



# C-470 Express Lanes

March 2021

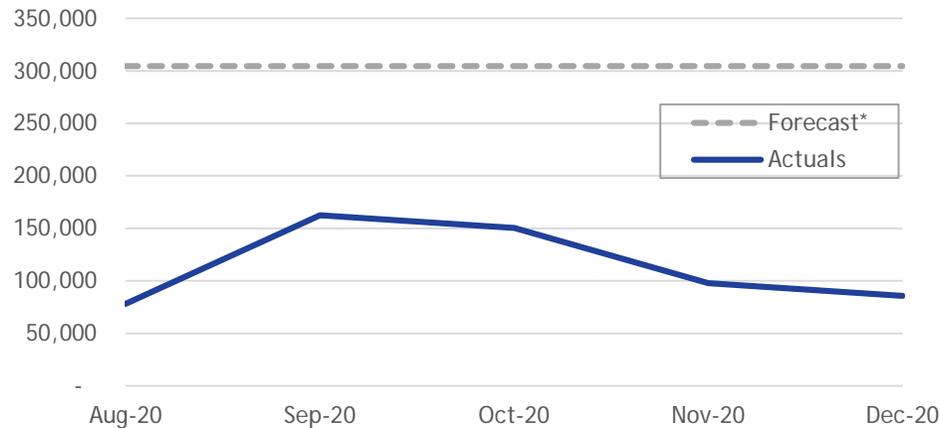


# C-470 Express Lanes Project Background

- Tolling commenced in August 2020
- Project financing relies upon the collection of toll revenue to fund debt service on senior bonds and a subordinated TIFIA loan, as well as project operations.
  - Senior bond interest payments initially amount to approximately \$8m/year, or \$4m every six months (December and June)
- To provide additional security and liquidity for the project, C-470 was structured with various reserve accounts, including:
  - Ramp-up reserve account (RURA) - \$6m
  - O&M reserve account - \$2m
  - Renewal and replacement reserve account - \$697k
- As part of an intra-agency agreement (IAA) with CDOT, \$7,020,750 was provided to HPTE in October 2020 to account for unanticipated construction delays and offset debt service costs during the delay

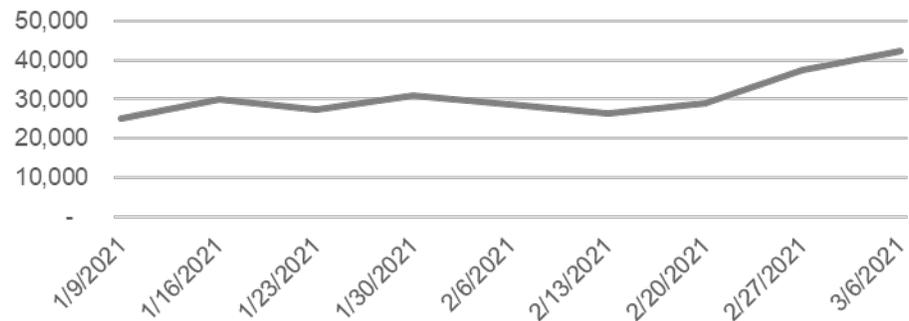
# C-470 Express Lanes T&R Performance

## 2020 Monthly Toll Transactions<sup>1</sup>



- Monthly forecast based on simple average of annual forecast and does not account for seasonality (i.e., lower traffic and revenue during holiday season).

## 2021 Weekly Toll Transactions

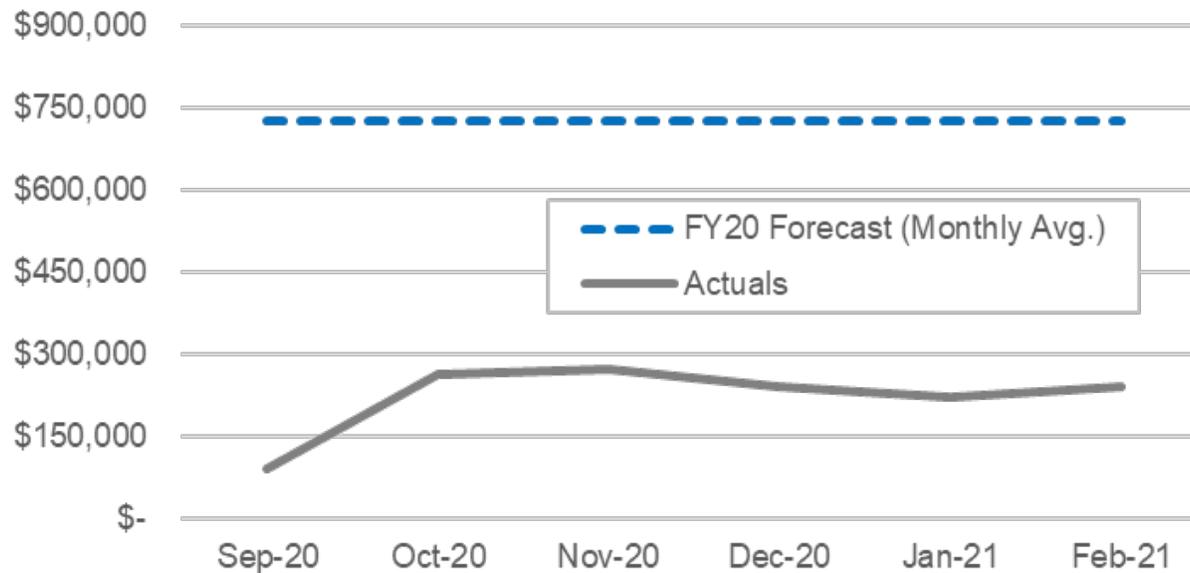


- Initial reports show toll traffic is trending upward in 2021, with significant week-over-week growth in the second half of February and early March.

<sup>1</sup> Inclusive of transponder and license plate transactions; actuals include adjustment for estimated leakage / uncollectible toll transactions.

# C-470 Express Lanes T&R Performance

## Monthly Toll Revenue Deposits<sup>1</sup>



- Toll revenue and traffic have underperformed original forecasts due to timing of operations with COVID-19 impacts.
- Monthly toll revenue collections have averaged approximately \$250k since opening.

<sup>1</sup> Includes revenue collected from tolls and fines for transponder and license plate transactions; deposits lag by approximately one month from the date of the original transaction (e.g., September deposits reflect August performance).

# Looking Ahead

- Project has sufficient liquidity to continue funding debt service payments in calendar year 2021, while also meeting minimum debt covenants:
  - Senior Bonds DSCR = 1.35x
  - TIFIA DSCR = 1.25x
- As pandemic-related restrictions are eased, T&R performance will be closely monitored on a monthly basis to understand near- and long-term financial impacts, including any anticipated O&M loan draws.
- HPTE may embark on additional economic analysis to better assess future T&R expectations, pending performance results over the next 6-12 months.