



Rhode Island Turnpike and Bridge Authority

One East Shore Road | P.O. Box 437 | Jamestown, Rhode Island 02835-0437

FOR IMMEDIATE RELEASE

November 20, 2019

RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY SUCCESSFULLY PRICES BONDS

**Generates \$50 million for Bridge Maintenance and Renewal
Saves more than \$9 million in debt service as a result of
Refinancing 2010 Toll Revenue Bonds**

JAMESTOWN, R.I. – [The Rhode Island Turnpike and Bridge Authority \(RITBA\)](#) announced today the Authority priced two bond issues. One, backed by the Motor Fuel Tax Allocation provided to the Authority will fund \$50,000,000 of projects previously approved by the RITBA Board as part of the comprehensive 10 year Renewal and Replacement Plan which Plan includes the deck replacement of the Newport Pell Bridge and other projects totaling more than \$200 million over the 10 year period.

The Authority also took advantage of historically low interest rates to refinance the remaining balance of its 2010 Toll Revenue Bonds with taxable refunding Bonds, lowering the rate from approximately 5% to about 3.15% and saving more than \$425,000 in annual debt service or \$9 million over the life of the issue resulting in more than \$6.6 million in net present value savings.

The tax exempt Motor Fuel Tax Bonds were underwritten by Janney Montgomery Scott and Bank of America Securities. The issue was rated A/A+ by Fitch and S&P and was very well received in the market.

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Maggie Baker, RITBA Chief Financial Officer said, “The Authority’s Motor Fuel Tax Bonds generated more than 264 orders from 64 separate investors totaling over \$512 million. The great reception enabled the group to lower interest rates in every maturity, on average 9 basis points. This is a great result and speaks well of RITBA’s reputation in the market.”

The taxable Toll Revenue Bond refinancing was underwritten by Bank of America Securities and Janney Montgomery Scott and also benefitted from a great reception. Interest rates improved by approximately 10 basis points during the order period. The Toll Revenue Bonds are rated A by Fitch and A- by S&P. RITBA Executive Director, Buddy Croft added, “the lower debt service on the Toll Revenue Bonds positions the Authority well for the future with appropriate debt service coverage levels which will enable the Authority to fund a portion of our projects without additional debt. I would like to commend the RITBA CFO, Maggie Baker; our Bond Counsel, Taft & McSally LLP; Disclosure Counsel, Locke Lord and Financial Advisor, Hilltop Securities along with the underwriting team and their counsel, Partridge Snow & Hahn on a great job executing these two issues so successfully.” Stantec Engineering served as Traffic and Revenue Consultant on the Toll Revenue Bonds

The closing for both sales will take place in December.

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