



STATE OF NORTH CAROLINA
TURNPIKE AUTHORITY

MICHAEL F. EASLEY
GOVERNOR

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DAVID W. JOYNER
EXECUTIVE DIRECTOR

**BOARD OF DIRECTORS MEETING
MINUTES**

Friday, July 18, 2008
Board Room, NCTA Offices

Members present: Lyndo Tippet, Chairman
Members present by phone: Perry Safran, Secretary/Treasurer
David Redwine
Robb Teer
Lanny Wilson
Bill Lackey
Bob Spencer
Members absent: Anthony Fox
Sang Hamilton
Also present: David Joyner, Executive Director

Chairman Lyndo Tippet called the meeting to order at 10:08 am. He declared that a quorum was present and read the State Ethics Act.

Secretary-Treasurer Perry Safran moved to approve the June 2008 minutes. Bob Spencer seconded the motion, and the minutes were approved unanimously as presented.

David Joyner discussed the Underwriter Selection Committee interviews that took place on July 10, 2008. He discussed the process used in evaluating the 4 short-listed firms. (See attached report.) He reported that the top three firms selected by the committee were as follows:

1. Merrill Lynch/Bank of America
2. JP Morgan
3. Citigroup

David Redwine moved to approve the selection of the Merrill Lynch/Bank of America team as the NCTA Senior Underwriter. Bill Lackey seconded the motion and the Merrill Lynch Bank of America team was selected unanimously. Lanny Wilson, Robert Spencer, and Robert Teer abstained from the vote.

Grady Rankin updated the board on the Banking Services and Trustee selections. The selection committee has selected Bank of America for Banking Services provider and US Bank was selected as the Trustee. Perry Safran pointed out that the selections have been made but they are not completed until contracts are approved.

Mr. Rankin reviewed the revised Triangle Expressway schedule. He discussed plans for the July 24th TIFIA meeting in Washington, DC. He also discussed plans for the credit rating

agencies and bond insurer meetings set for August 13th and 14th at the NCTA offices. He discussed the items that will be presented for approval at the August Board meeting. He also recommended holding a September 3, 2008, Board meeting by teleconference to adopt the bond order, execute the Master Trust Agreement, adopt the first supplemental Trust Agreement, review the Official Statement, and approve issuance of senior bonds and acceptance of the TIFIA loan. Mr. Rankin also discussed the status of the Investment Policy.

Grady Rankin presented a 5-year contract with Mulkey Engineers and Consultants. Lanny Wilson moved that the Board approve the contract with Mulkey Engineers and Consultants in an amount not to exceed \$13,911,239.15 for construction engineering and consulting services for Western Wake. Bob Spencer seconded the motion, and the motion was approved unanimously.

Grady Rankin presented the supplemental contract for PFM. Robb Teer moved that the Board approve the supplemental contract for PFM to manage the Pre-Development Agreement process and to provide general public-private partnership consulting for the Mid-Currituck Bridge project as well as preliminary TIFIA submission for Monroe, Mid-Currituck, and Gaston projects as anticipated in the NCTA 2009 APW in an amount not to exceed \$445,000. Lanny Wilson seconded the motion, and the motion was approved unanimously.

David Joyner reported on the legislative actions for the 2008 session. He discussed the process for securing NCDOT support for the O&M guaranty agreement. Fitch has sent a letter to the Turnpike explaining that an investment-grade rating will not be issued without full support of the O&M agreement from NCDOT. David Redwine asked what would happen to the project if the NCDOT did not provide full support. David Joyner explained that the TIFIA loan requires that the project have an investment-grade rating to receive funding. Chairman Tippet discussed the potential impact to NCDOT, stating that the DOT Board should be continuously involved. David Joyner reported that Doug Galyon has appointed a new DOT Board Toll Road Committee to facilitate these communications. He invited the NCTA board members to attend the first committee meeting in August.

Steve Dewitt gave an update on Triangle Expressway bids that are sealed and will be opened on August 5, 2008. He discussed plans to bring the contract awards to the Board for approval in August. He also gave an update on the shortlist of Mid-Currituck PDA firms which include Sound Connector (Hochtief, Flatiron, Earthtech), Skanska, and ACS. The NCTA is in the process of preparing an RFP.

David Joyner stated that even though the General Assembly allotted money for the Mid-Currituck project, a PPP would mean that the State could provide little or no investment in the project. Mr. Joyner discussed the budget and enforcement legislation approval. Also, he reported that the Regional Transportation Alliance sent a letter to the NCTA with congratulations and thanks for moving the Triangle Expressway forward.

Chairman Tippet expressed thanks for the hard work of the NCTA and gave a reminder of upcoming meetings. He adjourned the meeting at 11:01am.

Minutes prepared by Jillian Bliss