

# 91 Express Lanes Update

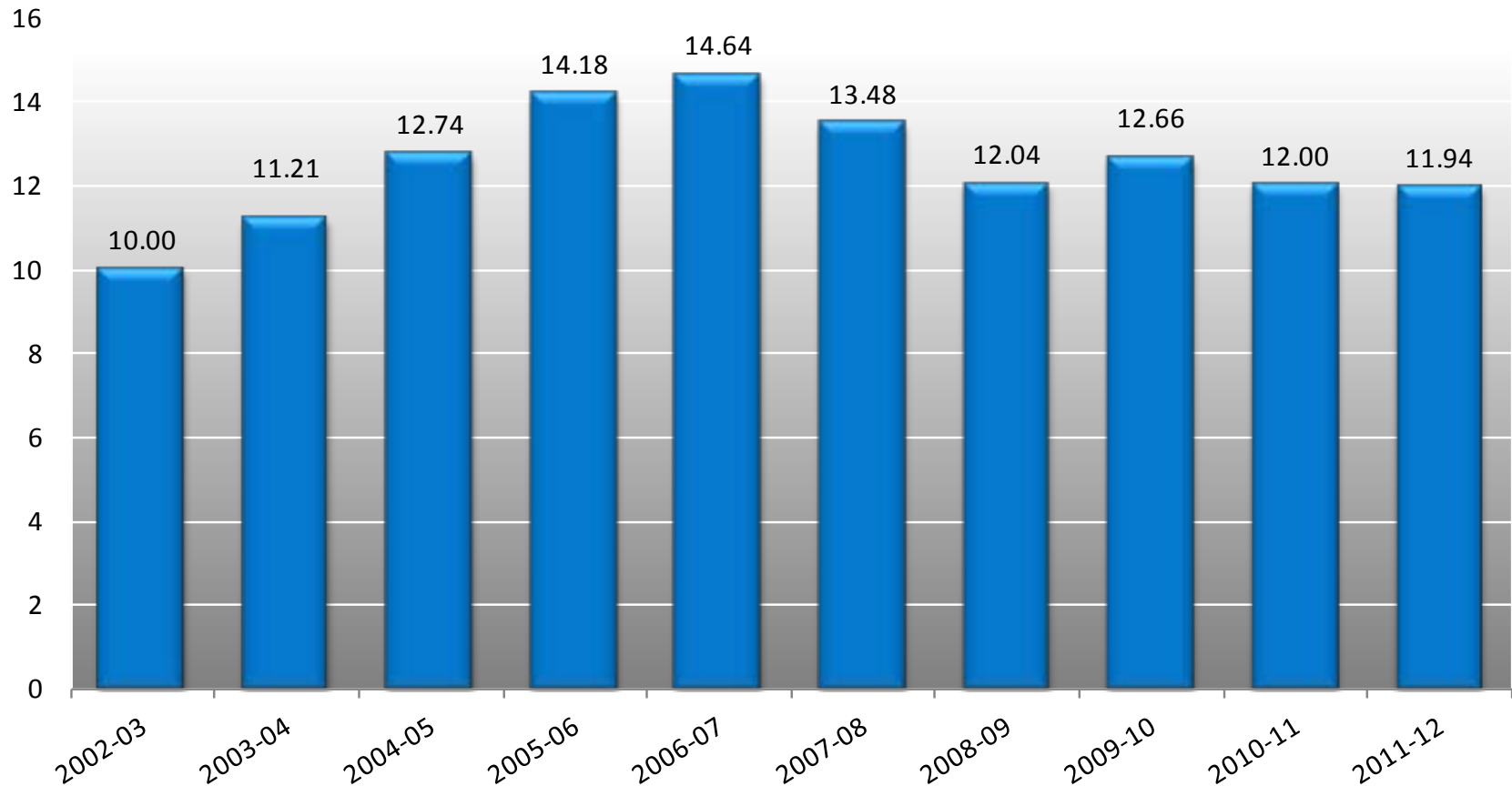
# Overview

- Key events of fiscal year 2011-12
- Historical traffic trends
- Impacts of capacity improvement projects and economic factors on traffic volumes
- Historical and projected revenue figures
- Review of the Orange County Transportation Authority's toll policy and comparison to the Riverside County Transportation Commission's (RCTC) toll policy
- Historical expenditure levels
- Debt update

# *Fiscal Year 2011-12 Events*

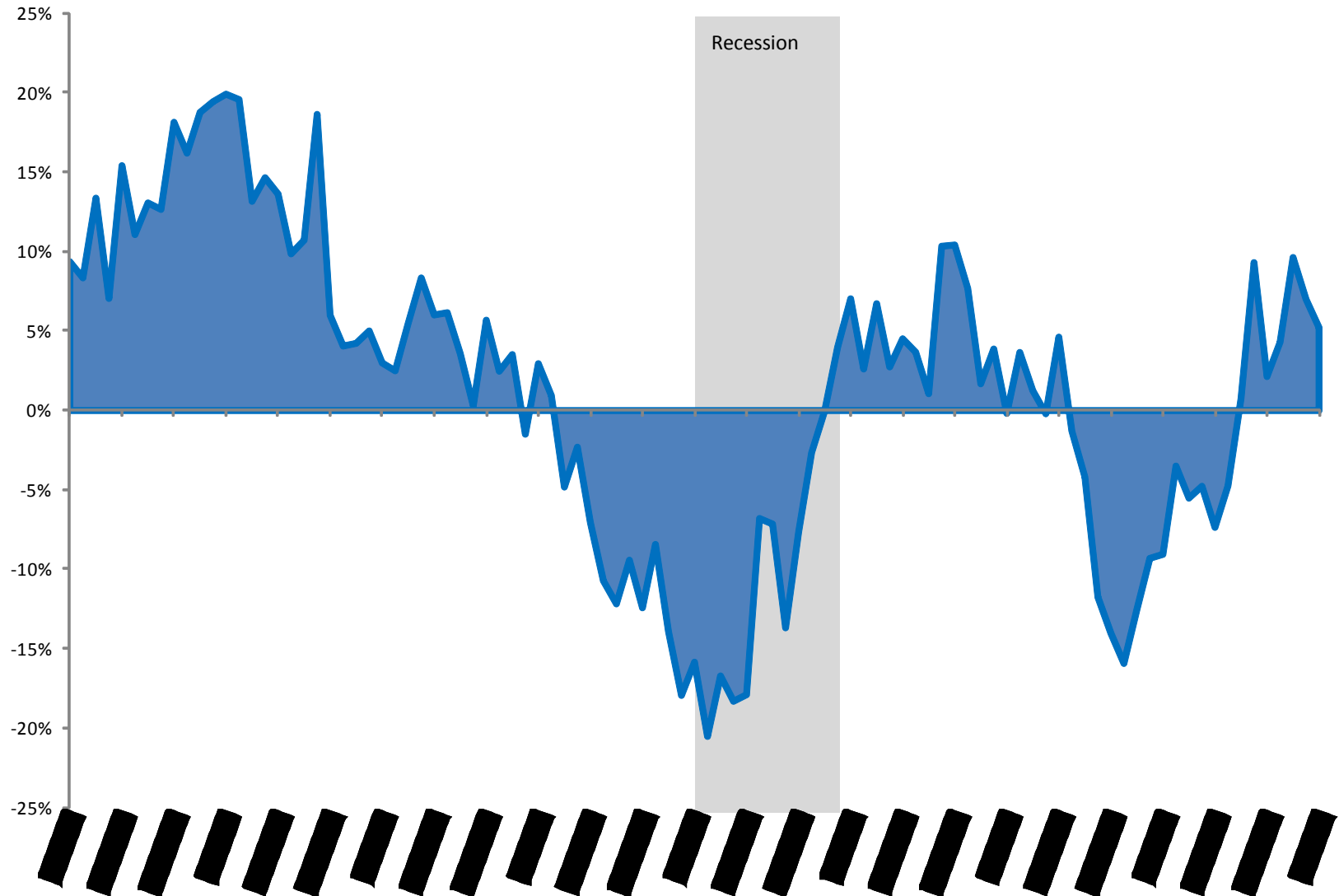
- Traffic volumes reached 11.9 million
- Total revenues exceeded \$38 million
- Replaced gantry with a cantilever structure
- Completed back-office software system audit
- Extended franchise and lease agreements to 2065
- Executed cooperative agreement with RCTC for the 91 Express Lanes extension
- Generated excess toll revenues

# *Historical Traffic Volumes (in Millions)*



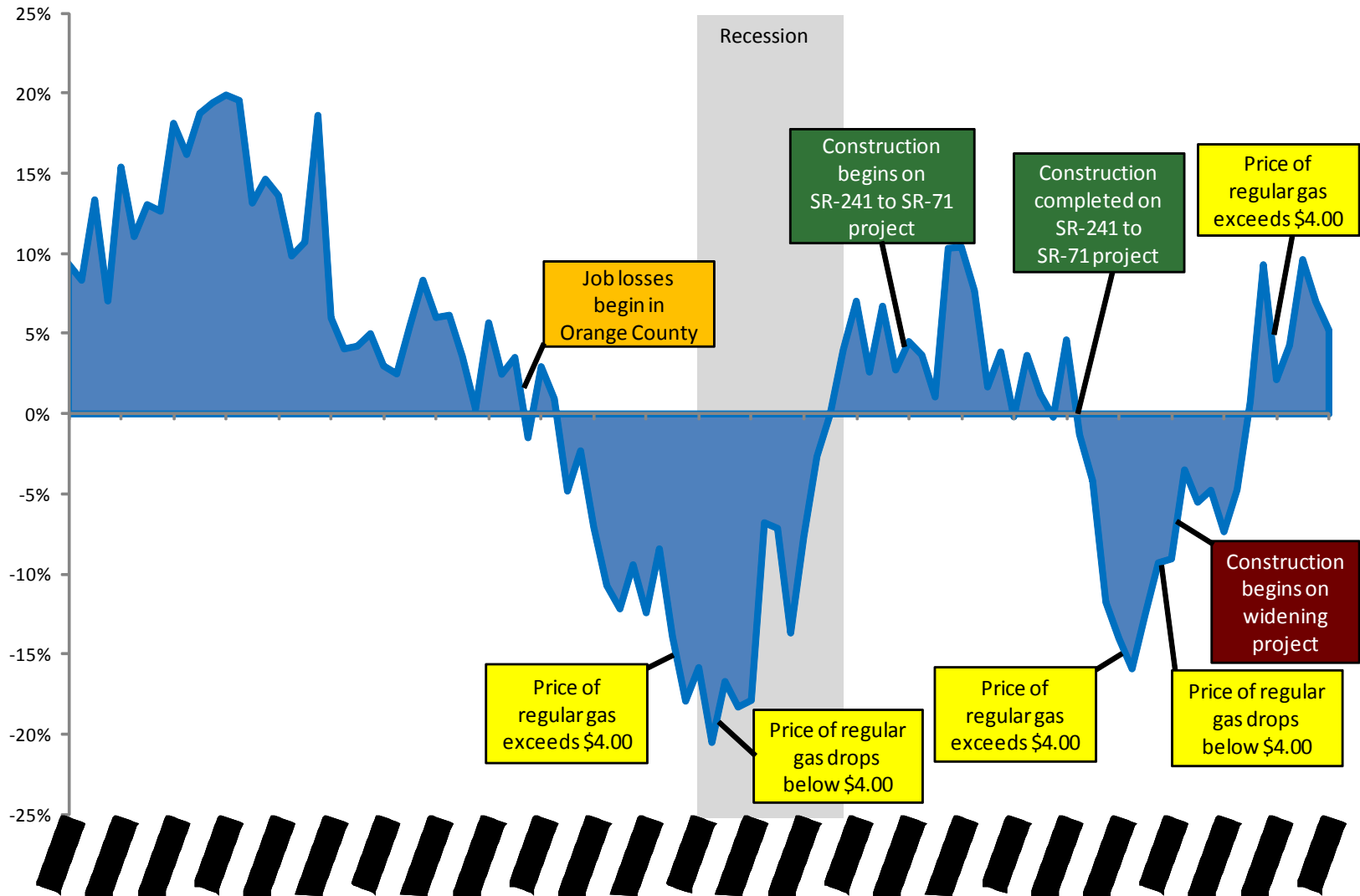
# Factors Affecting Traffic Volumes

Change in Monthly Traffic Volumes From Prior Year

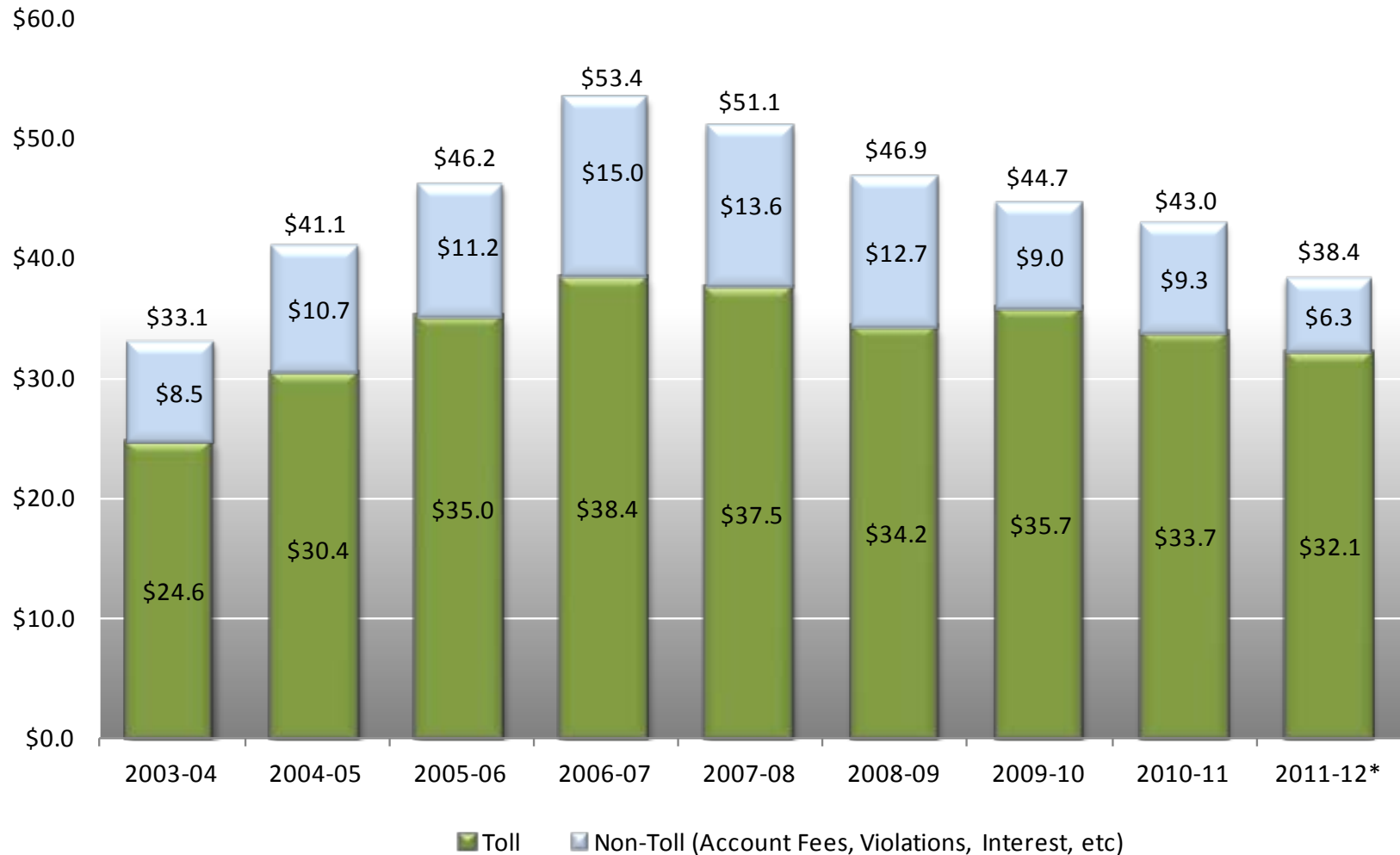


# Factors Affecting Traffic Volumes

## Change in Monthly Traffic Volumes From Prior Year

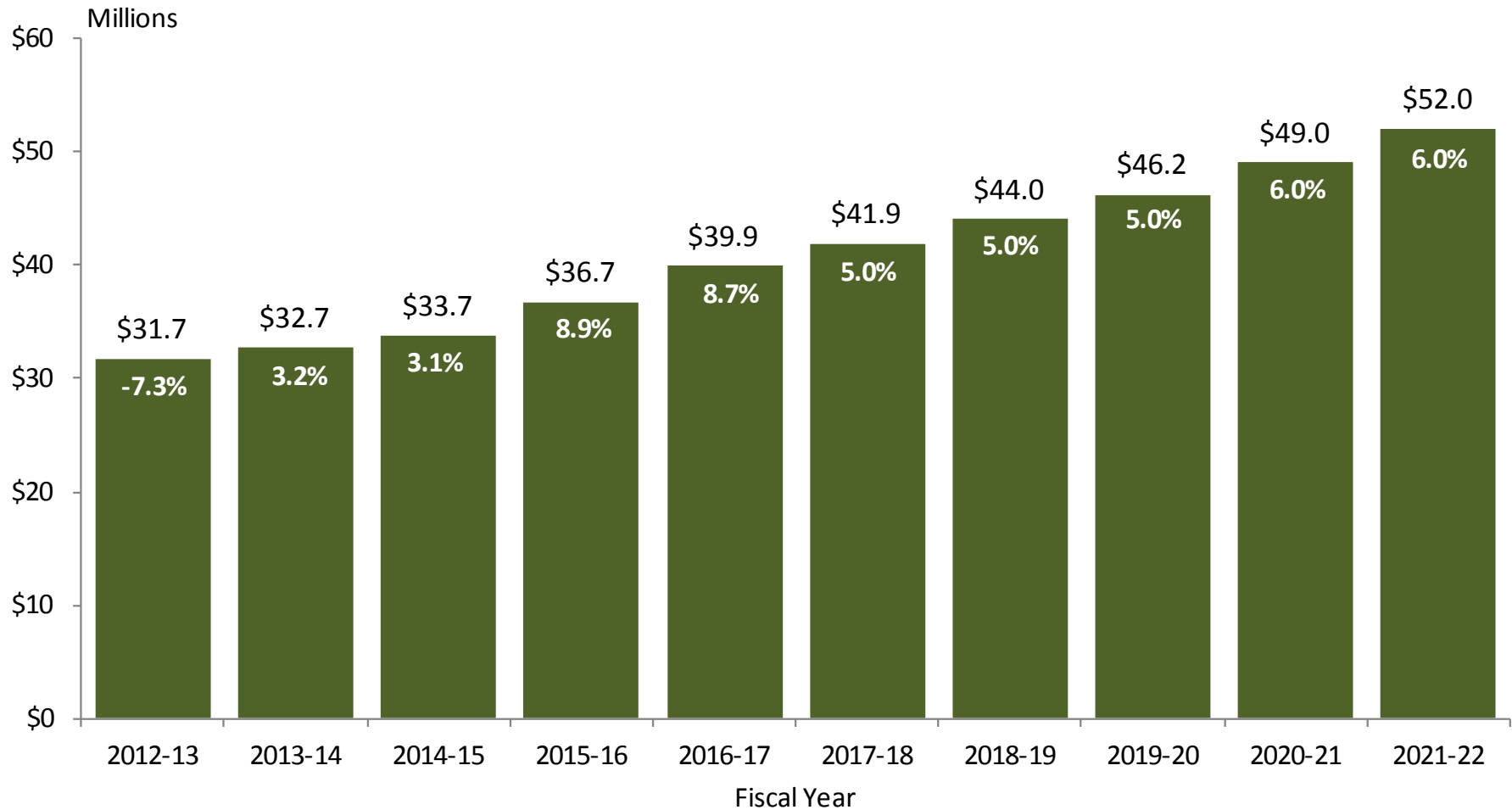


# Historical Revenues (in Millions)



\* Preliminary estimate for fiscal year 2011-12

# Stantec Forecast for Toll Revenues

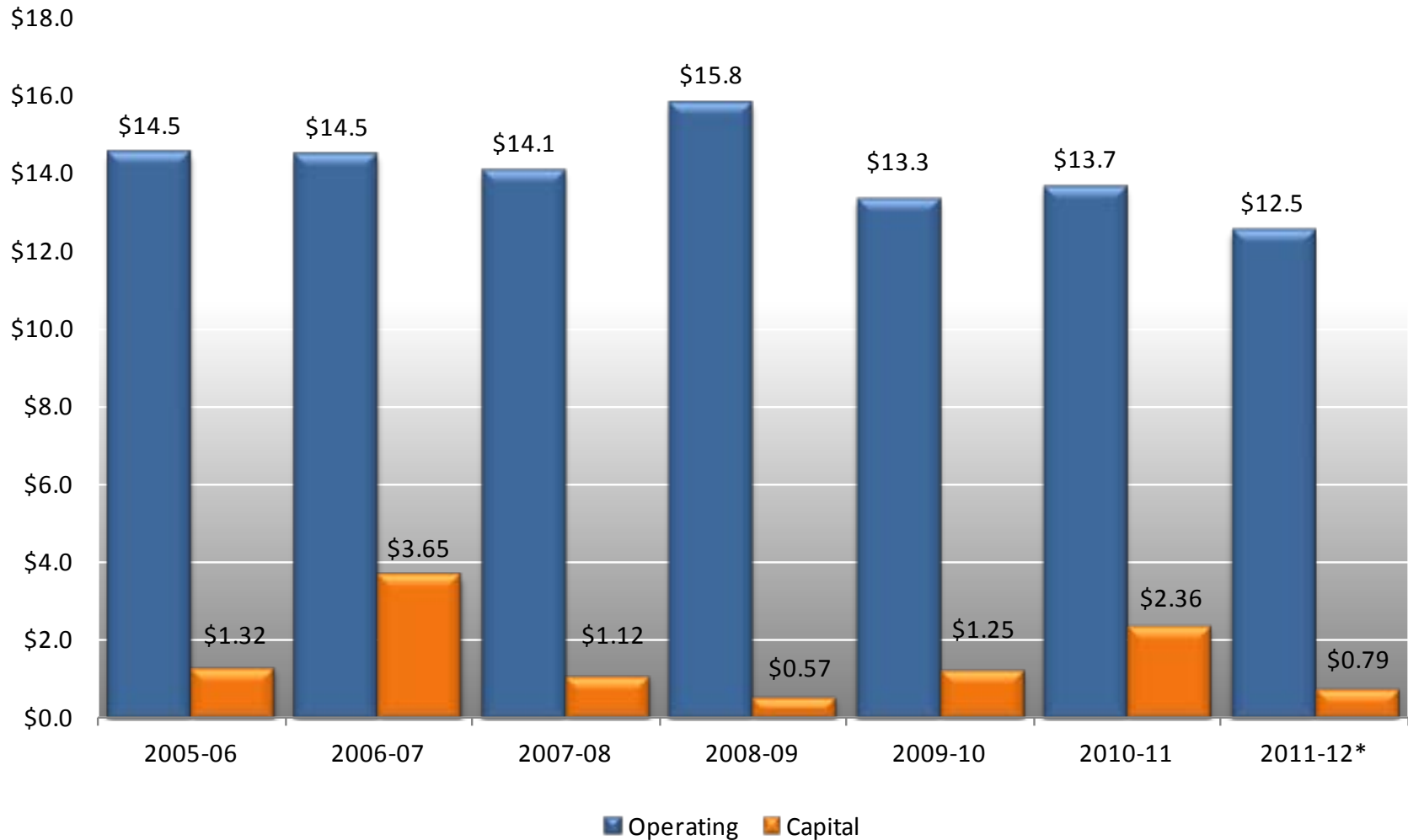




# Toll Policy

- Congestion-based policy that provides a safe, reliable, predictable commute for customers
- Toll rates are adjusted based on traffic volumes and cost of living adjustment
- High-occupancy vehicles with three or more passengers travel for free at all times with the exception of Monday through Fridays eastbound from 4:00 P.M. to 6:00 P.M.
- Differences with RCTC toll policy (approved in June 2012):
  - Shorter review period during times of abnormal travel patterns
  - Non-peak hours are adjusted based on Level of Service levels and an inflation factor
  - Toll decreases are based on 2,800 vehicle level (instead of OCTA's 2,720 vehicles)

# Expenditures (in Millions)



\* Preliminary estimate for fiscal year 2011-12

# *Outstanding Debt*

- Outstanding debt totals \$155.46 million (with a final maturity in December 2030)
  - Series 2003-A bonds totals \$54.46 million (first optional call date is 8/15/2013)
  - Series 2003-B bonds totals \$100 million (must be restructured by 8/15/2013)
- \$25 million interest rate swap with JP Morgan outstanding (termination value equals \$7 million as of 8/15/12)
- Currently evaluating underwriter responses to request for proposals for 91 Express Lanes restructuring
- All internally borrowed funds have been repaid with excess toll revenues

# *Reserve Balances (as of 6/30/12)*

- All bond indenture reserve funds are fully funded (total of \$38.9 million)
  - \$12.9 million for the debt service reserve fund
  - \$12.7 million for the supplement reserve fund
  - \$3.2 million for the operating reserve fund
  - \$10.1 million for the major maintenance reserve fund
- Additional non-indenture capital reserve fund totals \$17.6 million

# *Upcoming Issues*

- Restructure outstanding debt and implement a long-term strategy for the \$25 million interest rate swap
- Finalize and seek Board of Directors approval on the three-party agreement with Cofiroute and RCTC for 91 Express Lanes operations
- Monitor traffic impacts of the additional eastbound and westbound general purpose lanes on the SR-91
- Modify toll policy to potentially incorporate shorter review periods after toll adjustments
- Explore additional pricing structures
- Evaluate marketing plans