

Tacoma Narrows Bridge Citizen Advisory Committee Meeting

December 2, 2008 - 5:00 – 7:00 p.m.

The INN at Gig Harbor

3211 56th St NW - Gig Harbor, WA 98335

TNB Citizen Advisory Committee:

Caroline Belleci, University Place

Tracy Hopkins, Gig Harbor

Jim Pasin, Gig Harbor

Bob Ryan, Tacoma

Ted Hilliard, Tracyton

Becky Morgan, Gig Harbor

Sonja Morgan, Tacoma

Alan Weaver, Gig Harbor

Ron Jones, Gig Harbor

WA State Transportation Commission:

Dan O'Neal

Reema Griffith

WSDOT:

Craig Stone

Ted Trepanier

Greg Selstead

Janet Matkin

Ramona Lovelace

Jeff Caldwell

Heather Reitmeier

AGENDA

| | | |
|--------------------|---|-------------|
| 5:00 – 5:05 | Call to order | Bob Ryan |
| 5:05 – 5:10 | Welcome and introductions | Bob Ryan |
| 5:10 – 5:15 | Transportation Commission comments | Dan O'Neal |
| 5:15 – 5:20 | Work Plan review and agenda review | WSDOT Staff |
| 5:20 – 6:00 | Present Financial Plan Summaries (Reflecting requested rate scenarios) | WSDOT Staff |
| 6:00 – 6:45 | Rate Recommendation Scenarios Discussion and Decision | CAC Members |
| 6:45 – 6:55 | Public Comment | Public |
| 6:55 – 7:00 | Adjournment | All |

DRAFT

Tacoma Narrows Bridge - CAC Toll Rate Scenarios 11-26-08 (1)

| Assumed Passenger Car Toll Rates (\$) (2) | | Estimated Toll Revenues (\$) | |
|---|--------|------------------------------|--------------|
| ETC | Cash | FY 2010 | FY 2011 |
| \$2.75 | \$4.00 | \$45,192,000 | \$47,548,000 |
| \$2.75 | \$4.50 | \$46,663,000 | \$49,040,000 |
| \$2.75 | \$5.00 | \$48,096,000 | \$50,496,000 |
| \$2.75 | \$5.50 | \$49,461,000 | \$51,882,000 |
| \$2.75 | \$6.00 | \$50,745,000 | \$53,215,000 |
| \$3.00 | \$4.00 | \$47,630,000 | \$50,147,000 |
| \$3.00 | \$4.50 | \$49,167,000 | \$51,712,000 |
| \$3.25 | \$4.00 | \$50,168,000 | \$52,857,000 |
| \$3.25 | \$4.50 | \$51,705,000 | \$54,421,000 |
| \$3.25 | \$5.00 | \$53,066,000 | \$55,816,000 |
| \$3.50 | \$4.00 | \$52,635,000 | \$55,491,000 |
| \$3.50 | \$4.50 | \$54,172,000 | \$57,055,000 |
| \$3.75 | \$4.00 | \$55,371,000 | \$58,412,000 |
| \$3.75 | \$4.50 | \$56,633,000 | \$59,684,000 |
| \$4.00 | \$4.00 | \$57,621,000 | \$60,814,000 |
| \$4.00 | \$5.00 | \$60,513,000 | \$63,751,000 |

Notes:

- (1) Preliminary toll revenue estimates
- (2) Commercial vehicles tolled proportionately higher

Tacoma Narrows Toll Bridge Account (511)

No Change to Current Toll Rate Until 2011

(in thousands)

Scenario A - \$2.75 ETC/\$4.00 Cash

| | | | | | | | | | | Total |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|----------------|----------------|---------------|----------------|
| | | | | | | | | | | Through |
| Fiscal Year | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current | <u>2010</u> | <u>2011</u> | <u>2011</u> |
| Toll Rate (ETC/Cash) | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$2.75/\$4.00 | \$4.00/\$4.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 2,658 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 45,192 | 60,814 | 180,517 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | - | 595 | 2,492 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | (2,644) | (2,644) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 17,991 | 17,884 | 8,276 | 14,353 | 65,093 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,161 | 3,392 | (6,195) | (941) | 1,717 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | 0 |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 2,658 | 1,717 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

5.9% 2.8%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

122.1% 111.0% 89.9% 102.5%

* Assumed terms are 5.25% for 21 years. Total interest cost over the 21 years is estimated to be \$2.31m.

Tacoma Narrows Toll Bridge Account (511)

No Change to Current Toll Rate Until 2011

(in thousands)

Scenario B - \$2.75 ETC/\$4.00 Cash

| Fiscal Year Toll Rate (ETC/Cash) | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current <u>2009</u> | <u>2010</u> | <u>2011</u> | Total Through <u>2011</u> |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------------|----------------|----------------|---------------------------------|
| | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$2.75/\$4.00 | \$4.00/\$4.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 7,449 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 45,192 | 60,814 | 180,517 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | 580 | 595 | 2,492 |
| Violation Revenue | - | - | - | - | - | 467 | 550 | 550 | 550 | 2,117 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | - | (5,288) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 18,458 | 18,434 | 12,050 | 12,259 | 67,789 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,628 | 3,942 | (2,421) | (3,035) | 4,414 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | 0 |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 7,449 | 4,414 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

16.5% 7.3%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

131.3% 114.6% 93.1% 105.0%

* Assumed terms are 5.25% for 21 years. Total interest costs over the 21 years is estimated to be \$2.31m.

Tacoma Narrows Toll Bridge Account (511)

Based on Adopted November 2008 Forecast

(in thousands)

Scenario A - \$2.75 ETC/\$6.00 Cash

Fiscal Year

Toll Rate (ETC/Cash)

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current <u>2009</u> | <u>2010</u> | <u>2011</u> | Total Through <u>2011</u> |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------------|---------------|----------------|---------------------------------|
| | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$2.75/\$6.00 | \$2.75/\$6.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 8,791 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 50,745 | 53,215 | 178,471 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | 580 | 595 | 2,492 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | (2,644) | (2,644) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 17,991 | 17,884 | 14,409 | 6,754 | 63,626 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,161 | 3,392 | (62) | (8,540) | 251 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | (0) |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 8,791 | 251 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

17.3% 0.5%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

128.2% 112.6% 107.4% 86.9%

* Assumed terms are 5.25% for 21 years. Total interest costs over the 21 years is estimated to be \$2.31m.

Tacoma Narrows Toll Bridge Account (511)

Based on Adopted November 2008 Forecast

(in thousands)

Scenario B - \$2.75 ETC/\$6.00 Cash

Fiscal Year

Toll Rate (ETC/Cash)

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current <u>2009</u> | <u>2010</u> | <u>2011</u> | Total Through <u>2011</u> |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------------|---------------|-----------------|---------------------------------|
| | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$2.75/\$6.00 | \$2.75/\$6.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 13,002 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 50,745 | 53,215 | 178,471 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | 580 | 595 | 2,492 |
| Violation Revenue | - | - | - | - | - | 467 | 550 | 550 | 550 | 2,117 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | - | (5,288) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 18,458 | 18,434 | 17,603 | 4,660 | 65,743 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,628 | 3,942 | 3,132 | (10,634) | 2,368 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | (0) |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 13,002 | 2,368 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

25.6% 4.4%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

131.3% 114.6% 108.9% 88.2%

* Assumed terms are 5.25% for 21 years. Total interest costs over the 21 years is estimated to be \$2.31m.

Tacoma Narrows Toll Bridge Account (511)

Based on Adopted November 2008 Forecast

(in thousands)

Scenario A - \$3.50 ETC/\$4.00 Cash

Fiscal Year

Toll Rate (ETC/Cash)

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current <u>2009</u> | <u>2010</u> | <u>2011</u> | Total Through <u>2011</u> |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------------|---------------|---------------|---------------------------------|
| | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$3.50/\$4.00 | \$3.50/\$4.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 10,681 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 52,635 | 55,491 | 182,637 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | 580 | 595 | 2,492 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | (2,644) | (2,644) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 17,991 | 17,884 | 16,299 | 9,030 | 67,792 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,161 | 3,392 | 1,828 | (6,264) | 4,417 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | (0) |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 10,681 | 4,417 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

20.3% 8.0%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

128.2% 112.6% 112.8% 92.0%

* Assumed terms are 5.25% for 21 years. Total interest costs over the 21 years is estimated to be \$2.31m.

Tacoma Narrows Toll Bridge Account (511)

Based on Adopted November 2008 Forecast

(in thousands)

Scenario B - \$3.50 ETC/\$4.00 Cash

Fiscal Year

Toll Rate (ETC/Cash)

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current <u>2009</u> | <u>2010</u> | <u>2011</u> | Total Through <u>2011</u> |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------------|---------------|----------------|---------------------------------|
| | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$3.50/\$4.00 | \$3.50/\$4.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 14,892 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 52,635 | 55,491 | 182,637 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | 580 | 595 | 2,492 |
| Violation Revenue | - | - | - | - | - | 467 | 550 | 550 | 550 | 2,117 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | - | (5,288) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 18,458 | 18,434 | 19,493 | 6,936 | 69,909 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,628 | 3,942 | 5,022 | (8,358) | 6,534 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | (0) |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 14,892 | 6,534 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

28.3% 11.8%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

131.3% 114.6% 114.3% 93.2%

* Assumed terms are 5.25% for 21 years. Total interest costs over the 21 years is estimated to be \$2.31m.

Tacoma Narrows Toll Bridge Account (511)

Based on Adopted November 2008 Forecast

(in thousands)

Scenario A - \$3.25 ETC/\$5.00 Cash

Fiscal Year

Toll Rate (ETC/Cash)

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current <u>2009</u> | <u>2010</u> | <u>2011</u> | Total Through <u>2011</u> |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------------|---------------|---------------|---------------------------------|
| | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$3.25/\$5.00 | \$3.25/\$5.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 11,112 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 53,066 | 55,816 | 183,393 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | 580 | 595 | 2,492 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | (2,644) | (2,644) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 17,991 | 17,884 | 16,730 | 9,355 | 68,548 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,161 | 3,392 | 2,259 | (5,939) | 5,173 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | (0) |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 11,578 | 8,854 | 11,112 | 5,173 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

20.9% 9.3%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

128.2% 112.6% 114.0% 92.7%

* Assumed terms are 5.25% for 21 years. Total interest costs over the 21 years is estimated to be \$2.31m.

Tacoma Narrows Toll Bridge Account (511)

Based on Adopted November 2008 Forecast

(in thousands)

Scenario B - \$3.25 ETC/\$5.00 Cash

Fiscal Year

Toll Rate (ETC/Cash)

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | Current <u>2009</u> | <u>2010</u> | <u>2011</u> | Total Through <u>2011</u> |
|---|----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------------|---------------|----------------|---------------------------------|
| | | | | | | \$1.75/\$3.00 | \$2.75/\$4.00 | \$3.25/\$5.00 | \$3.25/\$5.00 | |
| Beginning Fund Balance | - | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 15,323 | |
| Operations | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | - | - | - | - | - | 1,055 | 573 | 763 | 763 | 3,154 |
| Toll Revenue | - | - | - | - | - | 30,708 | 43,803 | 53,066 | 55,816 | 183,393 |
| Transponder Revenue | - | - | - | - | - | 893 | 424 | 580 | 595 | 2,492 |
| Violation Revenue | - | - | - | - | - | 467 | 550 | 550 | 550 | 2,117 |
| Miscellaneous Revenue | - | - | - | - | - | 24 | - | - | - | 24 |
| Debt Service Withholding for Bond Sale in FY 2003 - 08 | - | - | - | - | - | (14,689) | (26,915) | (34,925) | (44,955) | (121,484) |
| Debt Service Withholding for Bond Sale in FY 2009* | - | - | - | - | - | - | - | (110) | (220) | (330) |
| Transfers from/(to) Other Accounts | - | - | - | 1,300 | 5,288 | - | - | - | (5,288) | 1,300 |
| Total Sources of Funds for Operations | - | - | - | 1,300 | 5,288 | 18,458 | 18,434 | 19,924 | 7,261 | 70,665 |
| Uses of Funds | | | | | | | | | | |
| WSDOT Oversight & Admin. of Toll Operations | - | - | - | 171 | 1,321 | 1,836 | 2,221 | 1,960 | 2,123 | 9,632 |
| Toll Systems Operations (TransCore Contract) | - | - | - | 368 | 3,428 | 10,114 | 7,477 | 7,747 | 7,913 | 37,047 |
| Maintenance of New Bridge | - | - | - | - | - | 733 | 815 | 831 | 841 | 3,220 |
| Preservation of New Bridge, Roadway & Toll Systems | - | - | - | - | - | 112 | 305 | 136 | 546 | 1,099 |
| Enforcement and Security | - | - | - | - | - | 300 | 384 | 342 | 342 | 1,368 |
| Insurance | - | - | - | - | - | 735 | 3,290 | 3,455 | 3,529 | 11,009 |
| Total Uses of Funds for Operations | - | - | - | 539 | 4,749 | 13,830 | 14,492 | 14,471 | 15,294 | 63,375 |
| Current Year Balance for Operations (Sources - Uses) | - | - | - | 761 | 539 | 4,628 | 3,942 | 5,453 | (8,033) | 7,290 |
| Capital | | | | | | | | | | |
| Sources of Funds | | | | | | | | | | |
| Interest Earnings | 2,125 | 1,239 | 774 | 1,785 | 1,430 | - | - | - | - | 7,353 |
| Bond Proceeds | 231,207 | 197,234 | 108,634 | 110,294 | 17,865 | 12,716 | 3,109 | - | - | 681,060 |
| Capitalized Interest (Debt Service) | - | - | - | (1,792) | (2,580) | - | - | - | - | (4,372) |
| Charges for Services | - | - | 4 | 2 | 145 | - | - | - | - | 152 |
| Transfers from/(to) Other Accounts | 39,000 | - | - | - | - | - | - | - | - | 39,000 |
| Total Sources of Funds for Capital | 272,332 | 198,473 | 109,412 | 110,289 | 16,860 | 12,716 | 3,109 | - | - | 723,192 |
| Uses of Funds | | | | | | | | | | |
| Capital Expenditures | 235,808 | 200,400 | 127,046 | 84,720 | 43,623 | 23,319 | 9,226 | - | - | 724,142 |
| Recovery of Prior Expenditures | - | - | (113) | - | (570) | (267) | - | - | - | (950) |
| Total Uses of Funds for Capital | 235,808 | 200,400 | 126,933 | 84,720 | 43,054 | 23,052 | 9,226 | - | - | 723,192 |
| Current Year Balance for Capital (Sources - Uses) | 36,524 | (1,927) | (17,521) | 25,570 | (26,194) | (10,336) | (6,116) | - | - | (0) |
| Ending Fund Balance | 36,524 | 34,597 | 17,076 | 43,407 | 17,752 | 12,044 | 9,870 | 15,323 | 7,290 | |

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue

28.9% 13.1%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service

131.3% 114.6% 115.6% 93.9%

* Assumed terms are 5.25% for 21 years. Total interest costs over the 21 years is estimated to be \$2.31m.

Notes from December 2, 2008

TNB Citizen Advisory Committee Meeting

Attendance

- Those in attendance included: Bob Ryan, Caroline Belleci, Jim Pasin, Becky Morgan, Al Weaver, Ron Jones, Sonja Morgan and Ted Hilliard
- Unexcused absences: Tracey Hopkins

Financial Plan Summaries/Toll Scenarios

WSDOT's Jeff Caldwell presented the toll rate scenarios to the Committee and clarified the logic of bond sale debt payments. It was explained that every 6 months the debt service is due, therefore debt service would likely occur during Jan. 2009.

A discussion took place regarding capitol projects related to the bridges. WSDOT's Dennis Engel explained that capitol projects include of: noise walls, bicycle/pedestrian improvements, etc. WSDOT's Ted Trepanier explained that the list of capitol expenditures is at an end, but stated that there will continue to be "little projects" that will "trickle on" and will eventually come to and end.

There was also a discussion regarding the letter from Don Williams and the number of staff being charged to the toll money fund. It was explained that the numbers being expressed were overall numbers from the entire construction of the bridge.

Public Comment

All comments from the public discussed the level of impact the tolls have on the Gig Harbor and surrounding communities. Most stated that if the toll would continue to raise yearly, many people would move out of the area to avoid paying the toll. All were in favor of keeping the toll the same or lowering the toll over all.

Speakers Included: Chuck Sessler, Randy Boss, Jud Morris, Randy Bock, Joel Goodman, Ken Nelson, and Senator Kilmer.

Discussion/Recommendation

Following the public comment, the Committee discussed the toll rate scenarios they have been presented. Ron Jones stated that he was not sure how well the numbers are going to hold up with the economy in the current situation and doesn't want to have to be brought back into an emergency session to have to raise the tolls after the fact. He said that by keeping the tolls at 2.75/4.00 "we are just skimming by". Caroline agreed. Bob Ryan said, "My own thoughts are that we have an adequate reserve based on the current numbers," and doesn't feel uncomfortable with the current numbers or projections. Al Weaver stated that he agreed with the concern that Ron and Caroline had, but also felt that the Committee needed to give a reasonable recommendation to the Transportation Commission or it will be completely ignored.

Jim Pasin moved to recommend the Scenario B 2.75/4.00 toll rate.

Becky Morgan seconded that motion.

The motion passed with one No vote.

Adjournment -- The meeting adjourned at 7:04 p.m. with the meeting scheduled for December 4, 2008 to be cancelled.