

# OVERVIEW

This annual report includes a comprehensive traffic and revenue analysis on four Department-owned toll facilities: Alligator Alley, Pinellas Bayway System, Sunshine Skyway Bridge and Wekiva Parkway. This report also includes a similar analysis on two toll facilities operated under Lease-Purchase Agreements with the Department: (Mid-Bay Bridge, including the Spence Parkway, and Garcon Point Bridge).

Facilities with outstanding bonds are Alligator Alley (Everglades Parkway), the Mid-Bay Bridge Authority, and the Santa Rosa Bay Bridge Authority (currently in payment default). Additional details for each facility are provided in the individual chapters. The reporting period for this Annual Report is FY 2017 (July 1, 2016 through June 30, 2017).

This annual report includes consolidated information and analyses regarding traffic, revenue, operating and maintenance expenses, debt service and other related liabilities on these facilities, as well as major events that affect them.

The FY 2017 Annual Report contains an overview and sections on Department-owned and Department-operated facilities. Additionally, the report contains four appendices:

**Appendix A** – existing toll schedule and lane configuration at each toll plaza

**Appendix B** – annual average daily traffic (AADT) profiles for FY 2017 through FY 2028 on all facilities, excluding Wekiva Parkway, Garcon Point Bridge and Mid Bay Bridge Spence Parkway

**Appendix C** – FY 2018 operating budget for each facility

**Appendix D** - Wekiva Parkway Traffic and Revenue forecast

## 1.1 GENERAL CHARACTERISTICS

The traffic characteristics and patterns observed on some of the toll facilities examined in this report differ primarily by location and type of customers served. A high percentage of passenger vehicles travel on the Pinellas Bayway System, Garcon Point Bridge and Mid-Bay Bridge/Spence Parkway to access recreational areas that attract tourists and local residents. In contrast, the percentage of trucks on Alligator Alley is relatively high because, as part of I-75, this facility offers a convenient route for truck drivers traveling between the southeastern and southwestern parts of the State.

In addition, the toll rate paid by customers to travel the entire length of each facility differs depending on the toll plan for the facility. As shown in **Table 1.1**, this per-mile toll rate varies considerably depending on the type of toll facility (i.e., toll road versus toll bridge and urban versus rural) and the conditions under which they were financed.

**TABLE 1.1  
COMPARATIVE PER MILE TOLL RATES**

| Type                           | System                                       | Length (miles) | Passenger Car Toll as of 10/29/17 |          | Toll Per Mile |          |
|--------------------------------|--|----------------|-----------------------------------|----------|---------------|----------|
|                                |  |                | Toll Rate Indexing                |          | Cash/TBP      | SunPass® |
|                                |  |                | Cash/TBP                          | SunPass® |               |          |
| Department-owned Facilities    | Alligator Alley                              | 78.0           | \$3.25                            | \$2.94   | \$0.042       | \$0.038  |
|                                | Pinellas Bayway System <sup>(1)</sup>        | 15.2           | 2.75                              | 1.34     | 0.181         | 0.088    |
|                                | Sunshine Skyway Bridge <sup>(2)</sup>        | 17.4           | 1.50                              | 1.07     | 0.086         | 0.061    |
|                                | Wekiva Parkway                               | 3.1            | 1.01                              | 0.76     | 0.326         | 0.245    |
| Department-operated Facilities | Garcon Point Bridge <sup>(3)</sup>           | 3.5            | 3.75                              | 3.75     | 1.071         | 1.071    |
|                                | Mid-Bay Bridge/Spence Parkway <sup>(4)</sup> | 15.4           | 6.00                              | 4.50     | 0.390         | 0.292    |

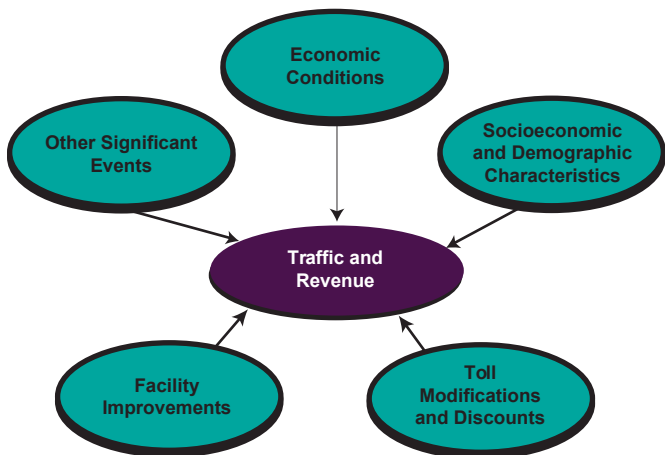
(1) Actual one-way toll for two-axle vehicles ranges between \$0.80 and \$1.75, depending on method of payment.  
 (2) Two-axle vehicles with SunPass receive a 29 percent in-lane discount and no minimum SunPass usage is required.  
 (3) Two-axle vehicles with SunPass receive a 50 percent rebate after reaching 30 transactions a month.  
 (4) Toll rates as of October 1, 2015. The Bridge includes an 11-mile Connector (Spence Parkway), an All-Electronic facility that opened to traffic in January 2014. Two-axle, non-commercial vehicles with SunPass receive a 50 percent rebate after reaching 31 transactions a month. All other 2-axle vehicles with SunPass receive an in-lane discount of \$1.00 on the Bridge and \$0.50 on the Parkway.

ENTERPRISE TOLL OPERATIONS

## 1.2 FACTORS AFFECTING TRAFFIC AND REVENUE

A number of factors influence the demand for roadway travel and use of toll roads in particular. As shown in **Figure 1.1**, these factors are grouped under five general categories.

FIGURE 1.1



### 1.2.1 ECONOMIC CONDITIONS AND SOCIOECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

The condition of both the state and national economies affects the growth in traffic on toll facilities. In FY 2017, toll facilities experienced increased growth in both traffic and revenue, which stems from an increase in tourism and consumer spending, as well as lower unemployment in Florida. Specifically, the following major components impacted traffic trends and contributed to the growth.

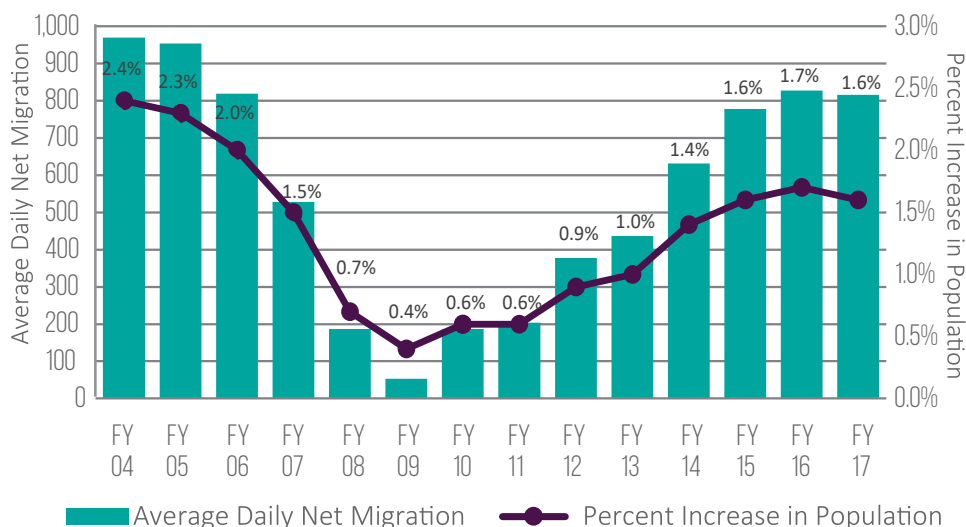
#### POPULATION GROWTH

Over the past five years, Florida's population has

gradually increased from a year-over-year growth rate of 1.0 percent to a year-over-year growth rate of 1.6 percent in 2017. Correspondingly, the average daily net migration, which peaked at nearly 1,000 residents per day in 2004, is gradually regaining momentum reaching approximately 800 residents per day in 2017, after bottoming out at 53 residents per day in 2009 due to the Great Recession. These population trends are shown in **Graph 1.1**.

According to the latest economic outlook prepared by the Bureau of Economic and Business Research (BEBR) at the University of Florida in April 2017, Florida's population growth rates are forecast to continue strengthening, increasing at low levels and rates of growth (approximately 1.6 percent) over the next few years. According to BEBR's latest forecasts, the State's population is currently expected to exceed 21 million by 2020. **Graph 1.2** depicts population estimates for all regions served by the Department-owned and Department-operated facilities. South Florida population is expected to increase approximately 343 thousand by 2020, followed

GRAPH 1.1  
FLORIDA POPULATION TREND

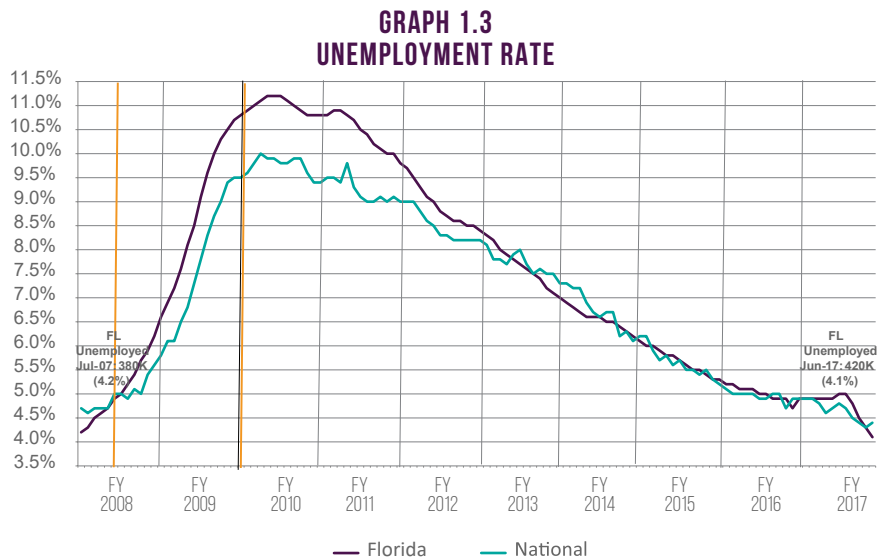


Source: Florida Demographic Estimating Conference, July 10, 2017.

by Central Florida and Tampa. Affordable housing and the gradual improvement of the economy should have an effect on Florida's population growth and traffic trends over the next several years.

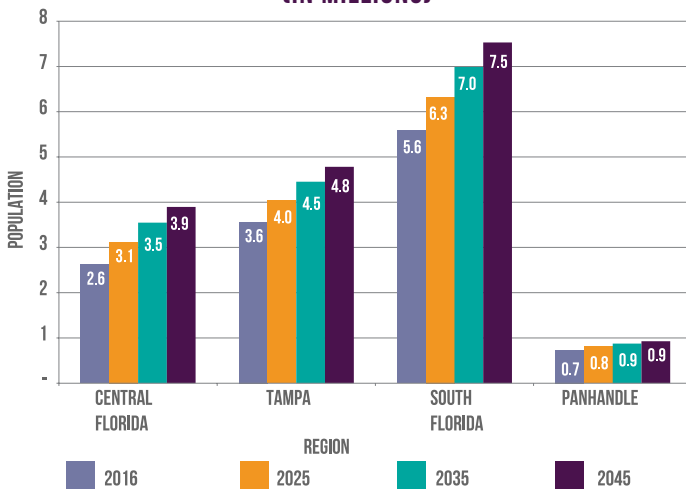
### UNEMPLOYMENT

As shown in **Graph 1.3**, Florida, which historically has one of the lowest unemployment rates in the nation, is slightly below the national rate of 4.4 percent as of June 2017, after peaking at 11.2 percent from December 2009 through March 2010.



Source: Bureau of Labor Statistics

**GRAPH 1.2 CURRENT AND FUTURE POPULATION ESTIMATES REGIONS SERVED BY DEPARTMENT-OWNED AND DEPARTMENT-OPERATED FACILITIES (IN MILLIONS)**



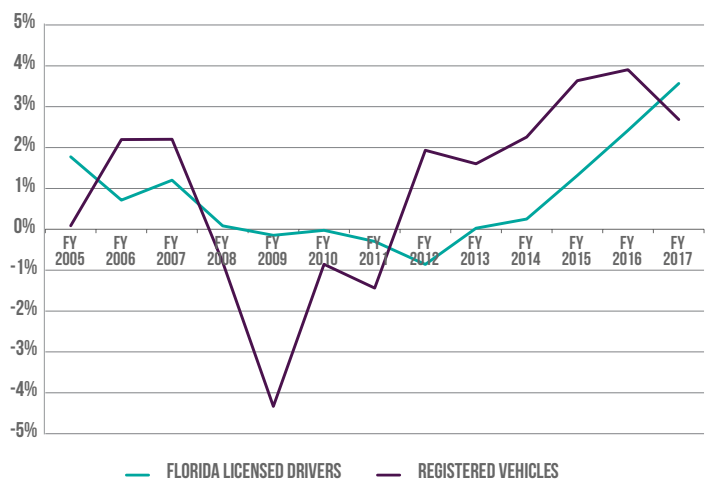
Source: University of Florida, Bureau of Economic and Business Research (BEER) Bulletin 177, April 2017.

### LICENSED DRIVERS AND REGISTERED VEHICLES

The population growth has a direct impact on the number of driver's licenses issued and vehicles registered in the state. The growth rates of licensed drivers have approximated three percent in recent years following population

growth and an improving state economy (**Graph 1.4**). As of FY 2017, there were 16.5 million registered vehicles and 16.6 million licensed drivers in Florida.

**GRAPH 1.4 YEAR-OVER-YEAR PERCENT CHANGE: FLORIDA LICENSED DRIVERS AND REGISTERED VEHICLES**



Source: Florida Department of Highway Safety and Motor Vehicles.

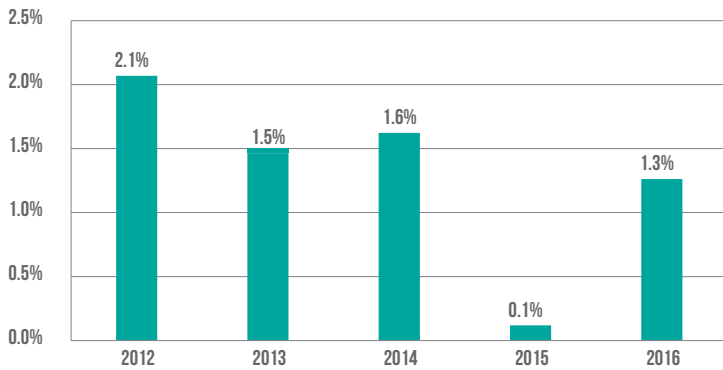
### CONSUMER PRICE INDEX

An economic indicator that measures inflation experienced by consumers for their daily living expenses is the Consumer Price Index (CPI). As shown in **Graph 1.5**, CPI approximated 1.3 percent for CY 2016.

**ENTERPRISE TOLL OPERATIONS**

CPI is the basis for toll rate modifications pursuant to **Section 338.165**, Florida Statutes, requiring that the Turnpike Enterprise index toll rates on existing Department-owned facilities to the annual CPI or similar inflation indicator. Additional details are included in **Section 1.2.2**.

**GRAPH 1.5  
HISTORICAL PERCENT CHANGE  
IN CONSUMER PRICE INDEX**



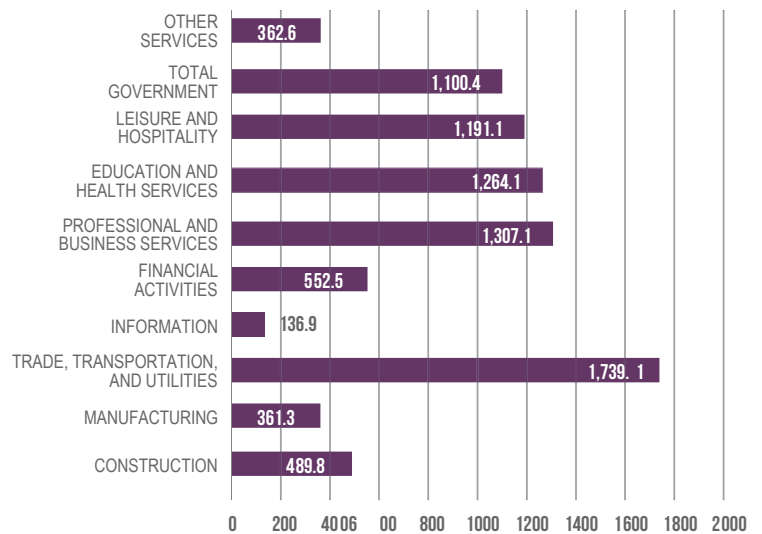
Source: Bureau of Labor Statistics

**EMPLOYMENT BY INDUSTRY**

Florida has a diverse industry base, which to some extent, mitigates the impact from a downturn in certain industry sectors. It has a vibrant high-tech industry, and professional and business services industry, complemented by international trade. The implementation of the United States- Dominican Republic-Central America Free Trade Agreement (CAFTA) positions Florida as the primary gateway and business hub for the Caribbean and Latin American nations.

**Graph 1.6** presents the Non-Agriculture Employment in the State by the North American Industry Classification System (NAICS) which, as of June 2017, was 8.5 million. In 2017, the trade, transportation and utilities industries employed just over 1.7 million of the workforce and almost 20 percent of total employment; followed by professional and business services (15.3

**GRAPH 1.6  
NON-AGRICULTURAL EMPLOYMENT IN FLORIDA 2017  
(IN THOUSANDS)**



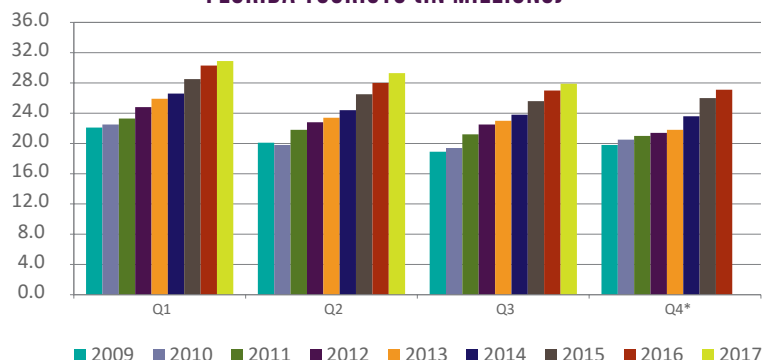
Source: Florida Department of Economic Opportunity, December 2017.

percent); education and health services (15.0 percent); the leisure and hospitality industry (14.0 percent); and government (12.9 percent). The construction sector showed the highest growth rate at over 10 percent compared to the preceding year.

**TOURISM**

Tourism is a vital component and a key contributor in keeping Florida's economy surging ahead. **Graph 1.7** shows the number of Florida visitors by quarter over the past nine years, through the third quarter of calendar

**GRAPH 1.7  
FLORIDA TOURISTS (IN MILLIONS)**



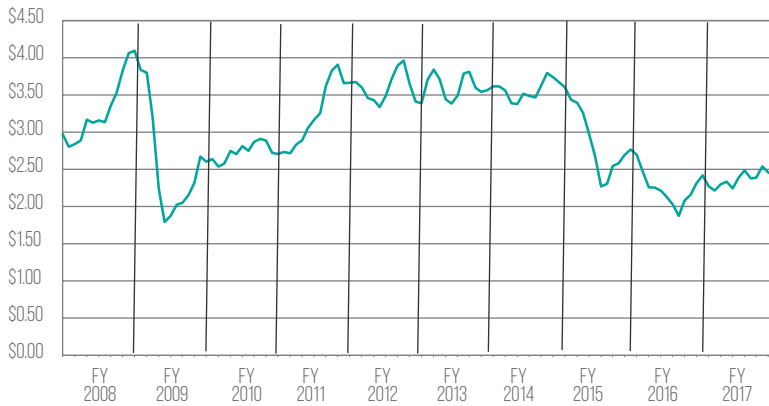
Source: visitflorida.org | \*2017 data not yet available.

year (CY) 2017, has generally increased. With over 112 million Florida visitors, CY 2016 marks the highest number of tourists on record.

### FUEL PRICES

**Graph 1.8** portrays the historical trend of gas prices in Florida (average of all grades) which have fluctuated from over \$4 per gallon to a low of \$1.80 a gallon. Starting in FY 2015, fuel prices show a general downward trend with \$2.41 per gallon as of June 2017, virtually unchanged from the same period last year.

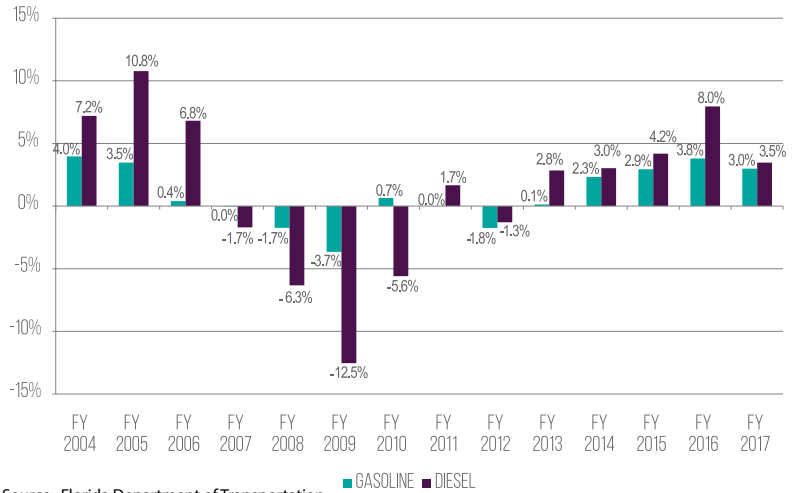
**GRAPH 1.8  
FLORIDA GASOLINE PRICES  
(AVERAGE OF ALL GRADES)**



Source: Energy Information Administration, U.S. Department of Energy.

The dramatic slowdown in the economic activities and volatility in fuel prices contributed to a significant decline in the highway fuel consumption rate in the state. As illustrated in **Graph 1.9**, the percentage decline of fuel consumption, particularly diesel, from 2007 to 2010 signifies the impact of the economic recession while the consumption rate rebounded starting in FY 2013 and has continued to increase compared to prior years, with diesel fuel consumption increasing at a faster rate than gasoline consumption.

**GRAPH 1.9  
YEAR-OVER-YEAR PERCENT CHANGE:  
HIGHWAY FUEL CONSUMPTION IN FLORIDA**



Source: Florida Department of Transportation.

### 1.2.2 TOLL MODIFICATIONS AND DISCOUNTS

**Table 1.2** provides a historical overview of the changes in toll rates and/or toll structure for the six facilities. Modifications made to the toll rate on a facility will either encourage additional customers to use the toll road (in the case of a toll discount) or discourage existing customers (in the case of a toll increase). Use of toll facilities are also effected by the type of parallel competing highways, their level of congestion and driver characteristics. Historically, all of the

facilities have undergone toll rate increases or modifications.

### 1.2.3 FACILITY IMPROVEMENTS

In general, improvements to toll facilities, as well as improvements to other competing and adjacent roadways, will have an impact on toll road traffic and revenue. Normally, traffic will divert onto the toll facility when improvements are made to the facility, and will divert away when improvements are made

ENTERPRISE TOLL OPERATIONS

**TABLE 1.2  
HISTORICAL TOLL RATE MODIFICATIONS BY FACILITY**

| Facility                              | Opening Year (Opening Toll Rate) | Date of Conversion      | Type of Adjustment   | System Increase                              | Multi-axle Rate Adjustment   |
|---------------------------------------|----------------------------------|-------------------------|--|--|------------------------------|
| Alligator Alley <sup>(1)</sup>        | 1969<br>(\$1.50)                 | 05/99                   | Toll conversion (split plazas with one-way tolls)                              | \$0.00                                       | Conversion to N-1            |
|                                       |                                  | 02/06                   | Toll rate increase   | 1.00 Cash<br>0.50 SunPass                    | Remained N-1                 |
|                                       |                                  | 06/12                   | Toll rate increase   | 0.50 Cash<br>0.75 SunPass                    | Remained N-1                 |
|                                       |                                  | 07/13<br>07/14<br>07/15 | Toll rate indexing for SunPass   | 0.06 SunPass<br>0.04 SunPass<br>0.05 SunPass | Remained N-1                 |
|                                       |                                  | 10/17                   | Toll rate increase   | 0.25 Cash<br>0.04 SunPass                    | Remained N-1                 |
| Pinellas Bayway System                |                                  | 07/81                   | Toll rate increase (\$0.20 to \$0.30)  | 0.10   | Remained per-axle            |
|                                       |                                  | 10/86                   | Toll rate increase (\$0.30 to \$0.50)  | 0.20   | Remained per-axle            |
| East and West Plazas                  | 1962<br>(\$0.20)                 | 06/12                   | Toll rate increase for cash (\$0.50 to \$0.75)                                 | 0.25 Cash<br>0.00 SunPass                    | Conversion to N-1            |
|                                       |                                  | 07/13<br>07/14<br>07/15 | Toll rate indexing for SunPass   | 0.01 SunPass<br>0.01 SunPass<br>0.01 SunPass | Remained N-1                 |
|                                       |                                  | 10/17                   | Toll rate increase for cash (\$0.75 to \$1.00)                                 | 0.25 Cash<br>0.01 SunPass                    | Remained N-1                 |
| Central Plaza                         | 1962<br>(\$0.10)                 | 09/86                   | Plaza removed  | -  | -                            |
| South Plaza                           | 1962<br>(\$0.35)                 | 06/12                   | Toll rate increase (\$0.35 to \$0.50)<br>Toll rate decrease (\$0.35 to \$0.25) | 0.15 Cash<br>(0.10) SunPass                  | Conversion to N-1            |
|                                       |                                  | 07/13                   | Toll rate indexing for SunPass   | 0.00 Cash<br>0.01 SunPass                    | Remained N-1                 |
|                                       |                                  | 10/17                   | Toll rate increase for cash (\$0.50 to \$0.75)                                 | 0.25 Cash<br>0.00 SunPass                    | Remained N-1                 |
| Sunshine Skyway Bridge <sup>(2)</sup> | 1954<br>(\$1.75)                 | 12/58                   | Toll rate decrease (\$1.75 to \$1.00 for two-axle passenger vehicles)          | (0.75)                                       | Remained per-axle            |
|                                       |                                  | 04/66                   | Toll rate decrease (\$1.00 to \$0.50 for two-axle passenger vehicles)          | (0.50)                                       | Remained per-axle            |
|                                       |                                  | 07/82                   | Toll rate increase (\$0.50 to \$1.00 for two-axle passenger vehicles)          | 0.50   | Remained per-axle            |
|                                       |                                  | 06/12                   | Toll rate increase   | 0.25 Cash<br>0.25 SunPass                    | Conversion to N-1            |
|                                       |                                  | 07/13<br>07/14<br>07/15 | Toll rate indexing for SunPass   | 0.02 SunPass<br>0.02 SunPass<br>0.02 SunPass | Remained N-1                 |
|                                       |                                  | 10/17                   | Toll rate increase for cash (\$1.25 to \$1.50)                                 | 0.25 Cash<br>0.01 SunPass                    | Remained N-1                 |
| Wekiva Parkway                        | 2016<br>(\$1.00/\$0.75)          | 10/17                   | "Toll rate indexing for SunPass and TOLL-BY-PLATE"                             | 0.01 SunPass /<br>TOLL-BY PLATE              | N minus 1                    |
| Garcon Point Bridge <sup>(3)</sup>    | 1999<br>(\$2.00)                 | 07/01                   | Toll rate increase (\$2.00 to \$2.50)  | 0.50   | Remained N-1                 |
|                                       |                                  | 07/04                   | Toll rate increase (\$2.50 to \$3.00)  | 0.50   | Remained N-1                 |
|                                       |                                  | 07/07                   | Toll rate increase (\$3.00 to \$3.50)  | 0.50   | Remained N-1                 |
|                                       |                                  | 01/11                   | Toll rate increase (\$3.50 to \$3.75)  | 0.25   | Remained N-1                 |
| Mid-Bay Bridge <sup>(4)</sup>         | 1993<br>(\$2.00/\$1.00)          | 10/04                   | Toll rate increase   | 0.50 Cash<br>0.50 SunPass                    | Remained N-1                 |
|                                       |                                  | 06/10                   | Toll rate increase   | 0.50 Cash<br>0.50 SunPass                    | Remained N-1<br>0.50 SunPass |
|                                       |                                  | 10/15                   | Toll rate increase   | 1.00 Cash<br>1.00 SunPass                    | Remained N-1                 |
| Spence Parkway                        | 2014<br>(\$1.50/\$1.00)          | 10/15                   | Toll rate increase   | 0.50 TBP<br>0.50 SunPass                     | Remained N-1                 |

(1) The west toll plaza opened in 1966, whereas the east toll plaza opened in 1969 when the facility was fully completed. Two-way tolling of \$0.75 each way at the east and west plazas changed to one-way tolling of \$1.50 at the east plaza (westbound) and \$1.50 at the west plaza (eastbound) in May 1999.

(2) In 1958, the rate for motorcycles increased from \$0.50 to \$1.00 concurrent with the decrease for two-axle and three or more axle vehicles. In the 1966 toll rate revision, the rate for motorcycles was reduced back to \$0.50. In the 1982 revision, it increased to \$1.00 for the second time. Current two-axle SunPass toll rate reflects an immediate in-lane 29 percent discount off the \$1.50 two-axle cash toll rate.

(3) Two-axle vehicles with SunPass receive a 50 percent rebate after reaching 30 transactions a month.

(4) Two-axle, non-commercial vehicles with SunPass receive a \$1.00 discount which is applied retroactively after exceeding 31 transactions a month.

(5) Spence Parkway is an All-Electronic facility. Only SunPass and TOLL-BY-PLATE (TBP) are accepted. Two-axle, non-commercial vehicles with SunPass receive a \$0.50 discount which is applied retroactively after exceeding 31 transactions a month.

to the neighboring competing facilities. These improvements include future widening needs, new and modified interchanges, rest areas, and improvements to access roads. Toll facility widening reduces the level of congestion and provides improved travel conditions. New or modified interchanges and improvements to access roads leading to the toll facilities enhance accessibility to the toll roads. In this report, both current and future improvements were considered in the development of traffic and revenue projections.

### 1.3 FORECASTING METHODOLOGY

Estimates on older, more established toll facilities owned or operated by the Department have been quite reliable because traffic patterns are typically known and a significant amount of historical traffic and revenue data are already available. With little uncertainty regarding land use and motorist travel patterns, these forecasts are developed based on actual traffic and revenue performance, adjusted for population growth and future known events such as toll rate changes and roadway improvements.

The general forecasting procedure used in this report includes a comparison between historical traffic growth on the toll facility and the historical growth in population for counties that have an impact on the travel patterns of the facility. By applying the ratio between historical traffic and population growth to estimated annual population growth through 2028, an average annual traffic growth rate is obtained. This estimated growth rate is used as a general guideline in forecasting traffic growth on the facility. Gross revenue forecasts are obtained from projected traffic and average toll estimates for the facility. Both traffic and revenue

forecasts are then adjusted for future events, network changes, development impacts and current economic trends.

Historical traffic and revenue data through FY 2017 were used during the forecasting process. In addition, the forecast also includes additional revenues generated from the indexing of tolls. **Table 1.3** shows the historical and projected population growth rates for the related counties around the facilities owned or operated by the Department. These growth rates have been calculated using medium population projections from the most recent publication by BEBR.

Operating and maintenance expense forecasts are provided by the Department's Office of the Comptroller. Maintenance expenses include routine and periodic expenses. Routine maintenance expenses are expected to recur annually, and require funding to preserve the system and extend the life of the facility. Periodic maintenance items are usually large, expensive repairs that do not recur on an annual basis.

### 1.4 REVENUE SUFFICIENCY

**Table 1.4** presents a historical summary of bond issues and a description of how the bond proceeds were utilized for the five toll facilities. All revenue bonds are guaranteed by toll revenues of the facility and are not a general obligation of the State of Florida. In order to measure the revenue sufficiency of each facility to meet future debt requirements, debt service coverage is computed representing the ratio of annual net revenues to the annual debt service requirement. For example, a debt service coverage ratio of 2.0 indicates that for every \$1 of debt service, \$2 of net revenue is available to satisfy the debt service. Net revenues are generally defined as gross

ENTERPRISE TOLL OPERATIONS

**TABLE 1.3  
HISTORICAL AND PROJECTED POPULATIONS  
FOR RELATED COUNTIES**

| System                      | Facility                       | County          | Historical Population (000) |                     |                                      |                     |                                      |                     |                                      | Population Forecasts (000) |                                      |
|-----------------------------|--------------------------------|-----------------|-----------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|----------------------------|--------------------------------------|
|                             |                                |                 | 1990 <sup>(1)</sup>         | 2000 <sup>(2)</sup> | Annual Percent Change <sup>(3)</sup> | 2010 <sup>(4)</sup> | Annual Percent Change <sup>(5)</sup> | 2016 <sup>(6)</sup> | Annual Percent Change <sup>(7)</sup> | 2020 <sup>(6)</sup>        | Annual Percent Change <sup>(8)</sup> |
| Department-owned Facilities | Alligator Alley                | Broward         | 1,256                       | 1,623               | 2.6%                                 | 1,748               | 0.7%                                 | 1,855               | 1.0%                                 | 1,941                      | 1.1%                                 |
|                             |                                | Collier         | 152                         | 251                 | 5.1                                  | 322                 | 2.5                                  | 350                 | 1.4                                  | 379                        | 2.0                                  |
|                             |                                | Lee             | 335                         | 441                 | 2.8                                  | 619                 | 3.4                                  | 681                 | 1.6                                  | 749                        | 2.4                                  |
|                             |                                | Miami-Dade      | 1,937                       | 2,254               | 1.5                                  | 2,496               | 1.0                                  | 2,701               | 1.3                                  | 2,861                      | 1.4                                  |
|                             |                                | <b>SUBTOTAL</b> | <b>3,680</b>                | <b>4,569</b>        | <b>2.2</b>                           | <b>5,185</b>        | <b>1.3</b>                           | <b>5,587</b>        | <b>1.3</b>                           | <b>5,930</b>               | <b>1.5</b>                           |
|                             | Pinellas Bayway System         | Pinellas        | 852                         | 921                 | 0.8                                  | 917                 | 0.0                                  | 955                 | 0.7                                  | 967                        | 0.3                                  |
|                             |                                | <b>SUBTOTAL</b> | <b>852</b>                  | <b>921</b>          | <b>0.8</b>                           | <b>917</b>          | <b>0.0</b>                           | <b>955</b>          | <b>0.7</b>                           | <b>967</b>                 | <b>0.3</b>                           |
|                             | Sunshine Skyway Bridge         | Hillsborough    | 834                         | 999                 | 1.8                                  | 1,229               | 2.1                                  | 1,353               | 1.6                                  | 1,467                      | 2.0                                  |
|                             |                                | Manatee         | 212                         | 264                 | 2.2                                  | 323                 | 2.0                                  | 358                 | 1.7                                  | 389                        | 2.1                                  |
|                             |                                | Pasco           | 281                         | 345                 | 2.1                                  | 465                 | 3.0                                  | 496                 | 1.1                                  | 535                        | 1.9                                  |
|                             |                                | Pinellas        | 852                         | 921                 | 0.8                                  | 917                 | 0.0                                  | 955                 | 0.7                                  | 967                        | 0.3                                  |
|                             |                                | Sarasota        | 278                         | 326                 | 1.6                                  | 379                 | 1.5                                  | 400                 | 0.9                                  | 421                        | 1.3                                  |
|                             |                                | <b>SUBTOTAL</b> | <b>2,457</b>                | <b>2,855</b>        | <b>1.5</b>                           | <b>3,313</b>        | <b>1.5</b>                           | <b>3,562</b>        | <b>1.2</b>                           | <b>3,779</b>               | <b>1.5</b>                           |
|                             | Wekiva Parkway                 | Lake            | 152                         | 211                 | 3.3                                  | 297                 | 3.5                                  | 324                 | 1.5                                  | 355                        | 2.3                                  |
|                             |                                | Orange          | 677                         | 896                 | 2.8                                  | 1,146               | 2.5                                  | 1,280               | 1.9                                  | 1,405                      | 2.4                                  |
|                             |                                | Seminole        | 288                         | 365                 | 2.4                                  | 423                 | 1.5                                  | 449                 | 1.0                                  | 475                        | 1.4                                  |
|                             |                                | <b>SUBTOTAL</b> | <b>1,117</b>                | <b>1,472</b>        | <b>2.8</b>                           | <b>1,866</b>        | <b>2.4</b>                           | <b>2,053</b>        | <b>1.6</b>                           | <b>2,235</b>               | <b>2.1</b>                           |
|                             | <b>TOTAL<sup>(9)</sup></b>     |                 | <b>7,254</b>                | <b>8,896</b>        | <b>2.1</b>                           | <b>10,364</b>       | <b>1.5</b>                           | <b>11,202</b>       | <b>1.3</b>                           | <b>11,944</b>              | <b>1.6</b>                           |
|                             | Department-operated Facilities | Mid-Bay Bridge  | Okaloosa                    | 144                 | 170                                  | 1.7                 | 181                                  | 0.6                 | 193                                  | 1.1                        | 200                                  |
| Walton                      |                                |                 | 28                          | 41                  | 3.9                                  | 55                  | 3.0                                  | 63                  | 2.3                                  | 70                         | 2.7                                  |
| <b>SUBTOTAL</b>             |                                |                 | <b>172</b>                  | <b>211</b>          | <b>2.1</b>                           | <b>236</b>          | <b>1.1</b>                           | <b>256</b>          | <b>1.4</b>                           | <b>270</b>                 | <b>1.3</b>                           |
| Garcon Point Bridge         |                                | Escambia        | 263                         | 294                 | 1.1                                  | 298                 | 0.1                                  | 310                 | 0.7                                  | 317                        | 0.6                                  |
|                             |                                | Santa Rosa      | 82                          | 118                 | 3.7                                  | 151                 | 2.5                                  | 167                 | 1.7                                  | 181                        | 2.0                                  |
|                             |                                | <b>SUBTOTAL</b> | <b>345</b>                  | <b>412</b>          | <b>1.8</b>                           | <b>449</b>          | <b>0.9</b>                           | <b>477</b>          | <b>1.0</b>                           | <b>498</b>                 | <b>1.1</b>                           |
| <b>TOTAL</b>                |                                | <b>517</b>      | <b>623</b>                  | <b>1.9</b>          | <b>685</b>                           | <b>1.0</b>          | <b>733</b>                           | <b>1.1</b>          | <b>768</b>                           | <b>1.2</b>                 |                                      |
| <b>FLORIDA TOTAL</b>        |                                |                 | <b>12,938</b>               | <b>15,982</b>       | <b>2.1%</b>                          | <b>18,801</b>       | <b>1.6</b>                           | <b>20,149</b>       | <b>1.2</b>                           | <b>21,439</b>              | <b>1.6</b>                           |

(1) 1990 Census data.  
 (2) 2000 Census data.  
 (3) Compounded annual growth between 1990 and 2000.  
 (4) 2010 Census data.  
 (5) Compounded annual growth between 2000 and 2010.  
 (6) University of Florida, Bureau of Economic and Business Research (BEBR) Bulletin 177, April 2017.  
 (7) Annual growth from 2010 to 2016.  
 (8) Compounded annual growth between 2016 and 2020.  
 (9) Pinellas County was only included once in the totals.

revenue less operating and maintenance (O&M) expenses. Annual payments of bond principal and interest represent the annual

debt service requirement. Alligator Alley, Garcon Point Bridge and Mid-Bay Bridge are the only facilities with outstanding bonds.



**TABLE 1.4  
HISTORY OF BOND ISSUES**

| Facility   | Bonds Outstanding as of June 30, 2017 (\$000) | Underlying Bond Rating <sup>(1)</sup>  | Date of Issuance | Amount (\$000) | Use of Funds  |
|--|---|--|------------------|----------------|---|
| Alligator Alley                                  | \$21,635                                      | AA- (S&P)<br>A1 (Moody's)<br>A+ (Fitch)  | 1963             | \$17,000       | • Fund construction of the facility   |
|  |   |  | 1997             | 55,230         | • Fund SunPass installation, SR 29 improvements, toll plaza reconstruction and rest areas   |
|  |   |  | 2007A            | 43,175         | • Refund the outstanding Series 1997 issue  |
|  |   |  | 2017A            | 21,635         | • Refund the outstanding Series 2007A issue   |
| Pinellas Bayway System                           | N/A   | N/A  | 1960             | 16,800         | • Fund construction of the facility   |
|  |   |  | 1965             | 21,050         | • Refund Series 1960 issue  |
| Sunshine Skyway Bridge                           | N/A   | N/A  | 1951             | 21,250         | • Fund construction of original single span bridge  |
|  |   |  | 1966             | 23,500         | • Refund Series 1951 issue and expand the facility  |
|  |   |  | 1984             | 36,000         | • Fund replacement of the original Sunshine Skyway Bridge with the new single four-lane high-level structure  |
|  |   |  | 1986             | 35,165         | • Refund the outstanding Series 1984 issue  |
|  |   |  | 1991             | 33,000         | • Advance refund outstanding Series 1984 and Series 1986 issues   |
| 2001   | 17,555  | • Refund the outstanding Series 1991 issue   |                  |                |   |
| Garcon Point Bridge                              | N/A <sup>(3)</sup>                            | D (S&P)<br>Withdrawn (Moody's)<br>Withdrawn (Fitch)  | 1996             | 94,994         | • Finance construction of the two-lane facility   |
| Mid-Bay Bridge/<br>Spence Parkway <sup>(2)</sup> | \$281,280                                     | 1st Senior Lien Bonds:<br>BBB+ (S&P)<br>BBB+ (Fitch)<br><br>2nd Senior Lien Bonds:<br>BBB (S&P)<br>BBB (Fitch)<br><br>Insured Series<br>2015A Bonds:<br>AA (S&P)<br>A2 (Moody's) | 1991A            | 30,790         | • Finance acquisition and construction of the two-lane facility   |
|  |   |  | 1991B            | 25,100         | • Finance acquisition and construction of the two-lane facility   |
|  |   |  | 1993A            | 57,210         | • To achieve a crossover refunding of the Series 1991A Bonds and all of the Series 1991B Bonds  |
|  |   |  | 1993D            | 29,040         | • To provide funds necessary to advance refund the Series 1991A Bonds   |
|  |   |  | 1997A            | 12,978         | • Finance a portion of the costs of renovation, improvement and expansion of the toll plaza; reimburse the County for certain Interlocal Agreement Payments |
|  |   |  | 1997B            | 2,910          | • Fund certain debt restructuring costs including exchanging certain Series 1991B, Series 1993A and Series 1993D bonds                                      |
|  |   |  | 2004A            | 21,700         | • Refund certain of the Authority's outstanding bonds including unexchanged Series 1993 Bonds outstanding and Series 1997A Bonds                            |
|  |   |  | 2004B            | 11,525         | • Finance a portion of the costs of the design and construction of the north approach capacity improvement and toll plaza expansion                         |
|  |   |  | 2007A            | 25,525         | • Finance a portion of the costs of the design and construction of Phase 1 and Phase 2 of the Connector project and the widening of SR 20                   |
|  |   |  | 2007B            | 23,665         | • Finance a portion of the costs of the design and construction of Phase 1 and Phase 2 of the Connector project and the widening of SR 20                   |
|  |   |  | 2008A            | 34,900         | • Refund the outstanding series 2004A and 2004B issues  |
|  |   |  | 2011A            | 143,950        | • Finance a portion of the costs of the design and construction of Phase 2 and Phase 3 of the Connector project and the resurfacing of Range Road           |
|  |   |  | 2011B            | 10,725         | • Refund the outstanding series 1993A and 1993D issues and defeasing certain maturities of the 1997A Bonds  |
|  |   |  | 2015A            | 227,040        | • Refund the 1997A, 2007A, 2007B, 2008A, 2011A and 2011B bonds and fund a portion of the 1st Senior Lien debt service reserve fund                          |
| 2015B  | 24,500  | • Refund a portion of the 2008A and 2011B bonds and fund a portion of the 1st Senior Lien debt service reserve fund  |                  |                |   |
| 2015C  | 33,500  | • Refund a portion of the 2007A, 2007B, 2011A and 2011B bonds, fund the 2nd senior lien debt service reserve fund, and make capital improvements to the system                   |                  |                |   |

Source: Official Statements.

(1) Current Bond Ratings from Fitch Ratings, Inc; Moody's Investor Service and Standard and Poor's (S&P) Rating Services.

(2) Bonds outstanding for Mid-Bay Bridge/Spence Parkway are reported as of September 30, 2017.

(3) The Santa Rosa Bay Bridge Authority is currently in default on its outstanding revenue bonds.

**ENTERPRISE TOLL OPERATIONS**

**1.5 TOLL COLLECTION METHODOLOGY**

**Table 1.5** provides an inventory of the existing toll collection plans on the facilities. The main toll collection method used on toll facilities owned or operated by the Department consists of the coin (or barrier) system that offers both manual and automatic lanes for toll payment. The coin system method of toll collection requires the customer to stop at each toll plaza to pay the cash toll. In addition to cash, SunPass® and TOLL-BY-PLATE® are available on most facilities with the exception of Wekiva Parkway, which is an all-electronic toll (AET) facility.

Tolls for vehicles with three or more axles are calculated by multiplying the toll for two-axle vehicles by the number of axles (N) minus one (also known as the “N minus 1” method). The “N minus 1” toll structure is designed to enhance toll simplification, revenue productivity and accountability over the per-axle method.

**1.6 THE SUNPASS® SYSTEM**

The SunPass® electronic toll collection system provides customers who use the technology

with non-stop travel through the toll plazas. The statewide implementation of SunPass® provides a convenient method of toll payment anywhere in the State of Florida.

During FY2017, the Department sold a record high 1.8 million transponders. With average sales of 150 thousand transponders per month, the total number of SunPass® transponders issued reached nearly 14.6 million by the end of FY 2017. SunPass® interoperability now extends beyond state borders. After a successful launch of interoperability with North Carolina’s Quick Pass and Georgia’s Peach Pass, effort is underway to establish regional interoperability with other southern states.

In general, commuters and frequent users appreciate the value of SunPass® more than occasional users. For this reason, Department-owned and Department-operated facilities with a high percentage of commuters typically have higher levels of SunPass® participation.

**TABLE 1.5  
TOLL COLLECTION PLAN COMPARISONS  
FY 2017**

| Type                           | System   | Multi-axle Rate Adjustment | Method of Toll Payment            | Current Toll Discounts               |
|--------------------------------|--|----------------------------|-----------------------------------|--------------------------------------|
| Department-owned Facilities    | Alligator Alley <sup>(1)</sup>                             | N minus 1                  | Cash; SunPass                     | 10% (SunPass)                        |
|                                | Pinellas Bayway System (East & West Plazas) <sup>(2)</sup> | N minus 1                  | Cash; SunPass                     | Annual Unlimited Pass, 46% (SunPass) |
|                                | Pinellas Bayway System (South plaza) <sup>(2)</sup>        | N minus 1                  | Cash; SunPass                     | Annual Unlimited Pass, 65% (SunPass) |
|                                | Sunshine Skyway Bridge <sup>(3)</sup>                      | N minus 1                  | Cash; SunPass                     | 29% (SunPass)                        |
|                                | Wekiva Parkway   | N minus 1                  | TBP; SunPass                      | 25% (SunPass)                        |
| Department-operated Facilities | Garcon Point Bridge <sup>(4)</sup>                         | N minus 1                  | Cash; SunPass                     | 50% (SunPass, 2-axle vehicles only)  |
|                                | Mid-Bay Bridge/Spence Parkway <sup>(5)</sup>               | N minus 1                  | Cash/TBP <sup>(6)</sup> ; SunPass | 25% (SunPass, 2-axle vehicles only)  |

(1) All vehicles with SunPass® receive a 10 percent discount (immediate) and no minimum SunPass® usage is required.  
 (2) SunPass® includes the annual unlimited passes (\$15 Bayway Isles pass and \$50 General Public pass) for qualified vehicles. All other SunPass® usage qualifies for a standard 10 percent discount after a threshold of 40 monthly transactions is reached (retroactive).  
 (3) All vehicles with SunPass® receive a 29 percent discount (immediate) and no minimum SunPass® usage is required. Three or more axle vehicles receive a 10 percent discount after a threshold of 40 monthly transactions is reached (retroactive).  
 (4) A SunPass® discount of 50 percent occurs after the 30th transaction of each month for two-axle vehicles (retroactive). SunPass® discounts are not available to multi-axle vehicles.  
 (5) Two-axle vehicles with SunPass® receive a 25 percent discount (immediate) with no minimum SunPass® usage required. A frequent SunPass® user discount of \$1.00 for the Bridge Plaza and \$0.50 for Spence Parkway is applied retroactively after reaching 31 transactions per month. The rebate threshold must be reached at each tolling point separately to qualify. SunPass® discounts are not available to multi-axle vehicles.  
 (6) Mid-Bay Bridge (cash)/Spence Parkway (TBP).