



# Board of Directors – Special Finance Meeting Minutes – Approved

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## Meeting Details

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**Date:** Friday, September 30, 2022

**Location:** Webinar/Teleconference

**Time:** 9:00 AM – 9:30 AM

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## Attendance

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### Members Present

#### Members Present via Webinar

John Adcock, Robert Teer, James (Jim) Walker

#### Members Absent

Dr. Pamela Senegal

## Call to Order, Declaration of Quorum, Ethics Statement Review

**Robert Teer, Chair**

### Discussion Summary

Mr. Robert Teer called the meeting of the Turnpike Authority Special Finance Meeting to order at 9:00 a.m. on Friday, September 30, 2022, and Chairman Teer completed a roll call.

Members Present Via Webinar/Teleconference: John Adcock, Robert Teer, Chuck Travis, James (Jim) Walker

Members Absent: Dr. Pamela Senegal

Mr. Teer declared a quorum with members present.

Mr. David Roy 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 item and to file the proper paperwork with Julie Lohrentz-Keaveny, Temporary Secretary to the Board.

### Actions Taken

Information only, no action required.

## Executive Director Comments

**J.J. Eden, Executive Director**

### Discussion Summary

Mr. J.J. Eden thanked all Board Members for attending this special meeting, especially with such short notice. He expressed that he will be keeping all of those involved in the storm in his thoughts and prayers.

### Actions Taken

Information only, no action required.

## Complete 540 Phase 2 Project

**Dennis Jernigan, Interim Chief Engineer**

### Discussion Summary

Mr. Dennis Jernigan presented the Complete 540 Phase 2 Project Update. There were no questions for Mr. Jernigan.

### Actions Taken

Information only, no action required.

## Complete 540 Phase 2 Plan of Finance

**David Roy, Chief Financial Officer**

### Discussion Summary

Mr. David Roy presented the NC Turnpike Authority Complete 540 Phase 2 Plan of Finance to the Finance Committee. He paused to ask if any of the Committee Members had questions regarding the Plan of Finance.

Mr. Jim Walker asked where exactly the funds would come from within the financial structure of the Department of Transportation. Mr. Roy indicated that it was from the Trust Fund, Spring 2024, final close, and was included in the DOT spend plan. There are no negative impacts to projects.

Mr. John Adcock asked how the federal fund rate hikes affect the Plan of Finance. Mr. Roy responded that the rate hikes do have an effect, however TIFIA requires a 75 basis point cushion. It is a significant contract and should accommodate changes. The original Triangle Express TIFIA Loan was 4.25% in 2009.

Mr. Walker asked if the \$100M will be repaid and if there is any interest. Mr. Roy stated that there is no interest accrued.

Mr. Adcock referred to the revenue forecast slide, what does the blue under zero under 2024 mean? Mr. Roy responded that reserves are in place, and they will leverage the reserve funds, and this has been included in the Plan of Finance. Mr. Adcock added that this is beneficial to the entire state and Mr. Walker agreed.

There was discussion about leveraging funds in the future. Mr. David Roy added that certain appropriation backed bonds retire in 2049, due to anticipated appropriation removal.

Mr. Robert Teer asked if there were any additional questions. There were none.

Mr. Roy asked the Board Members if there were any questions on the resolution itself. He added that with approval this matter will go before the Board of Directors at their next meeting, Friday, September 30, 2022, for consideration.

### **Actions Taken**

Information only, no action required.

## **Action Item: Consideration of INDUCEMENT RESOLUTION FOR COMPLETE 540 PHASE 2 FINANCING**

### **Robert Teer, Chair**

#### **Discussion Summary**

Mr. Robert Teer read: The resolution reads with respect to actions in furtherance of financings of Complete 540 Phase 2, including requesting authorization of NC Department of Transportation advances. Acknowledging terms of NC Department of Transportation guarantee and inducement under the Internal Revenue Code 1986, as amended. He stated that the Finance Committee recommends this resolution and brings it before the Full Board of Directors at this time for information.

Mr. Teer then took a roll call vote. Mr. Walker, Mr. Adcock, and Mr. Teer voted in the affirmative. Dr. Senegal was absent. The motion to support the Resolution passed and will advance to the Full Board. Mr. Teer told the Board Members that he appreciated the Board Members taking the time to meet regarding the Resolution.

Mr. JJ Eden thanked the Board Members for approving this significant move forward for Turnpike, North Carolina, and Raleigh. He stated this major move is significant in Scheduling and Finance.

## **Adjournment**

### **Mr. Robert Teer, Chair**

#### **Discussion Summary**

Mr. Robert Teer announced that the next scheduled Board of Directors Meeting would be held on Friday, September 30, 2022, and that he was looking forward to that meeting. He asked if there were any other items that needed to be discussed by the Board and hearing none he asked for a motion for adjournment. So moved by Mr. Robert Teer. Mr. Charles Travis seconded the motion.

### **Actions Taken**

Mr. Robert Teer adjourned the September 30, 2022, NC Turnpike Board of Directors meeting at 9:30 a.m.