



Colorado Springs

El Paso County

Manitou Springs

Green Mountain Falls

**BOARD OF DIRECTORS
REGULAR MEETING MINUTES
Wednesday, March 12, 2008 - 1:30 p.m.
PPACG Main Conference Room
15 S. 7th Street, Colorado Springs**

MEMBERS PRESENT

El Paso County Directors

Commissioner Sallie Clark, Chair
Commissioner Jim Bensberg
Commissioner Dennis Hisey

City of Manitou Springs Director

Mayor Eric Drummond

City of Colorado Springs Director

Mayor Lionel Rivera

City of Colorado Springs Directors

Vice Mayor Larry Small, Vice Chair
Councilmember Jerry Heimlicher

Town of Green Mountain Falls Director

Mayor Tyler Stevens

MEMBERS ABSENT

OTHERS PRESENT

Mr. Ed Icenogle, Legal Counsel
Mr. Rob MacDonald, Board Secretary
Ms. Barb Louricas, Recording Secretary

Ms. Beverly Majewski, Finance Manager
Mr. Rick Sonnenburg, Program/Contracts Manager
Citizens and Member government employees

1. CALL TO ORDER

El Paso County Director Clark established a quorum and called the meeting to order at 1:37 p.m. Introductions were made.

2. APPROVAL OF THE AGENDA

Manitou Springs Director Drummond made a motion to approve the agenda. Colorado Springs Director Small seconded the motion. The motion passed by unanimous vote.

3. PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

Mr. Dennis Crosser, Fountain Valley Senior Services Transportation/Operations Supervisor, provided an update on the transportation statistics for 2006 and 2007 and handed out information to the PPRTA Board. Mr. Crosser introduced clients who were in the audience. Mr. Crosser gave details on the statistics.

El Paso County Director Hisey arrived at 1:42 p.m.

Green Mountain Falls Director Stevens arrived at 1:48 p.m.

Ms. Melanie Wallace said that Fountain Valley Senior Services provides important transportation services for seniors.

4. APPROVAL OF MINUTES FROM FEBRUARY 13, 2008 REGULAR BOARD MEETING

El Paso County Director Bensberg indicated that there is a typo on page 3 of the February 13 minutes: under the heading “Legislative Updates”, 2nd paragraph should refer to HB08-1306.

Green Mountain Falls Director Stevens made a motion to approve the minutes with the noted change. El Paso County Director Hisey seconded the motion. The motion passed by a unanimous vote.

(Page 3 of the February 13, 2008 Meeting Minutes is attached with the changed text bolded.)

5. APPOINTMENT OF AT-LARGE ALTERNATE MEMBERS OF THE PPRTA CITIZEN ADVISORY COMMITTEE

Green Mountain Falls Director Stevens indicated that the selection committee met regarding three applicants for two Citizen-At-Large Alternate vacant seats on the PPRTA CAC. The three applicants were Mr. David Chestnutt, Mr. Sean Chambers, and Mr. Alan Brody. The committee recommended that Mr. David Chestnutt and Mr. Sean Chambers be appointed to the two vacancies. Green Mountain Falls Director Stevens provided background information on the two candidates.

Mr. Ed Icenogle arrived at 1:55 p.m.

Colorado Springs Director Small made a motion to appoint Mr. David Chestnutt and Mr. Sean Chambers to the PPRTA CAC Citizen At-Large Alternate vacancies with terms expiring December 2009. Green Mountain Falls Director Stevens seconded the motion. The motion passed by unanimous vote.

6. CITIZEN ADVISORY COMMITTEE MONTHLY REPORT

Mr. Tom Harold, Chair of the Citizens Advisory Committee, gave the following report on the highlights of the March 5 CAC meeting:

- Fountain Valley Senior Services provided public comments/information on senior transportation services
- El Paso County contracts were reviewed and CAC recommended approval
- Received Public Outreach Subcommittee briefing
- Received update from Human Service Transit Subcommittee—Mr. Harold, Ms. Jan Doran, and Mr. Brian Risley are the subcommittee members; met with Silver Key Senior Services after the last CAC meeting; Mr. Harold provided details on the subcommittee’s proposed plan

El Paso County Director Hisey requested that the FVSS and the human service transit funding be addressed at an upcoming Board meeting. Mr. Ed Icenogle will research the requirement of an IGA between the City of Colorado Springs and El Paso County for the FVSS services.

Colorado Springs Director Small inquired about the reasons that the Public Outreach Subcommittee would distribute the annual report through newspaper inserts. Mr. Harold explained that greater coverage can be achieved for the same amount of money.

A break was taken from 2:40 p.m.-2:45 p.m.

7. 2008 CAPITAL, MAINTENANCE, PUBLIC TRANSPORTATION, AND ADMINISTRATION CONTRACTS

El Paso County

Mr. John McCarty, El Paso County Department of Transportation Director/County Engineer, requested the approval of two contracts:

1. HDR Engineering, Inc., Capital (Meridian Road—South of SH 24 and Falcon Park and Ride Project), \$179,077.80
2. Stantec Consulting, Inc. contract amendment, Capital (County Line Road Improvement Project), \$108,401.08

Colorado Springs Director Heimlicher made a motion to approve two contracts for El Paso County. El Paso County Director Hisey seconded the motion. The motion passed by unanimous vote.

Mr. John McCarty indicated that El Paso County received awards from Colorado Asphalt Pavement Association and National Asphalt Pavement Association for the Baptist/Hodgen connection project.

8. ADMINISTRATIVE ACTIONS AND REPORTS

Investment Policy

Ms. Beverly Majewski, PPRTA Financial Manager, indicated that PPRTA staff is seeking clarification on PPRTA Board policy regarding the investment policy for PPRTA funds. Representatives from American National Bank and COLOTRUST were available to present banking and investment options and safety issues as they relate to public funds. Ms. Majewski requested that the Board clarify the position/policy on investment options, goal of investments, authorization of transfer, and organizing an investment committee.

Mr. Bill Berenz, Regional President of American National Bank, introduced Ms. Sue Sturm, CFO and Principal Shareholder of American National Bank. Ms. Sturm indicated all deposits are collateralized at 102% of market value and 90% is also guaranteed by the U.S. Treasury. As a bank, disbursement must be done on the same day that it is requested. Ms. Sturm indicated that a laddering structure could be used to improve the interest rate.

Mr. Bruce Ely, Regional Marketing Director with MBIA/COLOTRUST, introduced Mr. Randy Palomba, Portfolio Manager of the COLOTRUST portfolio. Mr. Ely said that COLOTRUST was started so that Colorado public funds could be safely invested. Mr. Ely indicated that money and interest can be withdrawn at any time. He said that, in the past, the AAA rating of MBIA was under consideration for possible downgrade. At this time, the AAA rating has been reaffirmed. COLOTRUST assets are at \$4 billion and 1,500 entities utilize COLOTRUST; 73 utilize COLOTRUST from El Paso County. Mr. Ely discussed COLOTRUST Prime and COLOTRUST Plus accounts. Mr. Ely and Mr. Palomba discussed the safety of the funds invested with COLOTRUST.

Ms. Majewski requested that Mr. Ely explain to the Board how Attachment 6-COLOTRUST's Statement on Suspension or Postponement of Payment—could impact PPRTA funds. Mr. Ely stated that this only relates to "Acts of God", that COLOTRUST was able to pay out any funds requested after 9-11.

Ms. Sandra Damron, El Paso County Treasurer, indicated that El Paso County funds are kept in several financial institutions. Excess funds go into COLOTRUST for higher yield and high level of liquidity. Ms. Damron said that state law requires all public funds be collateralized at 102%. Ms. Damron handed out a copy of the El Paso County investment policy and noted that safety of the funds is the first priority. Ms. Damron said that COLOTRUST is the holder of the funds and MBIA serves as the investment advisor, and there is no risk with funds held by COLOTRUST.

El Paso County Director Clark asked for feedback from Ms. Sandra Damron about an investment committee. Ms. Damron said that an investment committee is a good idea and said it should be made up of the financial staff of the City of Colorado Springs and El Paso County.

Ms. Vicki Phillips, City of Colorado Springs Accounting and Payroll Manager, indicated that an investment policy was approved by the Colorado Springs City Council. She said that pooled cash accounts are managed by MBIA. Ms. Phillips indicated that an investment committee is a good idea and recommended that the investments be laddered.

El Paso County Director Clark summarized by saying that Ms. Majewski would contact member government financial staffs to participate on an investment committee when issues arise and then report to the PPRTA Board.

Manitou Springs Director Drummond made a motion to form a financial advisory group for the purpose of making a recommendation about an investment policy to the PPRTA Board. Green Mountain Falls Director Stevens seconded the motion. The motion passed by unanimous vote.

Mr. Rob MacDonald asked for clarification from the Board regarding the approval authority for moving investments, if it becomes necessary.

El Paso County Director Bensberg made a motion that decisions regarding investments be made by the entire PPRTA Board. Green Mountain Falls Director Stevens seconded the motion. The motion passed by unanimous vote.

Colorado Springs Director Heimlicher departed the meeting at 4:07 p.m.

Financial Reports

Ms. Beverly Majewski reported that January sales and use tax receipts were \$5,221,759, which is ahead of the January budget by \$112,657 as well as ahead of last year's actual January receipts. Ms. Majewski said that interest earnings through February were \$343,839. Ms. Majewski also reported that the state tax collection fee for January was \$15,477. Fare box revenue for January and February was \$73,170.

Legislative Update

Mr. Rick Sonnenburg, PPRTA Program/Contracts Manager, indicated that no changes were made since last month to either HB 1092 or HB 1306.

El Paso County Director Bensberg recommended opposing HB 1306. Mr. Ed Icenogle indicated that a hearing for HB 1306 is scheduled for March 14 in the Appropriations Committee.

El Paso County Director Bensberg made a motion to oppose HB 1306. Colorado Springs Director Small seconded the motion. The motion passed by unanimous vote.

Mr. Rob MacDonald affirmed that correspondence indicating the Board's opposition could be sent by the Friday morning hearing date.

Staff Field Review Report

There were no questions.

9. OTHER REPORTS

Quarterly Reports from Member Governments

Mr. Rick Sonnenburg indicated that three of the four member government quarterly reports were received from the Town of Green Mountain Falls, City of Colorado Springs, and the City of Manitou Springs.

City of Colorado Springs Monthly Change Order Report

There were no questions.

City of Colorado Springs Nevada Avenue Bridges over Van Buren Drainage Way Rehabilitation Project— Status Update

Mr. Cam McNair, Colorado Springs City Engineer, indicated that the City of Colorado Springs hired a design consultant firm and is proceeding on the project.

10. PIKES PEAK RTA MEMBER ANNOUNCEMENTS

Mr. Rob MacDonald indicated that the PPRTA Board received a letter from the Town of Ramah, who is interested in joining the PPRTA. Mr. MacDonald indicated that a response letter will be sent to them from El Paso County Director Clark, as Chair of the PPRTA Board.

Mr. MacDonald requested that policy concerns be brought to the PPRTA staff. The concerns can then be taken to the monthly meeting that is held with the PPRTA staff, PPRTA Board Chair and Vice Chair, and PPRTA CAC Chair and 1st Vice Chair for further clarification. If necessary, the concerns will be reviewed by the entire PPRTA Board.

11. ADJOURNMENT

El Paso County Director Clark adjourned the meeting at 4:27 p.m.

7. Trax Construction Change Order, Capital (Roadway Safety & Traffic Operations-Bijou/Kiowa/Cascade Project), \$173,000
8. Tyco Flow Control, Capital (Woodmen Road Corridor Improvement Project), \$187,174.12

El Paso County Director Williams made a motion to approve eight contracts for the City of Colorado Springs. Colorado Springs Director Small seconded the motion.

Colorado Springs Director Heimlicher asked for an update on the Cimarron Bridge project. Mr. Mitchell said that four lanes will be open in May with the rest open at the end of August.

The motion passed by unanimous vote.

7. ADMINISTRATIVE ACTIONS AND REPORTS

Financial Reports

Ms. Beverly Majewski, PPRTA Financial Manager, reported that December sales and use tax receipts were \$6,910,041, which is ahead of the December budget by \$94,547; and behind year-to-date budget by \$2,668,516. Ms. Majewski said that interest earnings for year-end are \$3,250,397, which is ahead of budget by \$2,250,397. Ms. Majewski also reported that the state tax collection fee for 2007 is \$139,895 less than budgeted. Fare box revenue was \$717,501, which is \$331,251 ahead of budget.

Ms. Majewski discussed the PPRTA funds which are invested with ColoTrust.

Legislative Updates

Mr. Rick Sonnenburg, PPRTA Contracts/Program Manager, handed out information regarding HB08-1306, regarding payment turnaround time for project owners to pay contractors; and HB08-1092, citizen initiatives to establish an RTA. Mr. Sonnenburg indicated that PPRTA CAC recommended a position to monitor the legislation.

Mr. Ed Icenogle, Legal Counsel for PPRTA, said that **HB08-1306** is referred to as the prompt payment bill. He said there is opposition building because the bill intercedes in terms of contracts. Mr. Icenogle will monitor the legislation and report to the PPRTA Board.

Staff Field Review Report

Colorado Springs Director Heimlicher inquired about how Mr. Sonnenburg performs field reviews. Mr. Sonnenburg explained his various reviews depending on the type of project.

Designation of Posting Place for Meeting Notices

Mr. Rick Sonnenburg, PPRTA Program and Contracts Manager, indicated that Section III.D of the Board bylaws requires the posting place for meeting notices be designated annually. Mr. Sonnenburg indicated that the PPRTA Board has designated the front bulletin board at PPACG office at 15 S. 7th Street as the posting location.