



NORTH CAROLINA

**Turnpike Authority**

# New Directions in Transportation

*Offering Motorists a Choice*

Charlotte Regional Alliance for Transportation  
January 30, 2006

# Why toll roads?

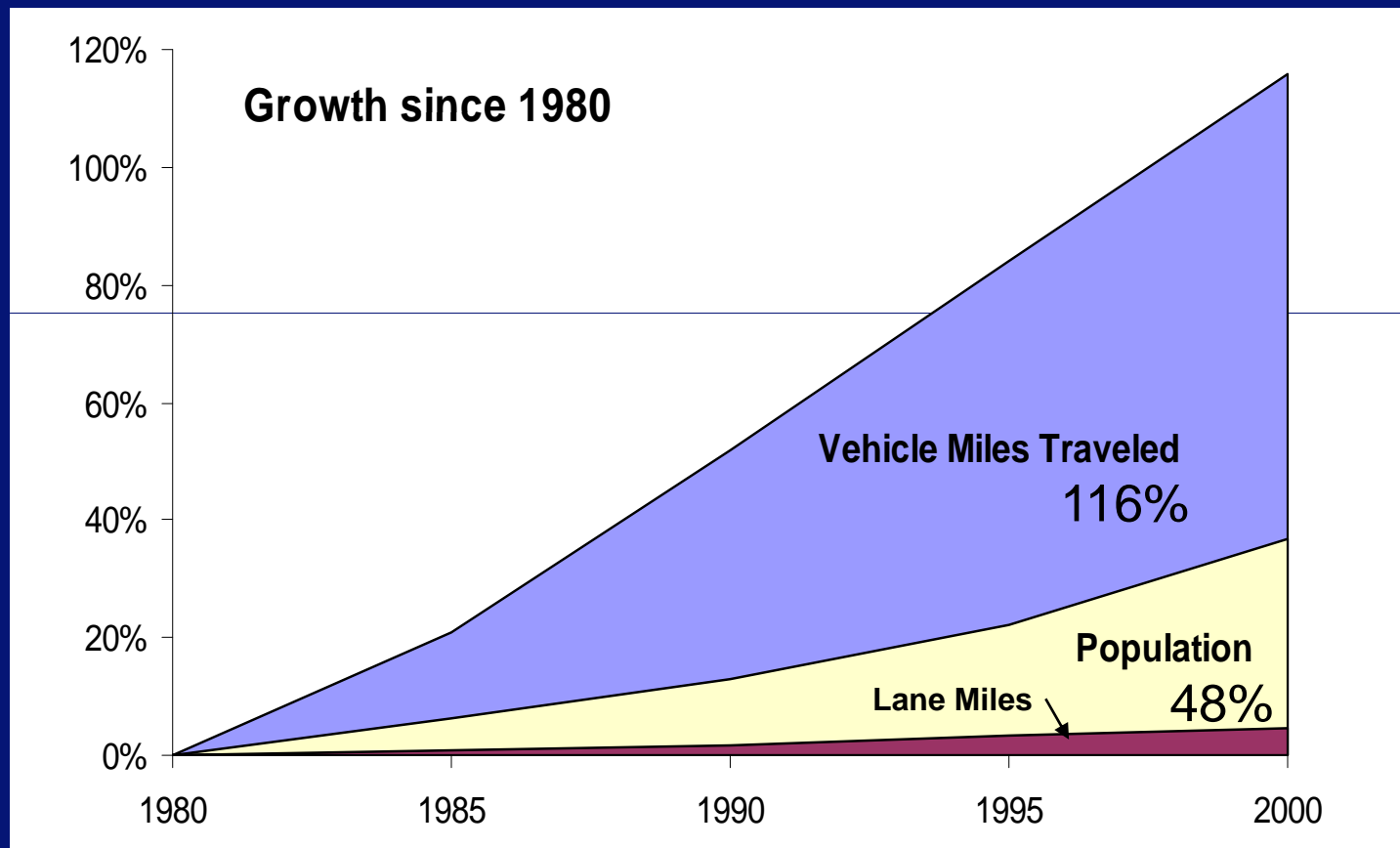
# North Carolina's Challenge

---

“Current revenues at all levels of government – Federal, state and local – devoted to transportation investments are not sufficient to maintain or improve the nation’s highway and transit systems.”

- Cambridge Systematics Study for the  
National Chamber of Commerce

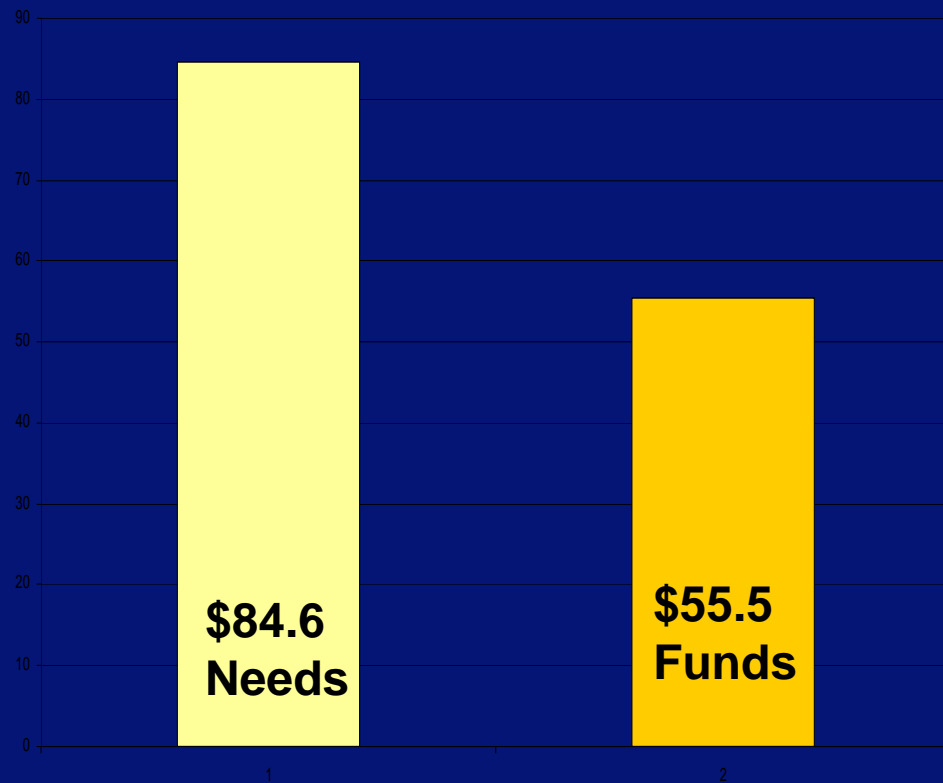
# North Carolina's Challenge



# North Carolina's Challenge

**\$30 Billion shortfall  
over next 25 years**

*Source: NCDOT Thinking Ahead*



# North Carolina's Challenge

---

*Slide here on as demand increases, supply decreases*

*What has revenue done past 25 years?*

*Visual of not keeping up with demand (rising needs – flat income)*

# North Carolina's Challenge

---

## *Complicating Factors*

- Political reluctance to raise taxes
- Decreased purchasing power
  - > Concrete, steel & asphalt costs increased 30%
- More fuel-efficient vehicles

# Partial Solution

---

North Carolina Turnpike Authority...

*Alternatives to financing highways*

# About the NCTA

---

Created by General Assembly in 2002

- Authorized to develop, construct, operate and maintain nine toll projects

# About the NCTA

---

## Nine-member Board of Directors

- > NCDOT Secretary is chair
- > 2 members by Senate President Pro-Tem  
Robert Spencer & Lanny Wilson
- > 2 members by House Speaker  
John Culbertson & Allan Dameron
- > 4 members by Governor  
Anthony Fox, Sang Hamilton, Perry Safran & Robert Teer

# About the NCTA

---

## Authority can:

- Condemn property
- Collect tolls and fees
- Issue bonds
- Contract for construction, maintenance & operation
- Enter into partnership with private entities

# About the NCTA

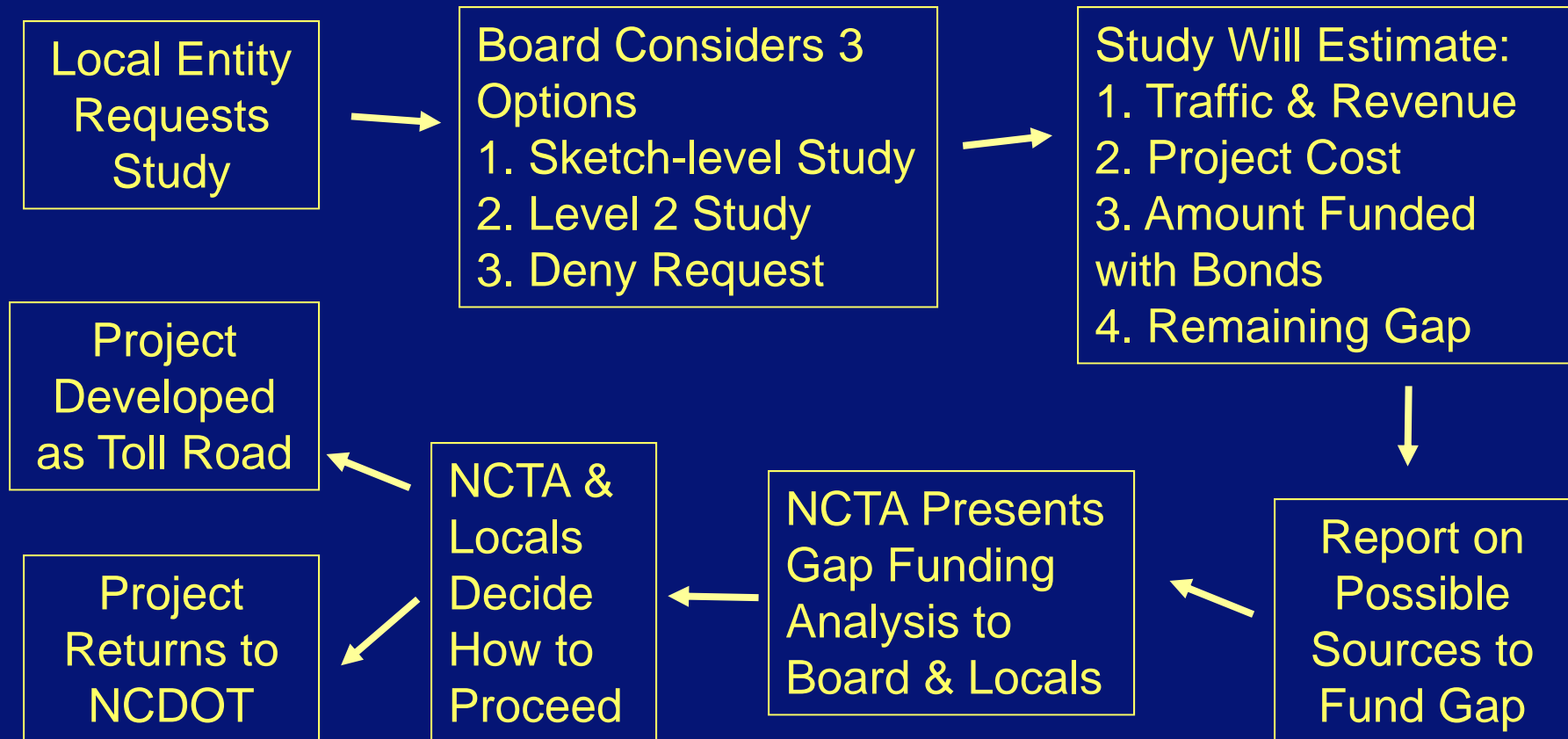
---

## *Important limitations:*

- No tolls on existing roads
- Every toll road must have a free alternate route
- Projects must be requested by locals
- Tolls must be removed when bonds are paid

How are projects selected?

# NCTA Project Approval Process



How are projects financed?

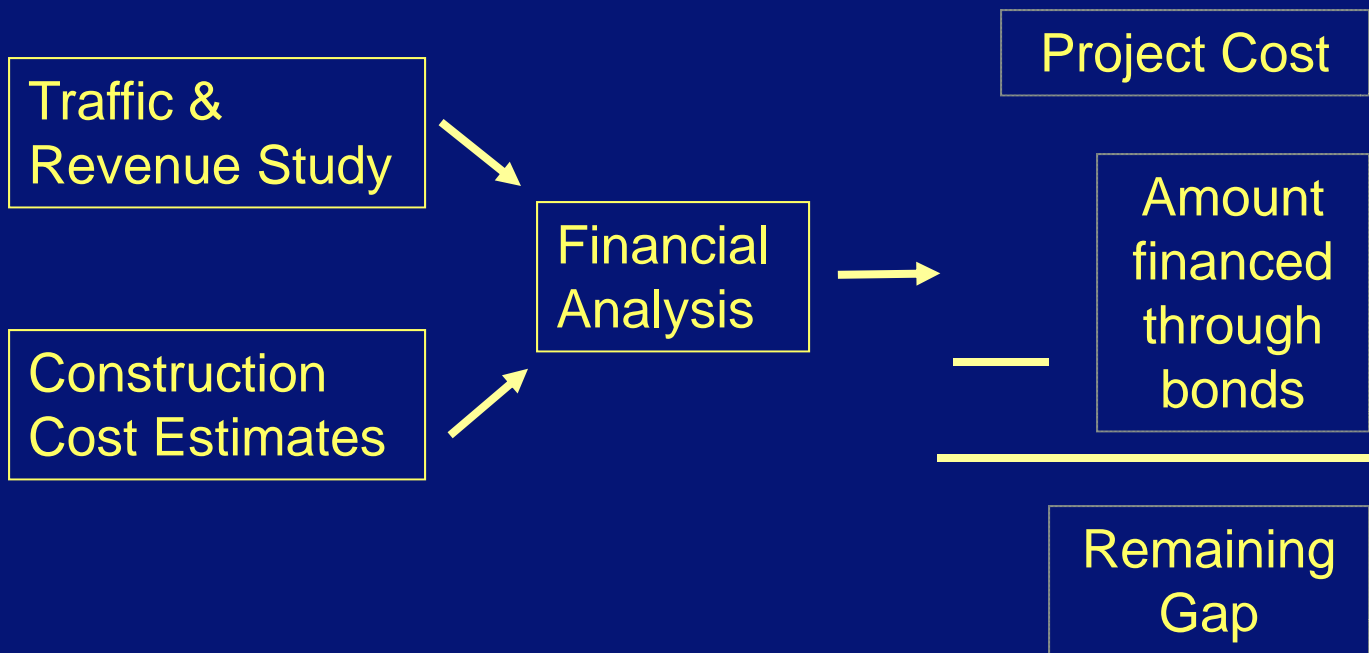
# The Business of Tolling

---

- Little known fact: bonds don't cover entire cost
- Capital markets generally require revenues of 1.5-2.0x coverage of debt and maintenance cost
- Tolls are set using traffic and revenue formula

***The Public is our Customer !***

# The Business of Tolling



# The Business of Tolling

---

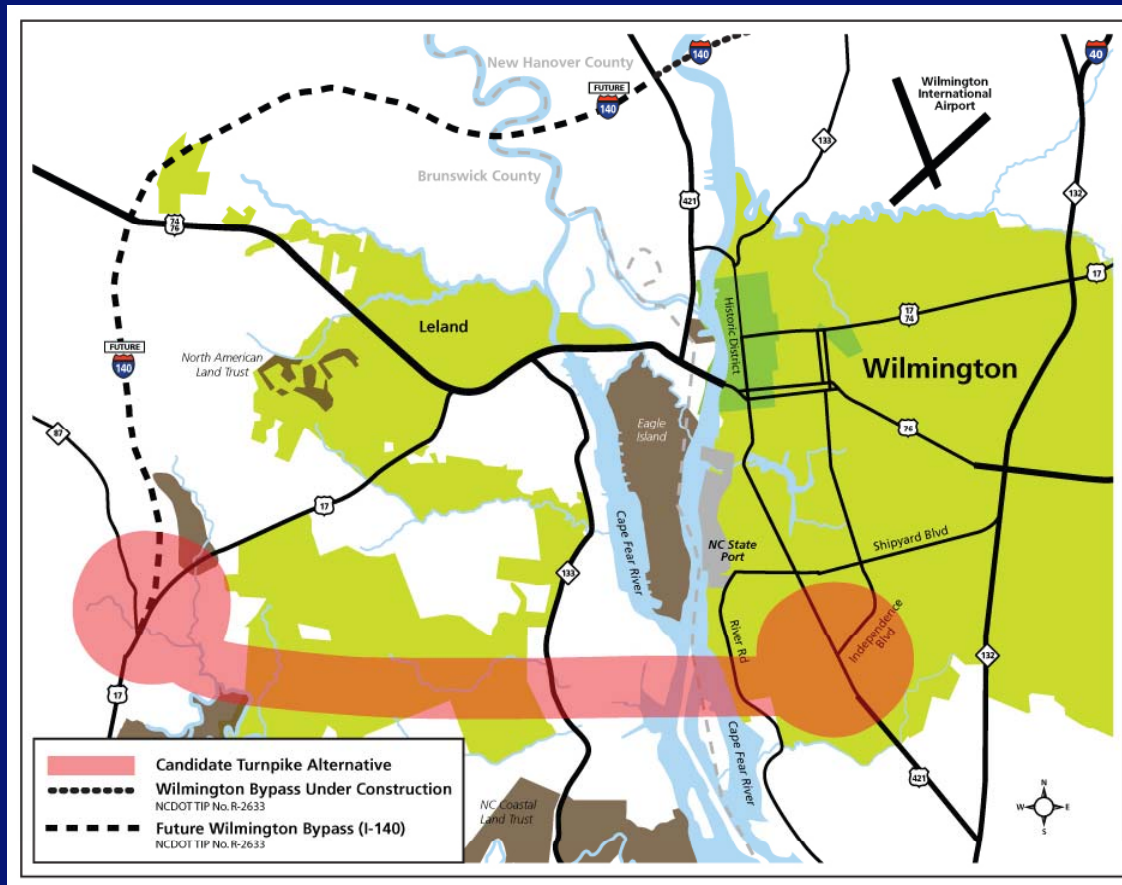
## Filling the Gap

- NCDOT Highway Trust Fund (TIP)
- NCDOT Loop funds
- Federal TIFIA loan  
(Transportation Infrastructure Finance and Innovation)
- Public private partnerships
- Local right-of-way contribution
- Other local contributions

# Projects Under Consideration



# Cape Fear Skyway



Length: 9.5 miles

Cost: \$330 M

ROD: Fall 2009

# Mid Currituck Bridge

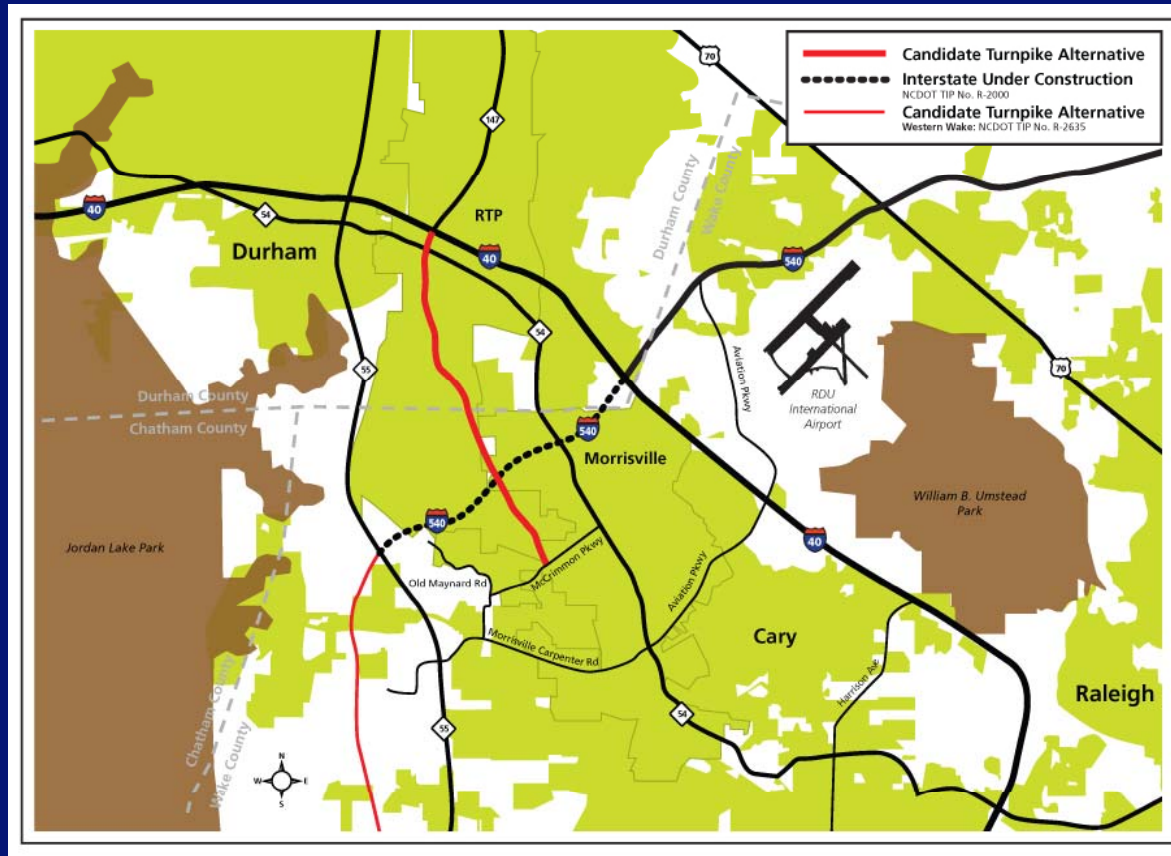
Length: 6.8 - 7.1 miles

Cost: \$132.5 M

ROD: Fall 2008



# Triangle Parkway



Length: 3.5 miles Cost: \$124-147 M FONSI: Spring 2007

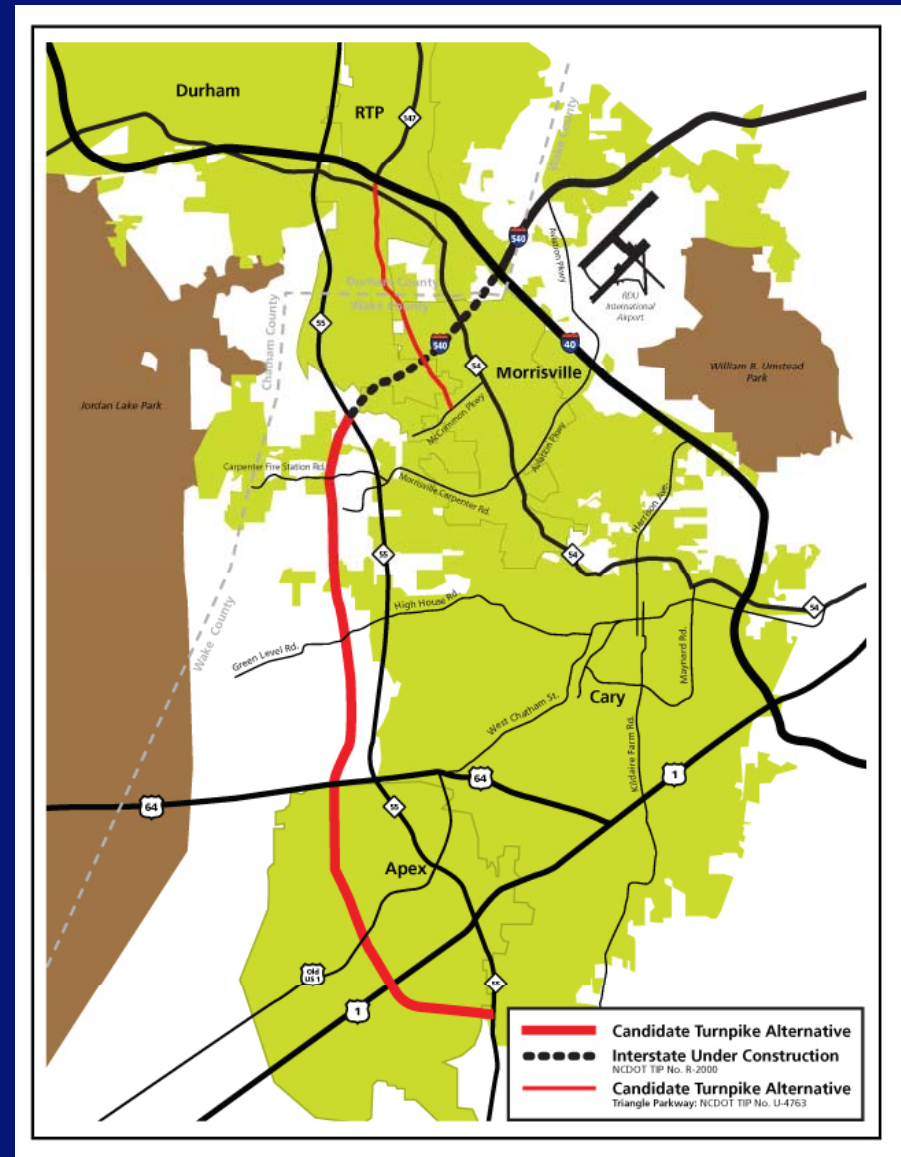
# Western Wake

Length: 11 miles

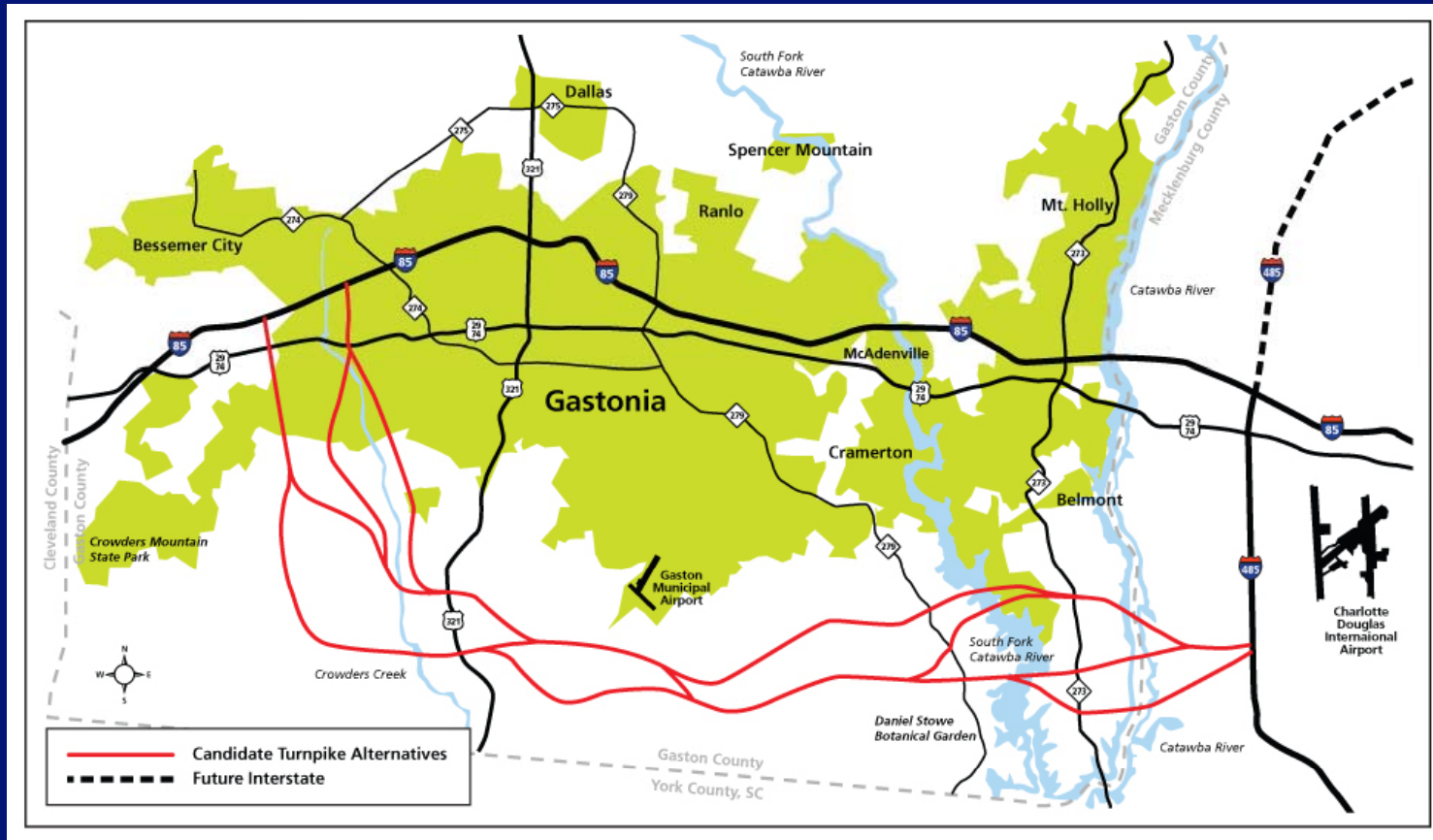
Cost: \$295 M

ROD: Complete

Studying Feasibility  
*(study only)*



# Gaston East-West Connector



Length: 21-23 miles

Cost: \$600 M\*

ROD: Winter 2010

\* Based on functional roadway design

# Gaston East-West Connector

---

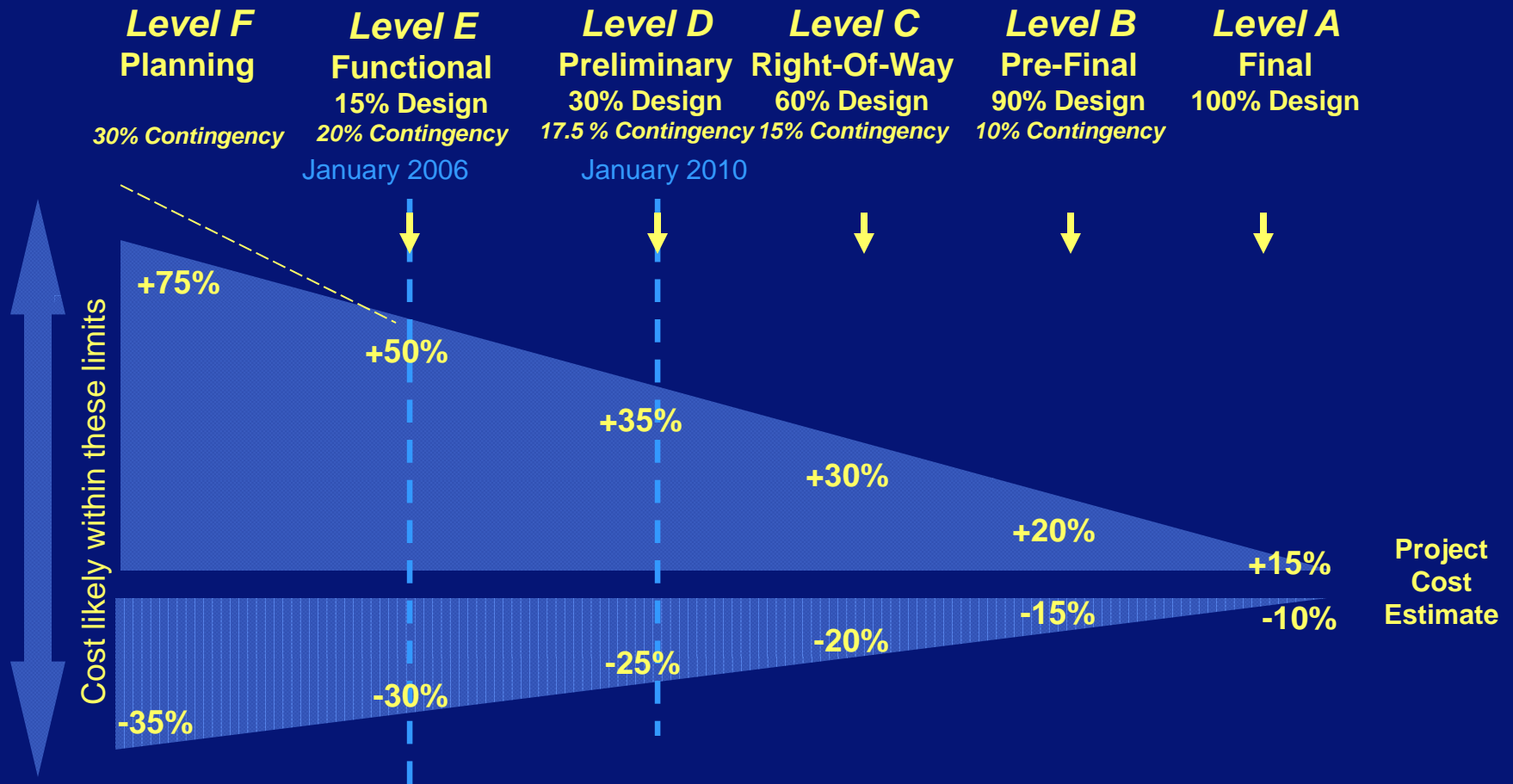
## Project Milestones

January 2006	Signed contract for financial feasibility study
Spring 2006	Financial feasibility study due
Spring 2007	Complete preliminary engineering
Winter 2008	Draft EIS due
Winter 2010	Record of Decision
Spring 2010	Award construction

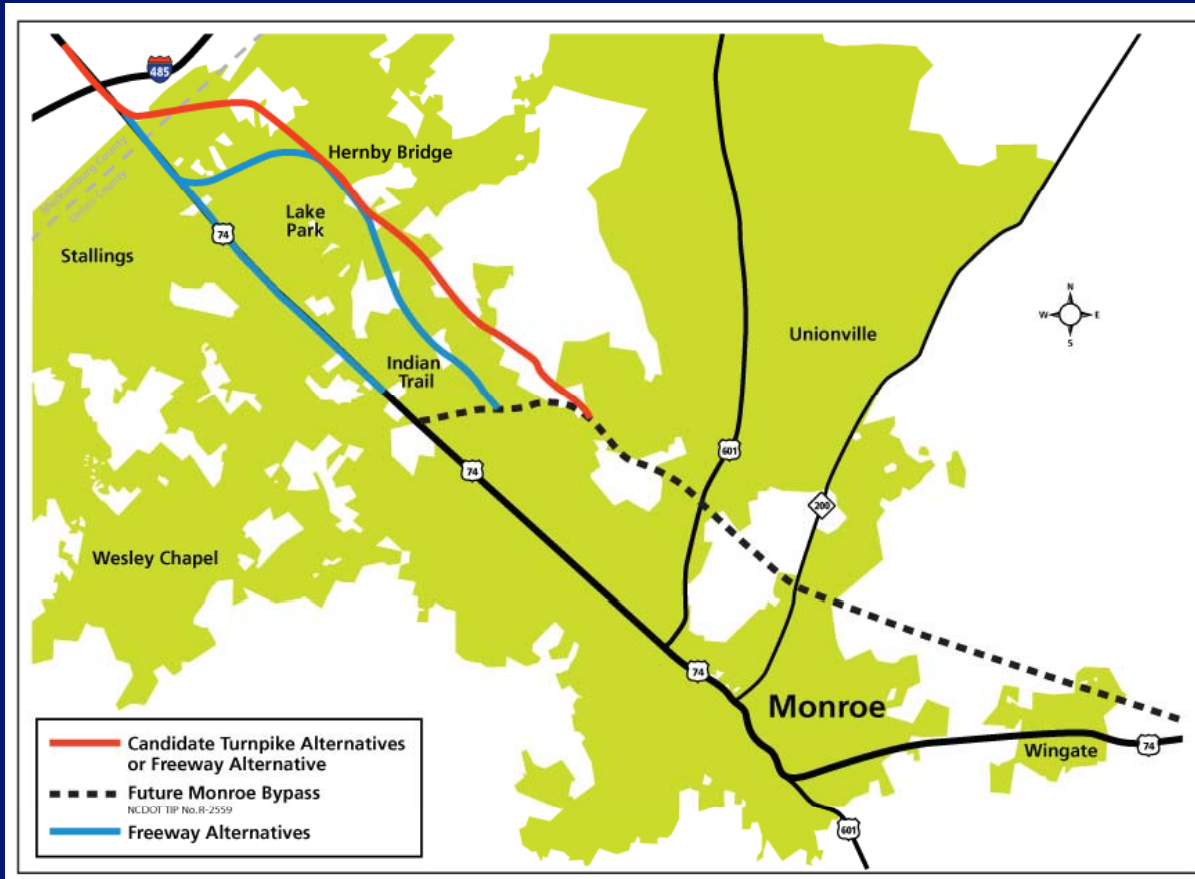
## Outstanding Issues

NCDOT completed mussel surveys; final results pending

# Gaston East-West Connector



# Monroe Connector



Length: 11 miles    Cost: \$179 M    ROD: Fall 2008

# Monroe Connector

---

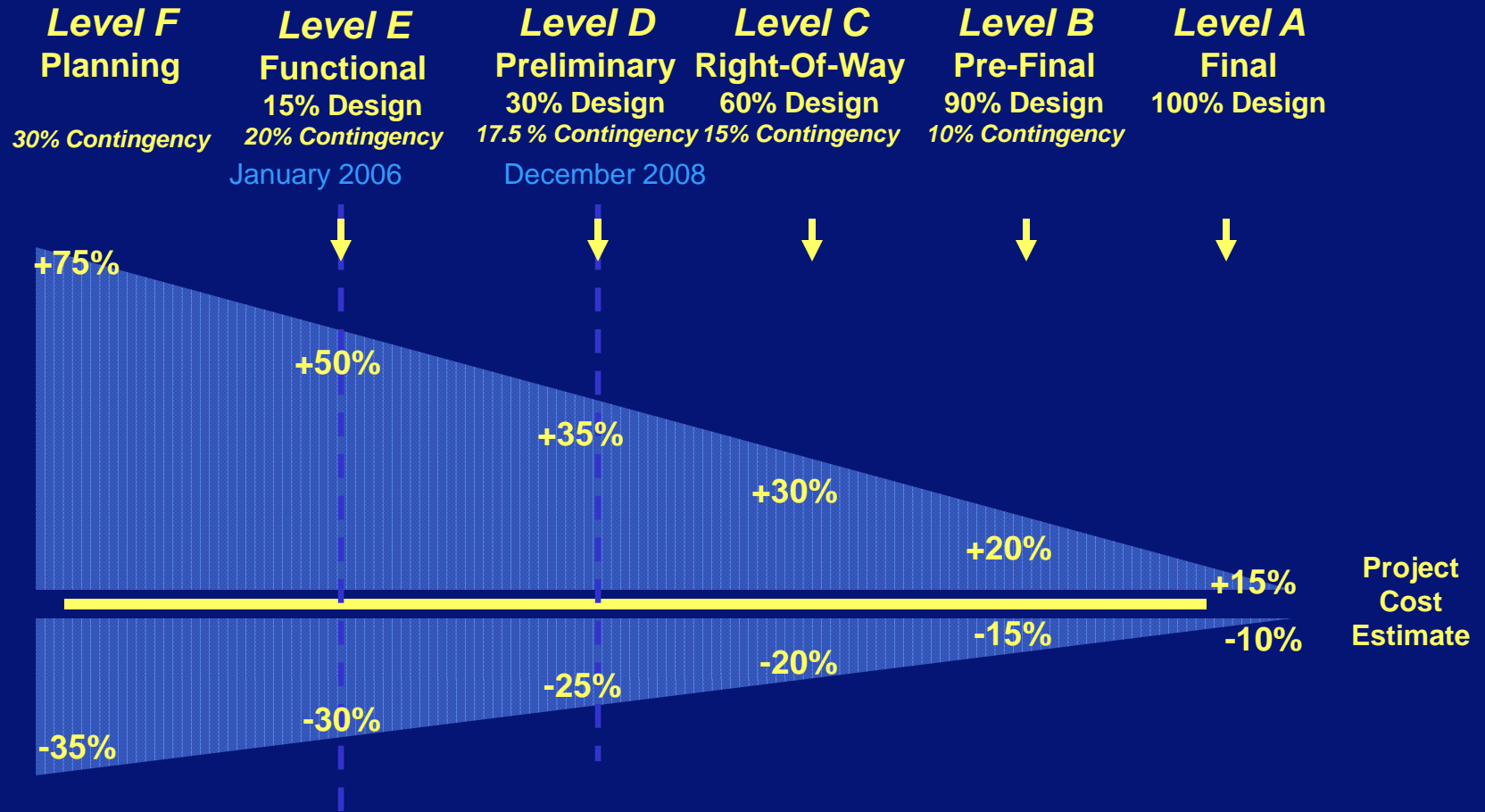
## Project Milestones

January 2006	Signed contract for financial feasibility study
Spring 2006	Feasibility study due
Fall 2006	Complete preliminary engineering
Winter 2007	Revised construction cost estimates
Fall 2007	Draft EIS due
Fall 2008	Record of Decision

## Outstanding Issues

Confirm project termini with FHWA

# Monroe Connector



# Project Summary

---

<b><u>Project</u></b>	<b><u>Est. Cost</u></b>	<b><u>Target EIS</u></b>
Gaston E-W Connector	\$600 M	Summer 2009
Monroe Connector	\$179 M	Summer 2008
Cape Fear Skyway	\$330 M	Spring 2009
Triangle Parkway	\$147 M	Spring 2007*
Mid Currituck Bridge	\$132 M	Spring 2008
Western Wake	\$295 M	Complete
<b><i>Project Totals</i></b>	<b><i>\$1,719 M</i></b>	

\* Indicates Finding of No Significant Impact; construction could begin in Winter 2008

# Benefits of Toll Roads

---

- Congestion relief
- Time savings
- Early project delivery
- Equity creation

# Benefits of Toll Roads

---

## Open Road Tolling

- No stopping to pay tolls
- On-line registration

*Toll roads are win-win  
opportunities for citizens  
and the communities  
they serve.*

---

[www.ncturnpike.org](http://www.ncturnpike.org)



NORTH CAROLINA

**Turnpike Authority**

Questions?