



# Update on Measure M2 Bond Pricing

# Interstate 405 Improvement Project Funding

Source of Funds	Amount (millions)	
<i>Local - M2</i>		
Pay-as-you-go	\$	242.651
Bond Financing		893.000
Total	\$	1,135.651
<i>Federal &amp; State</i>		
TIFIA*	\$	628.930
Federal & State Grants		135.419
Total	\$	764.349
Total Funding	\$	1,900.000

\* TIFIA - Transportation Infrastructure Finance and Innovation Act

# Next Steps Presented on 1/28/2019

- Conduct rating agency presentations on January 29, 2019
- Release Preliminary Official Statement on February 4, 2019
- Meet with investors and answer final questions in New York on February 11, 2019
- Price bonds on February 12-13, 2019
- Close transaction on February 26, 2019
- Return to Finance and Administration Committee with pricing summary in March 2019

# Goals for Transaction

- Target AA+ ratings from Fitch and S&P
- \$400 million in net bond proceeds for the I-405 Project
- Achieve fixed-rate of 3.90 percent or better
- Refinance \$43.5 million of outstanding 2010 Series A Bonds if market conditions realize debt service savings (target \$1 million in savings)

# Results

- AA+ ratings received from Fitch and S&P
- \$400 million in net bond proceeds for the I-405 general purpose lanes
- Fixed-rate of 3.14 percent
- Refinancing of \$43.5 million of outstanding 2010 Series A Bonds achieved \$2.6 million in savings

# Next Steps

- Close transaction on February 26, 2019
- Terminate \$400 million Line of Credit
- Invest bond proceeds
- Return to Finance and Administration Committee with pricing summary in March 2019