

FORECAST SUMMARY

This Annual Report was prepared under contract No. C-8Y59 between the Turnpike Enterprise Finance Office of the Florida Department of Transportation (the Department) and URS Corporation. It satisfies the respective Bond Resolutions (Alligator Alley and Garcon Point Bridge are the only facilities with outstanding bonded debt) that require the Traffic Engineer to provide a traffic and earnings report to the Department on an annual basis. The report includes a comprehensive traffic and revenue analysis on the five toll roads and bridges owned by the Department and on the two toll roads and bridges operated by the Department, for the period July 1, 2012 through June 30, 2013 (FY 2013).

The Department-owned facilities include Alligator Alley, Beachline East Expressway, Pinellas Bayway System, Sunshine Skyway Bridge and 95 Express. An analysis of traffic, revenue and expenses was completed for 95 Express through FY 2013. However, traffic, revenue and expense forecasts for this facility are not included herein. The facilities operated by the Department under Lease-Purchase Agreements and owned by the respective Authorities include the Garcon Point Bridge and Mid-Bay Bridge. An analysis of historic traffic, revenue and expenses was completed for the Garcon Point Bridge. However, traffic, revenue and expense forecasts for this facility are not included herein.

Prior estimates on the Department-owned facilities have been very reliable because traffic patterns are typically known and a significant amount of historical traffic and revenue data are already available. Forecasts were developed for four of the five Department-owned toll facilities with little uncertainty regarding land use and motorist travel patterns. The forecasts are based on actual traffic and revenue performance from FY 2003 through FY 2013, modified to account for historical and future growth

in population for the relevant metropolitan areas. By applying the ratio between historical traffic and population growth to estimated annual compounded population growth through 2020, an annual compounded traffic growth is obtained. This estimated growth rate is used as a general guideline in forecasting traffic growth on the facility. These forecasts are further adjusted for future known events such as roadway improvement projects, advancements in toll collection technology, development impacts and other noteworthy events. The forecast also includes additional revenues generated from the indexing of tolls on the Alligator Alley, Beachline East, Pinellas Bayway and Sunshine Skyway.

The Department-operated facilities have a similar amount of historical traffic and revenue data and established motorist travel patterns compared to Department-owned facilities. The forecasts for the Mid-Bay Bridge are based on actual traffic and revenue and are further adjusted for future known events.

URS Corporation will continue to monitor traffic and revenue conditions on these toll facilities, and update traffic and revenue estimates as conditions warrant. Improved methods of forecasting traffic and toll revenues will be employed based on the latest information on transportation, population and land use conditions in the vicinity of these toll roads and bridges.

9.1 OVERALL REVENUE RESULTS

The traffic and revenue forecasts contained in this section resulted from the analysis of four of the five Department-owned toll facilities and the Mid-Bay Bridge, which is one of the two Department-operated facilities. Each toll facility was presented separately in this report and the unique traffic and revenue factors that are relevant to each individual toll facility were considered and analyzed. The following is

ENTERPRISE TOLL OPERATIONS

a summary of the major factors that impacted the traffic and revenue forecasts of each facility:

Alligator Alley

Current revenue projections for all years of the forecast period were increased due to the fact that traffic elasticity after the June 24, 2012 (FY 2012) toll rate increase is slightly lower than estimated. Furthermore, initial results from the July 1, 2013 indexing of Sunpass toll rates did not show any material impact on traffic. Additionally, based on the actual FY 2013 SunPass participation rate, the projected participation rates have been adjusted lower than prior year, resulting in more revenue from higher paying cash customers. Traffic is estimated to grow at a higher percent during the first part of the forecast period. In the latter years, growth rates will gradually decline for the Alligator Alley traffic forecast through FY 2024.

Beachline East Expressway

The current revenue projections for all years of the forecast period were decreased from the FY 2012 forecast due in large part to FY 2013 actual revenues being lower than projected at the new Dallas Mainline Plaza where the FDOT share of revenue is calculated. Transactions in FY 2014 and thereafter are not expected to be impacted by the annual indexing of SunPass toll rates. Traffic is estimated to grow at a higher percent during the first part of the forecast period. In the latter years, growth rates will gradually decline for the Beachline East Expressway traffic forecast through FY 2024.

Pinellas Bayway System

The current revenue projections for the ten year period beginning FY 2014 are higher than the forecast presented in the FY 2012 Annual Report due to the fact that FY 2013 actual revenue exceeded last year's projection. The actual revenue impact from the construction activities related to the SR 682 bridge replacement project was less than expected. Transactions in FY 2014 and thereafter are not expected to be impacted by the annual indexing

of SunPass toll rates. Traffic is estimated to grow at a higher percent during the first part of the forecast period. In the latter years, growth rates will gradually decline for the Pinellas Bayway System traffic forecast through FY 2024. The traffic and revenue forecasts account for a 10 percent discount for SunPass customers who do not participate in the Bayway Isle or General Public Pass programs. The standard 10 percent discount is offered when a threshold of 40 transactions per month is reached.

Sunshine Skyway Bridge

Current revenue projections were increased for most years of the forecast period due in large part to FY 2013 actual revenues exceeding last year's projection. Additionally, there was minimal impact on traffic as a result of the June 24, 2012 (FY 2012) toll rate increase. Transactions in FY 2014 and thereafter are not expected to be impacted by the annual indexing of SunPass toll rates. Traffic is estimated to grow at a higher percent during the first part of the forecast period. In the latter years, growth rates will gradually decline for the Sunshine Skyway Bridge traffic forecast through FY 2024. Additionally, a discount program is available to all SunPass customers. Drivers of two-axle vehicles with a SunPass transponder pay less than cash drivers. SunPass customers with three or more axles receive a 10 percent retroactive discount when they reach a threshold of 40 transactions a month. The SunPass discount program is accounted for in the traffic and revenue forecasts.

Mid-Bay Bridge

Traffic and revenue forecasts correspond to the Authority's fiscal year (October 1 through September 30). Current revenue projections remained the same on the Mid-Bay Bridge for all years of the forecast period. The forecasts also assume that during the forecast period through FY 2024, there will be a gradual return to normal economic conditions, that the bridge will be expanded, and that the Mid-Bay Bridge Connector to SR 85 will continue to ramp up after opening in January 2014.

9.2 FORECAST SUMMARIES

Estimated transactions for four of the five Department-owned facilities and the Mid-Bay Bridge for FY 2014 through FY 2024 are shown in **Table 9.1**. As previously mentioned, traffic, revenue and expense forecasts for 95 Express are not included herein. Total traffic transactions for the Department-owned facilities are expected to increase from 50.8 million in FY 2014 to 62.9 million in FY 2024, growing by approximately 2.2 percent annually. For the Mid-Bay Bridge, transactions are forecast to increase from approximately 9.8 million in FY 2014 to 13.0 million in FY 2024, an annual increase of 2.9 percent. As previously mentioned,

traffic, revenue and expense forecasts for the Garcon Point Bridge are not included herein. Overall, total transactions on the five facilities are expected to increase from 60.6 million in FY 2014 to 75.9 million in FY 2024, an increase of approximately 2.3 percent annually.

The gross toll revenue forecast by toll facility for the same period is presented in **Table 9.2**. Total gross toll revenue for the Department-owned facilities is estimated to increase from approximately \$57.6 million in FY 2014 to \$89.2 million in FY 2024, growing by approximately 4.5 percent annually. Total gross

Table 9.1
Transaction Forecast (000)
Department-owned and Department-operated Toll Facilities
FY 2014 through FY 2024

Fiscal Year	Department-owned Toll Facilities					Department-operated Toll Facilities	Total Traffic Transactions
	Alligator Alley	Beachline East Expressway	Pinellas Bayway System	Sunshine Skyway Bridge	Total Traffic Transactions	Mid-Bay Bridge ⁽¹⁾	
2014	7,765	15,711	8,613	18,685	50,774	9,755	60,529
2015	8,045	16,393	8,805	19,255	52,498	10,925	63,423
2016	8,347	17,137	9,113	19,737	54,334	10,624	64,958
2017	8,629	17,823	9,383	20,179	56,014	10,964	66,978
2018	8,778	17,964	9,416	20,340	56,498	11,325	67,823
2019	9,028	18,628	9,596	20,745	57,997	11,677	69,674
2020	9,255	19,280	9,698	21,120	59,353	11,976	71,329
2021	9,457	19,853	9,754	21,466	60,530	12,251	72,781
2022	9,638	20,387	9,798	21,765	61,588	12,520	74,108
2023	9,761	20,508	9,803	21,819	61,891	12,773	74,664
2024	9,948	20,969	9,852	22,106	62,875	13,017	75,892

Note: The forecasts include toll-paying and non-revenue traffic. The 95 Express and Garcon Point Bridge transaction forecasts are not included herein.
(1) Mid-Bay Bridge transaction forecasts include the impacts of the opening of the Mid-Bay Bridge Connector in January 2014 and the planned toll rate increase in FY 2016.

Table 9.2
Gross Toll Revenue Forecast (\$000)
Department-owned and Department-operated Toll Facilities
FY 2014 through FY 2024

Fiscal Year	Department-owned Toll Facilities					Department-operated Toll Facilities	Total Gross Toll Revenue
	Alligator Alley	Beachline East Expressway	Pinellas Bayway System	Sunshine Skyway Bridge	Total Gross Toll Revenue	Mid-Bay Bridge ⁽¹⁾	
2014	\$26,076	\$4,953	\$4,093	\$22,510	\$57,632	\$20,698	\$78,330
2015	27,338	5,168	4,238	23,457	60,201	22,255	82,456
2016	28,711	5,473	4,434	24,323	62,941	31,222	94,163
2017	30,050	5,767	4,485	25,145	65,447	32,150	97,597
2018	32,872	6,849	5,139	27,543	72,403	33,107	105,510
2019	34,154	7,124	5,175	28,243	74,696	34,024	108,720
2020	35,465	7,398	5,216	28,986	77,065	34,769	111,834
2021	36,815	7,665	5,262	29,776	79,518	35,436	114,954
2022	38,214	7,922	5,313	30,613	82,062	36,059	118,121
2023	40,575	8,397	5,570	32,417	86,959	36,627	123,586
2024	41,624	8,606	5,614	33,315	89,159	37,145	126,304

Note: The forecasts include the impact of the SunPass discount program and future indexing of tolls. The 95 Express and Garcon Point Bridge gross toll revenue forecasts are not included herein.
(1) Mid-Bay Bridge revenue forecasts include the impacts of the opening of the Mid-Bay Bridge Connector in January 2014 and the planned toll rate increase in FY 2016.

ENTERPRISE TOLL OPERATIONS

toll revenue for the Mid-Bay Bridge is estimated to increase from approximately \$20.7 million in FY 2014 to \$37.1 million in FY 2024, an annual increase of 6.0 percent. The forecasted annual increase in revenue is greater than the annual increase in traffic due to a planned toll rate increase on the facility and ramp up of the Mid-Bay Bridge Connector. Overall, total gross toll revenue for the five facilities is expected to increase from \$78.3 million in FY 2014 to \$126.3 million in FY 2024, an increase of approximately 4.9 percent annually.

routine maintenance expenses for the five facilities increase from \$20.8 million in FY 2014 to \$24.6 million in FY 2024, or 1.7 percent annually.

Lastly, the net toll revenue forecast for each of the five toll facilities is presented in **Table 9.4**. Total net toll revenue for the Department-owned facilities in FY 2014 is \$39.6 million. Net toll revenues are estimated to increase to \$68.0 in FY 2024. The Mid-Bay Bridge shows estimated total net toll revenue of \$17.9 million in FY 2014 increasing to \$33.8 million in FY 2024. Overall, total net toll revenue for the five facilities is forecast to increase from \$57.5 million in FY 2014 to \$101.7 million in FY 2024, or 5.9 percent annually.

Table 9.3 shows the projected operating and routine maintenance expenses by toll facility from FY 2014 through FY 2024.

Expenses that are periodic in nature are not included in this forecast; however, a periodic maintenance expense forecast is included in the individual chapters. Total operating and routine maintenance expenses for the Department-owned facilities increase from approximately \$18.1 million in FY 2014 to \$21.2 million in FY 2024. Total operating and routine maintenance expenses for the Mid-Bay Bridge increase from \$2.7 million in FY 2014 to \$3.4 million in FY 2024. Overall, total operating and

Table 9.3
Projected Operating and Routine Maintenance Expenses (\$000)
Department-owned and Department-operated Toll Facilities
FY 2014 through FY 2024

Fiscal Year	Department-owned Toll Facilities					Department-operated Toll Facilities	Total O&M Expenses
	Alligator Alley	Beachline East Expressway	Pinellas Bayway System	Sunshine Skyway Bridge	Total O&M Expenses	Mid-Bay Bridge	
2014	\$8,087	\$701	\$2,477	\$6,797	\$18,062	\$2,745	\$20,807
2015	7,595	705	2,507	7,569	18,376	2,799	21,175
2016	7,747	710	2,534	7,117	18,108	2,856	20,964
2017	7,902	723	2,583	7,854	19,062	2,895	21,957
2018	8,060	737	2,634	7,396	18,827	2,972	21,799
2019	8,222	753	2,682	8,171	19,828	3,036	22,864
2020	8,386	767	2,731	7,696	19,580	3,102	22,682
2021	8,553	783	2,782	8,501	20,619	3,169	23,788
2022	8,724	799	2,833	8,006	20,362	3,239	23,601
2023	8,899	815	2,886	8,845	21,445	3,310	24,755
2024	9,076	830	2,940	8,330	21,176	3,382	24,558

Notes: The 95 Express and Garon Point Bridge operating and maintenance expense forecasts are not included herein.

Table 9.4
Net Toll Revenue Forecast (\$000)
Department-owned and Department-operated Toll Facilities
FY 2014 through FY 2024

Fiscal Year	Department-owned Toll Facilities					Department-operated Toll Facilities	Total Net Toll Revenue
	Alligator Alley	Beachline East Expressway	Pinellas Bayway System	Sunshine Skyway Bridge	Total Net Toll Revenue	Mid-Bay Bridge	
2014	\$17,989	\$4,252	\$1,616	\$15,713	\$39,570	\$17,953	\$57,523
2015	19,743	4,463	1,731	15,888	41,825	19,456	61,281
2016	20,964	4,763	1,900	17,206	44,833	28,366	73,199
2017	22,148	5,044	1,902	17,291	46,385	29,255	75,640
2018	24,812	6,112	2,505	20,147	53,576	30,135	83,711
2019	25,932	6,371	2,493	20,072	54,868	30,988	85,856
2020	27,079	6,631	2,485	21,290	57,485	31,667	89,152
2021	28,262	6,882	2,480	21,275	58,899	32,267	91,166
2022	29,490	7,123	2,480	22,607	61,700	32,820	94,520
2023	31,676	7,582	2,684	23,572	65,514	33,317	98,831
2024	32,548	7,776	2,674	24,985	67,983	33,763	101,746

Note: The net toll revenue forecasts above consist of gross toll revenue less operating and routine maintenance expenses. The 95 Express and Garon Point Bridge revenue and expense forecasts are not included herein.