



**STATE OF NEW HAMPSHIRE**  
**Department of Transportation**

**ANNUAL REPORT**  
With Respect to  
**TURNPIKE SYSTEM REVENUE BONDS**

February 23, 2011

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This Annual Report dated February 23, 2011 (the “Annual Report”) of the State of New Hampshire (the “State”) is prepared and submitted in accordance with the requirements of the Continuing Disclosure Certificates dated January 3, 2002, August 7, 2003, August 24, 2006 and December 1, 2009 (collectively, the “Continuing Disclosure Certificates”) executed by the State for the benefit of the owners of the \$84,865,000 State of New Hampshire Turnpike System Revenue Bonds, 2002 Refunding Series, the \$94,125,000 State of New Hampshire Turnpike System Revenue Bonds, 2003 Refunding Series, the \$39,425,000 State of New Hampshire Turnpike System Revenue Bonds, 2006 Refunding Series, and the \$217,215,000 State of New Hampshire Turnpike System Revenue Bonds, 2009 Series A (Federally Taxable – Build America Bonds – Direct Payment) and 2009 Refunding Series B (collectively, the “Bonds”). Exhibit A hereto, sets forth the State’s audited financial statements pertaining to its Turnpike System for the Fiscal Year ended June 30, 2010, prepared in accordance with generally accepted accounting principles.

Questions may be directed to Mary Ellen Emmerling, Financial Analyst at the State of New Hampshire Department of Transportation at (603) 271-1557.

**Annual Report**

This Annual Report is submitted pursuant to the Continuing Disclosure Certificates and updates certain information contained in the State’s most recent Official Statement dated November 18, 2009 (the “Official Statement”), which contains certain information pertaining to the State’s Turnpike System. This Annual Report does not constitute an offer to sell or the solicitation of an offer to buy the Bonds.

Pursuant to the Continuing Disclosure Certificates, the State hereby updates the information requested in Section 4, “Content of Annual Reports,” of the Continuing Disclosure Certificates as follows (the headings and page numbers refer to the applicable portions of the Official Statement):

- THE TURNPIKE SYSTEM – General Description, with respect to the first paragraph on page 31, and additional information voluntarily provided by the State not required by the Continuing Disclosure Certificates under the headings THE TURNPIKE SYSTEM – General Description with respect to the remaining material under such heading on pages 31-32, THE TURNPIKE SYSTEM - Eastern Turnpike with respect to the entire section on pages 32-34, and THE TURNPIKE SYSTEM – Central Turnpike, with respect to the entire section on pages 34-35:

The Turnpike System as shown on the map on page iv of the Official Statement presently consists of 89 miles of limited access highway, 36 miles of which are part of the U.S. Interstate Highway System, comprising a total of approximately 617 total lane miles-, 164 bridges, 49 interchanges, and 20 facilities. Since beginning operations in 1950, the Turnpike System has contributed to the development of the New Hampshire economy. It has also been a major factor in the growth of the tourist industry in the State. The Turnpike System consists of three limited access highways: the Blue Star Turnpike (I-95) and the Spaulding Turnpike, (which are collectively referred to as the Eastern Turnpike), and the Central Turnpike (also known as the F.E. Everett Turnpike). The Turnpike System primarily serves the major cities located in the central and eastern sections of southern New Hampshire.

No food, gas or vehicle service facilities are located on the Turnpike System, with the exception of vending machines at the Hooksett and Seabrook rest areas- which are operated by a private vendor and a state licensing agency for the Blind and Visually Impaired. Motorist services are located near most interchanges on the Turnpike System and are privately operated. State operated liquor stores are located at two rest areas on the Central Turnpike (I-93) and at two sites along the Blue Star Turnpike (I-95). The Bureau of Turnpikes does not receive any revenue from the liquor store operations, which are under the supervision of the State Liquor Commission, but receives nominal revenue from the vending installations.

## **Eastern Turnpike**

### ***Blue Star Turnpike (I-95)***

The Blue Star Turnpike segment of the Turnpike System extends from the Massachusetts state line in Seabrook, New Hampshire to the Maine state border in Portsmouth, New Hampshire. It is 16.2 miles in length and constitutes a portion of US Interstate Highway 95. The Blue Star Turnpike serves as the major connecting road between the states of Maine and Massachusetts. It also parallels the seacoast and, as such, is the major artery for tourist traffic to the New Hampshire coast from Massachusetts and Maine. The route also connects with several major highways in New Hampshire, including Route 101, Route 4 and the Spaulding Turnpike. Two toll plazas are located in Hampton, one for main line traffic and one for vehicles entering and leaving the Turnpike System at NH Route 101.

Hampton also has both a maintenance facility and a park and ride facility to encourage car-pooling. The Seabrook Welcome Center provides a modern rest area, vending machines, and parking for motorists and commercial vehicles, allowing for increased convenience for the Turnpike System patrons. Currently, an evaluation is on-going whether it is financially feasible to pursue the Hampton high volume discount gas facilities project, which proposes to develop high volume discount gas facilities at the existing Liquor Store locations on I-95. These sites are owned by the State Liquor Commission. The development proposal, if pursued, would involve the issuance of a Request for Proposals (RFP) to procure a Gas Station Developer/Operator through a ground lease arrangement. The gas dispensation facilities are envisioned to include a small convenience food store and sell gasoline at a competitively discounted rate.

### *I-95 Acquisition*

As a result of legislative action (Chapter 144, Laws of 2009), the Department of Transportation was authorized to transfer a section of Interstate 95 to the Turnpike System. The legislation authorized the Department of Transportation to convey a 1.6-mile section of I-95, including the Piscataqua River Bridge, to the Bureau of Turnpikes in exchange for \$120 million and on such other terms and conditions as the Commissioner of Transportation and the Bureau of Turnpikes agree. The legislation further provides that the amount payable to the Department of Transportation for deposit into the State Highway Fund shall be paid from the Turnpike System General Reserve Account over a period not to exceed twenty years with \$30.0 million (including interest) being paid in Fiscal Year 2010, \$20.0 million (including interest) being paid in Fiscal Year 2011, and the balance to be paid as agreed by the Commissioner of Transportation and the State Treasurer. The Governor and Council approved a \$.50 toll increase on the Hampton main line plaza effective July 1, 2009 that generated approximately \$11.6 million that funded this acquisition.

The acquisition was in the best interest of the Turnpike in so much as this section of I-95 provides a critical link to the Maine Turnpike, and the traffic is principally turnpike traffic with the expectation that this segment would be maintained to the same standard as the rest of the Blue Star Turnpike (I-95).

Concurrent with the transfer, the Department advertised two projects to rehabilitate and renew the aforementioned section of I-95. The first project (Portsmouth 15648) involved pavement rehabilitation and resurfacing, replacement of existing deficient guard rail, and modifications to the median drainage. The project also included the rehabilitation and preservation work on four I-95 bridge decks. Work started in July 2009 and is 95% complete. The project is estimated to total \$5.9 million and was funded with federal funds under the American Recovery and Reinvestment Act (ARRA) program. The second project (Portsmouth 14376) involves painting the Piscataqua River Bridge approaches carrying I-95 over the Pan Am Railroad, Ranger Way, and Preble Way. Work started in 2009 and is nearly 65% complete. The project is scheduled to be completed in September of 2011. The project is estimated to cost \$9.0 million and is funded with federal bridge aid funds. In accordance with the provisions in Chapter 144, the Piscataqua River Bridge is eligible for federal funds and state highway funds. In the event of emergency repairs or repair to damage from a catastrophic event, the Department of Transportation, rather than the Bureau of Turnpikes, shall remain liable for such repairs. The Bureau of Turnpikes is responsible for the routine maintenance of the bridge. Since no new toll plazas were constructed, this section of highway remains eligible for federal funds.

### *Open Road Tolling*

The new highway speed electronic tolling lanes at the Hampton Toll Plaza on Interstate 95 (Blue Star Turnpike) opened permanently for motorists early on the morning of June 17, 2010. New England's first Open Road Tolling (ORT) lanes were initially opened for a test period during Memorial Day Weekend. Approximately 50% (160,000) of all vehicles that passed through the Hampton Tolls that weekend used the ORT lanes.

During its first year of operation, the ORT lanes at the Hampton Tolls have reduced traffic backups and improved service for E-ZPass customers, improved air quality by reducing emissions caused by idling, and reduced diversion to alternate routes by improving traffic flow. E-ZPass utilization growth at the Hampton plaza continues to lead the system.

The \$17.8 million Open Road Tolling project converted six plaza lanes to four ORT lanes (two in each direction) while also adding one additional tollbooth in each direction. ORT lanes can process nearly five times as many vehicles as a conventional cash toll lane and 60 percent more traffic than a dedicated E-ZPass lane where motorists must slow down to pass through the lane. In addition to the ORT lanes, there are a total of 12 toll lanes in use (six northbound and six southbound) for both cash paying and E-ZPass customers.

#### *Rte. 107 Seabrook*

Preliminary Engineering work has begun for the planned widening of the Route 107 bridge over I-95 in Seabrook. The expansion is expected to greatly improve the evacuation capacity of Route 107 and reduce traffic backups and improve air quality. The Town of Seabrook and a private developer have agreed to fund approximately 45% of the \$5.6 million project.

#### ***Spaulding Turnpike***

The Spaulding Turnpike segment of the Turnpike System, including the 11.2 mile Spaulding Turnpike extension, extends from the traffic circle in Portsmouth, New Hampshire to Exit 18 in Milton, New Hampshire. It is 33.2 miles in length and is the major north-south artery connecting the three major urban centers on the eastern side of the State. This segment of the Turnpike System connects the Blue Star Turnpike (I-95) to Route 16 (a the major roadway to northern New Hampshire in the eastern portion of the State). It also connects the major cities of Portsmouth, Dover, and Rochester, as well as intersects with several major highways (State Routes 4, 16 and 125). It has two toll plazas located in Dover and in Rochester, with a maintenance facility located in Dover. Maintenance on the Spaulding Turnpike extension is provided by the Department of Transportation's Bureau of Highway Maintenance with expenses billed to the Bureau of Turnpikes. In addition, for the convenience of the Turnpike System patrons, park and picnic facilities are provided at Hilton Park in Dover.

#### **Central Turnpike (F.E. Everett)**

The Central Turnpike, commonly known as the F.E. Everett, extends from the Massachusetts state line in Nashua, New Hampshire to Exit 14 in Concord, New Hampshire. Its distance is 39.5 miles in length and it constitutes portions of U.S. Interstate Highways 93 and 293. The Central Turnpike connects three urban centers in New Hampshire (the cities of Concord, Manchester, and Nashua). The route also intersects with the major east-west roads of Route 101, Route 4 and I-89. Six toll plazas are located on the Central Turnpike: two at Hooksett (main line and ramp), a main line plaza in Bedford, and ramp plazas at Bedford Road, Exit 11, and Merrimack Industrial Interchange, all in Merrimack. There are maintenance facilities in Nashua, Merrimack and Hooksett. Park and ride facilities are provided in Hooksett and Nashua. In addition, two rest areas for information and rest room

facilities are provided in Hooksett for the convenience of Turnpike System patrons. The Central Turnpike also had a Welcome Center at Exit 6 in Nashua, which was closed in November 2010 to be reconstructed to provide a satellite Department of Safety, Division of Motor Vehicle office and an E-ZPass Walk-In-Center. Although bus service to Boston was available from this facility as well as from the park and ride at Exit 8 via a trailer, both sites have been redeveloped. With the removal of the Exit 6 bus service, a new bus station was constructed at Exit 8 and opened in December of 2010.

#### *Hooksett Rest Area Redevelopment*

In June 2010, the Turnpike System purchased both the northbound and southbound land at the Hooksett Rest Area from the New Hampshire Liquor Commission. The Liquor Commission retained ownership of the land (16,000 sf) beneath the Liquor Stores and the planned expansion of the Liquor Stores' buildings. This project proposes to redevelop the existing rest areas and State liquor stores, which are located north of the Hooksett Toll Plaza into new full service area facilities with new State liquor stores. The redevelopment proposal will involve the issuance of a request for proposals (RFP) to procure a developer/operator through a ground lease arrangement. The new service areas are envisioned to offer major branded and/or locally recognized food concepts and will be anchored with the new State liquor stores. Although these facilities will be an attractive option for travelers on the Turnpike, the project is not envisioned to have an effect on traffic. Any potential added revenue to the Turnpike System is deemed to be nominal, but will be determined through the RFP process. The developer/operator will be responsible for funding the redevelopment and future maintenance aspects of the new service area facilities. It is anticipated that the project will be started in the spring of 2011 and completed in 2013.

- THE TURNPIKE SYSTEM – Maintenance of the Turnpike System, with respect to the table captioned “Renewal and Replacement Expenditures” on page 37:

See Attachment A.

- THE TURNPIKE SYSTEM – Toll Rates, with respect to the table captioned “Turnpike System Toll Rate Schedule” on page 50:

There have been no changes to the Turnpike System Toll Rate Schedule on page 50 of the Official Statement.

- THE TURNPIKE SYSTEM – Turnpike System – Historical Revenues and Expenditures, with respect to the table captioned “Statement of Revenues, Expenses and Changes in Net Assets” on page 51:

See Attachment B.

- THE TURNPIKE SYSTEM – Management Discussion of Historical Revenues and Expenditures (only with respect to the preceding year) on pages 52:

## *Fiscal Year 2010*

Gross revenues (toll revenue, investment income, and miscellaneous) available for operating expenses, debt service, reserves and improvement projects totaled \$120,705,375 a 12.0% increase from fiscal year 2009.

Operating revenues in fiscal year 2010 were \$118,403,066, an increase of 10.9% from fiscal year 2009. The increase in operating revenues was driven largely by the toll rate increase at the Hampton main line plaza implemented on July 1, 2009. Investment income increased by \$1,271,812 primarily due to the interest rebate on the 2009 Series A Build America Bonds.

Operating expenses (excluding depreciation and funds for renewal and replacement) in fiscal year 2010 were \$40,114, 120, a decrease of 0.6% from the prior year.

Renewal and replacement expenses were \$7,792,725, a 0.2% decline from the prior year and below the budgeted amount of \$9,600,000. The decline is due to fluctuations in contract activity and payment timing. In accordance with New Hampshire Revised Statutes Annotated 237:49-a, unspent budgeted amounts do not lapse and are carried forward into future fiscal years. The fiscal year 2010 program expenditures included bridge rehabilitation, pavement resurfacing, signage, median barrier installation, bridge painting, and toll plaza maintenance. The increase in depreciation expense as compared to fiscal year 2009 is primarily due to the addition of the open-road tolling assets.

In fiscal year 2010, the Turnpike System recorded 3 non-operating expenses that included: (1) the purchase of the I-95 bridge from the State of New Hampshire (Highway Fund) which resulted in an intra-entity expense of \$116,564,606; (2) the purchase of the North and South Bound Hooksett Rest Areas from the State of New Hampshire (Liquor Commission) which resulted in an intra-entity expense of \$6,222,406 and (3) the sale of 3 contiguous parcels of Turnpike System owned land in Manchester, which resulted in a loss of \$953,200. The I-95 and Hooksett Rest Area asset values were recorded at the related party's net book value of \$3,435,394 (\$15,782,909 in cost and \$12,347,515 in accumulated depreciation) and \$277,594 in cost, respectively.

In order to acquire the 1.6-mile segment of I-95 owned by the Highway System, the Turnpike System entered into a long term note payable with payments to be made to the Highway Fund. Interest will be paid at the State's borrowing rate over a maximum period of 20 years. The current interest rate on the note is 4%. However, the Commissioner of Transportation and the State Treasurer may agree from time to time to modify the payment schedule with respect to payments due to the State from and after July 1, 2011.

During fiscal year 2010, a cash payment of \$30.0 million was made to the Highway Fund. The annual maturities are as follows:

(Amounts in thousands)

Payable During the Fiscal Year Ending June 30,	Principal	Interest	Total
2011	\$ 15,350	\$ 4,650	\$ 20,000
2012	2,882	2,988	5,870
2013	2,999	2,871	5,870
2014	3,121	2,749	5,870
2015	3,248	2,623	5,871
2016 thru 2020	18,327	11,025	29,352
2021 thru 2025	22,362	6,990	29,352
2026 thru 2029	22,838	2,110	24,948
Total	\$ 91,127	\$ 36,006	\$ 127,133

During fiscal year 2009, the Turnpike System sold a portion of land in Hudson (formerly known as Benson's), known to be contaminated with hazardous waste. As part of the sale, the Turnpike System agreed to remediate the hazardous waste at the site. For this pollution remediation obligation, the Turnpike System recognized a liability of \$3.0 million at June 30, 2009, which was reduced to \$2.2 million at June 30, 2010 as a result of a re-estimate by an independent consulting firm. There were no Pollution Remediation Obligation (PRO) payments made during fiscal year 2010 because the property owner, the Town of Hudson, has not determined the best use of the property.

Also during fiscal year 2010, the Turnpike System recognized a PRO liability of \$413,325 due to groundwater pollution at the Hampton Toll Plaza. Estimates used to quantify the cost of remediation include the cubic yards of material to be excavated and removed from the landfill and the removal of hazardous material.

During fiscal year 2010, Capital Improvement Program expenditures totaled \$70,220,523, including \$(406,432) reimbursed to State and federal highway sources and paid from Turnpike funds.

For fiscal year 2010, the State reported the financial results of the Turnpike System as an enterprise fund within the 2010 CAFR. Set forth below is information which updates items that were formerly included in the notes to the separate Turnpike System financial statements. Restricted assets at estimated fair value are segregated into the following accounts as of June 30:

	<u>2010</u>	<u>2009</u>
Revenue Bond Interest Debt Service Account	\$ 5,523,175	\$ 3,608,424
Revenue Bond Principal Debt Service Account	6,518,333	5,425,417
Revenue Bond Debt Service Reserve Account	34,376,637	26,455,334
Revenue Bond Construction Account	57,582,412	0
Revenue Bond Insurance Reserve Account	3,000,000	3,000,000
Revenue Bond General Reserve Account	2,000,000	2,000,000
Total Restricted Assets	<u>\$109,000,557</u>	<u>\$ 40,489,175</u>



The amounts shown above are invested in Permitted Investments in accordance with the Bond Resolution.

The State Highway and Safety Departments, on behalf of the Turnpike System, have performed certain engineering and safety patrol activities. The Turnpike System reimbursed the cost of these activities, amounting to approximately \$7.0 million and \$6.7 million for fiscal years 2010 and 2009, respectively.

The State primarily retains the risk for losses, except where the provisions of law allow for the purchase of commercial insurance or where commercial insurance has been proven beneficial for the general public. Insurance claims have not exceeded insurance coverage in any of the last three Fiscal Years. There have not been any significant changes in insurance coverage from the prior year. The State provides self-funded health benefits to employees through plans in which claims are administered and paid by carriers. GASB Statement No. 10, Financial Reporting for Risk Financing and Related Insurance Issues, requires the Turnpike System to estimate and record a liability when the risk of loss to the Turnpike System is probable and the amount of loss can be reasonably estimated. Changes in the worker’s compensation claims accrual recorded in the balance sheet in Fiscal Years 2010 and 2009 are presented in the following table. This liability is the Turnpike System’s best estimate based on available information.

	<u>2010</u>	<u>2009</u>
Liability, beginning of year	\$2,045,000	\$2,318,000
Provisions for claims	36,000	0
Payments	(181,000)	(273,000)
Liability, end of year	<u>\$1,900,000</u>	<u>\$2,045,000</u>

- TURNPIKE SYSTEM INDEBTEDNESS, with respect to the table captioned “Turnpike System Debt Service” on page 58:

See Attachment C.

- CAPITAL IMPROVEMENT PROGRAM, with respect to the table captioned “Project Descriptions” on pages 61-63:

See Attachment D.

- CAPITAL IMPROVEMENT PROGRAM, with respect to the table captioned “Capital Improvement Program Expenditures” on page 64:

See Attachment E.

This Annual Report has been executed and delivered on behalf of the State pursuant to the Continuing Disclosure Certificates.

STATE OF NEW HAMPSHIRE

By: \_\_\_\_\_  
George N. Campbell, Jr.  
Commissioner  
Department of Transportation

**RENEWAL AND REPLACEMENT EXPENDITURES**

**FISCAL YEARS 1998 THROUGH 2014**

**GAAP BASIS AND BUDGET (\$000's)**

	<b>Fiscal Year</b>	<b>Amount</b>
	1998	\$ 3,982
	1999	4,049
	2000	4,112
	2001	5,928
	2002	5,724
GAAP Basis	2003	7,058
	2004	4,973
	2005	3,114
	2006	4,567
	2007	8,552
	2008	11,842
	2009	7,805
	2010	7,793
Budgeted	2011	16,430*
	2012	9,200**
	2013	9,800**
	2014	10,500**

\* Includes budget amount of \$9,800 and a carryover from FY10 to FY11 of \$6,630.  
\*\* Proposed budget amount.

## Turnpike System-Historical Revenues and Expenditures

The Turnpike System is part of the State primary government and is accounted for as an enterprise fund of the State. For Fiscal Years 2006 through 2010, the financial information below is derived from audited financial statements of the Turnpike System.

### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS New Hampshire Turnpike System (in thousands) For the Fiscal Years ended June 30

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b><u>Operating Revenues:</u></b>					
Tolls and Other Operating Revenue	\$80,757	\$85,718	\$104,204	\$106,757	\$118,403
<b><u>Operating Expenses:</u></b>					
Personnel Services	9,151	10,409	10,623	11,135	11,352
Payroll Benefits	4,855	4,947	4,706	5,100	5,464
Enforcement	4,590	5,016	5,230	5,368	5,025
Renewal and Replacement	4,567	8,552	11,842	7,805	7,793
Other Administration	5,861	2,823	2,518	3,743	3,545
Repairs	2,966	3,071	3,049	3,187	2,667
Indirect Costs	1,585	1,756	1,825	2,069	2,010
Heat, Light, & Power	1,149	1,311	1,501	1,233	1,215
Bank Fees	1,526	1,421	1,689	1,734	2,037
Rentals	671	696	873	983	771
E-ZPass Processing Fees	3,952	3,758	4,287	5,117	5,259
Transponder Expense	5,477	950	821	693	769
Depreciation	13,289	13,719	17,575	15,179	15,970
Total Operating Expenses	<u>59,639</u>	<u>58,429</u>	<u>66,539</u>	<u>63,346</u>	<u>63,877</u>
<b>Operating Income</b>	<u>21,118</u>	<u>27,289</u>	<u>37,665</u>	<u>43,411</u>	<u>54,526</u>
<b><u>Non-Operating Income (expense)</u></b>					
Investment Income	2,432	3,283	2,546	836	2,108
Miscellaneous	206	407	325	140	194
Intra-entity Acquisition of Land and Bridge from Highway Fund (for Notes Payable)	0	0	0	0	(116,566)
Intra-entity Acquisition of Land and Improvements from Another State Agency	0	0	0	0	(6,222)
Loss on the Sale of Other Capital Assets	0	0	0	(3,995)	(952)
Interest on Bonds and Notes	(15,584)	(13,707)	(13,602)	(12,953)	(16,223)
Amortization of Bond Issuance Costs	(357)	0	(270)	(279)	(972)
Total Non-operating Revenue (Expenses)	<u>(13,303)</u>	<u>(10,017)</u>	<u>(11,001)</u>	<u>(16,251)</u>	<u>(138,633)</u>
Income (Loss) Before Grant Contributions	<u>7,815</u>	<u>17,272</u>	<u>26,664</u>	<u>27,160</u>	<u>(84,107)</u>
Capital Contributions	<u>16,757</u>	<u>10,422</u>	<u>8,816</u>	<u>3,952</u>	<u>(406)</u>
Prior Year Adjustment – Implement GASB 49			(3,600)		
Change in Net Assets	24,572	27,694	35,480	31,112	(84,513)
 Net Assets – July 1	 <u>295,628</u>	 <u>320,200</u>	 <u>347,894</u>	 <u>379,774</u>	 <u>410,886</u>
<b>Net Assets – June 30</b>	<u><u>\$320,200</u></u>	<u><u>\$347,894</u></u>	<u><u>\$379,774</u></u>	<u><u>\$410,886</u></u>	<u><u>\$326,373</u></u>

**TURNPIKE SYSTEM DEBT SERVICE\***

Fiscal Year Ending June 30,	Outstanding Revenue Bond Debt Service	General Obligation Debt Service Payable by Turnpike	Total Debt Service Payable by Turnpike	Total Interest Subsidy Payment <sup>1</sup>	Total Net Debt Service Payable by Turnpike <sup>2</sup>
2011	\$36,876,102	\$598,963	\$37,475,065	\$3,130,637	\$34,344,428
2012	35,981,184	0	35,981,184	3,130,637	32,850,547
2013	37,655,839	0	37,655,839	3,130,637	34,525,202
2014	33,722,279	0	33,722,279	3,130,637	30,591,642
2015	38,165,823	0	38,165,823	3,130,637	35,035,186
2016	33,755,584	0	33,755,584	3,130,637	30,624,947
2017	41,874,359	0	41,874,359	3,130,637	38,743,722
2018	30,770,884	0	30,770,884	3,130,637	27,640,247
2019	29,241,709	0	29,241,709	3,130,637	26,111,072
2020	34,268,075	0	34,268,075	3,130,637	31,137,438
2021	22,975,253	0	22,975,253	3,130,637	19,844,616
2022	19,377,788	0	19,377,788	3,115,910	16,261,878
2023	23,428,805	0	23,428,805	2,993,044	20,435,761
2024	25,853,428	0	25,853,428	2,818,096	23,035,332
2025	17,450,803	0	17,450,803	2,656,781	14,794,022
2026	16,005,228	0	16,005,228	2,464,080	13,541,148
2027	16,422,500	0	16,422,500	2,256,625	14,165,875
2028	15,899,879	0	15,899,879	2,036,958	13,862,921
2029	15,835,664	0	15,835,664	1,809,733	14,025,932
2030	15,531,406	0	15,531,406	1,571,992	13,959,414
2031	7,244,916	0	7,244,916	1,417,471	5,827,445
2032	11,209,185	0	11,209,185	1,305,215	9,903,971
2033	9,033,192	0	9,033,192	1,166,617	7,866,575
2034	9,922,522	0	9,922,522	1,033,383	8,889,139
2035	9,266,056	0	9,266,056	889,370	8,376,686
2036	9,380,877	0	9,380,877	742,307	8,638,570
2037	9,099,816	0	9,099,816	587,936	8,511,880
2038	9,003,132	0	9,003,132	428,096	8,575,036
2039	8,812,069	0	8,812,069	261,474	8,550,595
2040	8,652,378	0	8,652,378	88,332	8,564,046
<b>Total</b>	<b>\$632,716,737</b>	<b>\$598,963</b>	<b>\$633,315,700</b>	<b>\$64,080,429</b>	<b>\$569,235,271</b>

\*Numbers may not add due to rounding.

<sup>1</sup> Interest subsidies are direct payments expected to be received from the United States Treasury in the amount of 35% of the taxable interest payable by the State in connection with its \$150,000,000 Turnpike System Revenue Bonds, 2009 Series A (Federally Taxable – Build America Bonds – Direct Payment).

<sup>2</sup> Does not include obligations payable from the General Revenue Account with respect to acquisition of a portion of Interstate 95. See “THE TURNPIKE SYSTEM – Management Discussion of Historical Revenues and Expenditures – Fiscal Year 2010” above.

## Project Descriptions

<b>Central Turnpike</b>	<b>Description</b>	<b>Estimated Cost (Millions)</b>	<b>Completion Date</b>
Project A1	Preliminary engineering and right-of-way acquisition for Exits 8 and 11, including ramp toll facilities (Merrimack/Nashua).	\$1.330	December 1989 <sup>(1)</sup>
Project A2	Construction of new interchange at Exit 8 to relieve traffic congestion at Interchange 7 (Nashua).	\$10.054	June 1988 <sup>(1)</sup>
Project. A3	Preliminary engineering and right-of-way acquisition for Exits 1 and 2 (Nashua).	\$26.181	June 2001 <sup>(1)</sup>
Project A4	Reconstruction of Exit 11 and construction of northbound "off" and southbound "on" ramp toll facilities (Merrimack).	\$11.000	July 1993 <sup>(1)</sup>
Project A5	Engineering, right-of-way acquisition, and construction of new mainline toll plaza (Bedford).	\$5.363	January 1989 <sup>(1)</sup>
Project A6	Engineering, right-of-way acquisition, and construction of a new interchange two miles south of Exit 11 (formerly Exit 8). Merrimack Industrial Park Interchange includes "off" and southbound "on" toll facilities (Merrimack).	\$21.637	October 1990 <sup>(1)</sup>
Project A7	Engineering, right-of-way acquisition and construction of Camp Sargent Road bypass. Project will interconnect Amherst Street in Nashua with the new interchange Project A6 (Merrimack).	\$8.182	December 1994 <sup>(1)</sup>
Project A8	Preliminary engineering and right-of-way acquisition for widening the Central Turnpike between Exits 3 and 7 (Nashua).	\$22.818	April 2002 <sup>(1)</sup>
Project A10	Engineering, right-of-way acquisition, and construction of a portion of the southern segment of the circumferential highway in Nashua.	\$42.301	July 2001 <sup>(2)</sup>
Project A11	Engineering and right-of-way acquisition of the northern segment of the circumferential highway (Nashua/Hudson/Litchfield).	\$32.057	June 2005 <sup>(1)</sup>
Project A12	Reconstruction of Exits 1 and 2 and construction of connector to the circumferential highway (Nashua).	\$59.418	August 2002 <sup>(1)</sup>
Project A13	Widening and reconstruction of Central Turnpike between Exits 3 and 7 (Nashua).	\$84.720	May 2002 <sup>(1)</sup>
Project A14	Engineering, right-of-way acquisition, and construction of Bedford Road Interchange including toll facilities (Merrimack).	\$6.856	November 1990 <sup>(1)</sup>
Project A15	Reconstruction of the Exit 5 Granite St Bridge with two new ramps (Manchester).	\$22.835	June 2006 <sup>(1)</sup>
Project A16	Study of feasibility of widening Central Turnpike between I-89 Interchange and Interchange I-393 (Bow/Concord).	\$0.149	August 1992 <sup>(1)</sup>
Project A17	Construction of southbound only toll facilities of Central Turnpike and southbound on-ramp at Exit 1 (Nashua).	\$0.364	<sup>(3)</sup>
Project A18	Engineering, right-of-way, and construction of F.E. Everett bridge over the Souhegan River in Merrimack.	\$15.49	June 2011

Project A19	Engineering and construction of the roadway approaches including expansion of the Bedford toll plaza (Merrimack-Bedford).	\$7.358	December 2004 <sup>(1)</sup>
Project A20	Engineering, right-of-way acquisition, and construction of US Rte 3 bridge over the F. E. Everett Turnpike in Bedford including widening from Merrimack to Bedford.	\$13.92	June 2014
Project A21	I-93 bridge re-decking for 4 bridges in Bow and Concord.	\$22.7	October 2014
Project A22	Rehabilitation of 5 bridges in the Manchester millyard.	\$35.80	May 2015
Project A23	I-293 bridge rehabilitation over Black Brook between exit 6 and exit 7.	\$4.07	May 2017
<b><u>Spaulding Turnpike</u></b>			
Project B1	Engineering, right-of-way acquisition and reconstruction of the Gosling Rd Interchange (Newington/Portsmouth).	\$13.404	November 1993 <sup>(1)</sup>
Project B2	Safety improvements on the Spaulding Turnpike to include median guardrail and safety improvements (Dover/Rochester).	\$6.595	June 2002 <sup>(1)</sup>
Project B3	Expansion of Dover Toll Plaza (Dover).	\$1.502	July 2000 <sup>(4)</sup>
Project B4	Right-of-way acquisition in median of Spaulding Turnpike (Newington).	\$2.657	March 1993 <sup>(1)</sup>
Project B5	Engineering of by-pass around North Conway.	\$0.124	December 1990 <sup>(1)</sup>
Project B6	Dover/Somersworth Weeks traffic circle.	\$1.000	December 1994 <sup>(1)</sup>
Project B7	Engineering for design of Exit 10 on the Spaulding Turnpike (Dover).	\$4.078	June 2006 <sup>(1)</sup>
Project B8	Construction of Exit 10 on the Spaulding Turnpike (Dover).	--	Future Project <sup>(5)</sup>
Project B9	Reconstruction and right-of-way acquisition for Exit 6W/US Rte 4 (Scammell Bridge) (Dover).	\$1.000	November 1997 <sup>(1)</sup>
Project B10	Engineering, right-of-way acquisition, and construction of Exits 11 through 16 (Rochester).	\$138.81	October 2013
Project B11	Engineering, right-of-way acquisition, and construction of the Turnpike ramps at Exit 4 associated with NH 16/US (Newington/Dover).	\$13.396	June 2006 <sup>(1)</sup>
Project B12	Engineering, right-of-way acquisition, and construction of Newington-Dover; Little Bay Bridge widening and Newington construction	\$139.7	October 2017
Project B13	Dover, General Sullivan Bridge Construction <sup>(6)</sup>	\$73.2	July 2018
<b><u>Blue Star (Route I-95) Turnpike</u></b>			
Project C1	Expansion of Hampton Toll Plaza (Hampton/North Hampton).	\$2.379	July 1991 <sup>(1)</sup>
Project C2	Engineering and Construction of roadway widening of the approaches to the Hampton main line toll plaza (Hampton).	\$2.544	June 2003 <sup>(1)</sup>
Project C3	Engineering and construction for the widening of the Hampton ramp toll plaza and approaches (Hampton).	\$7.105	June 2006 <sup>(1)</sup>

Project C4	I-95, Replacement of the Taylor River Bridge on the Blue Star Highway and replacement or removal of the Taylor River Dam in Hampton at mile 3.6501	\$10.68	October 2016
Project C6	Repair and Improve bridge on Route 107 over I-95 in Seabrook	\$2.150	(7)
Project C7	Construction of soundwall in Portsmouth	\$2.100	October 2011
Project D1	Administrative	\$37.144	on-going
Project D2	Consultant Studies.	\$0.831	on-going
Project D3	Electronic Toll Collection equipment including signs.	\$25.253	December 2005 <sup>(1)</sup>
Project D4	Intelligent Transportation deployment on the Blue Star and Spaulding Turnpikes.	\$2.25	September 2010
Project D5	Construction of Open Road Tolling at the following locations:		
a)	Hampton	\$17.6	May 2011
b)	Hooksett	\$23.1	May 2013
c)	Bedford	\$11.500	May 2014
Total		\$994,705,064 <sup>(8)</sup>	

<sup>(1)</sup> Actual completion date.

<sup>(2)</sup> The segment between Route 3A and the Central Turnpike is complete; the portion from Route 3A to Route 111 has been deferred.

<sup>(3)</sup> The Legislative authority to build the Nashua toll facilities was repealed in Fiscal Year 2001.

<sup>(4)</sup> Removed from the State's 10-year Highway Improvement Plan.

<sup>(5)</sup> The project has been placed "on hold" until further notice.

<sup>(6)</sup> A toll increase will be required to help fund these projects.

<sup>(7)</sup> State contribution to development / Town project. Date pending matching Town funds.

<sup>(8)</sup> Numbers may not add due to rounding.



**CAPITAL IMPROVEMENT PROGRAM EXPENDITURES**  
**FISCAL YEARS 1986 THROUGH 2013**  
*(in thousands)*

Set forth below is a table of Capital Improvement Program expenditures on an un-audited cash basis for Fiscal Years 1986 through 2010 and on a forecasted basis for Fiscal Years 2011 through 2013. The timing and amounts of capital expenditures are subject to change.

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Capital</u> <u>Expenditures</u>
1986	\$ 3,703,014
1987	12,846,330
1988	15,092,609
1989	34,183,782
1990	31,457,483
1991	25,308,194
1992	29,988,101
1993	33,941,502
1994	30,665,402
1995	40,452,057
1996	29,198,433
1997	24,917,835
1998	26,260,770
1999	30,544,034
2000	19,719,168
2001	10,148,747
2002	6,469,689
2003	10,242,505
2004	19,437,590
2005	20,503,930
2006	13,176,569
2007	8,514,987
2008	9,159,186
2009	23,250,730
2010	70,220,523
2011	54,080,000*
2012	43,320,000*
2013	73,380,000*
Total	<u>\$ 750,183,170</u>

\* Estimated, from Turnpike System Priority Capital Improvement Program (Status Report –January 2011).