

Hwy 275 Expressway Corridor Completion Bond Financing

Presentation to the State Highway Commission

October 24, 2024

NEBRASKA

Good Life. Great Journey.

DEPARTMENT OF TRANSPORTATION


Recap of August Meeting

- NDOT's Approach
- Overview of the legal authority in Nebraska Highway Bond Act
- Introduction to the concepts and processes involved in bond financing




Source: Office of the Capitol Commission

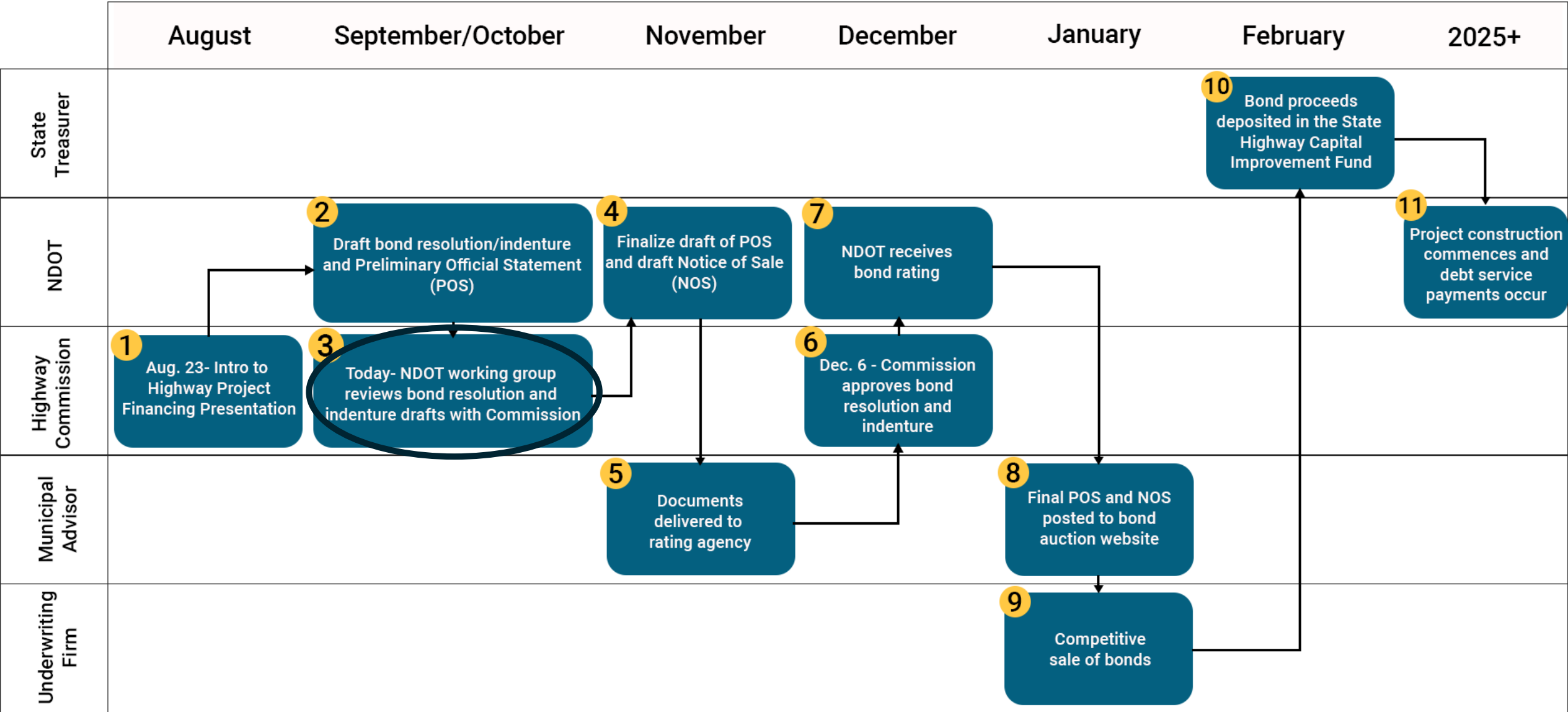
Conservative, Responsible Bond Financing

- New fiscally responsible option
 - Delivers completion of expressway corridors faster
 - Financing issuance will be selective
 - Responsibly balanced along with pay-as-you-go approach for other projects
 - Shares cost of projects with future beneficial users
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Statutory Guardrails

- Principal of all bonds issued cannot exceed \$450 million
 - Annual debt service cannot exceed \$35 million
 - No bonds can be issued after June 30, 2029
 - All bonds must be paid in full by June 30, 2042
 - Bonds are payable only from the State Highway Capital Improvement Fund, which includes revenues dedicated under the Build Nebraska Act
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Timeline of Events



Joining Us Today

Municipal Advisor



Scott Keene, Managing Director
Piper Sandler & Co. Public Finance Group - Lincoln

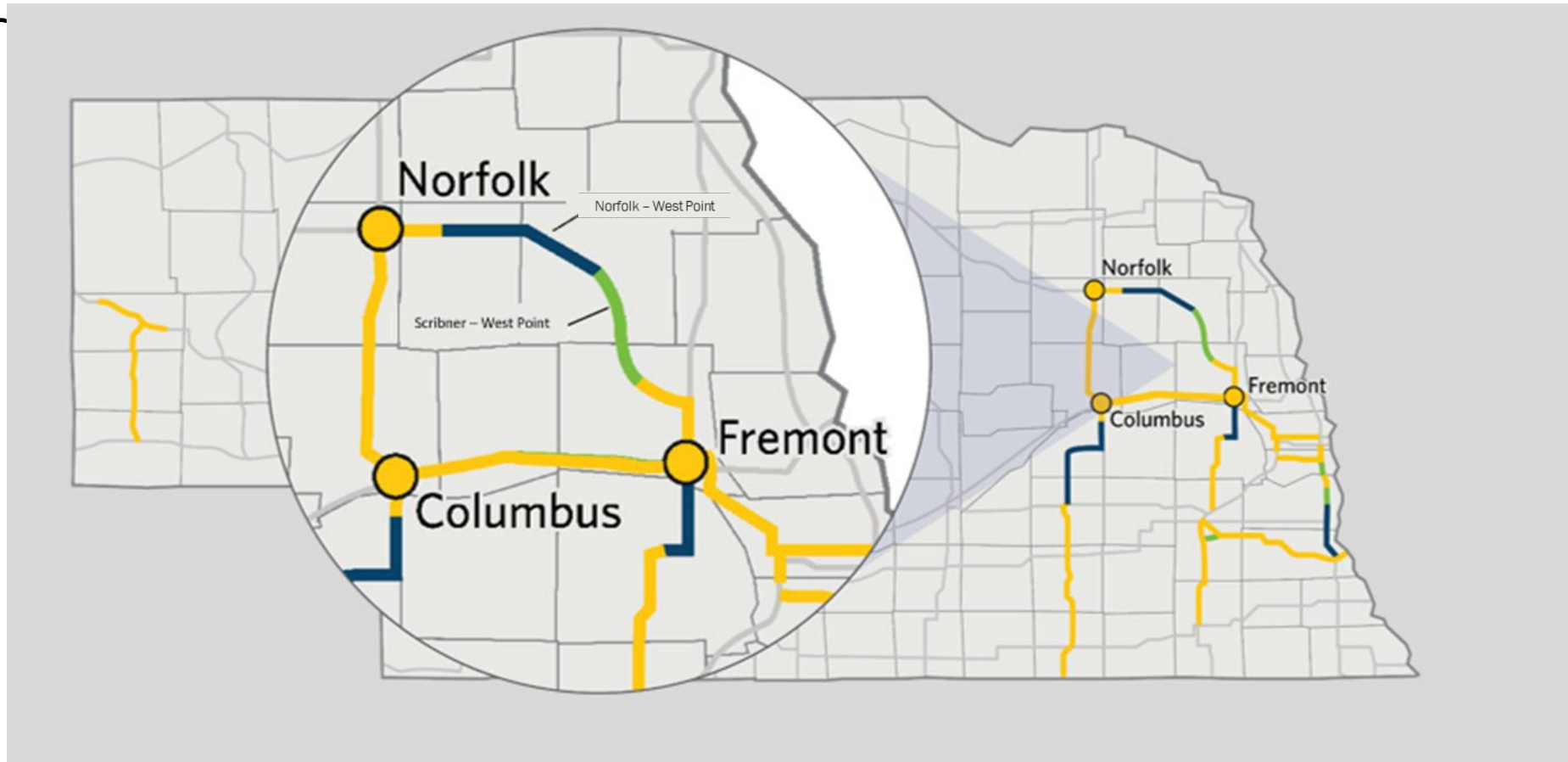
Bond Counsel



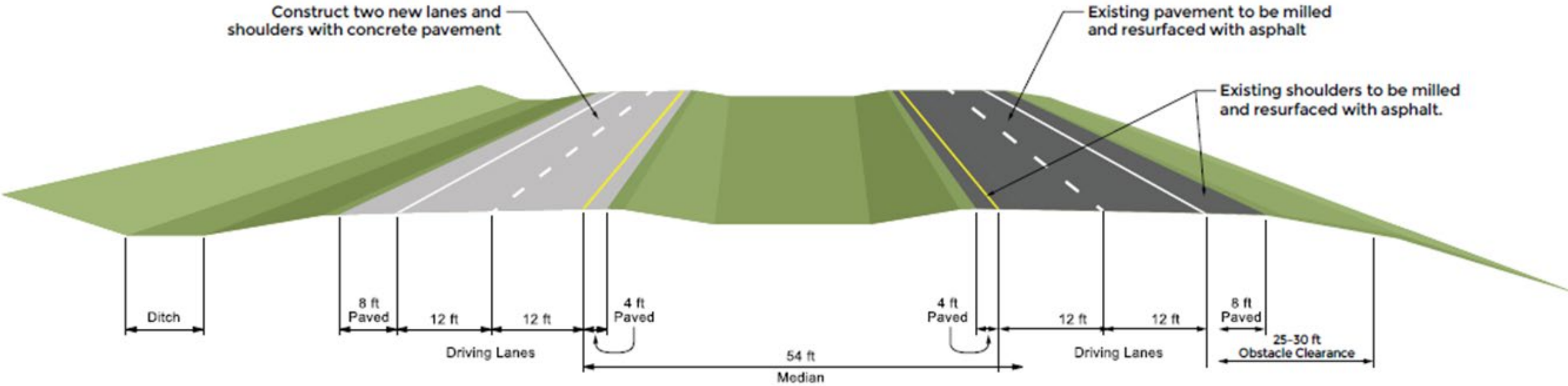
Gregory Dietrich, Partner
Kutak Rock Public Finance - Omaha

The “Project” – Highway 275 Expressway Corridor


- Construction and completion of the Highway 275 expressway system corridor



Highway 275 Expressway Corridor (cont.)



Highway 275 Expressway Corridor (cont.)


- **Fulfill legislative intent** to continue development of the expressway system identified in the 1988 Nebraska Highway Needs Study.
 - **Improve regional connectivity** for vehicles in northeast Nebraska, including commercial vehicles, by providing important expressway connections with both the existing highway and communities within the area
 - **Reduce the annual corridor delay** of 477,300 vehicle hours between Norfolk and West Point, which is expected to worsen as traffic volumes increase in this area.
 - **Maximize use of existing transportation infrastructure**, including connecting highways, and existing right-of-way (ROW) and improve the reliability and condition of existing facilities.
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Documents For Discussion Today

- Resolution to Approve Issuance of Bonds (draft)
- Bond Indenture of Trust (draft)
- Appointment of Trustee
 - Approval requested today



Next Steps

- Today – Approve appointment of Union Bank & Trust as Bond Trustee
 - October/November – NDOT working group will prepare final documents
 - December 6 - Final NDOT recommendation and Commission vote to approve
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Questions?

