

TURNPIKE AUTHORITY OF KENTUCKY
MAY 12, 2015
1:00 P.M.
ROOM 182, CAPITOL ANNEX

The Turnpike Authority of Kentucky ("Authority" or "TAK") met on Tuesday, May 12, 2015 at 1:00 p.m. in Room 182 of the Capitol Annex.

Members present were: Lori Flanery, Secretary of Finance and Administration Cabinet, in the Chair; Mary Lassiter, proxy for the Honorable Steven L. Beshear, Governor of the Commonwealth of Kentucky; Phillip Huddleston, proxy for Honorable Crit Luallen, Lt. Governor of the Commonwealth of Kentucky; Robin Brewer, proxy for Mike Hancock, Secretary, Kentucky Transportation Cabinet; Corey Bellamy, proxy for Jack Conway, Attorney General of the Commonwealth of Kentucky.

Others present at the meeting were: Ryan Barrow, Executive Director, Office of Financial Management (OFM) and Secretary of the Authority; Sandy Williams, Deputy Executive Director, OFM; Ed Ross, Office of the Controller and Executive Director of the Authority; Jason Hamilton, OFM and Treasurer of the Authority; Steve Starkweather, OFM; Liz Columbia, OFM; Tommy Richie, Office of the Controller; Kim Moore, Office of the Controller; John Merchant, Dinsmore & Shohl, LLP; Carla Wright, Office of State Budget Director; Katherine Halloran, Legislature Research Committee (LRC); Jeff Schnobrich, LRC; and Marcia Hutcherson, OFM, and Authority staff.

Chairperson Flanery having verified that a quorum was present and proper notice of the meeting was posted in accordance with KRS 61.800-61.850, called the meeting to order.

The first item on the agenda was approval of the November 13, 2014 minutes as written. Mary Lassiter made a motion to approve and Corey Bellamy seconded. The motion carried unanimously.

The next item on the agenda for consideration was the Economic Development Road Revenue Refunding Bonds (Revitalization Projects), Series 2015 A, Authorizing Resolution. Steve Starkweather presented to the board the 2015 Series Resolution authorizing the issuance of a par amount not to exceed \$270 million. Mr. Starkweather stated that House Bill 3 of the General Assembly in the 2010 Extraordinary Session appropriated \$400 million of bond authorization of which \$200 million remains authorized but unissued. Mr. Starkweather noted that the 2015 Series A Resolution will authorize up to \$125 million in remaining budgeted funds, but as a practical matter, the new money component of this issuance will only be \$75 million.

Mr. Starkweather stated that this issuance will also include a 2015 Series B, which will advance the refund of all, or a portion of, the outstanding principal of the Authority's 2006 Series A and Series B Bonds for a total approximate amount of \$141 million. Mr. Starkweather stated that market conditions as of April 29, 2015 would generate about \$15 million in net present savings which represents about 11.2% savings of the refunded bonds.

Mr. Starkweather stated that this will be a negotiated transaction with Morgan Stanley as the senior underwriter and is scheduled for a June 15, 2015 retail order period and a June 16, 2015 Institutional sale. The closing date is anticipated to be July 22, 2015. Dinsmore & Shohl, LLP, will serve as bond counsel and Frost Brown & Todd, underwriters counsel. Mr. Starkweather recommended approval.

Secretary Flanery asked if there were any comments or questions. Ms. Lassiter, asked for the cash flow chart, Mr. Starkweather provided her with a draft copy. Ms. Lassiter made a motion for approval, and Phillip Huddleston seconded, the motion carried unanimously.

Secretary Flanery asked if there was any other business that needed to be brought before the board; none was presented.

Secretary Flanery asked for a motion to adjourn. Ms. Lassiter made a motion to adjourn and Corey Bellamy seconded; the meeting adjourned at 1:07 p.m.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Ryan Barrow', is written over the typed name.

Ryan Barrow
Secretary of the Authority