North Carolina Turnpike Authority

Board of Directors Meeting

November 17, 2022



Board of Directors



J. Eric Boyette Chairman



James 'Jim' Walker Vice Chair



Robert D. Teer Jr. Secretary & Treasurer



John Adcock Board Member



Mary N. Clayton Board Member



Dr. Pamela Gibson Senegal Board Member



Sam Hunt IV Board Member



Montell W. Irvin Board Member



Charles 'Chuck' L. Travis III Board Member

Opening Comments

Secretary Boyette Chair

Executive Director Comments

JJ Eden Executive Director

Turnpike Authority Projects



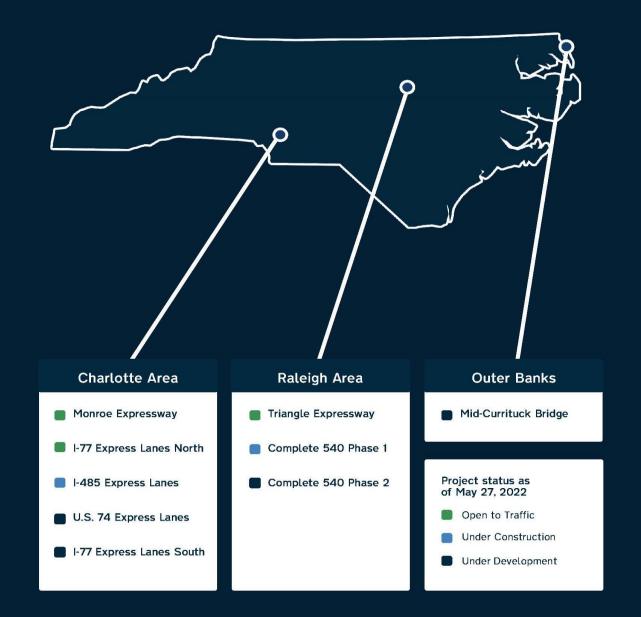
Open to Traffic Monroe Expressway I-77 Express Lanes North Triangle Expressway

2

Under Construction I-485 Express Lanes Complete 540 Phase 1



Under Development U.S. 74 Express Lanes I-77 Express Lanes South Complete 540 Phase 2 Mid-Currituck Bridge



Finance Committee Report

Robert Teer Finance Committee Chair

Operations Committee Report

Montell Irvin, P.E. Operations Committee Chair

NCTA By-Laws

Marketing & Communications Update

Logen Hodges Marketing & Communications Director



2022 Complete 540 Outreach



Public Meetings

Nearly 2,800 participants over 72 public meetings



Informing Residents

7,795 postcards & 27 Nextdoor posts



Resident Inquiries

360 emails & 284 calls to the Complete 540 Hotline



NC Quick Pass Focus Groups

Purpose and Goal

4 qualitative focus groups to provide insight on:

- Knowledge and perceptions of NC Quick Pass
- Draft marketing materials to promote NC Quick Pass
- How to adapt materials to increase interest and enrollment



NC Quick Pass Focus Groups

Knowledge & Perceptions

- Participants had **little knowledge of the NC Quick Pass program**; most had heard of the program but very few knew details of the program options or that there was a free alternative.
- The lack of information indicates a need for increased marketing and exposure to information about the NC Quick Pass with details of the different options available to drivers.



You may have to finish that latte at work. ncquickpass.com



NORTH CAROLINA
Turnpike Authority





Save time. Save money. ncquickpass.com





Overall Reactions to Creative Concepts

- In general, the focus group participants appreciated the concepts but said they preferred more direct information that clearly explained the benefits of NC Quick Pass and different options available.
- Draft marketing materials highlighting **specific metrics on savings** with more detailed information were most favorably received.
- Participants wanted to see materials that were more relevant to North Carolina, such as North Carolina-specific freeways or other locations.





Participants were **familiar with the NC Quick Pass** logo, but **many did not recognize the NCTA logo** or understand the relationship between the two



Participants questioned whether the North Carolina Turnpike Authority was a group that **needed to be known**



Recommendations



Specific details on how NC Quick Pass helps drivers **save time and money, safety benefits, the cost of tolls**, with **emphasis on the free option**.



Produce videos or other materials that provide a more **direct connection to the NC Quick Pass** as the product and highlight why driving with a NC Quick Pass is more enjoyable than without.



Improve brand and product awareness by significantly **increasing message saturation**.



Fall Marketing Plan



Get a free NC Quick Pass sticker.

It's that easy.

Sign up at ncquickpass.com



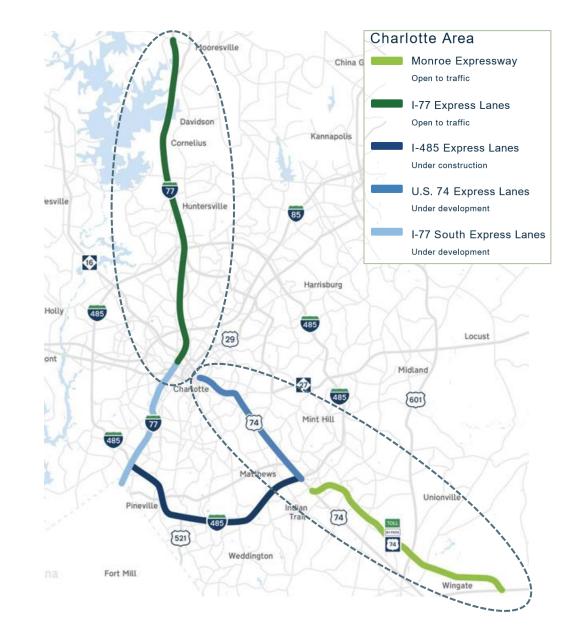
Get a free NC Quick Pass sticker. SAVE 35% ON TOLLS

It's that easy.

Sign up at ncquickpass.com

SAVE 35% ON TOLLS,

Targeted Area

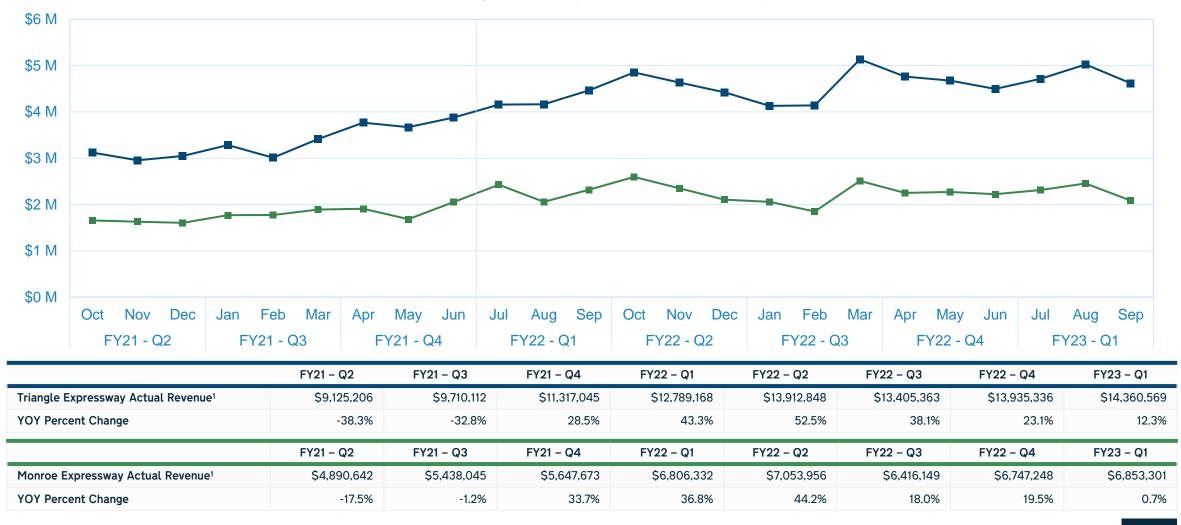


Finance & Budget Update

Mark Newsome Deputy Chief Financial Officer

Revenue Statistics

----Triangle Expressway ----Monroe Expressway

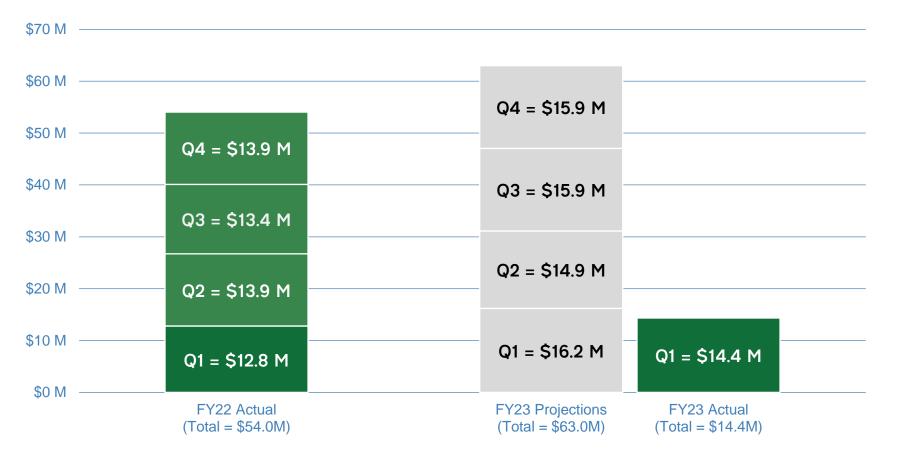


¹Actual revenue is reported on a cash basis

YTD revenues up **12.3%** year-over-year YTD revenues are down **11.3%** compared to projections

Revenue Statistics

Triangle Expressway



Revenue figures are inclusive of all toll revenue and fees

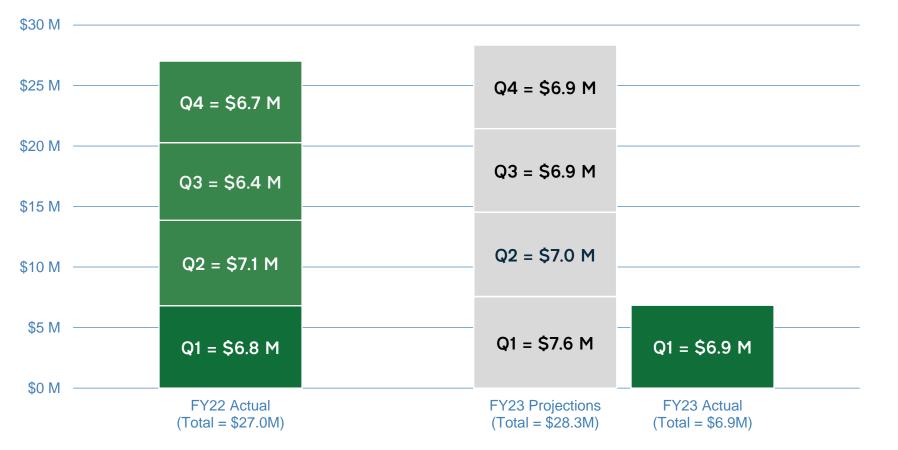
• Actual revenues reported on a cash basis

YTD revenues up **0.7%** year-over-year

YTD revenues down 9.4% compared to projections

Revenue Statistics

Monroe Expressway



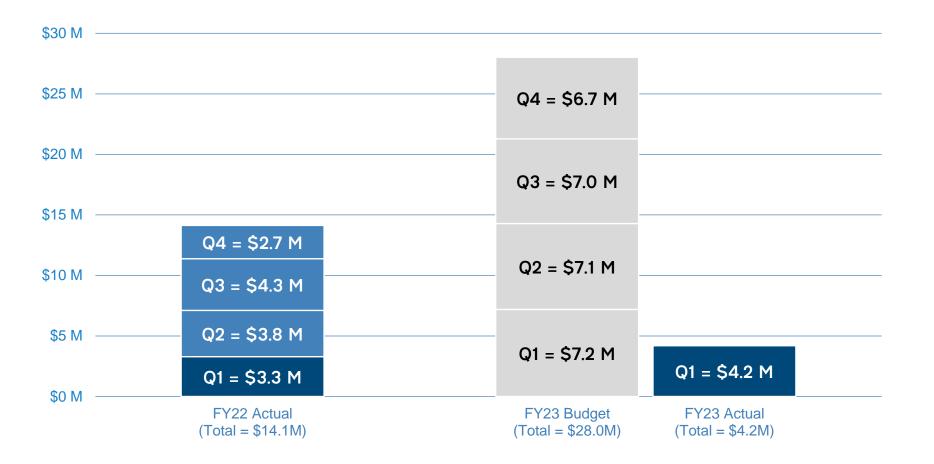
Revenue figures are inclusive of all toll revenue and fees

• Actual revenues reported on a cash basis

Operating Expenditures

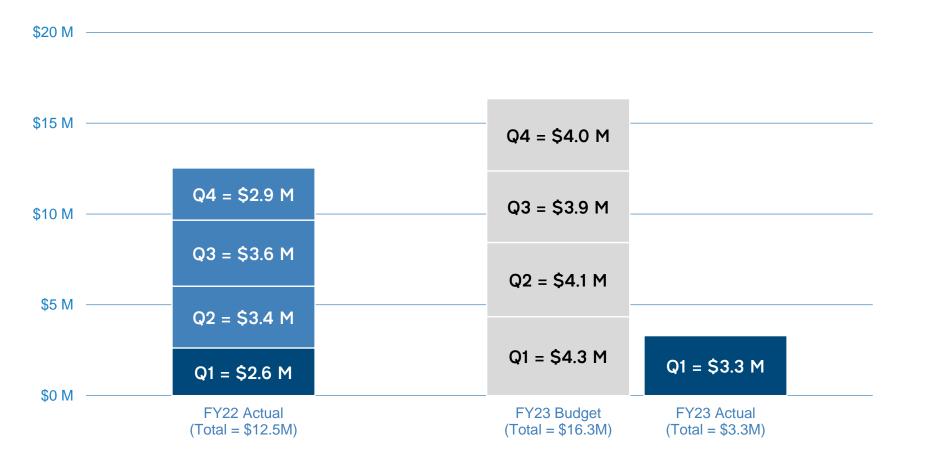
Triangle Expressway

YTD expenditures **41.9%** lower than projected budget



Operating Expenditures

Monroe Expressway



YTD expenditures **24.0%** lower than projected budget

• Actual operating expenditures reported on a cash basis

NCTA Debt Policy Overview

Jacob Vlanich Financial Analyst

Debt Management Policy Overview

- The purpose of this Debt Policy is to establish guidelines and a framework for the issuance and management of NCTA's debt
- NCTA is committed to consistent best practices financial management, including maintaining financial strength and flexibility of NCTA
- The policy will be reviewed by NCTA no less than once every two years
- The policy was adopted on 8/6/2020 and a report on NCTA's debt status is provided each year

Debt Management Policy Overview

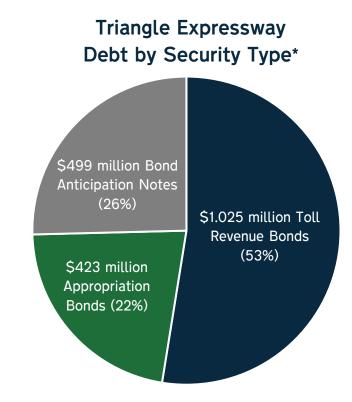
- The policy establishes guidelines and a framework for the following topics:
 - Financial Planning and Debt Issuance
 - Debt Service Coverage Targets and Limits
 - Method of Sale Evaluation
 - Debt Structure
 - Call Provisions
 - Debt Refunding
 - Credit Enhancement and Liquidity
 - Continuing Disclosure
 - Credit Objectives
 - On-going Reporting Requirements

On-Going Reporting Requirements

- Once a year, the Finance Committee and NCTA Board of Directors will receive a report on the status of NCTA's debt including the following information
 - Amount and percentage of total debt by security type broken down by NCTA System
 - Any changes in ratings, including ratings of credit enhancers and swap counterparties
 - Current mark-to-marketed value of all interest rate exchange agreements, if applicable*
 - Historical rate performance for all variable rate bonds, if applicable*

Triangle Expressway

- Assured Guaranty Corp. was upgraded from A3 to A2 and Assured Guaranty Municipal Corp. was upgraded from A2 to A1 by Moody's in March
 - Assured Guaranty Corp insures series 2009B
 - Assured Guaranty Municipal Corp. insures series 2017
- S&P revised outlook from negative to stable on the outstanding revenue bonds, BANS, and the TIFIA loan in June



Triangle Expressway

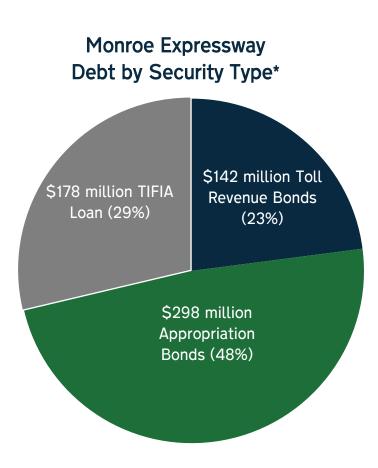
Transaction	Outstanding Par ¹	Final Maturity	Underlying Ratings			Insured Ratings		
			Moody's	S&P	Fitch	Moody's	S&P	Fitch
\$150,125,000 Triangle Expressway System Appropriation Revenue Refunding Bonds, Series 2018A	150,125,000	1/1/2039	Aa1	AA+	-	-	-	-
\$161,759,000 Triangle Expressway System Appropriation Revenue Refunding Bonds, Series 2018B	147,592,000	1/1/2032	-	-	-	-	-	-
\$115,979,250 Triangle Expressway System Appropriation Revenue Bonds, Series 2019 (CAB)	125,596,750	1/1/2049	Aa1	AA+	AA+	-	-	-
\$35,173,108.85 Triangle Expressway System Revenue Bonds, Series 2009B (CAB)	85,943,637	1/1/2038	Baa2	BBB	BBB	A2	AA	-
\$200,515,000 Triangle Expressway System Turnpike Revenue Refunding Bonds, Series 2017	171,510,000	1/1/2039	-	BBB	BBB	A1	AA	-
\$401,155,000 Triangle Expressway System Senior Lien Turnpike Revenue Refunding Bonds, Series 2018	396,420,000	1/1/2041	-	BBB	BBB	-	AA	-
\$370,975,000 Triangle Expressway System Toll Revenue Bonds, Series 2019	370,975,000	1/1/2055	-	BBB	BBB	-	AA	-
\$499,460,000 Triangle Expressway System Senior Lien Turnpike Revenue Bond Anticipation Notes, Series 2020	499,460,000	2/1/2024	-	BBB	BBB	-	-	-
\$499,461,980 Triangle Expressway System TIFIA Loan, 2021	_2	1/1/2058	-	BBB	BBB	-	-	-
Total	\$1,947,622,387							

1. Accreted value as of July 1, 2022 for Capital Appreciation Bonds.

2. The 2021 TIFIA Loan has not been drawn upon. NCTA intends to fully draw the \$499.46 million TIFIA Loan to pay off the 2020 Toll Revenue BANs at maturity in 2024.

Monroe Expressway

- All credit ratings associated with outstanding debt, including ratings of credit enhancers and swap counterparties, were unchanged over the prior year.
- S&P revised outlook from negative to stable on outstanding senior toll revenue bonds and the TIFIA loan in February



Monroe Expressway

Transaction	Outstanding	Final Maturity	Underlying Ratings		
Transaction	Par ¹	Final Maturity	Moody's	S&P	Fitch
\$233,920,000 Monroe Connector System State Appropriation Revenue Bonds, Series 2010A	225,545,000	1/1/2041	Aa1	AA+	-
\$73,985,000 Monroe Expressway System State Appropriation Revenue Refunding Bonds, Series 2021 (Forward Delivery)	72,595,000	7/1/2041	Aa1	AA+	AA+
\$119,455,000 Monroe Expressway Toll Revenue Bonds, Series 2016A	119,455,000	7/1/2054	Baa3	BBB	-
\$17,596,904 Monroe Expressway Toll Revenue Bonds, Series 2016C (CAB)	22,647,081	7/1/2041	Baa3	BBB	-
\$166,500,000 Monroe Expressway System TIFIA Loan, 2016	177,768,160 ²	7/1/2053	Baa3	BBB	-
Total	\$618,010,241				

1. Accreted value as of July 1, 2022 for Capital Appreciation Bonds

2. Accrued and unpaid interest is added to the outstanding balance resulting in a loan balance greater than the original draw amount.

Chief Engineer Update

Dennis Jernigan, P.E. Interim Chief Engineer

























Complete 540 Project Phase 2 **Disadvantaged Business Enterprise Outreach Session & Industry Forum**

Presented by the North Carolina Turnpike Authority and NCDOT Office of Civil Rights

The Outreach Session will include information about certification support services, Disadvantaged Business Enterprise (DBE) utilization and compliance, and laws governing DBE work with NCDOT. The Industry Forum will include a discussion on project scope, DBE goals and contracting opportunities for the Complete 540 Phase 2 project.

When

Session Agenda

	8	
Monday, November 14, 2022 9:00 a.m 4:00 p.m.	9:00 a.m 9:30 a.m.	Open Registration for DBE Outreach Session
Prospective prime contractors are encouraged to arrive by 12:00 p.m. for networking opportunities.	9:30 a.m 9:45 a.m.	Civil Rights Overview
	9:45 a.m 10:15 a.m.	Certifications (DBE, SBE, HUB, SPSF)
Where The McKimmon Conference & Training Center at NC State 1101 Gorman St., Raleigh, NC 27606	10:15 a.m 10:45 a.m.	On-the-Job Training Program (OJT)
	10:45 a.m 11:15 a.m.	Business Opportunity and Workforce Development
	11:15 a.m 11:30 a.m.	Utilization and Contractor Compliance, Title VI, EEO
	11:30 a.m 12:00 p.m.	NC Turnpike Authority Overview
	12:00 p.m 1:00 p.m.	Networking/Lunch on your own and Oper Registration for Industry Forum
	1:00 p.m 3:00 p.m.	Industry Forum (Complete 540 Phase 2)
	3:00 p.m. – 4:00 p.m.	Networking

For more information, please contact us at NCTAdesignbuild@ncdot.gov



WELCOME

Session Agenda

9:00 a.m. – 9:30 a.m.	Open Registration for DBE Outreach Session
9:30 a.m. – 9:45 a.m.	Civil Rights Overview
9:45 a.m. – 10:15 a.m.	Certifications (DBE, SBE, HUB, SPSF)
10:15 a.m. – 10:45 a.m.	On-the-Job Training Program (OJT)
10:45 a.m. – 11:15 a.m.	Business Opportunity and Workforce Development
11:15 a.m. – 11:30 a.m.	Utilization and Contractor Compliance, Title VI, EEO
11:30 a.m. – 12:00 p.m.	NC Turnpike Authority Overview
12:00 p.m. – 1:00 p.m.	Networking/Lunch on your own and Open Registration for Industry Forum
1:00 p.m. – 3:00 p.m.	Industry Forum (Complete 540 Phase 2)
3:00 p.m. – 4:00 p.m.	Networking

Meeting Overview

The Outreach Session will include information about certification support services, Disadvantaged Business Enterprise (DBE) utilization and compliance, and laws governing DBE work with NCDOT. The Industry Forum will include a discussion on project scope, DBE goals, and contracting opportunities for the Complete 540 Phase 2 project.

Sign-in & Name Tags

When you sign in at the sign-in table, you will be handed a name tag. Name tag color categories below:

DBE Firm	
Design Firm	
Prime Contractor	
Subcontractor	

For your information, the sign in sheets from today's event will be posted on the NCDOT Design-Build website at https://connect.ncdot.gov/letting/Pages/Design-Build.aspx

Meeting Refreshments

Vending machines and tables are located in the café of the McKimmon Center.

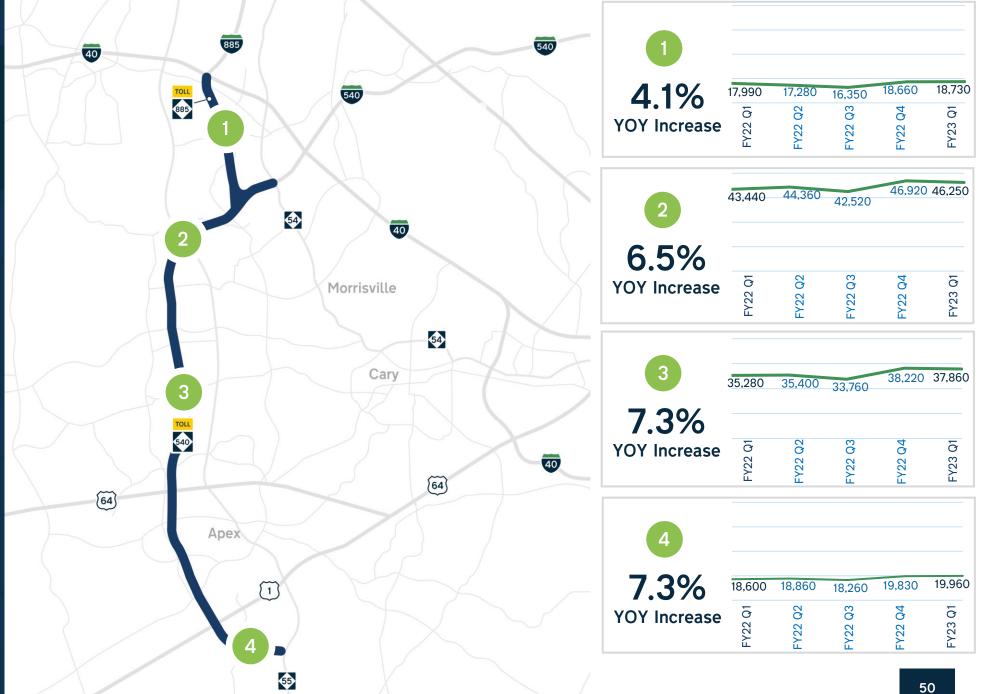






Roadway Operations Update

Alan Shapiro, P.E. Director of Highway Operations Mainline Traffic **Statistics** Triangle Expressway



Q1: July - September AWT: Average Weekday Traffic

Maintenance Rating Program (MRP)

Triangle Expressway

	FY 2023 Q1	Rolling Rate	
Overall	94.7	94.2	
Road Surface	100.0	98.3	
Unpaved Shoulders and Ditches	94.7	97.2	
Drainage Structures	92.1	92.5	
Roadside	93.3	93.0	
Traffic Control Devices	92.5	91.0	

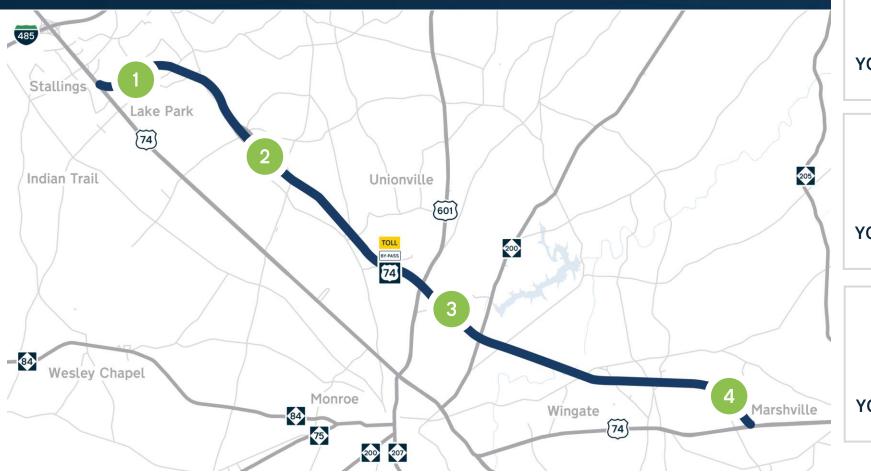
- FY23 Q1 overall met target rating of 90.0
- All elements met target rating of 85.0
- Retaining and Sound Walls only characteristic that scored below target rating of 80.0
- Overall rolling rating achieved target value of 90.0
- All element rolling ratings achieved target value of 85.0

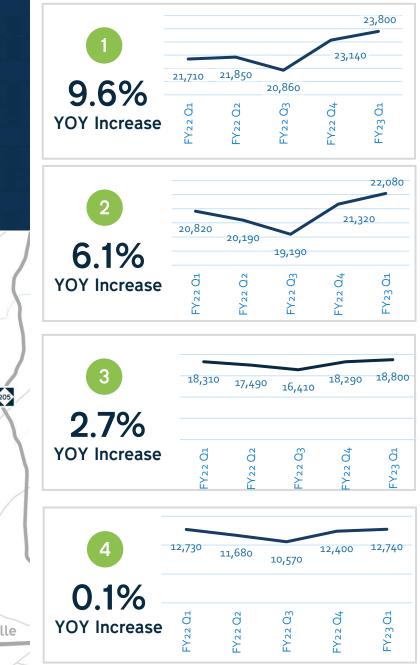
Full report has been provided via hardcopy.

Mainline Traffic Statistics Monroe Expressway

Q1: July - September

AWT: Average Weekday Traffic





Maintenance Rating Program (MRP)

Monroe Expressway

FY 2023 Q1		Rolling Rate	
Overall	97.0	96.4	
Road Surface	100.0	97.3	
Unpaved Shoulders and Ditches	100.0	98.6	
Drainage Structures	98.5	98.4	
Roadside	90.2	93.3	
Traffic Control Devices	96.5	95.3	

Full report has been provided via hardcopy.

- FY23 Q1 overall met target rating of 90.0
- All elements met target rating of 85.0
- Turf only characteristic that scored below target rating of 80.0
- Overall rolling rating achieved target value of 90.0
- All element rolling ratings achieved target value of 85.0

I-485 Toll System Update

Jerry Eakes IT Systems Manager

Toll and ITS Progress

Toll Zones

- Gantry Foundation and Conduit
 - 7 AET site foundations complete
 - AET 2.1 & 2.2 waiting to be excavated and poured
- Pull-Off Area Sites
 - 2 complete, 1 in progress, 5 pending
- Power and Communication
 - 11 power services under construction
 - 13 meter bases ready for meter installation
 - 9 locations inspected
 - 5 sites energized for use (total 51)
 - Backbone communication conduit in progress
 - Approx. 50% rough-in complete

Intelligent Transportation System (ITS)

- Revisions ITS sheets submitted mid-Oct. approved
- Electronic Message Signs
 - Foundations 13 complete, 16 pending
 - TCD working on sign footers between Rea and Providence Roads
- Detectors, Cameras, Power and Communication
 - Communication conduit & geotechnical testing in progress





Triangle Expressway Operational Acceptance Test

Jerry Eakes IT Systems Manager

Triangle Expressway – Operational Acceptance Test (OAT) Overview

60-day comprehensive audit of the toll system:

- Kapsch's hardware & software are assessed for:
 - Measuring the timely and accurate processing of transactions
 - Equipment availability
 - Accurate data reporting
- Kapsch's ability to meet requirements for:
 - Preventative Maintenance
 - Response and Repair times for Corrective
 Maintenance
 - Provision of a complete and accurate Monthly Maintenance Report

OAT Performance Requirements				
Description	Required Performance	Current Test Performance (10/22)		
Vehicle Detection Accuracy	99.99%	99.88%		
Vehicle Classification Accuracy	99.80%	99.85%		
Image Capture Accuracy	99.95%	99.90%		
Image Quality	99.95%	100%		
AVI Capture Accuracy	99.50%	99.20%		
AVI Association Accuracy	99.95%	99.94%		
Transaction Processing	100%	100%		
Audit and Reconciliation	100%	100%		

Statewide Roadside Toll Collection System (SRTCS)

Manish Chourey Chief Technology Officer

SRTCS Toll System Procurement – Scope Of Work

- Roadside Equipment, Installation, Testing, and Commissioning for AET and Express Lanes
- Term Approach
 - 7-year implementation term
 - 5-year maintenance (based on the 7 years)
 - 2 three-year renewals
- Testing lifecycle will be done for each project
- Selection based on annual planning at sole discretion of NCTA for projects; NCTA may solicit quotes from one or more vendors
- Selection of 3 or more vendors
- RFP to be issued in the next few weeks

Toll Technology & Operations Update

Manish Chourey Chief Technology Officer

Toll Technology and Operations Update - July-September

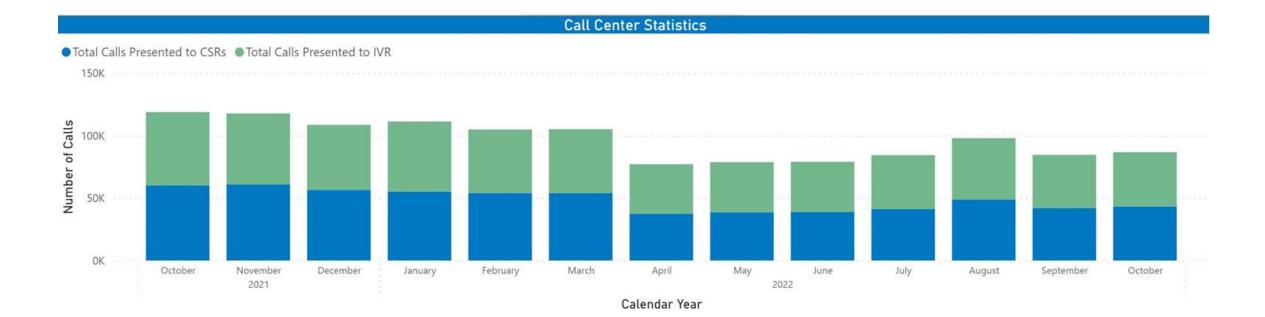
- Toll Transactions (Quick Pass and BBM) by toll facility are below:
 - Triangle Expressway (Triangle) 15.8M
 - Monroe Expressway (Monroe) 11.5M
 - I-77 Express Lanes (I-77)- 8.9M
- Toll Transactions was up about 10% for Triangle and Monroe and up about 3% on I-77 when compared to the same time period last year.
- ETC Participation rates are about the same on Triangle, down about 1.1% on Monroe, and up about 2.8% on I-77 when compared to the same time period last year.
- Quick Pass sold 64,879 transponders, nearly 10% higher when compared to the same time period last year.
- As of September 30th, there were 433,988 Active Quick Pass accounts and 1,757,194 Bill-by-Mail accounts.

Customer Service Center Update

Angela Queenland Customer Service Manager

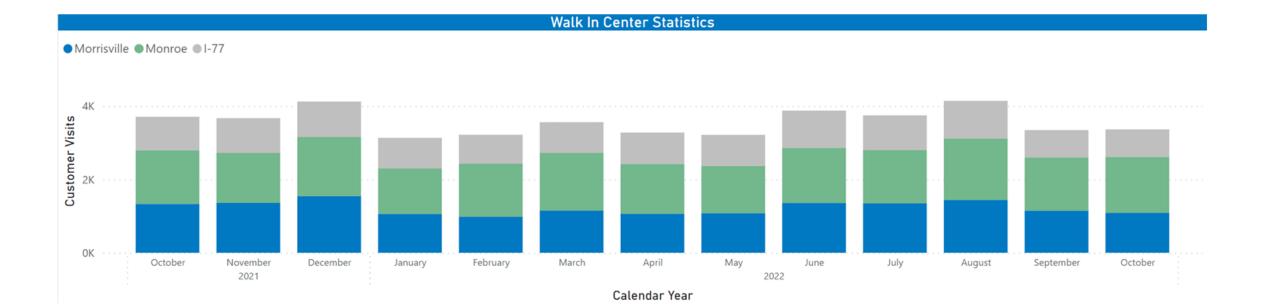
Call Center Statistics

NC Quick Pass Program



Walk-In Center Statistics

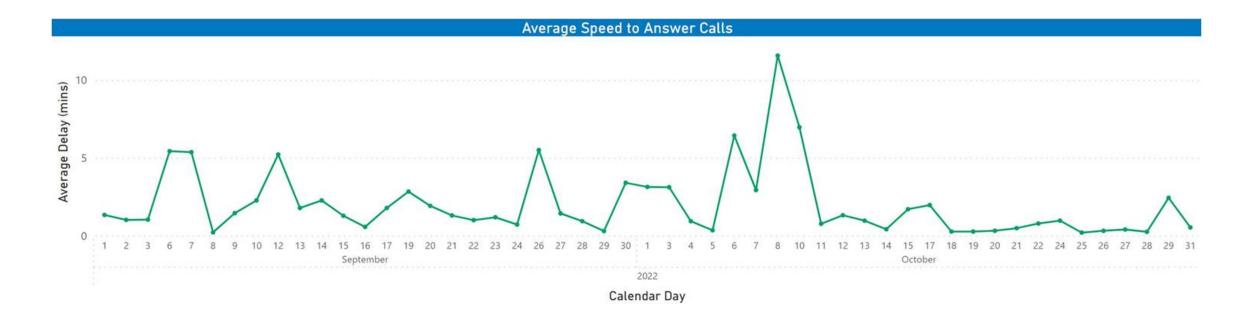
NC Quick Pass Program



64

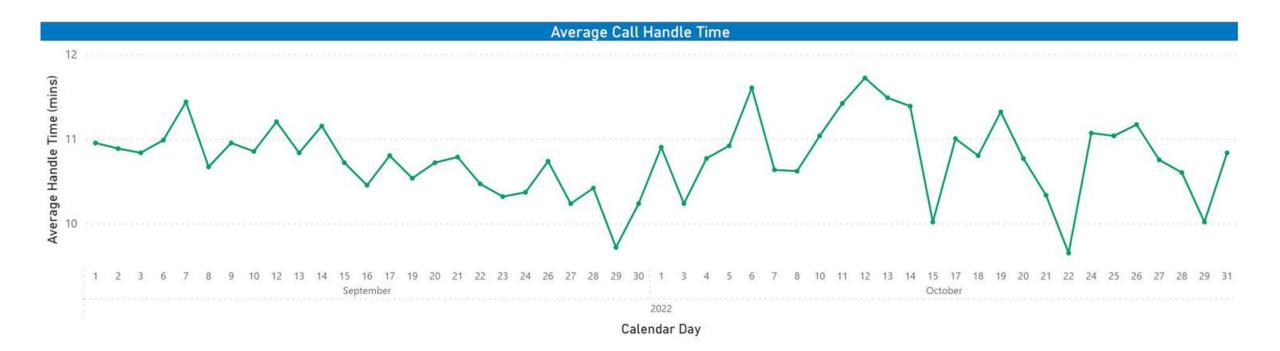
Average Speed to Answer Calls

NC Quick Pass Program



Average Call Handle Time

NC Quick Pass Program



BackOffice System Readiness

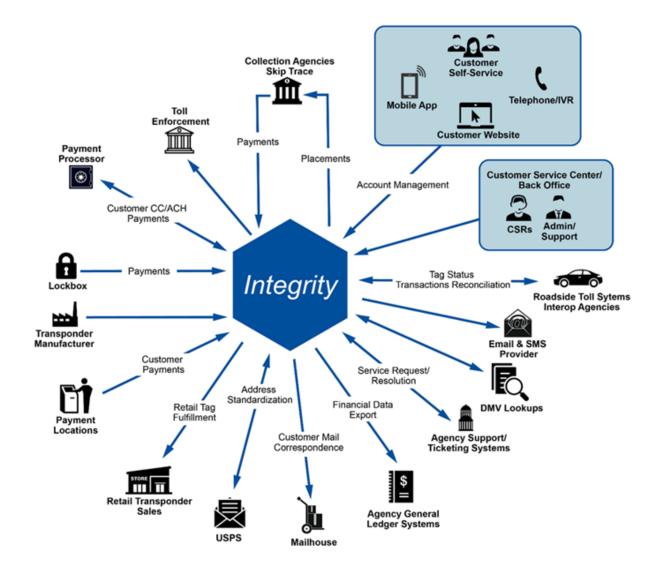
Tracy Marks, P.E. President, TransCore

System Readiness

- 10/1: System Acceptance Testing achieved
- 10/2: Operational Readiness
- 11/1: NCTA Training
- TransCore's commitment to go-live:
 - Before Go-Live
 - Develop BOS2 to requirements
 - Preparation and support for cutover
 - During Go-Live
 - Onsite side-by-side with NCTA
 - After Go-Live
 - Heightened support to ensure high degree of customer satisfaction
 - Continued enhancement of BOS2 (*Integrity*) product

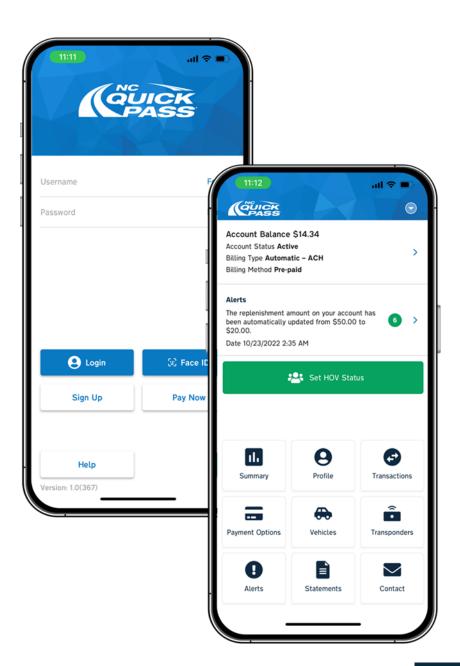
Integrity Roadmap

- Committed to integrating with key services to enhance customer service center operations
- Advance BOS2 (*Integrity*) product through APIs to achieve:
 - Efficiency
 - Wider Reach
 - Integrate Government Agency Assets
 - Partnerships
 - Personalization
- High-availability system with self-healing abilities
- State-of-the-art technology is consistently deployed
- Focused on BOS2 (*Integrity*) core product development with NCTA



Digital Payment Gateway

- Aligns with our BOS2 (*Integrity*) product offering
 - Digital payment forms accepted (Apple Pay & Google Pay)
 - MoneyGram
 - ACH
- Roadmap:
 - Mobile App
 - PayPal
 - Cryptocurrency
 - Zelle
 - Venmo
- Mobile application development to complete within Q1 2023
- TransCore has teamed with a major payment processor to help enhance payment gateway solution



Customer Service Readiness

John Hertweck Manager, GC Services

Agenda Items

- Well Trained Staff
- Distributed CSC's
- Our Commitment to Quality

Well Trained Staff

- Three concurrent training teams in all call centers with 5-day training sessions and refresher training schedule during go live transition
- Ramped up recruitment to ensure operations service levels are met while staff is being trained
- Manager and supervisor training in November, followed by remaining staff training
- Training based on revised NCTA provided SOP's



Distributed CSC Facilities

- Three separate facilities to ensure workforce is well supported during transition
- Redundant teams to share the workloads and increase business continuity
- Centralized online collaboration tools to ensure materials are updated





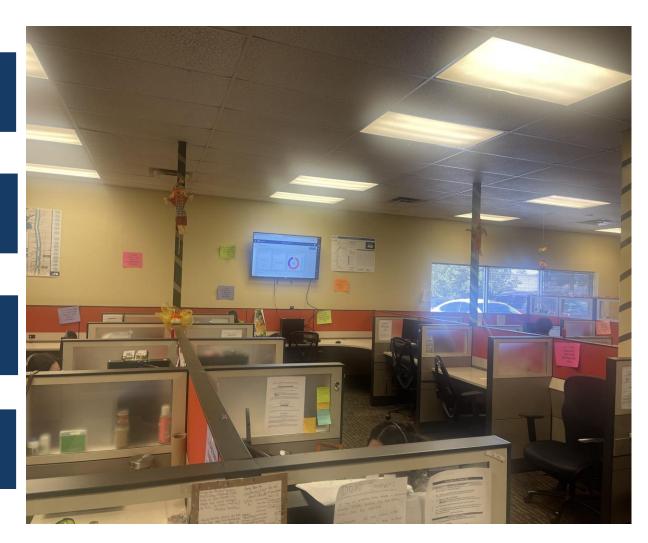
EL Paso CSC

Training capacity 16 CSRs

First BOS2 training starts 11/15

Uses remote workforce solutions

Five 5 day BOS2 classes scheduled





Rocky Mount CSC



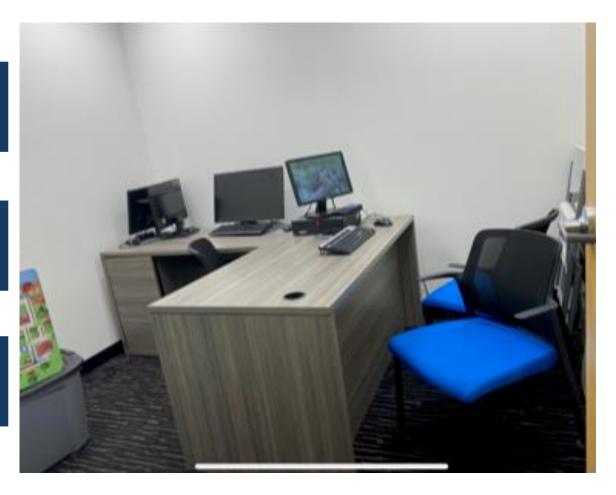


Remote Walk In Centers

Remote supervisor training during weeks 1 & 2

CSR training in Morrisville

BOS2 computers installed for recurrent and refresher training





Our commitment to Quality and Success

- We will collect continuous feedback throughout training sessions
- We will train our team, so we are ready to assist customers with their NC Quick Pass and Bill-By-Mail account management and payments
- Our staff wellness and health is our top priority



BOS2 Communications

Logen Hodges Marketing & Communications Director

Schedule

Campaign	Anticipated Date	Platforms	Messaging
Phase 1			
BOS2 General Announcement	60 days from go-live	Press release, email, social media, BBM insert, CSR script, Stakeholder coordination	**Early 2023 NC Quick Pass is launching a new website and customer experience.
Downtime of Website/Accounts	30 days from go-live	Press release, email, social media, BBM insert, CSR script, BOS1 website alert (banner), DMS sign messaging, temporary landing page (FAQ), Stakeholder coordination	 **NC Quick Pass will be launching a new system and website. **For a short time, customers will not be able to access any NC Quick Pass services from X - Z, if you need to update your account, do so now.
Phase 2			
New Website Announcement	Go-live	Press release, Email, social media, BBM insert, CSR script, DMS sign messaging, IVR, Stakeholder coordination	**NC Quick Pass' new website is live – highlight new features!
Phase 3			
Website and App Marketing Campaign Launch	Within 90 days of system go-live	Press release, email, social media, BBM insert, CSR script, DMS sign messaging, IVR, new NCQP website banner, video	 **NC Quick Pass is retiring our HOV app. **Download our new app today. **It's easier than ever to sign up for NC Quick Pass.

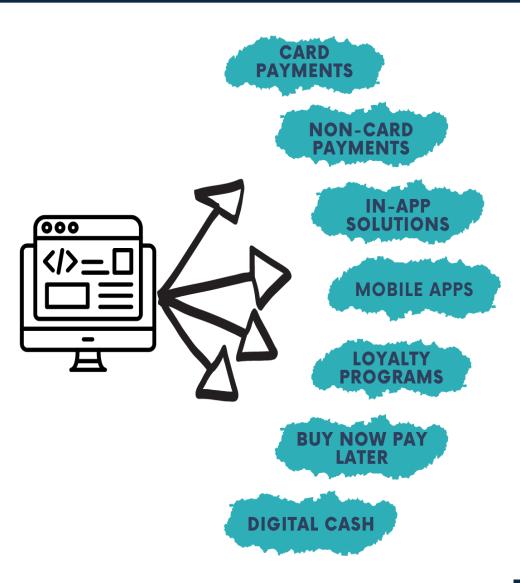


Digital Payment Gateway RFI Update

Chris Garlick Director of Innovation & Strategy

Payment Gateway RFI Scope

- Identify cost effective payment options for now and future
- Review interoperable and operating models
- Discover products and innovation in payment processing
- Meet additional potential gateway partners



Payment Gateway RFI Schedule

Task	Date	
RFI responses due	Responses Due November 29th	
Cross Functional Team review & summary complete	Mid-January 2023	
Toll Agencies review & release invitations to Industry One-on-One	Mid/Late January 2023 NCTA likely to host in Raleigh	
Industry Meetings	February & March 2023 FTE likely to host in Orlando	
Industry Standards & Pilot Projects	April - June 2023	

2023 Committee & Full Board Meeting Dates

Secretary Boyette Chair

2023 Board & Committee Dates



Thank you!

Contact Us

- ncdot.gov/turnpike
- MCTurnpike

ncquickpass.com @NC_QuickPass