

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
HELD
January 9, 2019**

A special meeting of the Board of Directors (the “Board”) of the Aerotropolis Regional Transportation Authority (the “Authority”) was held on Wednesday, January 9, 2019 at 11:00 a.m. at the City of Aurora, 15151 E. Alameda Avenue, Aurora, Colorado.

Attendance: In attendance were Board members:

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

Also in attendance were:

Bob Blodgett and Anna Jones; CliftonLarsonAllen LLP
Dan Brotzman, Jason Batchelor and Michelle Gardner; City of Aurora
Alisha Reis; Adams County
Rick Kron; Spencer Fane LLP
MaryAnn McGeady and Elisabeth Cortese; McGeady Becher P.C.
Melissa Buck and Jim Mann; Ehlers
Rick Gonzales; Marchetti & Weaver
Todd Johnson; Terra Forma
Elizabeth Funk and Michael Baldwin; Citigroup Global Markets, Inc.

1. Call to Order and Approve Agenda

Chairman Hopper called the meeting to order at 11:13 a.m.

2. Declaration of Quorum/Director Qualifications/Disclosure Matters

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

3. Approve Agenda

After review, upon a motion duly made by Vice-Chairman Gruber, seconded by Secretary Johnston, and upon vote unanimously carried, the Board approved the agenda as submitted.

4. Public Comment

None.

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5. Consent Agenda

A. Other

No action required.

6. Engineering/Construction Matters

A. Update on Initial Design and Adjacent Improvements Initial Design IGA

Mr. Johnson reported that the AACMD has a meeting on January 15, 2019 to review costs to date. He will then prepare a formal status report for the ARTA Board meeting on January 23, 2019.

B. Discuss Schedio Review of Project Costs

Mr. Johnson reported Schedio has received a copy of all of the project costs to date. They are under review.

7. Financial Matters

A. Discuss Schedule for Financing of \$200,000,000 Regional Transportation Improvements – Ehlers / Citigroup

1. Status of Market Study

Ms. Funk reported Citigroup has met with Metro Study. They are expecting a proposal by the end of the week. Their estimated completion date is six weeks after they receive approval from the Board to proceed.

2. Update on Bond Documents

Ms. Funk reported that disclosure questions for the developer, the District and the Authority will be sent within the next week or so.

3. Update on Plan of Finance

Mr. Mann reviewed his January 7, 2019 report with the Board which includes a preliminary financing plan for the first four years of project expenses of approximately \$15.3 million for 2019/2020 and a lesser amount of \$1.8 million for 2021/2022.

Discussion ensued regarding phasing of the improvements. After discussion, the Board decided that Phase 1 would include all of the projects listed in 2019 to 2020, and the additional project costs in 2021, 2022, 2023 and 2024 to complete line Q the Powhaton/I-70 initial interchange design and completion. The total of all of these projects in Phase 1 is approximately \$20.3 million.

The Board decided that a phase of the regional transportation improvements could include one or more projects. The Board further decided that a tranche would mean the financing method for one or more projects included in a particular phase.

The Board decided that the tranches for each phase will represent bond financing, City of Aurora interim loan or pledged revenue from within the Authority boundary or other sources to finance a necessary phase. The Board agreed that the \$15.3 million would likely be the first tranche of financing for Phase 1. However, they recognize that a small tranche of \$5 million for the remainder of Phase 1 may have significant issuance costs, reserve requirements and may be too expensive. The Board will revisit that issue at a future date.

Mr. Mann stated initial financing is based on a conservative interest rate of 6.5% for 2019 and 2020 needs. Ehlers estimated that 2021 and 2022 costs would be financed from future project revenues for purposes of modeling.

Mr. Mann reviewed Ehlers' questions for ARTA that need clarification listed on page 3 of his report. These questions are for the District and the developer. Ms. Funk stated these questions and others would be addressed through the disclosure document for the future bond issue within the next few weeks.

After additional discussion, the Board decided to schedule the Plan of Finance for approval at the January 14, 2019 Special Meeting along with the consideration of the First Amended and Restated IGA between the Authority and the District to provide for interim financing through June 30, 2019.

Vice-Chairman Gruber stated he is hopeful that City of Aurora may be able to provide an interim loan of up to \$10 million at an approximate 2 to 3% interest rate. However, this is still conditioned upon the City of Aurora City Council approval.

B. Other

None.

8. Manager Matters

A. Website Update

Ms. Jones reported that CLA continues to work with the Cohn Group regarding the new website. It should be ready for Board review and be functional within the next few weeks. The Authority's interim website is in place and operating.

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B. Other

Mr. Blodgett discussed the usefulness of BoardPaq vis-a-vis the website that is now in place. Several Board members expressed concern that they are not able to access meeting agendas and packets within BoardPaq. Director Tedesco stated he is able to. Mr. Blodgett will discuss this with Ms. Suazo and consider scheduling a brief training session for Board members on BoardPaq in the future.

9. Legal Matters

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

Upon a motion duly made by Vice-Chairman Gruber to enter into executive session under C.R.S. 24-6-402(4)(e) to develop negotiating positions, strategy, or instruct negotiations concerning the financing of regional public improvements, seconded by Secretary Johnston, and upon a vote unanimously carried, the Board entered into executive session at 12:34 p.m.

Upon a motion by Vice-Chairman, second by the Treasurer O'Dorisio, and upon vote unanimously carried, the Board recessed the executive session at 1:35 p.m. They asked Mr. Mann to provide additional information related to project funding costs through June 30, 2019 at the interest rate of 9% requested by the District in the Amended IGA versus a note of 6.5 % or other lower interest rates that may be achieved by Ehlers with the new bonds when they are finally approved in the next few months.

The Board reconvened the executive session at 1:50 p.m.

Upon a motion duly made by Treasurer O'Dorisio, seconded by Vice-Chairman Gruber, and upon vote unanimously carried, the Board adjourned the executive session at 2:30 p.m.

B. Discussion and Possible Action on the "Mini IGA" Extension and Next Steps

The Board decided to schedule possible action on approval of the First Amended and Restated IGA between the District and the Authority for Funding of Design and Construction Projects through June 30, 2019 as the first item on the January 14, 2019 meeting agenda.

10. Other Business

Vice-Chairman Gruber stated he has requested a briefing of the City Council at a February 4th study session regarding a request by ARTA for temporary financing by the City of Aurora of between \$3 and \$20 million for the early stage regional improvements while the District is still in its current undeveloped stage. He recommended that Ehlers

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and/or Citigroup make the presentation and request. He noted the Metro Study market study work will still need to be completed. Mr. Mann noted Metro Study is not yet done and they need six weeks at a minimum. February 4, 2019 is likely too early for the presentation. Mr. Batchelor noted the next study session available is February 25, 2019. This may be the better date to present to the City Council. Further discussion will continue once the Metro Study work has begun and it is clear when their work will be completed.

11. Adjournment

As there were no further matters to discuss, upon a motion duly made by Treasurer O'Dorisio, seconded by Vice-Chairman Gruber, and, upon vote, unanimously carried, the Board adjourned the meeting at 2:36 p.m.

Respectfully submitted,



Secretary