



May 12, 2014

Honorable John W. Hickenlooper, Governor  
136 State Capitol  
Denver, CO 80203-1792

**Re: Concerns and Request for Revisions to SB14-197: High-Performance Transportation Enterprise Transparency Act (Transparency Bill)**

Dear Governor Hickenlooper,

The North Area Transportation Alliance (NATA) is a partnership of public and private entities working to identify, develop, advocate and lobby for transportation solutions that will enhance mobility, drive economic development and reduce traffic congestion in the north area. As part of our mission to find innovative ways to accelerate needed transportation projects, NATA fully supports Public-Private Partnerships (P3) through the High Performance Transportation Enterprise (HPTE). Without P3s, the time frame for constructing important roadways such as I-25 north, I-270 and I-70 will be delayed for decades. We are also strong proponents of greater transparency and believe the language in the Transparency Bill specific to enhancing public outreach will provide our citizens with more opportunities to better understand and provide meaningful input on these regional projects. The specific areas of the Transportation Bill we support are: 1. Legislative confirmation of HPTE Board members; 2. increasing annual legislative reporting requirements; and 3. the timely advertising of, and requiring additional town hall meetings.


However, we have concerns with the language related to the Transparency Bill's legislative oversight of contract procurement that places restraints and legislative votes on future P3 terms, non-competes and compensation events. Because the Legislature and the Bill sponsors have not seen the necessity of loosening these requirements, NATA has no choice but to oppose the Transparency Bill because it introduces too much ambiguity and higher risks to future projects. Higher risk includes the fact the private sector will either not pursue a potential P3 or if they do, the costs will ultimately be borne by the public through higher tolls or other compensation mechanisms.

Each project brings unique circumstances, and as such there needs to be flexibility in the financial procurement process in order for a P3 to be successful. The Transparency Bill's language does not provide bench marks or criteria to evaluate these unique proposals under the legislative review process, which poses a great deal of concern because one element all P3s share is the need for clear, upfront timing: "Timing is of the essence". Uncertainty of project timing for approval is high on the private sector's risk threshold,

and the fact the Legislature isn't in session all year around, coupled with the uncertainty of how long it would take for the project to gain legislative approval would be a deterrent to proposers.

Colorado needs P3s in its tool box to accelerate key regional transportation improvements. Because of these reasons, NATA requests a veto of SB14-197, and asks you to consider issuing an executive order that includes the sections of the Transparency Bill noted above, while leaving the particulars of these complicated financial contract negotiations with the private sector to HPTE and their subject matter experts.

Sincerely,



Erik Hansen, Chair of NATA  
Adams County Commissioner

- c: Commissioner Heather Barry, CDOT
- Don Hunt, CDOT Executive Director
- Mike Cheroutes, HPTE Executive Director
- Kurt Morrison, CDOT Legislative Liaison
- NATA Members