



MEETING MINUTES NORTH CAROLINA TURNPIKE AUTHORITY FINANCE COMMITTEE

DATE: 10/26/2016 TIME: 10:00 AM LOCATION: NCTA Main Conference Room

MEMBERS PRESENT	Beau Memory, Perry Safran, Robb Teer
MEMBERS PRESENT VIA PHONE	Scott Aman, Jim Walker
MEMBERS ABSENT	

AGENDA TOPICS

1. WELCOME/OPENING COMMENTS – ROBB TEER, CHAIR	
DISCUSSION SUMMARY	<p>Chairman Teer welcomed all attending and thanked all the Committee members for being present. He called the meeting to order. David Roy called roll. Chairman Teer confirmed all present. Chairman Teer invited Beau Memory to provide his remarks.</p> <p>Mr. Memory greeted everyone attending and reported an update on the Triangle Expressway that transactions were up 10% to over 4,000,000 for September and revenue was approximately 136% of expectations to \$3,498,000. The Traffic and Revenue study for 540 began last month and results should be available in the spring. He also thanked the members of the committee for actively participating.</p>
ACTIONS TAKEN	Chairman Teer presented the meeting minutes from October 6, 2016 for approval by the Committee. Motion of approval given by Perry Safran and seconded by Scott Aman. The minutes were adopted unanimously.

2. MONROE EXPRESSWAY: PLAN OF FINANCE UPDATE – DAVID MILLER, PFM	
DISCUSSION SUMMARY	<p>Mr. David Miller reviewed the Plan of Financing, Preliminary Funding Sources and Uses, the TIFIA Loan Repayment Schedule and Projected Cash Flows for the Monroe Expressway, noting no material changes from the last presentation. When presenting the Proposed Schedule Mr. Miller noted they hope to be pricing in December. The only new thing he explained within the Flow of Funds is the Ramp-Up Reserve/Restricted Account is \$25 million that Moody's said we were to hold for the first 5 years to ensure sufficient revenues. The Pledged Account may be used for anything related to the project. Mr. Perry Safran questioned what would happen to a balance of \$77M STIP funds. Mr. David Tyeryar responded with the fact it would be left in the project. Mr. Roy added that TIFIA wants the</p>

	money to stay there at least through construction. Mr. Tyeryar reinforced the money needs to stay in the project. Mr. Miller spoke about Bond Insurance and the potential benefits and how it relates to the bonds.
ACTIONS TAKEN	

3. MONROE EXPRESSWAY: REVIEW OF DRAFT FINANCING AND BOND DOCUMENTS – WALLY McBRIDE, HUNTON & WILLIAMS AND MARY NASH RUSHER, MCGUIREWOODS	
DISCUSSION SUMMARY	<p>Mr. Wally McBride began by reviewing the Revenue Bond Trust Agreement but stressed there are three things to remember. TIFIA wants covenant that says NCTA will abide by the rates in the T&R study and will not reduce the rates unless revenue sufficient. Mr. Miller explained that TIFIA wants to put coverage requirements on the senior documents and on TIFIA coverage that are above the rate covenants. Mr. McBride advised that TIFIA wants Business Interruption Insurance. Mr. Roy explained we are pursuing a quote but they are asking for 1 year and NCTA believes that is excessive. Mr. McBride continued with the fact that TIFIA insists on using a different definition of revenue than they did for Triangle Expressway.</p> <p>Ms. Mary Nash Rusher ensured that she will change the Preliminary Official Statement to reflect the Trust Agreement.</p>
ACTIONS TAKEN	

4. ACTION ITEM – MONROE EXPRESSWAY: REVIEW OF RESOLUTION AND BOND ORDER AUTHORIZING ISSUANCE OF TOLL REVENUE BONDS, SERIES 2016 AND TIFIA BOND – DAVID ROY	
DISCUSSION	Mr. David Roy reviewed the resolution with the Committee Members. Chairman Teer recommended a more condensed version of presentation when presented to the full Board at the next Board Meeting. Mr. Roy directed the Board Members to the Draft of the resolution and bond order in their books.
ACTIONS TAKEN	<p>Chairman Teer stated that the draft of the proposed resolution and bond order was distributed prior to the meeting then asked for a motion to approve taking to the full NCTA Board of Directors the <i>Resolution Approving Issuance of Monroe Expressway Toll Revenue Bonds Series 2016, Issuance of a Monroe Expressway TIFIA Bond to Confirm Obligation Incurred Under a Loan Agreement with USDOT and Other Matters Concerning Financing of Monroe Expressway and Bond Order of the North Carolina Turnpike Authority Authorizing the Issuance of Monroe Expressway Toll Revenue Bonds, Series 2016 and a Monroe Expressway TIFIA Bond to Confirm Obligations Incurred Under a Loan Agreement with USDOT.</i></p> <p>Mr. Perry Safran made the motion and Mr. Jim walker seconded. The motion was approved unanimously to carry to the full NCTA Board of Directors.</p>

5. ADJOURN	
DISCUSSION	Mr. Beau Memory welcomed and introduced new staff member, Dennis Jernigan and described his role with the division as the Project Controls Engineer. Chairman Teer opened the floor for new business. With no new business offered, the motion to adjourn was made by Mr. Safran and seconded by Mr. Scott Aman. Chairman Teer declared the meeting adjourned.
ACTIONS TAKEN	