Kentucky Public Transportation Infrastructure Authority

(KPTIA)

Kentucky Transportation Building

200 Mero Street

Frankfort, Kentucky

Meeting No. 28 – January 16, 2018

2:00 P.M., EST

This meeting was called to order by Paul Looney, designee of Chairman, Greg Thomas. A roll call was done and a quorum was present

KPTIA members in attendance were: Paul Looney; Mark Bunning, designee of William M. Landrum III; Rebecca Swansburg, Jordan Lanham, Charles Buddeke, Richard Crist, and William Boggs.

Looney introduced the new members. Swansburg, Lanham, Crist, and Boggs provided details regarding their backgrounds.

The next item on the agenda was an overview of KPTIA. Megan McLain, KYTC Innovative Finance Manager, provided the overview. KPTIA was created in 2009 with the passage of KRS 175B for the administration and financing of major interstate projects (those over $500 million) and controlled highway projects over $100 million. KPTIA is a separate financial reporting entity, but is administratively connected to KYTC. The relationship between KYTC and KPTIA is memorialized in an MOA. KPTIA has designated consultants which were procured on its behalf by KPTIA: Wyatt Tarrant and Combs, PFM, and Blue and Company. KPTIA’s only project currently is the Louisville-Southern Indiana Ohio River Bridges (“LSIORB”) Project which is a bi-state project with Indiana to improve cross-river mobility between Louisville and Southern-Indiana. KPTIA approved the financial plan for the LSIORB project and participated in the bi-state development agreement with Indiana. KPTIA also sold the bonds and entered into the TIFIA loan to finance the project. The tolls from the project pay the debt service, the tolling operations and maintenance, the roadway operations and maintenance, and the M&R for the project area. Tolling on the project is governed by two bi-state boards, the Joint Board and the Tolling Body. The KPTIA representatives on those boards are Secretary Landrum and Charles Buddeke. KPTIA also has the authority to enter into public private partnership agreements and accept unsolicited proposals.

Megan McLain gave an update on the first year of tolling on the LSIORB Project. RiverLink is the toll system for the LSIORB Project. Tolling began on December 30, 2016. Since that time there have been just under 30 million trips taken across the tolled routes. The average daily traffic is 82,000. The toll system has collected $80 million in revenue which has been split between the states. 37% of revenue comes from RiverLink prepaid accounts. 32% of revenue comes from E-ZPass agencies, 6$ of revenue comes from fees, and 23% of revenue comes from pay by mail customers. Revenue numbers are exceeding expectations set in the original and updated traffic and revenue study. $8.54 million has yet to be collected, but it is expected that this r will decrease as registration holds are implemented. $2.7 million of accounts receivable are made up of unbilled transactions because less than $4 is owed on the account. Transponder saturation has been climbing steadily which is one of the indications of a health all electronic toll system. E-ZPass membership helps contribute to that success making up 15% of traffic. To encourage additional people to use transponders, RiverLink provides a conversion offer which allows customers who have a mailed invoice that then open an account to reduce their tolls by half and waive all of their fees if they have not yet reached the collections phase. Swansburg asked why the people who did not have transponders did not open an account. McLain indicated the new marketing and public relations team procured by the Joint Board would be looking into that question in the coming months.

Buddeke asked for an update on the RiverLink mobile ap. McLain indicated it is in development.

Buddeke requested that the tunnel on the East End crossing be named. Looney indicated he was look into the process for doing so.

Buddeke requested an update on the sale of the Drummanard Estate. Andy Barber, State Highway Engineer for KYTC, indicated that the property had received bids, which are being evaluated by the Finance Cabinet. Bunning confirmed this.

Looney provided an updated on the I-69 project. He stated that KYTC is in the middle of the environmental process and that it is on schedule to have a completed record of decision by fall of 2019.

Looney provided an update on the Brent Spence Bridge project. The study of the eastern by-pass has been completed and it found that a downtown crossing between Northern Kentucky and Cincinnati would still be needed to relieve congestion. KYTC is evaluating funding options. The original environmental document for the project was approved without mention of tolling through a Finding of No Significant Impact. David Waldner, Executive Director of KYTC’s Division of Environmental Analysis, indicated that President Trump passed an Executive Order instructing Federal Agencies to look for ways to streamline the environmental process. FHWA has not yet provided new guidance on the topic.

Crist asked how often meetings are held. McLain indicated that KPTIA meets are held as needed.

There being no other business, a motion was made by Buddeke and seconded by Swansburg to adjourn the meeting.

Minutes were drafted by Megan McLain, this the 16th day of January, 2018