



**CENTRAL TEXAS
Regional Mobility Authority**

AGENDA ITEM #3 SUMMARY

Adopt the Mobility Authority 2014 Annual Report.

Strategic Plan Relevance: Regional Mobility

Department: Finance

Associated Costs: N/A

Funding Source: Operating Budget

Board Action Required: YES

Description of Matter:

The Mobility Authority Policy Code requires the Board to adopt an annual report to be submitted to Williamson County and Travis County. Chapter 370 of the Texas Transportation Code requires the Mobility Authority to "... file with the commissioners court of each county of the authority a written report on the authority's activities ..." by March 31 of each year.

The 2014 Report entitled "Fast Forward Future" is submitted for the Board's review and consideration, and is recommended for Board adoption.

Backup information: proposed Annual Report for 2014
Draft Resolution

Contact: Bill Chapman, Chief Financial Officer
Cindy Demers, Controller

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 14-___

ADOPTING THE MOBILITY AUTHORITY ANNUAL REPORT FOR 2014

WHEREAS, state law and the Mobility Authority's Policy Code require the preparation and adoption of an annual report on the activities of the Mobility Authority; and

WHEREAS, the Executive Director has prepared a proposed 2014 Annual Report for the Board's review and consideration, a copy of which has been provided to the Board as agenda backup information for this resolution; and

WHEREAS, the Executive Director recommends that the Board adopt the proposed 2014 Annual Report.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the 2014 Annual Report of the Mobility Authority provided as agenda backup information.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 17th day of December, 2014.

Submitted and reviewed by:

Approved:

Andrew Martin
General Counsel for the Central
Texas Regional Mobility Authority

Ray A. Wilkerson
Chairman, Board of Directors
Resolution Number: 14-___
Date Passed: 12/17/2014

EXHIBIT 1 TO RESOLUTION NO. 14-___

2014 ANNUAL REPORT

[attached beginning on the following page]



SETTING CENTRAL TEXAS IN MOTION



CENTRAL TEXAS
Regional Mobility Authority

2014 ANNUAL REPORT

SETTING CENTRAL TEXAS IN MOTION

The Central Texas Regional Mobility Authority is a local, independent government enterprise created in 2002 to improve the regional transportation system in Travis and Williamson counties. The Mobility Authority implements innovative and sustainable transportation options to enhance quality of life and economic vitality. The Mobility Authority operates 183 Toll in Williamson county, 290 Toll Manor Expressway in northeast Austin and is constructing Express Lanes on MoPac. The Mobility Authority gets no funding from local property or sales taxes, and operates solely on user-based revenue sources.

*Cover: Downtown Austin, with the MoPac Expressway interchange in the foreground.
Right: Installing overpass beams as part of the MoPac Improvement Project.*

OUR CORE VALUES

INTEGRITY

Honest communication, transparent transactions, ethical decisions and forthright behavior.

ACCOUNTABILITY

Fiscal responsibility, commitment to our customers and constituents, and collaboration with local and regional partners.

CREDIBILITY

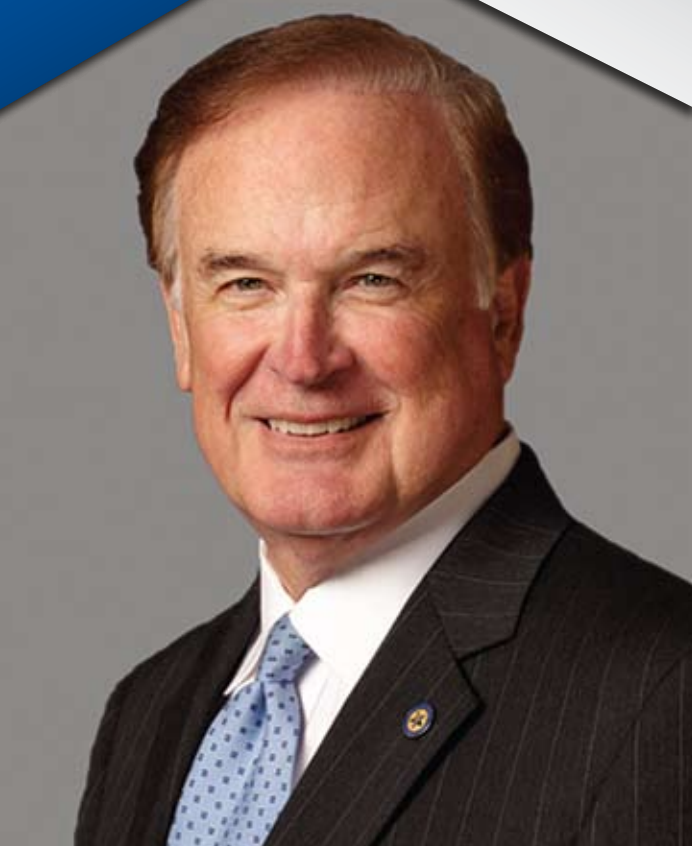
An earned reputation for fairness, dependability and dedication to public service.

INNOVATION

Visionary leadership and entrepreneurial spirit.

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SETTING CENTRAL TEXAS IN MOTION

In 2014, the Mobility Authority made significant progress toward setting Central Texas in motion. We moved beyond the success of 183A in the northwest and opened the Manor Expressway, which eased congestion and reconnected eastern Travis and southern Williamson counties to downtown Austin. We are moving swiftly ahead with the MoPac Improvement Project, which will help improve efficiency and reliability in one of Austin's busiest transportation corridors with the opening of new, variable-tolled Express Lanes late next year.

The Mobility Authority is laser-focused on bringing reliability to drive times all over Central Texas – north, south, east and west. We are working around the clock and thinking outside the box to provide more transportation options. That means building new roadways, adding lanes to improve capacity on existing arteries, implementing innovative technological solutions, and partnering with transportation organizations like the Texas Department of Transportation (TxDOT), Capital Metro and Carma Carpooling. Through every planning stage, we are working hand-in-hand with local governments, listening closely to community leaders and the public, and incorporating their feedback into project plans. Together, we are turning the corner on mobility in Central Texas.

Bringing reliability to transportation in Central Texas requires a team of uniquely qualified, highly motivated visionaries and problem-solvers, wholly dedicated to improving mobility for businesses and families region-wide. In 2014, we demonstrated that the Mobility Authority is that team.

SINCERELY,

Ray Wilkerson
CHAIRMAN, BOARD OF DIRECTORS



KEY TO LINES	
	Expressways Open to Traffic
	Projects Under Construction
	Environmental Studies
	Shared Use Path
	Highway Emergency Response Operator (HERO)
	Expressways TxDOT
	Untolled Roads
	SH 71 Project Limits

CTRMA Roadway Map Rev 11/24/14

FROM PROJECTS TO A NETWORK

In 2014, the Mobility Authority matured from a start-up agency to an innovative regional, transportation leader. We are reconnecting communities, businesses and families that have long been disengaged from each other due to traffic barriers. Toll revenues continue to exceed projections on 183A, bringing more development and economic activity to Cedar Park, Leander and other points along the corridor. The Manor Expressway opened and is already surpassing projected traffic and revenue estimates, demonstrating the demand for easy access to Manor, Elgin and other points in eastern Travis and southern Williamson counties. The MoPac Improvement Project is fully underway, with variable-tolled Express Lanes set to open in late 2015. But that's not all.

Central Texas is one of the fastest-growing regions in America, and the Mobility Authority is working to create transportation solutions to meet that growth.

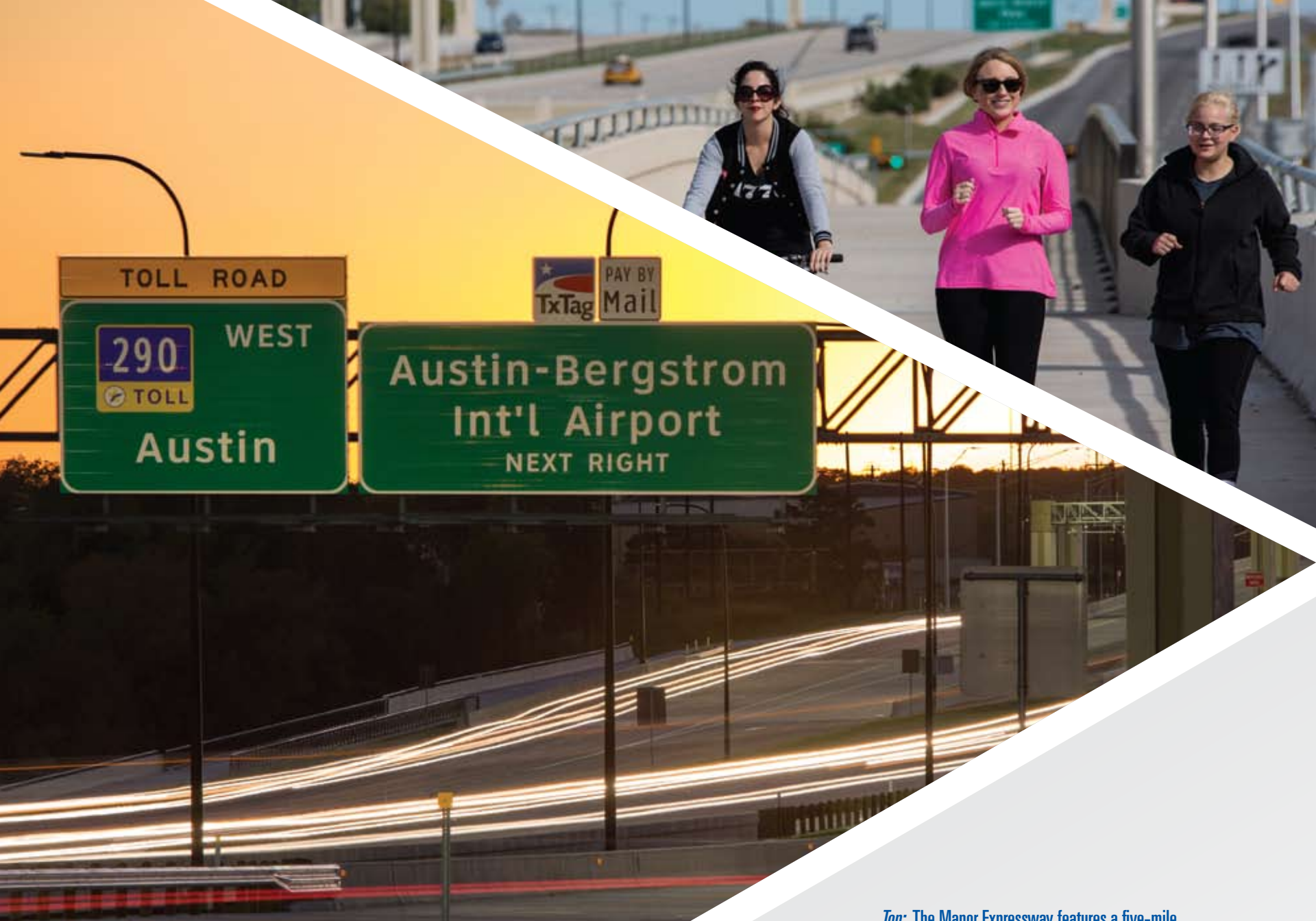


PROVIDING NON-TOLLED ALTERNATIVES

The Mobility Authority provides transportation options that go beyond toll roads. We moved forward in 2014 on several innovative transportation solutions that will enhance our region's quality of life.

- ▶ **The Maha Loop** – In July, we broke ground on the two-mile, non-tolled Maha Loop extension project in eastern Travis County, which will enhance mobility and be turned over to Travis County when complete.
- ▶ **US 183/183A Intersection Improvements** – In partnership with the City of Leander, the Mobility Authority began construction to improve this intersection where 183A currently ends, making it safer and easier to navigate and leading to new residential development.
- ▶ **Non-tolled frontage roads** – The Mobility Authority is committed to building non-tolled frontage roads such as those adjacent to the 183A and 290 Toll roads. These “free” options increase capacity and provide a choice for drivers who prefer not to pay a toll.
- ▶ **Other non-tolled projects** – The Mobility Authority is also dedicated to improving communities. Every project we have planned includes award-winning environmental, aesthetic and pedestrian improvements like shared-use paths, bike trails and parks to make our neighborhoods safer, more convenient, and more pleasant places to live and work.

Top: The Mobility Authority broke ground on the Maha Loop project in July 2014 in partnership with Travis County.



Top: The Manor Expressway features a five-mile shared use path for pedestrian and bicycle travel.

Above: The Manor Expressway connects residents of eastern Travis and Williamson counties with I-35, US 183, SH 130 and downtown Austin.

Facing Page Bottom Left: A grand opening for the Manor Expressway was held in May, after completion of Phase II of the project. Phase I was completed in December 2012.

Facing Page Top Right: After: the Manor Expressway on completion.

Facing Page Bottom Right: Before: US 290 in 2010.

MANOR EXPRESSWAY: OPEN FOR BUSINESS



The Manor Expressway (290 Toll) opened in May 2014 with a grand opening celebration and has since exceeded traffic and revenue projections.

While maintaining non-tolled frontage lanes, the Manor Expressway project effectively quadrupled capacity by adding three additional tolled lanes in each direction. In addition to improving mobility options for drivers, the project built a ten-foot wide shared use path for cyclists and pedestrians.

The Mobility Authority broke ground on the Manor Expressway project in March 2010, and completed construction in May 2014, both on time and on budget. The consistent growth in traffic and revenue led to an upgrade in the Mobility Authority's bond rating by Standard & Poor's. The rating agency's assessment demonstrates a growing need for transportation infrastructure in our region. The Mobility Authority is meeting that need effectively and efficiently with a fiscally-sound approach.



YEAR OF MOBILITY

The past year was a turning point in the Mobility Authority's development of a seamless, reliable regional transportation network. Today, the Mobility Authority has \$1 billion in projects open or under construction and \$2 billion in development. Looking ahead, the Mobility Authority is working collaboratively with local governments and TxDOT to develop numerous projects that will improve mobility across Central Texas in the years ahead.



Manor Expressway (290 Toll) – Leading the way in the year of mobility, the Manor Expressway (290 Toll) opened to traffic in May 2014. Designed to combat a significant increase in congestion on US 290 East between US 183 and SH 130, the corridor has quadrupled the capacity of the original roadway. The new mobility options this project provides has made travel times more reliable for drivers, while also enhancing quality of life and the prospect for economic prosperity in the region. ▶ ManorExpressway.com



MoPac Improvement Project – Construction on the MoPac Improvement Project is in full swing. The Mobility Authority is constructing one Express Lane in each direction on an 11-mile stretch of MoPac between Parmer Lane and Cesar Chavez Street. The Express Lanes will help ensure reliable travel times throughout the day by charging a variable toll that increases when demand is heavy and decreases when it is light. Capital Metro buses and registered van pools will ride free, and existing capacity will remain non-tolled. In addition to added capacity, the project features enhanced pedestrian and cyclist connectivity, sound and neighborhood walls to limit noise for nearby residents, and aesthetic improvements to preserve the character of the surrounding area. ▶ MopacExpress.com



183A – The Mobility Authority's inaugural project, the 183A Toll road in Cedar Park and Leander continues to exceed projections and is spurring economic development in Cedar Park and Leander. In November, the Mobility Authority began improvements to the US 183/183A intersection as well as the adjacent intersection of US 183 and CR 276 in Leander. In addition to safety upgrades, the project will improve drivers' ability to navigate the intersection and will allow for better access to future development along 183A. ▶ MobilityAuthority.com/projects/183a

For more about other Mobility Authority projects in development, see Page 12.

The Mobility Authority has completed two major projects, the 290 Toll, otherwise known as the Manor Expressway (above, facing page), and the 183A Toll road (bottom left). The Mobility Authority is currently constructing new Express Lanes on the MoPac corridor between Parmer Lane and downtown (bottom right).



RE-ENVISIONING CONNECTIVITY

The Mobility Authority is seeking out and implementing innovative new technologies and public-private partnerships to help optimize Central Texas' over-burdened transportation network. These new measures will help bring reliability to drive times, safely and cleanly, without disturbing one blade of grass or pouring one square foot of concrete.



Carma Carpooling App – An innovative new ride-sharing pilot project that uses a smartphone app to help commuters find others wishing to make similar trips. Commuters get money back on tolls, save gas and help fill single-occupancy vehicles. ▶ carmacarpool.com



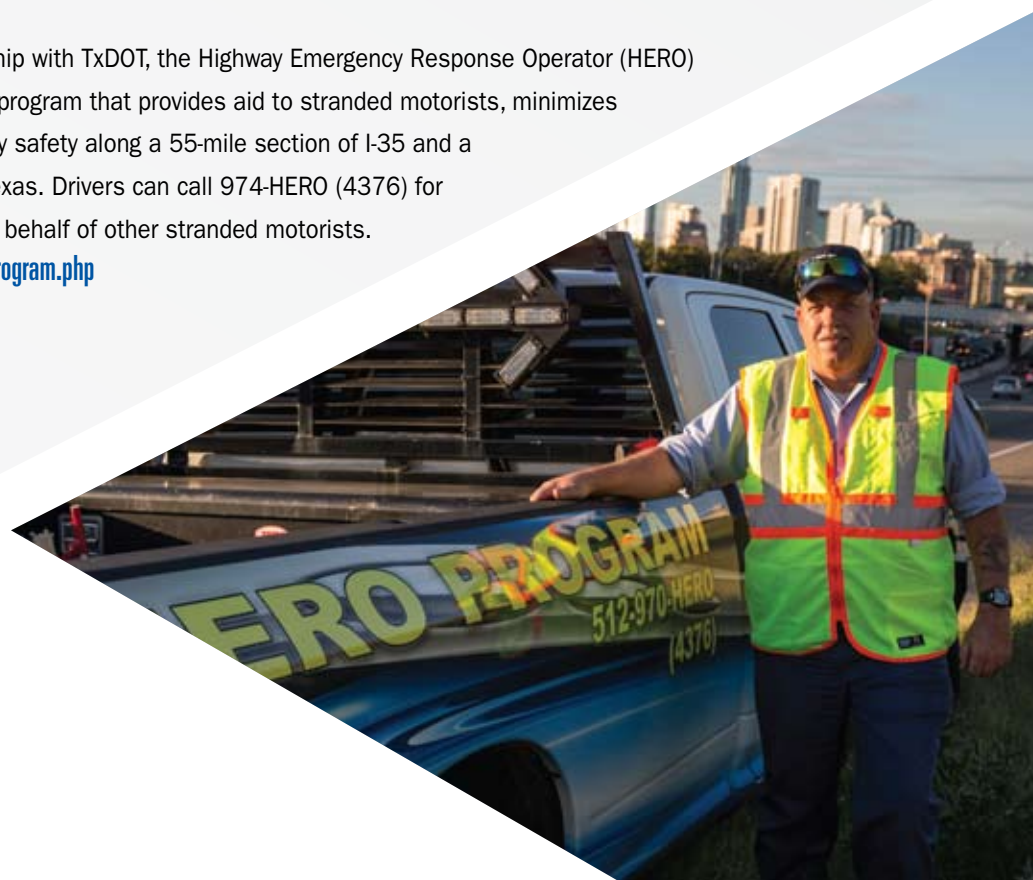
Metropia – An incentive-based, intelligent traffic management platform that promotes smarter transportation choices by commuters, driving improvements in metro mobility for all drivers. More than just a traffic app, Metropia rewards commuters who make positive, multi-modal transportation choices that get them to their destinations faster and reduce harmful CO2 emissions. ▶ metropia.com



HERO Program – Operated in partnership with TxDOT, the Highway Emergency Response Operator (HERO) Program is a free roadside assistance program that provides aid to stranded motorists, minimizes traffic congestion and improves highway safety along a 55-mile section of I-35 and a 12-mile stretch of US 183 in Central Texas. Drivers can call 974-HERO (4376) for assistance with their own vehicle or on behalf of other stranded motorists. ▶ MobilityAuthority.com/information/hero-program.php

Above: A state-of-the-art Traffic Management System will allow for efficient traffic management and enhanced accident response along MoPac.

Right: The HERO program, a partnership with the Texas Department of Transportation, provides free roadside assistance to stranded motorists.



PROJECT UPDATES

The Mobility Authority currently has \$2 billion in projects in various stages of development, including:



Bergstrom Expressway – Set to break ground in 2015, this project will expand mobility along the US 183 corridor south (between US 290 East and State Highway 71), improve access to the airport, and provide an alternate route when reconstruction efforts begin on I-35. ▶ bergstromexpressway.com



SH 71 Express Project – This project, being developed in partnership with TxDOT, will bring mobility improvements to SH 71, from Presidential Boulevard to SH 130, to improve drive times to Austin-Bergstrom International Airport and improve commutes for Bastrop County residents. ▶ sh71express.com



183 North Mobility Project – Adding new lanes with a tolling option provides an efficient and reliable alternative to current congestion plaguing the section of US 183 between RM 620 and MoPac. ▶ 183north.com



SH 45SW Environmental Study – TxDOT is leading the Environmental Study for the proposed SH 45SW project, improving mobility for southern Travis County. Once approved, the Mobility Authority will begin design and construction on the project. ▶ sh45sw.com



Oak Hill Parkway Environmental Study – The Mobility Authority is working with TxDOT to find a solution to the bottleneck on US 290 and SH 71 (centered at the "Y" in Oak Hill), while respecting the area's sensitive environmental features, particularly the historic trees for which Oak Hill is named. ▶ oakhillparkway.com



MoPac South Environmental Study – A solution for MoPac doesn't just include the northern section. The Mobility Authority is also studying options to improve traffic on MoPac south of Lady Bird Lake. ▶ mopacsouth.com

Right: Construction on the MoPac corridor south of the US 183 flyover intersection.



2014 FINANCIAL REPORT

The Mobility Authority's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units on an accrual basis. Some items below have notes associated with them. To view the audited Financial Statements and Management Discussion and Analysis, please visit MobilityAuthority.com/about/financials.

STATEMENTS OF NET POSITION As of June 30, 2014 and 2013

ASSETS

CURRENT ASSETS

	2014	2013
Cash and cash equivalents	618,907	827,616
Investments	5,060,036	8,345,711
Due from other agencies	4,310,799	27,654,822
Accrued interest receivable	114,013	216,923
Prepaid expenses and other assets	63,245	50,878
TOTAL CURRENT ASSETS	10,167,000	37,095,950

RESTRICTED ASSETS

Cash and cash equivalents	208,964,784	125,217,295
Investments	60,643,144	112,195,570
TOTAL RESTRICTED ASSETS	269,607,928	237,412,865
Property, toll roads and equipment, net	762,298,603	401,870,275
Construction work in progress	70,458,662	301,720,870
Deferred inflow of resources	13,875,826	14,903,935
Bond issuance costs, net	5,141,990	5,337,706

TOTAL ASSETS	1,131,550,009	998,341,601
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LIABILITIES

CURRENT LIABILITIES

	2014	2013
Accounts payable	25,477,979	12,219,671
Accrued interest payable	19,924,481	16,489,704
Due to other agencies	462,291	465,504
Accrued expenses	266,028	265,875
Bonds payable - 2013 Series - current portion	3,475,000	1,350,000
TOTAL CURRENT LIABILITIES	49,605,779	30,790,754

NONCURRENT LIABILITIES

Draw Down Note	3,049,820	1,974,569
Bonds payable - 2010 Series	94,832,879	95,011,738
Bonds payable - 2011 Series	370,465,676	370,226,319
Bonds payable - 2013 Series	305,729,101	312,208,620
2013 Note	5,300,000	5,300,000
TOTAL LONG TERM DEBT	779,377,476	784,721,246

Accumulated accretion on Capital Appreciation Bonds	15,298,403	11,110,405
TOTAL LIABILITIES	844,281,658	826,622,405

NET POSITION

Invested in capital assets, net of related debt	34,606,386	(93,590,506)
Restricted for other purposes	224,106,925	213,309,817
Unrestricted	28,555,040	51,999,885
TOTAL NET POSITION	287,268,351	171,719,196
TOTAL LIABILITIES AND NET POSITION	1,131,550,009	998,341,601

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION Years ended June 30, 2014 and 2013

	2014	2013
OPERATING REVENUES		
Tolls	39,968,131	32,159,157
Grants and contributions	113,154,143	92,205,336
Other	2,907,434	455,792
TOTAL REVENUES	156,029,708	124,820,285
OPERATING EXPENSES		
Salaries and wages	2,585,895	2,451,766
Other contractual services	4,532,919	3,495,639
Professional services	3,324,284	3,036,187
General and administrative	3,226,190	6,072,581
Depreciation and amortization	13,712,170	9,762,078
TOTAL OPERATING EXPENSES	27,381,458	24,818,251
TOTAL OPERATING INCOME	128,648,250	100,002,034
NONOPERATING REVENUES/EXPENSES		
Interest income, net of interest capitalized	200,226	230,171
Interest expense	(17,811,535)	(22,573,480)
CHANGE IN NET POSITION	111,036,941	77,658,725
TOTAL NET POSITION AT BEGINNING OF THE YEAR	171,719,196	94,060,471
CONTRIBUTED CAPITAL	4,512,214	—
TOTAL NET POSITION AT END OF THE YEAR	287,268,351	171,719,196

STATEMENTS OF CASH FLOWS June 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from toll fees	39,095,529	31,011,717
Receipts from grants and other income	140,278,202	68,937,574
Receipts from interest income	303,136	13,248
Payments to vendors	(5,475,877)	(6,393,455)
Payments to professionals	(3,662,055)	(2,699,043)
Payments to employees	(2,575,205)	(2,447,161)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	167,963,730	88,422,880
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisitions of property and equipment	(123,791,546)	(112,473,225)
Payments on interest	(36,140,149)	(32,231,123)
Acquisitions of construction in progress	(662,476)	(10,495,498)
Payment of Series 2005 Bonds	—	(173,124,727)
Payment of Series 2010 Subordinated Lien Bonds	—	(45,000,000)
Payment of TIFIA Bond	—	(77,656,077)
Proceeds from 2013 Note	—	5,300,000
Proceeds from Issuance of 2013 Series Bonds	—	289,770,000
Proceeds from Draw Down Note	1,075,251	1,574,569
Proceeds from Travis County	15,743,655	—
Proceeds from contributed capital	4,512,214	—
NET CASH FLOWS PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(139,263,051)	(154,336,081)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(62,403,406)	(54,655,334)
Proceeds from sale or maturity of investments	117,241,507	201,419,139
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	54,838,101	146,763,805
Net increase (decrease) in cash and cash equivalents	83,538,780	80,850,604
Cash and cash equivalents at beginning of year	126,044,911	45,194,307
CASH AND CASH EQUIVALENTS AT END OF YEAR (INCLUDING \$208,964,784 FOR 2014 AND \$125,217,295 FOR 2013 REPORTED IN RESTRICTED ASSETS)	209,583,691	126,044,911

STATEMENTS OF CASH FLOWS (CONTINUED) *Years ended June 30, 2014 and 2013*

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2014	2013
Change in net assets	111,036,941	77,658,725
Adjustments to reconcile change in net assets to:		
Net cash used in operating activities:		
Depreciation and amortization	12,640,430	9,482,695
Amortization of premium/discount	(442,724)	(115,332)
Interest accretion	4,187,998	496,072
Issuance cost expense	195,716	395,307
Nonoperating interest	17,811,535	32,231,123
Changes in assets and liabilities:		
Decrease in prepaid expenses and other assets	(12,367)	(25,662)
(Increase) decrease in non-cash revenue (due from other agencies)	23,340,810	(13,326,121)
(Decrease) in accounts payable	(1,822,871)	(3,464,282)
Increase in accrued expenses	153	29,064
(Decrease) in deferred revenue	—	(34,774)
(Increase) in deferred inflow of resources	1,028,109	(14,903,935)
TOTAL ADJUSTMENTS	56,926,789	10,764,155
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	167,963,730	88,422,880

LETTER FROM EXECUTIVE DIRECTOR
MIKE HEILIGENSTEIN



As we look ahead, 2015 promises to be another breakthrough year for the Mobility Authority. We have many exciting projects in the pipeline – not just toll roads, but Express Lanes, new transportation technologies, and other innovative approaches to setting Central Texas in motion.

People want to live here because our area has so much to offer – a robust economy, a superb business environment, high-paying

jobs, unique dining and entertainment venues, bountiful recreational opportunities, and a breathtakingly beautiful setting of green spaces and clean waters. The Mobility Authority's work is crucial to maintaining our region's vibrancy and economic vitality.

Mobility is not just an idle promise we made to Central Texas; we are delivering, and we have just gotten started. Our plans are moving from visionary to tangible in ways that are having real, positive impacts on people's drive times and quality of life.

Our work positively impacts communities, as well as major transportation corridors. With reliable drive times on major arteries, fewer commuters will cut through neighborhoods to avoid traffic. And with the MoPac Improvement Project, drivers will reap a real payback in enhanced lifestyle in the form of more time to spend with family and friends.

But time is of the essence. With Austin adding 140 people per day and 1.5 million new residents over the next 20 years, we don't have time to waste. That is why the Mobility Authority is looking at ways to improve mobility in every part of Central Texas. We don't just study, we do.

Sincerely,

Mike Heiligenstein
EXECUTIVE DIRECTOR



“ A LEADING VOICE FOR MOBILITY IN CENTRAL TEXAS AND INTERNATIONALLY ”

The International Bridge, Tunnel and Turnpike Association (IBTTA) is one of the world's most prestigious transportation organizations. As the 2014 IBTTA President, Mike Heiligenstein hosted the organization's fall Annual Meeting and Exposition in Austin, where transportation thought leaders from around the world gathered for four days of discussions on subjects such as funding and contracting, technology, emergency planning, and the best mix of transportation modes for different community types and sizes.

BOARD OF DIRECTORS

Ray A. Wilkerson
CHAIRMAN

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Appointed by Williamson County

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Nikelle Meade
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