

Organization Management Workshop



Toll Stories From the Front Lines

Baltimore, MD • June 24, 2013

So How We Doin'?



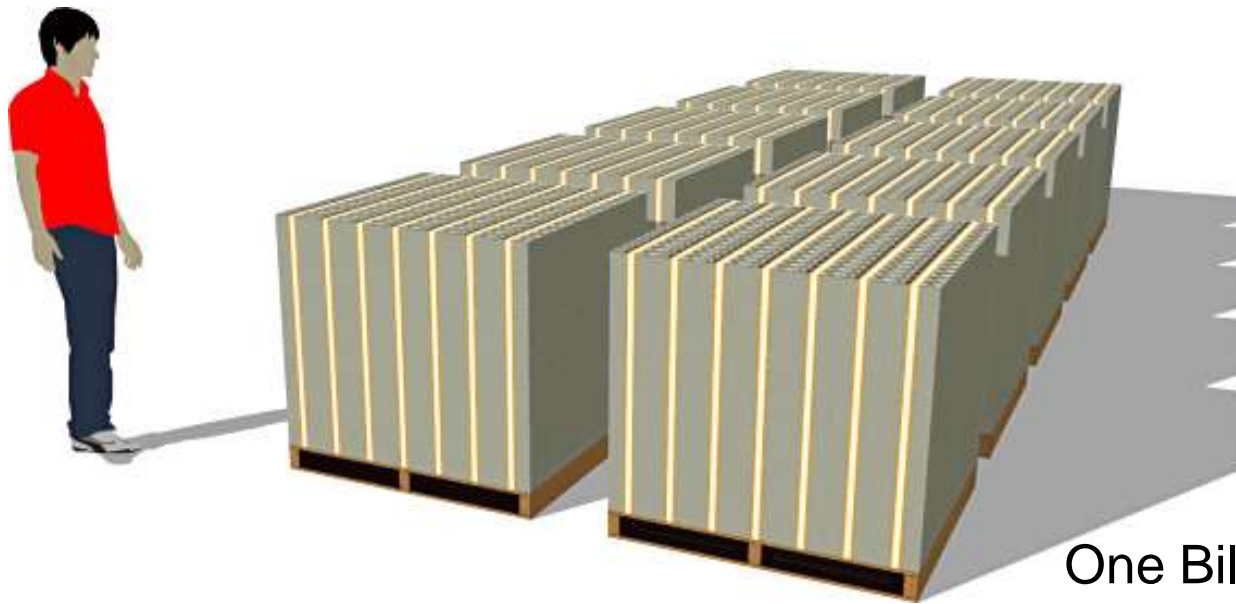
2012 U.S. Infrastructure Report Card = D⁺

Infrastructure type	NSW 2010	NSW 2003	National 2006	National
Roads overall	C-	Not rated	C	No
National roads	B-	C+	C+	C
State roads	D+	C+	C	C-
Local roads	D+	C-	C-	D
Rail	D-	D	C-	B-
Ports	C	Not rated	C+	B
Airports	B	Not rated	B	B
Potable water	B-	B: Metropolitan urban C: Non-metropolitan urban	B-	C
Wastewater	C+	C: Metropolitan urban C: Non-metropolitan urban	C+	C
Stormwater	C	D	C-	D
Air quality	C-	Not rated	C-	D-
Electricity	C-	B	C+	B-
Gas	C	Not rated	C+	C
Telecommunications	C-	Not rated	Not rated	C

- U.S. Infrastructure Investment Needed by 2020 = \$3.6 trillion
- 2013 U.S. Federal Budget (expenditures) = \$3.8 trillion

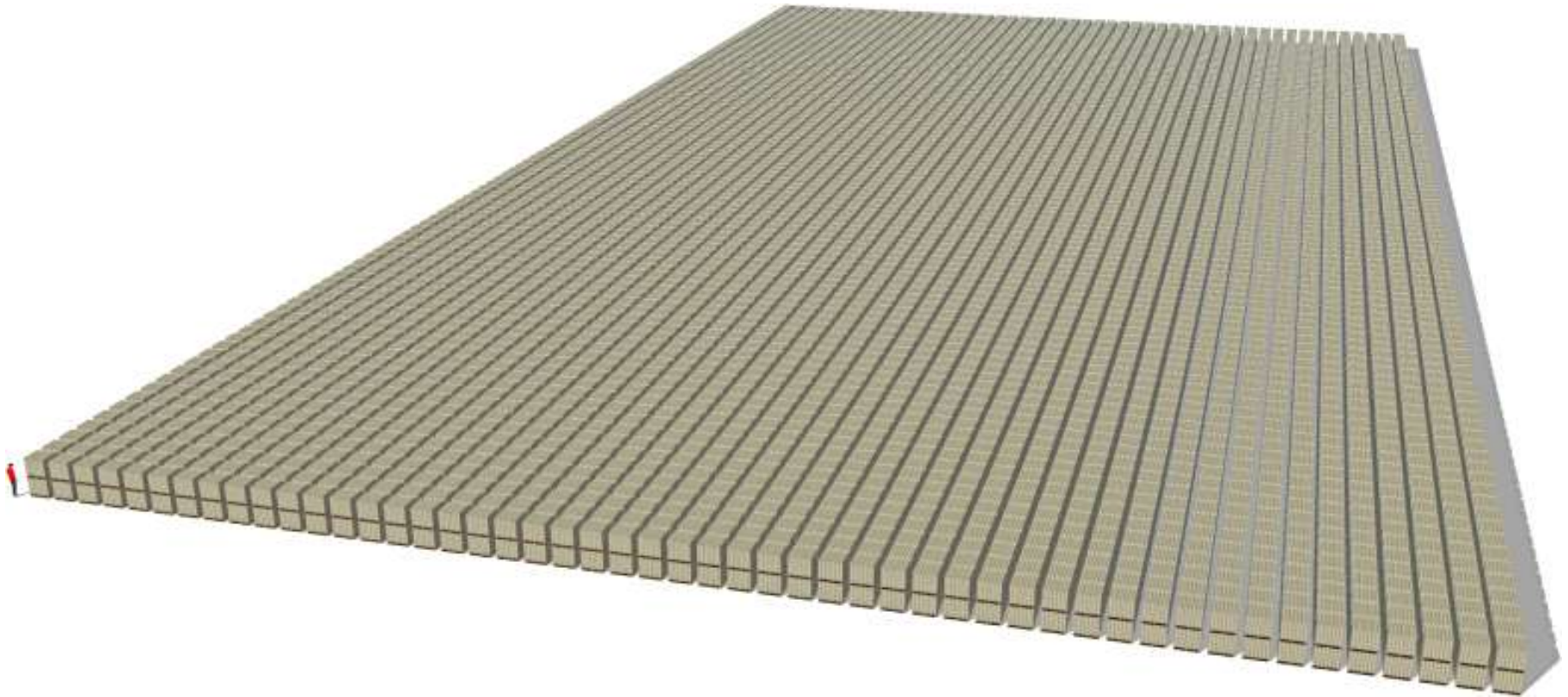
Pretty Soon, You're Talking About Real Money.

One Million Dollars – \$1,000,000



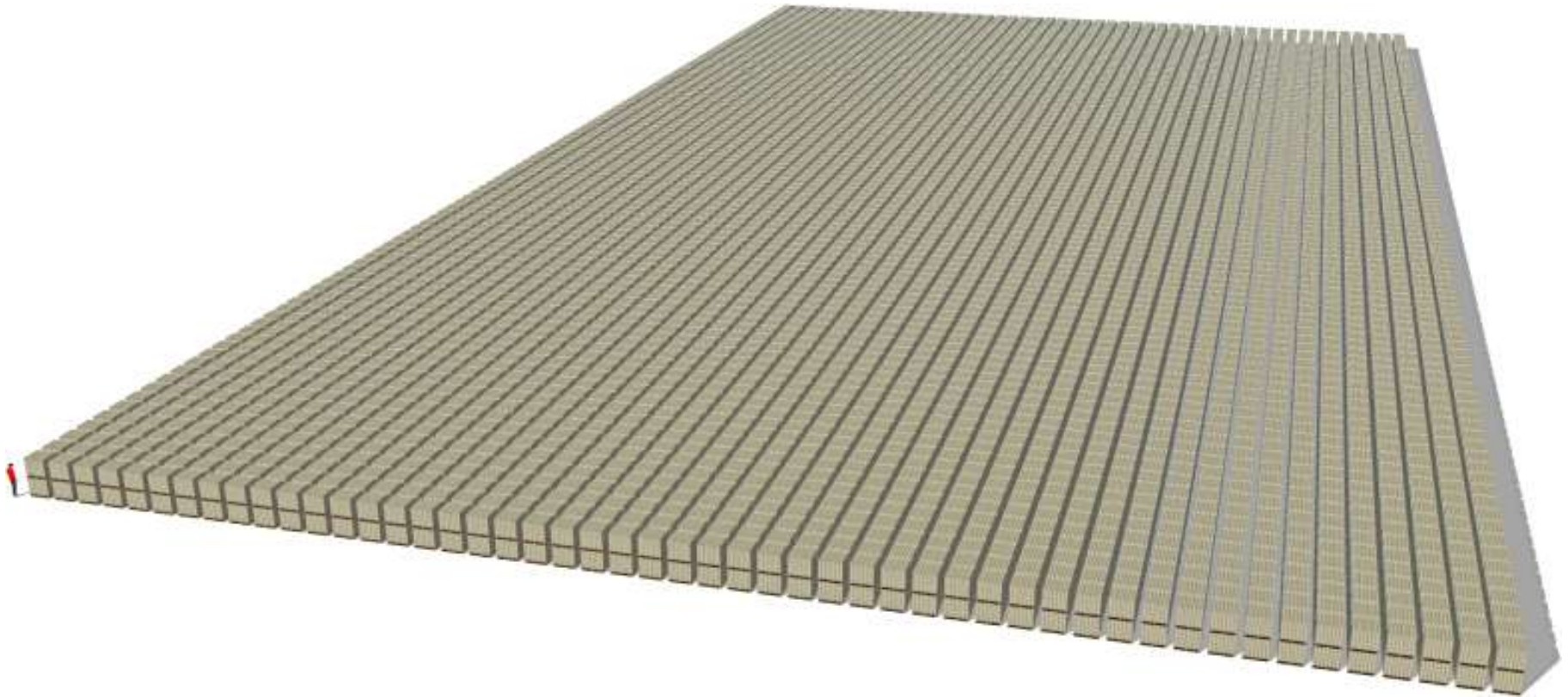
One Billion Dollars – \$1,000,000,000

Pretty Soon, You're Talking About Real Money.



One Trillion Dollars = \$1,000,000,000,000

Pretty Soon, You're Talking About Real Money.



If you spent 1 million dollars a day, it would take 3 years to spend a billion dollars, and 3,000 years to spend a trillion dollars.

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That Was Then...



Federal Requests Start Here
Take a Number - Have a Nice Day

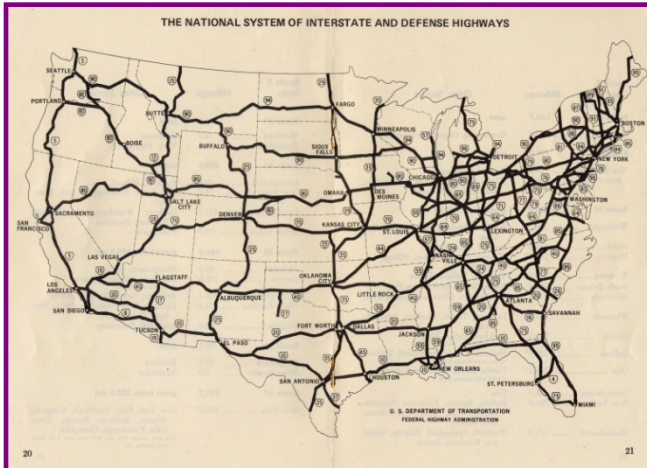


State Requests Start Here
Take a Number - Have a Nice Day

Federal & State Funding

Tax Turnbacks, Grants,
Competitive Programs

That Was Then...



The Interstate Highway System – the largest public works endeavor in history. Begun in 1956...built out 36 years later.



Est. Cost: \$500,000,000,000 (half a trillion dollars)
▶ 90% Federal Funds/10% State Funds

This Is Now

P3s

Lease Agreements

Rate Locks

GARVEE Bonds

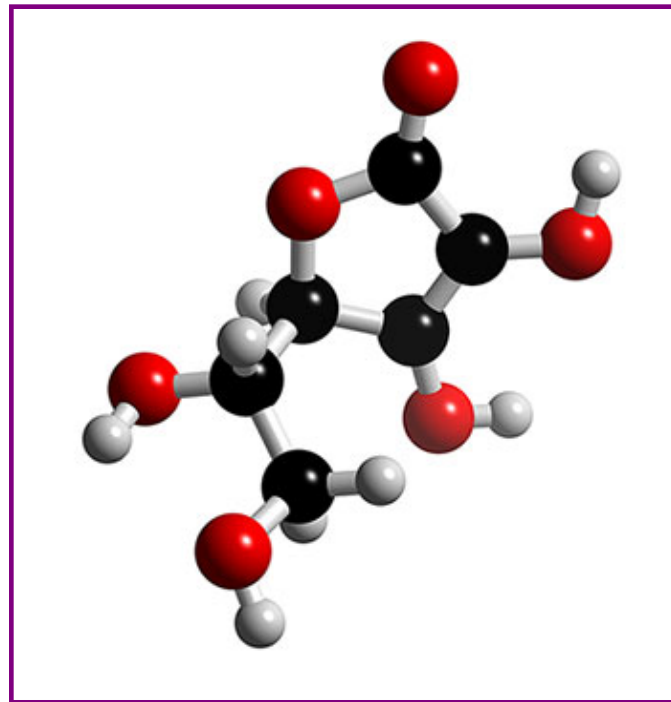
Local Transportation Taxes

Long CABS

Private Equity

Short CABS

BABs



Toll Revenue Bonds

LOCs

VRDBs/VROs

Infrastructure Banks

Private Activity Bonds

Concession Agreements

Zero Coupons

FRNs

The New Normal

Port of Miami Tunnel



\$1.1 Billion

\$341.5 million Tax-Exempt Private Activity Bonds; \$341.5 million TIFIA Credit Facility; \$309.8 million Public Equity \$80.3 million Private Equity

2009



Image courtesy of Flour Enterprises Inc.

Denver Transit Partners Eagle P3 Project



\$1.6 Billion

**\$397 million Tax-Exempt Private Activity Bonds; \$1.18 billion of Public Equity & TIFIA Credit Facility
\$54 million Private Equity**

2010

The New Normal

Virginia Midtown Tunnel



\$2.0 Billion

\$663.75m Private Activity Bonds

\$422m TIFIA Loan

\$308m Public Equity

\$368m Toll Revenue

\$221m Private Equity

2012



IH-635 LBJ Freeway Concession Bid



\$2.8 Billion

\$615.0m Private Activity Bonds

\$980m TIFIA Loan

\$495m Public Equity

\$664m Private Equity

2010



Toll Revenues



Bridges & Tunnels, Toll Roads, HOT Lanes

Federal & State revenues out – User Fees &
Private Equity in



Southern California Toll Facilities

Green: 1992 to 2013

(SR91 Express Lanes/TCA Orange County)



Blue: Planned by 2020

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