



Board of Directors – Full Board

Meeting Minutes

Date: Thursday, August 6, 2020
10:30 AM

Location: Webinar/Teleconference

Attendance

Members Present

Secretary Boyette

Members Present Via Phone

Perry Safran, Robert Teer, Montell Irvin,
Mary Clayton, Sam hunt, James Walker,
Scott Aman

Members Absent

Remote Meeting Statement – Secretary Boyette, Chair

Discussion Summary

As part of the Act to Provide Aid to North Carolinians in Response to Coronavirus Disease 2019 (COVID-19) Crisis, (S.L. 2020-3, SB 704) the General Assembly enacted modifications to the laws governing public bodies. The provisions are in Section 4.31 of the Act.

The August 6, 2020 meeting was held remotely for all members of the Board and was held in such way due to the restrictions in place pertaining to the COVID-19 pandemic. The board meeting was conducted using simultaneous communication and based on the new law (General Statute §166A-19.24), the meeting followed the parameters set out for remote meetings. Actions executed during the August 6, 2020 Turnpike Authority Board of Directors meeting included:

~Implementing a roll call voting system for all actions

~Ensuring that the meeting minutes of the remote meeting reflect that the meeting was conducted by use of simultaneous communication, denoting the name of members participating by simultaneous communication, and recording when members join or leave the remote meeting

Actions Taken

Information only, no action required.

Call to Order, Declaration of Quorum, Ethics Statement Review– Secretary Boyette, Chair

Discussion Summary

Chairman Boyette called the meeting of the Turnpike Authority Board of Directors to order at 10:30 a.m. on Thursday, August 6, 2020 and conducted a roll call.

Members Present: Secretary Boyette, Vice Chair Perry Safran, Robert Teer, Montell Irvin, Sam Hunt, James Walker, Scott Aman (joined @ 10:50am), Chuck Travis
Members Unavailable to Participate: Mary Clayton

Chairman Boyette declared a quorum with members present.

Chairman Boyette read the Ethics Statement advising all members of the Board that may have any conflict of interest, or appearance of conflict, to refrain from participation in that particular item and to file the proper paperwork with the Logann Perry, Secretary to the Board.

Chairman Boyette shared “In accordance with the State Government Ethics Act, Executive Order No. 2 issued on January 12, 2009, and N. C. G. S. §143B-350, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. “To comply with this statement and the State Ethics Law, I ask whether any Board member has a known conflict of interest or appearance of conflict with respect to any matters coming before the Board today.”
“If so, please identify the conflict or appearance of conflict when the item appears on the agenda for consideration, refrain from any undue participation in the particular matter involved and sign before our notary the Declaration that has been provided to you for such purpose.”

Actions Taken

Information only, no action required.

Approval of May 7, 2020 Meeting Minutes – Secretary Boyette, Chair

Discussion Summary

Chairman Boyette shared that he will now conduct a roll call for the vote on the action item. He explained to members that he will call each board member by name, he stated when you hear your name please respond to the action item up for consideration by saying either yes (or “aye”) if you approve or no if you are opposed to the item.

Chairman Boyette, Vice Chair Safran, Robb Teer, Montell Irvin, Sam Hunt, James Walker, Chuck Travis all stated yes or aye to the motion. Chairman Boyette stated the motion passed.

Actions Taken

The May 7, 2020 Board of Directors meeting minutes were approved unanimously upon a motion by Mr. Robert Teer, seconded by Mr. Montell Irvin.

Opening Comments – Secretary Boyette, Chair

Discussion Summary

Chairman Boyette shared that for the first time ever, we will have a newly constituted state Board of Transportation. House Bill 77 reconstituted the entire board. The legislation increased the size of the board from 19 to 20 members. In the past, all BOT members were appointed by the Governor. Now, 3 appointments will come from the Speaker of the House and 3 more will come from the President Pro-Tem of the Senate. The remaining 14 appointments will be made by the Governor. Senate President Pro Tem Phil Berger has appointed two former state legislators – Andy Wells, of Catawba County, and Jerry Tillman, of Randolph County. House Speaker Tim Moore has appointed former legislator Chuck McGrady, of Henderson County, and Stephen Rosenburgh, who is the president of a Charlotte real estate investment firm. Moore and Berger have 1 more appointment each to announce. We expect Governor Cooper to announce his appointments soon. The new board is scheduled to meet for the 1st time next week.

Chairman Boyette updated the Board on storm prep and response. He stated that DOT staff have been very busy over the past week preparing for and responding to the storm, which was a dangerous category 1 hurricane. Roads across eastern North Carolina were impacted by localized flooding, downed trees and other debris from the storm. Our greatest impacts were to roads flooded or blocked by downed trees in the Wilmington area and northeastern North Carolina. Most of our coastal ferries are back up and running. Wilmington and Morehead City ports were able to reopen Tuesday morning, shortly after the storm exited the state.

The Chairman continued with a financial update. He shared, as most of you know, financial challenges brought on by COVID-19 have been unprecedented. We were already dealing with serious costs due to storms and Map Act settlements when COVID-19 hit. COVID-19 impacted DOTs main sources of revenue (gas tax, highway use tax and DMV fees). COVID-19 had \$300M in impacts to transportation revenue streams.

The Chairman reminded all of the members about the mileage-based usage pilot. DOT is seeking the publics help to find out if a mileage-based user fees could be a sustainable solution for transportation funding. The pilot started this month and will run through December. If you haven't signed up to be a part of this study, please contact the Communications Office.

Actions Taken

Information only, no action required.

Executive Director Comments – JJ Eden, Executive Director

Discussion Summary

JJ Eden welcomed all to the meeting and thanked them for their time. He stated that the Turnpike staff is adjusting well to stay at home orders and commended all for their hard work.

Complete 540 project is moving along as planned, Monroe Expressway is operating well while still in ramp up period. Triangle Expressway transactions are still down about 20%, but the team is looking into what may be causing down-age.

Actions Taken

Information only, no action required.

Annual Ethics Education & Update on By-Laws – Ann Dishong, Director of Governance Ebony Pittman, Assistant Attorney General, Transportation Division

Discussion Summary

Secretary Boyette stated that the By-laws update would be tabled until a later date. Ms. Ann Dishong reviewed ethics duties, responsibilities, and procedures with Board members. She stated that Ebony Pittman would be agency point of contact should any questions or concerns arise.

Ms. Ann Dishong shared an annual ethics reminder with the Board. Ms. Ebony Pittman and Ms. Dishong covered the annual ethics material to ensure all Board members were aware of their ethical responsibilities as member of the Turnpike Board of Directors.

Ms. Dishong stated there was not an ethics issue. Today's review is a proactive action that is done for all four boards at North Carolina Department of Transportation (NCDOT). This would be a simply brief reminder of the duties and responsibilities as a member of the Turnpike Board of Directors.

Ms. Dishong mentioned to the Board members that they were provided an ethics booklet for their review. The booklet outlines information members of the Board may need to reference throughout the year. The booklet is in place to provide members an overview of their statutory authority as it pertains to the Turnpike Board of Directors along with ethical considerations and requirements. Ms. Dishong stated that Ms. Pittman is the best point of contact regarding any questions about the Board's statutory authority.

Ms. Dishong shared that each Board member should have received an ethics compliance card as well from Becky Boone in her office. She explained that the card provides each member their most recent SEI filing date, their next SEI filing due date, the last ethics education training date and the next due date. She shared Daniel Johnson, General Counsel and herself are the ethics liaisons for the NCDOT and all four of its boards. Mr. Johnson's office handles the legal side and Ms. Dishong's office handles all compliance. Ms. Dishong invited members to contact them as needed.

Ms. Dishong asked Ms. Pittman if she would please take some time to review any pertinent information that she would like to bring to their attention today. Ms. Pittman (Assistant Attorney General, Transportation Division) provided a summary of the Board's statutory authority, reviewed applicable statutes, and explained ethical requirements while serving as a member of the Board. Ms. Pittman encouraged members to contact her should they have any questions pertaining to their ethical requirements or authority while on the Board.

Actions Taken

Information only, no action required.

Operations Committee Report – Montell Irvin, PE, Operations Committee Chair

Discussion Summary

Mr. Montell Irvin updated the board with a report on the Operations Committee meetings that have been held since the last Board of Directors meeting in May.

Since the last Full Board meeting, the Operations Committee met June 18th and July 16th.

At the June 18th Operations Committee meeting the Committee received updates on Complete 540 Construction, Service Center Contract Transition, Morrisville Parkway Interchange and I-485 Express Lanes.

At the July 16th Operations Committee Meeting the Committee received updates on the Complete 540 Construction, I-485 Express Lanes, Customer Service Center and Toll Technology.

Actions Taken

Information only, no action required.

Finance Committee Report – Robert Teer, Finance Committee Chair

Discussion Summary

Since the Board meeting in May, the Finance Committee has met twice.

At the June 17th meeting, the Finance Committee received presentations on Complete 540 construction and spending, the proposed Complete 540 BANs transaction, the draft Debt Management Policy the Authority is looking to implement, and an overview of FY 2019 Toll Revenue Collection.

At the July 15th meeting, the Finance Committee received updates on Complete 540 construction and the Monroe Expressway State Appropriation refunding.

The committee also received a presentation on the Debt Management Policy and voted unanimously to recommend the board approve and adopt this policy today.

Lastly, the committee received a presentation on the proposed Complete 540 BANs transaction and bond documents and voted unanimously to recommend the board approve the Resolution with Respect to Issuance of Triangle Expressway System Senior Lien Turnpike Revenue Bond Anticipation Notes, Series 2020 today.

Actions Taken

Information only, no action required.

Finance & Budget Update – David Roy, Director of Finance & Budget

Discussion Summary

Mr. David Roy updated the board on Turnpike Finance and Budget operations, no questions in regards to quarterly operations were raised by meeting attendees.

Mr. Roy then gave an update on Debt Management Policy. He stated that a draft policy was sent to Board members prior to the meeting for review. Mr. Montell Irvin inquired as to how, if this does not impact Turnpike rating, will this be beneficial with rating agencies going forward. Mr. Roy stated that while this is not required it is good practice and appropriate that a policy is in place.

Mr. Perry Safran inquired if there was any concern to do this more than annually? Mr. Roy stated that once a year is considered appropriate, but this would be revisited if operations required such.

Mr. Safran inquired how Turnpike compared with other authorities, for example Ports Authority? Mr. Roy stated that this policy was developed with the support of PFM to align with industry-wide best practices.

Secretary Boyette asked for a motion to approve the Debt Management Policy of the Turnpike Authority as presented. A motion was made by Mr. Robert Teer, seconded by Mr. Scott Aman.

Mr. David Roy and Mr. David Miller reviewed Complete 540 Bond Anticipation Notes analysis with the Board. Mr. Robert Teer stated that these initiatives has saved the NC Turnpike close to \$100 Million dollars and commended the Financial team for their hard-work.

Secretary Boyette asked for a motion to approve the Resolution with Respect to the Issuance of Triangle Expressway System Senior Lien Turnpike Revenue Bond Anticipation Notes, Series 2020, as distributed. A motion was made by Mr. Robert Teer, seconded by Mr. Charles Travis.

Actions Taken

Action 1 Chairman Boyette asked for a motion to approve the Debt Management Policy as provided. Mr. Robert Teer made the motion and a second by Mr. Sam Hunt. Chairman Boyette shared that he will now conduct a roll call for the vote on the action item. He explained to members that he will call each board member by name, he stated when you hear your name please respond to the action item up for consideration by saying either yes (or "aye") if you approve or no if you are opposed to the item.

Secretary Boyette, Vice Chair Perry Safran, Robert Teer, Montell Irvin, Sam Hunt, James Walker, Scott Aman, Chuck Travis all stated yes or aye on the motion. Chairman Boyette stated the motion passed.

Action 2 Chairman Boyette asked for a motion to approve the Resolution with Respect to the Issuance of Triangle Expressway System Senior Lien Turnpike Revenue Bond Anticipation Notes, Series 2020, as distributed. A motion was made by Mr. Robert Teer, seconded by Mr. Charles Travis.

Chairman Boyette shared that he will now conduct a roll call for the vote on the action item. He explained to members that he will call each board member by name, he stated when you hear

your name please respond to the action item up for consideration by saying either yes (or "aye") if you approve or no if you are opposed to the item.

Secretary Boyette, Vice Chair Perry Safran, Robert Teer, Montell Irvin, Sam Hunt, James Walker, Scott Aman, Chuck Travis all stated yes or aye on the motion.

Chairman Boyette stated the motion passed.

Toll Technology Update – Manish Chourey, Chief Technology Officer

Discussion Summary

Mr. Manish Chourey provided an update on Turnpike Toll Operations, which included a project time line projection and discussion of Morrisville Interchange Go-Live.

No questions were presented to Mr. Chourey.

Actions Taken

Information only, no action required.

Customer Service Update – Manish Chourey, Chief Technology Officer Angela Queenland, Manager of Customer Service

Discussion Summary

Mr. Manish Chourey and Ms. Angela Queenland provided the Board with an update on customer service operations, which included an overview of processes and during COVID-19. Mr. Chourey and Ms. Queenland confirmed zero COVID cases at the time of the Board meeting.

No questions were presented to Mr. Chourey and Ms. Queenland.

Actions Taken

Information only, no action required.

Roadway Operations Update – Dennis Jernigan, PE, Director of Highway Operations

Discussion Summary

Mr. Dennis Jernigan presented a Roadway maintenance and operations update to the Board of Directors.

Mr. James Walker asked about an update regarding the Wrong Way Driver Initiatives and Lane Marker Projects. Mr. Jernigan stated the installation was deferred to next year on Triangle Expressway.

Actions Taken

Information only, no action required.

Chief Engineer's Update – Rodger Rochelle, PE, Chief Engineer

Discussion Summary

Mr. Rodger Rochelle provided a brief update to the Board of Directors, which included a high level overview of the Complete 540 Project.

Actions Taken

Information only, no action required.

FAST Network Study – Joe Milazzo II, PE, Regional Transportation Alliance

Discussion Summary

Mr. Joe Milazzo of the Regional Transportation Alliance provided a brief update on the FAST Network Study.

Actions Taken

Information only, no action required.

Closing Comments & Adjournment – Secretary Boyette, Chair

Discussion Summary

Secretary Boyette announced that the end of the agenda had been reached and asked for any additional questions or comments.

No further questions or comments were given.

Actions Taken

Chairman Boyette asked for a motion to adjourn the meeting. Mr. James Walker made the motion and Mr. Scott Aman seconded.

Chairman Boyette shared that he will now conduct a roll call for the vote on the action item. He explained to members that he will call each board member by name, he stated when you hear your name please respond to the action item up for consideration by saying either yes (or "aye") if you approve or no if you are opposed to the item.

Many of the members left the call.

The remaining members included Secretary Boyette, Robert Teer, Montell Irvin, Sam Hunt, James Walker, Scott Aman all stated yes or aye on the motion.