

North Carolina Turnpike Authority

Finance Committee Meeting

July 21, 2021



Opening Comments

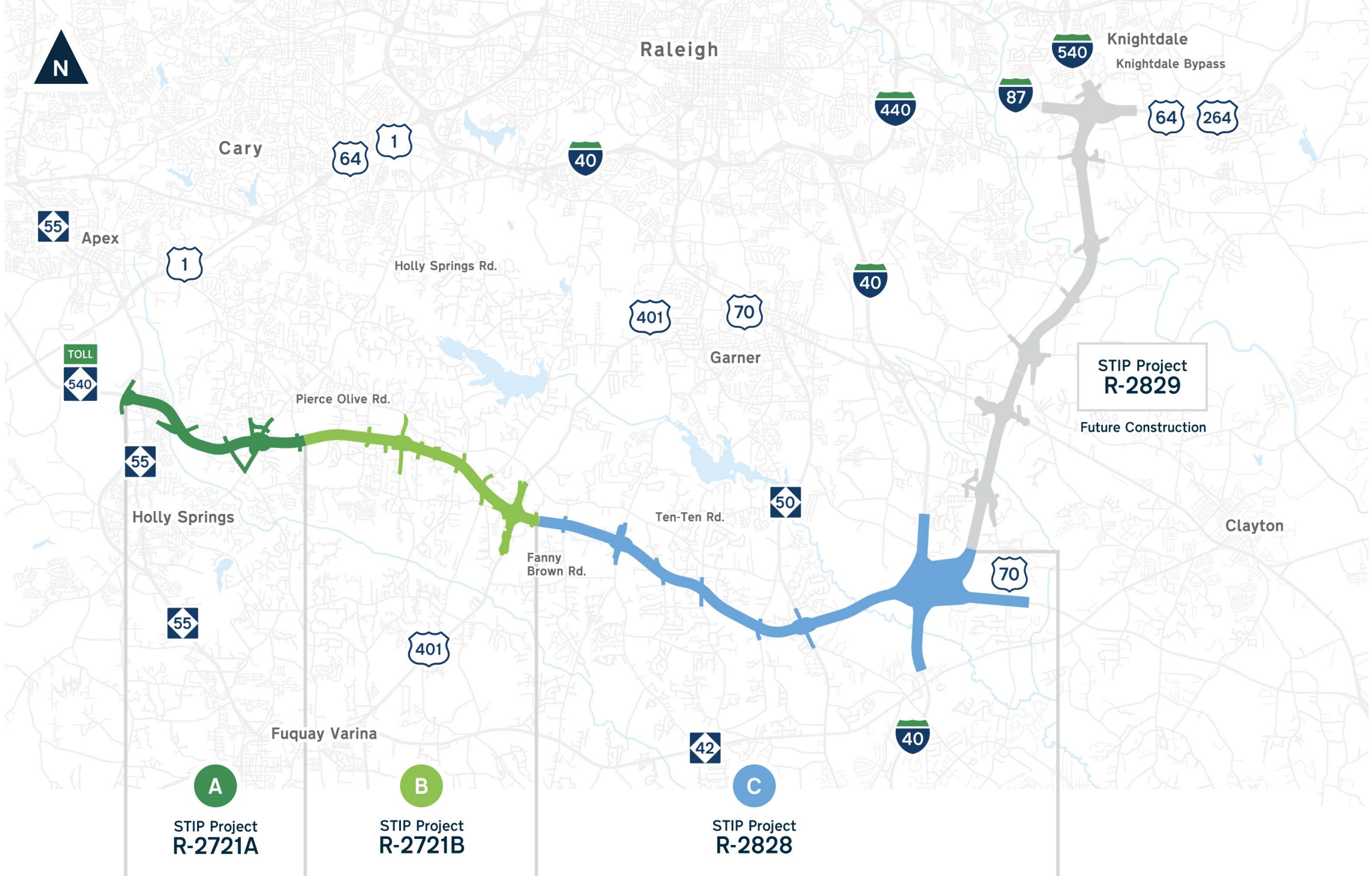
J.J. Eden
Executive Director

May Statistics

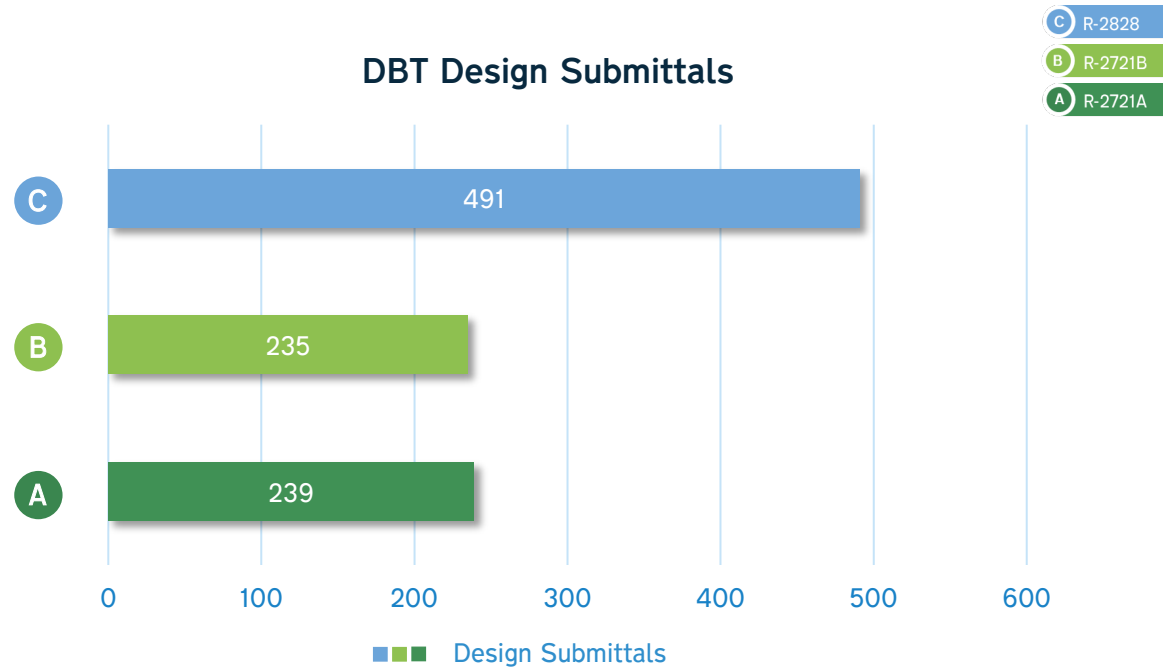
- Triangle Expressway
 - Transactions: 4.73 million
 - Revenue: \$3.67 million
- Monroe Expressway
 - Transactions: 3.51 million
 - Revenue: \$1.68 million
- Transponders
 - Nearly 16,300 distributed
 - Distributed over a million transponders

Complete 540 Construction Update

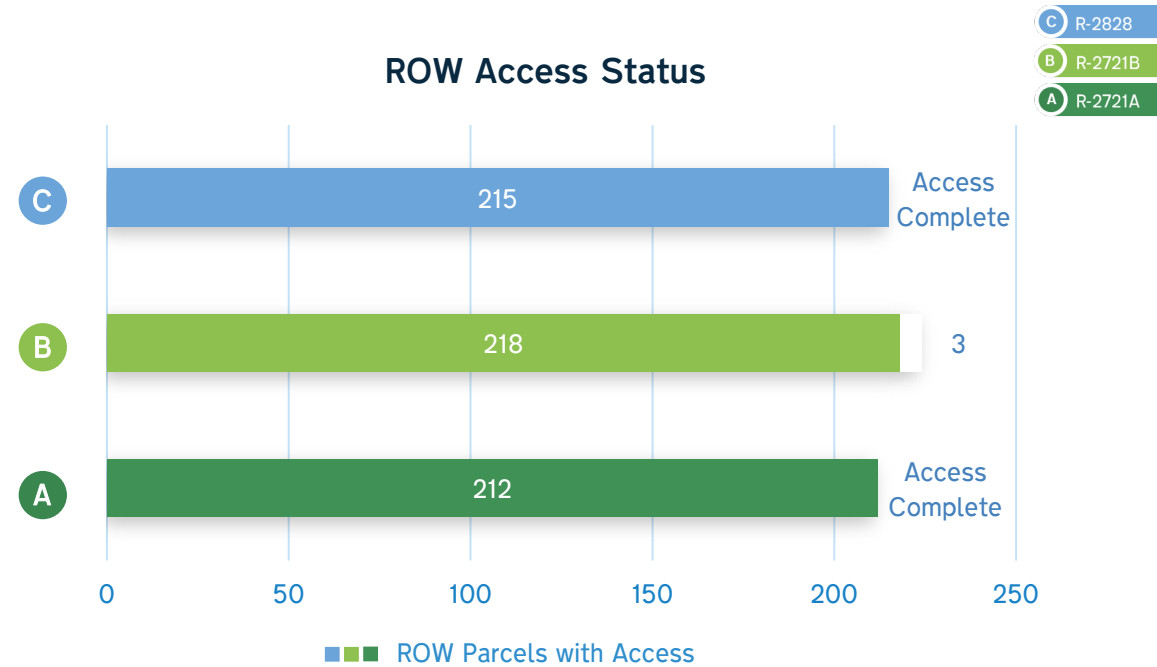
Dennis Jernigan, P.E.
Deputy Chief Engineer for Highway Operations



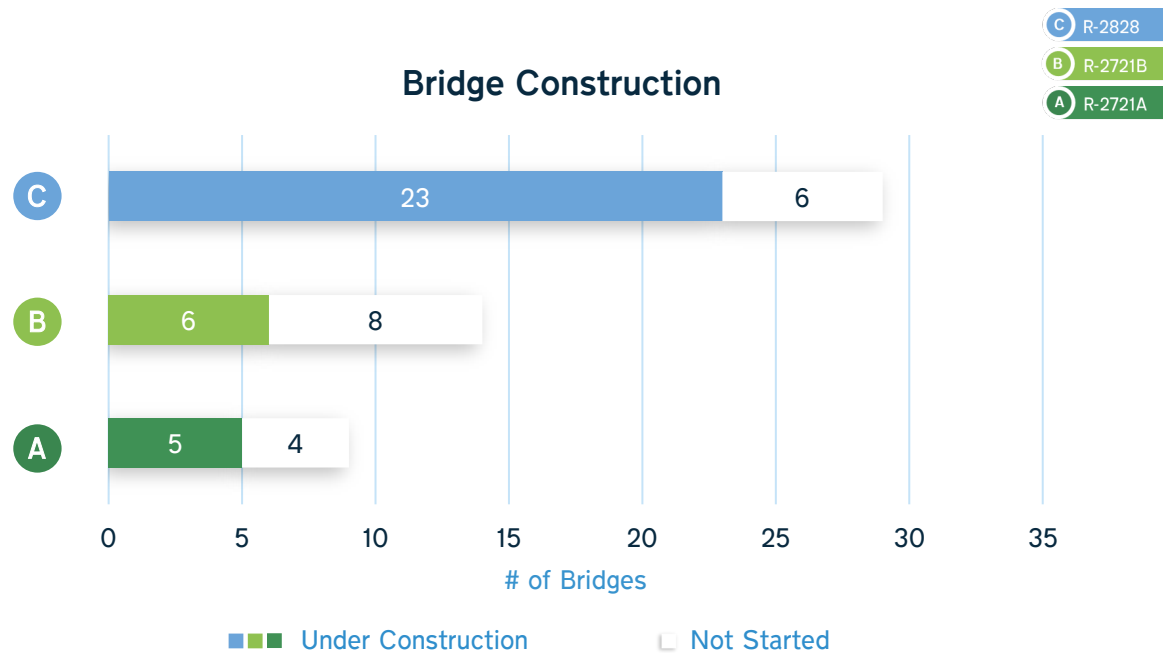
DBT Design Submittals



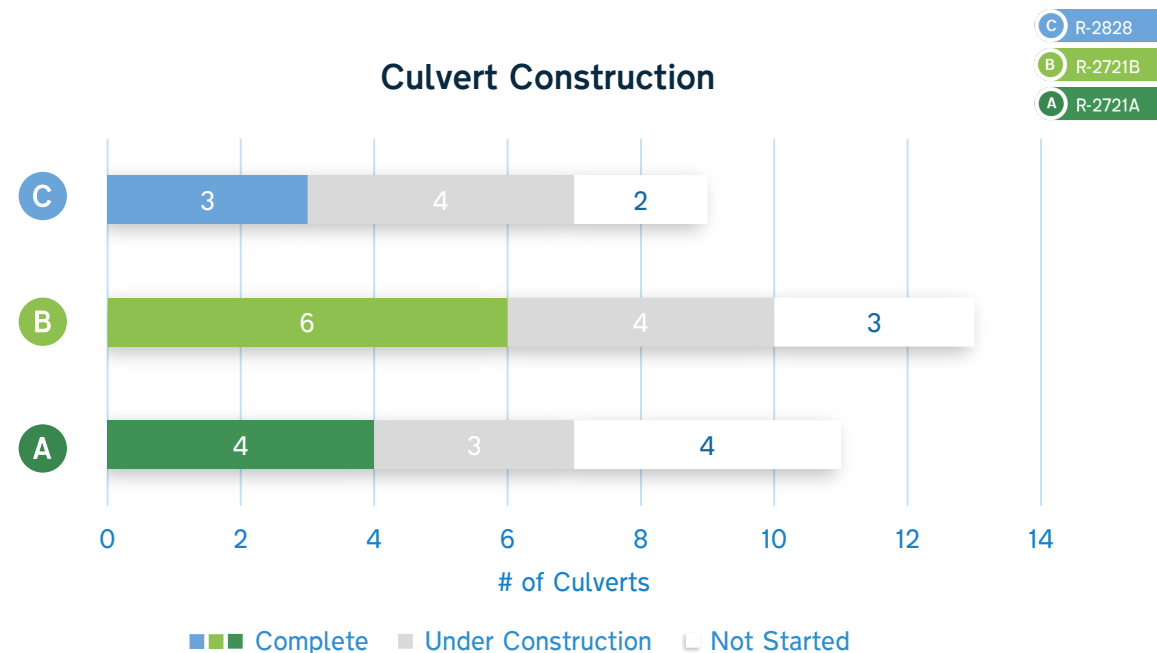
ROW Access Status



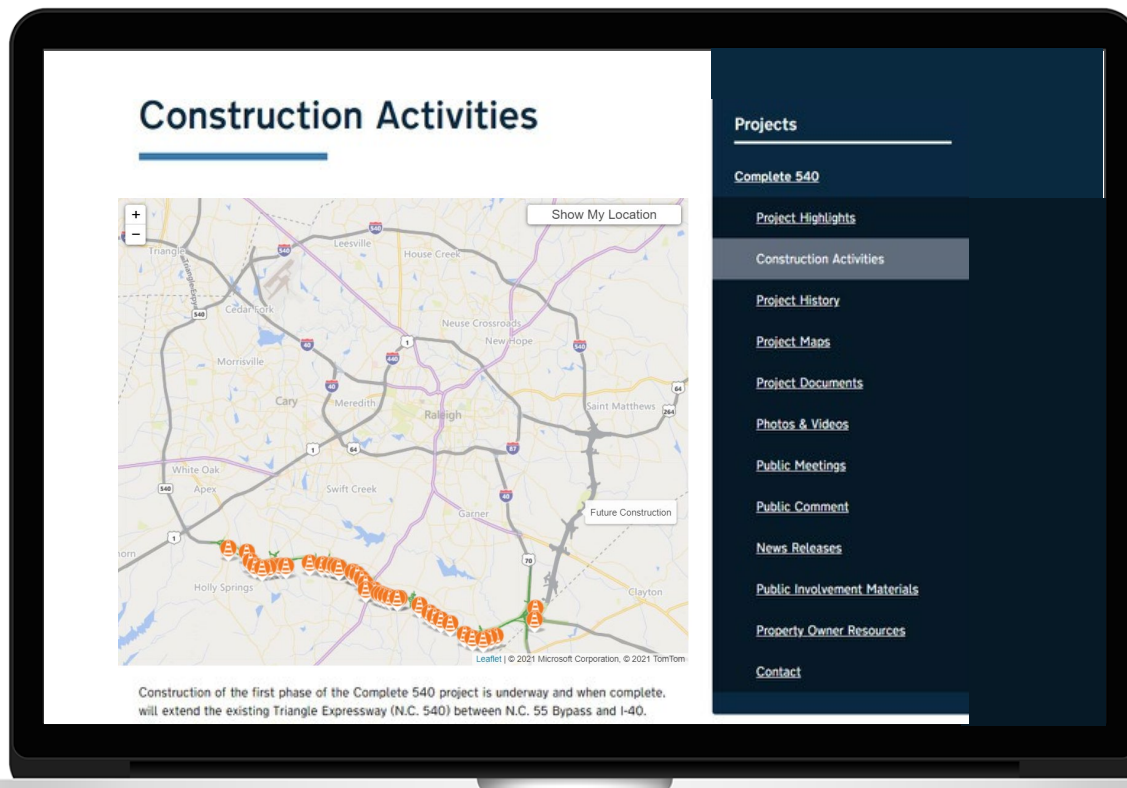
Bridge Construction



Culvert Construction



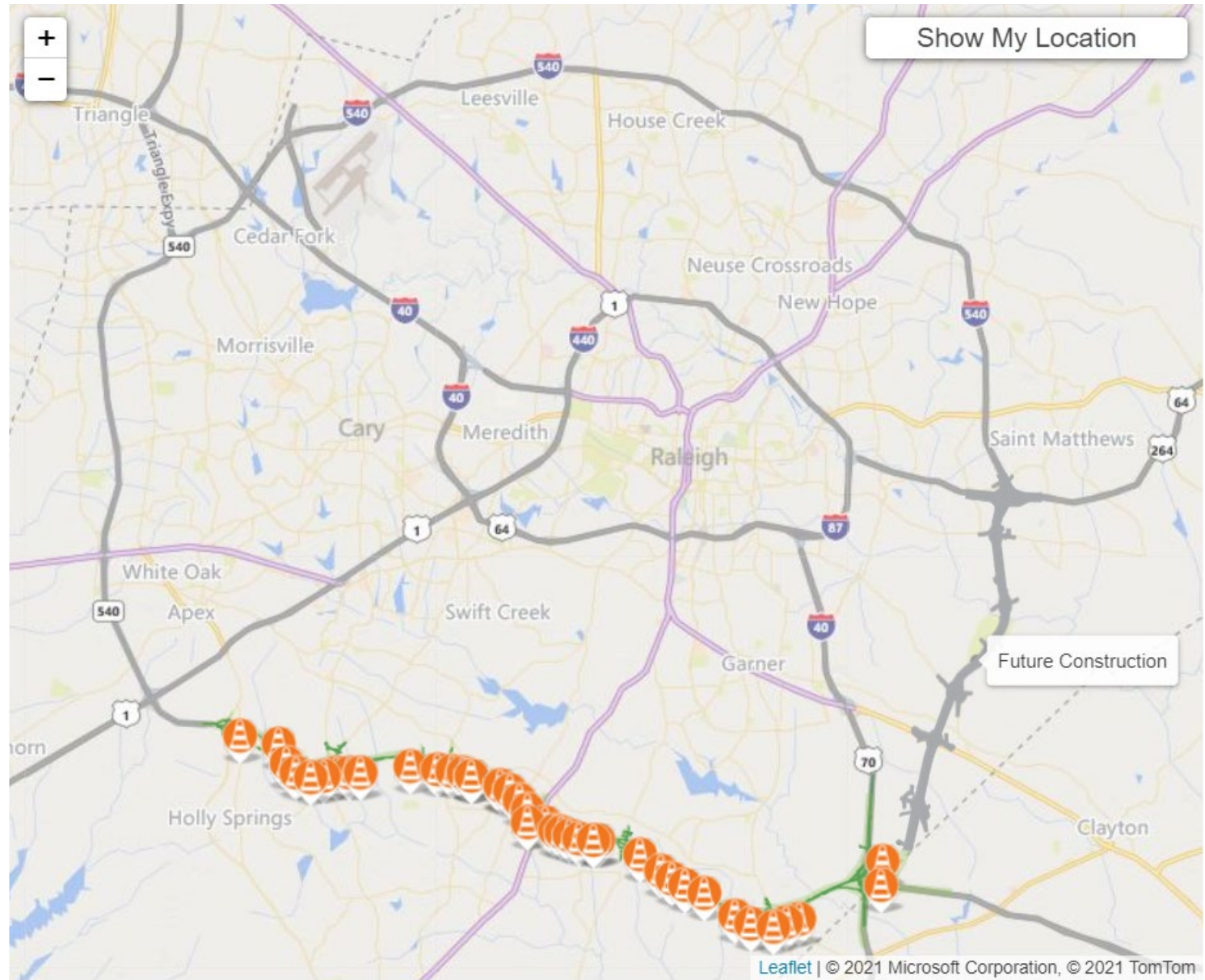
Complete 540 Interactive Map



Creative

Connected

Convenient























Community Outreach

Complete 540 Outreach



Virtual/In-Person Meetings

Resident Communications

Fuquay Varina Chamber, ASHE Carolinas,
IRWA, Holly Springs, Knightdale, Wake
County Board Committee, & Johnston
County Economic Development



THINK
2021



Squaring the Circle in North Carolina's Capital Region

As plans took shape to finish Raleigh's outer loop highway, the state's turnpike authority's Complete 540 inclusion strategy was guided by a time-honored principle: Being a good neighbor.

By Dennis Jernigan, PE, Deputy Chief Engineer for Highway Operations and Rodger Rochelle, PE, Chief Engineer | [North Carolina Turnpike Authority](#)

Glance at a road map of Greater Raleigh and you will see a vast, semicircular highway - called the Outer Loop - surrounding the capital region.

Complete 540 Spend Update

Travis Feltes, P.E.
Project Engineer

Plan of Finance Cost Tracking

	DESCRIPTION	Cost Estimate (\$M)	Spent as of May 31, 2021	% of Budget Spent
R-2721A	Construction	\$ 185.82	\$ 72.75	39%
	Toll Integration	\$ 3.96	\$	0%
	Landscaping	\$ 2.67	\$	0%
	Right of Way	\$ 91.19	\$ 74.43	82%
	Utilities	\$ 18.41	\$ 11.90	65%
	Agency Costs:	\$ 38.70	\$ 7.17	19%
	PROJECT SUB-TOTAL	\$ 340.75	\$ 166.24	49%
R-2721B	Construction	\$ 162.66	\$ 58.75	36%
	Toll Integration	\$ 6.98	\$	0%
	Landscaping	\$ 2.32	\$	0%
	Right of Way	\$ 90.56	\$ 80.77	89%
	Utilities	\$ 16.55	\$ 10.94	66%
	Agency Costs:	\$ 43.03	\$ 6.45	15%
	PROJECT SUB-TOTAL	\$ 322.10	\$ 156.90	49%
R-2828	Construction	\$ 386.68	\$ 131.17	34%
	Toll Integration	\$ 10.30	\$	0%
	Landscaping	\$ 5.84	\$	0%
	Right of Way	\$ 77.62	\$ 43.28	56%
	Utilities	\$ 48.35	\$ 23.30	48%
	Agency Costs:	\$ 103.80	\$ 23.42	23%
	PROJECT SUB-TOTAL	\$ 632.59	\$ 221.17	35%
TOTAL	Construction	\$ 735.16	\$ 262.66	36%
	Toll Integration	\$ 21.24	\$ -	0%
	Landscaping	\$ 10.83	\$ -	0%
	Right of Way	\$ 259.37	\$ 198.48	77%
	Utilities	\$ 83.31	\$ 46.13	55%
	Agency Costs:	\$ 185.53	\$ 37.04	20%
	PROJECT COST FOR FINANCING	\$ 1,295.44	\$ 544.31	42%

Right of Way Cost Update

Project	ROW Budget Amount (\$M)	ROW Spent to Date (\$M)	Percent Spent	ROW Remaining (\$M)	Percent Remaining
R-2721 A	\$91.19	\$74.43	82%	\$16.76	18%
R-2721 B	\$90.56	\$80.77	89%	\$9.79	11%
R-2828	\$77.62	\$43.28	56%	\$34.34	44%
Total	\$259.37	\$198.48	77%	\$60.89	23%

As of May 31, 2021

Status of Map ACT Parcels

	R-2721 A	R-2721 B	R-2828	Total
Settled/Condemned Map ACT	27	53	37	117
Non-Settled Map ACT*	0	4	4	8
Total	27	57	41	125
*5 out of 8 remaining Map Act Parcels have Temporary Construction Easements (TCE's)				

	Cost
Settled/Condemned Map ACT Total Cost	\$1 33,090,285
Remaining Condemned Map ACT Cost	\$40,922,625
Estimated Non-Settled Map ACT Cost	\$4,153,800
Total	\$178,166,710

Contingencies

Contingency Item	Plan of Finance Budget
Third Party Delay Contingency	\$1 9,860,000
Contingency & Reserves	\$1 2,950,000
Fuel & AC Reserves	\$5,250,000
Total	\$38,060,000

Project	Supplement Budget	Supplemental Agreement Total	% Spent	AC/Fuel Adjustment	Amount Remaining	% Remaining
R-2721 A	\$1 2,829,200	\$2,354,81 9	<div><div></div></div> 18%	\$40,074	\$1 0,51 4,455	<div><div></div></div> 82%
R-2721 B	\$1 2,527,400	\$5,898,208	<div><div></div></div> 47%	\$24,609	\$6,653,800	<div><div></div></div> 53%
R-2828	\$28,470,600	\$7,006,831	<div><div></div></div> 25%	\$300,534	\$21 ,828,985	<div><div></div></div> 76%
Total	\$53,827,200	\$1 5,259,858	<div><div></div></div> 28%	\$365,21 6	\$38,567,342	<div><div></div></div> 71%

Quarterly Cash Flow

Actual & Anticipated Expenditures For Construction of R-2721A, R-2721B and R-2828

Actuals													
	DESCRIPTION\YEAR	Cost Estimate (\$M)	As of	Apr-Jun 21	Jul-Sept 21	Oct-Dec 21	Jan-Mar 22	Apr-Jun 22	Jul-Sept 22	Oct-Dec 22	Jan-Mar 23	Apr-Jun 23	
			May 31, 2020	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	FY24
R-2721A	Construction	\$185.82	\$72.75	\$9.72	\$12.63	\$12.84	\$12.23	\$12.84	\$12.63	\$40.18	\$0.00	\$0.00	\$0.00
	Toll Integration	\$3.96	\$0.00	\$0.24	\$0.18	\$0.18	\$0.36	\$0.48	\$0.83	\$0.83	\$0.48	\$0.38	\$0.00
	Landscaping	\$2.67	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.34	\$1.33	\$0.00	\$0.00
	Right of Way	\$91.19	\$74.43	\$5.33	\$3.00	\$3.00	\$3.00	\$2.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Utilities	\$18.41	\$11.90	\$3.12	\$3.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Agency Costs:	\$38.70	\$7.17	\$1.88	\$2.39	\$2.27	\$2.41	\$2.60	\$2.76	\$2.52	\$2.52	\$7.70	\$4.48
	PROJECT SUB-TOTAL	\$340.75	\$166.24	\$20.29	\$21.59	\$18.29	\$18.00	\$18.35	\$16.22	\$44.87	\$4.33	\$8.08	\$4.48
R-2721B	Construction	\$162.71	\$58.75	\$5.48	\$11.70	\$22.99	\$7.30	\$19.41	\$4.91	\$32.19	\$0.00	\$0.00	\$0.00
	Toll Integration	\$6.98	\$0.00	\$0.42	\$0.31	\$0.31	\$0.63	\$0.84	\$1.47	\$1.47	\$0.84	\$0.69	\$0.00
	Landscaping	\$2.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.16	\$1.16	\$0.00	\$0.00
	Right of Way	\$90.56	\$80.77	\$0.91	\$2.44	\$2.72	\$2.72	\$1.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Utilities	\$16.55	\$10.94	\$3.02	\$2.59	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Agency Costs:	\$42.98	\$6.45	\$1.72	\$2.21	\$2.10	\$2.22	\$2.32	\$2.59	\$2.38	\$2.31	\$6.56	\$12.12
	PROJECT SUB-TOTAL	\$322.10	\$156.90	\$11.55	\$19.25	\$28.12	\$12.86	\$23.57	\$8.97	\$37.20	\$4.31	\$7.25	\$12.12
R-2828	Construction	\$385.87	\$131.17	\$8.38	\$31.10	\$33.76	\$25.94	\$30.45	\$40.28	\$19.47	\$12.85	\$52.47	\$0.00
	Toll Integration	\$10.30	\$0.00	\$0.52	\$0.26	\$0.26	\$1.03	\$1.03	\$2.06	\$3.35	\$1.13	\$0.67	\$0.00
	Landscaping	\$5.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.92	\$2.92	\$0.00	\$0.00
	Right of Way	\$77.62	\$43.28	\$7.12	\$6.50	\$6.20	\$6.00	\$5.00	\$2.32	\$1.20	\$0.00	\$0.00	\$0.00
	Utilities	\$48.35	\$23.30	\$10.06	\$10.00	\$4.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Agency Costs:	\$104.61	\$23.42	\$2.54	\$6.04	\$6.72	\$5.98	\$6.24	\$6.59	\$6.07	\$7.57	\$6.00	\$27.44
	PROJECT SUB-TOTAL	\$632.59	\$221.17	\$28.62	\$53.90	\$51.93	\$38.95	\$42.72	\$51.25	\$33.01	\$24.47	\$59.14	\$27.44
PROJECT COST FOR FINANCING		\$1,295.44	\$544.31	\$60.46	\$94.73	\$98.34	\$69.81	\$84.64	\$76.44	\$115.08	\$33.11	\$74.47	\$44.04

Note: Totals may not sum due to rounding.

Complete 540 TIFIA Refinance

David Roy
Chief Financial Officer



Complete 540 Phase 1 TIFIA Loan – Rate Reset

- On December 17, 2019, the Authority completed the initial financing for the Complete 540 Phase 1 project
- One component of the financing was a Federal TIFIA Loan between USDOT and NCTA, in an amount not to exceed \$499,461,980 at an interest rate of 2.27%
- On October 29, 2020, the Authority issued TIFIA Bond Anticipation Notes Series 2020. The TIFIA Loan will be drawn in full at the maturity of the BANs
- Due to the ongoing COVID-19 Pandemic, USDOT is allowing undrawn TIFIA Loans to undergo a rate reset to current interest rates, which are near historic lows
- In October of 2020, the Authority submitted a Letter of Interest to USDOT for an interest rate reset on the Phase 1 TIFIA Loan
- On February 9, 2021, the Authority received an invitation to apply for an interest rate reset on the Phase 1 TIFIA Loan
- The Authority is currently working with the Bureau and their advisors to close on the transaction while rates are favorable



TIFIA Rate Reset Benefits

- Based on the TIFIA Rate as of July 12, 2021 (1.97%), a rate reset on the TIFIA Loan would provide PV* cash flow benefits of \$27.8 million
 - Markets have been volatile and are subject to change on a daily basis
- The rate reset would reduce the maximum balance on the TIFIA loan by \$4.1 million, due to reduced interest accrual prior to payment of debt service
- Total debt service on the TIFIA Loan would decrease by \$40 million

	Base Case	Rate Reset	Reduction
Max TIFIA Balance	529,918,083	525,803,389	4,114,693
Total Debt Service	789,762,698	749,618,137	40,144,562

	Base Case (\$ millions)			TIFIA Reset (\$ millions)		
FY	TIFIA DS	TIFIA DSRF	PV	TIFIA DS	TIFIA DSRF	PV
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-
2024	-	29.4	27.5	-	29.4	27.5
2025	-	-	-	-	-	-
2026	5.9	0.5	5.7	5.1	-	4.6
2027	6.9	0.7	6.7	6.0	-	5.2
2028	9.1	0.7	8.4	7.8	0.3	7.0
2029	12.5	0.7	11.1	10.9	0.7	9.7
2030	12.5	0.6	10.7	10.8	0.6	9.4
2031	12.5	0.6	10.5	10.8	0.6	9.2
2032	12.5	0.6	10.3	10.8	0.7	9.0
2033	12.5	0.7	10.1	10.8	0.7	8.9
2034	12.5	0.8	9.9	10.8	0.8	8.7
2035	12.5	0.8	9.7	10.8	0.8	8.5
2036	12.9	0.9	9.9	11.3	0.9	8.8
2037	12.9	0.9	9.7	11.3	1.0	8.6
2038	12.9	1.0	9.6	11.2	1.1	8.5
2039	12.9	1.1	9.4	11.2	1.2	8.3
2040	12.9	1.3	9.3	11.2	1.3	8.2
2041	30.9	1.4	20.7	29.3	1.5	19.7
2042	48.9	0.2	30.9	47.3	0.3	29.9
2043	48.9	(1.1)	29.3	47.3	(1.1)	28.4
2044	48.9	(1.3)	28.6	47.3	(1.2)	27.7
2045	48.9	(1.5)	27.9	47.3	(1.4)	26.9
2046	48.9	(1.7)	27.1	47.3	(1.6)	26.2
2047	48.9	(2.0)	26.4	47.3	(1.9)	25.5
2048	48.9	(2.3)	25.6	47.3	(2.2)	24.7
2049	48.9	(2.8)	24.8	47.3	(2.7)	24.0
2050	22.8	(3.4)	10.1	22.5	(3.3)	10.1
2051	22.8	(0.2)	11.6	22.5	(0.2)	11.4
2052	22.8	(0.3)	11.3	22.5	(0.3)	11.1
2053	22.8	(0.3)	11.0	22.5	(0.3)	10.9
2054	22.8	(0.5)	10.7	22.5	(0.5)	10.5
2055	22.8	(0.7)	10.3	22.5	(0.7)	10.2
2056	22.8	(1.2)	9.9	22.5	(1.2)	9.8
2057	22.8	(2.4)	9.1	22.5	(2.3)	9.0
2058	11.4	(21.3)	(4.4)	11.2	(21.1)	(4.3)
Total	\$789.8		\$489.5	\$749.6		\$461.7

PV Change of Cash Flows	\$27.8 MM
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Estimated Costs of Issuance

Below is a high-level estimate of Cost of Issuance for the rate reset

Cost of Issuance	Amount (\$)
TIFIA Advisors*	300,000
NCTA Advisors**	175,000
Ratings	55,000
Miscellaneous	70,000
Total	600,000

*Includes T&R Consultant, Financial Advisor, and Counsel

**Includes Financial Advisor and Counsel

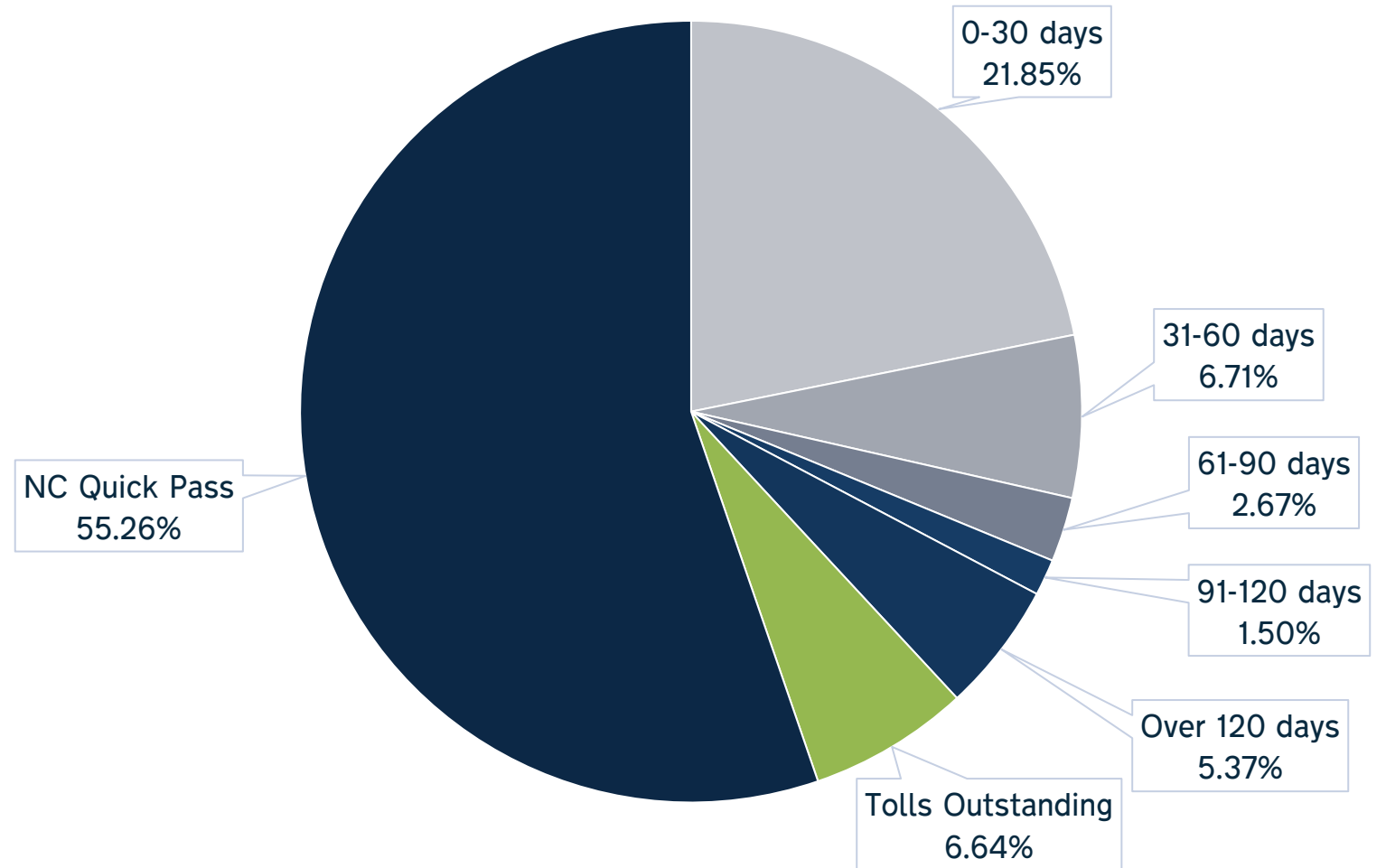
Toll Revenue Collection

David Roy
Chief Financial Officer

Fiscal Year 2020 Toll Revenue Collection

FY 2020 Statistics

- 77.1% of tolls collected within 30 days
- 86.5% of tolls collected within 90 days



*Data as of June 24, 2020.

Contact Us



ncdot.gov/turnpike

ncquickpass.com



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Thank you!