



North Carolina Turnpike Authority
Board of Directors Meeting

November 21, 2016



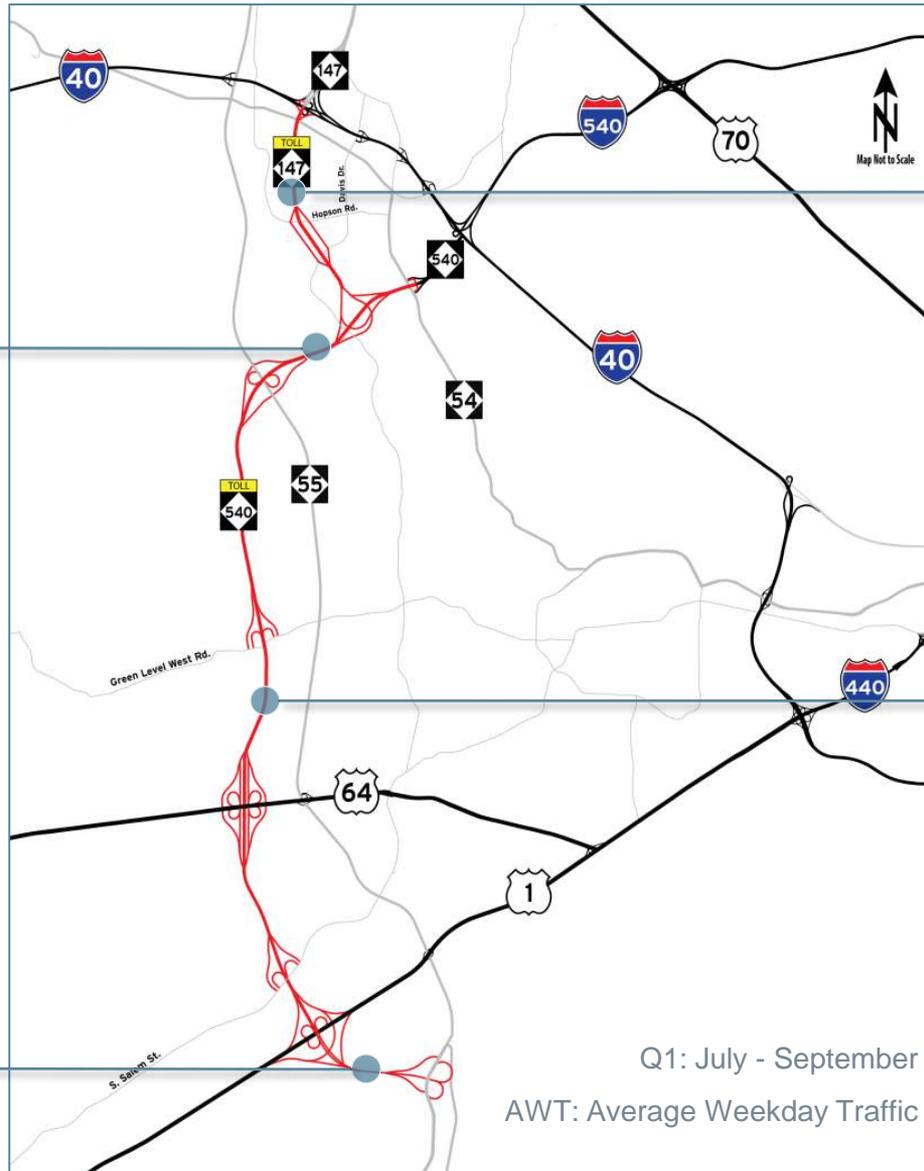
Triangle Expressway – Operations

Andy Lelewski, PE

Director of Toll Road Operations



Mainline Traffic Statistics



FY16 Q1 AWT = 40,400
FY17 Q1 AWT = 45,710
13% Increase

FY16 Q1 AWT = 15,720
FY17 Q1 AWT = 17,260
10% Increase

FY16 Q1 AWT = 27,260
FY17 Q1 AWT = 32,920
21% Increase

FY16 Q1 AWT = 15,670
FY17 Q1 AWT = 17,700
13% Increase

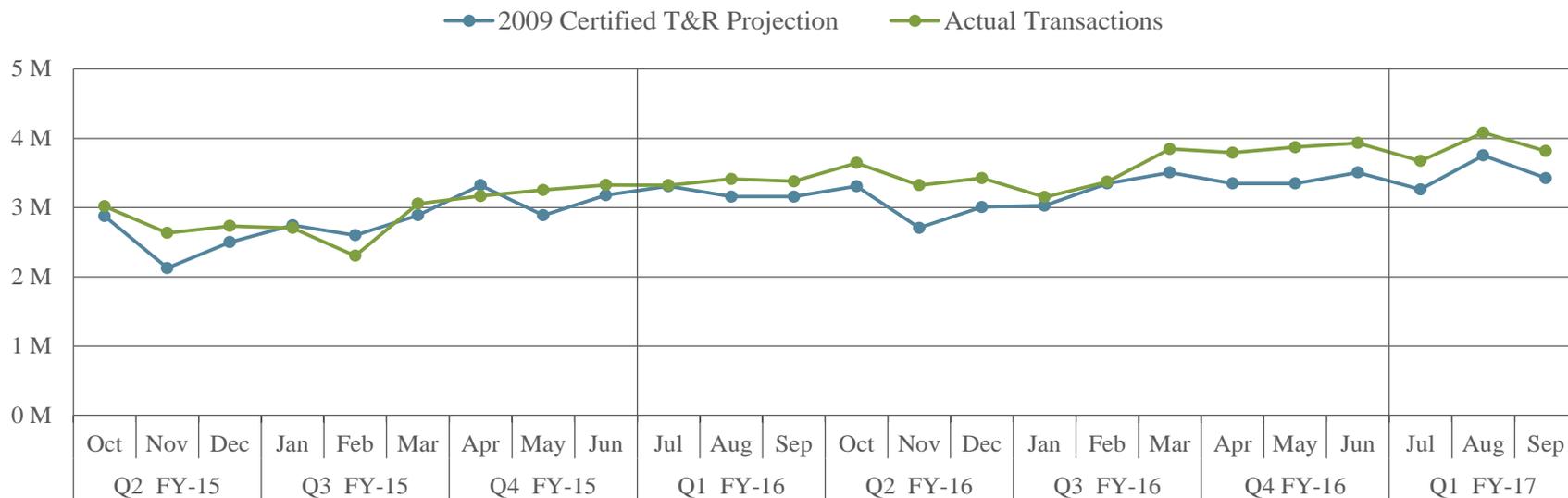


Roadway Maintenance Statistics

	Q1 FY 2016	Q2 FY 2016	Q3 FY 2016	Q4 FY 2016	Q1 FY 2017
Road Surface	98.9	97.9	98.3	100.0	99.1
Unpaved Shoulders and Ditches	100.0	97.8	97.7	100.0	100.0
Drainage Structures	93.5	83.8	92.6	91.0	87.9
Roadside	86.3	90.5	92.1	83.4	90.0
Traffic Control Devices	89.0	92.2	93.5	96.1	90.5
Overall	93.1	92.8	94.9	94.7	93.4



Transaction Statistics

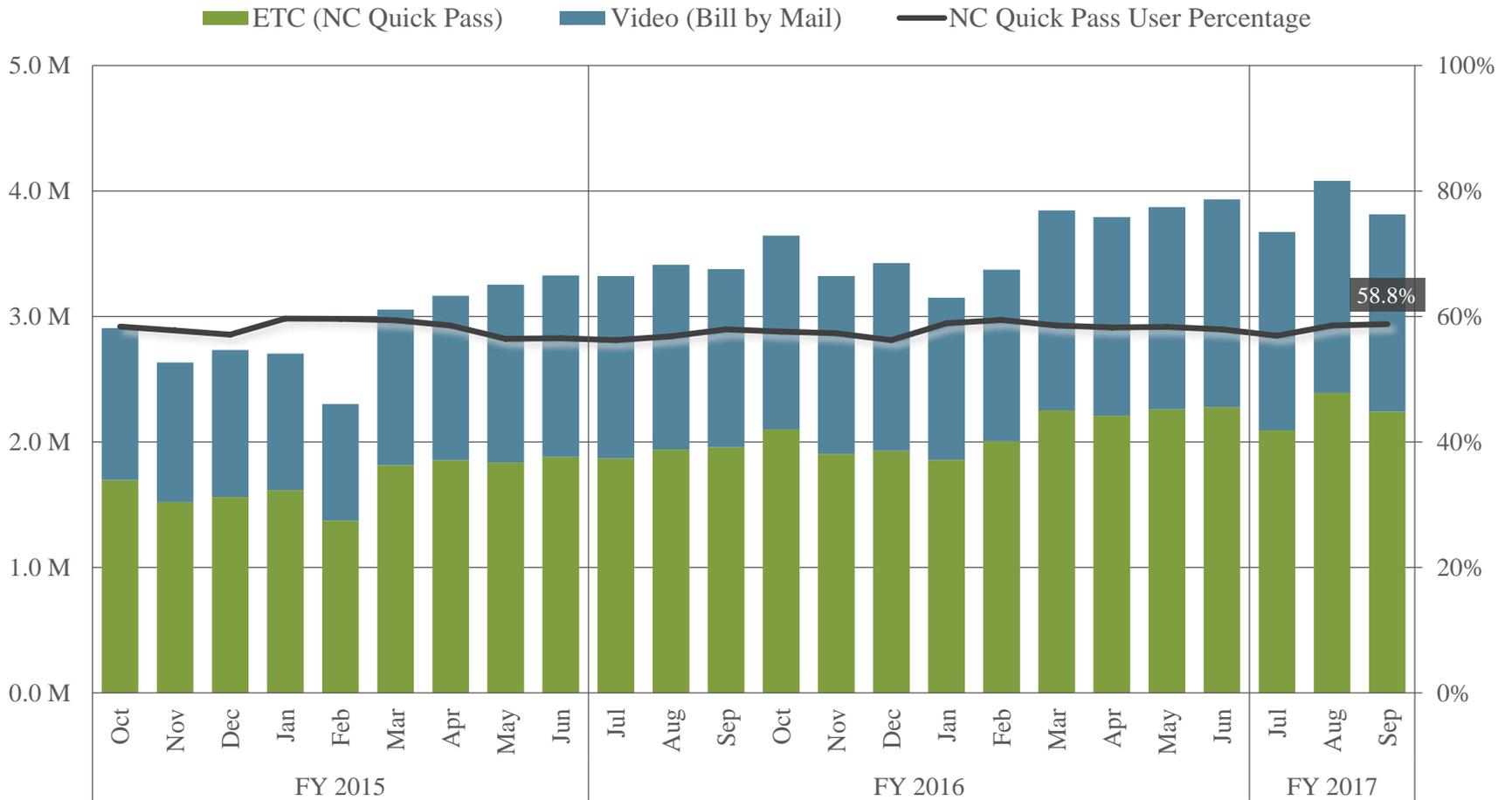


	Q2 FY-15	Q3 FY-15	Q4 FY-15	Q1 FY-16	Q2 FY-16	Q3 FY-16	Q4 FY-16	Q1 FY-17
Actual Transactions	8,384,818	8,063,472	9,747,177	10,114,193	10,393,787	10,370,030	11,596,894	11,570,102
2009 Certified Traffic and Revenue¹	7,503,370	8,234,180	9,389,855	9,623,134	9,021,687	9,882,200	10,200,979	10,440,591
Delta	881,448	(170,708)	357,322	491,059	1,372,100	487,830	1,395,915	1,129,511
Percent of Actual vs. 2009 Base Case	112%	98%	104%	105%	115%	105%	114%	111%

¹Target monthly transaction data based on annualized numbers contained in the 2009 Certified Traffic and Revenue Report developed by CDM Smith

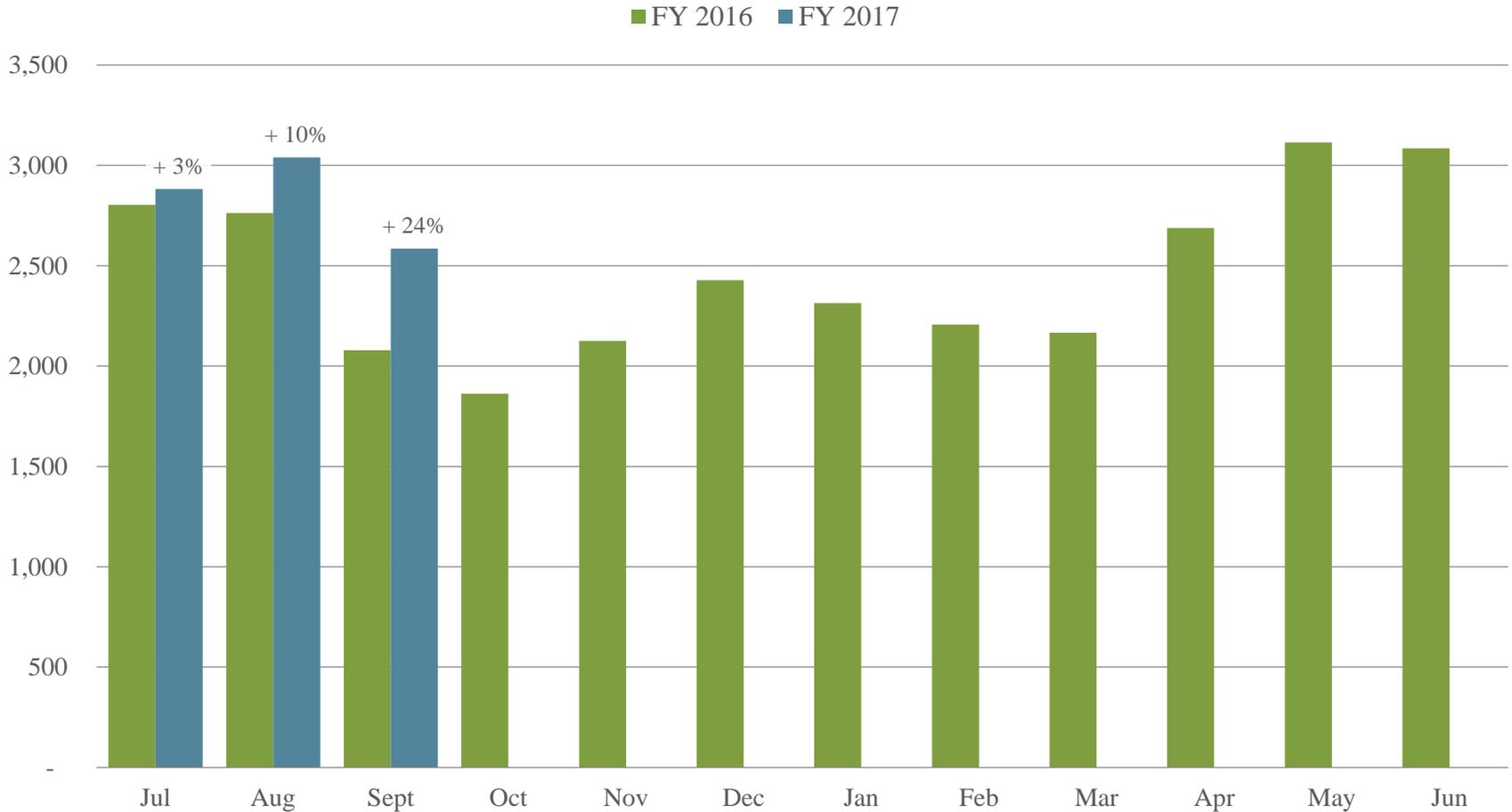


Toll Transactions by Type



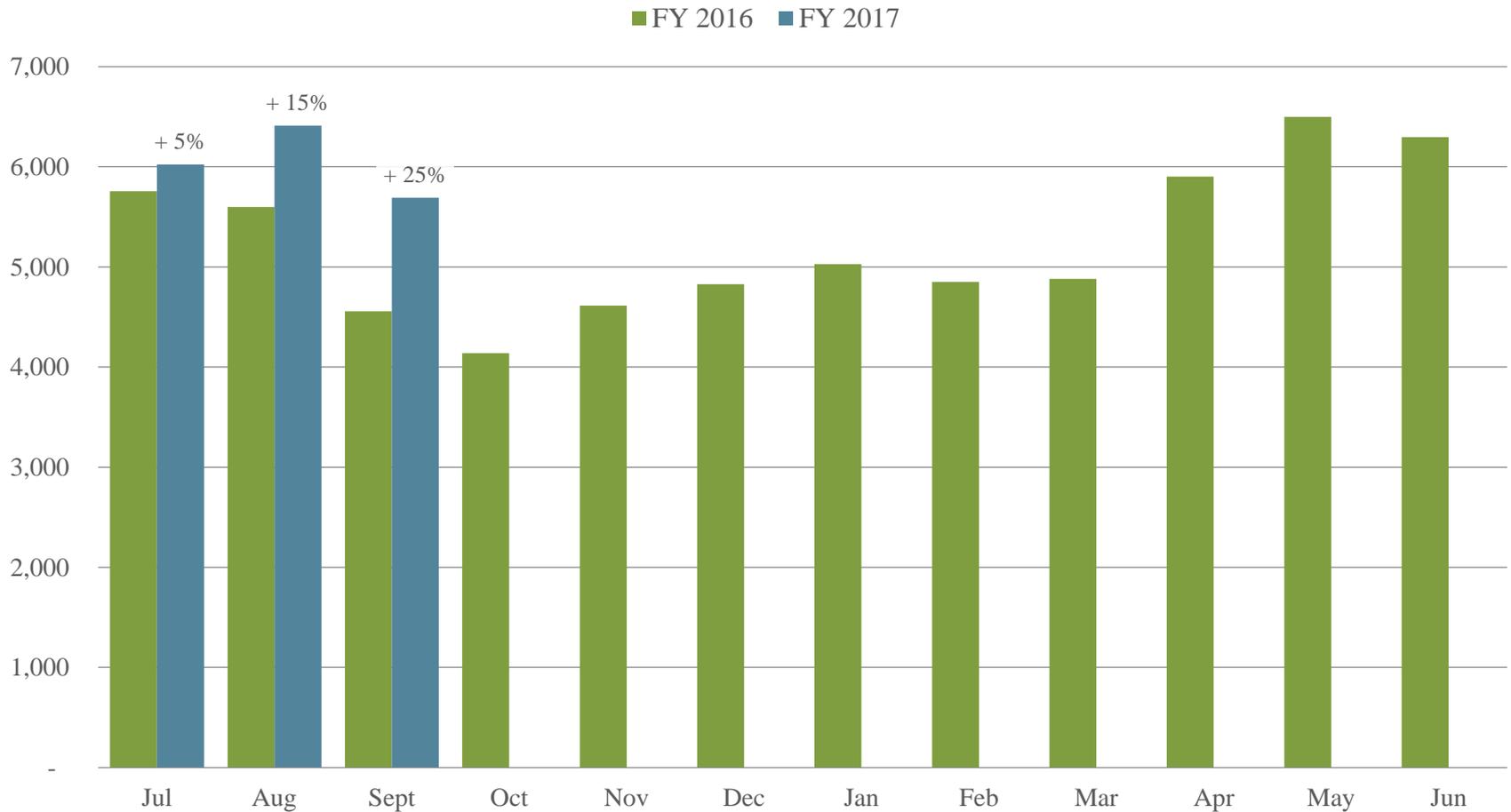
New NC Quick Pass Accounts

Up 11% YTD



NC Quick Pass Transponders Sold

Up 14% YTD



NC Quick Pass[®] Marketing

- Durham Bulls Baseball Games
 - 11 games (April – August)



- Holly Spring Salamanders Baseball Games
 - 3 games (June – August)



NC Quick Pass® Marketing

- Cary Lazy Daze – August 27-28, 2016

- Over 50,000 in attendance



- Attended HollyFest in Holly Springs - October 29, 2016

- Over 11,000 in attendance
- Discussion topics included new interchange



HollyFest NC Quick Pass® Booth

Town of HollySprings Retweeted



NC Turnpike @TriangleExpress · Oct 27

#NCQuickPass will be in attendance at this year's HollyFest 2016 on Sat., Oct. 29 from 10 am-4 pm ow.ly/uP00305ACA9 @ToHollySprings

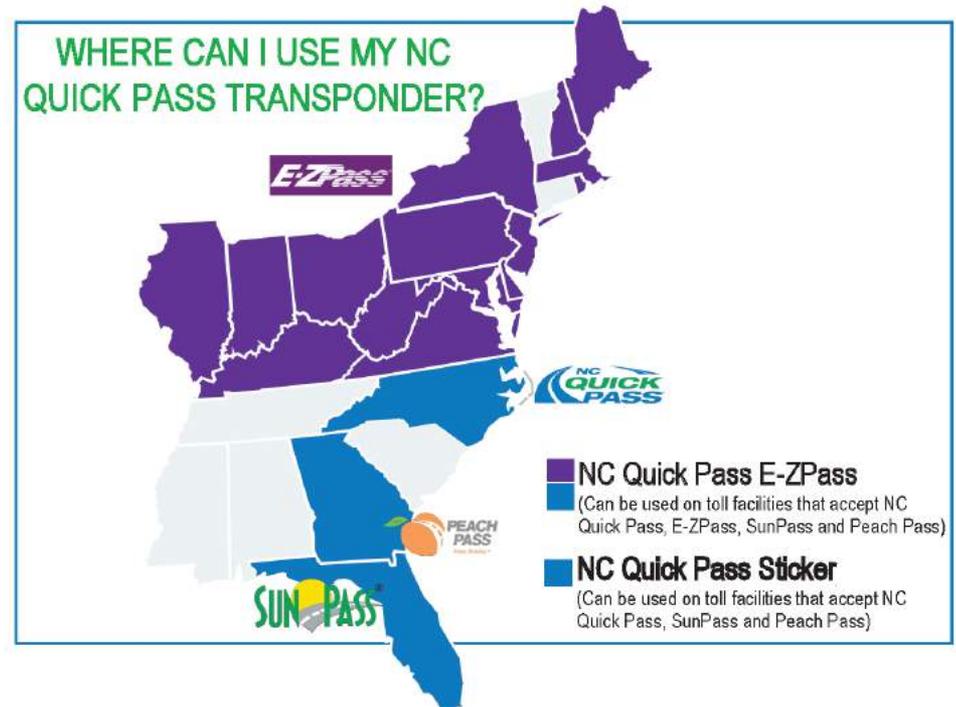
Retweet 2 Like 2



NC Quick Pass® Marketing

- Transponder Program Enhancements

- Scripts for Customer Service Representatives
- Transponder application
- Website and FAQ
- Signing in Customer Service Center



NC QUICK PASS Limited Time Offer*

SAVE 50% on your NC Quick Pass E-ZPass transponder purchase!

With a NC Quick Pass transponder, you'll save up to 35% on the Triangle Expressway and pay for tolls effortlessly! Your NC Quick Pass E-ZPass transponder can be used on the following toll facilities:



*Promotion is valid through January 31, 2017 and is not valid on Sticker and Exterior transponders. Questions? Call (877) 767-2317

- Holiday promotion - December 1st through January 31st



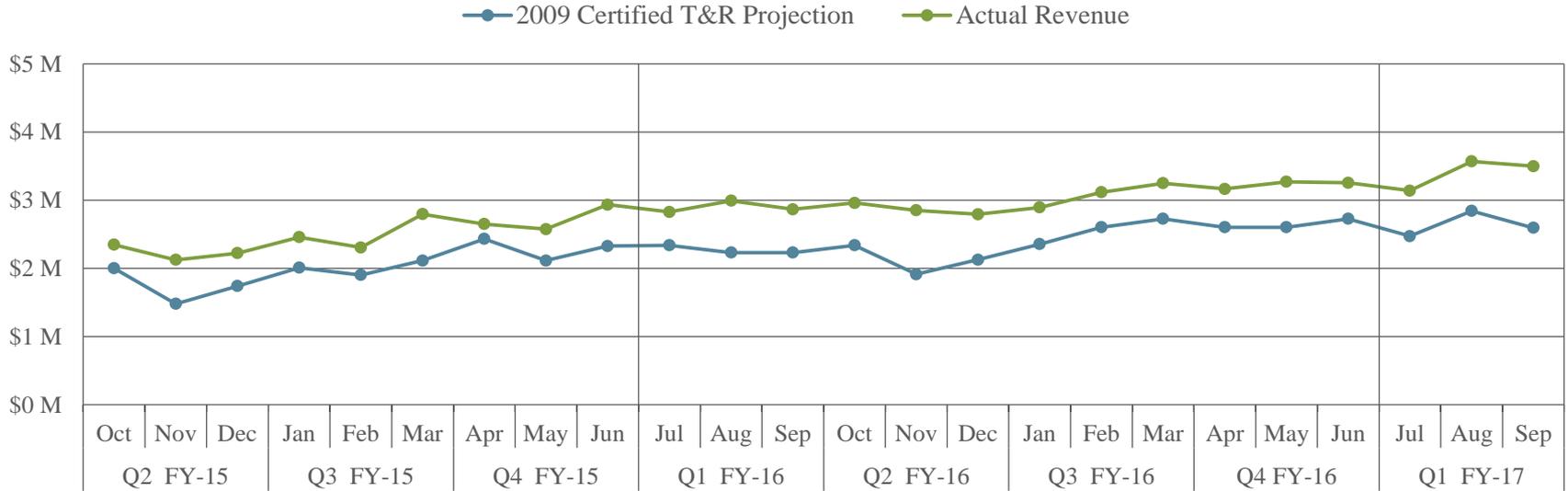
Triangle Expressway – Financials

David Roy

Director of Finance and Budget



Revenue Statistics



	Q2 FY-15	Q3 FY-15	Q4 FY-15	Q1 FY-16	Q2 FY-16	Q3 FY-16	Q4 FY-16	Q1 FY-17
Actual Revenue¹	\$ 6,696,239	\$ 7,563,900	\$ 8,162,630	\$ 8,689,600	\$ 8,607,686	\$ 9,262,129	\$ 9,695,119	\$ 10,210,606
2009 Certified Traffic and Revenue²	\$ 5,223,522	\$ 6,031,125	\$ 6,877,599	\$ 6,807,444	\$ 6,381,979	\$ 7,690,252	\$ 7,938,325	\$ 7,913,993
Delta (\$)	\$ 1,472,717	\$ 1,532,775	\$ 1,285,031	\$ 1,882,156	\$ 2,225,707	\$ 1,571,877	\$ 1,756,794	\$ 2,296,613
Percent of Actual vs. 2009 Base Case	128%	125%	119%	128%	135%	120%	122%	129%

¹Actual revenue is reported on a cash basis

²Target monthly revenue data based on annualized numbers contained in the 2009 Certified Traffic and Revenue Report developed by CDM Smith



Revenue Statistics



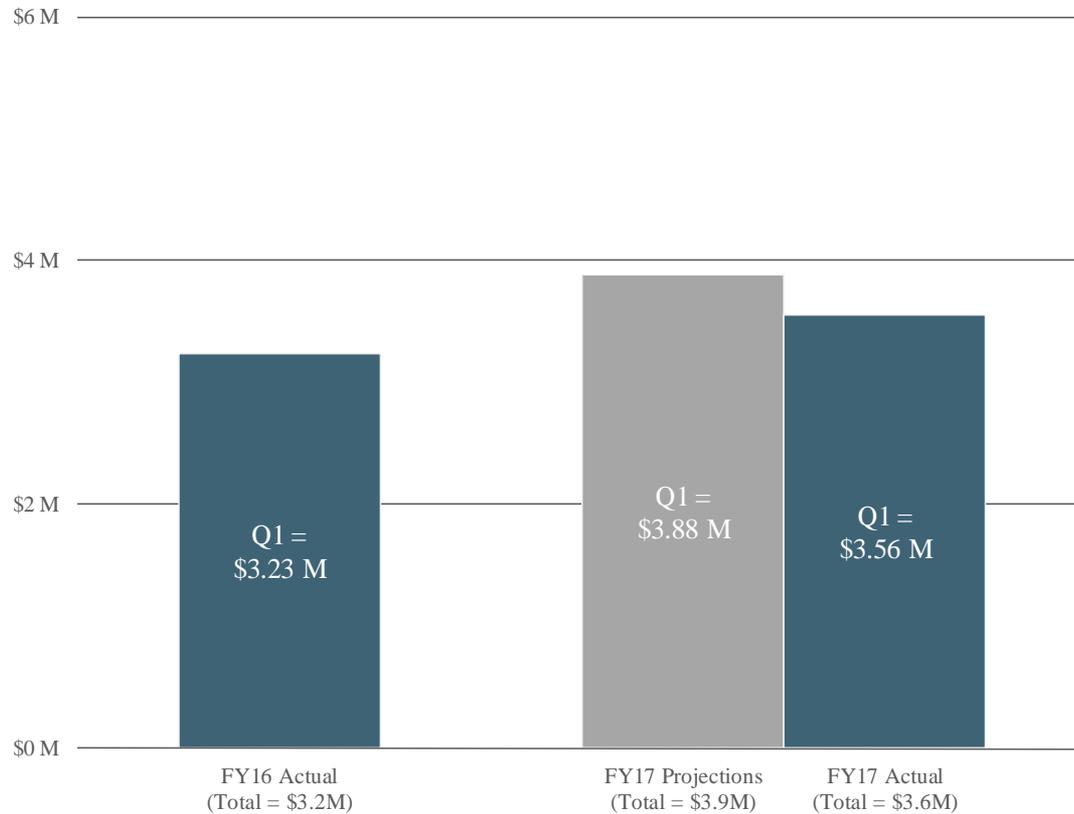
FY17 Quarter 1

- YTD revenues 29% higher than financing base case projections
- YTD revenues up 17.5% year-over-year

- Revenue figures are inclusive of all toll revenue and fees, but exclude transponder revenues (YTD = \$148,466.57)
- Actual revenues reported on a cash basis



Operating Expenditures



FY17 Quarter 1

- YTD expenditures 8.4% lower than projected budget

- Actual operating expenditures reported on a cash basis



Toll Rate Schedule

- § 136-89.183 (Powers of the Authority)
- Toll Rate Policy adopted September 17, 2008
- Scheduled average toll rate increases:

2017 - 2021	3.5%
2022 - 2036	3.0%
After 2036	2.0% or less

- 3.5% increase scheduled to take effect: January 1, 2017



Access 540 – Project Update

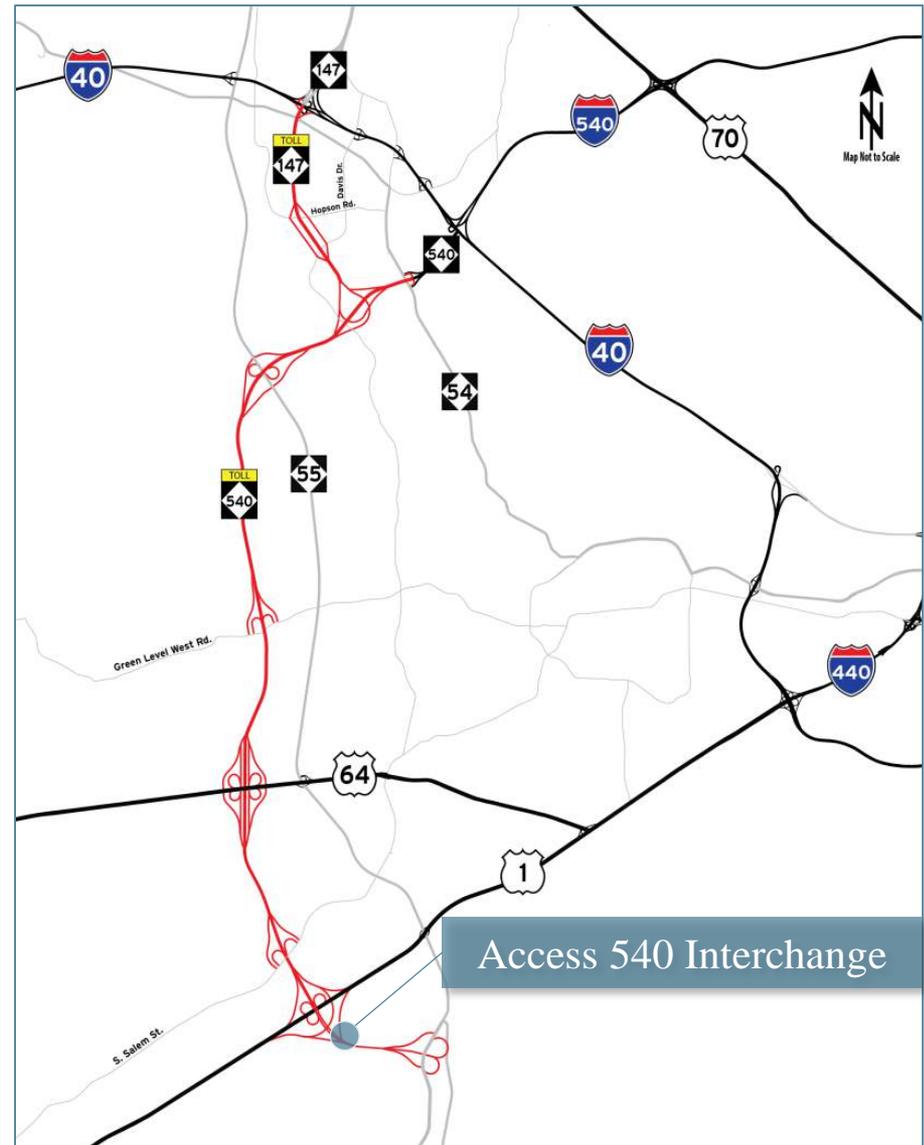
Dennis Jernigan, PE

Project Controls Engineer



Access 540 Overview

- New interchange
- Widen bridge and Old Holly Springs-Apex Rd. – soon to be renamed **Veridea Parkway**
- 2 new All-Electronic Tolling (AET) sites on ramps
- Revised AET toll sites on mainline
- Design-Build contract awarded June 26, 2015
- Design-Build construction cost: \$18.4M



Schedule Update

- Site turned over to NCTA for toll testing: Fall 2016
- Substantial Completion / Open to Traffic: Early 2017
- Final Completion: Spring 2017



June



July



August



September



October



November



June



July



August



September



October



November



June



July



August



September



October



November



June



July



August



September



October



November















Monroe Expressway – Finance Update

David Roy

Director of Finance and Budget

Jim Calpin

Bank of America



*Proposed Schedule**

Month	Event
September	<ul style="list-style-type: none"> • NCTA Finance Committee Meeting (Sept 8) • Draft Financing Documents
October	<ul style="list-style-type: none"> • NCTA Finance Committee Meeting (Oct 6) • TIFIA Credit Council Work Group Meetings • NCTA Finance Committee Meeting to Recommend Approval of Financing and Bond Documents to Full Board (Oct 26) • Submitted TIFIA Application (Oct 27) • Solicit Final Credit Ratings & Credit Enhancement
November	<ul style="list-style-type: none"> • NCTA Board Meeting Approved Financing and Bond Documents (Nov 3) • TIFIA Credit Council Approval (Nov 16) • LGC Approves Financing and Bond Documents (TBD) • Receive Final Credit Ratings & Credit Enhancement • POS Proof and Posting • Investor Roadshow and Site Visit
December	<ul style="list-style-type: none"> • Pre-pricing activities • Bond Pricing • TIFIA Loan Closing • Bond Closing

*Preliminary and subject to change

North Carolina Turnpike Authority

Market Update

November 21, 2016

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Municipal Market Update

Current Market Environment

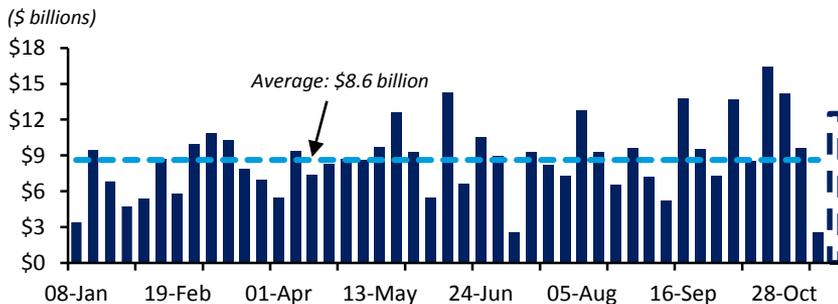
Commentary⁽¹⁾

- Since Election Day, the market is experiencing a new level of volatility in the fixed income, equity and currency markets world-wide
- Domestic equity price action was positive and indices are approaching all-time highs
- A more inflationary outlook has put immediate pressure on treasury yields
 - U.S. 10yr & U.S. 30yr rates are 40bps higher in yield since 11/8

Tax-exempt market weakens in concert with treasuries:

- Issuance YTD is up ~12% yr/yr
 - Only \$3bn of tax exempt issuance priced this past week as the election and Veterans Day forced some issuers into the following week.
 - Anticipated issuance of \$12.5bn will be a test for the municipal market following an extreme move higher in treasury yields

Weekly Municipal Bond Issuance (2016 YTD)⁽³⁾



(1) Provided by the long-term underwriting desk of BofAML; does not represent the opinion of BofAML Global Research
 (2) Source: Bloomberg and BofAML Global Research as of 11/10/16.
 (3) Source: Thomson Reuters and IPREO calendar as of 11/10/16; excludes notes and private placements.
 (4) Fed Fund Target Rate – BofAML reflects Effective Rate; Street Medians reflects Upper Bound.

Economic Data Reports & Interest Rate Forecasts⁽²⁾

SELECTED ECONOMIC DATA REPORTS			
Date	Economic Event	Date	Economic Event
11/15/16	Retail Sales	11/17/16	Consumer Price Index
11/16/16	PPI-FD	11/17/16	Housing Starts
11/16/16	Industrial Production	11/17/16	Jobless Claims
11/16/16	EIA Petroleum Status Report	11/17/16	Philly Fed Survey

BANK OF AMERICA MERRILL LYNCH FORECAST					
Metric	11/10/16	2016Q4	2017Q1	2017Q2	2017Q3
Fed Fund Rate ⁽⁴⁾	0.50%	0.62%	0.62%	0.87%	0.87%
3-Month LIBOR	0.89%	1.05%	1.05%	1.25%	1.30%
2YR T-Note	0.92%	0.95%	1.00%	1.20%	1.25%
10YR T-Note	2.14%	1.50%	1.75%	2.00%	2.10%
30YR T-Bond	2.95%	2.25%	2.45%	2.60%	2.75%

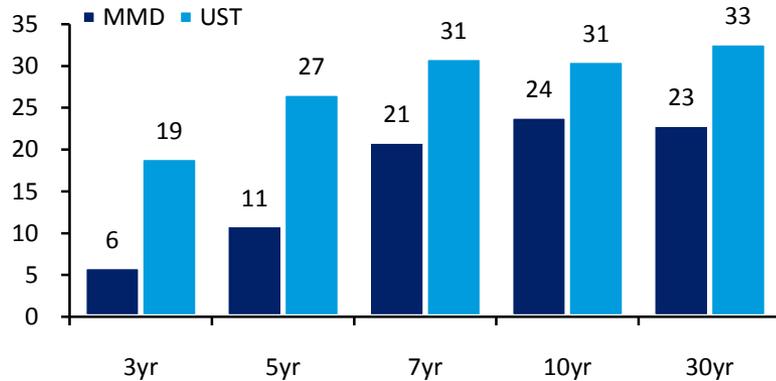
STREET MEDIANS FORECAST					
Metric	11/10/16	2016Q4	2017Q1	2017Q2	2017Q3
Fed Fund Rate ⁽⁴⁾	0.50%	0.70%	0.75%	0.90%	0.95%
3-Month LIBOR	0.89%	0.95%	1.02%	1.13%	1.22%
2YR T-Note	0.92%	0.91%	0.99%	1.11%	1.22%
10YR T-Note	2.14%	1.74%	1.83%	1.93%	2.03%
30YR T-Bond	2.95%	2.51%	2.57%	2.70%	2.78%

Municipal Market Update

Market Movements

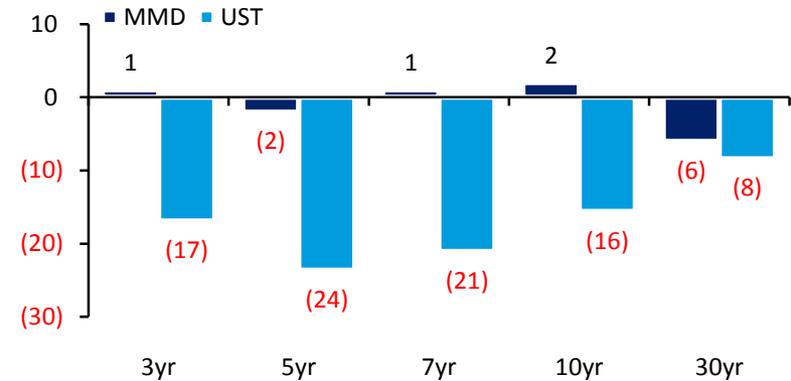
Change in MMD & UST (Week ending 11/10/16)

(basis points)

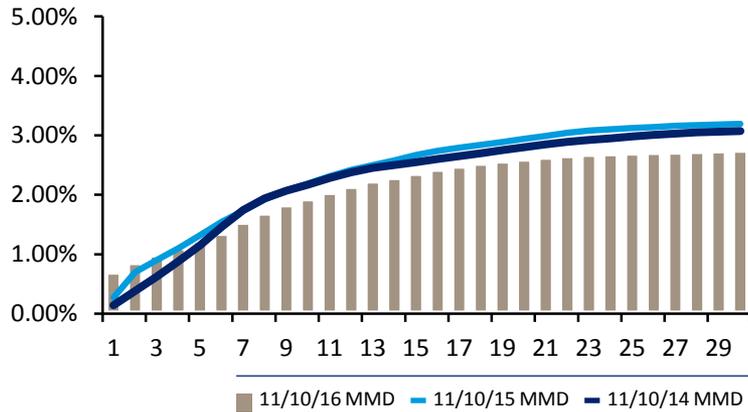


Change in MMD & UST (2016 YTD)

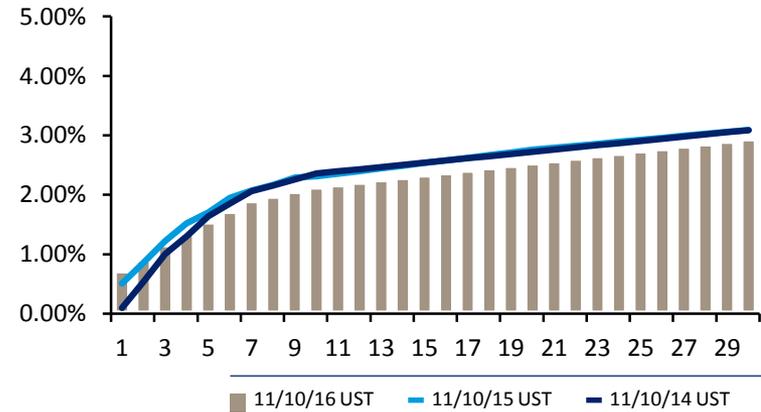
(basis points)



AAA MMD Yield Curve



UST Yield Curve

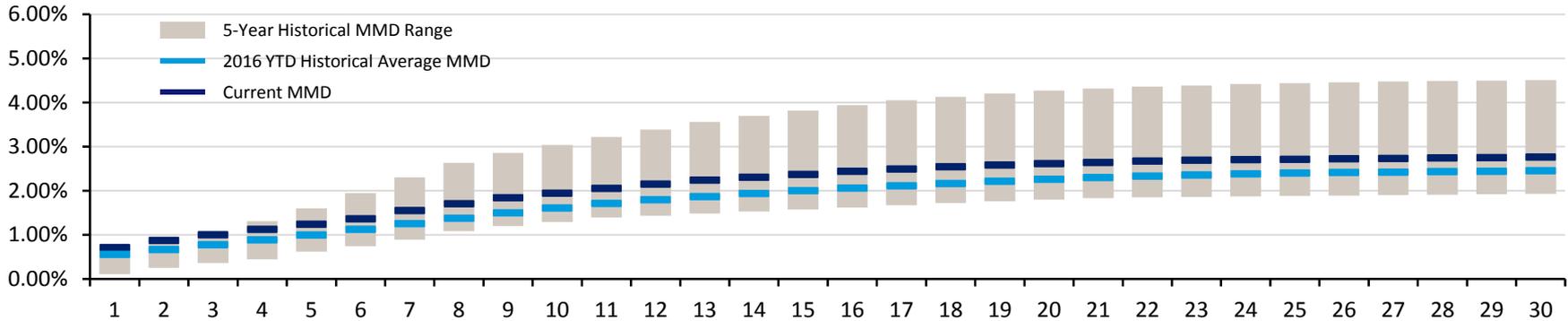


Source: Thomson Reuters as of 11/10/16.

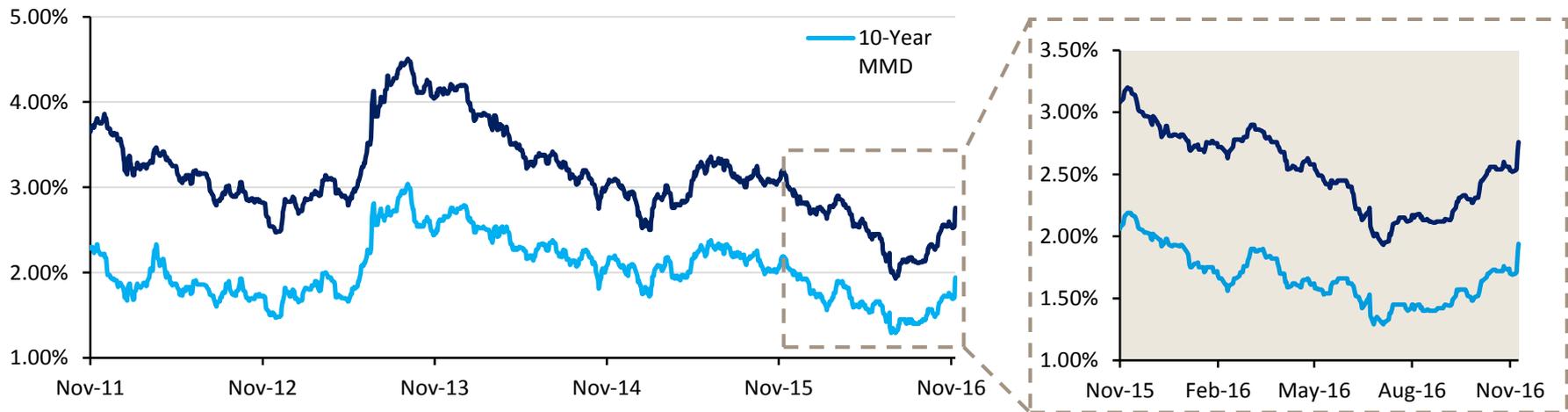
Municipal Market Update

Tax-Exempt Interest Rate Overview

MMD Yield Curve (Last Five Years)



10-Year and 30-Year MMD Rates (Last Five Years)



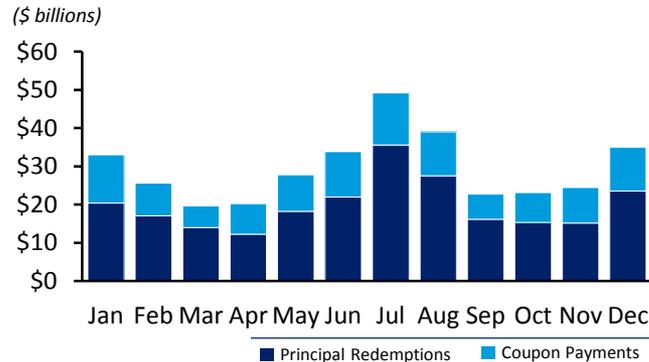
Source: Thomson Reuters as of 11/10/16.

Municipal Market Update

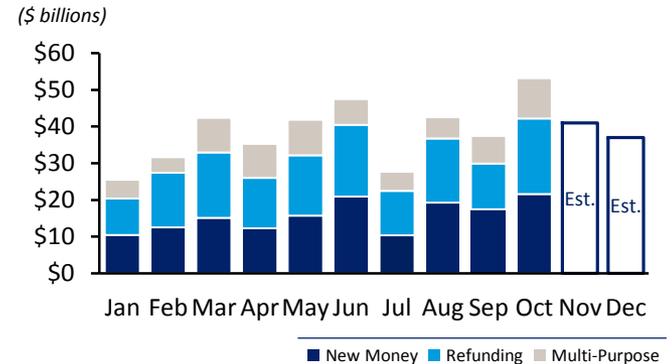
Supply and Demand

- *The appetite for munis has been strong this year.*
- *Monthly muni volume surged to a three-decade high in October, totaling over \$53bn.*
- *Given the historical end of the year rush to market, 2016 total issuance may reach levels of \$460bn-\$470bn.*

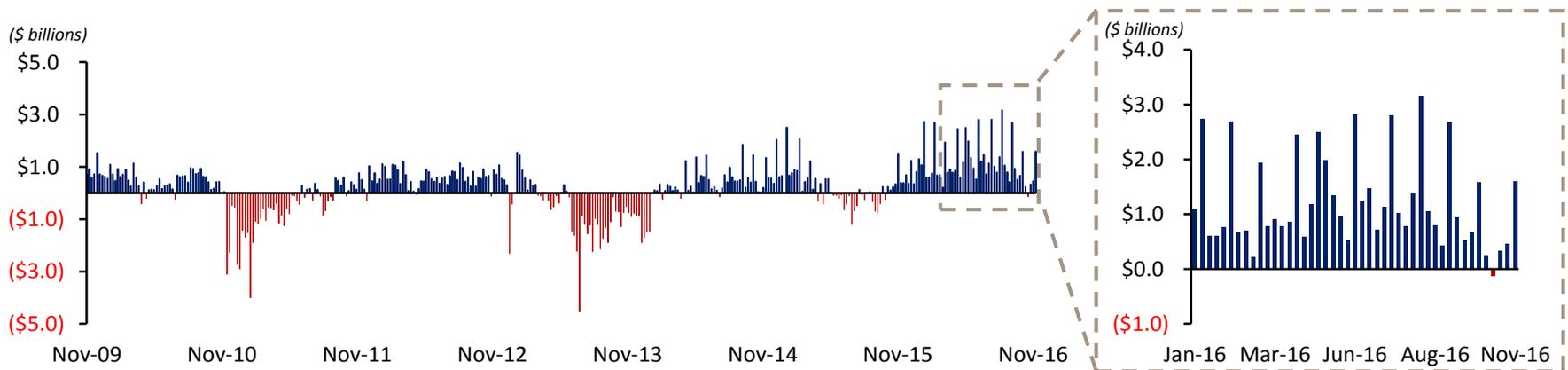
Estimated 2016 National Redemptions⁽¹⁾



Estimated 2016 Municipal Issuance⁽¹⁾



Municipal Bond Funds Reported Inflows for 57 of the Last 58 Weeks⁽²⁾



(1) BofAML Global Research as of 2/29/16; 8/26/16; 10/28/16; Thomson Reuters as of 10/31/16; actual YTD issuance excludes notes, includes private placements.

(2) Lipper U.S. Fund Flows as of 11/9/16; data includes weekly and monthly reporting funds.

Marketing Considerations

Proposed Transaction Schedule*

November 2016							December 2016						
<u>S</u>	<u>M</u>	<u>T</u>	<u>W</u>	<u>T</u>	<u>F</u>	<u>S</u>	<u>S</u>	<u>M</u>	<u>T</u>	<u>W</u>	<u>T</u>	<u>F</u>	<u>S</u>
		1	2	3	4	5					1	2	3
6	7	8	9	10	11	12	4	5	6	7	8	9	10
13	14	15	16	17	18	19	11	12	13	14	15	16	17
20	21	22	23	24	25	26	18	19	20	21	22	23	24
27	28	29	30				25	26	27	28	29	30	31

Week of	Date	Event
November 14 th	11/16	TIFIA Credit Council Approval
November 21 st	11/21	NCTA Offsite Meeting in Charlotte Market Update
November 28 th	11/29	Record Online Investor Presentation Finalize Preliminary Official Statement
	11/30	LGC Approval (TBD) Post / Release POS and Online Investor Presentation
	12/1-2	Hold for One-on-one Investor Calls
December 5 th	12/5	Hold for One-on-Ones
	12/6	Pre-Pricing Activities Syndicate Price Views Due Pre-Pricing Discussion
	12/7-8	Institutional Order Period Final Pricing Discussion Verbal Award Execute BPA
December 12 th	12/13	Bond & TIFIA Pre-Closing
	12/14	Bond & TIFIA Closing

* Preliminary, subject to change.

Risk Disclosures

Fixed Rate Bonds⁽¹⁾

Material Risk Consideration	Description of Risk	Potential Consequences
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents	<ul style="list-style-type: none"> -Range of available remedies may be brought against Issuer (e.g., forcing Issuer to raise taxes or revenues) -Credit ratings negatively impacted -Access to capital markets impaired -Possibility of receivership or bankruptcy for certain issuers
Redemption Risk	The ability to redeem the bonds prior to maturity may be limited	<ul style="list-style-type: none"> -Inability to refinance at lower interest rates
Refinancing Risk	Possibility that the bonds cannot be refinanced	<ul style="list-style-type: none"> -Inability to refinance at lower interest rates
Reinvestment Risk	Possibility that the Issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds	<ul style="list-style-type: none"> -Negative arbitrage resulting in a higher cost of funds
Tax Compliance Risk	For tax-exempt bonds, possibility that failure to comply with tax-related covenants results in the bonds becoming taxable obligations	<ul style="list-style-type: none"> -Increase in debt service costs retroactively to date of issuance -Possible mandatory redemption of bonds affected -Risk of IRS audit -Difficulty in refinancing the bonds -Access to tax-exempt market impacted -Difficulty in issuing future tax-exempt debt

⁽¹⁾ You should consult with your financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate concerning such risks.

Monroe Expressway – Project Update

Rick Baucom, PE
Construction Project Manager



Monroe Expressway Overview

- 20-mile long expressway
- 4 to 6 lanes wide (expandable to median)
- 37 bridges
- 21 box culverts
- 8 interchanges
- Open Road Tolling



Important Dates

- ITS Integration – July 31, 2018
- Substantial Completion – November 27, 2018
- Final Completion – May 28, 2019



Monroe Bypass Constructors

Monroe Bypass Constructors is a Joint Venture comprised of three companies:



Anderson Columbia Company, Inc.



United Infrastructure Group, Inc.

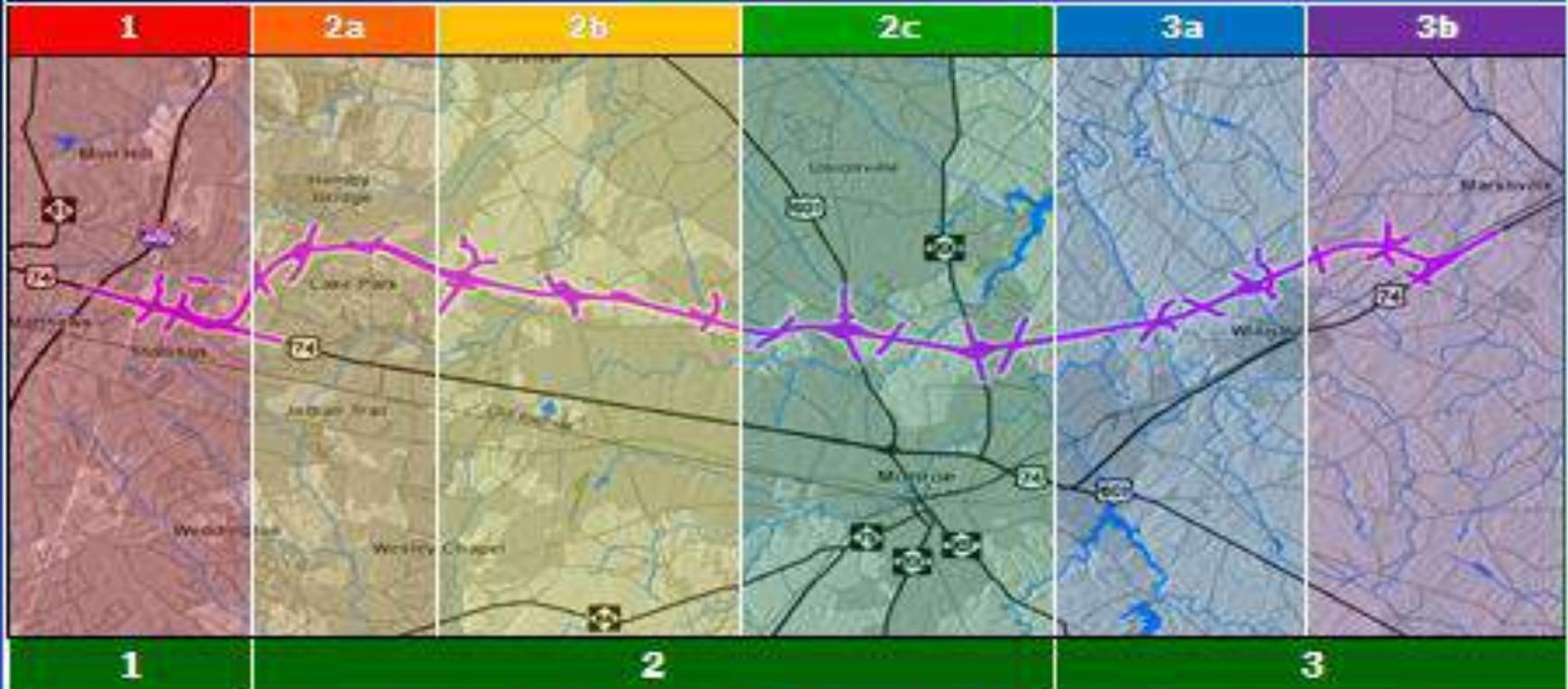


Boggs Paving, Inc.



Project Segments & Sections

DESIGN SECTIONS



CONSTRUCTION SEGMENTS

M74NROE
BYPASS CONSTRUCTORS

Current Operations

Clearing & Grubbing And Erosion Control – 1, 2 & 3

- Cleared Approx. 99+% of the 20 mile corridor
- EC maintenance is major operation



Current Operations

Box Culverts & Pipe – 1, 2 & 3

- 18 culverts complete & 3 under construction
- 6.2 miles of reinforced concrete pipe installed



Current Operations

Bridges & MSE Walls – 2 & 3

- 5 bridges complete & carrying traffic
- 32 bridges under construction
- 2.2 Million pounds of rebar installed



Current Operations

Grading & Utilities– 1, 2 & 3

- Most 'Mass Hauling' has been completed in Segments 2B, 2C & 3
- Fine grading is continuing in Segments 2 & 3
- 10.6 miles of water line and 4.3 miles of sewer line installed



Grading at US 74 near CSX RR – February (3B)



Grading at US 74 near CSX RR – October (3B)



Austin-Chaney Rd. to Monroe –Ansonville Rd. (3A)



www.AerialPhotosElite.com

Olive Branch Road Overpass (2C)



NC 200 Interchange (2C)



www.AerialPhotosFlite.com

Deese Road Bridge over Expressway (2C)



Deese Road Bridge over Expressway – October (2C)



www.AerialPhotosElite.com

US 601 Interchange (2C)



www.AerialPhotosElite.com

Rocky River Rd. Interchange (2B)



www.AerialPhotosElite.com

Indian Trail – Fairview Rd. Interchange (2A)



www.AerialPhotosElite.com

US 74 Interchange – West



Monroe Expressway – Operations Update

Andy Lelewski, PE

Director of Toll Road Operations



Toll Collection System Update

- Roadside Toll Collection System (Gantry-Mounted Equipment)
 - Request for Proposal Issue Date: April 14, 2016
 - Proposals submitted: July 11, 2016
 - Contract Award Expected: Early 2017
- Automatic Vehicle Identification (Transponder Antennas)
 - Request for Proposal Issue date: August 30, 2016
 - Proposals submitted: October 14, 2016
 - Contract Award Expected: Early 2017
- Back Office System – Planning for changes to accommodate project and new toll zones

Wrong-Way Driver Notification

- Leverage existing equipment and technology
- Procedures for real-time detection and alerts
 - Video clip of wrong-way vehicle to Traffic Management Center
 - Real-time messaging for traveling public
 - Notification to first responders



Video wall at Traffic Management Center



Signing – Legislation & Standards

Legislation:

Legislation does not require toll rate signs.

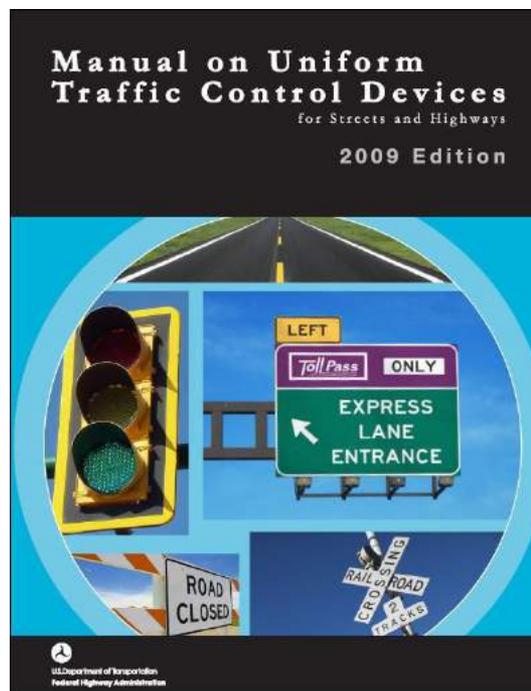
GS 136-89.213(b)

Open Road Tolls. - If a Turnpike project uses an open road tolling system, the Authority must operate a facility that is in the immediate vicinity of the Turnpike project or provide an alternate means to accept cash payment of the toll and must place signs on the Turnpike project that give drivers the following information:

- (1) Notice that the driver is approaching a highway for which a toll is required. Signs providing this information must be placed before the toll is incurred.
- (2) The methods by which the toll may be paid.
- (3) If applicable, directions to the nearby facility that accepts cash payment of the toll. (2008-225, s. 2; 2012-78, s. 12; 2013-183, s. 5.6.)

Standards:

The federal standard does not require toll rate signs, but does provide guidance.



Triangle Expressway Approach



Triangle Expressway Approach

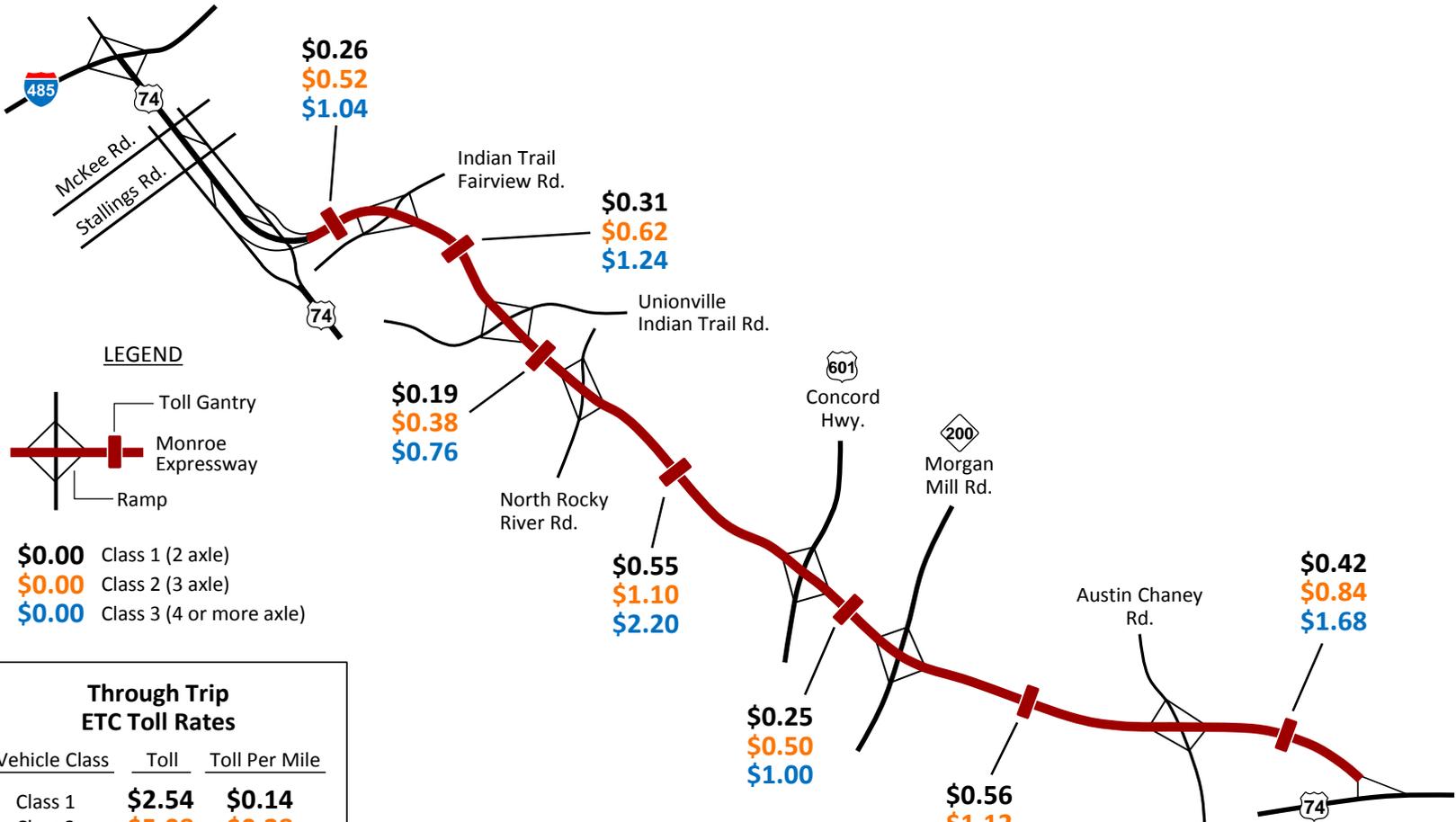


Monroe Expressway Toll Rate Signing

**All rates are for demonstration purposes only.*



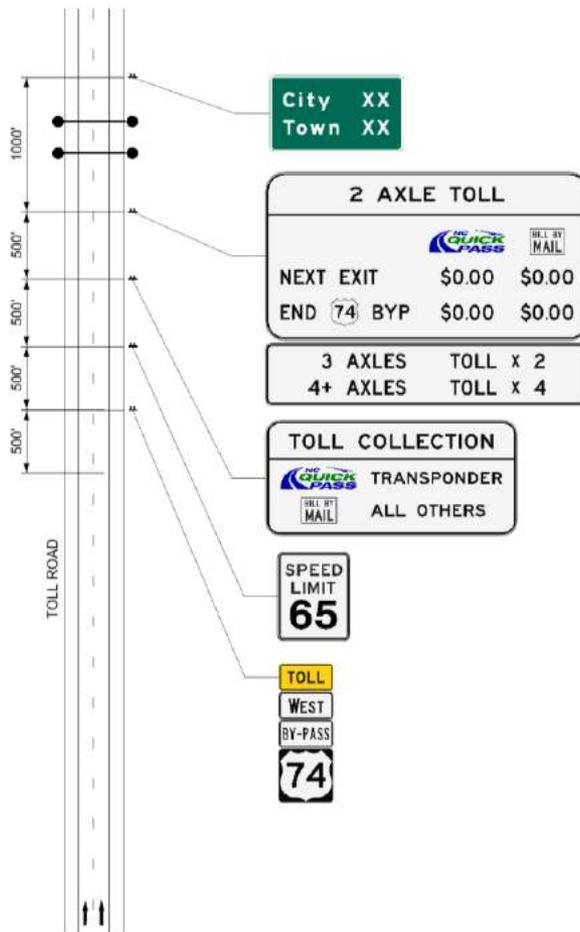
Not To Scale



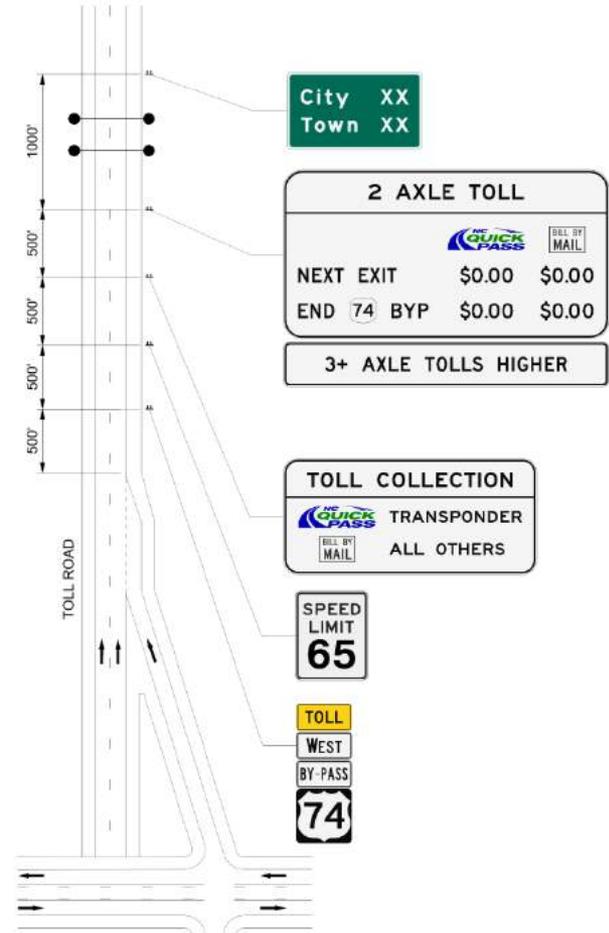
Monroe Expressway Toll Rate Signing

*All rates are for demonstration purposes only.

Entry from US-74



Entry from Interchange



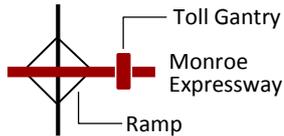
Monroe Expressway Toll Rate Signing

*All rates are for demonstration purposes only.

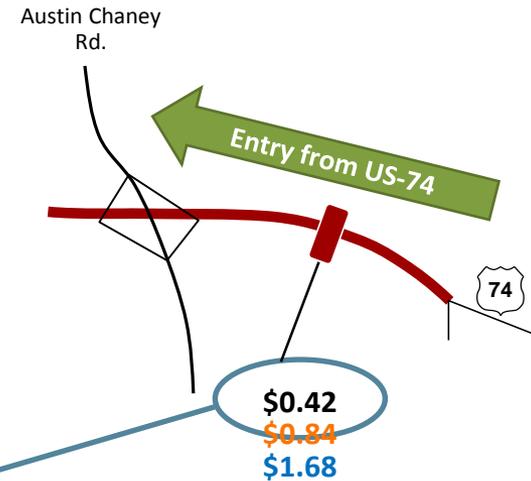


Not To Scale

LEGEND



- \$0.00** Class 1 (2 axle)
- \$0.00** Class 2 (3 axle)
- \$0.00** Class 3 (4 or more axle)



2 AXLE TOLL

BILL BY MAIL

NEXT EXIT	\$0.42	\$0.65			
END BYP	\$2.54	\$3.92			

3 AXLES	TOLL	x	2		
4+ AXLES	TOLL	x	4		

Through Trip ETC Toll Rates		
Vehicle Class	Toll	Toll Per Mile
Class 1	\$2.54	\$0.14
Class 2	\$5.08	\$0.28
Class 3	\$10.16	\$0.56

Monroe Expressway Toll Rate Signing

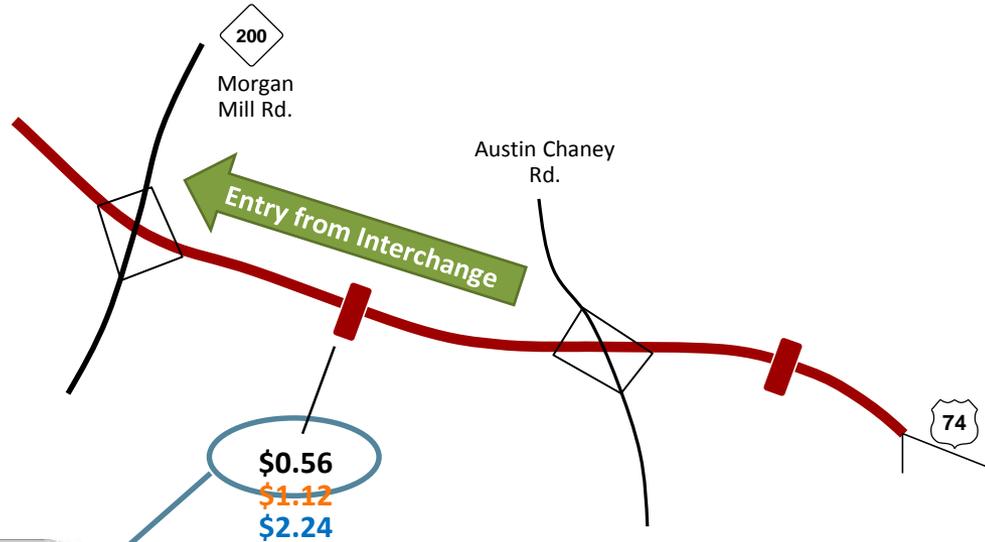
**All rates are for demonstration purposes only.*



Not To Scale

LEGEND

\$0.00 Class 1 (2 axle)
\$0.00 Class 2 (3 axle)
\$0.00 Class 3 (4 or more axle)



2 AXLE TOLL

BILL BY MAIL

NEXT EXIT	\$0.56	\$0.86	
END BYP	\$2.12	\$3.27	

3+ AXLE TOLLS HIGHER

Through Trip ETC Toll Rates		
Vehicle Class	Toll	Toll Per Mile
Class 1	\$2.54	\$0.14
Class 2	\$5.08	\$0.28
Class 3	\$10.16	\$0.56

Remaining Trip \$2.12

1-77 Express Lanes – Public-Private Partnership Overview

Rodger Rochelle, P.E.

Administrator of the Technical Services Division



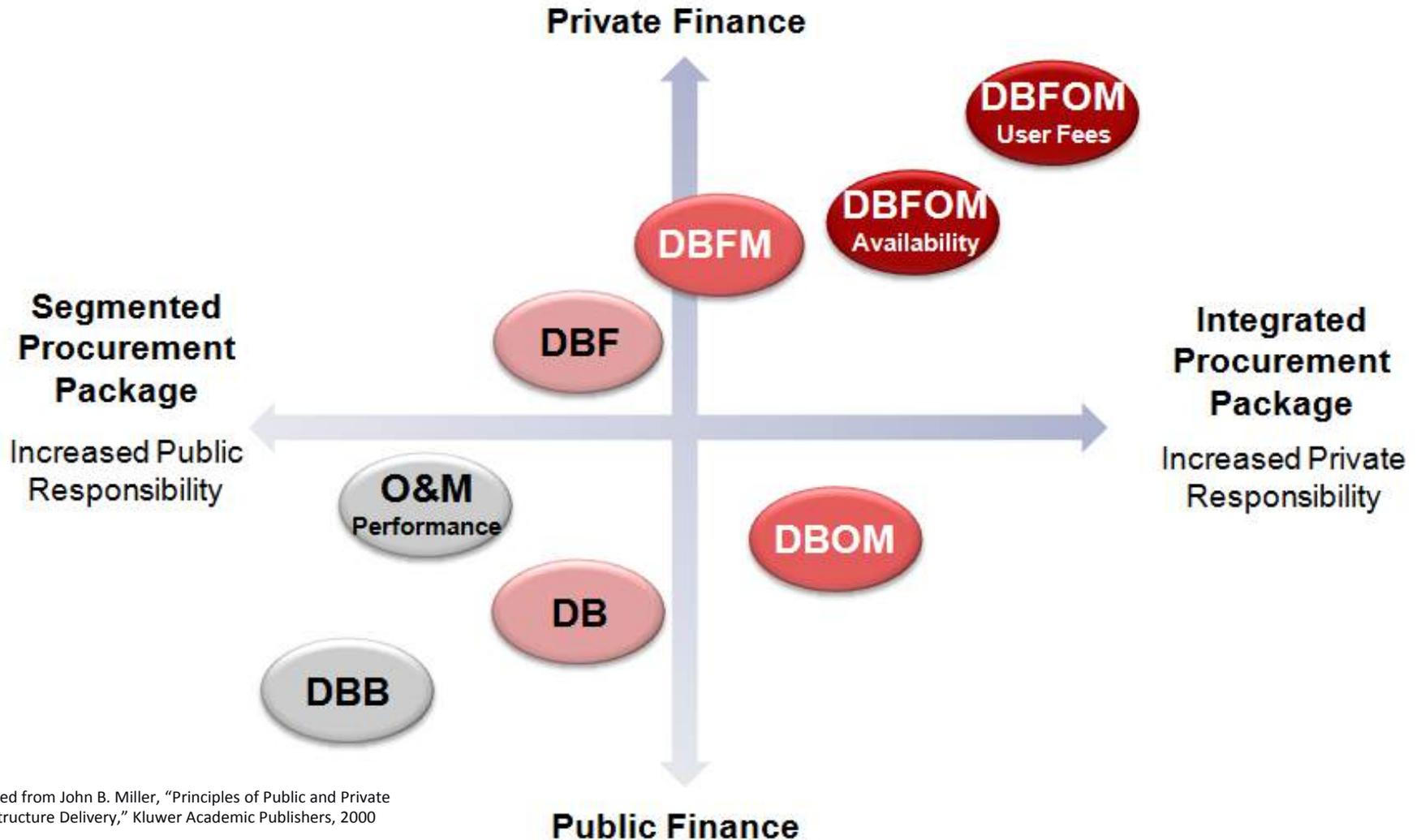
In its simplest form, a P3 is a business relationship where the public and private sectors share and manage:

- Risks (assign to party best able to mitigate)
- Rewards (commensurate with risk structure)
- Responsibility for success or failure

and

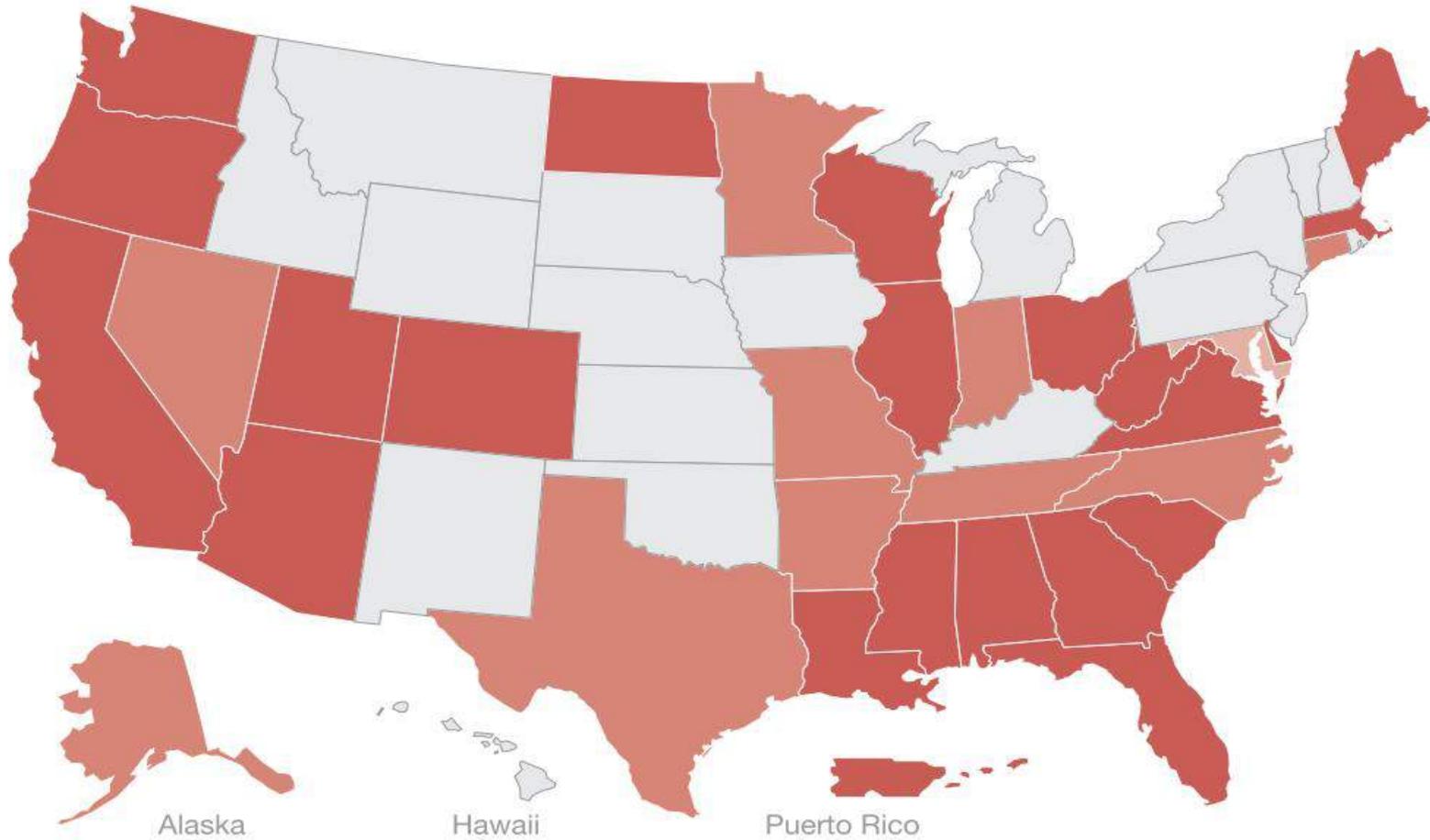
- Generally include “handback” provisions
- Generally are long term
- Generally physical asset remains under government ownership

Range of public and private infrastructure delivery methods



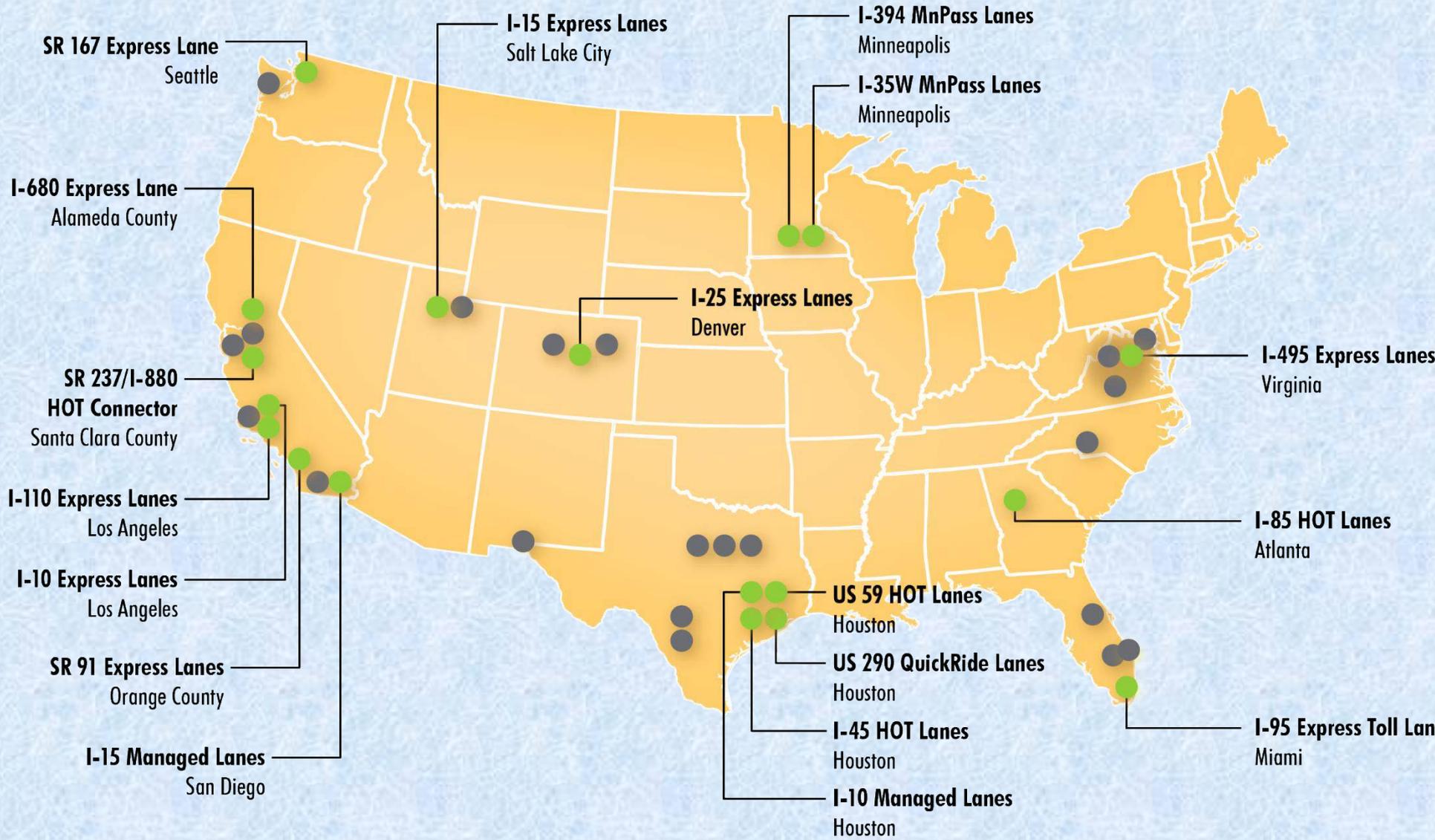
Potential P3 Benefits

- Innovation and Life-cycle Design:
 - Private investors have incentives to fully capitalize a project and incorporate innovations upfront to reduce long-term O&M costs
- Provides risk transfer to the private sector which can lower overall risk, reduce costs
- Taps private sector financial, engineering and operating capabilities and innovations
- Leverages value in existing assets to generate revenues for other uses
- Accelerate projects by consolidating and assigning responsibility for multiple project elements to one private entity and infusing private equity



- Broad enabling legislation
- Limited or project-specific legislation
- Authorization by regulation
- No legislation

Source: National Conference of State Legislatures (NCSL)



HOT Lanes Rationale

- Provide reliable travel time
- Provide additional capacity where new lanes are added
- Provide new and enhanced mobility options for users on congested highway corridors
- Provides demand management by incentivizing use of transit and carpools
- Uses dynamic pricing to balance the supply and demand on the facility
- Adds value and additional service to existing HOV facilities
- Provides reliable, uncongested service levels for non-HOV users willing to pay the toll

I-77 Express Lanes



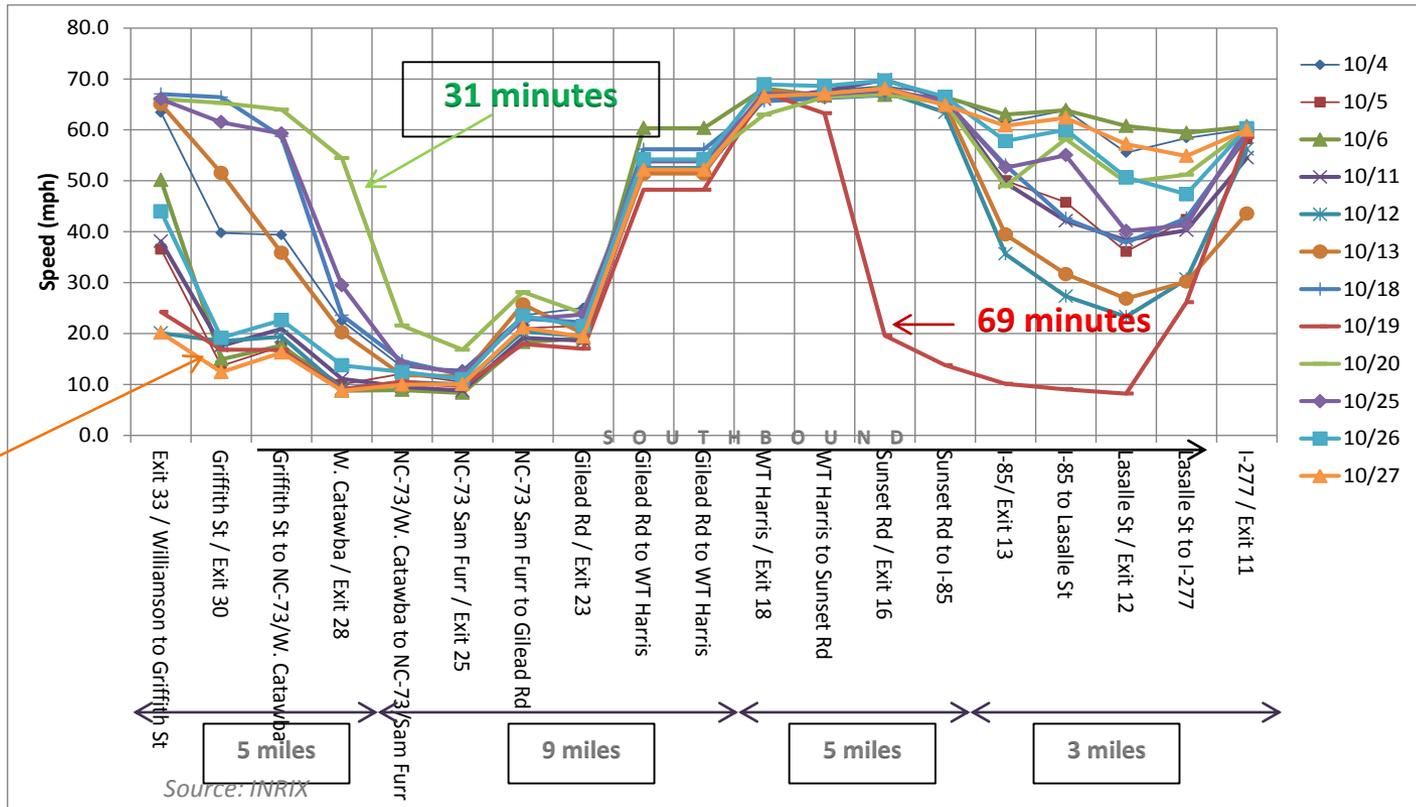
- Locally driven FAST Lanes Study (2007-2009)
- The Project scope addresses a comprehensive long-term congestion management solution for the corridor through the use of HOV3+ policy, Express lanes and supports future expansion of transit.
- Project includes three sections:
 - **North** – 1 new Express Lane in each direction from MM 28 to MM 36
 - **Central** – 2 Express Lanes in each direction, almost entirely new but includes conversion of existing HOV lanes, 15 miles from I-85 to MM 28
 - **South** – 2 Express Lanes including conversion of existing HOV lane in each direction, 2.5 miles from I-277 to I-85

Southbound I-77, AM Rush Hour North of Gilead.



Travel Time Reliability

- I-77 Southbound, AM Rush Hour, 730-830 AM, October 2011
- Wide range of travel speeds and commute times
- Delays of more than 45 minutes on worst travel days



Source: INRIX

Existing



North Section
Lake Norman Causeway

Existing



NORTH



South Section
I-77 / I-277 Interchange

I-77 Contractual Documents

- Instructions to Proposers (Vol.I)
- Comprehensive Agreement (Vol.II, Book 1)
- Technical Provisions (Vol.II, Book 2)
- Specifications, Standards and Manuals (Vol.II, Book 3)

—STATE OF NORTH CAROLINA—
DEPARTMENT OF TRANSPORTATION
RALEIGH, N.C.

**THIRD INDUSTRY REVIEW DRAFT
REQUEST FOR PROPOSALS, VOLUME I
INSTRUCTIONS TO PROPOSERS**

TIP I-3311C, I-5405, I-4750
December 18, 2012

DATE AND TIME OF PROPOSAL SUBMISSION: July 26, 2013 BY 3:00 PM
CONTRACT ID: [XXX]
WBS ELEMENT NO. [XXX]
FEDERAL-AID NO. [XXX]
COUNTY: Mecklenburg and Inland Counties
ROUTE NO. I-77 and I-277
LOCATION: I-77 from I-277 to Exit 36, and I-277 from I-77 to Exit 3A/B
TYPE OF WORK: PUBLIC PRIVATE PARTNERSHIP FOR I-77 HOT LANES AS SPECIFIED IN THE RFP

NOTICE:
ALL PROPOSERS SHALL COMPLY WITH ALL APPLICABLE LAWS REGULATING THE PRACTICE OF GENERAL CONTRACTING AS SET FORTH IN CHAPTER 47 OF THE GENERAL STATUTES OF NORTH CAROLINA WHICH REQUIRES THE PROPOSER TO BE LICENSED BY THE N.C. LICENSING BOARD FOR CONTRACTORS WHOSE FEES AND ANY NON-FEDERAL AID PROJECT SHALL BE DEPOSITED IN A TRUST FUND FOR CERTAIN QUALITY WORK AS DETERMINED BY THE LICENSING BOARD. PROPOSERS SHALL ALSO COMPLY WITH ALL OTHER APPLICABLE LAWS REGULATING THE PRACTICE OF CONTRACTING, INCLUDING, BUT NOT LIMITED TO, THE CONSTITUTION AND REPRESENTATION CONTRACTING ACT CONTAINED IN CHAPTER 27 OF THE GENERAL STATUTES OF NORTH CAROLINA. NOT WITHSTANDING THESE LIMITATIONS ON BIDDING, THE PROPOSER MAY, AT HIS/HER OWN RISK, COMPLY WITH CHAPTER 47 OF THE GENERAL STATUTES OF NORTH CAROLINA FOR LICENSING REQUIREMENTS WITHIN A CALENDAR DAY OF ANNOUNCEMENT OF APPOINTMENT BEST VALUE PROPOSER, REGARDLESS OF FUNDING SOURCE.

North Carolina Department of Transportation
I-77 HOT Lanes Project

Request for Proposals
Volume I - Instructions to Proposers

—STATE OF NORTH CAROLINA—
DEPARTMENT OF TRANSPORTATION
RALEIGH, N.C.

**THIRD INDUSTRY REVIEW DRAFT
REQUEST FOR PROPOSALS, VOLUME II
COMPREHENSIVE AGREEMENT**

TIP I-3311C, I-5405, I-4750
December 18, 2012

DATE AND TIME OF PROPOSAL SUBMISSION: July 26, 2013 BY 3:00 PM
CONTRACT ID: [XXX]
WBS ELEMENT NO. [XXX]
FEDERAL-AID NO. [XXX]
COUNTY: Mecklenburg and Inland Counties
ROUTE NO. I-77 and I-277
LOCATION: I-77 from I-277 to Exit 36, and I-277 from I-77 to Exit 3A/B
TYPE OF WORK: PUBLIC PRIVATE PARTNERSHIP FOR I-77 HOT LANES AS SPECIFIED IN THE RFP

NOTICE:
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North Carolina Department of Transportation
I-77 HOT Lanes Project

Request for Proposals
Volume II - Comprehensive Agreement

—STATE OF NORTH CAROLINA—
DEPARTMENT OF TRANSPORTATION
RALEIGH, N.C.

**THIRD INDUSTRY REVIEW DRAFT
REQUEST FOR PROPOSALS, VOLUME II
BOOK 2, TECHNICAL PROVISIONS**

TIP I-3311C, I-5405, and I-4750
December 18, 2012

DATE AND TIME OF PROPOSAL SUBMISSION: [XXX]
CONTRACT ID: [XXX]
WBS ELEMENT NO. [XXX]
FEDERAL-AID NO. [XXX]
COUNTY: Mecklenburg and Inland Counties
ROUTE NO. I-77 and I-277
LOCATION: I-77 from I-277 to Exit 36, and I-277 from I-77 to Exit 3A/B
TYPE OF WORK: PUBLIC PRIVATE PARTNERSHIP FOR I-77 HOT LANES AS SPECIFIED IN THE RFP

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North Carolina Department of Transportation
I-77 HOT Lanes Project

Request for Proposals
Volume II - Technical Provisions

—STATE OF NORTH CAROLINA—
DEPARTMENT OF TRANSPORTATION
RALEIGH, N.C.

**THIRD INDUSTRY REVIEW DRAFT
REQUEST FOR PROPOSALS, VOLUME II
SPECIFICATIONS, STANDARDS, MANUALS AND
GUIDELINES**

TIP I-3311C, I-5405, and I-4750
December 18, 2012

DATE AND TIME OF PROPOSAL SUBMISSION: [XXX]
CONTRACT ID: [XXX]
WBS ELEMENT NO. [XXX]
FEDERAL-AID NO. [XXX]
COUNTY: Mecklenburg and Inland Counties
ROUTE NO. I-77 and I-277
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North Carolina Department of Transportation
I-77 HOT Lanes Project

Request for Proposals
Volume II - Specifications, Standards, Manuals and Guidelines

Summary of Commercial Terms

Term	Comment
Toll Concession	Construction + 50 years (operations)
Revenue Risk	Assumed by Concessionaire
Exempt vehicles	<ul style="list-style-type: none"> • HOV3+ • CATS Buses • Emergency Vehicles
Dynamic Pricing	To be used for congestion management
All Electronic Tolling	To be Interoperable with NC Quick Pass & Eastern Transponders (E-ZPass, etc.)
Standards	<p>To be met or exceeded:</p> <ul style="list-style-type: none"> • Federal standards per Title 23, United States Code (USC) Section 166: Average Speed of no less than 45 mph on the Express Lanes 90% of the time (measured over 180 consecutive days at peak hour)
Revenue and Refinance Share	Graduated Bands of Revenue Sharing and Refinance Gain Share potential
Performance Standards	Linked to non-compliance system of increased oversight for the respective standards and system for liquidated damages
Public Funds Bidding	\$88 Million versus \$170 Million projected on total project costs of \$655 Million

Other Key Contract Terms

- Concessionaire is responsible for performance and risk related to design, construction overruns, and construction quality and primary risk associated with right of way acquisition services, utility relocation services, and permitting.
- NCDOT oversees the design and construction work to ascertain that it is performed in accordance with the contract
- Concessionaire bears all cost and schedule risks, subject to certain exclusions
- Concessionaire is responsible for “fence-to-fence” OMR services based on prescribed performance specifications
- Handback Requirements specify asset conditions at the end of the contract including residual life supported by “Handback Requirements Reserve”) held by a trustee or a letter of credit
- Lenders have the right to cure and step-in in the event of a default by the concessionaire. NCDOT may terminate the agreement for concessionaire default in the event the concessionaire and/or lender fails to cure within the applicable cure period. NCDOT may terminate for convenience with compensation.
- Toll revenue sharing provisions
- Refinance gain share provisions

Key Milestones and Activities

- **March 30, 2012 – four (4) proposers were shortlisted**
- April 6, 2012 – Issued draft RFP to shortlisted proposers with FHWA input
- April 19, 2012 – Issued draft Comprehensive Agreement and Technical Provisions
- May 9-10, 2012 – Round 1: Bidder one-on-one meetings
- July 27-28, 2012 – Round 2: Bidder one-on-one meetings
- **August 7, 2012 – Submitted TIFIA LOI MAP-21 requesting TIFIA loan of \$221m (based on 41% of “eligible costs”)**
- September 6-7, 2012 – Bidder T&R Workshop
- February 6-7, 2013 – Round 3: Bidder one-on-one meetings
- **April 16, 2013 – Received approval for provisional PABs allocation of \$350m**
- **April 26, 2013 – Obtained initial point-in-time indicative investment grade rating from Fitch Ratings**
- March 18, 2014 – Issued final RFP (Addendum 7)
- **March 31, 2014 – Technical and financial proposal due date**
- **April 11, 2014 – Announce Apparent Best Value – Cintra Infraestructuras, S.A.**
- **April – June, 2014 – Various Reporting and Conformance of Contract Documents**
- **June 2014 – Commercial Close**
- **May 2015– Financial Close**
- **2015 – 2018 - Construction**

I-77 Express Lanes – Project Overview and Update

Javier Tamargo

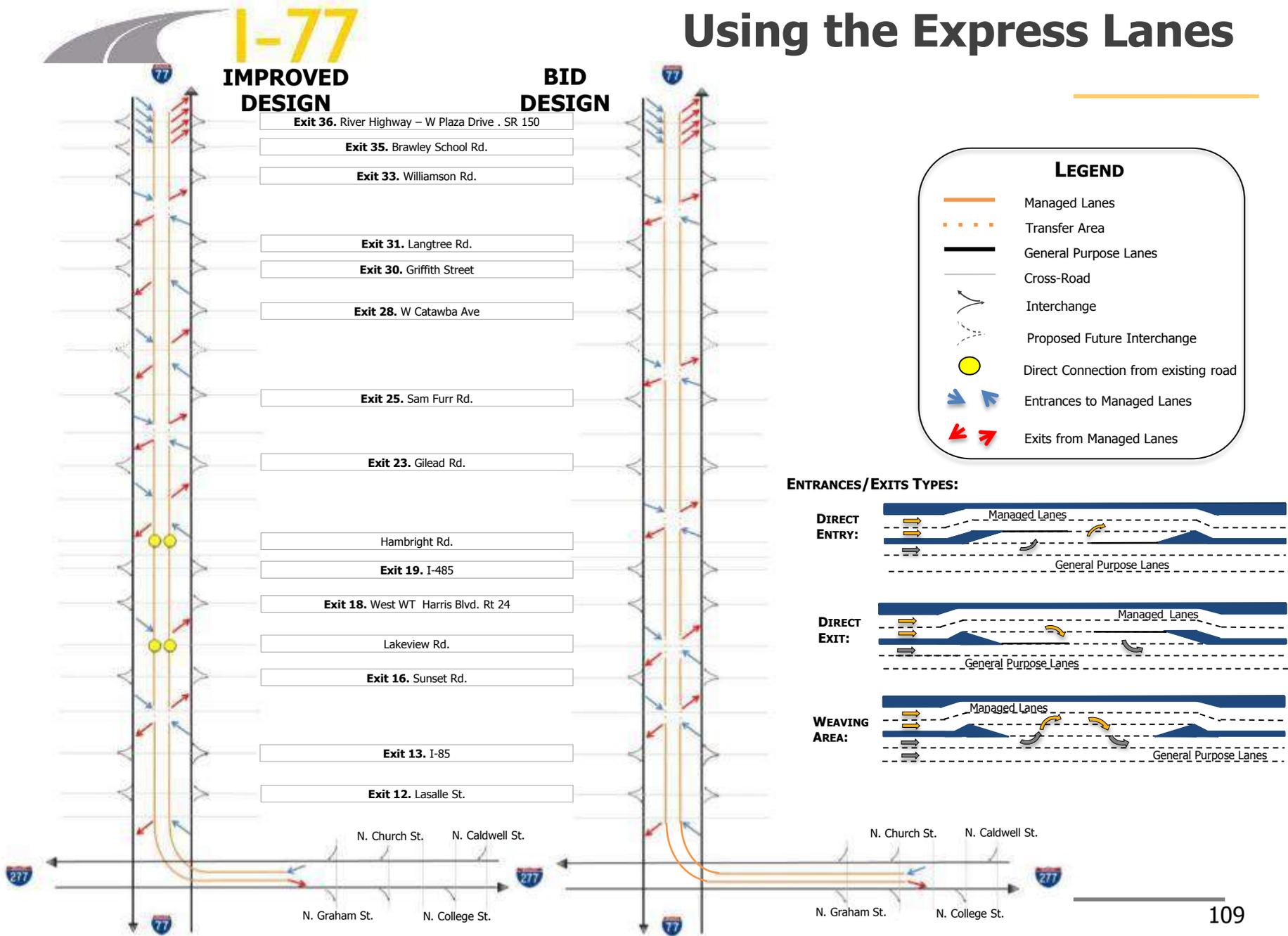
I-77 Mobility Partners





North Carolina Turnpike Authority Board Meeting

Using the Express Lanes



I-77

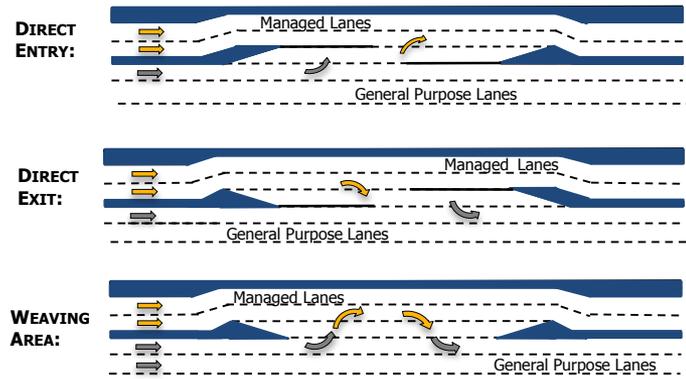
IMPROVED DESIGN

BID DESIGN

LEGEND

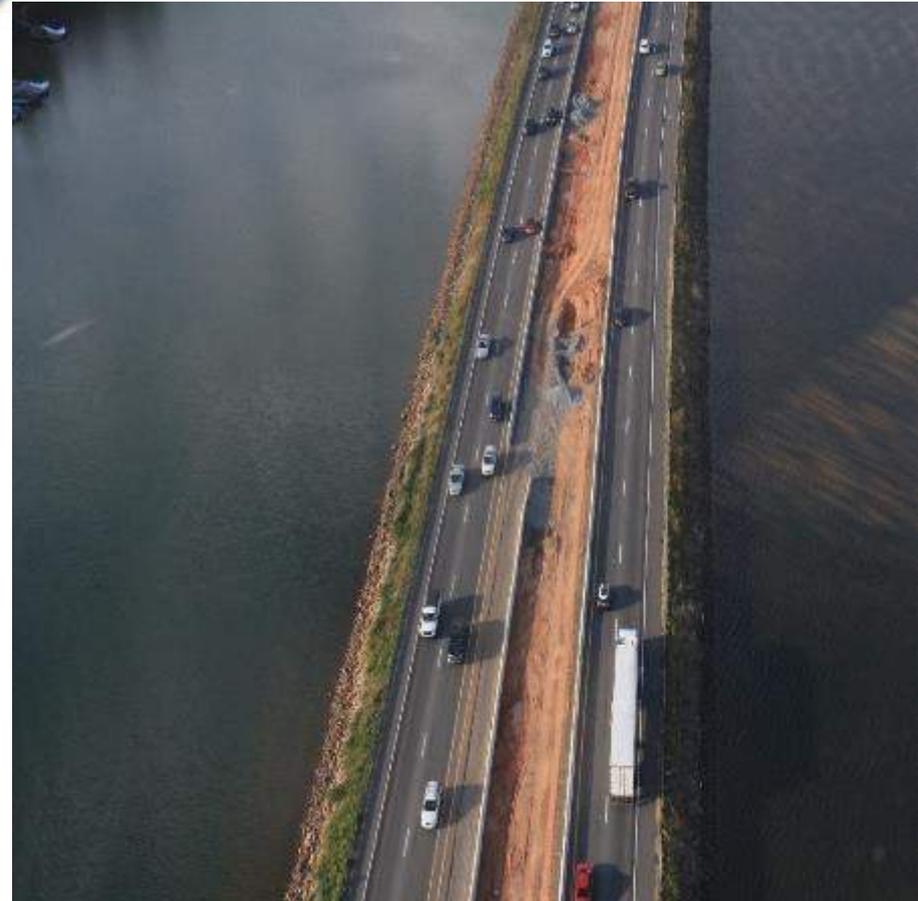
- Managed Lanes
- ⋯ Transfer Area
- General Purpose Lanes
- Cross-Road
- Interchange
- Proposed Future Interchange
- Direct Connection from existing road
- ➔ Entrances to Managed Lanes
- ➔ Exits from Managed Lanes

ENTRANCES/EXITS TYPES:





- Construction began November 2015
- Minimal disruption to motorists
- Any lane closures only occur overnight
- Peak travel times and special events are not affected
- Entire 26-mile project scheduled for completion in 2018



Causeway between Griffith St. and Langtree Rd.

Construction In Progress

Asphalt is already in place from Exit 23 to Stumptown Road. Next section of asphalt will be from Stumptown Road to Exit 25 Sam Furr Road.



Stumptown Road



Sam Furr Road Interchange

Between Westmoreland Road
and Exit 28 Catawba Avenue





Installation of permanent concrete barriers north of Exit 28 in Cornelius.

Grading and drainage work occurring between Exit 28 Catawba Avenue in Cornelius to Exit 36 Plaza Drive.





Causeway between Catawba Avenue and Griffith Street

Griffith Street Interchange





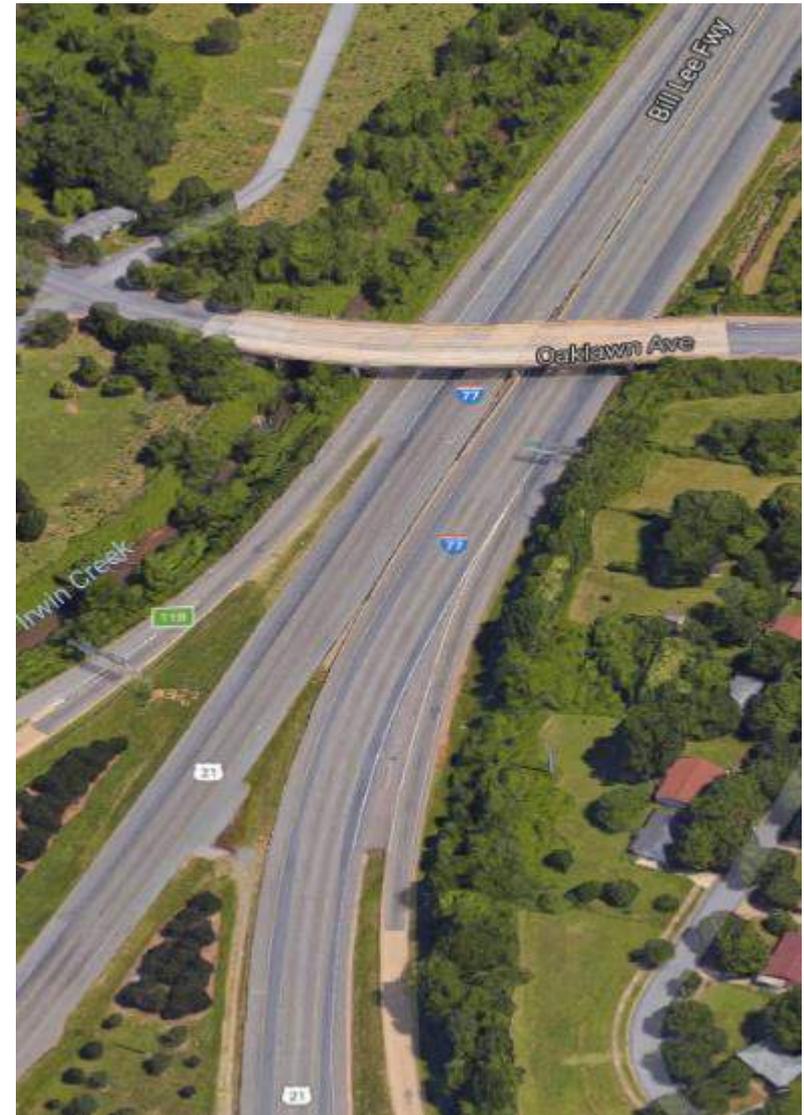
Brawley School Rd. Interchange



W. Plaza Dr. Interchange

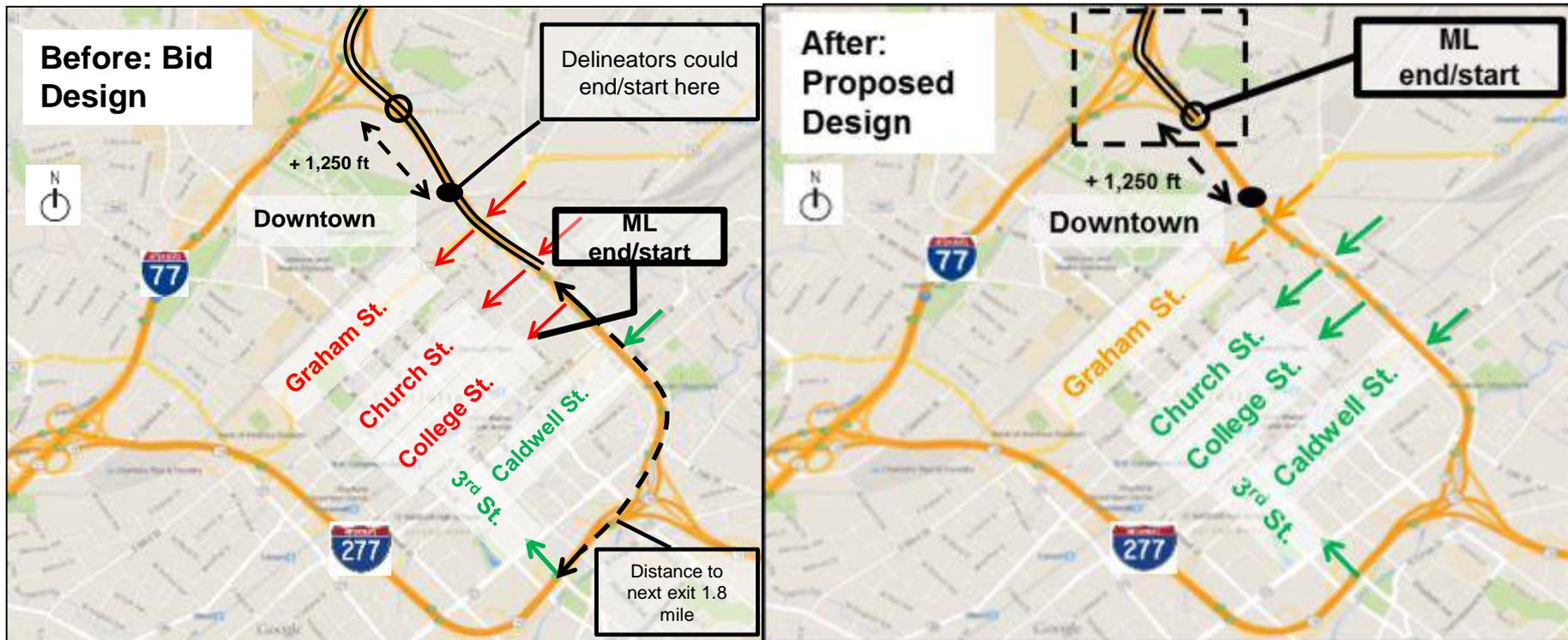
Between I-85 and Uptown Charlotte

- Shoulder Widening
- SB HOV Lane closure
- Lane Shift



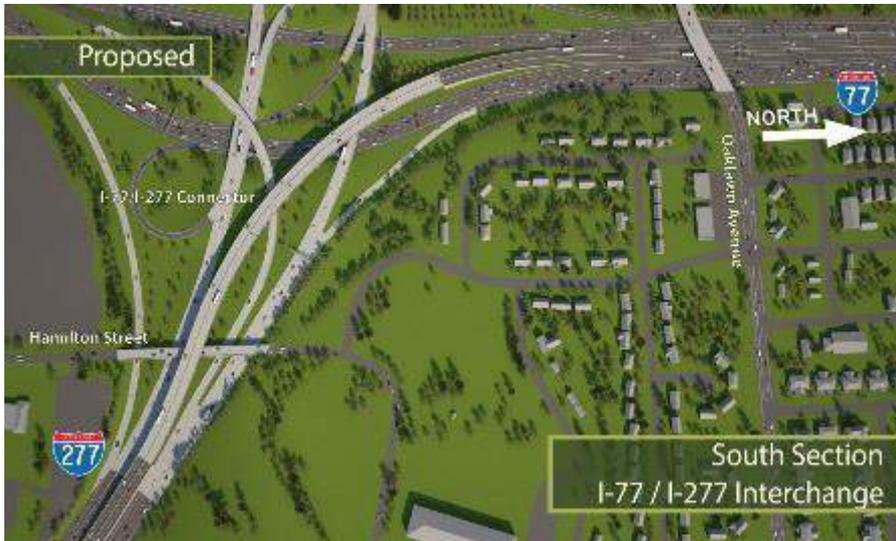
IMPROVED ACCESS TO UPTOWN CHARLOTTE

- Change in design to provide better connectivity to/from the HOT lanes to downtown Charlotte.



IMPROVED ACCESS TO UPTOWN CHARLOTTE

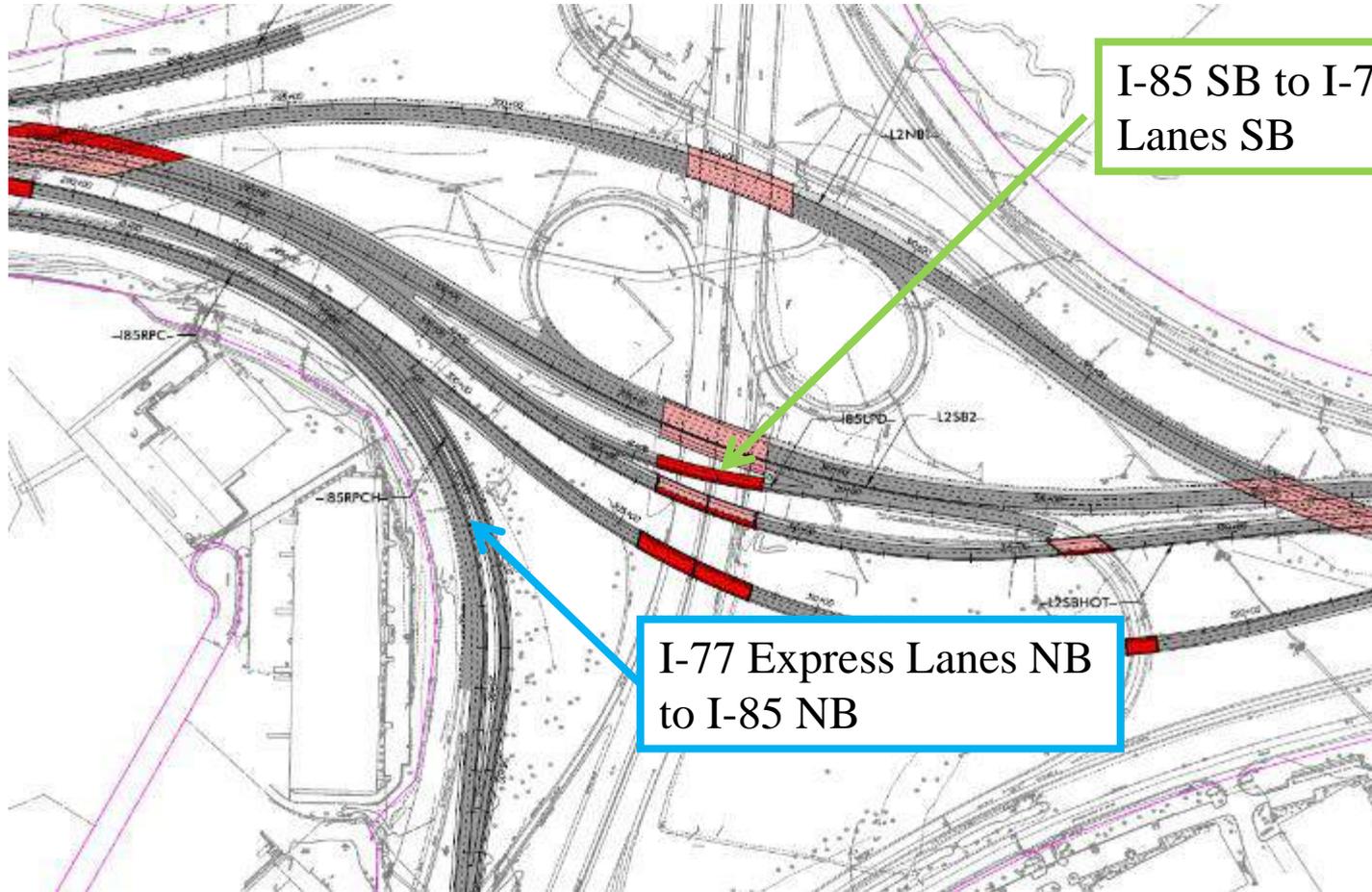
Bid Design



New Design



I-85 Ramps



Segment Opening Preparations





www.i77express.com



info@i77partners.com



[@I77XPRSLanes](https://twitter.com/I77XPRSLanes)



[I-77 Express Lanes](https://www.youtube.com/I-77 Express Lanes)



[I-77 Express Lanes](https://www.facebook.com/I-77 Express Lanes)

Today, construction workers spotted an injured owl in the work zone. Carly Smith, medical coordinator from the Carolina Raptor Center, came out and rescued the Barred Owl who is now being treated for a fractured shoulder in Huntersville.

