

**Kentucky Public Transportation Infrastructure Authority (KPTIA)
Kentucky Transportation Building
200 Mero Street
Frankfort, Kentucky**

**January 8, 2013 (Meeting #12)
1:00 P.M. EST**

The meeting was called to order by Chairman Mike Hancock. A roll call was taken and a quorum was present.

KPTIA members in attendance were: Chairman Mike Hancock, Vice-Chair Lori Flanery, Joseph H. Mattingly, Jr., Charlie Johnson, Don Kelly and Larry Sanderson.

A motion was made by Mr. Mattingly and seconded by Mr. Kelly to approve the meeting minutes of October 16, 2012. The minutes were approved as written.

Chairman Hancock asked for public comments from those in attendance, but no one from the public addressed the Authority.

Andy Barber, Project Manager for the Louisville-Southern Indiana Ohio River Bridges (LSIORB) project, gave an update on the design-build procurement. He informed the Authority that Walsh Construction of Chicago, Illinois has been awarded the job of building the Downtown Crossing portion of the project. He stated the bid price came in at \$860 million, with a substantial completion date of December 10, 2016, which is \$90 million less than the project estimates and a completion date of nineteen months ahead of schedule.

Mr. Barber also noted that Indiana has approved the proposal from WVB East End Partners – a team of Walsh Investors, VINCI Concessions, and Bilfinger Berger – to build the East End Crossing at a cost of \$763 million, which is \$225 million less than estimated. The East End Crossing is scheduled to open to traffic by the end of October, 2016.

A Plan of Finance update was given by David Miller, Financial Advisor to the Authority. Mr. Miller reviewed his January 4, 2013 Memorandum to the Authority and gave an overview of the project funding. He stated the toll revenue collection is conservatively assumed to commence on January 1, 2017, which is sooner than previously estimated. He further stated that based on the Bi-State Development Agreement executed in October of 2012, KPTIA will not be responsible for the operations and maintenance and long-term renewal and replacement (O&M and M&R) costs associated with Section 4B located in the East End portion of the project. KPTIA will only be responsible for O&M and M&R costs for Sections 1 and 2 Downtown and Section 4A in the East End.

The Financing Schedule was also discussed by Mr. Miller. A draft Tentative Financing Schedule for Toll Revenue Bonds, as of January 2, 2013 was provided to the Authority.

Russ Romine, Executive Advisor to the Secretary, gave a brief TIFIA update. He stated that there have been ongoing communications with USDOT concerning the TIFIA loan program and that there's a negotiation process that takes place in order to obtain a TIFIA loan. Participating by phone, Mr. Ron Marino of Citigroup said he would furnish a recent article from the Public Works Financing Digest that discusses the TIFIA process and some of the recent challenges groups are facing as they try to obtain funding.

Geri Grigsby, Chief of Staff to Secretary Hancock, provided a legislation update. She stated there is a need for new toll enforcement language in the statutes and that a draft is being prepared and may be brought to the Authority for discussion at its next meeting. Ms. Grigsby further stated that at this time, Indiana does not intend to do any additional statutory changes but that it is important that the two states' laws mirror one another.

A litigation update was given by Becky Goodman, Executive Director of the Office of Legal Services. She stated that a partial settlement has been reached with River Fields and the National Trust in the federal lawsuit challenging the LSIORB project's Record of Decision under the National Environmental Protection Act and the Department of Transportation Act, Section 4(f). Under the settlement agreement, a preservation and enhancement fund of \$1.7 million will be established and funded from state funds, with each state providing \$865,000. Ms. Goodman stated that one plaintiff, Coalition for the Advancement of Regional Transportation, remains in the lawsuit and a summary judgment briefing schedule is pending.

Russ Romine introduced Mr. Paul Creedon and Ms. Kirsten Krug with Citigroup, who were attending their first KPTIA meeting, and gave a brief overview of Citi and how they were selected as Senior Managing Underwriter for the Authority. He also highlighted Citi's experience in transportation finance and with other major infrastructure projects across the country. Additionally, Mr. Romine introduced Mr. Roger Peterman, a partner with the Covington, KY law firm Peck Shaffer, who will act as Bond Counsel to the Authority and will play a vital role on the finance team for the LSIORB project.

The next item on the agenda was a discussion of the meeting schedule. A motion was made by Mr. Johnson and seconded by Vice-Chair Flanery that the Authority adopt the third Tuesday of the first month of each quarter for the quarterly meetings. The motion unanimously passed. These dates are April 16, July 16, and October 15, 2013.

A motion was then made by Mr. Mattingly and seconded by Mr. Johnson to adopt two additional regular meeting dates on the third Tuesday in February and March, which will be February 19 and March 19, 2013. Said motion was unanimously passed.

Under "Other Business", Mr. Johnson requested that any meeting materials that are to be provided to the KPTIA members be forwarded to them at least several days prior to the meetings.

A motion was made by Mr. Johnson and seconded by Mr. Kelly to adjourn the meeting.

Minutes were taped and transcribed by Terri Pelosi, Court Reporter, this the 23rd day of January, 2013.

Terri Pelosi
Court Reporter