

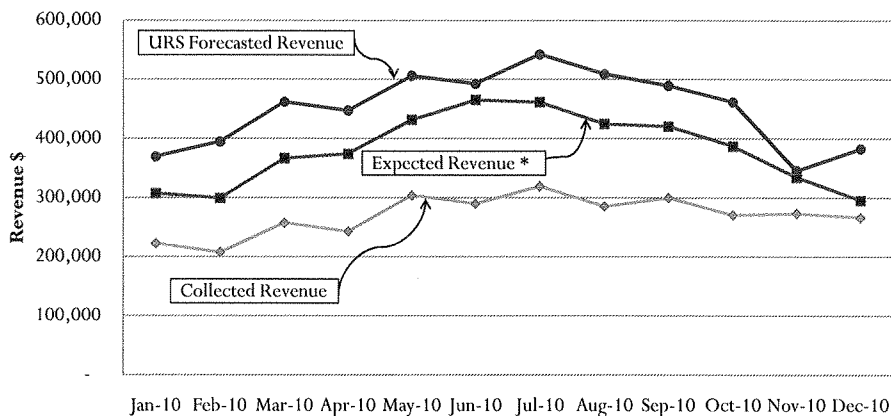
# LA 1 Toll Road Update

January 2011

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## Monthly Revenue - 2010 Calendar Year

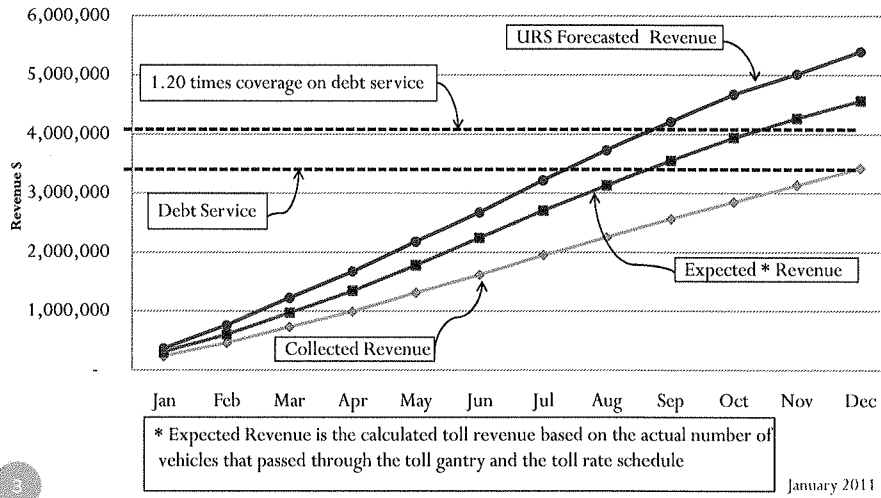


\*Expected Revenue is the calculated toll revenue based on the actual number of vehicles that passed through the toll gantry and the toll rate schedule

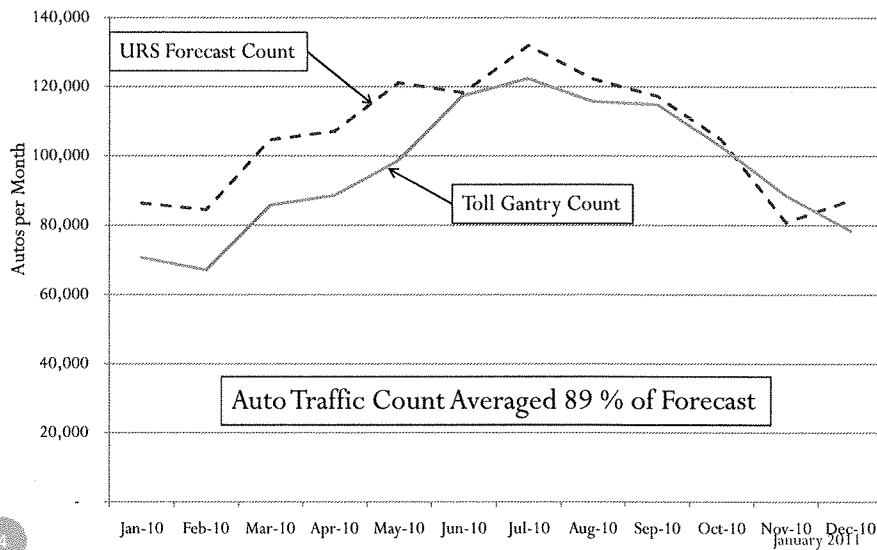
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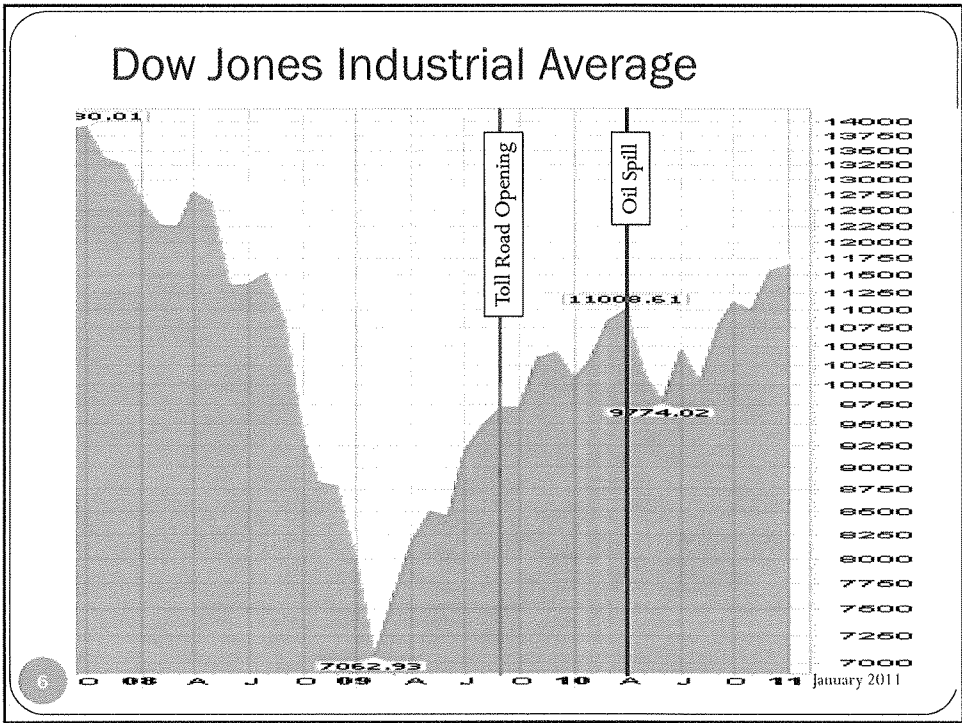
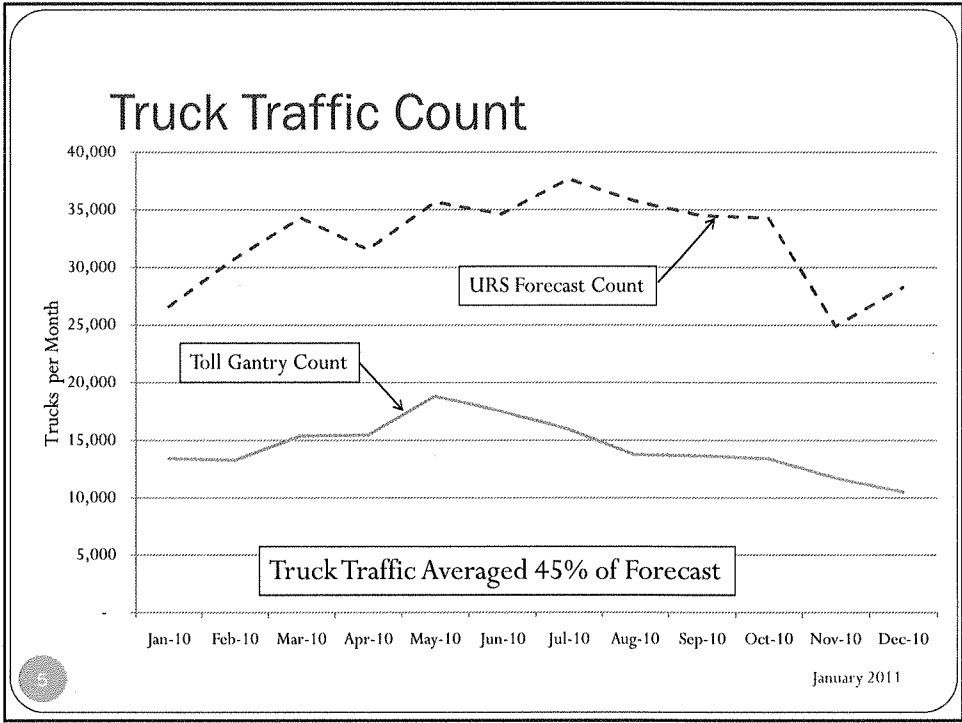
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## Total Revenue – 2010 Calendar Year



## Auto Traffic Count





## Toll Revenue Collections for CY'10

- 71% of the toll revenue from the vehicles that passed through the toll gantry was actually collected during CY'10
- If 86% of the toll revenue from the vehicles that actually passed through the toll gantry was collected, the debt service coverage requirement would have been met
- The \$1.3 million difference between the toll gantry revenue and the collected toll revenue is due to several causes:
  - Incomplete electronic tolling system
  - Out-of-state license plates
  - Unreadable license plates
  - Violations

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## Debt Service Coverage Requirements

- Bond documents require 1.20 times coverage on annual senior lien debt service and 1.10 times coverage on total debt service
- \$3,414,175 - CY 10 Collections (plus interest)
- \$3,403,675 - CY 10 Debt Service payments on senior lien bonds
- \$3,414,175 - CY 10 Total Debt Service payments
- Result is 1.00 times coverage
- **Enough** revenue to pay debt service for CY'10
- **Not enough** revenue to meet coverage requirement

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## Actions Required

- Notify the LTA
- Notify the Trustee (Bank of New York Mellon)
- Engage a toll consultant
  - Report due back within 60 days
  - LTA has 60 to act on recommendations
- Post a Notice of Material Event on the bond disclosure website
- Notify the Rating Agencies, Insurer and TIFIA
- Notify the Louisiana Bond Commission

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## BACKGROUND

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## Overview of Bonds

- \$164,246,141 in Bonds and Bond Anticipation Notes were sold in May of 2005
  - \$95,006,125 in Senior Lien Toll Revenue Bonds
    - \$78,350,000 in current interest bonds
    - \$16,313,286 in capital appreciation bonds
  - \$69,240,016 in bond anticipation notes (BANS)
    - \$66,000,000 TIFIA Loan was activated in August of 2009 to pay off the BANS

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## Overview of Bonds

- Senior Lien Bonds
  - The first semi-annual debt service payment on the senior lien bonds began on June 1, 2010 in the amount of \$1,691,088
  - The payments will be every June 1st and December 1st according to the debt service schedule.
  - The last payment will be on June 1, 2030, unless excess revenues pay off the debt ahead of time
- TIFIA Loan
  - The first semi-annual debt service payment on the TIFIA loan is due on 12/1/2013 in the amount of \$1,851,400.
  - TIFIA loan payments are every June 1st and December 1st according to the debt service schedule.
  - The last payment on the TIFIA loan will be on December 1, 2040.

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## Toll Revenue Coverage on Debt Service

- Tolls and Interest earnings in each year must equal to at least (i) 120% of the Debt Service due on the Senior Lien Bonds and (ii) 110% of the Debt Service due on all Bonds.
- By April 1st of each year, the Authority shall prepare and submit to the Trustee a report as to whether Revenues for the current Fiscal Year and for the immediately succeeding Fiscal Year will be sufficient to comply with the coverage requirements
- If the rate covenant is not met, the Authority shall engage a Toll Road Consultant to conduct a study and, within 60 days of such engagement, deliver a written report to the Authority and the Trustee containing the results of such study and the recommendations of the Toll Road Consultant as to the actions required in order to provide sufficient Revenues in each subsequent Fiscal Year to comply with the rate covenant
- The Authority shall take the actions recommended by the Toll Road Consultant in such report no later than 60 days after the receipt of such report.

## DED/ LTA / DOTD / DOA Agreement

- Cooperative Endeavor Agreement dated May 1, 2005 between the Department of Economic Development, the Louisiana Transportation Authority, the DOTD and the Division of Administration.
- CEA is part of the Bond Documents
- CEA requires DED to request funding from the Legislature if there is insufficient toll revenue to meet debt service (up to \$18 million per year)
- If toll revenue falls short of debt service requirement and some of the \$18 million debt service reserve fund is used, the LTA notifies the DED to make a request to the Legislature for funding to fill up the debt service reserve fund in the succeeding year

### Toll Schedule for Phase I LA 1 Improvements

Vehicle Class	Total Toll per Vehicle				
	2008	2013	2018	2023	2028
2-axle/4-tire vehicles					
Transponder/resident toll <sup>(A)</sup>	<del>\$2.50</del>	<del>\$2.50</del>	<del>\$2.50</del>	<del>\$2.50</del>	<del>\$2.50</del>
Transponder/commuter toll <sup>(B)</sup>	1.50	1.80	2.25	2.70	3.00
Cash toll	2.50	3.00	3.75	4.50	5.00
2-axle/6-tire vehicles	3.75	4.50	5.50	6.50	7.50
3-axle vehicles					
2-axle/4-tire with 1-axle trailer	3.75	4.50	5.50	6.50	7.50
Trucks and buses	5.00	6.25	7.50	8.75	10.00
4-axle vehicles					
2-axle/4-tire with 2-axle trailer	5.00	6.25	7.50	8.75	10.00
Trucks	7.50	9.25	11.25	13.00	15.00
5-axle vehicles	10.00	12.50	15.00	17.50	20.00
6+ axle vehicles (maximum toll)	12.00	15.00	18.00	21.00	24.00

(A) For Lafourche Parish and Jefferson Parish residents whose permanent residence is south of the Leeville bridge.

(B) Based on Lake Pontchartrain Causeway frequency-discount program: 60-day period within which the motorist of a two-axle/four-tire vehicle must make 20 southbound trips through the toll plaza for the discount to be fully effective.