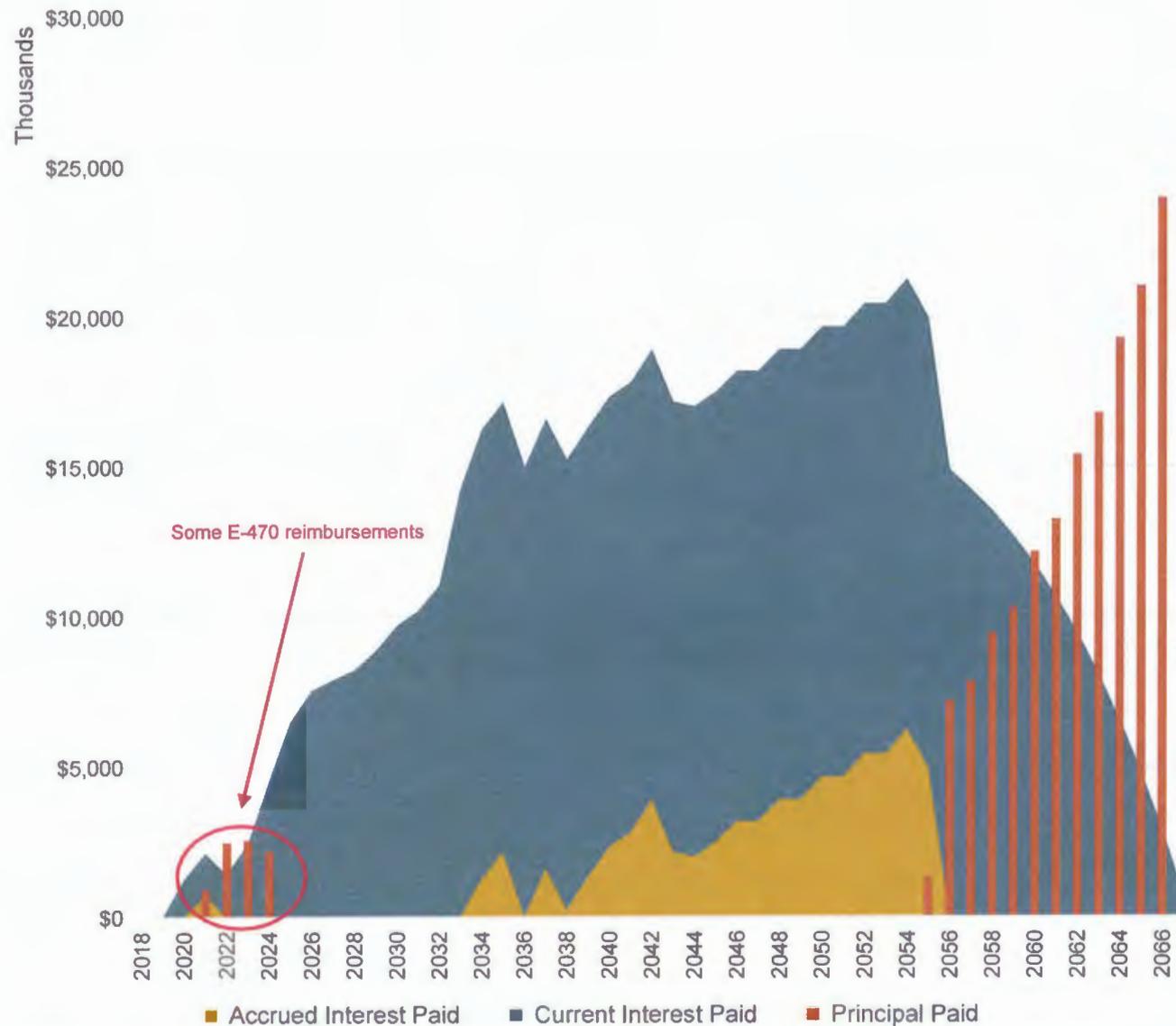
By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

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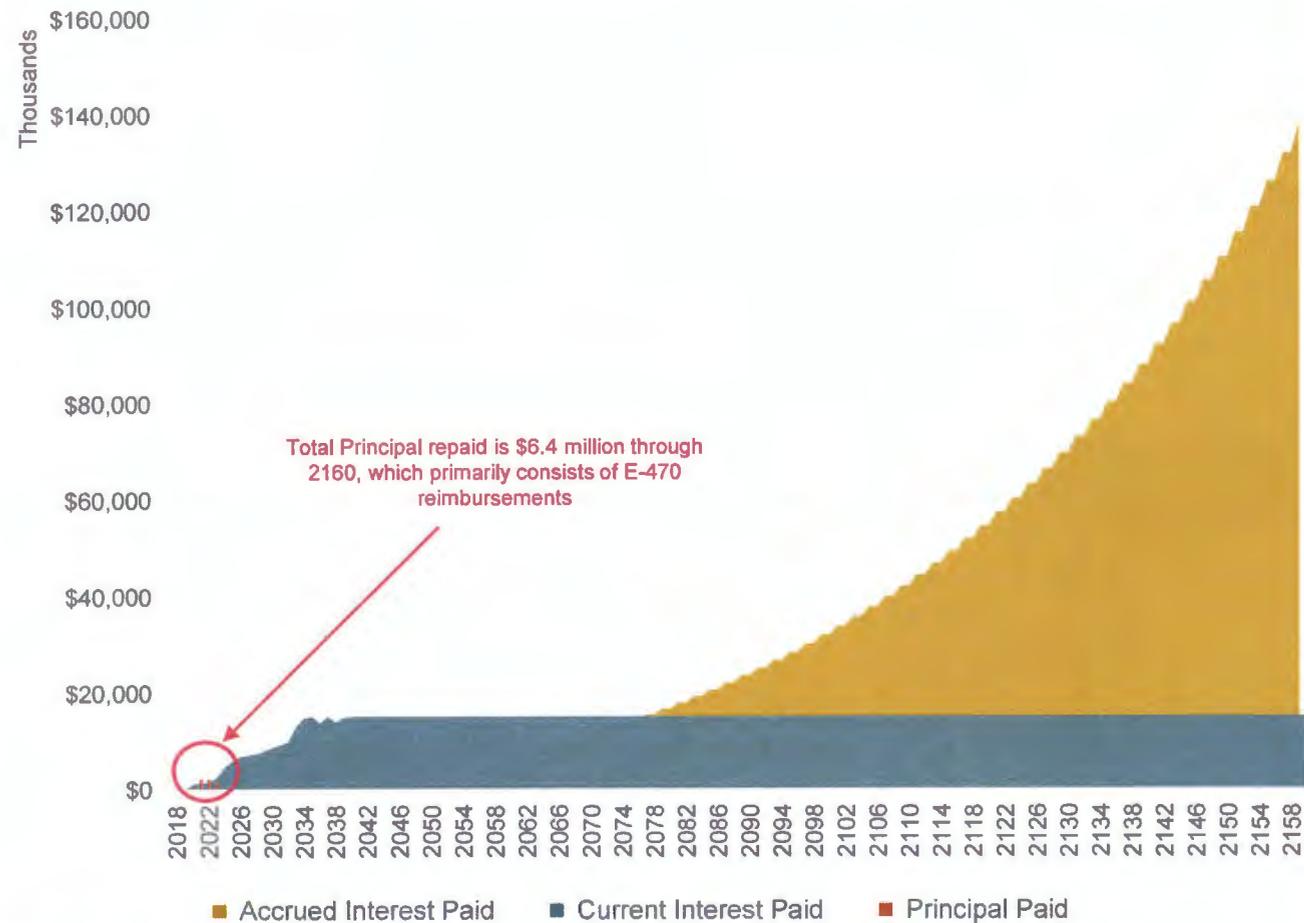


## D.A. Davidson Case

- 9% compound interest
- 11,736 residential units
- 7.3 million sq. ft. commercial/industrial space
- \$523.6 million market value of oil & gas

<b>Current Interest</b>	<b>\$536,352,993</b>
<b>Accrued Interest</b>	<b>\$68,484,330</b>
<b>Total Debt Service</b>	<b>\$779,837,323</b>
<b>Accrued Interest Paid Off</b>	<b>2055</b>
<b>All Debt Repaid</b>	<b>2067</b>

## Debt is never fully repaid. Accrued Interest grows exponentially.



## 90% Build-Out Case

- Assumes a 10% reduction in the number of residential and commercial units.
- All other D.A. Davison assumptions remain constant, including 9% interest rate, commercial/industrial square feet, oil and gas valuations, etc.

<b>Current Interest Thru 2160</b>	<b>\$1,101,551,462</b>
<b>Accrued Interest Thru 2160</b>	<b>\$758,952,752</b>
<b>Total Debt Service Thru 2160</b>	<b>\$2,035,504,213</b>
<b>Accrued Interest Paid Off</b>	<b>N/A</b>
<b>All Debt Repaid</b>	<b>N/A</b>