

91 Express Lanes Financing Documents

Background

- Toll road revenue bonds were issued in November 2003
 - Series A bonds: \$95.3 million
 - Series B bonds: \$100 million
- Series B bonds were privately placed with the Orange County Investment Pool in 2008 and 2010
- Series B bonds have a mandatory tender date on August 15, 2013 (\$100 million currently outstanding)
- Series A bonds have a first optional call date on August 15, 2013 (\$55.5 million currently outstanding)
- In May 2013, Board of Directors approved the restructuring plan for both Series A and Series B bonds

Interest Rates Remain at Historic Lows

10-Year Treasury Bond Yields Since 2003



Proposed Bond Structure

- Fixed-rate bonds
- Level annual debt service payments
- Final maturity of 2030
- Open lien indenture with minimum 1.5 times additional bonds test requirement
- TIFIA financing allowed for future issuances
- 10-year optional par call provision
- Debt service reserve fund (\$10.8 million), operating reserve fund (\$3 million), and major maintenance reserve fund (\$10 million) established
- Reduction in new reserve fund requirements used to pay down principal balance of debt

Sources and Uses of Funds

Sources:

2013 Bond Proceeds	\$135,614,846
Other Sources of Funds	
2003 Debt Service Reserve Fund Release	12,925,184
2003 Supplemental Reserve Fund Release	12,694,380
2003 Operating Reserve Fund Release	3,238,000
2003 Major Maintenance Reserve Fund Release	10,154,000

Total Sources: \$174,626,410

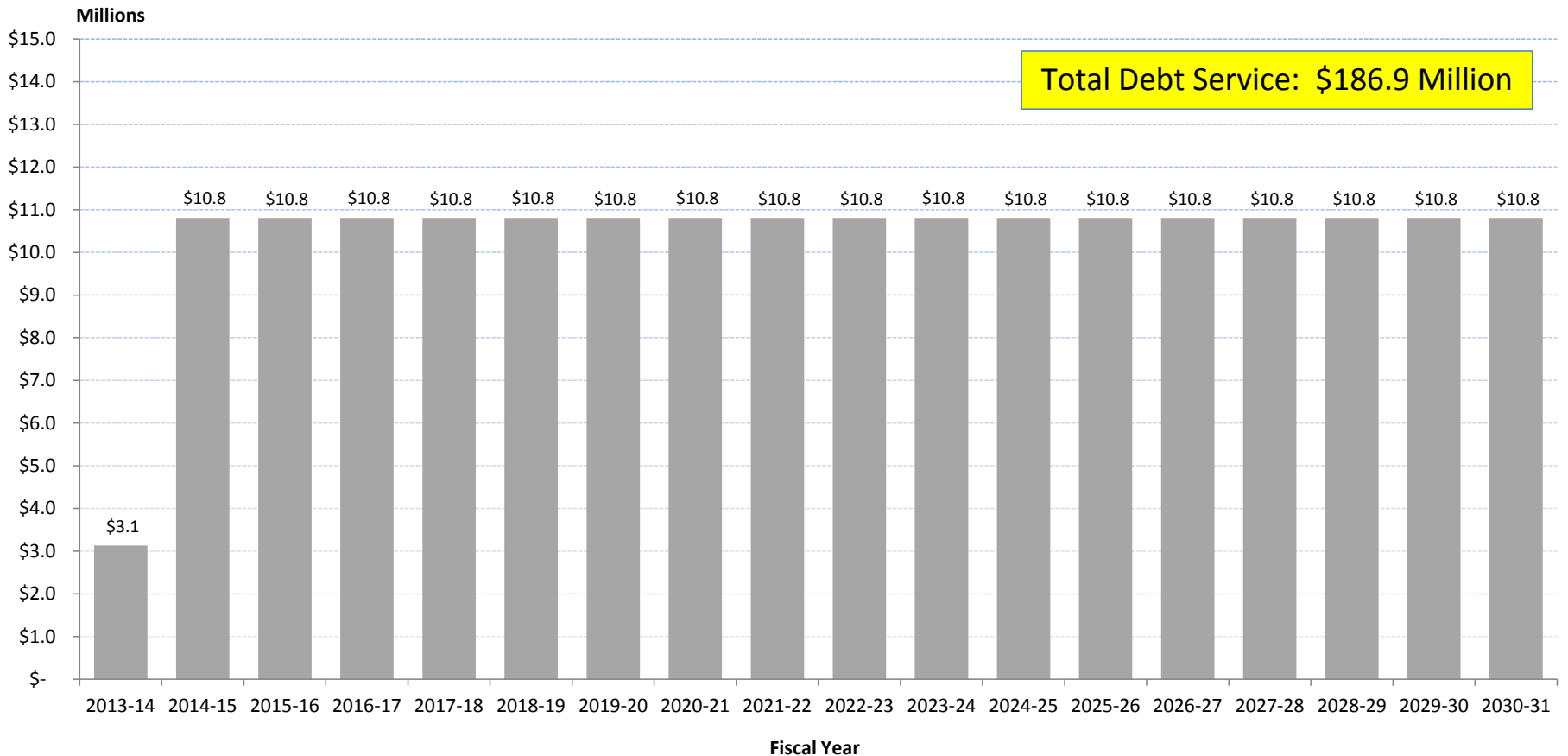
Uses:

Refunding Escrow Deposits	149,935,000
Other Fund Deposits	
Debt Service Reserve	10,810,825
Operating Reserve	3,000,000
Major Maintenance Reserve	10,000,000
Cost of Issuance and Underwriter's Discount	878,126
Other Uses	2,459

Total Uses: \$174,626,410

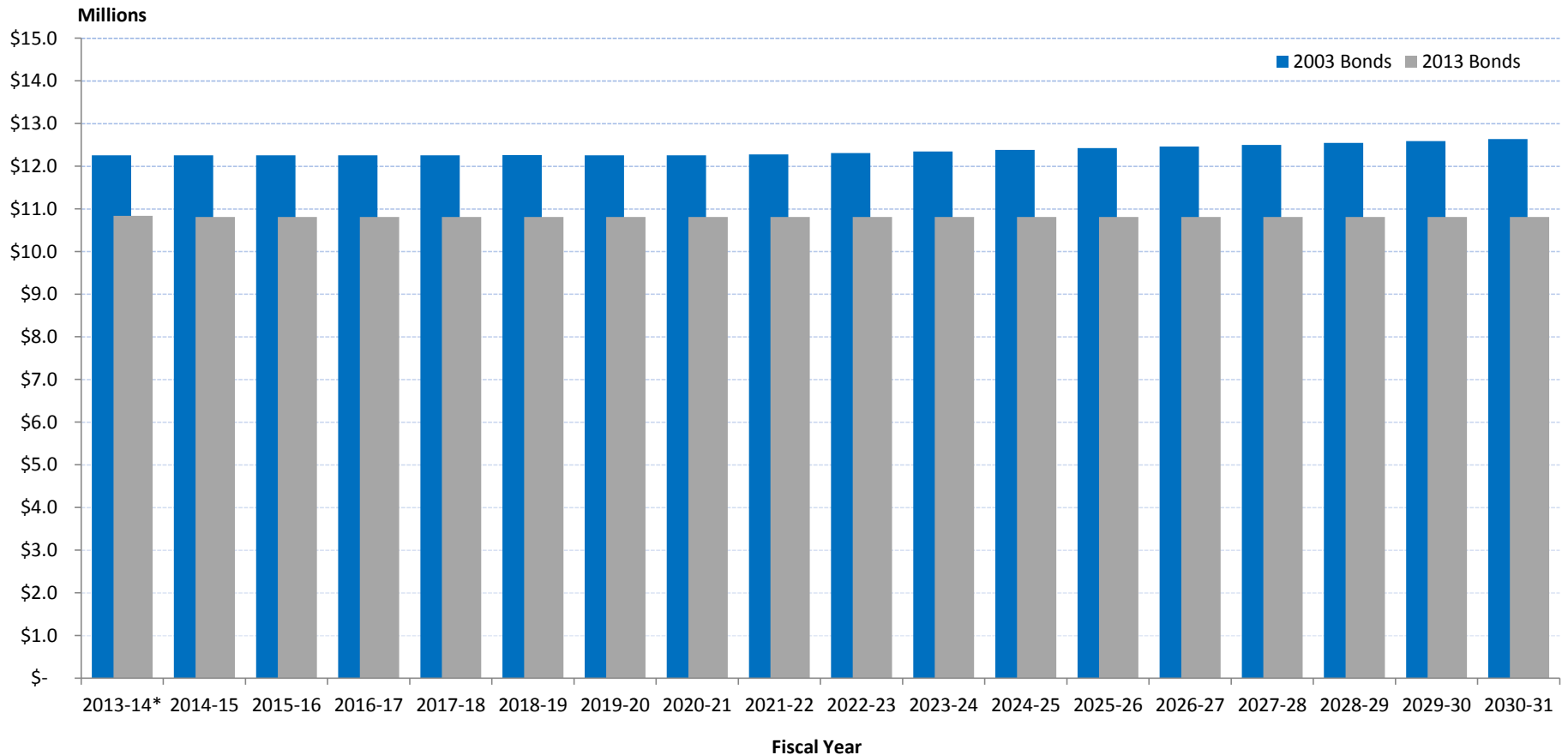
Projected Annual Debt Service

Annual Debt Service for Proposed 2013 Bonds



Debt Service Comparison

Annual Debt Service Comparison Between 2003 Bonds and Proposed 2013 Bonds



* 2013 Bonds debt service for FY 2013-14 includes 8/15/2013 debt service payment from the 2003 bonds.

Financing Documents

- Resolution No. 2013-188
- Master Indenture and First Supplemental Indenture
- Preliminary Official Statement
- Purchase Contract
- Continuing Disclosure Certificate

Next Steps

- Release Preliminary Official Statement on July 22, 2013
- Release internet roadshow presentation for potential investors during week of July 22, 2013
- Speak with investors and answer final questions in New York on July 29, 2013
- Price bonds on July 30, 2013
- Close transaction on August 7, 2013