



MEETING MINUTES

NORTH CAROLINA TURNPIKE AUTHORITY BOARD OF DIRECTORS

DATE: 02/02/2017 **TIME:** 10:30 AM **LOCATION:** NCTA Main Conference Room

MEMBERS PRESENT	Secretary Trogdon, Perry Safran, Robb Teer, Jim Crawford, Jim Walker, Montell Irvin
MEMBERS PRESENT VIA PHONE	John Collett, Mayor Charles Travis
MEMBERS ABSENT	

AGENDA TOPICS

1. WELCOME/INTRODUCTIONS – PERRY SAFRAN, VICE CHAIR	
DISCUSSION SUMMARY	Vice Chair Perry Safran asked everyone in attendance and participating via phone to introduce themselves. He shared a portion of an article from the News and Observer dated January 24, 2017, which referenced the Turnpike's new project, Autonomous Vehicles.
ACTIONS TAKEN	Information only/No action required.

2. CALL TO ORDER, DECLARATION OF QUORUM, ETHICS STATEMENT AND APPROVAL OF NOVEMBER 21, 2016 MEETING MINUTES - PERRY SAFRAN, VICE CHAIR	
DISCUSSION SUMMARY	<p>Vice Chair Perry Safran called the meeting to order and declared a quorum, of five voting members of the board. Vice Chair Safran read the Ethics Statement and asked members of the board to review and sign the statement provided.</p> <p>Vice Chair Perry Safran stated that the November 21, 2016 meeting minutes were distributed prior to the meeting. Vice Chair Perry Safran stated if there are no additions or corrections to the meeting minutes he would accept a motion to approve the November 21, 2016 meeting minutes as provided.</p>
ACTIONS TAKEN	<p>Mr. Teer made a motion to approve the November 21, 2016 meeting minutes. Mr. Irvin seconded the motion.</p> <p>Motion was approved unanimously.</p>

3. INTRODUCTION OF SECRETARY TROGDON – PERRY SAFRAN, VICE CHAIR	
DISCUSSION SUMMARY	Vice-Chair Safran introduced Secretary Trogdon
ACTIONS TAKEN	Information only/No action required.

4. OPENING COMMENTS – JIM TROGDON, SECRETARY	
DISCUSSION SUMMARY	Secretary Trogdon said he was happy to be back with the Department. He thanked Mr. Memory for his great leadership with new projects and new opportunities for the Turnpike Authority. Secretary Trogdon spoke about the NCTA Triangle Expressway being chosen as a test site for autonomous vehicles and what an important opportunity it provides. He outlined his strategic priorities including better cash management and spending on projects in the STIP, reducing project delays improving mobility through the use of other modes of transportation, reducing congestion through the use of the best tools available to help in analyses, and improving the overall appearance and condition of all facilities across the state. He shared his commitment to reducing the number of fatalities on the highways and improving safety in honor of Lori Cove, once an employee with the Department, who was a victim of a hit and run. Also, Secretary Trogdon addressed how to prepare for the future of NCDOT including the autonomous vehicles and other modes in aviation and on our ports. Wants us to be accountable and transparent as an agency using public-facing performance metrics and leading indicators.
ACTIONS TAKEN	Information only/No action required.

5. ELECTION OF CHAIR – PERRY SAFRAN, VICE CHAIR	
DISCUSSION	Vice Chair Perry Safran stated that per <u>G.S. 136-89.132(j)</u> – (statute establishes Turnpike Authority will have by-laws) and in accordance with.... <u>Turnpike Authority By-laws Article IV (Officers) Section 4.1 – <i>The chair of the Authority shall be selected by the Authority Board.</i></u>
ACTIONS TAKEN	Mr. Robb Teer made a motion to nominate Secretary Trogdon as Chairman of the North Carolina Turnpike Authority. Mr. Jim Crawford seconded the motion. No other nominations were made or presented. A motion to close the nomination and elect Secretary Trogdon was made by Mr. Scott Aman. Mr. Jim Walker seconded the motion. The motion carried unanimously. In accordance with Turnpike Authority By-laws, Secretary Trogdon was selected by the Authority Board as Chairman of the North Carolina Turnpike Authority.

6. FINANCE COMMITTEE MEETING REPORT - ROBB TEER, FINANCE COMMITTEE CHAIR	
DISCUSSION	<p>Mr. Robb Teer reported, at the December 2016 meeting, the Finance Committee was briefed on the status of the Monroe Expressway project and viewed a presentation of managed lanes by a national expert. In January 2017, the Committee was briefed on the status of the Monroe Expressway project as well as a construction update. Mr. Teer also reported they received a detailed overview of the Triangle Expressway FY 16 financial performance and an update on the Veridea Parkway interchange.</p> <p>Mr. Teer announced closing of the public bond issues and the TIFIA loan for the Monroe Expressway. He provided many accolades to the team and named the team members that worked on the project.</p>
ACTIONS TAKEN	Information only/No action required.

7. 2ND QUARTER TRIANGLE EXPRESSWAY PROJECT UPDATE: OPERATIONS – ANDY LELEWSKI, P.E.	
DISCUSSION	<p>Mr. Lelewski announced that NCTA was 20% over projections for the quarter covering October – December 2016. NCTA set an all-time record in October 2016 with 4.1 million transactions. For the month of December 2016, NCTA was at nearly 60% for Quick Pass users. NC Quick Pass accounts are up 26% over last year and new transponders sold are up 32% from last year. Mr. Lelewski announced NCTA sold over 262,000 transponders. He described the recent Winter Transponder Promotion in which nearly 9,000 were sold from December 27, 2016 - January 31, 2017 by reducing the cost of transponder and advertising in mail inserts, storefront signage and social media. Mr. Lelewski also announced new program enhancements to help customers understand use of transponders and toll rates.</p>
ACTIONS TAKEN	Information only/No action required.

8. 2ND QUARTER TRIANGLE EXPRESSWAY PROJECT UPDATE: FINANCE – DAVID ROY	
DISCUSSION	<p>Mr. David Roy reported the Revenue Statistics for the first half of FY 17 noting that results exceeded projections and continue to increase. The second quarter of FY 17 has been the highest grossing quarter to date at 10.4 million in cash receipts. Year to date revenue is up almost 21.5% and operating expenditures are 5.9% lower than projected.</p>
ACTIONS TAKEN	Information only/No action required.

9. 2ND QUARTER TRIANGLE EXPRESSWAY PROJECT UPDATE: MAINTENANCE REPORT & VERIDEA PARKWAY CONSTRUCTION - DENNIS JERNIGAN, P.E.

<p>DISCUSSION</p>	<p>Mr. Dennis Jernigan reported NCTA has seen a 14.4% increase in ridership over last year. He also presented the Roadway Maintenance Statistics with an overall score of 93.9. There was a decrease in the Traffic Control Devices, which was due to some faulty lenses in the markers. These will be replaced by the manufacturer. NCTA is missing some bridge, deck and rail delineators and are looking to replace those after there is no threat of snowplow activity. NCTA is developing a striping control contract to address that deficiency. As of last Friday all known deficiencies related to lighting were corrected. Mr. Jernigan spoke of the autonomous vehicle proving ground opportunity. Out of 60 applicants NCTA was one of ten chosen and is looking forward to hearing more details. Safety of the customers remains a top priority.</p> <p>Mr. Teer asked Mr. Jernigan to speak about resurfacing of the dips in the Expressway. Mr. Jernigan answered that the contractor has been out to survey the surface, They are milling them out and bringing them up to grade.</p> <p>Mr. Irvin commented that he had heard the snow removal on the Triangle Expressway went very well and wanted to compliment the maintenance team. Mr. Jernigan recognized John Stansberry for coordinating that effort. Mr. Teer asked if NCTA had a contractor to perform that work. Mr. Jernigan confirmed with Mr. Stansberry that it is handled by an independent contractor. Mr. Beau Memory added that the Division supplements too and it is well coordinated with the Division.</p> <p>Mr. Jernigan provided an update on the status of the Veridea Parkway interchange. Next week the site will be turned over to the toll integrators and will be open to traffic by March 23, 2017.</p> <p>Mr. Memory shared with members of the board that Mr. Jernigan wrote an article for Suburban Living magazine that featured the Veridea Parkway.</p>
<p>ACTIONS TAKEN</p>	<p>Information only/No action required.</p>

10. MONROE EXPRESSWAY PROJECT UPDATE: CONSTRUCTION, RICK BAUCOM, P.E.	
DISCUSSION	<p>Mr. Rick Baucom provided an overview of the Monroe Expressway that included pictures, an updated project timeline, and the overall status of the project.</p> <p>Mr. Irvin asked if there was a chance of accelerating completion. Mr. Baucom answered there was not because they are doing temperature controlled work.</p> <p>Mr. Teer asked if there is a way to get the project material on 485 removed. Mr. Baucom stated it was left over from the contractor and the plan is to have it disposed of soon. Mr. Teer followed by asking when the soil stabilization will go in. Mr. Baucom answered by saying the base course beneath the asphalt will be cement treated, adding strength and acting as a moisture barrier. Mr. Teer then asked if it was all asphalt. Mr. Baucom answered it was all asphalt.</p> <p>Mr. Walker commented on the aerial photos and mentioned there had been discussion of a drone to get more photos. Mr. Baucom told him these photos were done at the expense of the contractor and no cost to NCDOT. Mr. Safran told Secretary Trogdon that he strongly encouraged a drone purchase for the Department to take their own photos. Mr. Memory said we should have an update at the next Finance Committee.</p>
ACTIONS TAKEN	Information only/No action required.

11. MONROE EXPRESSWAY PROJECT UPDATE: FINANCE – DAVID ROY	
DISCUSSION	<p>Mr. David Roy detailed the Monroe Expressway financing, (see presentation), including the final, approved amounts. Mr. Roy also described the funding sources, uses, projected debt service coverage ratios and the TIFIA loan repayment schedule. Mr. Safran asked if anything had changed since the last presentation. Mr. Roy answered that the debt service coverage ratios increased somewhat due to the reduced TIFIA rate and the cushion on the bond yield. Mr. Roy also remarked there was no change in the flow of funds or projected total cash flows.</p> <p>Mr. Teer asked what the final, total bonds were. Mr. Roy said the total was 143 million with 115 million going to construction costs and remainder going to refunding the 2011s and other various reserve accounts. Mr. Roy also confirmed the total amount of construction cost being 731 million for Mr. Teer.</p>
ACTIONS TAKEN	Information only/No action required.

12. DRAFT STATE TRANSPORTATION IMPROVEMENT PLAN (STIP) UPDATE - DENNIS JERNIGAN, P.E.	
DISCUSSION	<p>Mr. Jernigan highlighted changes that had been made in the STIP prioritization plan. Mr., Walker asked for an update on the timeframe for Mid-Currituck. Mr. Jernigan directed him to the DRAFT STIP and the update on the corresponding sheet (see presentation).</p>
ACTIONS TAKEN	Information only/No action required.

13. ADJOURN	
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<p>DISCUSSION</p>	<p>Mr. Irvin commented that project delivery is important and he applauds Secretary Trogdon's commitment to safety.</p> <p>Mr. Safran mentioned the potential refunding process for the Triangle Expressway. He wanted to express his commitment to help and would like to get it moving as soon as possible. Mr. Tyeryar described the two-step process that must be followed in respect to the LGC. Mr. Memory reaffirmed for the members of the board it will require an action by the members of the board to approve once the Finance Committee recommends to the board.</p> <p>Mr. Safran explained to Secretary Trogdon that two committees are now part of NCTA and recommended one member of each committee cross over and have a Vice-Chair appointed to each committee.</p> <p>Mr. Walker requested another board meeting in Charlotte. Mr. Memory responded by saying we will plan to have the final meeting of the calendar year in Charlotte.</p>
<p>ACTIONS TAKEN</p>	<p>Mr. Safran made a motion to adjourn. Mr. Irvin seconded the motion.</p> <p>The motion was passed unanimously.</p>