



Colorado Springs

El Paso County

Manitou Springs

Green Mountain Falls

**BOARD OF DIRECTORS
REGULAR MEETING MINUTES
Wednesday, May 14, 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 Wayne Williams

Commissioner Dennis Hisey

City of Manitou Springs Director

Mayor Eric Drummond

City of Colorado Springs Directors

Vice Mayor Larry Small, Vice Chair

Councilmember Jerry Heimlicher

Mayor Lionel Rivera

Town of Green Mountain Falls Director

Mayor Tyler Stevens

OTHERS PRESENT

Mr. Ed Icenogle, Legal Counsel

Mr. Rob MacDonald, Board Secretary

Ms. Barb Louricas, Recording Secretary

Ms. Beverly Majewski, Financial 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 1:30 p.m.

2. APPROVAL OF THE AGENDA

El Paso County Director Clark had a request to move Agenda Item No. 7C to after the CAC Report.

Green Mountain Falls Director Stevens made a motion to approve the agenda with the noted change. Manitou Springs Director Drummond seconded the motion. The motion passed by unanimous vote.

3. PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

Mr. Cam McNair, City of Colorado Springs City Engineer, indicated that the reopening ceremony for the Cimarron Bridge project will be delayed for one week until Wednesday, May 21.

Colorado Springs Director Rivera arrived at 1:34 p.m.

4. APPROVAL OF MINUTES FROM THE APRIL 9, 2008 REGULAR BOARD MEETING

El Paso County Director Williams made a motion to approve the minutes. El Paso County Director Hisey seconded the motion. The motion passed by a unanimous vote.

5. CITIZEN ADVISORY COMMITTEE MONTHLY REPORT

Mr. Tom Harold, Chair of the Citizens Advisory Committee, reported on the May 7, 2008 PPRTA CAC meeting.

- Made a recommendation that the Board approve contracts for Colorado Springs and El Paso County
- Made a recommendation that the Board approve the BRRTA/PPRTA IGA for revenue sharing
- Made a recommendation that the Board approve the EPC request for line item budget transfer
- Discussed The Resource Exchange
- Update from the Human Service Transit Subcommittee of the PPRTA CAC
- Mr. Joe Church, PPRTA CAC member representing Manitou Springs, sent a letter of resignation

6. PROPOSED EXTENSION OF FOUNTAIN VALLEY SENIOR SERVICES FUNDING IGA

Mr. Scott Turner, Fountain Valley Senior Center Board of Directors, and Mr. Ken Sanders, Fountain Valley Senior Services Program Manager were present on behalf of the Fountain Valley Senior Center.

Mr. Turner gave an overview of the services of the Fountain Valley Senior Center. Mr. Turner requested an extension of the IGA.

El Paso County Director Clark said that PPACG is forming the CCOST and recommended giving a one-year extension to the IGA to allow the CCOST to make recommendations.

Mr. Rob MacDonald, PPRTA Board Secretary/PPACG Executive Director, said that the PPRTA CAC is also reviewing the budget allocations for human service transit providers and will be able to make recommendations in time for the 2009 budget cycle.

El Paso County Director Hisey said that the timing works for the PPRTA budget process but does not give a reasonable notice to the agencies.

Mr. Tom Harold said that the PPRTA CAC voted on two occasions to recommend that the Board not extend the IGA and allow the subcommittee to develop a process to determine funding allocations.

Mr. Ed Icenogle indicated that the current IGA is between the City of Colorado Springs and El Paso County. PPRTA can become a party to the IGA in the future. Under the establishing IGA, the requirement for Transit funds is that the activity to be funded must be sponsored by the City of Colorado Springs. PPRTA provides the funding approval.

Mr. Chuck Brown, former El Paso County Commissioner, gave a historical review of the formation of the PPRTA. Mr. Brown said that as a County Commissioner he was approached by Security/Widefield/Fountain residents about El Paso County providing Transit services to that area. Mr. Brown said El Paso County funded Transit services for several years, and then contracted with the City of Colorado Springs to provide Transit services to the outlying areas of the City system. The areas grew so much that El Paso County could no longer fund those services.

Mr. Brown said that he and Mr. Terry Harris, former El Paso County Administrator, approached Mr. Fred Van Antwerp, former PPACG Executive Director, to form an RTA. Mr. Brown indicated that El Paso County negotiated with the City of Colorado Springs to provide Transit services outside of the City of Colorado Springs. Mr. Brown said that providing Transit services was the biggest reason for the formation of the PPRTA and he believes that those services need to continue.

Mr. Scott Turner indicated that 28% of the ridership of Fountain Valley Senior Services is generated within the City of Fountain with Title III funding, and the majority of the ridership involves the unincorporated areas of El Paso County. Mr. Ken Sanders said that Fountain Valley Senior Services is careful to ensure that the Title III funds pay for the City of Fountain portion.

Mr. Rob MacDonald said the Coordination Committee on Specialized Transportation (CCOST) will meet later in May. Their charge is to bring together all of the funding sources for specialized transportation and allocate \$2.5 million at the end of the year for 2009. Mr. MacDonald said that the funding for PPACG and PPRTA are separate.

After discussion and input from several Board members, it was determined that there is no urgency in executing the signing of the IGA. The processes of the PPACG CCOST and the PPRTA CAC Human Service Transit Subcommittee will be continued and potentially make recommendations for the funding.

Colorado Springs Director Small made a motion to table the proposed extension of Fountain Valley Senior Services Funding IGA and bring it back at an appropriate time when there is more information to make a decision. The motion was seconded by Colorado Springs Director Rivera.

Mr. Tom Harold indicated that the PPRTA CAC Human Service Transportation Subcommittee has been investigating economies of scale and efficiencies of service to eliminate the service provider boundaries.

The motion passed by unanimous vote.

6. 2008 CAPITAL, MAINTENANCE, PUBLIC TRANSPORTATION, AND ADMINISTRATION CONTRACTS

City of Colorado Springs

Mr. Ron Mitchell, Colorado Springs Public Works Director, requested the approval of the following contracts:

1. MCI Communications Services, Inc., Capital (Cimarron Bridge Replacement), \$26,994.40
2. White Construction Group Change Order No. 5, Capital (Construction of Marjorie Lee Road—Airport Road/Lakewood—Fire Station #8), \$33,871.24
3. White Construction Group Change Order No. 8, Capital (Construction of Marjorie Lee Road—Airport Road/Lakewood—Fire Station #8), \$6,794.60
4. Stewart Title, Capital (South Metro Accessibility Phase 1-Proby Parkway), \$145,000
5. Stewart Title, Capital (South Metro Accessibility Phase 1-Proby Parkway), \$145,000

Colorado Springs Director Heimlicher made a motion to approve three contracts and two change orders for the City of Colorado Springs. Colorado Springs Director Rivera seconded the motion. The motion passed by unanimous vote.

El Paso County

Mr. John McCarty, El Paso County Public Works Director, requested the approval of one contract and one contract amendment.

1. Lawrence Construction, Capital (South Metro Accessibility—intersection construction at South Academy Boulevard and Pikes Peak Community College), \$4,351,210.75
2. Carter & Burgess Contract Amendment for extension of contract, Capital (South Metro Accessibility—South Academy Boulevard Improvements project), \$587,730.12

El Paso County Director Williams made a motion to approve one contract and one contract amendment for El Paso County. El Paso County Director Hisey seconded the motion. The motion passed by unanimous vote.

A break was taken from 2:45 p.m. to 2:50 p.m.

7. ADMINISTRATIVE ACTIONS AND REPORTS

Financial Reports

Ms. Beverly Majewski, PPRTA Financial Manager, reported that March sales and use tax receipts were \$5,754,876, which was ahead of the March budget by \$26,622. The year-to-date sales and use tax receipts as of March were \$455,605 ahead of year-to-date budget. Interest earnings were \$637,208 as of May 13, 2008.

Ms. Majewski said that the 30th Street corridor project appears to be over budgeted expenditures, but there will be a \$63,000 carryover amount from 2007 in unused funds.

Ms. Majewski indicated that a budget amendment for 2007 carryover will be presented in July, with a 30-day public notice before approval at the August meeting.

Investment Committee Recommendation

Ms. Beverly Majewski, PPRTA Financial Manager, reported that the Investment Committee met on April 10 to discuss policy and alternative investment options for the PPRTA. The meeting attendees were Ms. Terry Velasquez (City of Colorado Springs), Ms. Vicki Williams (City of Colorado Springs), Ms. Sandra Damron (El Paso County Treasurer), and Ms. Beverly Majewski (PPRTA). The committee discussed the experiences with MBIA by the City of Colorado Springs and El Paso County and recommended that PPRTA execute a contract with MBIA Asset Management.

Ms. Mary Donovan, Vice President of MBIA Asset Management, and Mr. Bruce Ely, MBIA Regional Director, presented their approach on the PPRTA investments and the safety of the funds. The investment committee requested Board approval of MBIA asset management for investment of non-operating PPRTA cash.

Mr. Bruce Ely, MBIA Regional Director, provided information on MBIA that has an office in Denver.

El Paso County Director Williams requested information on a proposal from MBIA with fees and other detailed information. Ms. Mary Donovan indicated that a contract can be supplied quickly.

Mr. Bruce Ely said that they were going to piggyback with the same operating contract as the City of Colorado Springs. El Paso County Director Clark said before it was approved, the contract would need to be reviewed.

Ms. Donovan presented an overview of the customized asset management program which manages short-term operating and reserve portfolios for governmental clients. Ms. Donovan indicated that assets could be pooled together between the City of Colorado Springs and PPRTA for the calculation of the fee.

Ms. Vicki Phillips, City of Colorado Springs Accounting/Payroll Manager, discussed the advantages of long-term investments.

Colorado Springs Director Small requested a side-by-side comparison on what fees are for COLOTRUST and proposed fees for new investment program. Ms. Majewski said that the two programs are structured differently.

Colorado Springs Director Small stated that it was not the intent of the PPRTA to invest funds but to have funds available for operational expenses. Ms. Majewski said that the recommended approach would be to keep funds for sufficient liquidity needs.

Colorado Springs Director Small inquired why the process would not be competitively bid. Ms. Phillips indicated that the package was competitively bid four years ago and will be done again next year. Colorado Springs Director Small said he is not comfortable with making changes for one year. He indicated that when the policy was originally set that funds would not be moved for short-term, better-rate deals. He said that policies are not to be established and then ignored.

Ms. Majewski said that the PPRTA Board asked the Investment Committee to meet and make a recommendation. Colorado Springs Director Small recollected that the Investment Committee was set up to get advice during emergency situations only. Green Mountain Falls Director Stevens indicated that it is a responsible strategy of the Board to invest public funds to maximize them.

Colorado Springs Director Rivera requested comparative yield over the last five years for COLOTRUST and how the proposed MBIA portfolio has performed over the last five years. Manitou Springs Director Drummond requested the administrative costs be included in the information.

El Paso County Director Clark requested that Mr. Ely and Ms. Donovan be present at the next Board meeting with the requested information.

Colorado Springs Director Small inquired about the makeup of the investment committee and why it was not represented by one member of each government. Ms. Majewski explained that one person from each member government was invited to the meeting and indicated they could attend but at the last minute were not able to attend the meeting. Colorado Springs Director Small indicated that decisions were made when not all attendees were present. Ms. Majewski said she discussed the results of the meeting and they were in agreement with the committee recommendation.

Colorado Springs Director Small requested a list of the investment committee so that they know who is making the recommendation. Ms. Majewski indicated she would supply that information at the next meeting.

BRRTA/PPRTA IGA for Revenue-Sharing

Mr. Rick Sonnenburg, PPRTA Program and Contracts Manager, discussed the overlap property between the PPRTA and BRRTA and an overview of the one-cent sales tax collections and the sources. Mr. Sonnenburg said that there is an IGA in the packet for a proposed revenue-sharing agreement which defines how the area will be determined, how the funds will be split, and how the funds will be disseminated.

El Paso County Director Williams made a motion to approve the BRRTA/PPRTA IGA for revenue sharing. El Paso County Director Hisey seconded the motion. The motion passed by unanimous vote.

El Paso County Capital Projects Request for Line Item Transfer

Mr. John McCarty requested approval of a line item budget transfer of \$17,451 from the Meridian Road project (PPRTA Project #8, Highway 24 to Falcon Highway) to the Meridian Road Project (PPRTA Project #11, Woodmen Road to Rex Road) from the 2007 budget for the El Paso County Department of Transportation.

El Paso County Director Williams made a motion to approve a line item budget transfer of \$17,451 from PPRTA Project #8 to PPRTA Project #11. El Paso County Director Hisey seconded the motion. The motion passed by unanimous vote.

PPRTA Membership on CCOST Committee

Mr. Rick Sonnenburg, PPRTA Program and Contracts Manager, indicated that there is a non-voting seat and alternate seat on the CCOST for the PPRTA.

Colorado Springs Director Small made a motion to appoint the Chair of the PPRTA CAC as the non-voting primary member and the 1st Vice Chair of the PPRTA CAC as the alternate non-voting member to the CCOST. Colorado Springs Director Rivera seconded the motion.

El Paso County Director Williams indicated that it may be beneficial to have a representative from both the Board and CAC to provide better input.

Colorado Springs Director Small stated that when elected officials sit on advisory committees, it influences the decisions of committees. El Paso County Director Clark stated that she believes it is important to have a representative of the PPRTA Board on the committee. Colorado Springs Director Heimlicher said that the presence of an elected official to accept or reject a recommendation is not appropriate because they can exert too much influence.

Mr. Tom Harold will support efficiencies and effectiveness to the community for Transit services. Mr. Harold said there are no other elected officials on the CCOST.

The motion passed by unanimous vote.

The Resource Exchange—Letter to the Public Regarding Termination of Transit Services

Mr. Rick Sonnenburg read verbatim statements from an email from Mr. David Ervin, The Resource Exchange Executive Director, which said, "...I want you and the members of the CAC to know that we have not scheduled a date on which TRE's transportation services will be closing or cease..."

Legislative Update

Mr. Rick Sonnenburg, PPRTA Program and Contracts Manager, said there were no bills that came out of the State Legislature that had impact to the PPRTA.

Staff Field Review Report

There were no questions.

8. OTHER REPORTS

City of Colorado Springs Monthly Change Order Report

There were no questions.

City of Colorado Springs Right-of-Way/Easement Acquisition Report

There were no questions.

9. PPRTA MEMBER ANNOUNCEMENTS

Mr. John McCarty gave a PowerPoint presentation on repairs to an embankment along Milam Road.

Other discussions were held as follows:

- Status of the Town of Ramah joining the PPRTA and actions required of the PPRTA
- Dissemination of the annual report
- Dissemination of CD with Board policies

Colorado Springs Director Heimlicher requested revenue and expense cost estimates of other governments joining the PPRTA.

10. ADJOURNMENT

El Paso County Director Clark adjourned the meeting at 4:28 p.m.