

520 Finance Plan

Presentation to the Washington State Transportation
Commission



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DEPARTMENT OF TRANSPORTATION

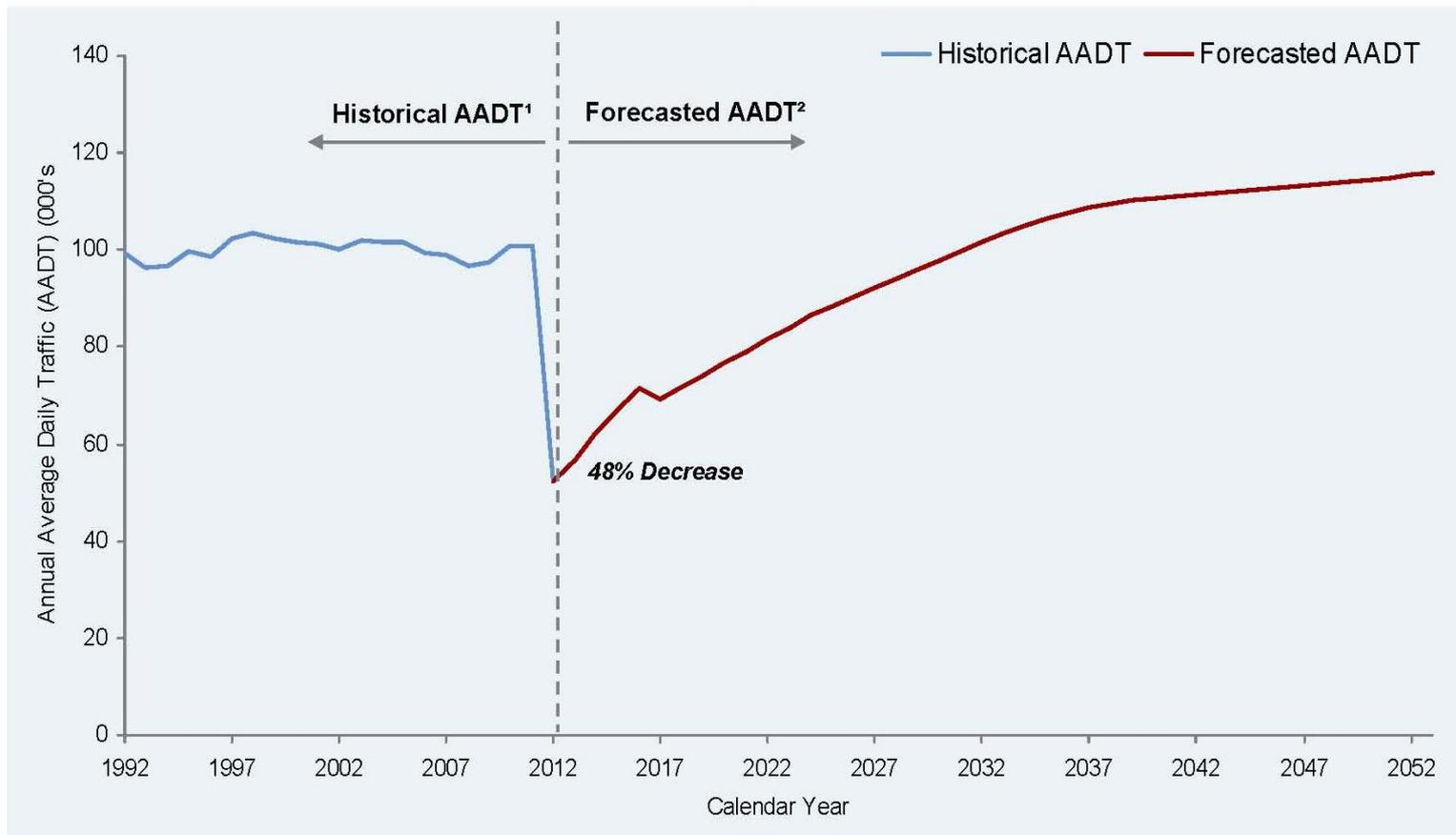
ELLEN EVANS
OFFICE OF THE STATE TREASURER

MARCH 21, 2012

Forecasted Traffic



SR 520 Bridge Investment Grade Traffic & Revenue Study Floating Bridge & Eastside

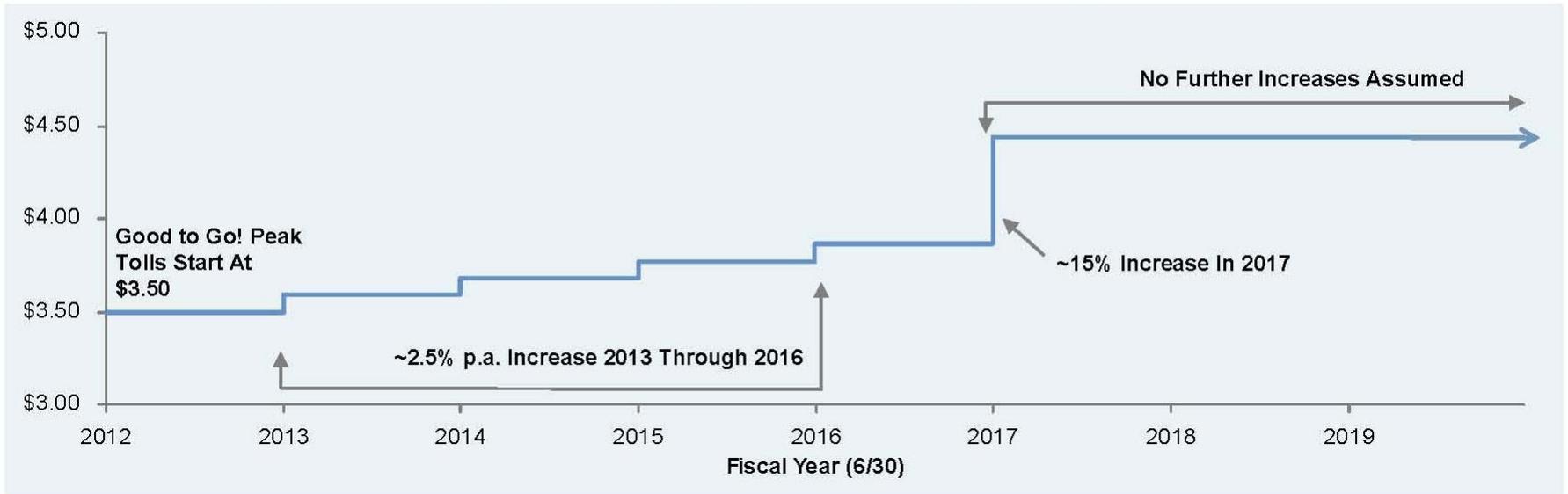


Source: SR 520 Traffic & Revenue Report, September 2011 – Figure 7-2

SR520 Toll Rate Schedule



Assumed Weekday Peak Toll Rates Over Time (Subject to Future Adjustment)



WAC 468-270-040 Starting July 1, 2012, the toll rates will increase two and one-half percent annually, subject to review and potential adjustment by the commission, in order to generate toll revenue sufficient to meet the costs and obligations listed in RCW [47.56.830](#) through [47.56.850](#)

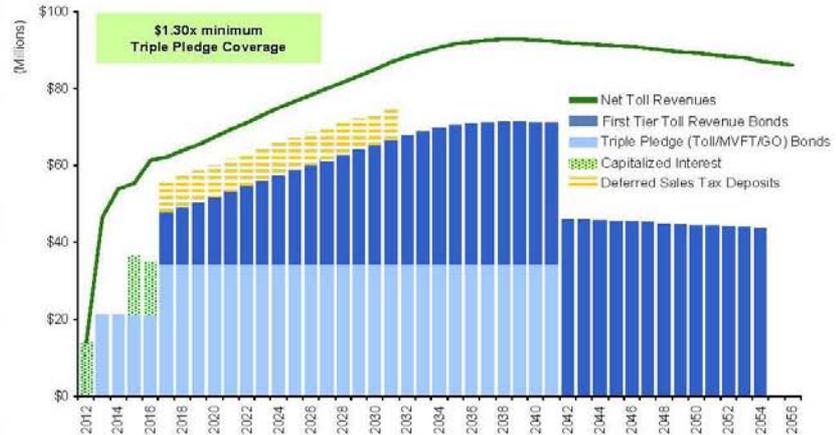
Source: Washington State Department of Transportation

Projected Net Toll Revenues and Finance Plan



Summary of Base Case Bond Financings	
1. FY2012 Triple Pledge (Toll/MVFT/GO) Bonds	
Issue Date:	Oct-2011
Coupon Type(s):	CIBs
All-In TIC*:	4.34%
Project Fund Deposit:	\$500.000
Capitalized Interest:	12.375
Debt Service Reserve Fund:	-
Issuance Expenses:	4.392
2. FY2012 GARVEE Bonds	
Issue Date:	Mar-2012
Coupon Type(s):	CIBs
All-In TIC:	3.34%
Project Fund Deposit:	\$500.000
Capitalized Interest:	10.202
Debt Service Reserve Fund:	-
Issuance Expenses:	4.374
3. FY2013 GARVEE Bonds	
Issue Date:	Apr-2013
Coupon Type(s):	CIBs
All-In TIC:	4.53%
Project Fund Deposit:	\$419.226
Capitalized Interest:	-
Debt Service Reserve Fund:	-
Issuance Expenses:	3.593
4. FY2014 First Tier Toll Revenue Bonds	
Issue Date:	Apr-2014
Coupon Type(s):	CIBs/CCABs/CABs
All-In TIC:	7.38%
Project Fund Deposit:	\$247.213
Capitalized Interest:	28.399
Debt Service Reserve Fund:	31.526
Issuance Expenses:	2.680

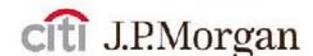
Base Case Financing Results



Pro Forma Sources and Uses of Funds	\$millions
State + Local Construction Sales Tax Deferred:	\$124.194
WSDOT Nickel and TPA Contributions:	551.303
WSDOT State MVA:	2.600
Other Federal Funds:	11.652
Proceeds from FY2012 Triple Pledge Bonds:	500.000
Proceeds from FY2012 GARVEE Bonds:	500.000
Proceeds from FY2013 GARVEE Bonds:	419.226
Proceeds from FY2014 First Tier Toll Bonds:	247.165
Available Net Toll Revenues for Construction:	76.253
Total Sources of Funds:	\$2,432.392
Total Uses of Funds:	\$2,432.392

Source: SR 520 Base Case Financial Model as of 9/12/11.

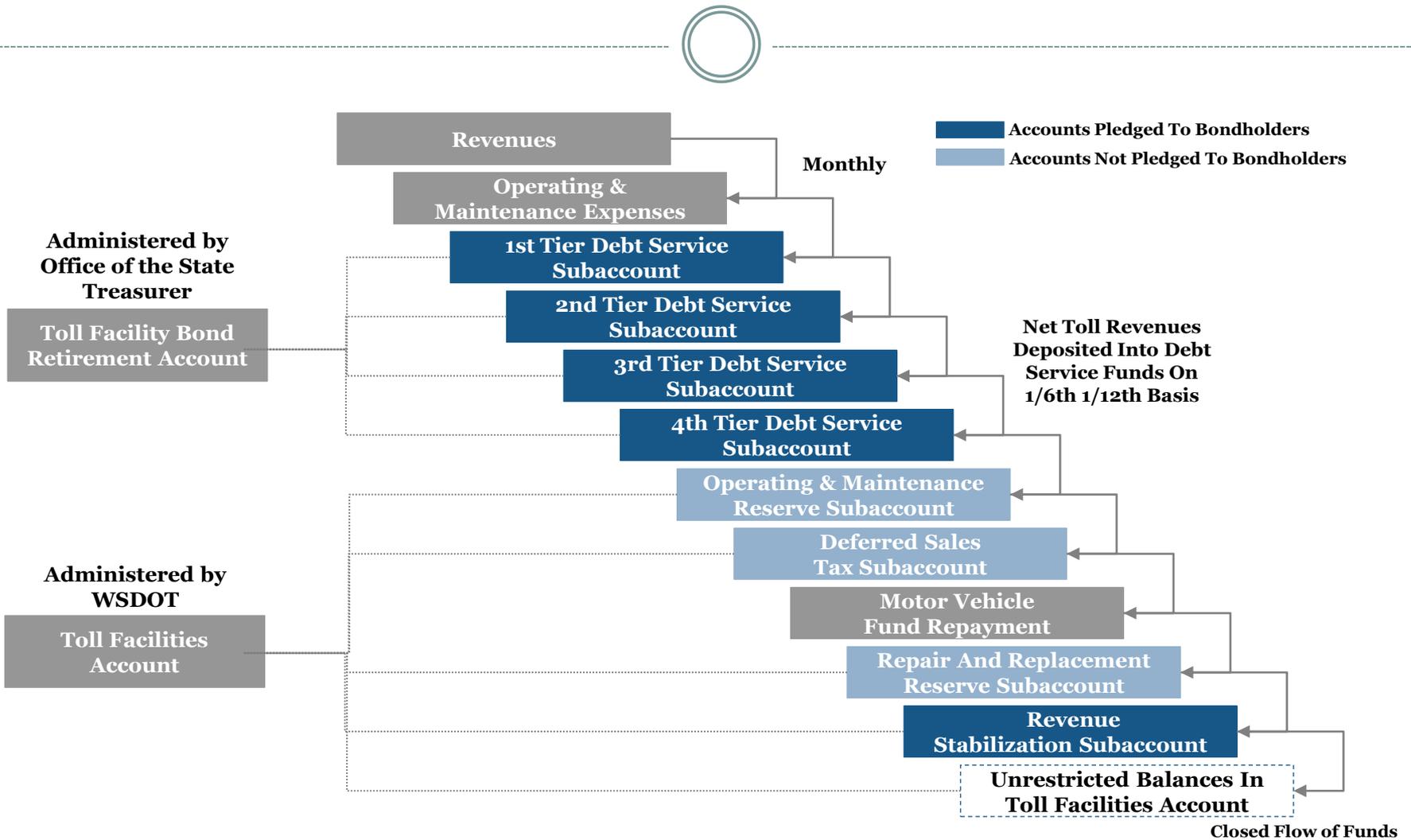
Preliminary – Subject to Change



Fiscal Year Ending (6/30)	Net Toll Revenues (A)	First Tier Bonds Debt Service (B)	First Tier Bonds Debt Service Coverage	Triple Pledge Bonds Debt Service (C)	Triple Pledge Bonds Debt Service Coverage	Sales Tax Deferral Deposits (D)	Coverage (A)/(B+C+D)
2012	13.99		-		-		
2013	46.31		-	21.12	2.19x		2.19x
2014	53.72		-	21.12	2.54x		2.54x
2015	55.56		-	21.12	2.63x		2.63x
2016	61.35		-	21.12	2.91x		2.91x
2017	62.20	13.51	4.61x	34.34	1.30x	8.28	1.11x
2018	63.92	14.83	4.31x	34.34	1.30x	8.28	1.11x
2019	65.54	16.07	4.08x	34.34	1.30x	8.28	1.12x
2020	67.38	17.49	3.85x	34.34	1.30x	8.28	1.12x
2021	69.28	18.95	3.66x	34.34	1.30x	8.28	1.13x
2022	71.19	20.42	3.49x	34.34	1.30x	8.28	1.13x
2023	73.16	21.93	3.34x	34.34	1.30x	8.28	1.13x
2024	75.02	23.36	3.21x	34.34	1.30x	8.28	1.14x
2025	76.66	24.62	3.11x	34.34	1.30x	8.28	1.14x
2026	78.31	25.89	3.02x	34.34	1.30x	8.28	1.14x
2027	79.98	27.18	2.94x	34.34	1.30x	8.28	1.15x
2028	81.69	28.49	2.87x	34.34	1.30x	8.28	1.15x
2029	83.42	29.83	2.80x	34.34	1.30x	8.28	1.15x
2030	85.01	31.05	2.74x	34.34	1.30x	8.28	1.15x
2031	86.80	32.42	2.68x	34.34	1.30x	8.28	1.16x
2032	88.29	33.57	2.63x	34.34	1.30x		1.30x
2033	89.60	34.58	2.59x	34.34	1.30x		1.30x
2034	90.70	35.43	2.56x	34.34	1.30x		1.30x
2035	91.61	36.12	2.54x	34.34	1.30x		1.30x
2036	92.10	36.50	2.52x	34.34	1.30x		1.30x
2037	92.56	36.86	2.51x	34.34	1.30x		1.30x
2038	92.80	37.04	2.51x	34.34	1.30x		1.30x
2039	92.84	37.07	2.50x	34.34	1.30x		1.30x
2040	92.63	36.91	2.51x	34.34	1.30x		1.30x
2041	92.42	36.75	2.51x	34.34	1.30x		1.30x
2042	91.93	45.97	2.00x		2.00x		2.00x
2043	91.70	45.84	2.00x		2.00x		2.00x
2044	91.43	45.71	2.00x		2.00x		2.00x
2045	91.16	45.58	2.00x		2.00x		2.00x
2046	90.87	45.43	2.00x		2.00x		2.00x
2047	90.56	45.28	2.00x		2.00x		2.00x
2048	89.91	44.96	2.00x		2.00x		2.00x
2049	89.59	44.80	2.00x		2.00x		2.00x
2050	89.22	44.61	2.00x		2.00x		2.00x
2051	88.86	44.43	2.00x		2.00x		2.00x
2052	88.44	44.22	2.00x		2.00x		2.00x
2053	88.02	44.01	2.00x		2.00x		2.00x
2054	87.20	43.60	2.00x		2.00x		2.00x
2055	86.75		-		-		-
2056	86.27		-		-		-

Fiscal Year Ending (6/30)	Net Toll Revenues after Debt Service and Sales Tax Deposits	Deposits to Project Fund from Tolls	Deposits to O&M Reserve	Deposits to Revenue Stabilization Subaccount	Deposits to Repair and Replacement Fund	Deposits to Toll Facilities Account for O&M Working Capital	Remaining Net Toll Revenues
2012	13.99	4.94	6.03			3.02	0.00
2013	25.20	23.64	0.04		1.50	0.02	0.00
2014	32.60	27.90	2.13		1.50	1.07	0.00
2015	34.44	19.77	0.28		1.50	12.88	0.01
2016	40.24		2.27	27.85	3.00	4.55	2.56
2017	6.08		0.30		5.00	0.59	0.18
2018	6.48		0.36		4.89	0.72	0.50
2019	6.84		0.27		5.27	0.54	0.77
2020	7.27		0.27		5.42	0.53	1.05
2021	7.71		0.28		5.57	0.56	1.30
2022	8.15		0.28		5.73	0.56	1.58
2023	8.60		0.35		5.89	0.71	1.66
2024	9.04		0.26		6.04	0.53	2.21
2025	9.41		0.28		6.17	0.55	2.42
2026	9.80		0.28		6.25	0.57	2.70
2027	10.18		0.29		6.39	0.58	2.93
2028	10.58		0.29		6.52	0.59	3.17
2029	10.97		0.38		6.66	0.77	3.16
2030	11.34		0.31		6.74	0.62	3.67
2031	11.75		0.39		6.88	0.78	3.70
2032	20.38		0.38		12.18	0.75	7.08
2033	20.68		0.37		12.36	0.74	7.21
2034	20.93		0.36		12.51	0.72	7.35
2035	21.14		0.45		12.64	0.90	7.16
2036	21.25		0.34		12.70	0.68	7.53
2037	21.36		0.33		12.77	0.66	7.60
2038	21.42		0.31		12.80	0.63	7.68
2039	21.43		0.31		12.81	0.62	7.69
2040	21.38		0.31		12.78	0.62	7.67
2041	21.33		0.45		9.33	0.91	10.65
2042	45.97		0.33		9.33	0.66	35.66
2043	45.85		0.34		4.30	0.68	40.53
2044	45.72		0.34			0.69	44.69
2045	45.58		0.36			0.72	44.50
2046	45.44		0.37			0.74	44.33
2047	45.28		0.53			1.06	43.69
2048	44.96		0.38			0.76	43.82
2049	44.80		0.40			0.80	43.60
2050	44.61		0.40			0.80	43.41
2051	44.43		0.43			0.85	43.15
2052	44.22		0.42			0.84	42.96
2053	44.01		0.63			1.27	42.11
2054	43.60		0.44			0.88	42.28
2055	86.75		0.47			0.93	85.36
2056	86.27						86.27

Master Bond Resolution: Flow of Funds



Note: Flow of funds excludes debt service reserves as may be applicable

Master Bond Resolution: Rate Covenants



Tier	Purpose of Tier	Additional Bonds Test ("ABT")	Rate Covenant
1st Tier Toll Bonds	<ul style="list-style-type: none"> Available for any system purpose 	<ul style="list-style-type: none"> Net revenues are 200 % of annual debt service on a historical and/or projected basis 	<ul style="list-style-type: none"> Net revenues are 150% of annual debt service in each fiscal year
2nd Tier Toll Bonds	<ul style="list-style-type: none"> Included to allow for future financial flexibility Available for any system purpose 	<ul style="list-style-type: none"> Net revenues are 150 % of annual debt service on a historical and/or projected basis 	<ul style="list-style-type: none"> Net revenues are 135% of annual debt service in each fiscal year
3rd Tier Toll Bonds	<ul style="list-style-type: none"> Tier intended for the issuance of Triple-Pledge bonds Available for any system purpose 	<ul style="list-style-type: none"> Net revenues are 130 % of annual debt service on a historical and/or projected basis 	<ul style="list-style-type: none"> Net revenues are 125% of annual debt service in each fiscal year
4th Tier Toll Bonds	<ul style="list-style-type: none"> Intended for TIFIA Available for any system purpose 	<ul style="list-style-type: none"> Net revenues are 110 % of annual debt service on a historical and/or projected basis 	<ul style="list-style-type: none"> Net revenues are 110% of annual debt service in each fiscal year
Other Deposits Required Under Flow Of Funds	<ul style="list-style-type: none"> Operating & Maintenance Reserve Deferred Sales Taxes Motor Vehicle Fund Repayment Repair and Replacement 	<ul style="list-style-type: none"> Net revenues are 100 % of all required deposits from toll revenue on a historical and/or projected basis 	<ul style="list-style-type: none"> Net revenues are 100% of all required deposits from toll revenue in each fiscal year

Finance Plan with \$320 Million TIFIA Loan



Preliminary Application of Net Toll Revenues: \$320 Million TIFIA Loan Scenario

