



MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
FRONT RANGE PASSENGER RAIL DISTRICT (THE "FRPRD")

Held: Friday, February 24, 2023; 9:00 am
(Virtual)

Attendance: The regular meeting of the Board of Directors of the FRPRD was convened in accordance with applicable statutes of the State of Colorado, with the following Directors present:

Nathan Anderson, Amber Blake, Daneya Esgar, Dennis Flores, Jill Gaebler, John Graham, Will Karspeck, Alex Khalfin, Josh Laipply, Claire Levy, Luis Lopez, Julie Duran Mullica (joined after roll call), Deborah Mulvey, Chris Nevitt, Johnny Olson, Sal Pace, Joan Peck, Jose Soto, Jim Souby, Dale Steenbergen, Jim Tylick, and Randy Wheelock.

Not Present: Debra Johnson and David Harris

Chair Souby called the meeting to order @ 9:00 am: Chair Souby welcomed everyone and took roll. Chair Souby shared that Chrissy Breit has joined the District as a new staffer. General Manager Karsian introduced Ms. Breit, who expressed her excitement joining the District and working with the Board.

Old Business: Director Olson motioned to accept the prior meeting minutes and Director Flores seconded. Thereafter, Director Levy noted necessary corrections for the minutes. Specifically, many of the directors were referred to with the incorrect pronouns and the minutes noted an incorrect meeting adjournment time. General Manager Karsian expressed regrets for these errors. Director Peck shared that she likewise noticed the pronoun oversight and that she was missed from roll call. Chair Souby discovered that a line from the list of directors' names was cut off the agenda. This error will be fixed moving forward. Chair Souby asked for an amended motion to accept the minutes as corrected. Director Gaebler motioned, and Director Nevitt seconded. The motion passed unanimously.

Public Comment: Chair Souby shared that no public comments were received in advance of the meeting. He asked if any members of the public had comments. No public comments were raised.

Treasurer's Report: Treasurer Nevitt noted that during last month's board meeting, the Board reviewed the 2022 financials and adopted a budget for 2023. Director Nevitt noted that the budget had two places where expenditure would be defined later: hiring the new staffer and setting up PERA for General Manager Karsian and Ms. Breit. Additionally, the District reformatted the budget to comply with the requirements of the Department of Local Affairs (DOLA). The reformatted budget complies with DOLA, and the Board will readopt the budget in its corrected format in the March board meeting.

Old Business: Chair Souby informed the Board that there are a few items where decisions the Board has made need to be modified to be in compliance with Colorado statutes. Chair Souby continued that when the Board adopts the budget, there will need to be a public comment hearing before adoption.

Northwest Mayors & Commissioners General Manager Karsian shared that some of the District directors (Peck, Levy, Johnson) and Mr. Karsian went to Washington D.C. last month to meet with the Colorado delegation



Coalition Visit to Washington D.C.

and federal agencies. Director Peck commented that it was a productive trip and she appreciated the opportunity to represent as a group. She noted positive conversations with Amtrak and FRA, and was heartened by their support for FRPR. Director Levy added that she and Director Peck are part of the Northwest Mayors & Commissioners Coalition (MCC), which goes to DC every year to lobby the Colorado delegation and federal transportation officials on the MCC's transportation priorities. Director Levy affirmed encouraging signals from FRA about the CIDP (Corridor Identification and Development Program). She noted a productive meeting with FRPR Board Member Alex Khalfin of Amtrak regarding co-locating FRPR passenger rail service with RTD's unfinished commuter rail service.

Director Peck added that General Manager Johnson and RTD Directors Davidson and Guissinger also were also in attendance during the DC visit. She stated the importance of partnership with Amtrak, BNSF and RTD so there is a continuum of service in the northwest area. The interest is not related to one-time meetings; it's enduring partnership.

FRA's Amtrak Daily Long-Distance Service Study Stakeholder Workshop

Chair Souby noted that earlier this month, FRA's Long-Distance Service Study (the Study) held a stakeholder workshop in Denver. He clarified that FRPR service is not considered long distance, or part of FRA's Study, but the District is expected to stay engaged with the Study given the California Zephyr and Southwest Chief routes. General Manager Karsian noted productive conversations regarding connections to the Southwest Chief. Director Khalfin clarified this is a separate program from the CIDP. The FRA Study is evaluating passenger services that were suspended by Amtrak since 1971 and services in operation before 1971 that have otherwise been discontinued. At the conclusion of the Study, FRA will provide a report to Congress suggesting services that should be restored or frequency increased. This report is expected to be completed at the end of this year; there are no implementation stages following the report. While this is different program, it has overlaps with the CIDP; they are two parallel tracks that will independently look at the same corridors.

Director Soto added that LiUNA is headquartered in DC and board members are welcome to visit the office while in town. LiUNA has strong relationships with FRA, which can be utilized.

Director Laipply noted that many FRPR Directors are often in DC. He asked how the Board can leverage these DC visits as opportunities to advance the District. He noted the importance of having talking points that Directors can use to leverage these DC visits, especially if the District is pursuing grants.

Director Wheelock shared that Clear Creek County will be in DC in late June with Accelerate Colorado and may be meeting with FRA and FTA. He affirmed the importance of integrating FRPR with long-range rail. Director Wheelock offered to advocate for FRPR during his visit.

Director Olson echoed that he'll be in DC frequently as part of national boards he is on, including the National League of Cities. He reiterated that if there are things the District would like him to raise during his meetings to let him know. He affirmed the value of talking points.

Chair Souby recommended the District develop a list of directors' key relationships as well as talking points.

Director Mulvey noted it's important to speak to all areas of the District during these rail conversations. She recommended the talking points and communications encompass all



areas and that they provide local contacts. Lastly, she noted that she'll be in DC in the end of June.

Ms. Breit shared that she sees the Government Affairs/Communications committee having a role in crafting and advocacy plan that weaves together these ideas, ideally developing a streamlined approach for communications and outreach.

Southwest Chief
Thru-Car Study

Director Lopez shared that Rick Klein, La Junta's City Manager, has raised concerns that there won't be rail in Las Animas County. Director Lopez recommended General Manager Karsian meet with Mr. Klein and communicate that the boundaries of the initial Service Development Plan (SDP) does not preclude expansion from border to border service. Chair Souby noted he wanted to discuss some of these exact issues under Other Business, but it's worth discussing now. Director Souby informed the Board that the Southwest Chief Thru-Car Study is evaluating connecting the Southwest Chief from La Junta to Pueblo, and then on to Colorado Springs. Before the District was formed, the Southwest Chief & Front Range Passenger Rail Commission decided the SDP should assess Fort Collins to Pueblo because Amtrak's parallel work is evaluating connections from Pueblo to La Junta and Trinidad. The Thru-Car Study report is anticipated for June.

Director Gaebler shared that this was her first time hearing that Amtrak is considering not extending thru-car service to La Junta. She requested to see the preliminary report Chair Souby noted. Chair Souby clarified it was a verbal briefing, not a preliminary report. La Junta is still very much a part of the Thru-Car Study and the report will come out in June. Director Gaebler affirmed the need to coordinate with Mr. Klein and La Junta.

Director Pace cautioned the board about sharing preliminary reports before they're vetted. Regarding ridership, he noted the District is building a system to change habits across the Front Range for the next 100 years. Director Pace added that the District Board took a vote in September to direct the District staff to provide estimates to add additional studies to evaluate continuing the service to Trinidad.

Chair Souby noted it's important to keep emphasizing that the District is intended to run from border to border and the segmentation chosen for the SDP is the result of the understanding that the Thru-Car Study would evaluate the Pueblo to Trinidad leg.

Director Esgar shared that she received a phone call from Representative Ty Winter, the new representative for Colorado's House District 47. Representative Winter likewise expressed concern about the initial phase of FRPR not going to Trinidad. She recommended General Manager Karsian connect with Representative Winter as well. General Manager Karsian responded that he has met with Representative Winter and had a productive conversation.

Fiscal Year 2023
Budget
Public Hearing on
the Proposed 2023
Budget

Brent Butzin, legal counsel for the District, noted that the budget has been updated to include both revenues and expenditures. Mr. Butzin expressed his appreciation to the Board as the District works through new processes and requirements. Noticing meetings through the District website is sufficient for most District activities, but some items require special notice, including the budget hearing. *Resolution #23-04 Amending the District Notice Policies* identifies the *Denver Post* as the publication of general circulation for the District. FRPR is a large District, so it's hard to find a newspaper that serves the entire area. He added that the Board has the discretion to change the paper of choice.



Resolution #23-01
Approving the 2023
Budget

Regarding *Resolution #23-01 Approving the 2023 Budget*, the public hearing for the budget was not noticed in a publication prior to the meeting. As such, Mr. Butzin recommend the Board still use this meeting to talk about the budget, but that the Board defer the actual hearing and action on the budget to the next meeting to ensure legal compliance.

Regarding the budget resolution, Director Peck asked noted the phrasing “at the proper time” lacks clear definition as to the timing of the budget process. She recommended the Board specify a timeframe for the budget process. Mr. Butzin clarified that the District is required to file a budget to the Colorado Department of Local Affairs (DOLA) by January 31. Mr. Butzin’s firm has developed a budget process timeline memo for General Manager Karsian that can be shared with the Board. Director Peck reiterated her desire to see the budgetary process timeline laid out. Mr. Butzin shared that the resolution is written vaguely since the District is late in filing this year, but that moving forward the District will meet DOLA filing requirements. Director Peck recommended that the resolution be amended to note the DOLA timeline. Mr. Butzin clarified that moving forward approving the budget will likely take place in fall/winter to meet the January 31 DOLA timeline. He continued that the resolution language is specific to the 2023 budget and does not apply to future budgets.

Director Mulvey asked if the minutes would reflect that the Public Hearing on the Proposed 2023 Budget and *Resolution #23-01 Approving the 2023 Budget* was considered on first reading and that it will be taken up a second time. Mr. Butzin noted action on this is deferred to next month. Director Mulvey raised the concern that the published agenda makes it look like there’s a public hearing being held, and yet there isn’t, and that raises concerns of transparency. General Manager Karsian affirmed that transparency is important, and that in this vein, it’s important that the hearing be properly noticed. This item will carry through on to the March agenda and the hearing will be properly noticed in the *Denver Post*.

Mr. Butzin asked if anyone from the public was in attendance given the budget agenda item. Mr. Souby asked for public comments. No one from the public offered comments on the budget proposal.

Board Action Items:

Resolution #23-02
Ratifying Contracts
for the
Administration of
District Start-up
Business

General Manager Karsian informed the Board that the contracts page of the Board packet shows the contracts the District has entered into, including the Service Development Plan, legal representation, website updates, and additional staff and administrative expenses.

Chair Souby requested a motion to adopt *Resolution #23-02 Ratifying Contracts for the Administration of District Start-up Business*. Director Nevitt motioned, and Director Mulvey seconded. The motion passed and the resolution was adopted.

Resolution #23-03
Authorizing Director
and Employee
Reimbursements

Chair Souby introduced *Resolution #23-03 Authorizing Director and Employee Reimbursements*. Director Nevitt motioned, and Director Lopez seconded. General Manager Karsian explained that this resolution concerns the process for reimbursing the Board for mileage and lodging costs. This resolution does not extend to per diems as there is not enough budget to offer per diems to the board at this time. This resolution offers a process to reimburse directors for lodging and mileage at the IRS and GSA federal reimbursement levels. Director Olson noted it’s possible to add per diem language to the resolution, while noting that it’s not available until a set time or circumstance. Director Olson noted it is preferable to develop a resolution that includes this possibility now, so the Board does not need to address this at a later time. Chair Souby asked for an amended motion to adopt the Director and Employee Reimbursements resolution with a clause pertaining to per diems



when funding is available. Mr. Butzin asked for clarification. Director Olson explained that if per diem is going to be allowed in the future, the resolution should be amended now to include this possibility, so the District doesn't need to amend the resolution at a future date. Mr. Butzin shared that the resolution is currently written as such to include the possibility for per diems. Director Olson read the resolution and determined that per diem language in the resolution as written is sufficient.

Director Levy noted that the resolution is written in such a way to suggest that a new resolution would need to be adopted each year as *Resolution #23-03 Authorizing Director and Employee Reimbursements* includes 2023 reimbursement rates. Director Levy recommended amending the resolution to remove the year and specific reimbursement rate associated with that year, and instead reference the rate structure/policy that will be used for reimbursements. Mr. Butzin noted this resolution was written in this format because he envisioned holding an administrative housekeeping Board meeting in January of each year focused on addressing annual resolutions, like the noticing policy, that must be passed each year.

Chair Souby asked for an amended resolution to adopt an amended version of *Resolution #23-03 Authorizing Director and Employee Reimbursements* to remove date-specific references. Director Levy moved to amend *Resolution #23-03 Authorizing Director and Employee Reimbursements* to remove the reference to the specific year, but retain the source documents that will be relied upon for establishing reimbursement rates. Director Olson seconded. The amended resolution passed unanimously.

Resolution #23-04
Amending the
District Notice
Policies

Chair Souby noted the District notice policies must be adopted annually. Chair Souby requested a motion to adopt *Resolution #23-04 Amending the District Notice Policies*. Director Nevitt moved, and Director Graham seconded. The resolution passed unanimously.

Resolution #23-05
Adopting a Colorado
Open Records Act
(CORA) Public
Records Policy

Chair Souby introduced *Resolution #23-05 Adopting a Colorado Open Records Act (CORA) Public Records Policy*. Director Nevitt moved, and Director Olson seconded. Referencing the last page of Resolution #23-05, Director Mulvey noted there's currently a bill in the Colorado legislature addressing CORA access. She noted \$.20 per page may be an excessive fee for copies and printouts. The recommendation was made to amend the resolution to have language that says "actual cost, up to \$.20 per page." Director Mulvey voiced her support for this amendment. Chair Souby called for an amended motion. Director Mulvey moved to amend the motion to insert the words "actual cost, up to \$.20 per page." Director Karspeck seconded. The amended motion passed unanimously.

In reference to the CORA resolution, Director Laipply recommended the District establish email accounts for the Board directors. Ms. Breit shared that the District is working to establish these.

Discussion Items
PERA Affiliation

General Manager Karsian shared that he is meeting with PERA the following week to discuss having the District affiliate with PERA. Affiliating with PERA will impact the District budget. The Board will need to formally pass a resolution to join PERA. General Manager Karsian will provide additional materials to the Board, in advance of the March Board of Directors meeting, concerning PERA.



Chair Souby raised that his biggest concern will be the budget impacts. Director Levy asked which group the District staff would be affiliated with (i.e., local governments, judicial, educators, etc.). Mr. Butzin added that as a special district, FRPR must affiliate with the local government unit of PERA. Members of the Finance Committee are invited to join the FRPR District's meeting with PERA.

Director Nevitt asked if it is anticipated that the Board will take formal action on PERA affiliation at the March board meeting. General Manager Karsian confirmed that is the intent. Chair Souby noted that the Finance and Executive committee may choose to discuss the PERA matter before the March board meeting.

Discussion of Framework for a District Procurement and Purchasing Policy

General Manager Karsian introduced the discussion topic. He noted that over time, the District anticipates having significant procurement needs. As such, the District is looking to establish procurement policies and procedures. Chair Souby asked if the threshold whereby the General Manger may enter into contracts for goods or services should be raised from \$3,000, as noted in the draft policy shared with the board, to \$5,000. Director Laipply added that transparency is the critical factor, and that it is likewise important the Board not put anything in policy that is constraining. He is curious if there are best practices that can be learned from other boards.

Director Lopez shared that Las Animas County has a \$6,000 limit before going to any bid procurement agreements. Their administrator has the authority to go up to \$6,000 before needing approval from the Board of County Commissioners. Director Lopez shared that this policy has worked well for Las Animas. He supported Chair Souby's recommendation of \$5,000 or a little higher.

Director Peck asked how \$3,000 was chosen and noted language that one bid would be solicited. She raised concerns about bids being evaluated purely on cost without an eye to quality as well. General Manager Karsian shared that the \$3,000 was introduced as a conversation starter. General Manager Karsian noted that price and quality in tandem is always the lens used to evaluate contracts. He continued that administrative services, like bookkeeping, are the primary expenditures for the District right now. Director Peck asked if one bid is enough to consider if the goal is quality. General Manager Karsian responded that there isn't a formal RFP process for these small items. Mr. Karsian added his assurance that the District evaluates more than one option when purchasing. Chair Souby suggested language be added to the policy that includes a comment about the importance of making choices with an eye to quality and that General Manager Karsian consult with Board members before making purchases.

Director Soto agreed that \$5,000 is a good benchmark starting point. He noted that having a policy in place will be important when the District starts procurement for construction. He recommended consideration for responsible contracting and best value. General Manager Karsian affirmed that when the District reaches the construction phase, there will be competitive bidding with a focus on best value.

Mr. Butzin noted that Director Laipply and Director Soto were referring to construction of public works, and the policy under discussion solely applies to goods and services. Mr. Butzin continued that this policy was written as a starting point, based upon a similar policy his firm developed for another local government. Regarding construction of public works, the District is subject to Article 92, Title 24. The District can do design-build procurement, but otherwise the District follows the state procurement requirements, which is separate from



this policy piece and the discretion the General Manager may have. Director Soto requested that Mr. Butzin provide a copy of Article 92, Title 24. Mr. Butzin noted this is the policy CDOT follows for projects they procure, but certain divisions within CDOT follow different policies. Director Soto reiterated his support for choosing best value, rather than lowest initial bid.

Director Mulvey recommended item V. Sole Source Criteria for Contracts have an upper limit added to it. She recommend a range from the minimum procurement figure (as discussed earlier) to \$10,000. On item VIII. Small Businesses Enterprises, Director Mulvey asked if “small and disadvantaged businesses” includes female businesses. General Manager Karsian noted the District will clarify this. Director Laipply noted that the District and the policy haven’t defined “Small Business Enterprise,” so its uncertain if the federal definition of SBE applies, which is broad, or if it’s Disadvantaged Business Enterprise, which Director Laipply believed is neither race nor gender specific, but instead based upon dollar amount. General Manager Karsian thanked the directors for the conversation and noted these definitions will be solidified. Director Laipply voiced that it will be important to have these clarifications ascertained before the District takes major action. He shared that agencies often adopt others’ definitions. Mr. Butzin noted that considering where the District is going, it is recommended to use federal definitions, especially since the District may seek federal reimbursement or financing. Director Laipply agreed that it’s important to have a DBE requirement that complies with the federal definition, however, that doesn’t mean the District can’t do an SBE or emerging small business criteria on top of that. He recommended the District continue to consider this.

Director Olson shared that when he was with CDOT, the agency differentiated procurement of services and procurement of professional services. He asked if this policy applies to one or both. Mr. Butzin noted that right there is no distinction in this policy. Director Olson then asked that given that the District is a state District, must it follow the State’s procurement policies, or can it adopt its own? He continued that when the District receives federal funds, it will need to follow the Brooks Act for professional services, where price is not a top consideration for federal contracts. Mr. Butzin noted that the District is not subject to the State procurement code. Regarding federally compliant procurement, Mr. Butzin acknowledged there is more to discuss on this matter. He noted that if the District received Corridor Identification and Development Program (CDIP) funding, then the District would be beholden to additional federal administrative and accounting policies. Mr. Butzin clarified that the policy under discussion now is meant to apply to the smaller scale work the District is engaged in today, like the website updates. Mr. Butzin shared that the reason the District is instituting policies is because without this, there are none in play to guide such procurement. Mr. Butzin noted that if it’s helpful to carve out design and professional services for the next version of the policy, that can be done. He confirmed the importance of not tripping up on federal laws that may not apply today but eventually will.

Director Soto raised the importance of being competitive applicants when pursuing competitive grants. Strong procurement policies can support one’s application status.

Director Nevitt raised a concern about the small business component. He wanted to confirm that the District will not get into the space of certifying businesses as meeting a category. He expressed his hope that the District would not do that. For example, the City and County of Denver has their own MBE/MWBE policy and program. He recommended the District follow others’ certifying requirements.



Mr. Nevitt summarizes that the charge for the board right now is to review the threshold levels set forth in this policy and provide feedback on it. Chair Souby requested Finance Committee discuss the policy and provide a recommendation to the Board in March.

Committee Reports: Chair Souby shared that the chairs of the committees are also the members of the Executive Committee. A table displaying committee membership is provided in the Board packet. Director Laipply recommended revising the committee membership table to reflect Directors' roles on the board, not their organizations of employment. General Manager Karsian shared that no committees other than Executive Committee have met yet. Ms. Breit is in the process of scheduling the committees to meet before the March board meeting. Mr. Butzin noted that these committee meetings all need to be posted publicly. Director Soto asked if directors not currently assigned to a committee may participate down the line. Chair Souby responded yes.

General Managers Report: General Manager Karsian thanked the Directors for their support as the District stands up administratively. He looks forward to the committee reports next month.

Other Business: Director Mulvey noted that public outreach will soon begin for the SDP. As part of Board directors' efforts to engage their elected officials and communities in advance of this outreach, she raised if Directors will have business cards and letterhead. General Manger Karsian noted he would follow-up on this item.

Director Levy noted that in her previous meeting she requested General Manager Karsian develop a flowchart illustrating available funding, including deadlines and purposes. General Manager Karsian appreciated the reminder, noted that he has gathered new information, and will share that, in addition to an update on the CIDP application, at the March board meeting.

Presentation by the City of Colorado Springs on Downtown Station Planning Efforts: In the interest of time and Director participation, General Manager Karsian recommended this agenda item get scheduled for next month's Lunch-n-Learn. Director Gaebler concurred with the recommendation to reschedule the presentation and thanked the consultant and Mountain Metro Transit members in attendance.

Adjourn: Director Laipply motioned to adjourn the meeting. It was seconded by Director Soto. Motion passed unanimously.

The Board adjourned at 10:57 a.m.