



MEETING MINUTES

NORTH CAROLINA TURNPIKE AUTHORITY BOARD OF DIRECTORS

DATE: 08/03/2017 **TIME:** 10:30 AM **LOCATION:** NCTA Main Conference Room

MEMBERS PRESENT	Perry Safran, Robb Teer, Jim Crawford, Jim Walker, Montell Irvin, Charles Travis
MEMBERS PRESENT VIA PHONE	Scott Aman
MEMBERS ABSENT	John Collett

AGENDA TOPICS

1. WELCOME, CALL TO ORDER, DECLARATION OF QUORUM, AND INTRODUCTIONS – PERRY SAFRAN VICE-CHAIR	
DISCUSSION SUMMARY	<p>Vice-Chair Perry Safran announced the beginning of the meeting and declared a quorum of seven voting members of the Board.</p> <p>Vice-Chair Safran then asked everyone in the room to introduce themselves.</p> <p>Vice-Chair Safran read the Ethics Statement and directed the members to their individual statement for signature in acceptance of the policy for the date of August 3, 2017.</p>
ACTIONS TAKEN	Information only/No action taken
2. APPROVAL OF JULY 24TH, 2017 MEETING MINUTES - PERRY SAFRAN, VICE-CHAIR	
DISCUSSION SUMMARY	Vice-Chair Safran asked the Board Members to review the minutes. He noted everyone had received a copy of the meeting minutes prior to the meeting and announced he would accept a motion to approve the July 24, 2017 meeting minutes as written.
ACTIONS TAKEN	<p>Mr. Robb Teer made a motion to approve the July 24, 2017 meeting minutes.</p> <p>Mr. Charles Travis seconded the motion.</p> <p>Motion was approved unanimously.</p>

3. OPERATIONS COMMITTEE MEETING REPORT – MONTELL IRVIN, OPERATIONS COMMITTEE CHAIR	
DISCUSSION	<p>Mr. Montell Irvin reported on the two meetings the Operations Committee held since the last Board Meeting. At the June 15th meeting, we heard from Mr. Conti, former NCDOT Secretary, about his effort in supporting the department in developing policies and guidelines for selecting future projects to be considered as a toll project. Staff gave a presentation on setting a Policy for Adopting Express Lane Tolling Methodologies for the department. We received a presentation of the Maintenance Rating Program (MRP). We also received a presentation that gave an overview on Cybersecurity.</p> <p>During our July 13th meeting, we received a second presentation on the Policy for Adopting Express Lane Tolling Methodologies, during which a motion was made to present the updated policy to the Full Board at today's meeting. That discussion and vote was followed by an update on all current projects in the STIP. We finished the meeting with a presentation on the Wrong Way Driver Detection and Notification Program. Mr. Beau Memory believes safety is a major concern. The Wrong Way Driver presentation showed some surprising statistics, and Mr. Irvin believes NCTA will be a leader in this effort. The Operations Committee also heard an update on the Triangle Expressway / NC 147 Independence Holiday Detour plan.</p> <p>Mr. Irvin added that NCTA will be hosting the national IBTTA in Charlotte next year and encouraged all the Board members to attend.</p> <p>Mr. Safran praised Mr. Lelewski on his Wrong Way Driver presentation. He believes it should continue to be highlighted.</p>
ACTIONS TAKEN	Information only/No action taken

4. 4TH QUARTER TRIANGLE EXPRESSWAY UPDATE: OPERATIONS AND CUSTOMER SERVICE – ANDY LELEWSKI, PE	
DISCUSSION	<p>Mr. Lelewski began his presentation with announcing that in May Turnpike reached 4.4 million transactions, exceeding projections by 18%, which is an all-time high. 58.5% transactions processed by NC Quick Pass® program. Mr. Lelewski went on to show the AM peak hour being 7:00 AM to 8:00 AM where the ETC penetration rate is mostly in the 70% range. Over 300,000 transponders have been sold as of July. In June, 6,200 transponders were sold with the NC Quick Pass® E-ZPass® hard case transponders outpacing the sticker transponders due to interoperability. Mr. Lelewski also announced upcoming and continuing Outreach events.</p>
ACTIONS TAKEN	Information only/No action required.

5. 4TH QUARTER TRIANGLE EXPRESSWAY UPDATE: FINANCE – DAVID ROY	
DISCUSSION	Mr. David Roy shared that Turnpike had the highest grossing quarter to date with \$11.6 million in receipts which is 39% over projections. Receipts year to date were approximately \$44.0 million which is 37% higher than projections and 21.4% over the previous fiscal year. Expenditures were approximately 2% higher than projections, but this is to be expected due to the increase in transactions and some may be due, in part, to timing as well.
ACTIONS TAKEN	Information only/No action required.

6. 4TH QUARTER TRIANGLE EXPRESSWAY UPDATE: MAINTENANCE REPORT – DENNIS JERNIGAN, PE	
DISCUSSION	<p>Mr. Dennis Jernigan reported 11% growth overall in traffic on the Triangle Expressway. Mr. Jernigan also presented the Roadway Maintenance Statistics. The total was 92.7 which exceeds the target of 90. All individual ratings also exceed the target of 85. Roadside conditions have improved, but these conditions tend to be affected by the mowing cycle. Traffic Control Devices received a lower score due to the striping and pavement markers that were damaged by snowplows. All pavement markers have now been replaced. Two pavement scans were done to evaluate the striping on the Triangle Expressway in order to see where the most critical needs were. The pavement scans showed that the striping was faring better than expected. The drainage structure pictured failed as a result of the debris clogging the structure. This structure has since been cleaned. Mr. Jernigan also mentioned that the grading contractor will be out to correct and prevent these problems in the future.</p> <p>Mr. Teer asked how the evaluation is graded. Mr. Jernigan answered that is was Pass/Fail. Mr. Teer asked what type of drain it was. Mr. Jernigan answered that it was a Shoulder Drain out, and then gave a description of how the drain works by positive flow.</p> <p>Mr. Irvin asked about the restriping. Mr. Jernigan answered that the scan that was performed for the evaluation showed skips that needed to be replaced on 540. The numbers were better than expected.</p>
ACTIONS TAKEN	Information only/No action required.

7. MONROE EXPRESSWAY PROJECT UPDATE – CHRISTOPHER D. SWEAT, PE, SUMMIT ENGINEERS	
DISCUSSION	<p>Mr. Christopher Sweat provided an update of the Monroe Expressway including Important Dates and Open Road Tolling Progress. He noted a Substantial Completion date of November 27, 2018 and a Final Completion date of May 28, 2019. He then gave an illustrated view of the updated progress on the Monroe Expressway including the location and development of the toll structures and gantries.</p> <p>Mr. Teer questioned how many of the bridges and culverts were completed. Mr. Sweat answered that approximately 32-33 of the 37 bridges were complete, and all but 200 of the culverts were completed; 20 box culverts are complete. Mr. Teer than asked if the gantry structures have arrived. Mr. Sweat answered affirmatively and added that the rest of the gantries will be arriving through the rest of the week.</p> <p>Mr. Teer questioned how many yards of asphalt will be used. Mr. Sweat answered that they are about 60-70% complete and have used about 400,000 tons of asphalt. He added that the estimate after completion is 700,000 tons.</p> <p>Mr. Montell Irvin thanked Mr. Sweat for the tour in November, 2016 and if there was any reason the completion date would not be met. Mr. Sweat said there is no reason, at the moment that they would not make the completion date.</p> <p>Mr. Teer then questioned if the right-of-way was complete. Mr. Sweat answered that there are a few condemnation cases that are still outstanding, but none of these cases will delay construction.</p> <p>Vice-Chair Safran asked if the photos shown were the contractor's photos. Mr. Sweat answered they are taken once a month. Vice-Chair Safran then asked if Turnpike would soon be able to take their own photos, and Mr. Beau Memory answered affirmatively.</p>
ACTIONS TAKEN	Information only/No action required.

8. TRIANGLE EXPRESSWAY REFUNDING UPDATE – DAVID ROY	
DISCUSSION	<p>Mr. David Roy stating that he was presenting an overview of the refunding that was approved at the July 24, 2017 Special Board Meeting pending the approval of the Local Government Commission (LGC). Mr. Roy announced that the LGC did approve the forward refunding transaction to refund a portion of the Triangle Expressway System State Annual Appropriation Revenue Bonds (BABs), Series 2009B for a total of approximately \$162 million. Mr. Teer and Mr. Jim Walker were in attendance at the LGC meeting on August 1, 2017. The NCTA received an interest rate of 2.82%, which was 10 basis points lower than what was originally presented to the Board. The final net present value savings of this transaction is \$18.85 million or 11.67% of refunded par. Final closing will be on August 10, 2017.</p> <p>Mr. Teer complimented all who were involved in the quick turnaround of the refunding and noted how important this is for NCTA. Mr. Walker also commended the team on the presentation made to the LGC.</p> <p>Vice-Chair Safran requested that Mr. Memory provide a copy of the minutes of the August 1, 2017 LGC meeting as a record that reflects all pertinent information to each member of the Board.</p>
ACTIONS TAKEN	Information only/No action required.

9. POLICY FOR ADOPTING EXPRESS LANE TOLLING METHODOLOGIES - DAVID ROY	
DISCUSSION	<p>Mr. Roy reminded the Board that we have a traditional toll policy already in place, but not for Express Lanes. In preparation for I-77 and other Express Lanes projects, the Staff has been working on a draft policy for Express Lanes for consideration to the Board today. Mr. Roy summarized the draft policy for the Board explaining that this policy will be handled on a facility by facility basis and prior to opening a new facility a tolling methodology will be adopted for that project. He described the similarities to the traditional toll policies and the differences in each component.</p> <p>Mr. Teer asked who the Trustee is for NCTA. Mr. Roy replied that Wells Fargo is the current trustee, but this may not always be true for future projects.</p>
ACTIONS TAKEN	Vice-Chair Safran recommended that the policy be referred to the Finance Committee for consideration. Mr. Irvin and Mr. Teer verbally agreed as the Chairman to each of the Finance and Operations Committees and the rest of the Board did not object.

10. PUBLIC PRIVATE PARTNERSHIP REVIEW UPDATE – JIM TAYLOR, MERCATOR ADVISORS	
DISCUSSION	<p>Mr. Jim Taylor presented an outline of the Preliminary Findings and Recommendations report (See presentation). He emphasized that this report is not a recommendation for the Secretary, but only providing options to be considered. Mr. Taylor addressed his timeline on the release of information, public feedback, and the eventual submission of his final report to the Secretary in September. Nothing was found in the comprehensive agreement or the project that should be cause for cancellation, but it is one of the options to consider due to concerns expressed by officials at the local, state, and county level. Mr. Taylor continued by explaining what the effects would be. There are also options that include not cancelling. (Please see the posted draft on the Turnpike website).</p> <p>Mr. Teer asked where some of the described facilities are that are similar to I-77's current model. Mr. Taylor answered that the 95 Express Lanes and the 495 Express Lanes are both in Virginia outside of Washington D.C. SH-288 is in the Houston, Texas area as well as three others that are located in other parts of Texas. US 36 Managed Lanes (Phase 2) are located in Colorado and these lanes run from Boulder to downtown Denver. Some others have recently closed with TIFIA loans.</p>
ACTIONS TAKEN	Information only/No action required.

11. ADJOURN – PERRY SAFRAN, VICE-CHAIR	
DISCUSSION	<p>Vice-Chair offered the floor for any new or old business for discussion. No business was offered.</p> <p>Mr. Memory introduced the NCTA summer intern from North Carolina Central University, Mr. Jimmy Davis. Mr. Memory complimented Mr. Davis on the work he has accomplished while he was here, and that he is currently enrolled in the MBA program at North Carolina Central University.</p>
ACTIONS TAKEN	Vice-Chair Safran declared the meeting adjourned.