

LOUISVILLE AND SOUTHERN INDIANA BRIDGES AUTHORITY

Muhammad Ali Center

144 North Sixth Street, Louisville, Kentucky

May 6, 2010

10:00 a.m. EST

1. Welcoming Remarks

Co-Chairman Kerry Stemler welcomed everyone to the meeting and introduced Jeanie Konchy, Vice President for Communications at the Ali Center. Ms. Konchy welcomed members of the Authority to the Muhammad Ali Center.

2. Call to Order/ Roll Call

The meeting of the Authority was called to order by the Co-Chairman Kerry Stemler, who stated that notice and agenda for a public meeting had been properly and timely posted. He requested that Secretary Pat Byrne conduct a roll call of the Members to determine the presence of a quorum. The following Members were present: Kerry Stemler, Charles Buddeke, Luther Deaton, Jamie Fiepke, Jerry Finn, Sandra Frazier, Joe Reagan, Diane Fischer, Pete King, Lisa Kobe, Dr. Charles Moyer and Pat Byrne. Members Ben Richmond and David Tharp were absent. Co-Chairman Stemler declared that a quorum was present for conducting the business of the Authority.

3. Approval of Minutes (April 8, 2010 Meeting)

The minutes of the meeting of the Authority held on April 8, 2010 had been previously distributed to each Member. Upon motion made by Diane Fischer and seconded by Sandra Frazier, the minutes were unanimously approved.

4. Introduction of New Member – Luther Deaton, Jr.

Co-Chairman Stemler welcomed Mr. Deaton, who has been appointed by Governor Beshear to fill the position formerly held by Mr. Joe Prather. Joe Reagan then provided a formal introduction of Mr. Deaton to the Authority. Mr. Deaton is chairman and CEO of Central Bank based in Lexington, KY. Co-Chairman Stemler and Mr. Reagan both thanked former Chairman Joe Prather for his service and dedication to the Authority and to the Commonwealth of Kentucky.

5. Election of New Officers

Co-Chairman Stemler noted that consultations among Governor Beshear, Governor Daniels and Mayor Abramson had resulted in a recommendation to the Authority that Charles Buddeke be elected as Chairman of the Authority. Upon a motion by Co-Chairman Stemler and a second by Diane Fischer, Charles Buddeke was unanimously elected to serve as Chairman. Upon his election, Co-Chairman Stemler passed the gavel to Chairman Buddeke.

Chairman Buddeke noted that Governor Beshear, Governor Daniels, and Mayor Abramson have also recommended that Pat Byrne move from the role Secretary of the Authority to that of Treasurer, in order to fill the vacancy created by Mr. Buddeke's election to Chair, and that Sandra Frazier fill the Secretary's position. Upon motion by Pete King and second by Jerry Finn, Mr. Byrne and Ms. Frazier were unanimously elected to these respective offices.

6. Chairman's Remarks

Chairman Buddeke thanked members of the Authority, Governor Beshear, Governor Daniels, and Mayor Abramson for their support and expression of confidence in him. He also thanked Joe Prather for his service to the Authority and said his work will be missed but never forgotten.

Chairman Buddeke said he had met with the other Authority members over the last two weeks in order to discuss the transition. He noted that the Authority is making progress—progress that will accelerate with the addition of a strategic advisor to the team in the coming days. Chairman Buddeke reminded members that they enjoy the support of both Governors as they seek solutions for funding the bridges project.

Finally, Chairman Buddeke outlined a couple of changes to the Authority's meeting procedures. First, the public comments portion will be moved to the latter part of the meeting. At a given meeting, the Authority will plan to adjourn on schedule, according to the time allotted for official business at that meeting. However, if all public comments are not heard before adjournment, Mr. Buddeke, as Chair, will remain after the meeting to hear the remainder of those who had registered for public comments but who were not able to speak prior to the time of adjournment. Other members of the Authority would be encouraged to remain for

the balance of the public comments if their schedules allowed. Mr. Buddeke requested that all public comments be limited to four minutes.

7. Executive Director's Report

Mr. Steve Schultz, Executive Director, gave a presentation in which he reviewed the Authority's progress. By way of an update, he compared the Authority's creation, ratification, mission and work to date to the concept of "building bridges" in a metaphorical sense. For example, he talked about how the creation of the Authority had served to "bridge" the jurisdictional divide between two states. He also described how recent actions by the Authority, such as the launch of its website and the hiring of a communications director, will aide in bridging any communications gap that may exist about the status of the project and about the scope of the Authority's mission. Finally, he talked about how that mission involves the all-important task of serving as the capstone of the project by developing a plan for its financing and delivery.

Mr. Schultz then outlined a possible approach to a strategy framework that would be designed to help guide the Authority's decision-making processes:

- Vision – To what do we aspire? Two Bridges, One Project; Two States, One Team
- Mission – What is our purpose? To finance and construct the Ohio River Bridges Project
- Values – What are our guiding principles? Possible examples include: cross river mobility; economic opportunity and inclusion, traffic safety, air quality, balancing interests of stakeholders

Strategic objectives, targets, initiatives and action plans would fill out the rest of the framework. These components should be viewed in a hierarchy: while those at the lower end can be seen as being more dynamic (i.e., subject to change based on changed circumstances and progress), those at the higher end—the vision, mission and values, do not change. The idea is that, as decisions are faced on the ground—at the day-to-day "action plan" level—they should be made in a way that ultimately aligns with and is consistent with the values, mission and vision of the Authority. Mr. Schultz said that he would bring back to the Authority a suggested statement of values and an approach for the development of the balance of the

strategy framework—a process that will be aided with the advice of the new strategic advisor.

Mr. Schultz discussed some additional next steps, including the completion of a timetable and key milestones for financial plan delivery, development and implementation of a communication plan, the submission to the FHWA's Office of Innovative Program Delivery of an expression of interest letter to explore potential eligibility under federal programs for tolling as a possible source of alternative funding, and development of a stand-alone budget for the Authority.

Upon completion of the Executive Director's report, Chairman Buddeke thanked Mr. Schultz for his leadership and for his serving as "quarterback" for the Authority.

8. Unfinished Business

Statement of Inclusion – The statement was passed out at the April meeting and was the product of the work group formed at the March meeting. The statement was developed in consultation with DBE experts from the Kentucky Transportation Cabinet and the Indiana Department of Transportation. Ben Richmond presented the report at the April meeting. Upon motion made by Joe Reagan and seconded by Dr. Charles Moyer, the Statement on Inclusion for the Authority was unanimously adopted.

9. a. New Business – Federal Engagement

Tamar Henkin, project consultant with High Street Consulting Group in Washington, DC, addressed the Authority. She reported on actions she had taken with the FHWA's Office of Innovative Program Delivery since the presentation at the Authority's April meeting of Regina McElroy, the Executive Director of that office. Ms. Henkin described the nature and purpose of the "expression of interest letter" that would be submitted to Ms. McElroy's office as a way of exploring the full range of innovate program delivery options for the project. She expects that the letter of interest will be submitted soon and is optimistic about the opportunity for very helpful dialogue with, and guidance from, FHWA on this front.

Ms. Henkin cautioned that the complexity of the process is compounded by the fact that tolling authorities are governed by multiple statutory sources and programs that were created at different times and that are not always perfectly aligned. Because of the need to navigate the opportunities and challenges within

these authorities and programs, it will be essential to have the Office of Innovative Program Delivery's guidance in the process. Ms. Henkin also reminded members of the Authority that it will be important to keep an eye on potential changes to the Federal Surface Transportation Authorization debate, which is ongoing, and how changes to the federal highway program may positively impact the project. As a result, the Authority and its advisors will be working within the current framework, but always with an eye to the future on possible changes.

Upon completion of her presentation, Chairman Buddeke expressed his appreciation for Ms. Henkin's help on the ground in DC.

9. b. New Business – State Update

Gary Valentine, LSIORB project manager for the Kentucky Transportation Cabinet, gave an update to an earlier presentation (project/sections status and progress) that he gave at the February Bi-State Authority meeting and a second presentation, delivered at the Authority's March meeting, where he explained what project costs still remain for the project. Gary also talked briefly about the project management team and the General Engineering Consultant's (GEC) daily project development activities.

Following Mr. Valentine's presentation, John Sacksteder, with the CTS (the project's GEC), gave an overview of project successes by project section.

10. Discussion of Next Meeting Date

Chairman Buddeke announced that a meeting date and place for the next Authority meeting had not been established. Once a meeting time is determined, it will be posted on the Authority's website.

11. Public Comments

Prior to adjournment, the Authority heard from 13 members of the public, with many speaking in support of the project and many speaking in opposition of the project. After adjournment, a majority of the Authority members remained to hear 6 more people speak in favor and against the project.

12. Adjournment

At 12:00 p.m. Chairman Buddeke entertained a motion for adjournment. Upon motion made by Lisa Kobe and second by Jerry Finn, the meeting was adjourned.

Respectfully submitted,

Sandra Frazier, Secretary