

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

April 16, 2013 (Meeting No. 14)
1:00 P.M. EST

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

KPTIA members in attendance were: Chairman Michael Hancock, Vice-Chair Lori Flanery, Joseph Mattingly, Steve Austin, Charlie Johnson, Michael Walker, Don Kelly and Glenn Mitchell.

Chairman Hancock announced that Mr. Don Kelly has been reappointed to serve another term and that Ms. Dana Mayton has been appointed to serve as a new member. Her appointment replaces Ms. Laura Douglas, whose term has expired.

A motion was made by Mr. Austin and seconded by Mr. Kelly to approve the meeting minutes of March 19, 2013. 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.

The next item on the agenda was the Louisville-Southern Indiana Ohio River Bridges Project, with the following topics discussed:

- (a) Project Update: Andy Barber, KYTC Project Manager, stated the design work on the Downtown Crossing continues. He said that a communications protocol has been established and that maintenance-of-traffic teams and a crisis response team have been set up. Meetings have been taking place with different municipalities. On May 8, 2013, there will be a project open house for the Downtown Crossing to inform the public on what to expect for the upcoming construction period. Mr. Barber stated that the East End is progressing as well and it will have a similar construction schedule this summer.
- (b) Toll Integrator/Operator Procurement Update: Megan McLain, with KYTC's Office of Legal Services, reported that the process has started for choosing a Toll Oversight Advisor and that the Toll Integrator/Operator RFP will be released on April 17, 2013.
- (c) Rating Agency Site Visits: Russ Romine, KYTC Office of Secretary, said that on April 3rd and 4th, 2013, all three Bond Rating Agencies were in Louisville for a presentation given by the KYTC team. Each meeting included a guided tour of the project area.

- (d) TIFIA Update: Russ Romine reported that TIFIA had notified KYTC that the project has been invited to move to the next step in the evaluation and approval process and will soon begin the credit-worthiness evaluation process by the TIFIA team. A minimum \$100,000 fee is associated with this process and must be received before the project moves to this stage.
- (e) Bond Documents Overview: Peck Shaffer's Roger Peterman – Bond Counsel for the Downtown Crossing – gave a summary of the bond documents associated with the upcoming bond transaction. He reminded members that the revenue stream to repay the project's municipal bonds will be a 50/50 revenue-sharing split between Kentucky and Indiana. The bonds will be secured by funds on deposit under a Trust Indenture that will be approved by the KPTIA Board at a later meeting. Mr. Peterman discussed the financial covenants and how the flow of funds work, and stated that as toll revenues come in, money would go in a revenue fund and be allocated to each use in priority order. He explained the lease payment fund and how it is structured. Mr. Peterman also discussed the rate covenant and the mechanics of how it will work.
- (f) Plan of Finance Update: Russ Romine, David Miller (KPTIA Financial Advisor with PFM), and Ron Marino (Bond Underwriter with Citi) provided an update of the Downtown Crossing's plan of finance. Mr. Marino provided members with a detailed background on the TIFIA program and the importance of attaining TIFIA support for our project.
- (g) Financing Schedule: David Miller stated that the Tolling Body is targeting mid-May to set toll rates, and he proposed that the Authority meet on June 5, 2013 to approve bond financing documents. After that, the marketing and selling of bonds could take place towards the end of June and close in mid-July, but he stated that this schedule is all subject to negotiations and progress with TIFIA.
- (h) KY-IN Joint Board Meeting Update: Chairman Mike Hancock reported that the Joint Board met in Louisville on April 12, 2013 and adopted three resolutions to (1) adopt bylaws, designate a regular meeting schedule and appoint a steering committee; (2) authorize KYTC, acting for both states, to procure Toll System Integrator/Operator services and related matters; and, (3) authorize IFA, acting for both states, to procure toll revenue custodian services and related matters.
- (i) All-Electronic Tolling Presentation: Dave Burgess of Atkins led this discussion and also passed around several types of sample transponders shown to the Authority. Mr. Burgess showed two video clips that have been used to educate the public on an all-electronic tolling system.
- (j) Tolling Body Appointment: Chairman Mike Hancock stated that Dana Mayton had expressed an interest in serving on the Tolling Body and several Authority members voiced their support of Ms. Mayton. In particular, her background and experience as

Revenue Cabinet Secretary, being an attorney and having worked with taxes and user fees, she brings a unique set of qualifications to the position.

- (k) Resolution Action: A motion was made by Don Kelly and seconded by Mike Walker to adopt a resolution to approve the engagement of rating agencies and payment costs and fees associated with application for a TIFIA loan. The vote was unanimous.

Under Old Business, the next meeting date is scheduled for Wednesday, June 5, 2013, at 1:00 p.m.

A motion was made by Vice-Chair Lori Flanery and seconded by Don Kelly to adjourn the meeting.

Minutes were taped and transcribed by Terri Pelosi, Court Reporter, this the 22th day of April, 2013.

Terri Pelosi
Court Reporter