

TURNPIKE AUTHORITY OF KENTUCKY
FEBRUARY 5, 2016
10:00 A.M.
ROOM 182, CAPITOL ANNEX

The Turnpike Authority of Kentucky ("Authority" or "TAK") met on Friday, February 5, 2016 at 10:00 a.m. in Room 182 of the Capitol Annex.

Members present were: Nate Haney, Deputy Secretary, Office of the Governor, in the Chair, proxy for the Honorable Matthew G. Bevin, Governor of the Commonwealth of Kentucky; Honorable Jenean Hampton, Lt. Governor of the Commonwealth of Kentucky; William Landrum III, Secretary, Finance and Administration Cabinet; Erik Dunnigan, Acting Secretary, Economic Development Cabinet; Paul Looney, proxy for State Highway Engineer; Robin Brewer, proxy for Acting Secretary, Michael Hancock, Kentucky Transportation Cabinet; and Rebecca Goodman, proxy for Andy Beshear, Attorney General of the Commonwealth of Kentucky.

Others present at the meeting were: Ed Ross, Office of the Controller and Executive Director of the Authority; Ryan Barrow, Executive Director, Office of Financial Management (OFM) and Secretary of the Authority; Sandy Williams, Deputy Executive Director, OFM; Steve Starkweather, OFM; Jason Hamilton, OFM and Treasurer of the Authority; Denise Pitts, OFM; Liz Columbia, OFM; Bethany Couch, OFM; Kim Moore, Office of the Controller; Adrian Southworth, Office of the Lt. Governor; John Merchant, Dinsmore & Shohl, LLP; Justin Perry, Legislative Research Commission (LRC); Marcia Hutcherson, OFM, Authority staff.

Chairman Haney 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. Chairman Haney asked members around the table to introduce themselves prior to agenda business.

The first item on the agenda was approval of the May 12, 2015 minutes as written. Rebecca Goodman made a motion to approve and William Landrum III seconded. The motion carried unanimously.

The next item on the agenda for consideration was the Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2016 Series A, Authorizing Resolution. Steve Starkweather presented to the board the 2016 Series Resolution authorizing the issuance of a principal amount not to exceed \$250 million. Mr. Starkweather stated that approval is being sought by the Authority to partially advance refund of approximately \$218.53 million of the Authority's outstanding debt. Mr. Starkweather stated that this issuance will advance refund certain maturities of the 2008 Series A, (July 1, 2019 through July 1, 2028 maturities); and advance refund of the 2009 Series A, (July 1, 2020 through July 1, 2029 maturities). Mr. Starkweather also noted that the refunding could yield a net present savings of approximately \$23.6 million or 10% over the remaining life of the bonds. Mr. Starkweather noted that the all in True Interest Cost (TIC) is about 2.3% and upon approval of this body, will go to Capital Projects Bond Oversight Committee on February 16.

Mr. Starkweather stated that Morgan Stanley will be the underwriter; Dinsmore & Shohl, LLP will serve as bond counsel and staff recommends approval.

Chairman Haney stated that to his understanding, the estimated savings is over 10% and asked how that amount compares to other refunding bonds in the past. Mr. Starkweather stated that is correct, and the 10% savings is significant but the final savings will be dependent on the market at the time of sale.

Chairman Haney asked if there was any further discussion or questions; none was presented. Chairman Haney then asked for a motion to approve. Mr. Landrum made a motion to approve and Eric Dunnigan seconded. The motion carried unanimously.

Chairman Haney asked if there was any other business that needed to be addressed; none was presented.

Chairman Haney asked for a motion to adjourn; Mr. Dunnigan made a motion to adjourn and Mr. Landrum seconded and the meeting adjourned at 10:05 a.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Ryan Barrow', written in a cursive style.

Ryan Barrow
Secretary of the Authority