



MEETING MINUTES

NORTH CAROLINA TURNPIKE AUTHORITY
BOARD OF DIRECTORS – FINANCE COMMITTEE

DATE: September 19, 2018

LOCATION: NCTA Main Conference Room,

TIME: 9:30AM

1 S. Wilmington Street, Raleigh, NC

ATTENDANCE

MEMBERS PRESENT

Robert Teer, Perry Safran

MEMBERS PRESENT VIA PHONE

Jim Walker

MEMBERS ABSENT

Scott Aman

AGENDA TOPICS

WELCOME, INTRODUCTIONS, CALL TO ORDER AND DECLARATION OF QUORUM –

ROBERT TEER, CHAIR

DISCUSSION SUMMARY

Chairman Teer called the meeting to order and welcomed those in attendance. Chairman Teer called roll and declared a quorum of three members. Mr. Teer requested all future Finance Committee meetings begin at 10:30am.

ACTIONS TAKEN

Information only/no action required.

APPROVAL OF JULY 18, 2018 MEETING MINUTES – ROBERT TEER, CHAIR

DISCUSSION SUMMARY

Chairman Teer noted everyone received a copy of the meeting minutes prior to the meeting and announced he would accept a motion to approve the July 18, 2018 meeting minutes as written.

ACTIONS TAKEN

The July 18, 2018 Finance Committee meeting minutes were approved unanimously upon a motion by Mr. Jim Walker, seconded by Mr. Robert Teer.

OPENING COMMENTS – DAVID ROY, NCTA DIRECTOR OF FINANCE

DISCUSSION SUMMARY

Mr. David Roy gave an update on the Triangle Expressway, stating that transactions for the month of August totaled just over 4.8 million, which is a 9.3% year-over-year increase. The ETC penetration rate for the month of August was 59.5%. There were just over 9,700 transponders sold in August, with the number of transponders sold project-to-date totaling just over 417,000. Revenues for the month of July were just above \$4.2 million, which is a 10.4% year-over-year increase and about 31% over initial projections.

Ms. Jennifer Harris briefed the Finance Committee on other projects the Turnpike Authority is working on, including the Mid-Currituck Bridge, Cape Fear Crossing, I-77 Express Lanes in South Charlotte and the U.S. 74 Express Lanes. Mr. David Roy added that this briefing was a request of Chairman Teer.

ACTIONS TAKEN

Information only/no action required.

COMPLETE 540 DESIGN-BUILD PROCUREMENT UPDATE – RODGER ROCHELLE, P.E., NCTA CHIEF ENGINEER

DISCUSSION SUMMARY

Mr. Rodger Rochelle gave a brief update on the three design-build procurements currently underway for the Complete 540 projects.

ACTIONS TAKEN

Information only/no action required.

COMPLETE 540 UNDERWRITER SELECTION – DAVID ROY, NCTA DIRECTOR OF FINANCE

DISCUSSION SUMMARY

Mr. David Roy gave a brief overview on the Complete 540 underwriter selection and presented the selection committee's recommendation for co-managers to complete the underwriting team.

Mr. Jim Walker inquired what the co-managers typically do, and Mr. Miller stated they enhance the underwriting team's ability to reach out and generate orders.

ACTIONS TAKEN

A motion to move the recommended co-manager underwriting firms for the Complete 540 financing to the full Turnpike Authority Board was approved unanimously upon a motion from Mr. Perry Safran, seconded by Mr. Jim Walker.

TIFIA REFUNDING ANALYSIS – DAVID ROY, NCTA DIRECTOR OF FINANCE & DAVID MILLER, PFM FINANCIAL ADVISORS

DISCUSSION SUMMARY

Mr. David Roy introduced Mr. David Miller to present the committee with an updated analysis on refunding the original 2009 Triangle Expressway TIFIA loan.

Mr. Robert Teer requested the committee be provided an update on the Turnpike Authority's account balances.

Mr. Jim Walker inquired if the revenue projections are based on what is seen now on the Triangle Expressway. Mr. Miller described that CDM Smith has used actuals from the facility and has forecasted revenues for one scenario with only the Triangle Expressway as well as another scenario including the Triangle Expressway and Complete 540 project.

Mr. Perry Safran asked if this refunding was an action item for the committee today and Mr. Roy stated it is only put forward to the committee today as an information item and can be an action item for the committee at the October committee meeting if desired. Mr. Safran inquired if the cost of issuance is included in the analysis, Mr. Miller stated this analysis includes rough cost of issuance estimates and Mr. Roy explained that the costs will be updated in the analysis before action is requested next month.

Mr. Perry Safran stated it was his recommendation that the Authority should move forward with the TIFIA refunding and Mr. Walker agreed.

ACTIONS TAKEN

Information only/no action required.

I-485 EXPRESS LANES PROJECT UPDATE – RODGER ROCHELLE, P.E., NCTA CHIEF ENGINEER

DISCUSSION SUMMARY

Mr. Rodger Rochelle provided the committee with an update on the I-485 Express Lanes project. Mr. Perry Safran inquired on who the low bidder was and Mr. Rochelle stated the apparent low bidder was Blythe Construction.

ACTIONS TAKEN

Information only/no action required.

I-77 EXPRESS LANES PROJECT UPDATE – RODGER ROCHELLE, P.E., NCTA CHIEF ENGINEER

DISCUSSION SUMMARY

Mr. Rodger Rochelle presented an update on the toll rate schedules set by I-77 Mobility Partners and most recent pending amendment for the I-77 Express Lanes project. Mr. Wally McBride asked when the methodologies would be released, Mr. Rochelle stated the methodologies were announced at the public hearing held by I-77 Mobility Partners. Mr. McBride stated he highly suggested the methodologies be put forward to the board for review.

ACTIONS TAKEN

Information only/no action required.

ADJOURN

DISCUSSION SUMMARY

Mr. Robert Teer called for a motion to adjourn the September 19, 2018 Finance Committee meeting

ACTIONS TAKEN

The motion to adjourn the September 19, 2018 Finance Committee meeting was approved unanimously upon a motion made by Mr. Perry Safran, seconded by Mr. Jim Walker.