



Series 2018 Highway Revenue Bonds

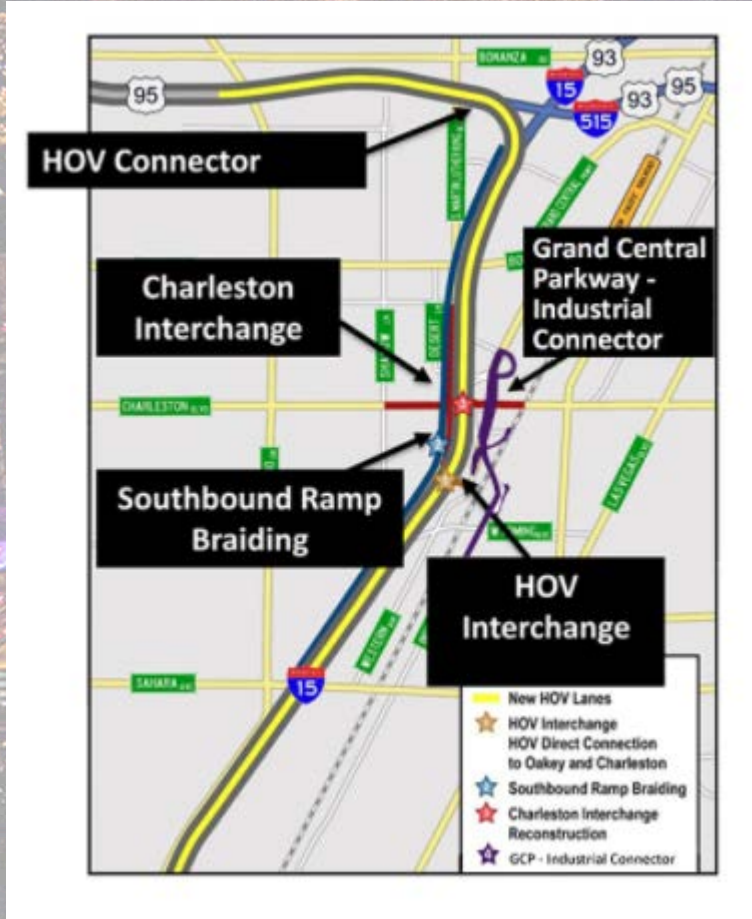
Project Neon

March 12, 2018

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Project Neon



- Widening 3.7 miles of I-15 between Sahara Avenue and the “Spaghetti Bowl” interchange in downtown Las Vegas. Traffic through the corridor is expected to double by 2035
- Increase average speeds on Northbound I-15 from 28 MPH to 60 MPH
- Increase average speeds on US95 during peak commute times from 18 MPH to 56 MPH



Schedule

SCHEDULE



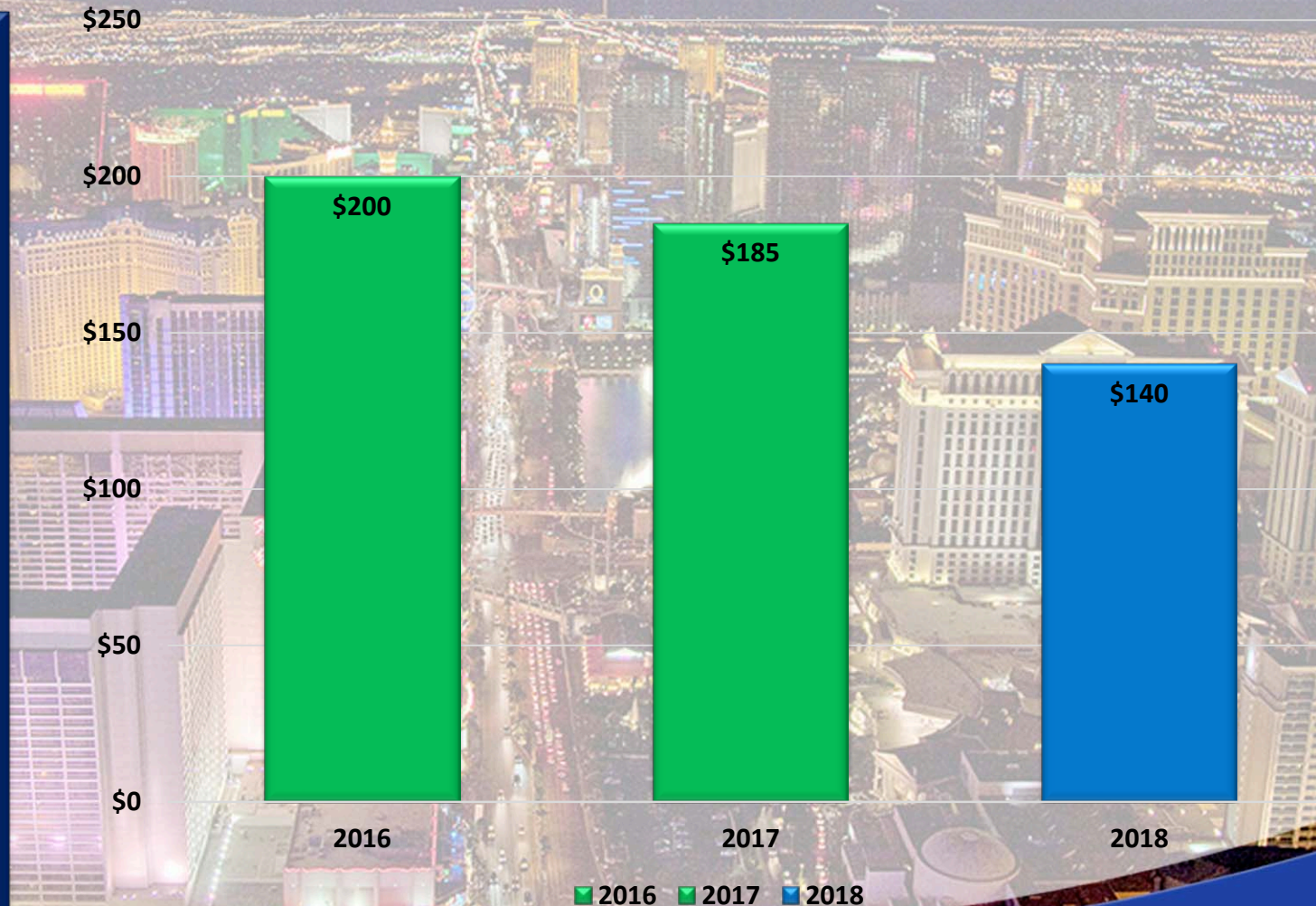
- August 2014: Transportation Board approved Neon construction financed with Bonds
- November 2015: Transportation Board approved Bond structure of 3 sales between 2016 - 2018
- Expected completion Summer 2019



Neon Construction Bonds

Issuances

- Board approved two prior issuances in 2016 and 2017
- 2016 Included refunding that saved state \$14.7M
- Requesting third and final Neon bond sale



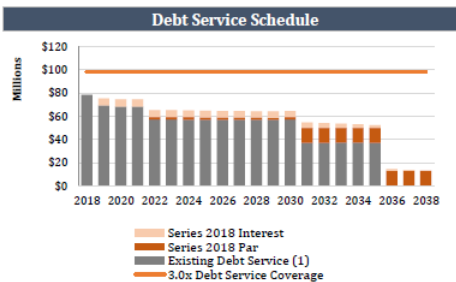


Debt Service

Pro-Forma Debt Service with Series 2018 Proposed Structure

Sources & Uses	
Series	Series 2018
Par Amount	\$ 120,500,000
Premium	15,632,258
Total Sources	\$ 136,132,258
Project Fund	\$ 135,000,000
Cost of Issuance	650,258
Underwriters' Discount	482,000
Total Uses	\$ 136,132,258

Projected MADS Coverage	
Aggregate Maximum Annual Debt Service (after Series 2018)	75,233,781
Occurring Bond Year	2019
MADS Coverage (1)	3.91x



Fiscal Year	Existing Debt Service (1)	Senior Lien Highway Revenue Bonds			Aggregate Debt Service	FY2017 Pledged Revenue	Coverage (2)	Pay Go (\$100M-Debt Service)
		Par	Series 2018 Interest	Debt Service				
6/30/2018	78,480,375	-	-	-	78,480,375	294,115,000	3.75	21,519,625
6/30/2019	69,275,725	-	5,958,056	5,958,056	75,233,781	294,115,000	3.91	24,766,219
6/30/2020	68,386,575	-	6,025,000	6,025,000	74,411,575	294,115,000	3.95	25,588,425
6/30/2021	68,333,825	-	6,025,000	6,025,000	74,358,825	294,115,000	3.96	25,641,175
6/30/2022	57,093,325	2,000,000	5,975,000	7,975,000	65,068,325	294,115,000	4.52	34,931,675
6/30/2023	57,118,425	2,000,000	5,875,000	7,875,000	64,993,425	294,115,000	4.53	35,006,575
6/30/2024	57,023,525	2,000,000	5,775,000	7,775,000	64,798,525	294,115,000	4.54	35,201,475
6/30/2025	56,968,025	2,000,000	5,675,000	7,675,000	64,643,025	294,115,000	4.55	35,356,975
6/30/2026	56,916,025	2,000,000	5,575,000	7,575,000	64,491,025	294,115,000	4.56	35,508,975
6/30/2027	56,969,825	2,000,000	5,475,000	7,475,000	64,444,825	294,115,000	4.56	35,555,175
6/30/2028	56,819,750	2,000,000	5,375,000	7,375,000	64,194,750	294,115,000	4.58	35,805,250
6/30/2029	56,766,000	2,000,000	5,275,000	7,275,000	64,041,000	294,115,000	4.59	35,959,000
6/30/2030	57,194,375	2,000,000	5,175,000	7,175,000	64,369,375	294,115,000	4.57	35,630,625
6/30/2031	37,099,250	12,815,000	4,804,625	17,619,625	54,718,875	294,115,000	5.38	45,281,125
6/30/2032	37,064,500	12,815,000	4,163,875	16,978,875	54,043,375	294,115,000	5.44	45,956,625
6/30/2033	37,189,800	12,815,000	3,523,125	16,338,125	53,527,925	294,115,000	5.49	46,472,075
6/30/2034	37,161,500	12,815,000	2,882,375	15,697,375	52,858,875	294,115,000	5.56	47,141,125
6/30/2035	37,138,200	12,810,000	2,241,750	15,051,750	52,189,950	294,115,000	5.64	47,810,050
6/30/2036	-	12,810,000	1,601,250	14,411,250	14,411,250	294,115,000	20.41	85,588,750
6/30/2037	-	12,810,000	960,750	13,770,750	13,770,750	294,115,000	21.36	86,229,250
6/30/2038	-	12,810,000	320,250	13,130,250	13,130,250	294,115,000	22.40	86,869,750
Total	\$ 982,999,025	\$ 120,500,000	\$ 88,681,056	\$ 209,181,056	\$ 1,192,180,081			

(1) FY2018 existing debt service includes principal and interest payments already made on 12/1/2017

(2) Using FY2017 Net Pledged Revenue (\$294M)

Current rates as of 2/13/2018 + Estimated Credit Spread from PFM Pricing Group + 50 bps volatility cushion

Maximum Annual Debt Service

- \$78.5M in 2018
- \$75.2M in 2019

Debt Service Coverage

- Policy is no less than 3.00X on senior liens
- Formula: Total fuel taxes for \$294M / 3.00 =
- \$98 M Maximum Payment





2018 Bond Issuance

- **Current Bond Rating**
 - AAA Standard and Poor's
 - AA+ Fitch
 - Aa2 Moody's
- **Maximum: \$140,000,000**
- **Term: 20 years**

	Moody's	S&P	Fitch	Meaning
Investment Grade	Aaa	AAA	AAA	Prime
	Aa1	AA+	AA+	High Grade
	Aa2	AA	AA	
	Aa3	AA-	AA-	
	A1	A+	A+	Upper Medium Grade
	A2	A	A	
	A3	A-	A-	
	Baa1	BBB+	BBB+	Lower Medium Grade
	Baa2	BBB	BBB	
Baa3	BBB-	BBB-		
Junk	Ba1	BB+	BB+	Non Investment Grade Speculative
	Ba2	BB	BB	
	Ba3	BB-	BB-	
	B1	B+	B+	Highly Speculative
	B2	B	B	
	B3	B-	B-	
	Caa1	CCC+	CCC+	Substantial Risks
	Caa2	CCC	CCC	Extremely Speculative
	Caa3	CCC-	CCC-	In Default w/ Little Prospect for Recovery
	Ca	CC	CC+	
	C	CC		
		CC-	In Default	
D	D	DDD		



Proposed Schedule

Date	Preliminary Financing Schedule
March 12, 2018	Request Transportation Board approval of Bond Resolution
March 13, 2018	Request Board of Finance approval
April 17, 2018	Presentation to rating agencies
April 27, 2018	Ratings Received
May 15, 2018	Competitive Bond Sale
June 5, 2018	Bond Closing – Funds Received



NEVADA DOT



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20-Year MMD vs. 20-Year MMD January 2006 – 2/7/2017

