

**MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY  
HELD  
May 1, 2019**

A regular meeting of the Board of Directors (the "Board") of the Aerotropolis Regional Transportation Authority (the "Authority") was held on Wednesday, May 1, 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  
Steve O'Dorisio, Treasurer  
Nicole Johnston, Secretary  
Emma Pinter (arrived at 11:45)

Also in attendance were:

Bob Blodgett and Anna Jones; CliftonLarsonAllen LLP  
Jason Batchelor and Dan Brotzman; City of Aurora  
Benjamin Dahlman; Adams County  
Tom George; Spencer Fane LLP  
MaryAnn McGeady; AACMD  
Melissa Buck; Ehlers  
Rick Gonzales; Marchetti & Weaver  
Michael Baldwin; Citi Group  
John Covert; Metrostudy  
Cindy Shearon; Aurora Highlands

1. Call to Order

Chairman Hopper called the meeting to order at 11:20 a.m. The absences of Vice-Chairman Gruber and Director Tedesco were excused; Ms. Pinter arrived at 11:45 and was recognized as an Adams County Alternate Director, attending in place of Director Tedesco.

2. Declaration of Quorum/Director Qualifications/Disclosure Matters

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

3. Approve Agenda

Mr. George recommended amending the agenda to include a new Item 7.C.2., adopting an official ARTA seal. The Board concurred. After discussion, upon a motion duly made by Secretary Johnston, seconded by Treasurer O'Dorisio, and upon vote unanimously carried, the Board approved the agenda as amended.

4. Public Comment

None.

5. Consent Agenda

A. Other

No action necessary.

6. Engineering/Construction Matters

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

1. AACMD Status Report

No report in the absence of Mr. Johnson.

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

No report in the absence of Mr. Johnson.

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

No report in the absence of Mr. Johnson.

7. Financial Matters

A. Presentation, discussion and possible action concerning financial statements

There were no financial statements.

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

1. Metrostudy presentation of Market Study – John Covert

Mr. Covert reviewed the Market Study with the Board. He reported the Denver metropolitan area has generally three major submarkets - the North I-25 corridor, the area southwest and southeast of Denver International Airport, and the south metro market

---

including Lone Tree and Castle Rock. He reported approximately 70,000 of the future 215,000 lots in the Denver Metro area are in the Aurora Highlands competitive market area (CMA). This is approximately 1/3 of all future lots. He reported that the major projects in the area are nearing completion including Highlands Ranch, Arvada Leiden Rock, Solterra, Green Valley Ranch and others.

Treasurer O'Dorisio asked why the Aurora Highlands CMA increases by 25% in future years and the Aurora Highlands development absorption only by 16%? Mr. Covert explained there are a number of large residential projects on the horizon in which he reviewed with the Board. They are in his report on page 26. He estimated there are 4,000 homes per year in the Highlands CMA for sale.

Mr. Covert noted between 2008 and 2017 many master planned communities were completed and absorbed. Stapleton is also almost complete. The estimates for the future percentage of growth in the Aurora Highlands CMA were reasonable to Metrostudy.

Treasurer O'Dorisio asked about the housing price projections. Mr. Covert reviewed the various housing models and lot sizes for the Aurora Highlands project. The weighted estimate is \$433,000 per unit. This number is used in the financial projections.

Mr. Covert reported the average new home price in 2018 in the Denver metro areas is \$570,000. Builders are looking at ways to reduce costs to meet the demand of millennials and others for a lower price product. This includes eliminating basements and having smaller lot sizes in the future. He noted 54% of all purchasers of new homes in 2018 were millennials.

Treasurer O'Dorisio asked where the new purchasers are coming from. Mr. Covert reported they are coming from the Denver Metro area and all over the country. Those moving to Colorado from another state do not demand a basement because their prior homes did not have one.

Mr. Covert reported Metrostudy updates its reports quarterly. This information can be provided to the Authority. Chairman Hopper asked that Mr. Blodgett obtain membership information in the Metrostudy group for Board review.

Ms. Buck reported that the updates of the Market Study and Eller's financial projections will be required with each future bond issuance tranche. In this manner current demand and pricing in the market will be reflected as conditions change.

Ms. Jones inquired about social impacts of the data that Metrostudy collects - such as aging in place and other issues. Mr. Covert reported this is not an expertise of Metro Study. They merely report data. Builders and purchasers respond in the marketplace related to social equity issues with their decisions.

Mr. Covert reported on the "community list" analysis Metrostudy had done in one project area.

The Board thanked Mr. Covert for his informative presentation. They will explore obtaining quarterly updates from Metrostudy so that the Board can make informed decisions in the future regarding future financing for the regional transportation system.

1. Review Updated Distribution List and Bond Issuance Schedule

Ms. Buck reviewed the updated bond issuance schedule. It is anticipated that at the May 17<sup>th</sup> meeting the Board will adopt the revised Plan of Finance, review the presale presentation for the bond issue, adopt the bond parameters resolution and receive a marketing plan update. May 17<sup>th</sup> is the next Board meeting. The Board approved the bond issuance schedule.

C. Other

Mr. George recommended the adoption of an official ARTA seal. Upon a motion duly made by Secretary Johnston, seconded by Treasurer O'Dorisio, and upon vote unanimously carried, the Board approved the adoption of an ARTA seal to read: "Aerotropolis Regional Transportation Authority."

D. Other

None.

8. Manager Matters

A. Authority Manager Report

No report.

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

None.

C. Website Update

Mr. Blodgett reported the website is up to date.

D. Other

None.

9. Legal Matters

A. Authority Legal Counsel Report

1. Discussion and possible action concerning Intergovernmental Agreements with Adams County and City of Aurora regarding transfer of ARTA Establishing Agreement revenues

Mr. George reviewed the proposed IGAs with Board. After review, upon a motion duly made by Treasurer O'Dorisio, seconded by Secretary Johnston, and upon vote unanimously carried, the Board approved the IGAs with Adams County and the City of Aurora regarding transfer of ARTA Establishing Agreement revenues as presented.

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

Mr. George reported this IGA is in progress. It should be available for the May 17<sup>th</sup> meeting. It must be adopted before bond pricing. No action was taken.

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

Mr. George reported this IGA is in progress. It should be available for the May 17<sup>th</sup> or May 22<sup>nd</sup> meeting. It must be adopted before bond pricing. No action was taken.

4. Discussion and possible action concerning Intergovernmental Agreement with E-470 PHA regarding 38<sup>th</sup> Interchange and Phase 1 access

Mr. George reported that a meeting to discuss this IGA with E470 personnel has been set for May 7. Mr. George indicated the schedule for the preparation and approval of this IGA should be as follows:

May 7, 2019 – Meeting with E470  
May 10, 2019 – Revisions for IGA  
May 24, 2019 – Parties agree to IGA language  
May 29, 2019 – ARTA Board approves IGA  
TBD – E470 Board approves IGA

No action was taken.

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

Not necessary.

11. Other Business

None.

12. Adjournment

As there were no further matters to discuss, upon a motion duly made by Secretary Johnston, seconded by Director (Alternate) Pinter, and upon vote, unanimously carried, the Board adjourned the meeting at 12:35 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
Secretary