

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 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, 2011 through June 30, 2012 (FY 2012).

The Department-owned facilities include Alligator Alley (Everglades Parkway), 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 2012. 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 2002 through FY 2012, 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 population growth through 2020, an average annual 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

ENTERPRISE TOLL OPERATIONS

facility were considered and analyzed. The following is 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 decreased due to the fact that traffic elasticity after the June 24, 2012 (FY 2012) toll rate increase is slightly higher than anticipated. Transactions in FY 2018 are expected to decrease slightly as a result of indexing. The calculated traffic growth rate guideline of 2.2 percent was used for the Alligator Alley traffic forecast through FY 2023.

Beachline East Expressway

The current revenue projections for all years of the forecast period were decreased from the FY 2011 forecast due to two primary reasons. The first can be attributed to the fact that traffic at the new Dallas Main Plaza where the FDOT share of revenue is calculated is significantly lower than traffic at the Beachline Main Plaza. The second reason is due to FY 2012 actual revenues being lower than forecasted. The calculated traffic growth rate guideline of 1.7 percent was used for the Beachline East Expressway traffic forecast through FY 2023.

Pinellas Bayway System

The current revenue projections for FY 2013 through FY 2016 were decreased from the FY 2011 forecast due to higher than expected impact of construction activities from the SR 682 bridge replacement project. The revenue projections for FY 2017 through FY 2023 were increased due to the additional revenues to be generated from the indexing of tolls. Transactions in FY 2018 are expected to decrease slightly as a result of indexing. The calculated traffic growth rate guideline of less than 1.0 percent was used for the Pinellas Bayway System traffic forecast through FY 2023. The traffic and revenue forecasts account for a 10 percent SunPass discount for SunPass customers who do not participate in the Bayway Isle or General Public Pass programs.

The standard 10 percent SunPass discount is offered when a threshold of 40 transactions per month is reached.

Sunshine Skyway Bridge

Current revenue projections were decreased for all years of the forecast period due to the fact that FY 2012 actual revenues were lower than the FY 2011 forecast, and because traffic elasticity from the June 24, 2012 (FY 2012) toll increase is slightly higher than anticipated. Transactions in FY 2018 are expected to decrease slightly as a result of indexing. The calculated traffic growth rate guideline of 1.7 percent was used for the Sunshine Skyway Bridge traffic forecast through FY 2023. Additionally, a SunPass discount program is available to all SunPass customers. Drivers of two-axle vehicles with a SunPass transponder pay \$0.25 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 2023, 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 be completed.

9.2 FORECAST SUMMARIES

Estimated transactions for four of the five Department-owned facilities and the Mid-Bay Bridge for FY 2013 through FY 2023 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 49.0 million in FY

2013 to 60.3 million in FY 2023, growing by approximately 2.1 percent annually. For the Mid-Bay Bridge, transactions are forecast to increase from approximately 6.8 million in FY 2013 to 12.8 million in FY 2023, an annual increase of 6.5 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 55.9 million in FY 2013 to 73.1 million in FY 2023, an increase of approximately 2.7 percent annually.

The gross toll revenue forecast by toll facility for the same period is presented in **Table 9.2**. Total gross

**Table 9.1
Transaction Forecast (000)
Department-owned and Department-operated Toll Facilities
FY 2013 through FY 2023**

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⁾	
2013	7,281	15,520	8,891	17,340	49,032	6,826	55,858
2014	7,446	16,120	9,024	17,870	50,460	9,755	60,215
2015	7,737	16,688	9,254	18,532	52,211	10,925	63,136
2016	8,034	17,238	9,576	19,024	53,872	10,624	64,496
2017	8,313	17,751	9,661	19,515	55,240	10,964	66,204
2018	8,247	18,241	9,571	19,130	55,189	11,325	66,514
2019	8,461	18,686	9,664	19,497	56,308	11,677	67,985
2020	8,709	19,125	9,708	19,877	57,419	11,976	69,395
2021	8,925	19,552	9,733	20,255	58,465	12,251	70,716
2022	9,135	19,920	9,788	20,627	59,470	12,520	71,990
2023	9,330	20,231	9,764	21,003	60,328	12,773	73,101

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 2013 through FY 2023**

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⁾	
2013	\$24,890	\$5,432	\$3,912	\$21,137	\$55,371	\$16,089	\$71,460
2014	25,874	5,642	3,925	22,014	57,455	20,698	78,153
2015	27,234	5,891	4,139	23,081	60,345	22,255	82,600
2016	28,635	6,154	4,376	23,959	63,124	31,222	94,346
2017	30,017	6,426	4,451	24,857	65,751	32,150	97,901
2018	32,571	7,333	4,800	27,197	71,901	33,107	105,008
2019	33,885	7,568	4,842	28,076	74,371	34,024	108,395
2020	35,381	7,803	4,887	29,040	77,111	34,769	111,880
2021	36,786	8,036	4,933	30,220	79,975	35,436	115,411
2022	38,210	8,267	5,007	31,436	82,920	36,059	118,979
2023	39,611	8,497	5,084	32,681	85,873	36,627	122,500

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 Department-owned facilities is estimated to increase from approximately \$55.4 million in FY 2013 to \$85.9 million in FY 2023, growing by approximately 4.5 percent annually. Total gross toll revenue for the Mid-Bay Bridge is estimated to increase from approximately \$16.1 million in FY 2013 to \$36.6 million in FY 2023, an annual increase of 8.7 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 the opening of the Mid-Bay Bridge Connector. Overall, total gross toll revenue for the five facilities is expected to increase from \$71.5 million in FY 2013 to \$122.5 million in FY 2023, an increase of approximately 5.5 percent annually.

Table 9.3 shows the projected operating and routine maintenance expenses by toll facility from FY 2013 through FY 2023. 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 \$18.5 million in FY 2013 to \$24.9 million in FY 2023. Total operating and routine maintenance expenses for the Mid-Bay Bridge increase from \$2.4 million in FY 2013 to \$3.4 million in FY 2023. Overall, total operating and routine maintenance expenses for the five facilities increase from \$20.9 million in FY 2013 to \$28.3 million in FY 2023, or 3.1 percent annually.

Table 9.3
Projected Operating and Routine Maintenance
Expenses (\$000)
Department-owned and Department-operated Toll Facilities
FY 2013 through FY 2023

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	
2013	\$7,410	\$711	\$2,671	\$7,712	\$18,504	\$2,439	\$20,943
2014	7,641	714	2,751	7,306	18,412	2,519	20,931
2015	7,214	722	2,823	8,179	18,938	2,602	21,540
2016	7,466	730	2,894	7,826	18,916	2,689	21,605
2017	7,728	755	2,990	8,761	20,234	2,761	22,995
2018	7,999	781	3,089	8,383	20,252	2,871	23,123
2019	8,278	809	3,196	9,385	21,668	2,972	24,640
2020	8,568	837	3,309	8,980	21,694	3,076	24,770
2021	8,868	866	3,425	10,054	23,213	3,183	26,396
2022	9,178	896	3,544	9,620	23,238	3,294	26,532
2023	9,499	928	3,669	10,769	24,865	3,410	28,275

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

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 2013 is \$36.9 million. Net toll revenues are estimated to increase to \$61.0 in FY 2023. The Mid-Bay Bridge shows estimated total net toll revenue of \$13.7 million in FY 2013 increasing to \$33.2 million in FY 2023. Overall, total net toll revenue for the five facilities is forecast to increase from \$50.5 million in FY 2013 to \$94.2 million in FY 2023, or 6.4 percent annually.

Table 9.4
Net Toll Revenue Forecast (\$000)
Department-owned and Department-operated Toll Facilities
FY 2013 through FY 2023

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	
2013	\$17,480	\$4,721	\$1,241	\$13,425	\$36,867	\$13,650	\$50,517
2014	18,233	4,928	1,174	14,708	39,043	18,179	57,222
2015	20,020	5,169	1,316	14,902	41,407	19,653	61,060
2016	21,169	5,424	1,482	16,133	44,208	28,533	72,741
2017	22,289	5,671	1,461	16,096	45,517	29,389	74,906
2018	24,572	6,552	1,711	18,814	51,649	30,236	81,885
2019	25,607	6,759	1,646	18,691	52,703	31,052	83,755
2020	26,813	6,966	1,578	20,060	55,417	31,693	87,110
2021	27,918	7,170	1,508	20,166	56,762	32,253	89,015
2022	29,032	7,371	1,463	21,816	59,682	32,765	92,447
2023	30,112	7,569	1,415	21,912	61,008	33,217	94,225

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

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