

THE OHIO RIVER BRIDGES PROJECT
KENTUCKY - INDIANA JOINT BOARD

MEETING NO. 4

January 27, 2014
10:00 A.M.
Sheraton Louisville Riverside Hotel
700 West Riverside Drive
Jeffersonville, Indiana

APPEARANCES

Kendra W. York
INDIANA FINANCE AUTHORITY

Jim Stark
PROXY FOR COMMISSIONER OF
INDIANA DEPT. OF TRANSPORTATION

Michael W. Hancock
SECRETARY
KY TRANSPORTATION CABINET

Lori H. Flanery
VICE-CHAIR
KY PUBLIC TRANSPORTATION
INFRASTRUCTURE AUTHORITY

CAPITAL CITY COURT REPORTING

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AGENDA

Motions	3
1. Approval of Minutes of September, 11, 2013	4
2. Resolution JB-2014-1 re TSP Procurement	4 - 7
3. Resolution JB-2014-2 re Marketing and Communications Procurement	7 - 8
4. Resolution JB-2014-3 re ETC Procurement	8 - 10
5. Update on Toll Oversight Advisor Contract	10 - 11
6. Old Business, Next Meeting	11 - 13
7. Adjournment	13
Court Reporter's Certificate	14

INDEX OF MOTIONS

MOTION TO APPROVE MEETING MINUTES OF
SEPTEMBER 11, 2013PAGE 3, LINE 6

MS. YORK: The first item on our agenda is approval of the minutes of the meeting of the Joint Board in September of 2013. Any questions, comments, concerns on the minutes?
MS FLANERY: Move approval.
MR. STARK: I second that.
MS. YORK: Any further discussion? If not, all those in favor of approving, please signify by saying aye. Opposed. Hearing none, the minutes are approved.

MOTION TO ADOPT RESOLUTION JB-2014-1
(TSA PROCUREMENT)PAGE 6, LINE 25

MS. YORK: I guess with that, I will call a vote. All those in favor of approving Resolution JB-2014-1, please signify by saying aye. Opposed. Hearing none, that resolution is approved.

MOTION TO ADOPT RESOLUTION JB-2014-2
(MARKETING AND COMMUNICATIONS
PROCUREMENT)PAGE 8, LINE 4

MS. YORK: With that, I will call a vote on this item. All those in favor of approval of Resolution JB-2014-2, please signify by saying aye. Opposed. Hearing none, that item is approved.

MOTION TO ADOPT RESOLUTION JB-2014-3
(ETC PROCUREMENT)PAGE 10, LINE 9

MS. YORK: With that, I will request a vote on this item. All those in favor of approving Resolution JB-2014-3, please signify by saying aye. Opposed. Hearing none, this item is approved

MOTION TO ADJOURNPAGE 13, LINE 9

MS. YORK: With that, we are adjourned.

1 MS. YORK: Good morning,
2 everybody. Welcome to this meeting of the Joint Board
3 for the Louisville-Southern Indiana Ohio River Bridges
4 Project. Thank you so much for being here.

5 I'm going to go ahead and get the
6 meeting started. The first item on our agenda is
7 approval of the minutes of the meeting of the Joint
8 Board in September of 2013. Any questions, comments,
9 concerns on the minutes?

10 MS FLANERY: Move approval.

11 MR. STARK: I second that.

12 MS. YORK: Any further discussion?
13 If not, all those in favor of approving, please signify
14 by saying aye. Opposed. Hearing none, the minutes are
15 approved.

16 The first resolution on our agenda
17 today is Resolution JB-2014-1 regarding a Toll System
18 Provider procurement. I'm going to introduce Jeff Lewis
19 from Ice Miller acting as counsel to the Joint Board in
20 connection with this resolution. Jeff, could you just
21 walk us through this resolution, please?

22 MR. JEFF LEWIS: Thank you,
23 Kendra, members of the Board. This resolution
24 supplements a resolution adopted in September
25 authorizing the IFA to conduct a procurement for Toll

1 System Provider services.

2 That original resolution had an
3 expiry of April 1 and it won't be done by then. The
4 anticipation now is for it to be done in July, I
5 believe, perhaps August 1. So, this resolution
6 primarily extends that authorization through December 31
7 of 2014.

8 And, in addition, back in
9 September, amendments were made to the Bylaws providing
10 for dealing with the ways in which the various States'
11 Parties would implement these kinds of procurements and
12 the contracts undertaken pursuant to those procurements
13 by dividing up responsibilities and assigning costs and
14 so forth.

15 This resolution in some detail
16 provides a preliminary statement of the way
17 responsibilities and costs will be divided between the
18 States' Parties in regard to the Toll Integrator and
19 Operator procurement.

20 That's the essence of this.
21 There's some detail. It's conceivable that some of
22 these allocations of responsibility might change by the
23 time we come back to you with a final approval request
24 this summer, but I'd be happy to answer any questions
25 you have on this resolution.

1 MS. YORK: Maybe, Jeff, or maybe,
2 Clint, you might be more appropriate. Can you just give
3 us an update. So, SOQ's are in. We received six, I
4 believe?

5 MR. CLINT MURPHY: That's correct.
6 We received seven when we went through the qualification
7 process. Six of the seven were deemed to be qualified.
8 So, we are developing a draft RFP that will be
9 distributed the first week of February to those six
10 firms.

11 We were very pleased with the
12 response. There was some concern. The infrastructure
13 involved with this project is very significant. The
14 tolling aspect is pretty small compared to some of the
15 other projects that are going on.

16 So, we were a little concerned we
17 might not be big enough to get some of the companies'
18 attention. So, we were very pleased when six companies
19 qualified.

20 MS. YORK: Great. Wonderful news.
21 Thank you. Any further questions or comments from the
22 Board?

23 SECRETARY HANCOCK: I think we're
24 good.

25 MS. YORK: Very good. I guess

1 with that, I will call a vote. All those in favor of
2 approving Resolution JB-2014-1, please signify by saying
3 aye. Opposed. Hearing none, that resolution is
4 approved. Thank you.

5 The next item on our agenda is
6 Resolution JB-2014-2 regarding a marketing and
7 communications procurement. On that item, I'm going
8 introduce Megan McLain, counsel for the Kentucky
9 Transportation Cabinet who is going to tell us a little
10 bit about this resolution.

11 MS. McLAIN: Thank you, Kendra.
12 This resolution authorizes KYTC to procure on behalf of
13 the Joint Board a marketing and communications firm to
14 educate the public on the use of the toll system, to
15 encourage them to open transponder accounts which will
16 provide the lowest cost for crossing the bridge and also
17 the lowest cost to the system for collections.

18 If anyone has any questions, I'm
19 happy to answer them.

20 MR. STARK: Megan, is there a
21 schedule set up yet for accomplishing this?

22 MS. McLAIN: There's not a firm
23 schedule. We expect that the marketing firm, assuming
24 approval of this resolution, would be on board by about
25 the same time the TSP procurement was concluded in the

1 summer, July.

2 MS. YORK: Thank you, Megan. Any
3 further questions, comments? Very good.

4 With that, I will call a vote on
5 this item. All those in favor of approval of Resolution
6 JB-2014-2, please signify by saying aye. Opposed.
7 Hearing none, that item is approved.

8 And the last resolution on our
9 agenda is Resolution JB-2014-3 regarding the ETC
10 procurement. And I'm going to turn this one back over
11 to Jeff Lewis.

12 MR. LEWIS: Thank you, Kendra.
13 This resolution is a final resolution at which you'll
14 hear the recommendation of INDOT as the procuring party
15 under the original authorizing resolution for electronic
16 toll collection services. These are, as you know,
17 essentially the transponders and similar devices and the
18 readers, the installation of those things or the
19 provision of those electronic services.

20 And the winner is Kapsch
21 TrafficCom USA. This resolution essentially authorizes
22 the approval of that selection and the execution of a
23 contract, the form of which is in front of you.

24 Clint Murphy can describe the
25 procurement process and so forth.

1 MR. MURPHY: Thank you, Jeff.
2 Indiana has decided to use a party purchase--actually,
3 the State Parties agreed to have this procurement
4 handled under a party purchase agreement. The deadline
5 for bids were December 19th. Five bids were received.
6 Two were determined to be non-responsive because they
7 took exception to significant provisions of the
8 technical requirements. Three were responsive.

9 The winner of that was Kapsch.
10 And what this resolution is suggesting and asking is
11 your approval to move forward with the contract for
12 these items.

13 We're very pleased with the
14 pricing. It was well under the engineers' estimate for
15 these items and Kapsch is a very well-respected firm in
16 the tolling industry.

17 MS. YORK: Great. That's good
18 news. We certainly like lower than estimate. That's
19 great news. Any further questions from the Board?

20 SECRETARY HANCOCK: If I could,
21 Clint, in terms of the firms that submitted proposals,
22 you're comfortable that you got a good cross section,
23 very qualified people?

24 MR. MURPHY: Yes, sir. There's
25 very few firms actually providing the service. That's

1 one of the reasons it was recommended by our Tolling
2 Oversight group to split this out as a separate
3 procurement. So, the big players were definitely
4 involved in this. So, yes, we're very pleased with the
5 response.

6 SECRETARY HANCOCK: Very good.

7 MS. YORK: Any further questions
8 or comments?

9 With that, I will request a vote
10 on this item. All those in favor of approving
11 Resolution JB-2014-3, please signify by saying aye.
12 Opposed. Hearing none, this item is approved.

13 The next item on our agenda is an
14 update on Toll Oversight Advisor contract. This isn't a
15 voting item. We're just requesting an update on this
16 item, and I believe David Talley from KYTC is going to
17 give us an update on this item.

18 MR. TALLEY: Thank you, Kendra,
19 members of the Board. As you're aware, this body
20 approved the hiring of Computer Aid, Incorporated as the
21 Toll Oversight and Advisor for the Louisville Bridges
22 Project.

23 Some of the results of their hard
24 work we've already talked about today. CAI, both
25 states, staff of both states have been very pleased with

1 their work effort. They shepherded the states through
2 the ETC procurement and have us well on our way to a
3 successful TSP procurement. So, we could not be more
4 pleased with their work.

5 I would point out that KPMG, who
6 is serving as a sub to Computer Aid, Incorporated, is
7 now serving as a Revenue Control Manager for the
8 project. And in that capacity, they are helping the
9 states design the flow of the financial information
10 through the system from the customer all the way through
11 to revenue recognition at the trustee level, and we're
12 very pleased to have KPMG on board and helping us in
13 that capacity.

14 With that being said, I'll be
15 happy to answer any questions that you have.

16 MS. YORK: Thank you, David.

17 The next item on our agenda is any
18 Old Business? Any Board members have any Old Business
19 to bring to the attention of the Board?

20 If not, then, our next meeting, I
21 guess I might suggest that--I know we've got a lot of
22 items moving forward in great fashion at this point.
23 May I suggest that we kind of defer to staff and get
24 some feedback from them on when it might be appropriate
25 to get a next meeting set and then we'll work together

1 to get our schedules coordinated and set a next meeting
2 date which I believe will be in Louisville or Frankfort
3 maybe even. Very good.

4 So, we'll just look to staff to
5 give us some feedback on when they need a next meeting,
6 given the items that we've discussed here this morning.

7 Very good. With that, then, I
8 guess the last item on our agenda is adjournment. So,
9 thank you very much.

10 SECRETARY HANCOCK: Kendra, if I
11 could just real quickly. The project seems to be moving
12 incredibly well from our perspective. And, Jim, I guess
13 I would ask. Everything seems to be working to INDOT's
14 satisfaction as well.

15 MR. STARK: Yes. I know Ron is
16 not here, but I see Andy is in the crowd. I applaud
17 them for their extraordinarily good work and they're
18 working with our partners at Federal Highways and all
19 the different things that are going on outside of their
20 daily lives. So, it's been very refreshing.

21 The reports that I get on
22 literally a weekly basis are that things are moving.
23 The cooperation is there. All the Bi-State meetings
24 that they're having with the NEPA process are going
25 well, and there's really no real obstacles other than

1 our normal obstacles we go through every day which is
2 really good.

3 SECRETARY HANCOCK: It just seemed
4 like an opportune moment while we're here. I think for
5 the Joint Board, it's always good to hear that things
6 are working well.

7 MS. YORK: Absolutely. I couldn't
8 agree more. So, very good.

9 With that, we are adjourned. So,
10 thank you.

11 MEETING ADJOURNED

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STATE OF KENTUCKY

COUNTY OF FRANKLIN

I, Terri H. Pelosi, a notary public in and for the state and county aforesaid, do hereby certify that the foregoing pages are a true, correct and complete transcript of the proceeding taken down by me in the above-styled matter taken at the time and place set out in the caption hereof; that said proceedings were taken down by me in shorthand and afterwards transcribed by me; and that the appearances were as set out in the caption hereof.

Given under my hand as notary public aforesaid, this the 29th day of January, 2014.

Notary Public
State of Kentucky at Large

My commission expires February 10, 2017.