

North Carolina

DEPARTMENT OF TRANSPORTATION

North Carolina Turnpike Authority Board of Directors Meeting

September 4, 2014

North Carolina Turnpike Authority Board of Directors Meeting

September 4, 2014
Presentation Agenda

- Legislative/Budget Update – Keith Weatherly
- 2nd Quarter Operations Update – Andy Lelewski, P.E.
- Financial Update – David Roy
- Collections Program Update – Michelle Muir
- Action Item: Approval of Allocation Certificate – Clayton Somers

Legislative / Budget Update

Keith Weatherly

Deputy Secretary NCDOT Legislative Affairs and Policy

2014 Second Quarter Update TriEx Operations

Andy Lelewski, P.E.

Director of Toll Road Operations

2014 Second Quarter Update

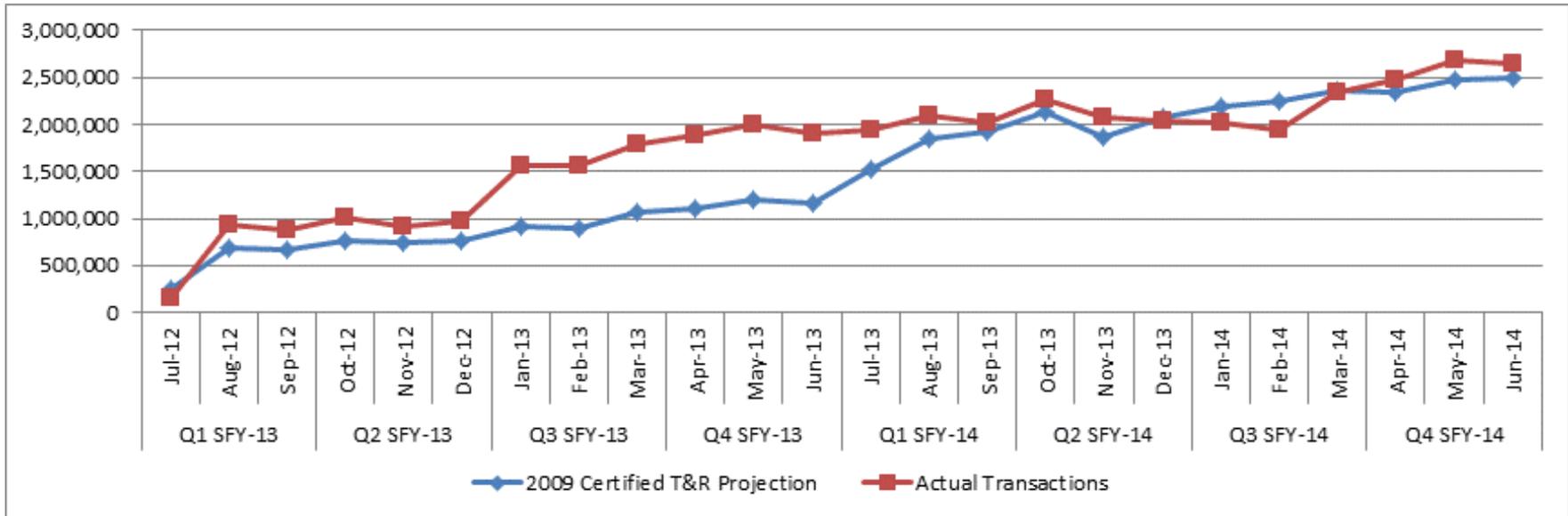
Introduction

What is the Operations Statistics Report?

- 1st report published February 2012
- Released quarterly, with an annual summary
- Contains:
 - Interchange and mainline traffic statistics
 - Toll System statistics
 - Toll Zone statistics
 - Traffic Management Center statistics
 - Roadway maintenance evaluation statistics

2014 Second Quarter Update

Transactions Statistics



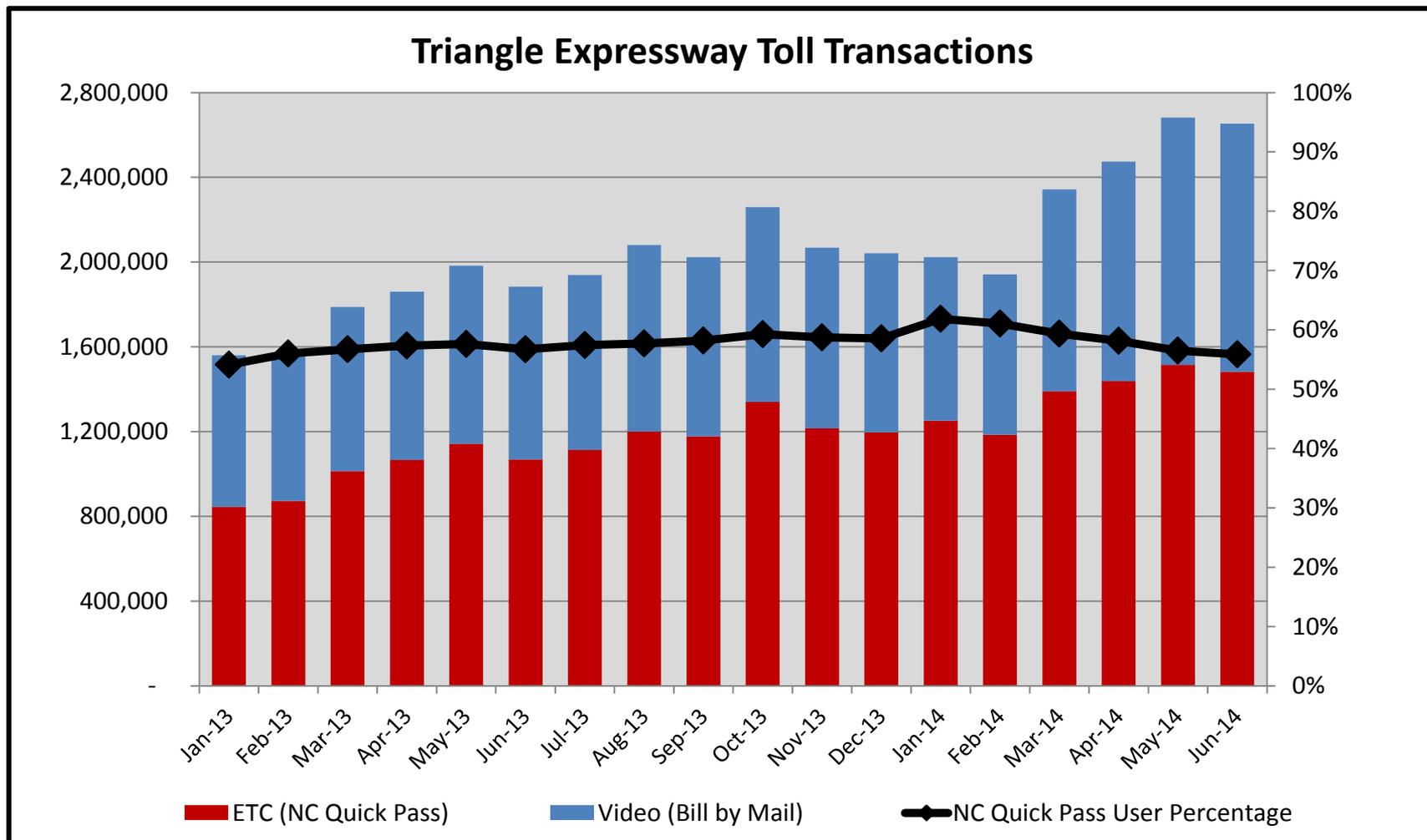
	Q1 SFY-13	Q2 SFY-13	Q3 SFY-13	Q4 SFY-13	Q1 SFY-14	Q2 SFY-14	Q3 SFY-14	Q4 SFY-14
Actual Transactions	1,971,354	2,883,572	4,904,247	5,769,006	6,050,465	6,369,239	6,306,133	7,809,224
2009 Certified T&R Projection¹	1,615,119	2,261,808	2,878,431	3,449,640	5,316,445	6,061,929	6,792,657	7,306,969
Delta (\$)	356,235	621,764	2,025,816	2,319,366	734,020	307,310	(486,524)	502,255
Percent of Actual vs. Projection	122%	127%	170%	167%	114%	105%	93%	107%

¹Target monthly revenue data based on annualized numbers contained in the 2009 Certified Traffic and Revenue Report developed by CDM Smith

Note: The data provided in this Summary is unaudited and intended for use as general information only.

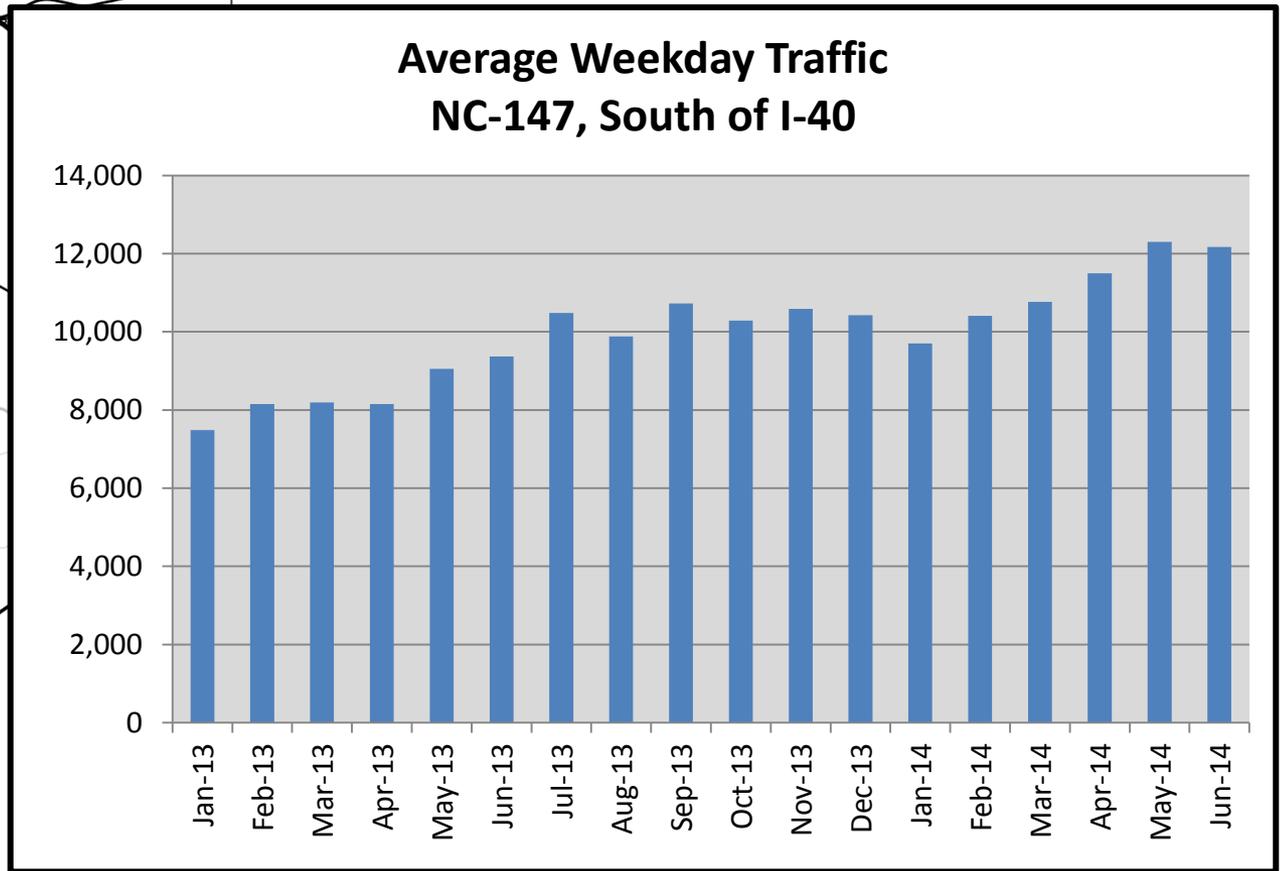
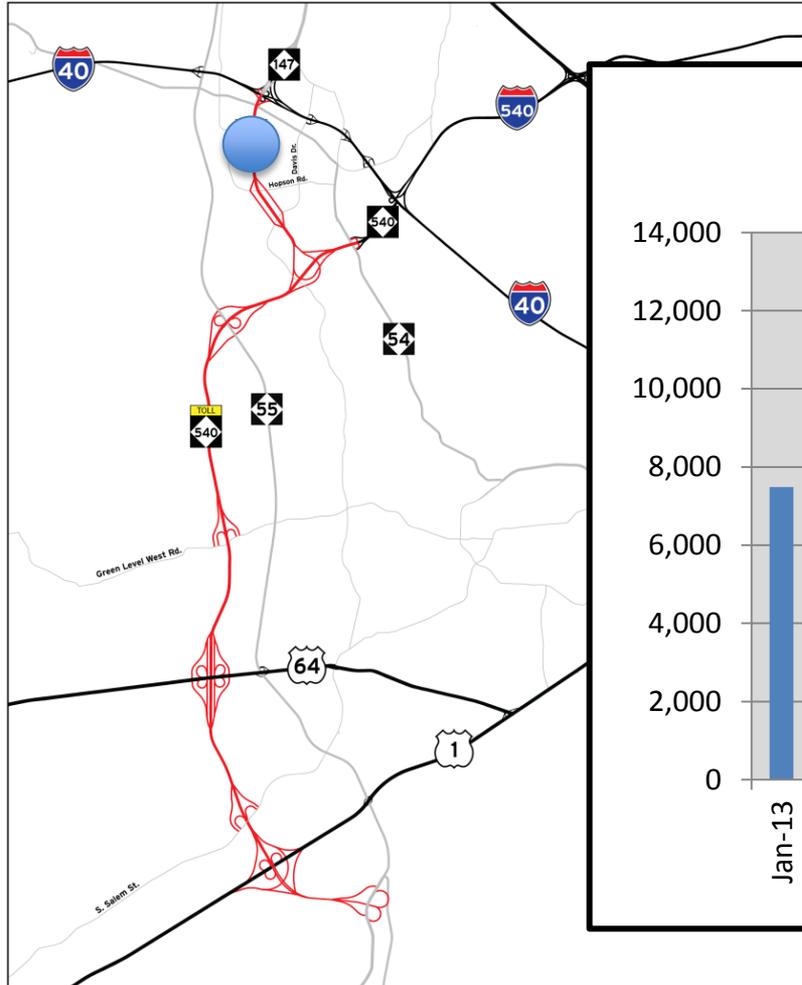
2014 Second Quarter Update

Toll System Statistics



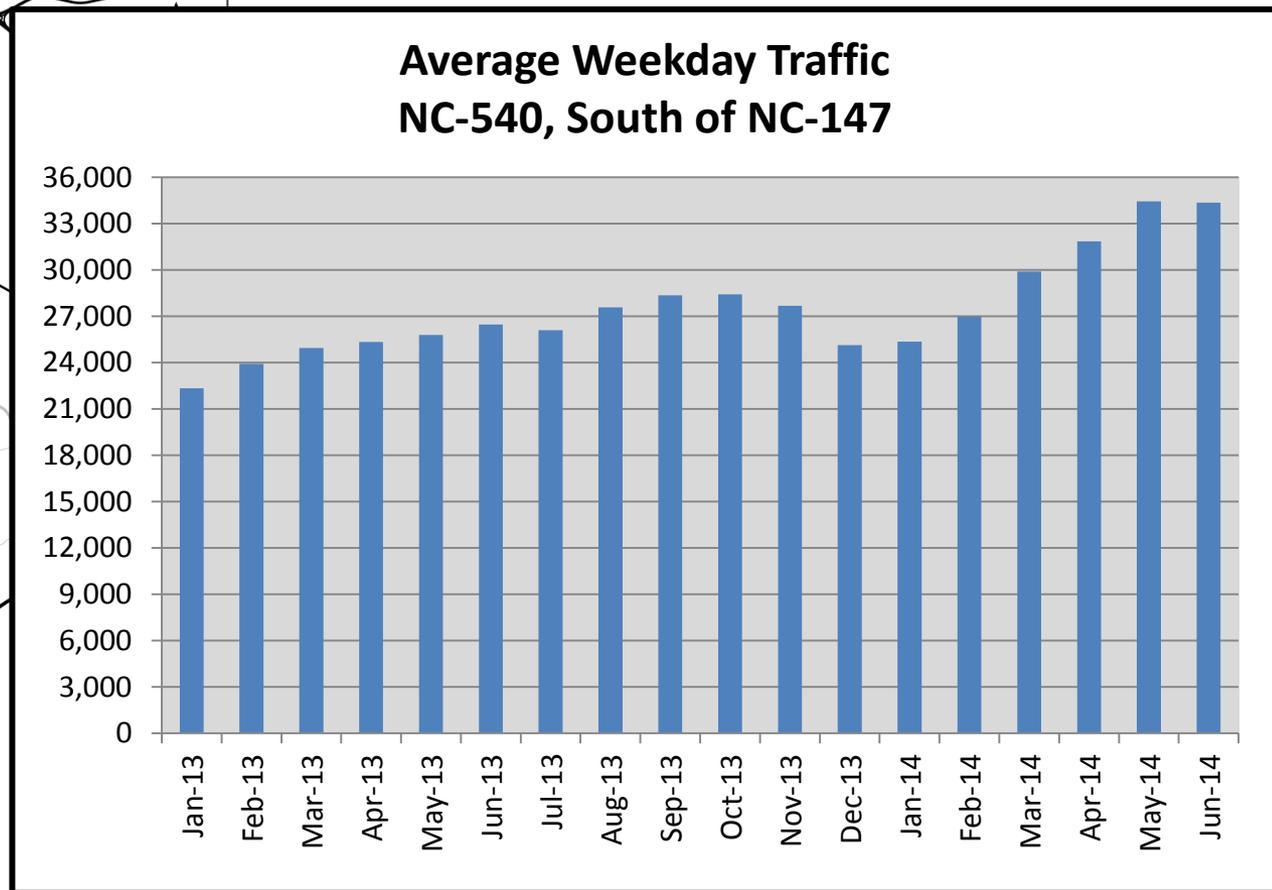
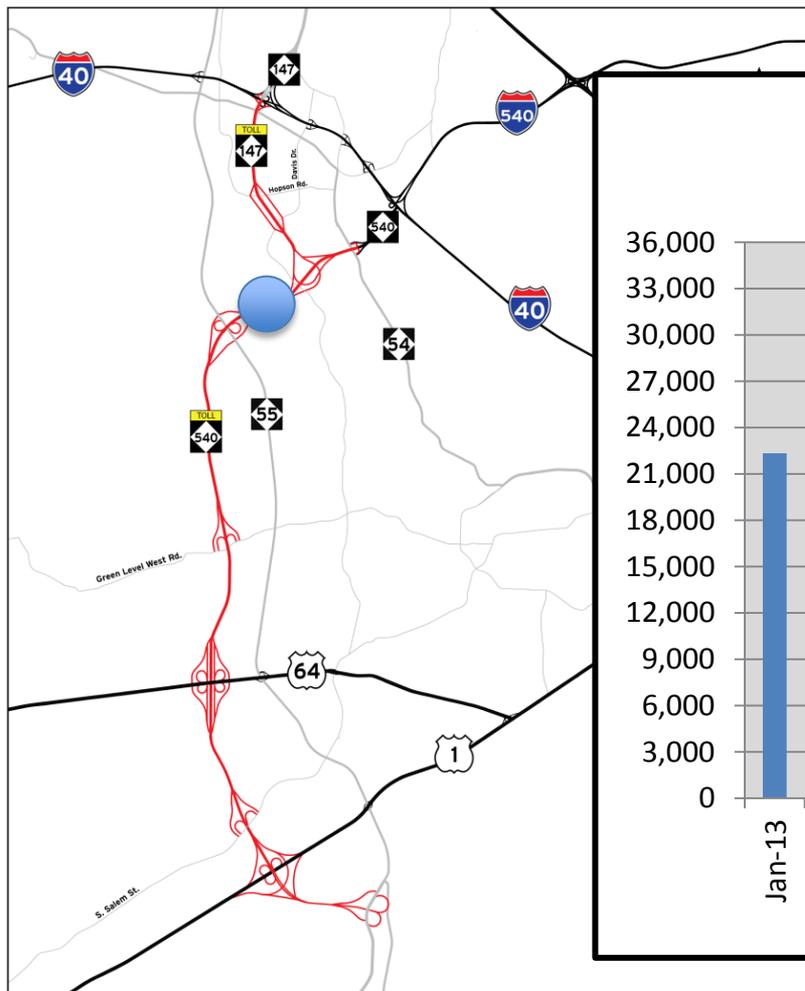
2014 Second Quarter Update

Mainline and Ramp Traffic Statistics



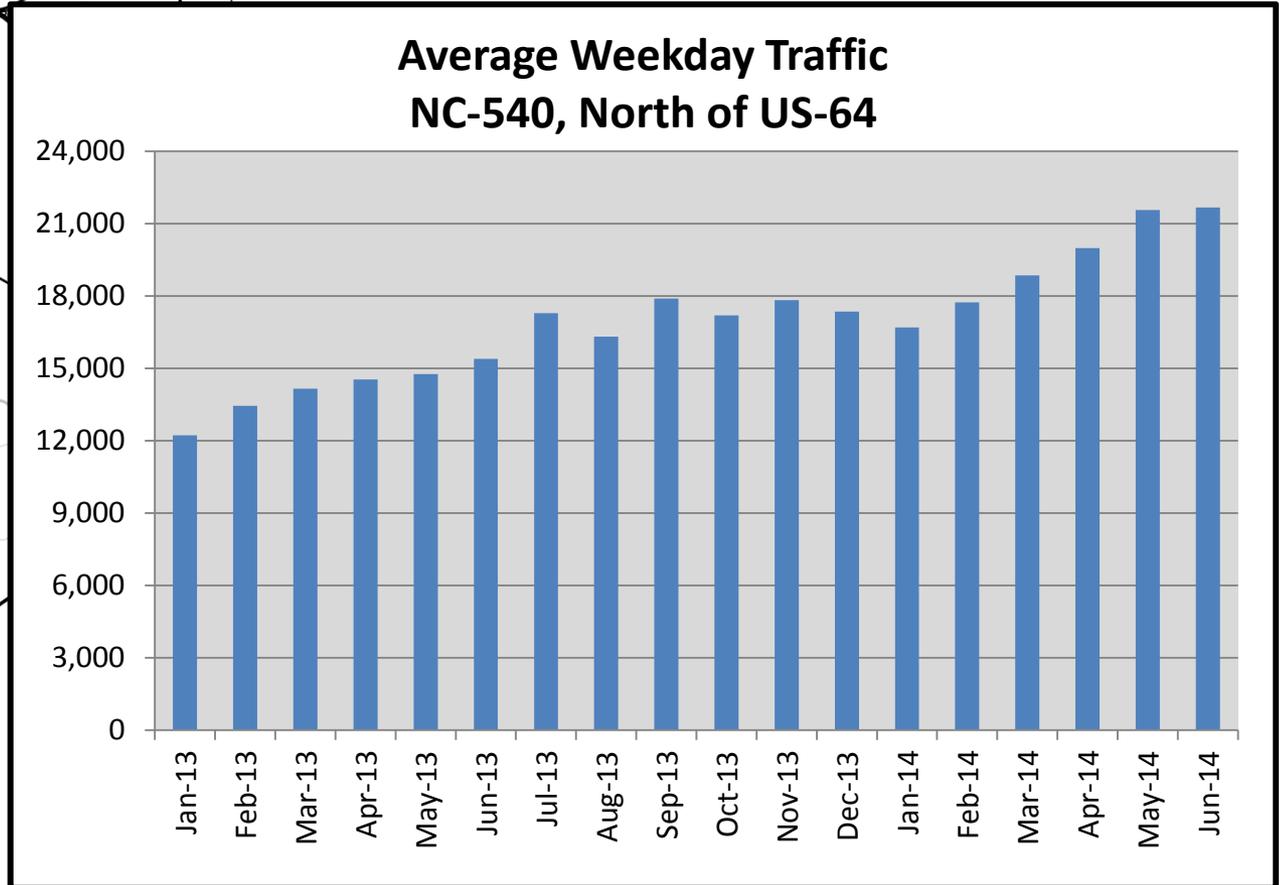
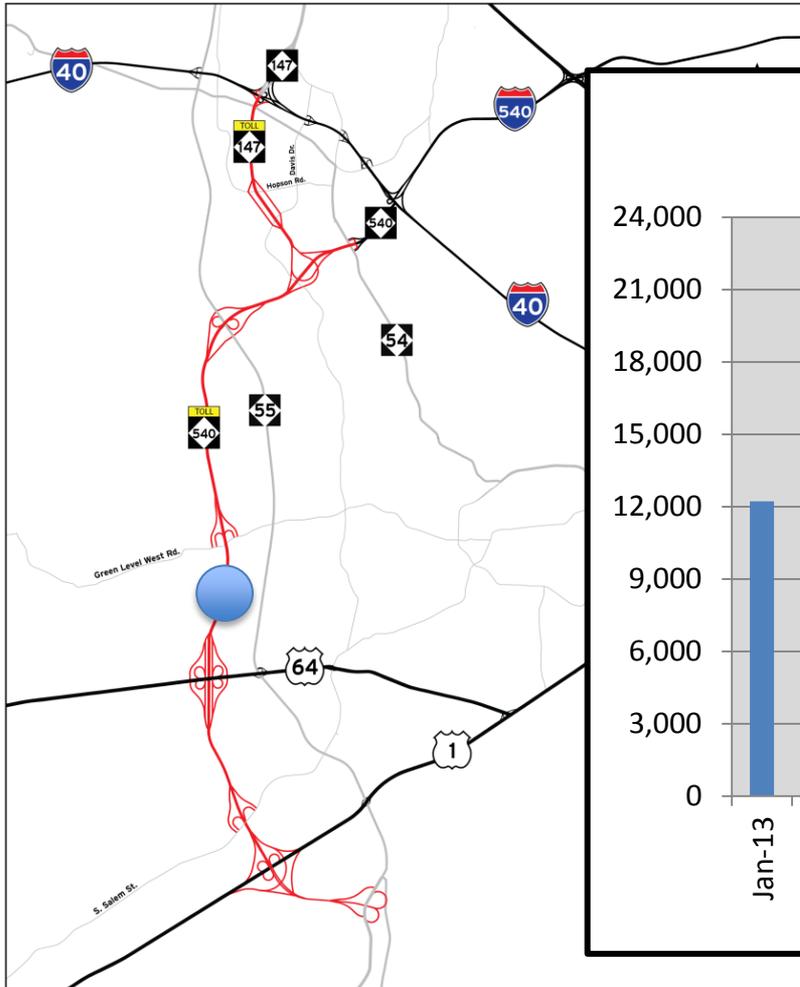
2014 Second Quarter Update

Mainline and Ramp Traffic Statistics



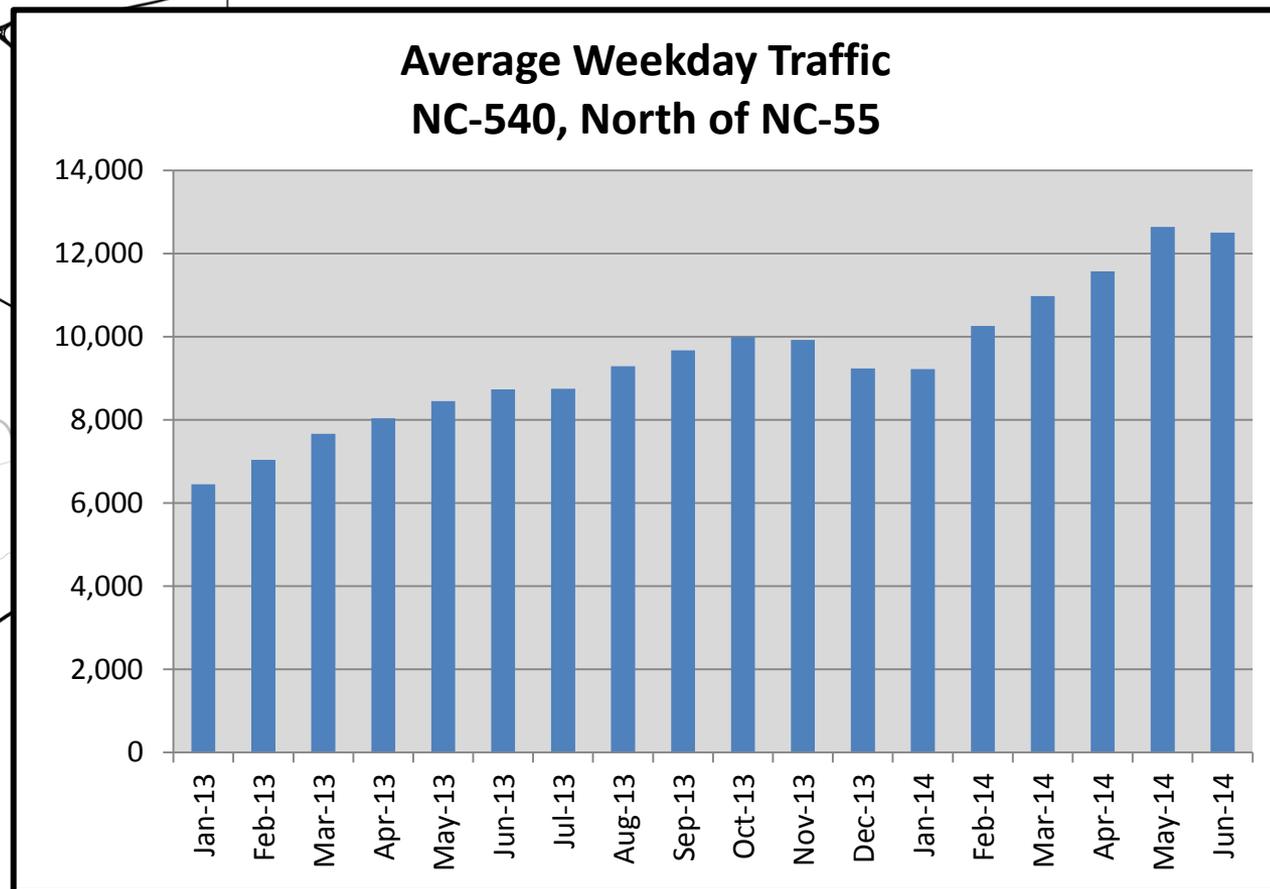
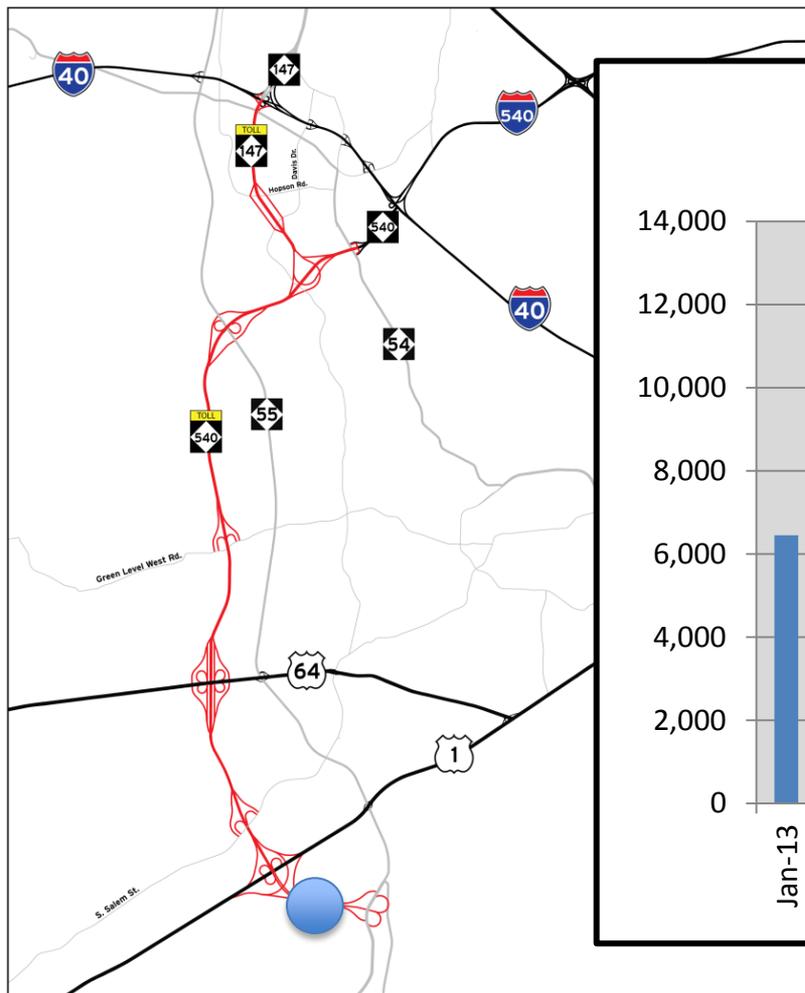
2014 Second Quarter Update

Mainline and Ramp Traffic Statistics



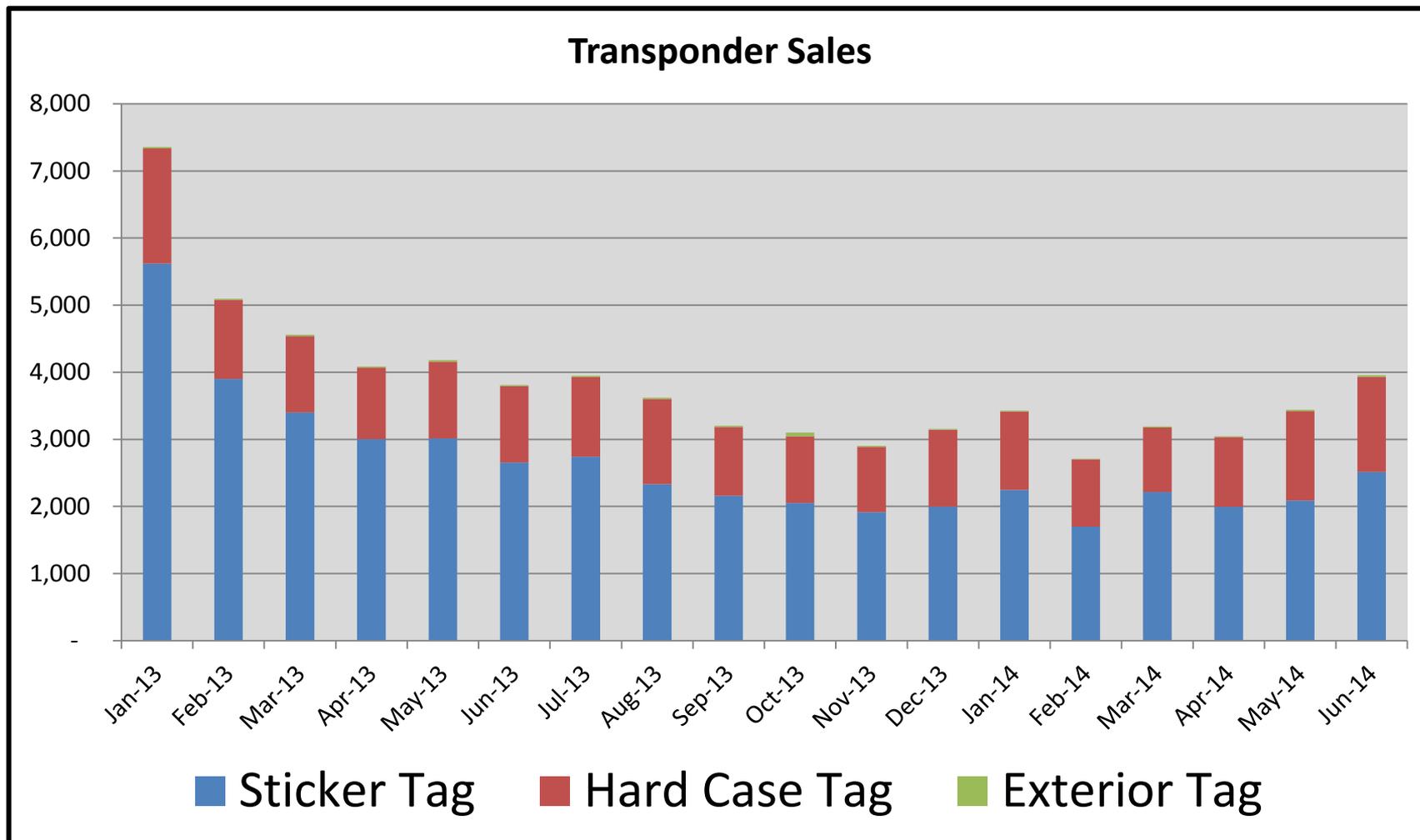
2014 Second Quarter Update

Mainline and Ramp Traffic Statistics



2014 Second Quarter Update

Toll System Statistics



2014 Second Quarter Update

Roadside Maintenance Statistics

Triangle Expressway Maintenance Rating Program Scores

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Road Surface	97.4	98.3	98.1	91.5	87.6	95.6
Unpaved Shoulders	98.8	96.4	97.9	96.3	91.5	87.6
Drainage	91.4	89.2	91.0	90.7	91.2	93.3
Roadside	99.3	96.2	83.9	93.6	94.6	84.7
Traffic Control Devices	93.0	88.4	94.7	93.4	94.4	86.1
Overall	95.7	93.4	93.6	92.9	91.9	89.5

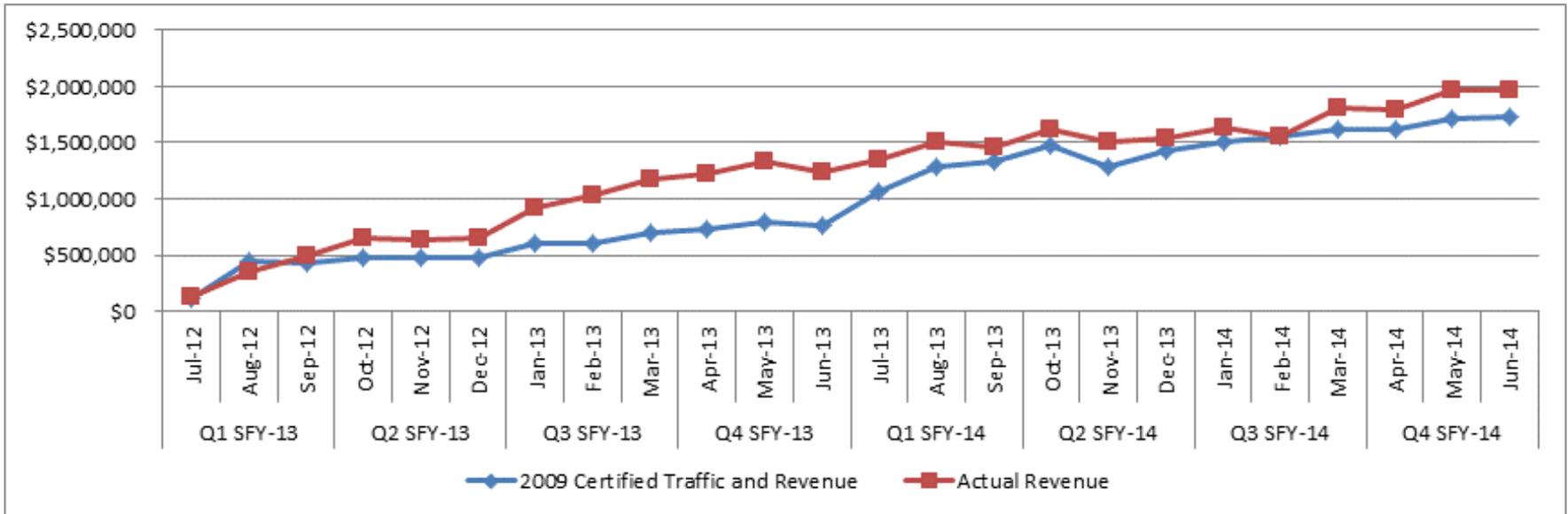
2014 Second Quarter Update TriEx Financials

David Roy

Director of Finance and Budget

TriEx Financial Update

Revenue Statistics



	Q1 SFY-13	Q2 SFY-13	Q3 SFY-13	Q4 SFY-13	Q1 SFY-14	Q2 SFY-14	Q3 SFY-14	Q4 SFY-14
Actual Revenue¹	\$ 975,495	\$1,941,040	\$3,121,768	\$3,779,435	\$4,295,730	\$4,664,914	\$4,989,599	\$5,725,177
2009 Certified Traffic and Revenue²	\$ 983,721	\$1,439,693	\$1,913,904	\$2,278,682	\$3,676,314	\$4,191,815	\$4,697,112	\$5,052,759
Delta (\$)	\$ (8,226)	\$ 501,347	\$1,207,864	\$1,500,753	\$ 619,416	\$ 473,099	\$ 292,487	\$ 672,418
Percent of Actual vs. 2009 Base Case	99%	135%	163%	166%	117%	111%	106%	113%

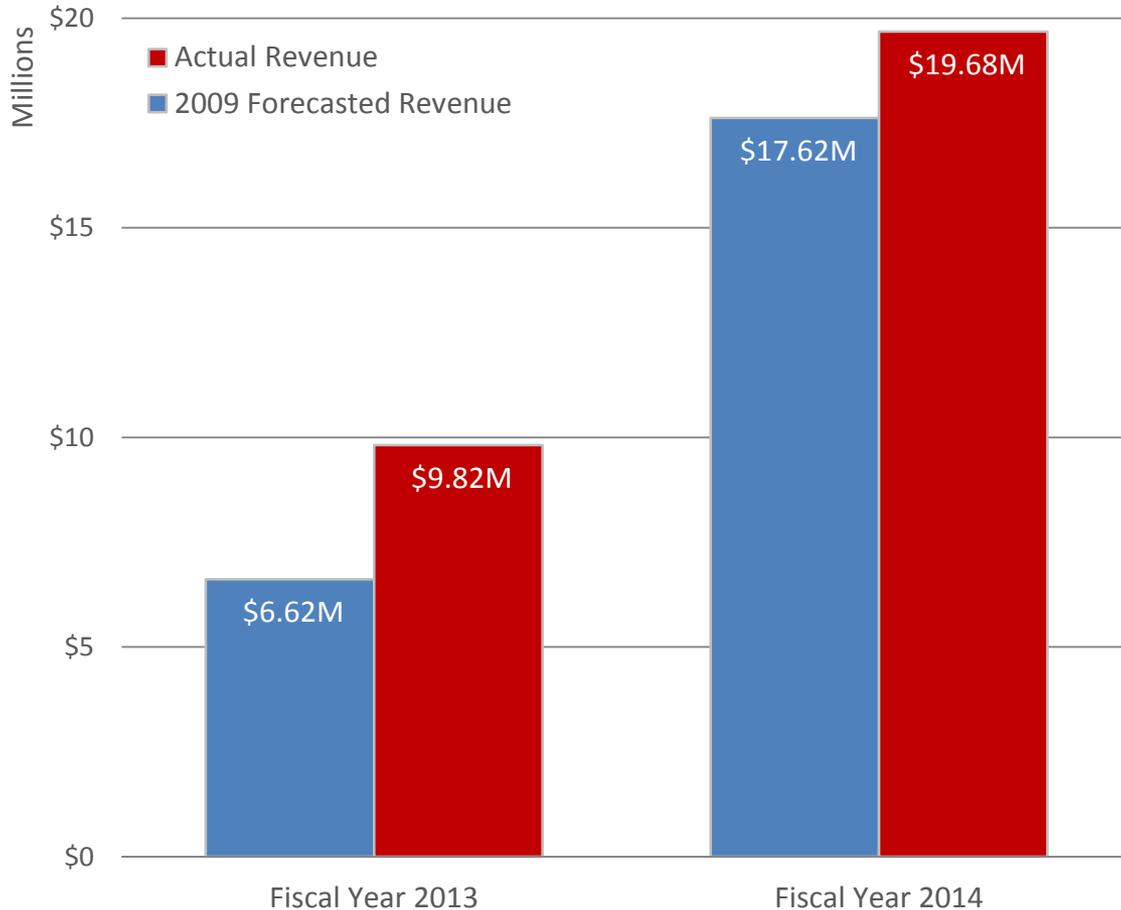
¹Actual revenue is reported on a cash basis

²Target monthly revenue data based on annualized numbers contained in the 2009 Certified Traffic and Revenue Report developed by CDM Smith

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TriEx Financial Update

Toll Revenue Forecast vs. Actual



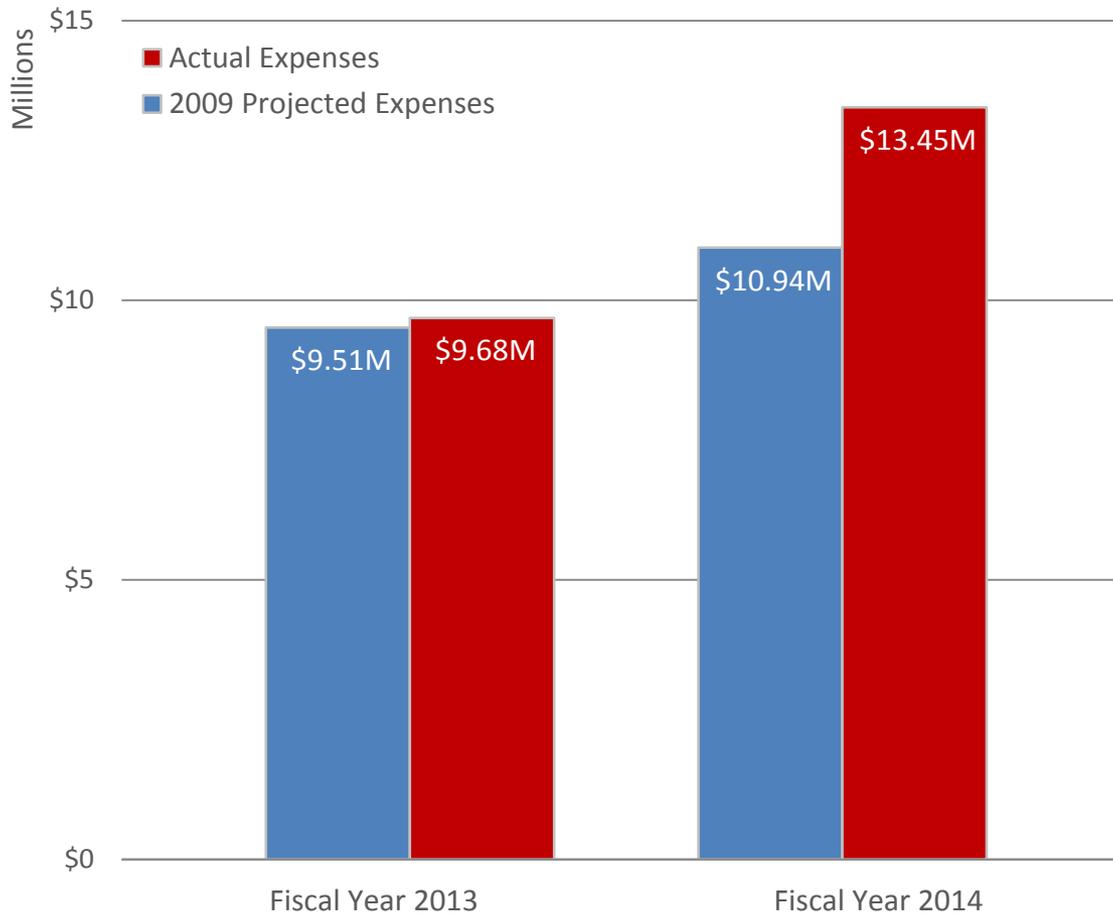
- FY14 revenues, reported on a cash basis, exceeded projections by approximately 12%

- Project to date revenues have exceeded projections by approximately 19%

Note: Revenue figures are inclusive of all toll revenue and fees, but exclude transponder revenues

TriEx Financial Update

Projected Operating Expenditures vs. Actual



- 2009 Model: Initial operating budget developed prior to the preparation of a final concept of operations and selection of the toll system integrator

- 2015 Model: Updated long range budget and cash flow model based on actuals; shows improvement in overall financial picture and reduced risk of requiring NCDOT backstop

Collections Program Update

Michelle Muir

Director of Customer Service

Collections Program Update

Activities Since June

- Major technical issues related to DMV hold placement and hold release have been resolved.
- HB1133 was passed by the General Assembly and signed by the Governor on August 11, 2014, correcting language requiring NCTA's use of NC Attorney General's office for collections and making such use permissive (in line with other statutory references to hospital collections).
- The replacement vendor selected for collections activity was unable to resolve their issues related to placement of accounts in collections status. The third vendor, ACT, now has an initial beta set of DOJ accounts which are being pursued for payment.

Collections Program Update

DMV Hold Process

- CSC began small batches of hold placements in May as beta activity after testing with dedicated resources implemented started in early July.
- 43,241 accounts are currently eligible for hold.
- 24,110 accounts have been placed on hold.
- Current rate of new hold placement is 750 to 1000 per work day, highest value to lowest value.
- 1,806 accounts have addressed their hold status with full payment.

Collections Program Update

Initial Recipients of DOJ Letters

- All vehicles associated with non-responsive DOJ customers were identified and placed on hold whether they had driven the toll road or not.
- Of 295 accounts, 83 are in a paid in full status.(8/25/2014)
- \$52,633 has been paid against high dollar accounts. \$217,378 is outstanding against these accounts.
- High dollar value accounts have been re-reviewed for immediate placement in collections at the completion of testing.

Action Item: Approval of Allocation Certificate for TriEx Bonds

Clayton Somers

Executive Director

Allocation Certificate

Action Item

- Requested Board Action: Approve Certificate as prepared by bond counsel and NCTA staff (See Attachment 1)
- Background of Certificate and Process
- Review of Certificate Content

Allocation Certificate

Background

- Whenever bonds are issued, we must make sure all proceeds are appropriately spent and accounted for
- 2009: NCTA borrowed/issued bonds for TriEx Construction (approx. \$1 billion)
 - TIFIA loan (\$373 million borrowed out of possible \$387 million)
 - Toll revenue bonds (\$268 million); State appropriation bonds (\$352 million) (collectively the “TriEx Bonds”)
- Internal Revenue Code and Bond documents require “final allocation” of all bond proceeds to be reported to the NCTA Trustee on or before September 26, 2014
- Trustee Certificate accounts for bond/loan receipts and disbursements and describes plans for remaining \$61.3 million in unallocated TriEx Bond proceeds

Allocation Certificate

Content

- TIFIA Loan – all loan proceeds expended
- TriEx Bond Proceeds: \$61.3 million unallocated as of June 30, 2014
- Objective: Develop allocation plan that best demonstrates fiscal responsibility
- Allocations:
 - NCTA and NCDOT Reimbursements: \$30.9 million (pp. 5-6)
 - NCTA Reserves account: \$16.9 million
 - NCDOT reimbursement: \$14 million
 - NCTA Additional Projects: \$30.4 million (p. 6)
 - Old Holly Springs-Apex Road Interchange (NCTA funding vs NCDOT): up to \$17.9 million
 - Morrisville Parkway Interchange: \$12.5 million (project with Town of Cary)