LA 1 Toll Road Status Report

May 18, 2010
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Project Photos
Gateway to the Gulf

LA 1 TOLL

17 Miles Ahead

Or Pre-pay Only

Typical Advance Signage
New LA 1 High Level Crossing at Bayou Lafourche
Southbound on LA 1 Toll Road
Phase 1A – View from New Bridge Deck
Construction on Phase 1A
LA 1 Customer Service Center in Golden Meadow
Getting a Single-Trip GeauxPass is EASY!

2. Pre-pay at one of the payment kiosk locations on the map below (debit/credit cards only except for customer service location).
3. You can also go to the customer service center located on Highway 325.
LA1 Project Status
Phases 1B & 1C
(Bayou Lafourche Approaches and High Level Crossing)

- Construction Contract Awarded to the Massman/Traylor Joint Venture
- Started construction in May, 2006
- Contract required completion and open to traffic by December 1, 2009
- Phase 1B and 1C opened to traffic on July 6, 2009
- Contractor earned $1.6 million incentive for early completion
- Tolling began on July 27, 2009 but was suspended due to technical difficulties. Tolling was restarted on August 3rd.
- Removal of existing bridge will be completed in February 2010
Phase 1A (Elevated Roadway to Port Fourchon)

- Bridge is 6 miles long two lane with full shoulders
- From South Connector to Junction LA 1 and LA 3090
- Constructed using “end-on” method to minimize disturbance to the environment
- Construction Contract Awarded to James Construction Group
- Construction contract signed on February 9, 2007
- Phase 1A - 49% Complete and 63% Time Elapsed
- Completion and open to traffic estimated to be in fall of 2011
Phase 1D (Toll Facility, Lighting and ITS Systems)

- Open Road Tolling System
- Contract for Customer Service Center Building, Lighting, Toll Electrical System Awarded to E.P. Breaux Electrical
- Open Road Tolling System vendor is ETCC
- Customer Service Center is located in Golden Meadow
- Temporary Customer Service Center opened on June 1, 2009.
- Permanent Customer Service Center opened in August 2009
- Self Service Kiosks were deployed in December 2009
- Intelligent Transportation System (ITS) message boards and cameras are scheduled to be completed in early 2010
<table>
<thead>
<tr>
<th>SOURCE OF FUNDS</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds / TIFIA Loan</td>
<td>$136,400,000</td>
</tr>
<tr>
<td>Federal Earmarks</td>
<td>$81,598,000</td>
</tr>
<tr>
<td>Federal Formula Funds</td>
<td>$40,675,000</td>
</tr>
<tr>
<td>State TTF</td>
<td>$12,951,000</td>
</tr>
<tr>
<td>State General Fund Surplus</td>
<td>$63,000,000</td>
</tr>
<tr>
<td>NOAA Grant</td>
<td>$1,700,000</td>
</tr>
<tr>
<td>Local Funds</td>
<td>$273,000</td>
</tr>
<tr>
<td>State GO Bonds</td>
<td>$60,000</td>
</tr>
<tr>
<td>CIAP Funds</td>
<td>$35,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$371,657,000</strong></td>
</tr>
</tbody>
</table>

Port Fourchon contributed $3.5 million for dredging and mitigation (not included in total)
## Project Cost – Phase 1

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering, R/W and Utilities</td>
<td>$43,378,000</td>
</tr>
<tr>
<td>Phase 1A (South Connector to LA 3090))</td>
<td>$153,253,000</td>
</tr>
<tr>
<td>Phase 1B (North and South Connector)</td>
<td>$142,441,000</td>
</tr>
<tr>
<td>Phase 1C (High Level Crossing over Bayou)</td>
<td>$23,200,000</td>
</tr>
<tr>
<td>Phase 1D (Open Road Tolling System)</td>
<td>$9,385,000</td>
</tr>
<tr>
<td><strong>PROJECT TOTAL COST</strong></td>
<td><strong>$371,657,000</strong></td>
</tr>
</tbody>
</table>
LA 1 Toll Road Phase 2

Golden Meadow

2 8.3 mi.

1B 4.4 mi.

1A 6.8 mi.

Port Fourchon

Leeville

Proposed LA 1

Existing LA 1

Grand Isle
LA 1 Toll Road Phase 2 Funding

- **Secured Funding**
  - $2 million - State General Fund Surplus (FY07)
  - $1 million - FHWA annual appropriation bill (2009)
  - $1.2 million - Lafourche Parish grant (2009)
  - $500,000 - OCS revenue sharing (2009)
  - $50,000 – Greater Lafourche Port Commission grant (2009)

- **Pledged Funding**
  - $1.2 million - Lafourche Parish grant (2010)
  - $1 million – Lafourche Parish Grant (2011)
  - $974,000 – FHWA annual appropriation bill (2010)
  - $50,000 – Greater Lafourche Port Commission Grant (2010)
  - OCS Revenue Sharing Funding application has been submitted
LA 1 Toll Road Phase 2 Funding

- Possible sources for $300+ million for Construction
  - Stimulus Program Funds
  - Federal Highway Bill Funding
  - OCS Royalty Sharing Funds
- The LA 1 Coalition, an organization which seeks improved highway infrastructure along the LA 1 Corridor has partnered with USDOT, USDHS, USDOE, and the US Minerals Management Service to document the importance of LA 1 & to seek support for federal funding of LA 1 improvements.
Tolling and Bonds
Overview of Bonds

- $164,246,141 in Bonds and Bond Anticipation Notes were sold in May of 2005
  - $95,006,125 in Senior Lien Toll Revenue Bonds
    - $78,350,000 in current interest bonds
    - $16,313,286 in capital appreciation bonds
  - $69,240,016 in bond anticipation notes (BANS)
  - $66,000,000 TIFIA Loan was activated in August of 2009 to pay off the BANS
Overview of Bonds

- **Senior Lien Bonds**
  - The first semi-annual debt service payment on the senior lien bonds will be due on June 1, 2010 in the amount of $1,691,088.
  - The payments will be every June 1st and December 1st according to the debt service schedule.
  - The last payment will be on June 1, 2030, unless excess revenues pay off the debt ahead of time.

- **TIFIA Loan**
  - The first semi-annual debt service payment on the TIFIA loan is due on 12/1/2013 in the amount of $1,851,400.
  - TIFIA loan payments are every June 1st and December 1st according to the debt service schedule.
  - The last payment on the TIFIA loan will be on December 1, 2040.
Toll Revenue Coverage on Debt Service

- Tolls and Interest earnings in each Fiscal Year must equal to at least (i) 120% of the Debt Service due on the Senior Lien Bonds and (ii) 110% of the Debt Service due on all Bonds.

- By April 1st of each year, the Authority shall prepare and submit to the Trustee a report as to whether Revenues for the current Fiscal Year and for the immediately succeeding Fiscal Year will be sufficient to comply with the coverage requirements.

- If the rate covenant is not met, the Authority shall engage a Toll Road Consultant to conduct a study and, within 60 days of such engagement, deliver a written report to the Authority and the Trustee containing the results of such study and the recommendations of the Toll Road Consultant as to the actions required in order to provide sufficient Revenues in each subsequent Fiscal Year to comply with the rate covenant.

- The Authority shall take the actions recommended by the Toll Road Consultant in such report no later than 60 days after the receipt of such report.
Cooperative Endeavor Agreement dated May 1, 2005 between the Department of Economic Development, the Louisiana Transportation Authority, the DOTD and the Division of Administration.

CEA is part of the Bond Documents

CEA requires DED to request funding from the Legislature if there is insufficient toll revenue to meet debt service (up to $18 million per year)

If toll revenue falls short of debt service requirement and some of the $18 million debt service reserve fund is used, the LTA notifies the DED to make a request to the Legislature for funding to fill up the debt service reserve fund in the succeeding year
## Toll Schedule

### Toll Schedule for Phase I LA 1 Improvements

<table>
<thead>
<tr>
<th>Vehicle Class</th>
<th>Total Toll per Vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
</tr>
<tr>
<td>2-axle/4-tire vehicles</td>
<td></td>
</tr>
<tr>
<td>Transponder/resident toll(A)</td>
<td>$0.50</td>
</tr>
<tr>
<td>Transponder/commuter toll(B)</td>
<td>1.50</td>
</tr>
<tr>
<td>Cash toll</td>
<td>2.50</td>
</tr>
<tr>
<td>2-axle/6-tire vehicles</td>
<td>3.75</td>
</tr>
<tr>
<td>3-axle vehicles</td>
<td></td>
</tr>
<tr>
<td>2-axle/4-tire with 1-axle trailer</td>
<td>3.75</td>
</tr>
<tr>
<td>Trucks and buses</td>
<td>5.00</td>
</tr>
<tr>
<td>4-axle vehicles</td>
<td></td>
</tr>
<tr>
<td>2-axle/4-tire with 2-axle trailer</td>
<td>5.00</td>
</tr>
<tr>
<td>Trucks</td>
<td>7.50</td>
</tr>
<tr>
<td>5-axle vehicles</td>
<td>10.00</td>
</tr>
<tr>
<td>6+ axle vehicles (maximum toll)</td>
<td>12.00</td>
</tr>
</tbody>
</table>

\(A\) For Lafourche Parish and Jefferson Parish residents whose permanent residence is south of the Leeville bridge.

\(B\) Based on Lake Pontchartrain Causeway frequency-discount program: 60-day period within which the motorist of a two-axle/four-tire vehicle must make 20 southbound trips through the toll plaza for the discount to be fully effective.
## LA 1 Toll Schedule

<table>
<thead>
<tr>
<th>Vehicle Class</th>
<th>2-axle</th>
<th>2-axle/6-tire “Dually”</th>
<th>3-axle</th>
<th>3-axle Trucks and Buses</th>
<th>4-axle 2-axle/4-tire 2-axle/6 tire with 2-axle trailer</th>
<th>4-axle Trucks</th>
<th>5-axle</th>
<th>6-axle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Toll** per Vehicle</td>
<td>$2.50*</td>
<td>$3.75</td>
<td>$3.75</td>
<td>$5.00</td>
<td>$5.00</td>
<td>$7.50</td>
<td>$10.00</td>
<td>$12.00</td>
</tr>
</tbody>
</table>

* $0.50 for Grand Isle and Port Fourchon residents; $1.50 for non-resident commuters - GeauxPass only

** Toll rates subject to change.
Status of Toll Collections

- Toll collections have ranged between 75% and 88% of forecast for August through April.
- If toll collections continue to average 80% of forecast, the debt service coverage requirements will be met and there will be no need to adjust the rate schedule.
- First toll revenue report to the Trustee is due in April of 2011 to allow for a full calendar year of tolling.
Port Fourchon
The Gulf’s Energy Connection
Lafourche Corridor: An Area of National and Statewide Significance

• The Lafourche Corridor is one of only two places on the entire coast of LA that provides road access to the Gulf
• LA1 is dividing line between the Nation’s two most productive estuaries and is only road access to Port Fourchon and Grand Isle
• There is no single place more significant to the Nation’s energy supply than the Lafourche Corridor
  • The US Minerals Management Service (MMS) calls this corridor “Vital”
  • LA1 was established as a High Priority Corridor by Congress, the only one for energy purposes
• Commercial Fisheries / Ports
  • Ranked in the top ten commercial seafood landings in the United States
Port Fourchon is the Nation’s Energy Connection

- Gulf of Mexico (GOM) provides U.S. with 33% of its domestic oil supply
- 70% of all gulf oil now comes from deepwater
- MMS estimates deepwater has a reserve of 71 billion barrels (bb) of which 56 bb remains to be discovered:
  - MMS predicts that 5.7 bb of deepwater oil will be produced through 2013
  - This approximates 0.569 bb of oil produced per year
  - The balance of estimated reserves after 2013 is equal to 45.5 bb of oil equivalents
  - After 2013, it would take another 44 years for oil and oil equivalents to deplete the resources available in the GOM
  - Reserves are expected to be available in the GOM through 2057
- Port Fourchon currently services over 90% of the Gulf of Mexico deepwater oil production.
- In addition to its huge domestic hydrocarbon significance, Port Fourchon is land base for LOOP which handles 13-15% of nation’s foreign oil and is connected to 50% of U.S. refining capacity.
- Port Fourchon plays a strategic role in furnishing this country with 15-18% of its entire oil supply
Deep Water

Where the Energy Is
Existing Deepwater Structures
90% serviced by Port Fourchon
### Deepwater Discoveries in 2008

(As of December 1)

<table>
<thead>
<tr>
<th>Area and Block</th>
<th>Prospect Name</th>
<th>Operator</th>
<th>Water Depth (Ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lloyd Ridge 370</td>
<td>Diamond</td>
<td>Murphy</td>
<td>9,975</td>
</tr>
<tr>
<td>Walker Ridge 848</td>
<td>Hal</td>
<td>Statoil/ExxonMobil</td>
<td>7,657</td>
</tr>
<tr>
<td>Desoto Canyon 353</td>
<td>Vicksburg</td>
<td>Shell</td>
<td>7,457</td>
</tr>
<tr>
<td>Walker Ridge 627</td>
<td>Julia</td>
<td>Exxon/Mobil</td>
<td>6,562</td>
</tr>
<tr>
<td>Mississippi Canyon 561</td>
<td>Tortuga</td>
<td>Noble Energy</td>
<td>6,302</td>
</tr>
<tr>
<td>Mississippi Canyon 948</td>
<td>Freedom</td>
<td>BP/Noble Energy</td>
<td>6,150</td>
</tr>
<tr>
<td>Desoto Canyon 48</td>
<td>Dalmatian</td>
<td>Murphy</td>
<td>5,876</td>
</tr>
<tr>
<td>Mississippi Canyon 771</td>
<td>Kodiak</td>
<td>BP</td>
<td>4,986</td>
</tr>
<tr>
<td>Green Canyon 448</td>
<td>NA</td>
<td>LLOG</td>
<td>3,266</td>
</tr>
<tr>
<td>Mississippi Canyon 800</td>
<td>Gladden</td>
<td>Newfield</td>
<td>3,116</td>
</tr>
<tr>
<td>Mississippi Canyon 503</td>
<td>NA</td>
<td>LLOG</td>
<td>3,099</td>
</tr>
<tr>
<td>Garden Banks 462</td>
<td>Geauxopher</td>
<td>Mariner</td>
<td>2,820</td>
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<tr>
<td>Mississippi Canyon 754</td>
<td>Anduin West</td>
<td>Newfield</td>
<td>2,696</td>
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<tr>
<td>Mississippi Canyon 72</td>
<td>NA</td>
<td>LLOG</td>
<td>2,013</td>
</tr>
<tr>
<td>Viosca Knoll 821</td>
<td>NA</td>
<td>Walter Oil &amp; Gas</td>
<td>1,030</td>
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<tr>
<td>Green Canyon 141</td>
<td>NA</td>
<td>LLOG</td>
<td>1,003</td>
</tr>
</tbody>
</table>
### Gulf of Mexico OCS Deepwater Discoveries in 2009 (As of November 12)

<table>
<thead>
<tr>
<th>Area and Block</th>
<th>Prospect Name</th>
<th>Operator</th>
<th>Water Depth (Ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keathley Canyon 872</td>
<td>Buckskin</td>
<td>Chevron</td>
<td>6,920</td>
</tr>
<tr>
<td>Mississippi Canyon 519</td>
<td>Santa Cruz</td>
<td>Noble Energy</td>
<td>6,515</td>
</tr>
<tr>
<td>Walker Ridge 52</td>
<td>Shenandoah</td>
<td>Anadarko</td>
<td>5,750</td>
</tr>
<tr>
<td>Green Canyon 859</td>
<td>Heidelberg</td>
<td>Anadarko</td>
<td>5,000</td>
</tr>
<tr>
<td>Keathley Canyon 102</td>
<td>Tiber</td>
<td>BP</td>
<td>4,132</td>
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<tr>
<td>Mississippi Canyon 984</td>
<td>Vito</td>
<td>Shell</td>
<td>4,038</td>
</tr>
<tr>
<td>Green Canyon 490</td>
<td>Wide Berth</td>
<td>Mariner</td>
<td>3,700</td>
</tr>
<tr>
<td>Green Canyon 432</td>
<td>Samurai</td>
<td>Anadarko</td>
<td>3,400</td>
</tr>
<tr>
<td>Garden Banks 605</td>
<td>Winter</td>
<td>Newfield</td>
<td>3,400</td>
</tr>
<tr>
<td>Garden Banks 463</td>
<td>Bushwood I</td>
<td>Mariner</td>
<td>2,700</td>
</tr>
<tr>
<td>Garden Banks 293</td>
<td>Pyrenees</td>
<td>Newfield</td>
<td>2,100</td>
</tr>
<tr>
<td>Ewing Banks 998</td>
<td>NA</td>
<td>Walter Oil &amp; Gas</td>
<td>1,000</td>
</tr>
</tbody>
</table>
Future Port Development
Permits for a new 7,000 ft. slip are expected to be in hand this month.
Infrastructure at Port Fourchon

- Nearly 250 companies operate and/or utilize Port Fourchon
- Approximately 15,000 people per month are flown to offshore locations supported by Port Fourchon
- 270 large supply vessels transverse the port’s channels each day
- Over 1,200 trucks per day travel in and out of Port Fourchon.
- 2006 Port Fourchon Regional Economic Impacts at oil selling at $60/barrel.
  - $1.5 Billion in Business Sales
  - $350 Million Household Earnings
  - 8,169 Jobs
  - $12 Million Sales Tax
$12 million expansion of Leonard Miller Airport
Continues to support offshore businesses & ecotourism development at Port Fourchon and Grand Isle

PHASE IV
Full Parallel Taxi-way

PHASE II
Runway Extension 5,000’ - 6,500’

PHASE III
Runway Electrical & Lighting

PHASE I
Runway Extension 3,800’ - 5,000’
Widening Runway Site Prep for 5,000’ to 6,500’
http://www.geauxpass.com/

Call
Toll free at 1-866-662-8987

Visit one of our Customer Service Centers (CSC):
Golden Meadow - 1821 South Alex Plaisance Blvd. (Hwy. 3235)

E-mail
customerservice@geauxpass.com
Questions