

# North Carolina Turnpike Authority

Board of Directors Meeting

November 21, 2024



## Board of Directors



**Joey Hopkins**  
Chairman



**James 'Jim' Walker**  
Vice Chair



**Robert D. Teer Jr.**  
Secretary & Treasurer



**John Adcock**  
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 Hopkins  
Chair



# Executive Director Opening Comments

J.J. Eden  
Executive Director



# Finance Committee Report

Robert Teer  
Finance Committee Chair

# Operations Committee Report

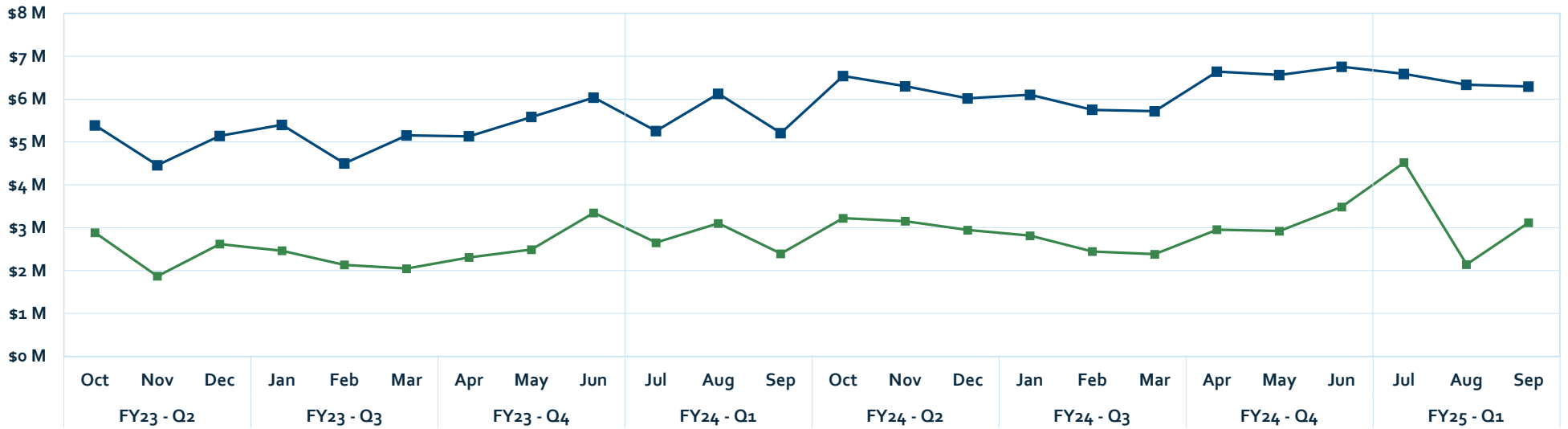
Montell Irvin, P.E.  
Operations Committee Chair

# Finance & Budget Update

Cheryl Reed  
Chief Financial Officer

# Revenue Statistics

—■— Triangle Expressway —■— Monroe Expressway



	FY23 – Q2	FY23 – Q3	FY23 – Q4	FY24 – Q1	FY24 – Q2	FY24 – Q3	FY24 – Q4	FY25 – Q1
<b>Triangle Expressway Actual Revenue<sup>1</sup></b>	\$14,981,905	\$15,049,408	\$16,742,367	\$16,584,826	\$18,846,688	\$17,564,748	\$19,947,606	\$19,209,992
<b>YOY Percent Change</b>	7.7%	12.3%	20.1%	15.5%	25.8%	16.7%	19.1%	15.8%
	FY23 – Q2	FY23 – Q3	FY23 – Q4	FY24 – Q1	FY24 – Q2	FY24 – Q3	FY24 – Q4	FY25 – Q1
<b>Monroe Expressway Actual Revenue<sup>1</sup></b>	\$7,377,116	\$6,646,820	\$8,147,531	\$8,152,506	\$9,324,949	\$7,643,907	\$9,368,037	\$9,789,795
<b>YOY Percent Change</b>	4.6%	3.6%	20.8%	19.0%	26.4%	15.0%	15.0%	20.1%

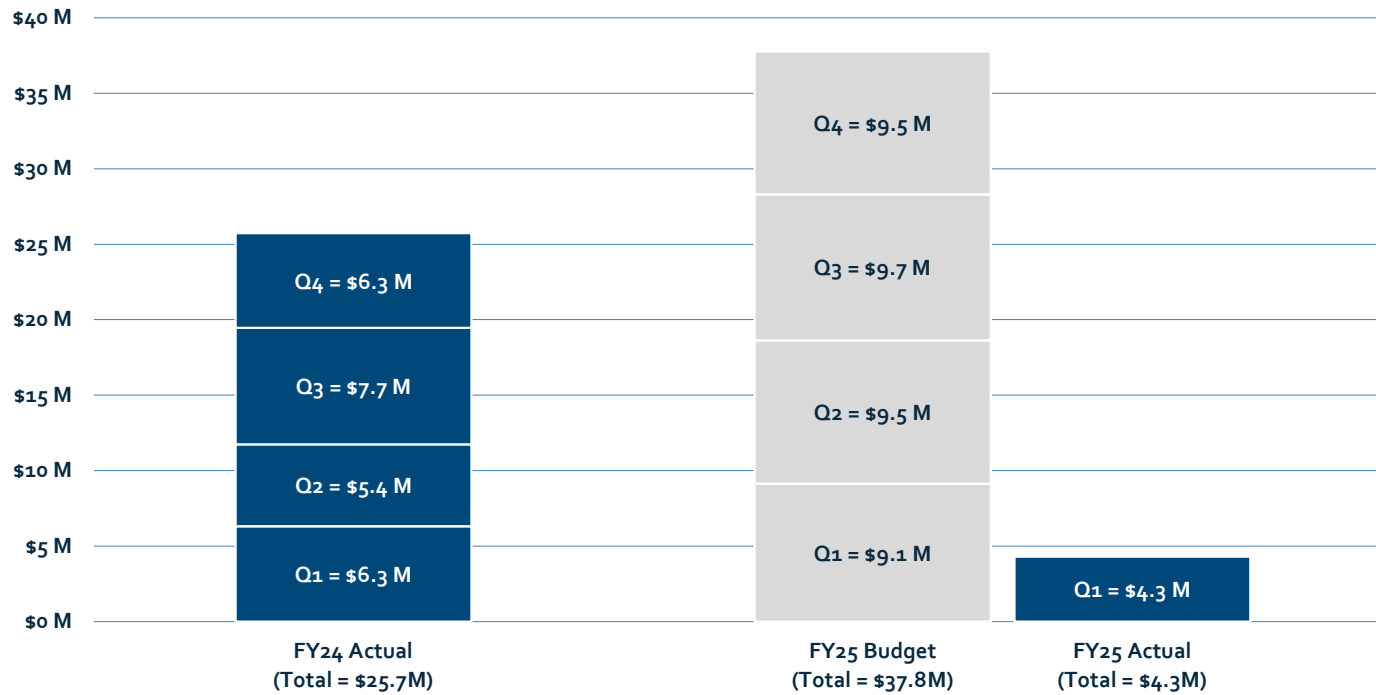
<sup>1</sup>Actual revenue is reported on a cash basis – UNAUDITED – non-GAAP



# Operating Expenses

## Triangle Expressway

FY24 Expenses 52.9%  
lower than projected budget ↓

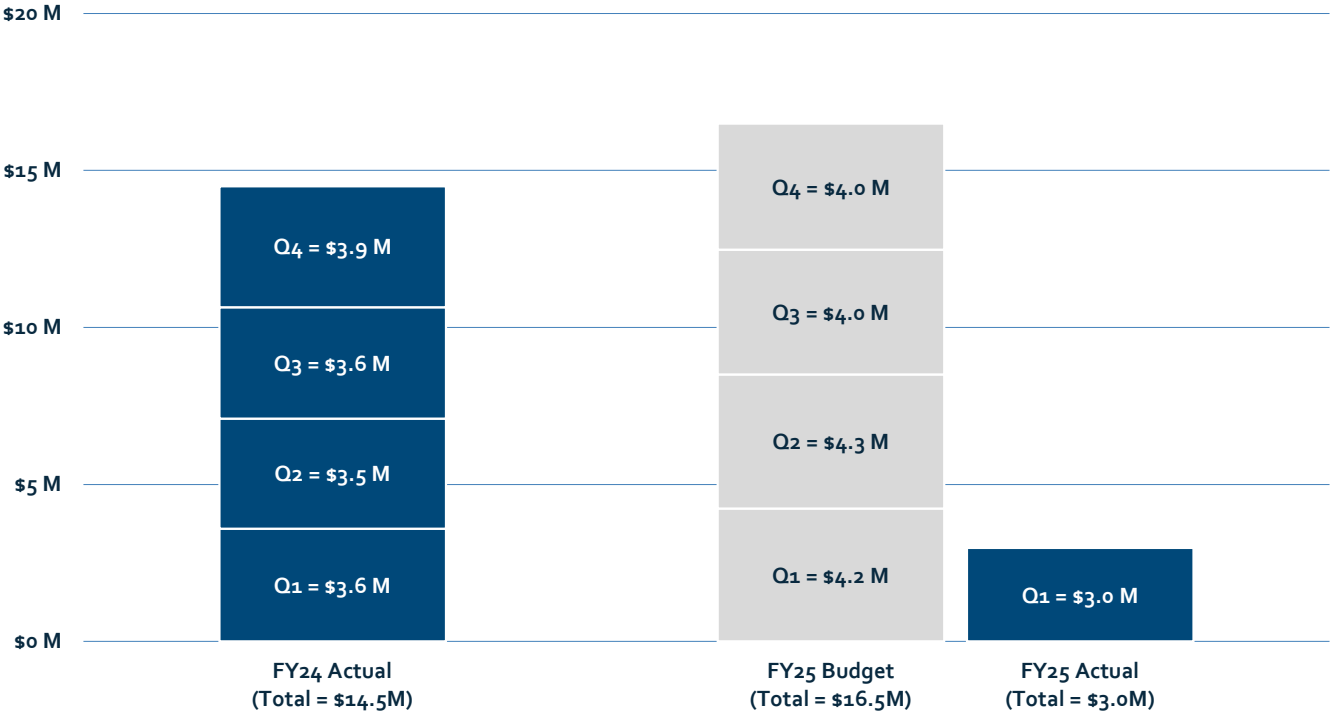


- Actual operating Expenses reported on a cash basis – UNAUDITED – non-GAAP

# Operating Expenses

## Monroe Expressway

FY24 Expenses 29.7% lower than projected budget ↓



• Actual operating Expenses reported on a cash basis – UNAUDITED – non-GAAP

# Cash Generated from Operations

As of September 30, 2024

FY24 - Projections				
Project	Toll & Fee Revenues	Appropriation + Expected Subsidy	Interest Earnings	Total Projected Revenue
Triangle Expressway	24,056,690	6,250,000	-	30,306,690
Monroe Expressway	8,420,247	6,000,000	-	14,420,247
<b>Total</b>	<b>32,476,937</b>	<b>12,250,000</b>	-	<b>44,726,937</b>

Operating Revenues (cash basis non-GAAP unaudited)				
Project	Toll & Fee Revenues	Appropriations	Interest Earnings*	Total Operating Revenue
Triangle Expressway	19,209,992	6,250,000	1,985,801	27,445,793
Monroe Expressway	9,789,795	6,000,000	1,657,188	17,446,983
<b>Total</b>	<b>28,999,787</b>	<b>12,250,000</b>	<b>3,642,989</b>	<b>44,892,775</b>

Delta
(2,860,898) ↓
3,026,736 ↑
165,839 ↑

\*Excludes project account interest earned, interest earned on debt in escrow and capitalized interest

# Cash Remaining after Debt Service

As of September 30, 2024

Project	Q1 - Projections			
	Operating Revenues	Toll Revenue Debt Service*	Appropriation Debt Service	Total Projected Less Debt Service
Triangle Expressway	30,306,690	21,238,172	4,711,928	4,356,590
Monroe Expressway	14,420,247	2,956,131	6,410,643	5,053,473
<b>Total</b>	<b>44,726,937</b>	<b>24,194,303</b>	<b>11,122,571</b>	<b>9,410,063</b>

Project	Debt Service (cash basis non-GAAP unaudited)				Delta
	Operating Revenues	Toll Revenue Debt Service*	Appropriation Debt Service	Total Revenues Less Debt Service	
Triangle Expressway	27,445,793	21,238,172	4,711,928	1,495,693	(2,860,898) ↓
Monroe Expressway	17,446,983	2,956,131	6,410,643	8,080,209	3,026,736 ↑
<b>Total</b>	<b>44,892,775</b>	<b>24,194,303</b>	<b>11,122,571</b>	<b>9,575,901</b>	<b>165,839</b> ↑

\*Debt paid with capitalized interest is not included and accreted value is not shown, Debt service payments are made on Jan. 1<sup>st</sup> and July 1<sup>st</sup> each year.

# Cash Remaining after Debt Service and Operating Expenses

As of September 30, 2024

Project	Q1- Projections			
	O&M Budget	R&R Budget	Total Operating Expenses	Total Projected Less DS and Ops
Triangle Expressway	9,147,017	1,754,697	10,901,714	(6,545,124)
Monroe Expressway	4,236,736	150,992	4,387,728	665,745
<b>Total</b>	<b>13,383,753</b>	<b>1,905,689</b>	<b>15,289,442</b>	<b>(5,879,379)</b>

Operating Expenses & Cash Change from Operations (cash basis non-GAAP unaudited)					
Project	O&M	R&R	Total Operating Expenses	Total Cash Change from Operations	Delta
Triangle Expressway	4,304,680	68,972	4,373,652	(2,877,960)	3,667,164
Monroe Expressway	2,977,492	26,503	3,003,995	5,076,214	4,410,469
<b>Total</b>	<b>7,282,171</b>	<b>95,476</b>	<b>7,377,647</b>	<b>2,198,254</b>	<b>8,077,633</b>





# Debt Policy Overview

Jacob Vlanich  
Financial Manager

## On-Going Reporting Requirements

- 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
  - Ongoing 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\*

\*Currently not applicable as NCTA does not have any variable rate debt

# Debt Status Report

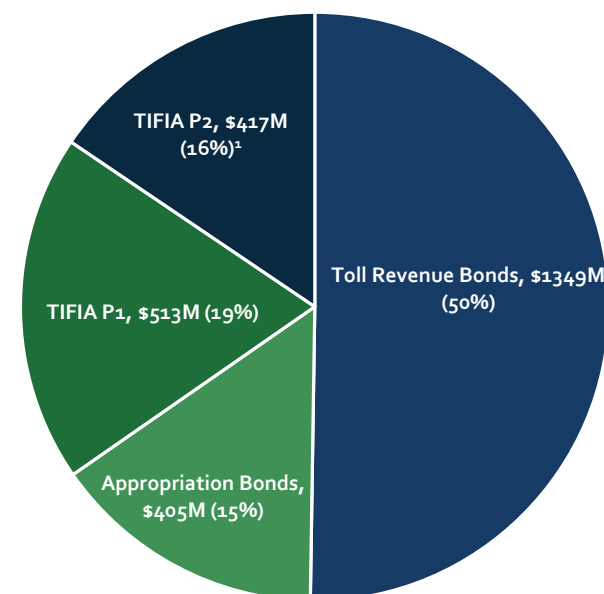
## Triangle Expressway

- In late November 2023, Fitch Ratings upgraded Triangle's senior lien toll revenue bonds and TIFIA loan to 'BBB+' from 'BBB'
- In January 2024, Triangle Expressway System issued senior lien toll revenue bonds and a TIFIA loan to fund construction of Complete 540 Phase 2
- In late April 2024, Moody's upgraded Assured Guaranty Corp. (bond insurer) from A2 to A1
- In late August 2024, Assured Guaranty Municipal Corp. merged with Assured Guaranty Inc.

\*Totals may not add due to rounding

\*Amounts as of July 1, 2024, and are inclusive of accreted value

Triangle Expressway Debt By Security Type\*



<sup>1</sup>Phase 2 TIFIA loan has not been drawn on as of November 21, 2024



# Debt Status Report

## Triangle Expressway

Transaction	Outstanding Par <sup>1</sup>	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	121,236,000	1/1/2032	-	-	-	-	-	-
\$115,979,250 Triangle Expressway System Appropriation Revenue Bonds, Series 2019 (CAB)	133,731,000	1/1/2049	Aa1	AA+	AA+	-	-	-
\$35,173,108.85 Triangle Expressway System Revenue Bonds, Series 2009B (CAB)	98,689,524	1/1/2038	Baa2	BBB	BBB+	A1	AA	-
\$200,515,000 Triangle Expressway System Turnpike Revenue Refunding Bonds, Series 2017	145,920,000	1/1/2039	-	BBB	BBB+	A1	AA	-
\$401,155,000 Triangle Expressway System Senior Lien Turnpike Revenue Refunding Bonds, Series 2018	390,850,000	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	-
\$499,461,980 Triangle Expressway System Complete 540 Phase 1 TIFIA Loan, 2021	512,851,759	1/1/2058	-	BBB	BBB+	-	-	-
\$304,575,000 Triangle Expressway System Complete 540 Phase 2, Series 2024A	304,575,000	1/1/2058	-	BBB	BBB+	-	AA	-
\$35,785,304 Triangle Expressway System Complete 540 Phase 2, Series 2024B	37,598,375	1/1/2053	-	BBB	BBB+	-	AA	-
\$417,193,471 Triangle Expressway System Complete 540 Phase 2, TIFIA Loan, 2024 <sup>2</sup>	417,193,471	6/15/2025	-	BBB	BBB+	-	-	-
<b>Total</b>	<b>\$2,683,745,129</b>							

1. Accreted value as of July 1, 2023 for Capital Appreciation Bonds.

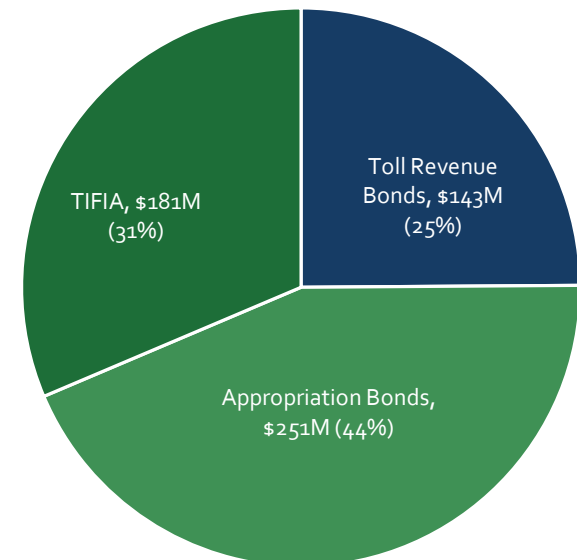
2. TIFIA Loan for Phase 2 is not drawn on

# Debt Status Report

## Monroe Expressway

- In April 2024, the Authority refunded the Series 2010A Appropriation Revenue bonds with Series 2024 Appropriation Revenue Bonds
- In June 2024, S&P upgraded the Monroe Expressway Senior Lien Toll Revenue Bonds and TIFIA to 'A-' from 'BBB+'

Monroe Expressway Debt By Security Type\*



\*Totals may not add due to rounding

\*Phase 2 TIFIA loan has not been drawn on as of November 21, 2024

# Debt Status Report

## Monroe Expressway

Transaction	Outstanding Par <sup>1</sup>	Final Maturity	Underlying Ratings		
			Moody's	S&P	Fitch
\$73,985,000 Monroe Expressway System State Appropriation Revenue Refunding Bonds, Series 2021 (Forward Delivery)	68,605,000	7/1/2041	Aa1	AA+	AA+
\$119,455,000 Monroe Expressway Toll Revenue Bonds, Series 2016A	118,315,000	7/1/2054	Baa2	A-	-
\$17,596,904 Monroe Expressway Toll Revenue Bonds, Series 2016C (CAB)	24,859,826	7/1/2041	Baa2	A-	-
\$166,500,000 Monroe Expressway System TIFIA Loan, 2016	180,524,000	7/1/2053	Baa2	A-	-
\$182,810,000 Monroe Expressway System State Appropriation Revenue Refunding Bonds, Series 2024	182,810,000	1/1/2041	Aa1	-	AA+
<b>Total</b>	<b>\$575,113,826</b>				

1. Accreted value as of July 1, 2024 for Capital Appreciation Bonds.



# Bond Counsel Pool Selection

David Roy  
Director of Innovative Finance

# Request for Qualifications

## Bond Counsel Pool Selection

- Selection for a bond counsel pool to act as the Authority's counsel on future bond issuances within the next 3-5 years
- Allows Authority and Board to act quickly on potential refunding opportunities and simplifies selection process
- Does not preclude the Authority from using non-selected firms if deemed appropriate

## Timeline

Item	Date
RFQ Circulated	Sept. 9
Expression of Interest and Written Questions Due	Sept. 20
Provide Responses to Questions	Sept. 27
Submit Statement of Qualifications	Oct. 11
Interviews	Week of Oct. 28
<b>Selection of Firms by Authority Board</b>	<b>Nov. 21</b>

# Evaluation Criteria

## Bond Counsel Pool Selection

- Firms were evaluated on three (3) distinct criteria
  1. Technical capability
  2. Managerial capability
  3. Cost proposal
- Selection committee members
  - Cheryl Reed, NCTA Chief Financial Officer
  - David Roy, NCTA Director of Innovative Finance
  - Jacob Vlanich, NCTA Financial Manager I

# Recommendation

## Bond Counsel Pool Selection

- The Authority received four (4) submissions
- Recommendation for firm selection:
  - Hunton Andrews Kurth L.L.P.
  - McGuireWoods L.L.P.

# Potential Future Transactions

## Bond Counsel Pool Selection

Potential future transactions may include:

- Complete 540 Phase 2 BANs (estimated 2025)
- Monroe Series 2016: Callable 7-1-2026
- Triangle Series 2017: Callable 1-1-2027
- Triangle Series 2018: Callable 1-1-2029
- Triangle Series 2019: Callable 1-1-2030



# Action Item

Secretary Hopkins  
Chair

# Chief Engineer Update

Patrick Norman, P.E.  
Chief Engineer



Complete 540 Phase 1



## Final Phase 1 Construction

### R-2721A

- Toll site 1 remaining work
- Y-line finishing work
- Final punch list items

### R-2721B

- Y-line finishing work
- Final punch list items

### R-2828

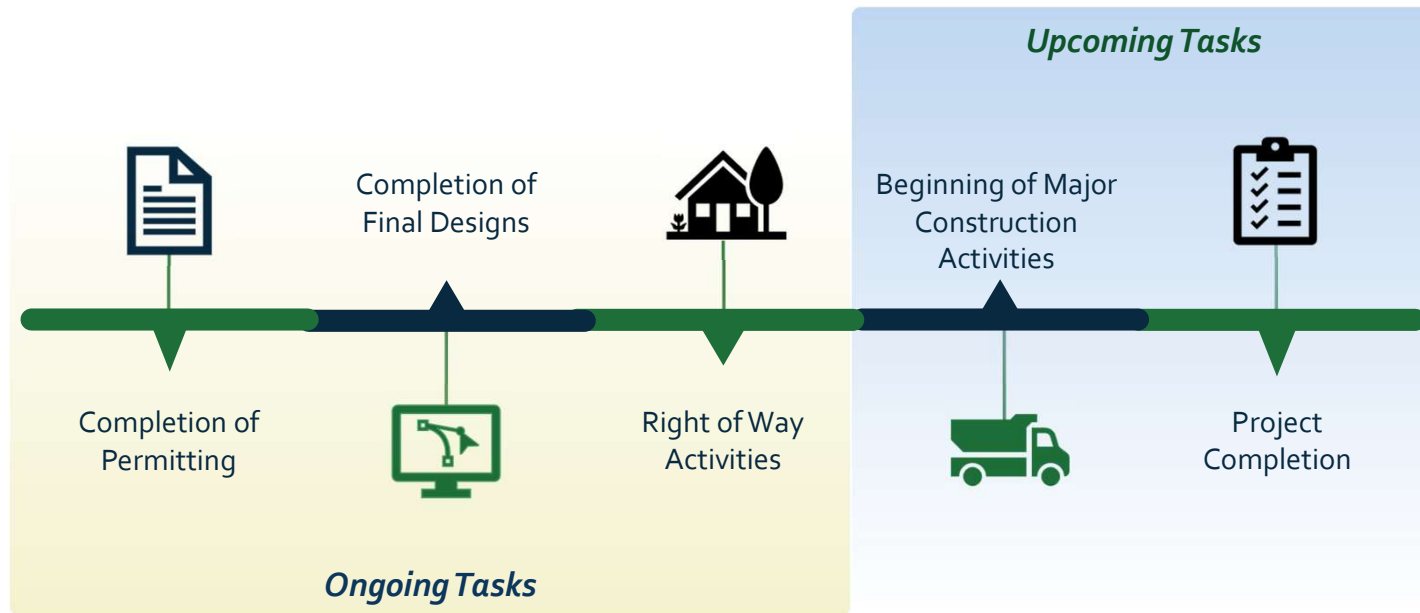
- Permanent striping
- Mainline and Y-line finishing work



Complete 540 Phase 2

# Complete 540 Phase 2

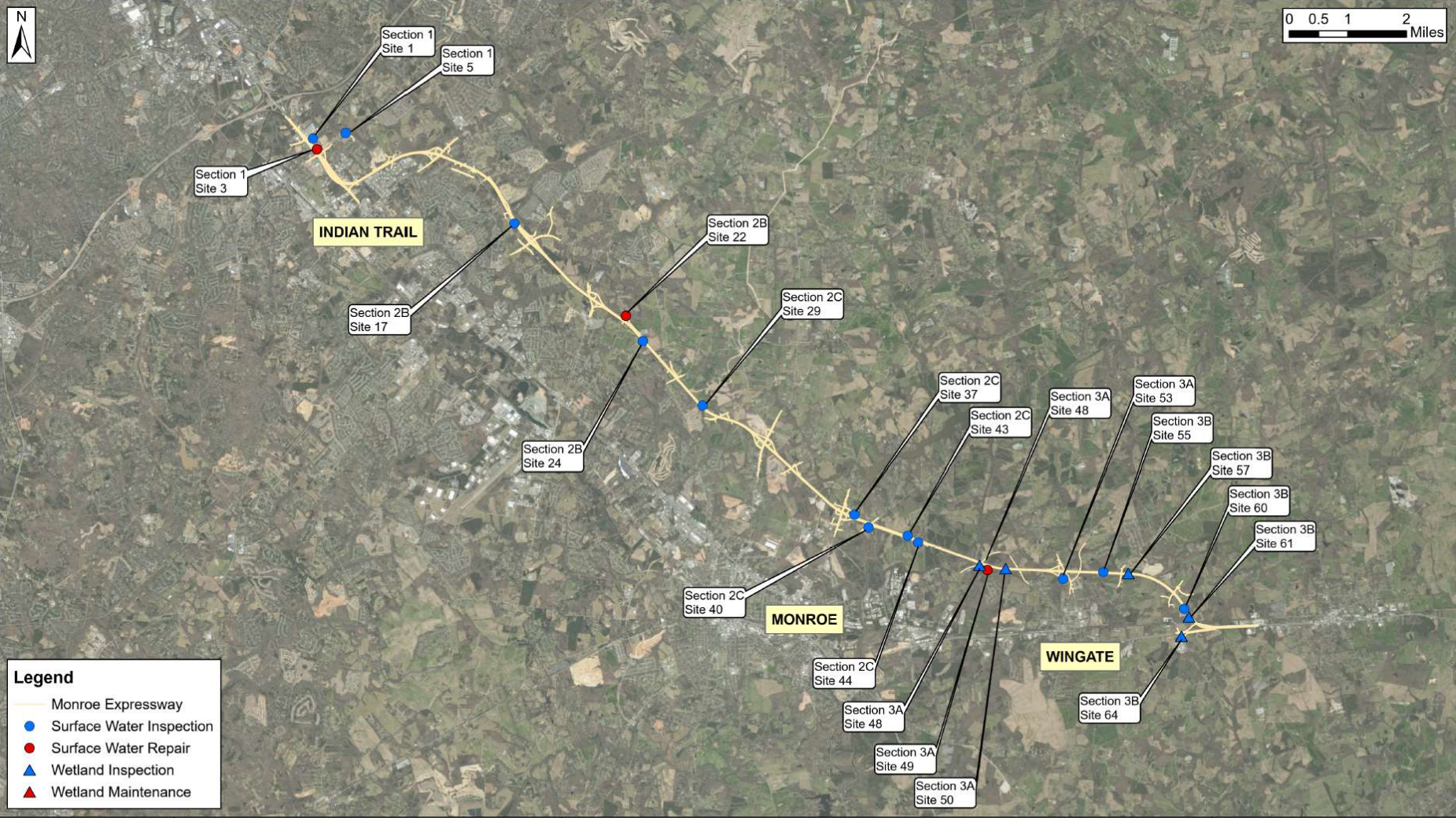
## Anticipated Project Schedule





# Environmental Assessment Update

Monroe Expressway 5-Year Inspection



<p><b>4.3.1 Repair and Inspection Map</b></p>	<p><b>TIP #:</b> R-3329/R-2559</p>	<p><b>Project:</b> Monroe Expressway 5-year Environmental Evaluation</p>	<p><b>Date:</b> August 2024</p>	
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# Roadside System Update

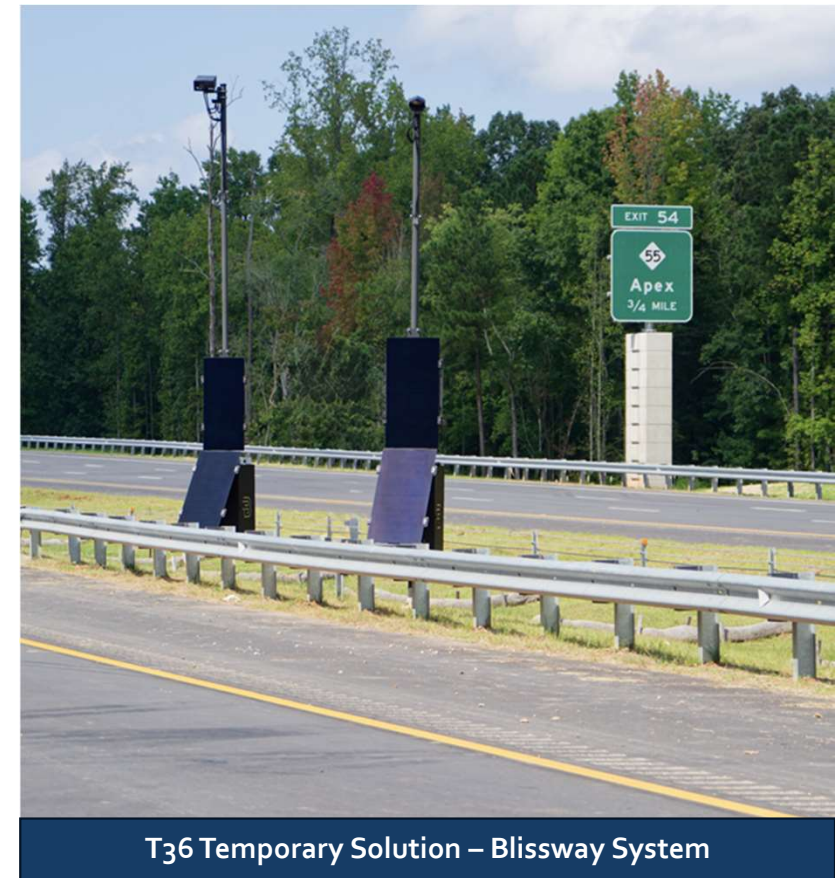
Travis Feltes, P.E.  
Project Engineer

# Toll System Installation Status

Complete 540 Phase 1

- 11 of 12 toll sites installed, tested, commissioned, and collecting transactions
- T-36 temporary replacement up and functioning

Milestone	Date
Toll Gantry Struck by Dump Truck	7/31/2024
Vendors Contacted about Temporary System	7/31/24 - 8/4/24
Proposal for Temporary System Sent	8/16/2024
Letter of Intent Issued to Blissway	8/28/2024
Construction of Temporary System Began	9/10/2024
Contract With Blissway Signed	9/11/2024
Integration between Kapsch & Blissway Started	9/18/2024
Construction of Temporary System Completed	9/20/2024
Integration between Kapsch & Blissway Completed	10/10/2024







# Office of Innovative Finance & Delivery

David Roy  
Director of Innovative Finance

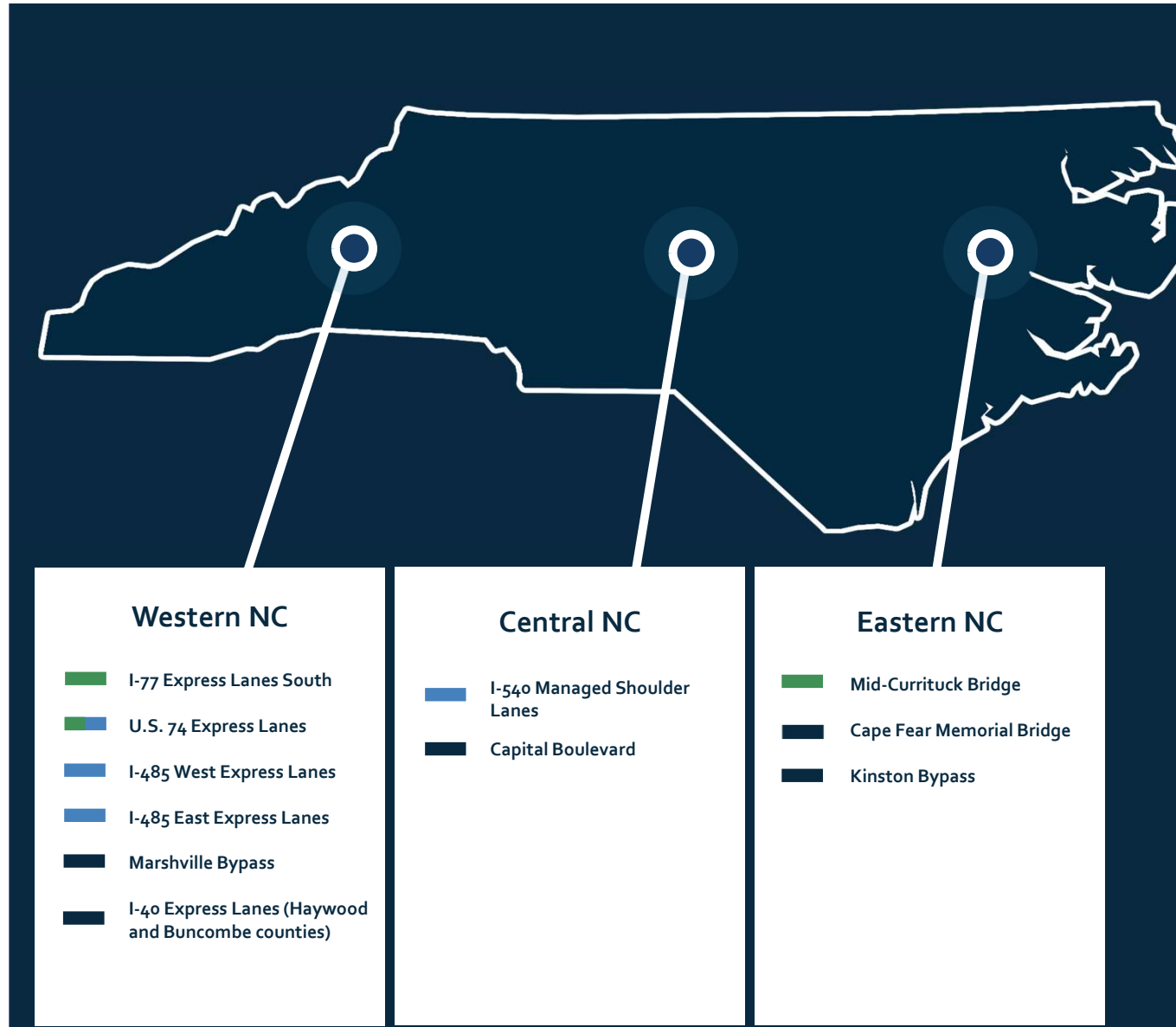
Carly Swanson  
Director of Innovative Delivery

# Projects

Under Development

Submitted for Prioritization

Under Consideration

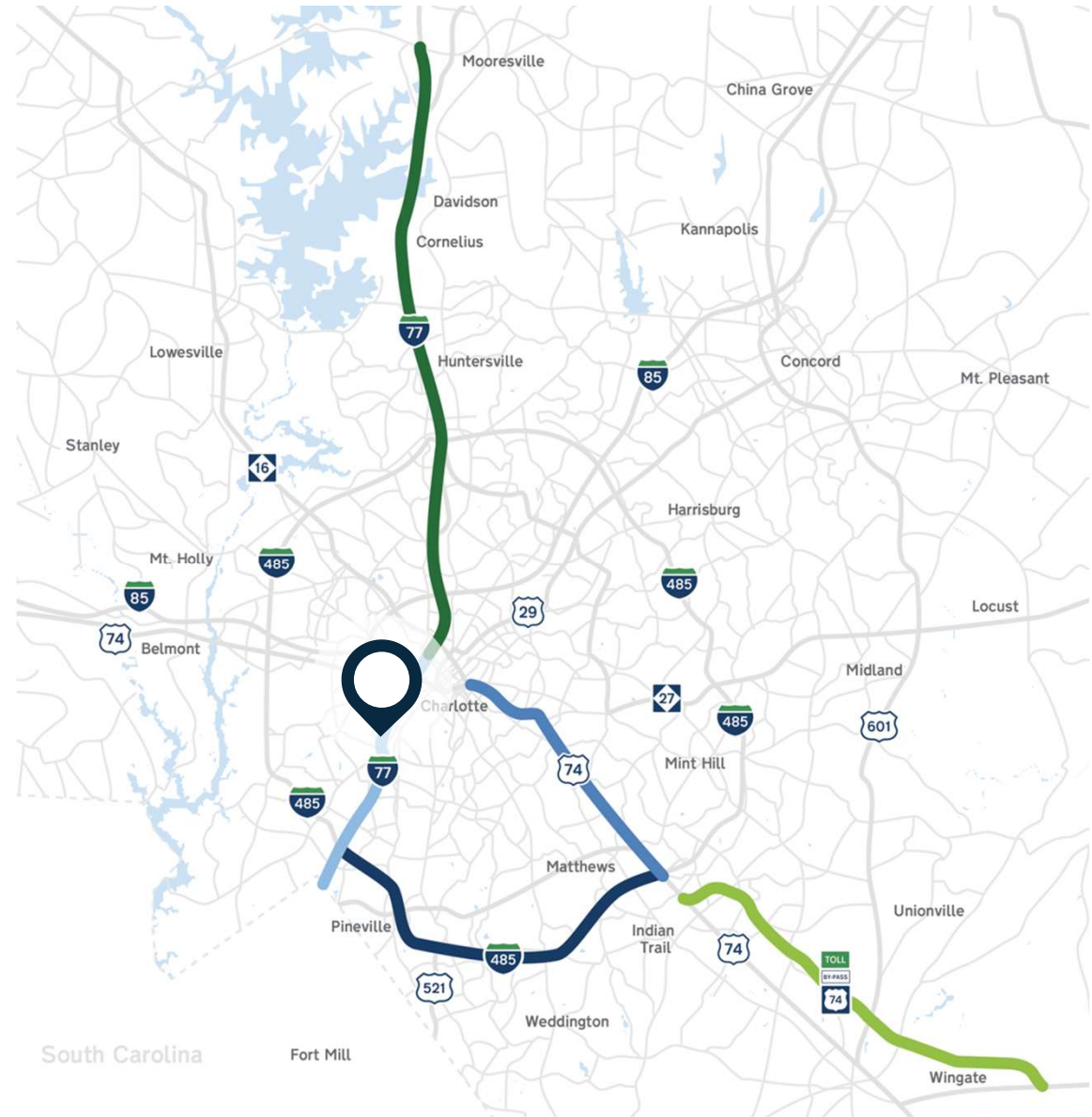


## Projects Under Development

- I-77 Express Lanes South
  - Widen I-77 from South Carolina state line to I-277 / N.C. 16 (Brookshire) to 10 lanes by constructing two express lanes in each direction
- U.S. 74 Express Lanes
  - U-6103 and U-2509B: Add one express lane in each direction from I-277 to Wallace Lane
- Mid-Currituck Bridge
  - Two-lane bridge that spans the Currituck Sound and connects the Currituck County mainland to the Outer Banks
  - Also includes a second two-lane bridge that spans Maple Swamp on the Currituck County mainland, connecting Aydlett to U.S. 158

# I-77 Express Lanes South

- 11 miles of dedicated express lanes for drivers seeking reliable travel times between Uptown Charlotte and South Carolina
- Project Cost: ~\$3.7 billion (current dollars, August 2024)
- Local Planning Organization acceptance by MTP adoption in 2014
- CRTPO requested Comparative Analysis; results were presented during August board meeting
- In October, CRTPO requested NCDOT to move forward with a P3 delivery
- NCDOT developing key terms in partnership with CRTPO working group



# Mid-Currituck Bridge

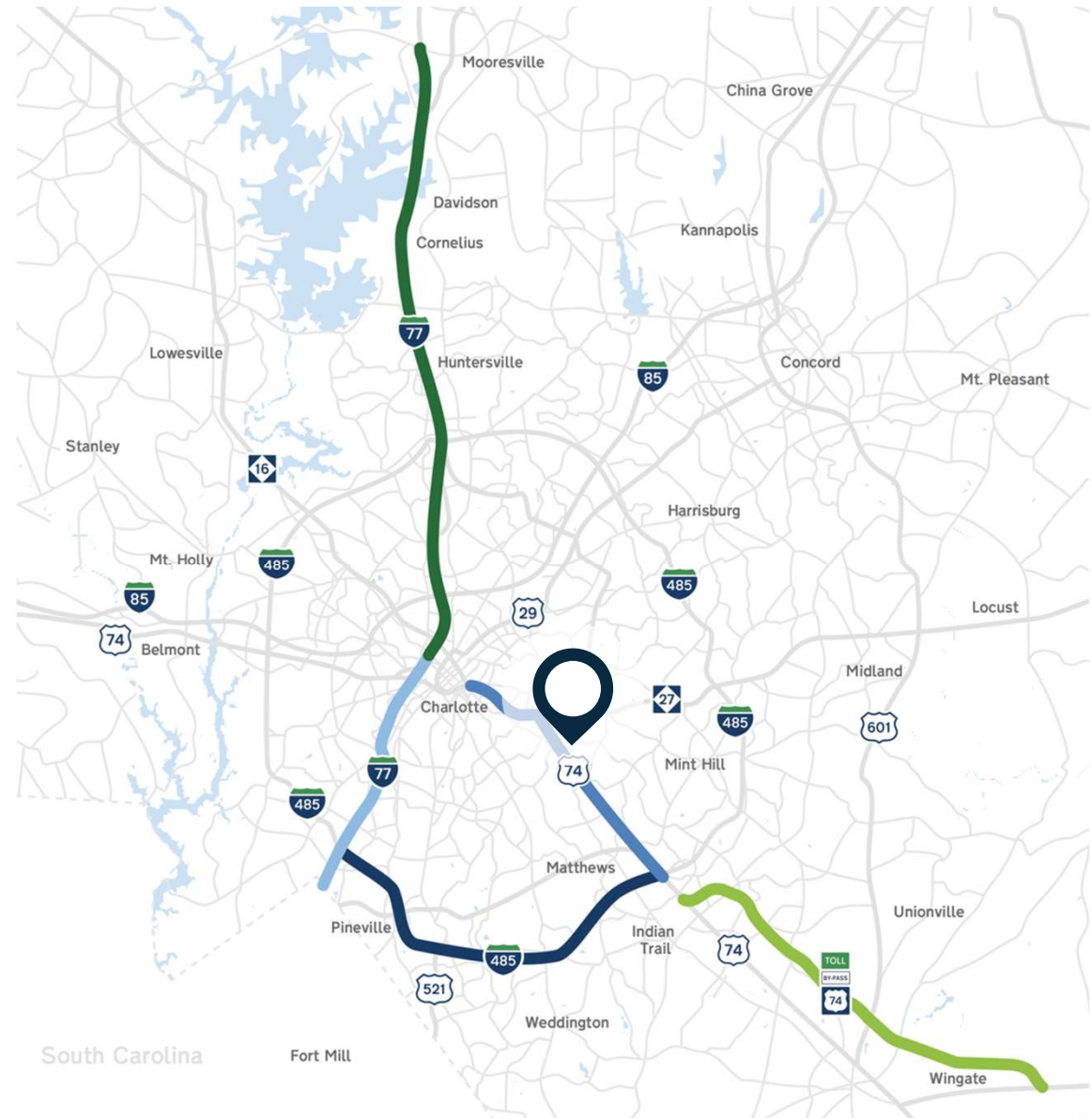
- 7.3-mile toll project including bridges over Currituck Sound and Maple Swamp
- Widening on N.C. 12 at bridge terminus
- Project Cost: ~\$1 billion
- Local Planning Organization acceptance during the P3.0 process in 2014
- NCDOT presented findings of Comparative Analysis during August ARPO meeting; ARPO requested NCDOT move forward with potential P3 delivery
- 2024 USDOT Multimodal Project Discretionary Grant (MPDG) opportunities





# U.S. 74 Express Lanes

- Add one express lane in each direction in an 11.4-mile corridor
- Also includes general purpose lanes and conversion of intersections to interchanges
- Project Cost: ~\$1 billion
- Local Planning Organization acceptance by MTP adoption in 2014
- Dedicated lanes for drivers seeking reliable travel times and improved connectivity in the U.S. 74 corridor in Matthews and Charlotte



## Projects Submitted for Prioritization

- U.S. 74 Express Lanes
  - U-2509C and U-2509D: Add one express lane in each direction from Wallace Lane to I-485
- I-485 West Express Lanes
  - From I-77 (Exit 67) to I-85 (Exit 10)
- I-485 East Express Lanes
  - From U.S. 74 (Exit 51) to N.C. 24/27 (Exit 41)
- I-540 Managed Shoulder Lanes
  - Both directions for use during peak periods from I-40 to U.S. 1 or from U.S. 70 to I-87

## Projects Under Consideration

- Marshville Bypass
  - 4-lane expressway from U.S. 74 West to U.S. 74 East (five miles)
  - CRTPO has requested the project be evaluated for potential tolling in accordance with NCDOT's Toll Policy
  - Coordinating with CRTPO on next steps
- I-40 Express Lanes (Asheville)
  - The Land of Sky RPO requested NCDOT to evaluate the I-40 widening project in Haywood and Buncombe counties (from I-26 to US 23/74) as a toll project.
  - The French Broad River MPO's congestion management process has recommended the consideration of express lanes on this corridor.
  - NCTA is coordinating with NCDOT's Transportation Planning Division on next steps.

## Projects Under Consideration

- Capital Boulevard
  - U.S. 1/Capital Boulevard between I-540 in Raleigh and Purnell/Harris Road in Wake Forest
  - At CAMPO's request, NCTA is conducting a traffic and revenue study
  - The study will be completed and presented to CAMPO later this year
- Cape Fear Memorial Bridge
  - \$242 million USDOT grant award announcement in July
  - Coordinating with WMPO on next steps
- Kinston Bypass
  - Four-lane, median divided freeway that extends approximately 21 miles from U.S. 70 near La Grange to U.S. 70 near Dover
  - To be submitted for reprioritization of funding in the next STIP (R-2553)

# Marketing & Communications Update

Logen Hodges

Director of Marketing & Communications



Complete 540



## Presentations



Conducted 130+ presentations  
with over 7,000 participants

## Press Releases



Issued 90+ press releases

## Nextdoor



Posted 150+ times reaching  
over 1,400 neighborhoods

## Postcards



Distributed 50+ postcards reaching  
nearly 30,000 residents

## Project Hotline



Received 2,500+ emails and  
1,500+ calls



# Complete 540

## Phase 2 Outreach

- Continuation of Successful Efforts
  - Mirroring successful strategies from Phase 1
- Neighborhood Meetings
  - Kickoff at East Garner Road in early 2024
- Communications Plan
  - Developing a comprehensive communications and public engagement plan
- Early Communications
  - Initiating communications in early 2025
    - i.e., neighborhood meetings and letters to residents
- Proactive Outreach
  - Initiating contact with organizations to present





# Program Changes & Improvements

## Program Changes Schedule

Campaign Element	Effective Date	
Board Approval	05/16/2024	✓
NC Only Account	07/17/2024	✓
\$10 Pre-Paid Balance	07/17/2024	✓
Monthly Account Balance Evaluation	07/17/2024	✓
Fall Travel Advertising	08/26/2024	✓
Distribute Sticker Transponders	November	
First Phase of Retail Program	December	
Toll Rate Communications	December	
Toll Rate Effective	01/01/2025	



# Get ready to save on tolls!

FREE Sticker transponder

8-Character Activation Code

**MUST ACTIVATE BEFORE USE**

Rip over to learn how to get started.

# Activate your FREE Sticker Transponder

**MUST ACTIVATE BEFORE USE**



The NC Quick Pass Sticker is a free transponder option that only requires a pre-paid toll balance. The Sticker can be used to pay tolls in 19 states.

## Follow these steps before you hit the road

1. Visit [ncquickpass.com](https://ncquickpass.com) and select Pay Now.
2. Select the "Convert to a NC Quick Pass account" button at the beginning of the payment process.
3. Enter all required information and pay your invoice. Make sure to select "Activate Transponder" for your transponder method.
4. Install your transponder on your windshield. You're ready to start saving!



To get started, visit:  
[ncquickpass.com/activate](https://ncquickpass.com/activate)

CM-EZNCBS0026

# 300K Transponders



# Private: Activate New Transponder



## I received a transponder with my toll invoice

- Your first step is to [pay your toll invoice](#)
- Select the Convert to a NC Quick Pass Account button at the beginning of the payment process
- Make sure to have your Activation Code ready

Pay toll invoice and convert to an account



## I purchased a transponder at a [partnership location](#)

- Your first step is to either [pay your toll invoice, sign up for a NC Quick Pass account](#) or [login to your existing account](#)
- Make sure to have your Activation Code ready

Pay toll invoice and convert to an account

Sign up for a new account

Login to your existing account

# Toll Technology Update

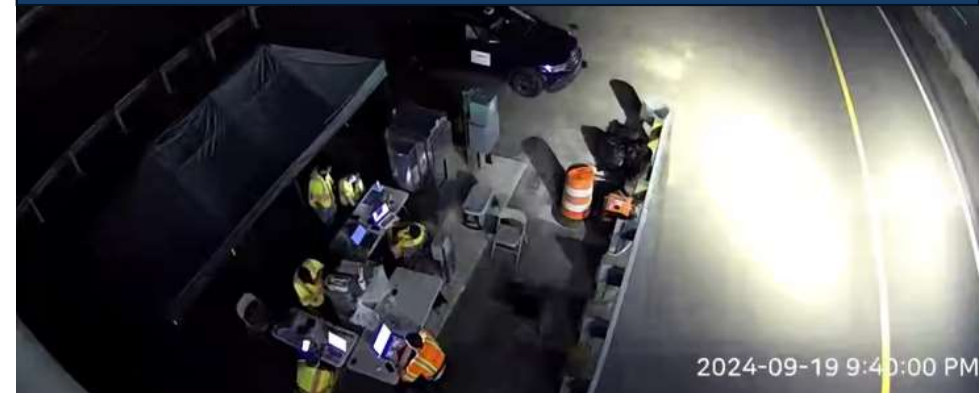
Manish Chourey  
Chief Technology Officer

## I-485 RTCS Project Status

- Factory Acceptance Testing completed 9/16 – 9/27
  - Over 300 transactions
  - Device fault detection and system redundancy
  - Dynamic pricing system tests using simulated traffic data
  - Data reporting and user interface validations
  - Support teams in Charlotte, Raleigh, Virginia and Spain
- Current Activities – Phase 1 Closeout
  - Finalizing design documents
  - Developing procedures for future test phases
  - Planning for continued installation
  - Execution of interface testing with NCTA BOS

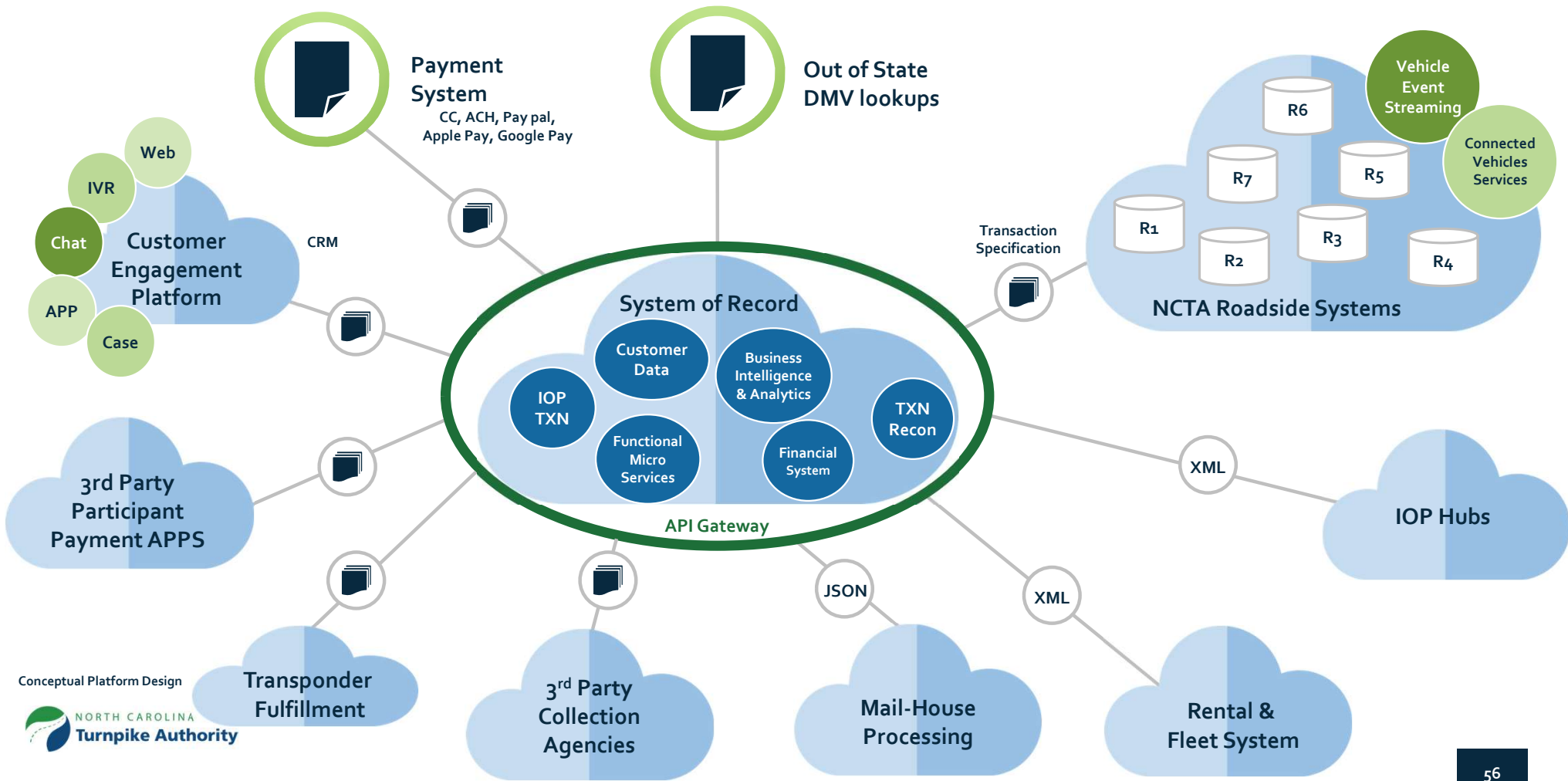


Testing in the rain – Bumper to Bumper



Roadside test support team at night

# NCTA Digital Transformation and Modernization End-State





## Digital Transformation & Modernization Procurement Schedule

Category	Date
RFP Issued	October 1, 2024
Mandatory Pre-Proposal Scope of Services Meeting	October 16, 2024 (11:00 a.m. to 12:00 p.m. ET)
Proposer Questions Due	October 24, 2024 (4:00 p.m. ET)
NCTA Response to Questions	Week of November 4, 2024
Technical Proposals Due	December 4, 2024 (4:00 p.m. ET)
Oral Interviews & Presentations	Week of January 21, 2025
Notification of Proposers Shortlisted	January 31, 2025
Price Proposals Due <b>(ONLY Shortlisted Proposers will submit a Price Proposal)</b>	February 7, 2025 (4:00 p.m. ET)
Ranking of Proposers for Negotiations	Week of February 10, 2025
Notice of Award	Week February 17, 2025

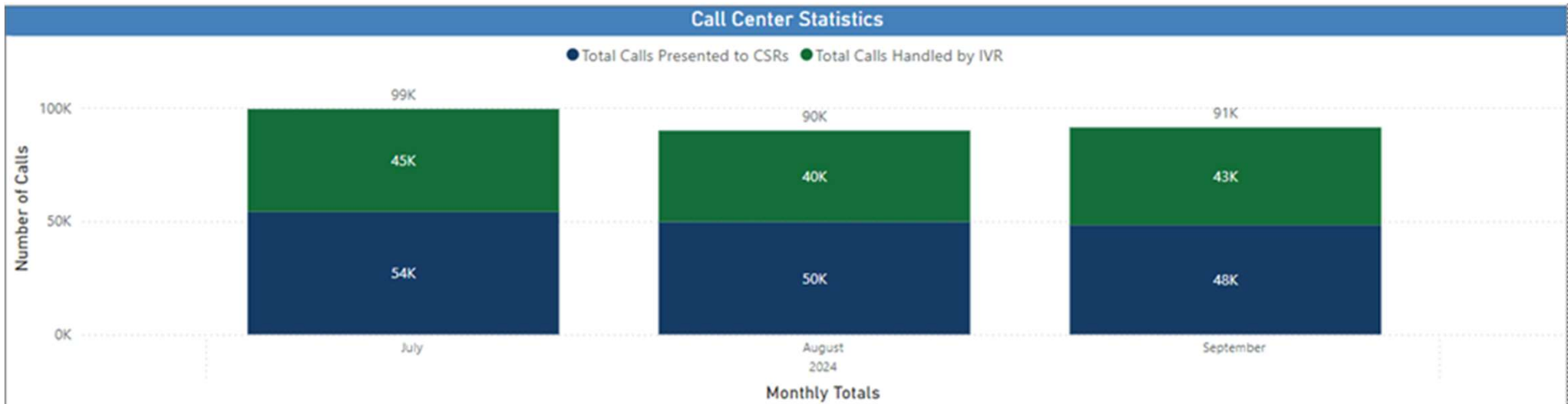
NCTA reserves the right to modify the schedule at any time and for any reason.

# Customer Service Center Update

Angela Queensland  
Manager of Customer Service

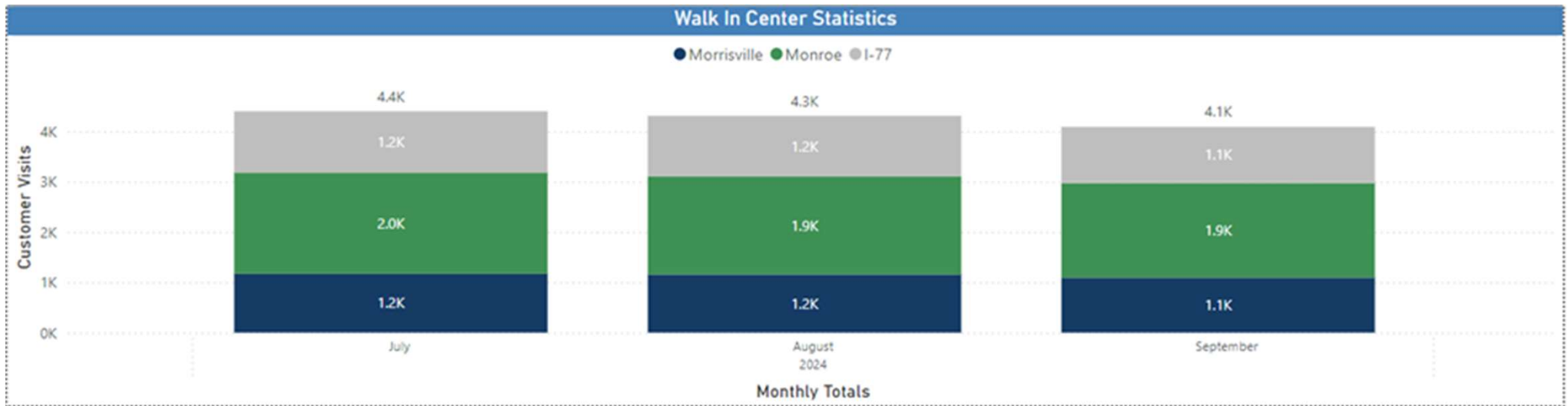
# Call Center Statistics

## NC Quick Pass Program



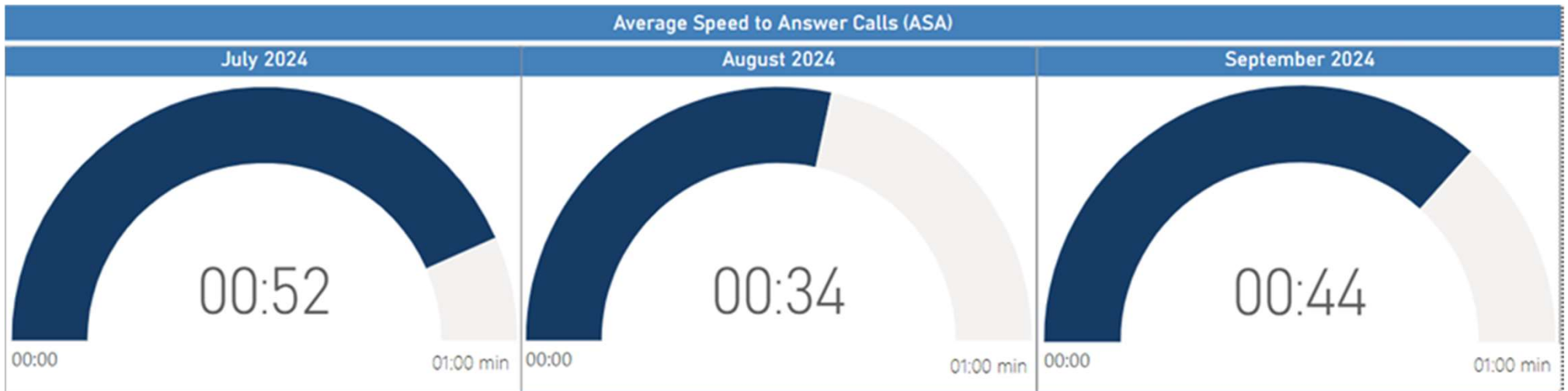
# Walk-In Center Statistics

NC Quick Pass Program



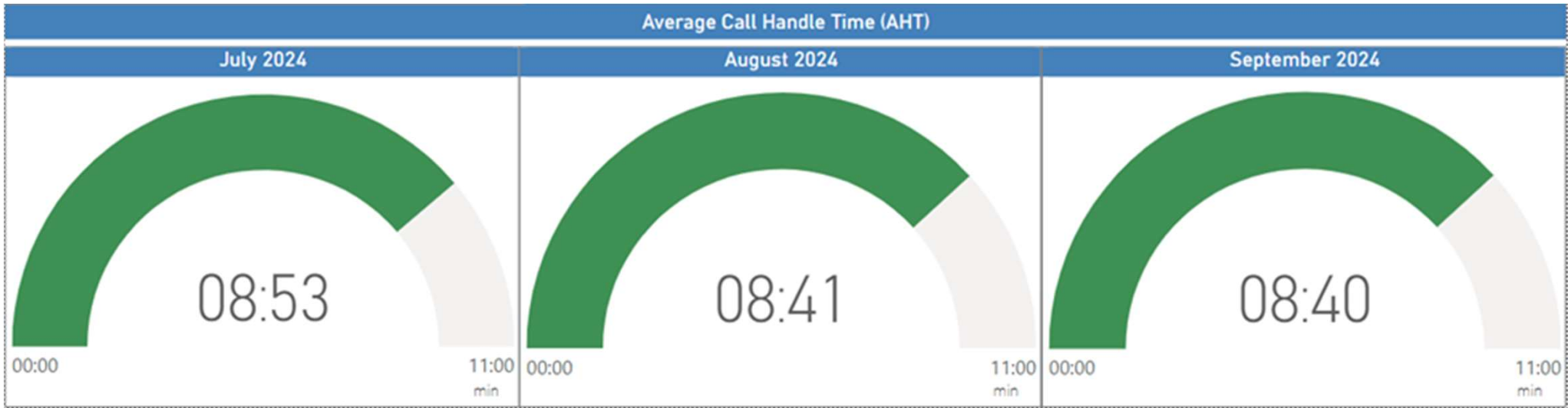
# Average Speed to Answer Calls

NC Quick Pass Program



# Average Call Handle Time

NC Quick Pass Program



# Closing Comments / Adjournment

Secretary Hopkins  
Chair

# 2025 Board & Committee Meeting Dates

- February 20, 2025
- May 22, 2025
- August 21, 2025
- November 20, 2025



# Contact Us



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Thank you!