



**MEETING MINUTES
NORTH CAROLINA TURNPIKE AUTHORITY
FINANCE COMMITTEE**

DATE: 1/12/2017 **TIME:** 9:30 AM **LOCATION:** NCTA Board Room, Room 608

MEMBERS PRESENT	Perry Safran and Jim Walker
MEMBERS PRESENT VIA PHONE	Robb Teer (Chairman)
MEMBERS NOT AVAILABLE TO PARTICIPATE	Scott Aman

AGENDA TOPICS

1. WELCOME, CALL TO ORDER, APPROVAL OF DECEMBER 1, 2016 MEETING MINUTES - ROBB TEER, CHAIR	
DISCUSSION SUMMARY	Mr. Robb Teer asked Ms. Christina Poucher to take roll. Ms. Poucher took roll in the room and Mr. David Roy took roll on the phone.
ACTIONS TAKEN	Mr. Teer asked for a motion to accept the minutes as written. Motion to accept minutes as written by Mr. Jim Walker. Second by Mr. Perry Safran.

2. OPENING COMMENTS – BEAU MEMORY, EXECUTIVE DIRECTOR	
DISCUSSION SUMMARY	Mr. Beau Memory reported that Triangle Expressway for November 2016, transactions and revenue outpaced initial projections by approximately 25% and 50% respectively. He commended the Division 5 and Turnpike employees for their diligent work during the snowstorm and that the news used our road as an example. Chairman Teer concurred. Mr. Memory advised that I-485 Express Lanes is currently under development. The public hearings are to be held next week. I-485 is fully funded by the STIP. Stantec, the T & R firm, are beginning work on the final report. Mr. Memory explained that this project is different than other toll projects in North Carolina because it is Express Lanes.
ACTIONS TAKEN	Information only/ No action taken.

3. MONROE EXPRESSWAY: FINANCING UPDATE – DAVID ROY, DIRECTOR OF FINANCE	
DISCUSSION SUMMARY	<p>Mr. David Roy presented the final Proposed Schedule and explained that TIFIA had changed some of the timing since first reported. Mr. Roy advised that USDOT Secretary was expected to sign on or before January 20 which is the deadline for him to approve. Pre-pricing is scheduled for next week with the closing tentatively the week of February 2. Mr. Roy reported rates had stabilized and decreased from December highs.</p> <p>Mr. Walker asked if the new President and new Secretary will change anything. Mr. Wally McBride said the approval can come from the old Secretary but the new Secretary can repeal so there is still some minimal risk. Due to the President's infrastructure plans we do not foresee, but the risk is there.</p>
ACTIONS TAKEN	Information only/ No action taken.

4. MONROE EXPRESSWAY: COST TO COMPLETE UPDATE – DONNA KEENER, HNTB	
DISCUSSION	<p>Ms. Donna Keener presented a 2 month project budget update. Ms. Keener reported the Design-Build expenditures have increased due to asphalt paving and all other categories are on schedule as expected; except there was a decrease in diesel fuel. The project is 59% complete now and progress is continuing. Right of way budget is expected to underrun by approximately \$4.72 million if it stays at current settlement rate. On the Design-Build construction status the largest jumps are due to asphalt paving. Mr. Robert Teer questioned if all the bridges had been started and Ms. Keener answered in the affirmative and added they were 71% complete. Mr. Teer followed up by asking if all the culverts and concrete structures were complete. Mr. Keener answered the culverts were almost complete, if not all the way complete.</p>
ACTIONS TAKEN	Information only/No action taken.

5. TRIANGLE EXPRESSWAY: FY 2016 FINANCIAL UPDATE – DAVID ROY, DIRECTOR OF FINANCE	
DISCUSSION	<p>Mr. Roy presented the same report to the Committee that had been submitted to Moody's' and any other agencies that ask for an annual review which includes FY 2016 Highlights. Mr. Roy also noted that Moody's had upgraded Triangle Expressways outlook to positive, from stable, indicating that there is a chance a rating upgrade will be coming soon. Revenues exceeded projections for FY 2016.</p> <p>Chairman Teer asked if the Turnpike had heard any negative feedback on the toll increase that took effect January 1. Mr. Beau Memory answered he had heard from one customer who did not like the increase. Our debt payment continues to increase every year so for now it is necessary but if this growth continues we may be able to discuss holding rates or decreasing.</p> <p>Chairman Teer directed the question, is it required by the covenants that we raise the rate every year, to Mr. Wally McBride. Mr. McBride said it was required. It is a good idea to get as much as possible until we finish 540 to help with the rating agency.</p>

ACTIONS TAKEN	Information only/No action taken.
6. TRIANGLE EXPRESSWAY: VERIDEA PARKWAY UPDATE – DENNIS JERNIGAN, P.E., PROJECT CONTROLS ENGINEER (PRESENTED BY DAVE JONES, ATKINS)	
DISCUSSION	Mr. Dennis Jernigan presented an update on Veridea Parkway Interchange, the Morrisville Parkway Interchange and Complete 540, including pictures of the work in progress.
ACTIONS TAKEN	Information only/No action taken.

7. ADJOURN	
DISCUSSION	Chairman Teer commended the staff on how the meetings are run and materials that are prepared ahead of the meetings. He also confirmed dates for upcoming meetings. Mr. Safran recommended that a member of the Finance Committee serve on the Operations Committee and a member of the Operations Committee serve on the Finance Committee. Mr. Safran also recommended obtaining a drone to fly over the Monroe Expressway before each meeting to present during the meeting.
ACTIONS TAKEN	Information only/No action taken.