



February 15, 2021

Ms. Jacki Churchill, C.P.A.
Chief Financial Officer, Florida's Turnpike Enterprise
Florida Department of Transportation
Florida's Turnpike, Milepost 263
Building 5315, Turkey Lake Service Plaza
Ocoee, Florida 34761

Dear Ms. Churchill:

AECOM is pleased to submit this Traffic Engineer's Annual Letter Report on Florida's Turnpike for the fiscal year ended June 30, 2020, in accordance with our role as the Traffic Engineering Consultant for the Florida Turnpike Enterprise. The Turnpike Revenue Bond Resolution, under Section 5.14, requires the Traffic Engineer to annually provide a traffic and earnings report to the Department.

BACKGROUND

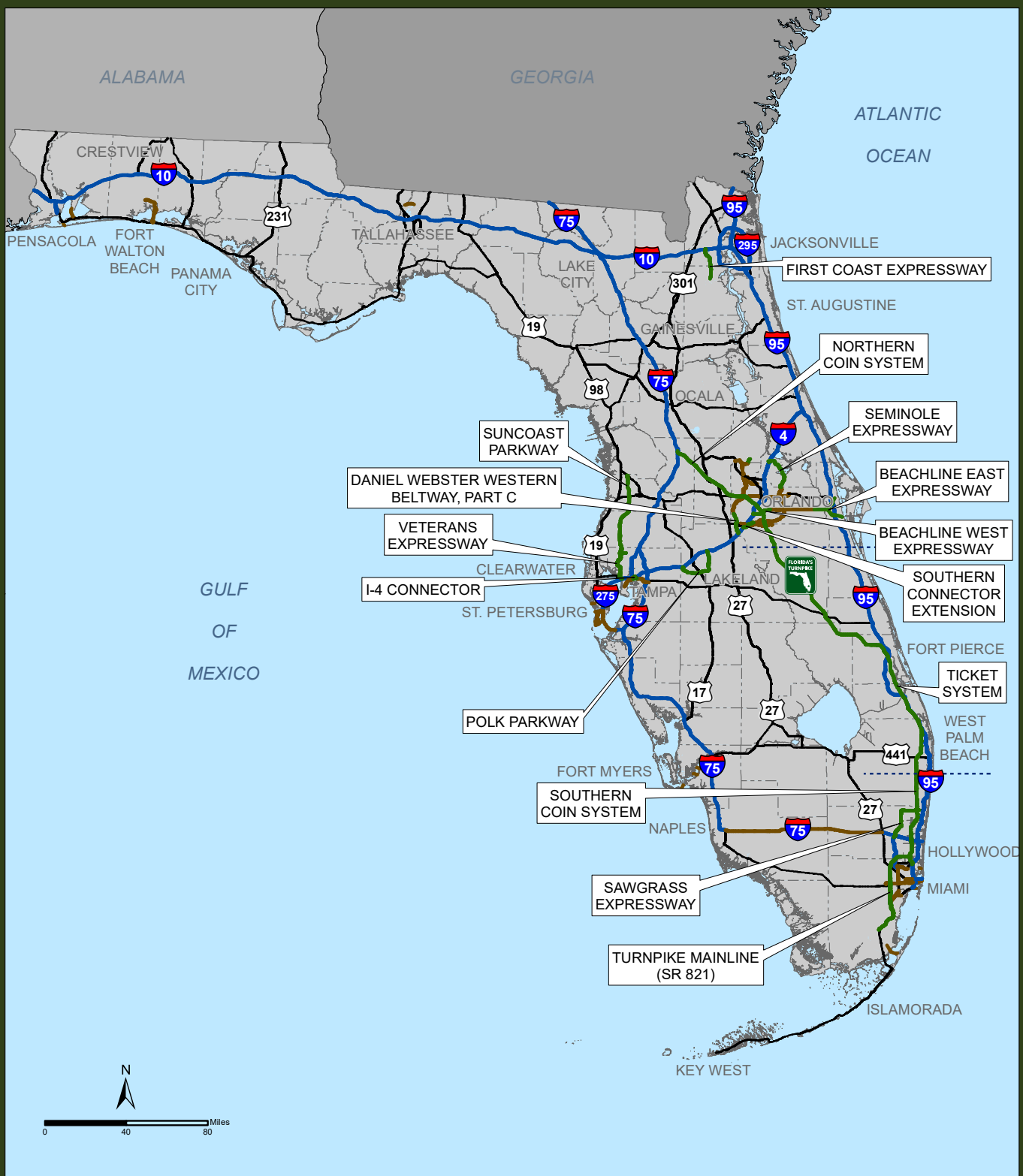
Florida's Turnpike Enterprise consists of the Turnpike System, as well as nine Department-owned and two Department-operated toll facilities in the State. For the purpose of this report, traffic and revenue information for FY 2020 is reported only for those facilities that are part of the Turnpike System (referred to herein interchangeably as "Turnpike" or "Turnpike System"). Similar information for the same period on Department-owned and operated facilities is included in separate reports.

The Turnpike System consists of several components; the principal one is the Mainline with a length of 320 miles. The Mainline includes five different subcomponents: SR 821; the Southern Coin System; the Ticket System; the Northern Coin System; and the Beachline West Expressway. The first four segments of the Mainline are continuous with a north-south direction extending 312 miles from Florida City in southern Miami-Dade County to I-75 at Wildwood in Sumter County to the north. The fifth segment, the 8-mile Beachline West Expressway, intersects with the Northern Coin System in Orlando and has an east-west orientation.

The Turnpike also includes ten expansion projects that are currently open to traffic: Sawgrass Expressway in Broward County; Seminole Expressway in Seminole County; Veterans Expressway in Hillsborough County; Southern Connector Extension in Orange and Osceola counties; Polk Parkway in Polk County; Suncoast Parkway in Hillsborough, Pasco and Hernando counties; Western Beltway, Part C in Orange and Osceola counties; the I-4 Connector in Hillsborough County; the Beachline East Expressway in Orange and Brevard counties; and the First Coast Expressway in Clay and Duval counties. A map of the Turnpike System is presented in **Figure 1**

FISCAL YEAR 2020 OVERVIEW

The Turnpike was on pace to exceed its FY 2020 revenue forecast with growth in traffic and revenue in the first eight months that exceeded projections. The latter four months, however, were marked with traffic declines resulting from state and local government orders restricting travel, business, and school activity in response to the COVID-19 pandemic. Despite the impacts of the pandemic and a toll suspension of approximately 5 days for Hurricane Dorian in September 2019, Turnpike System revenue for FY 2020 reached nearly \$1 billion, a nine percent decline from the prior year.



Florida's Turnpike System Turnpike Enterprise, Florida Department of Transportation Figure 1



- Toll System Boundary
- Existing Turnpike System Facility
- Other Toll Road
- Interstate Highway
- Arterial
- County Boundary

Sources: HERE 2020
Florida's Turnpike Enterprise, 2020

Table 1
Florida's Turnpike System
Traffic/Transactions and Gross Toll Revenue for FY 2020

Component	Miles	Transactions		Gross Toll Revenue		Average Toll
		Volume (000)	Percent of Total	Amount (\$000)	Percent of Total	
Turnpike Mainline (SR 821)	47	182,678	21.2%	\$154,087	16.1%	\$0.84
Southern Coin System	43	153,791	17.9	154,610	16.2	1.01
Ticket System	155	51,191	5.9	159,124	16.6	3.11
Northern Coin System	67	89,211	10.4	151,071	15.8	1.69
Beachline West Expressway	8	30,992	3.6	24,246	2.5	0.78
Total Mainline	320	507,863	59.0%	\$643,138	67.2%	\$1.27
Sawgrass Expressway	23	85,054	9.9	80,244	8.4	0.94
Seminole Expressway	18	40,685	4.7	56,008	5.9	1.38
Veterans Expressway	15	63,198	7.3	53,781	5.6	0.85
Southern Connector Extension	6	15,700	1.8	13,203	1.4	0.84
Polk Parkway	25	35,297	4.1	35,431	3.7	1.00
Suncoast Parkway	42	33,417	3.9	26,623	2.8	0.80
Western Beltway, Part C	11	14,978	1.7	15,771	1.6	1.05
I-4 Connector	1	18,525	2.2	14,013	1.5	0.76
Beachline East Expressway	22	20,036	2.3	6,256	0.7	0.31
First Coast Expressway	15	25,816	3.0	11,792	1.2	0.46
Total Expansion Projects	178	352,706	41.0%	\$313,122	32.8%	\$0.89
Total System	498	860,569	100.0%	\$956,260	100.0%	\$1.11

Source: Turnpike Enterprise Finance Office.

As indicated in **Table 1**, the Mainline continues to provide the majority of Turnpike transactions at 59 percent, while generating 67 percent of the total gross toll revenues.

The impacts of the Hurricane Dorian toll suspension, from September 1 through September 5, 2019 (Central/South Florida facilities) and September 2 through September 6, 2019 (First Coast Expressway) are shown in **Table 2**. Tolls were not suspended for the Turnpike facilities in West Florida (Polk Parkway, Veterans Expressway and Suncoast Expressway, and the I-4 Connector.

The Turnpike continues to invest in state-of-the-art tolling equipment and prioritize conversion of certain facilities to All-Electronic Tolling (AET). This innovative toll collection method eliminates cash toll booths and allows customers to pay tolls electronically while traveling uninterrupted at highway speeds. Electronic tolling at highway speeds increases throughput, shortens travel times, enhances safety and reduces pollution. Customers today experience the benefits of AET on the SR 821; Southern Coin System; Northern Coin System; Suncoast Parkway, Sawgrass Expressway, Veterans Expressway, First Coast Expressway; and the I-4 Connector. More such conversions are planned with the Ticket System in FY 2022 and Polk Parkway in FY 2024.

Table 2
Florida's Turnpike System
Revenue Loss from Hurricane Dorian
FY 2020

Component	Amount (\$000)
Turnpike Mainline (SR 821)	\$1,768
Southern Coin System	2,441
Ticket System	2,318
Northern Coin System	2,183
Beachline West Expressway	408
Total Mainline	\$9,118
Sawgrass Expressway	1,252
Seminole Expressway	824
Southern Connector Extension	188
Western Beltway, Part C	217
Beachline East Expressway	61
First Coast Expressway	248
Total Expansion Projects	\$2,790
Total System	\$11,908

Source: Turnpike Enterprise Finance Office.

Additionally, the Turnpike provides a convenient and affordable, high-quality customer experience by increasing capacity through widening projects. Key projects on the Turnpike System planned in the five-year Work Program include widenings: from South of Killian Drive to Miramar Plaza on SR 821; most of Sawgrass Expressway; from Boynton Beach to Lake Worth and from the West Palm Beach service plaza to SR 710 on Turnpike mainline in South Florida; from Partin Settlement Road to Orlando South, and from Clermont to Leesburg North on the Northern Coin System; from CR 546 to the Eastern Plaza on the Polk Parkway; and from Aloma Ave to SR 434 on the Seminole Expressway.

The Turnpike also continues to invest in building more access points to the Mainline with AET technology. On the Northern Coin System, more ramps will be added on the roadway segment at SR 417 enabling all movements between these two major roadways in FY 2021, followed by a new interchange at Sand Lake Road in FY 2026. Additionally, Braddock Road interchange on Polk Parkway is planned for FY 2024. Further, a new interchange at Ridge Road on Suncoast Parkway and at NW 170th Street on the SR 821 are planned for opening in FY 2023 and FY 2025, respectively.

The Turnpike operates eight service plazas located on the Turnpike Mainline. Services were reduced in April 2020 because of the pandemic, however all have mostly reopened, with at least three food service concepts open at each location.

COMPARISON OF ACTUAL REVENUES TO ESTIMATED REVENUES

Table 3 provides a comparison of actual FY 2020 and FY 2019 total revenues. It also shows a comparison of actual and projected FY 2020 total revenue as included in the FY 2019 Annual Letter Report. FY 2020 total revenue of \$965 million (includes \$9 million of concession revenues) represents a decline of \$96 million, or 9.1 percent compared to the preceding fiscal year. As discussed previously, this decline is a result of the impacts of the COVID-19 pandemic in the last four months of the fiscal year. As illustrated in **Table 4** that compares toll revenues before COVID-19 (July 2019 through February 2020) and after (March 2020 through June 2020). Through February 2020 and before the impacts of the COVID-19 pandemic, Turnpike system revenues were 6.8 percent above the prior year and 0.3 percent above the revenue estimate.

Overall, FY 2020 actual toll revenue decline of 9 percent is consistent with the corresponding System traffic decrease of 8 percent. Actual concession revenues decreased by \$189 thousand, or two percent compared to the preceding fiscal year. This decline is due to one month of waived concessionaire fees as a result of government shutdowns in April 2020 due to the pandemic, partially offset by a small increase in advertising revenue.

Table 3
Florida's Turnpike System
Comparison of FY 2020 Actual vs. FY 2019 Actual and FY 2020 Estimated Revenue

Turnpike System Component	Actual Revenue (\$000) FY 2020 vs. FY 2019		Actual Change FY 2020 vs. FY 2019		Estimated Revenue ⁽¹⁾ (\$000)	Comparison FY 2020 Actual vs. FY 2020 Estimated	
	FY 2020	FY 2019	Amount (\$000)	Change	FY 2020	Amount (\$000)	Change
Turnpike Mainline (SR 821)	\$154,087	\$172,813	(\$18,726)	(10.8%)	\$177,962	(\$23,875)	(13.4%)
Southern Coin System	154,610	177,242	(22,632)	(12.8)	181,073	(26,463)	(14.6)
Ticket System	159,124	183,916	(24,792)	(13.5)	176,446	(17,322)	(9.8)
Northern Coin System	151,071	164,120	(13,049)	(8.0)	164,090	(13,019)	(7.9)
Beachline West Expressway	24,246	29,320	(5,074)	(17.3)	32,432	(8,186)	(25.2)
Total Mainline	\$643,138	\$727,411	(\$84,273)	(11.6%)	\$732,003	(\$88,865)	(12.1%)
Sawgrass Expressway	80,244	88,747	(8,503)	(9.6)	93,129	(12,885)	(13.8)
Seminole Expressway	56,008	60,209	(4,201)	(7.0)	59,579	(3,571)	(6.0)
Veterans Expressway	53,781	56,582	(2,801)	(5.0)	61,993	(8,212)	(13.2)
Southern Connector Extension	13,203	15,148	(1,945)	(12.8)	15,526	(2,323)	(15.0)
Polk Parkway	35,431	36,848	(1,417)	(3.8)	36,989	(1,558)	(4.2)
Suncoast Parkway	26,623	29,214	(2,591)	(8.9)	29,807	(3,184)	(10.7)
Western Beltway, Part C	15,771	16,942	(1,171)	(6.9)	17,525	(1,754)	(10.0)
I-4 Connector	14,013	14,390	(377)	(2.6)	16,019	(2,006)	(12.5)
Beachline East Expressway	6,256	6,866	(610)	(8.9)	6,008	248	4.1
First Coast Expressway	11,792	N/A	11,792	N/A	6,633	5,159	77.8
Total Expansion Projects	\$313,122	\$324,946	(\$11,824)	(3.6%)	\$343,208	(\$30,086)	(8.8%)
TURNPIKE SYSTEM TOTAL TOLL REVENUE	\$956,260	\$1,052,357	(\$96,097)	(9.1%)	\$1,075,211	(\$118,951)	(11.1%)
Concession Revenue	8,733	8,922	(189)	(2.1)	9,024	(291)	(3.2)
TURNPIKE SYSTEM GRAND TOTAL	\$964,993	\$1,061,279	(\$96,286)	(9.1%)	\$1,084,235	(\$119,242)	(11.0%)

⁽¹⁾ As forecast in the Traffic Engineer's FY 2019 Annual Letter Report.

⁽²⁾ Toll collection First Coast Expressway commenced in July 2019 (FY 2020).

Table 4
Florida's Turnpike System
Comparison of FY 2020 Actual vs. FY 2019 Actual and FY 2020 Estimated Toll Revenue

	Actual Revenue (\$000) FY 2020 vs. FY 2019		Actual Change FY 2020 vs. FY 2019		Estimated Revenue ⁽¹⁾ (\$000)	Comparison FY 2020 Actual vs. FY 2020 Estimated	
	FY 2020	FY 2019	Amount (\$000)	Change	FY 2020	Amount (\$000)	Change
July 2019 through February 2020	\$706,938	\$661,848	\$45,090	6.8%	\$704,730	\$2,208	0.3%
March 2020 through June 2020	249,322	390,509	(141,187)	(36.2)	370,481	(121,159)	(32.7)
Total FY 2020	\$956,260	\$1,052,357	(\$96,097)	(9.1%)	\$1,075,211	(\$118,951)	(11.1%)

⁽¹⁾ As forecast in the Traffic Engineer's FY 2019 Annual Letter Report.

COMBINED TOLL REVENUE FORECAST

The updated traffic and revenue forecasts depend on expectations about the strength of the economy, particularly population growth and low unemployment rates. Similar to the marked impact on traffic in the latter four months of the Fiscal Year, the Florida economy was hit hard with high unemployment rates that peaked in June 2020, reduced tourism activity and uncertainty about the future. Although the economic and traffic impacts were sudden and impactful, recovery is expected to occur over an extended period. The forecast revenues on most facilities are projected to reach FY 2019 pre-pandemic levels in FY 2024. However, revenues on Polk Parkway that serves the commercial hubs in the corridor, and on the Beachline East Expressway which provides access to the beaches and other recreational areas are projected to rebound early in FY 2023.

With these factors in mind, this year's forecast was prepared based on actual FY 2020 revenues, as well as other major events. Such events include capacity improvements and upcoming conversions to AET. Additionally, the forecast includes revenue from a new interchanges on the Northern Coin System at SR 417 (remaining movements in FY 2021) and Sand Lake Road in FY 2024, on the Suncoast Parkway at Ridge Road in FY 2023, on the Polk Parkway at Braddock Road in FY 2024, and on the Turnpike Mainline (SR 821) at NW 170th Street in FY 2025.

Also, the revenue impacts from the widening on the Turnpike Mainline (SR 821) in FY 2021 and FY 2025 are included in the forecast. Further, revenue collections from additional lanes on sections of Northern Coin System in FY 2022, FY 2024 and FY 2028, and on northern section of Polk Parkway in FY 2024 are incorporated in the forecast. The forecast also includes the widening impact on the Sawgrass Expressway in FY 2027.

The revenue forecasts contained in this section are a result of analyses made of the individual segments of the Turnpike System covered in this Annual Letter Report. The forecasts through FY 2031 are detailed by Turnpike System component in order to facilitate monitoring and analysis of each component's performance. Gross toll revenue forecasts for the Mainline and expansion projects are shown in **Table 5** and **Table 6**, respectively.

Forecasts for the total Turnpike System toll and concession revenues are shown in **Table 7**. Toll revenue amounts are not adjusted for annual indexing.

Table 5
Florida's Turnpike Mainline
Toll Revenue Forecast (\$000)
FY 2021 through FY 2031

Fiscal Year	Turnpike Mainline (SR 821)	Southern Coin	Ticket System	Northern Coin	Beachline West	Total
2021	\$147,372	\$144,085	\$148,574	\$139,635	\$21,601	\$601,267
2022	158,644	156,621	158,677	145,219	22,724	641,885
2023	168,344	167,897	168,674	152,451	24,156	681,522
2024	177,631	179,146	178,626	160,008	25,726	721,137
2025	187,787	189,358	186,485	167,102	27,681	758,413
2026	199,022	198,257	193,945	173,854	29,841	794,919
2027	207,064	206,584	200,927	179,915	32,496	826,986
2028	214,808	214,434	207,557	186,731	34,901	858,431
2029	222,201	221,940	213,784	192,642	36,960	887,527
2030	229,414	229,264	219,770	198,388	38,993	915,829
2031	236,416	236,371	225,704	203,924	41,021	943,436

Note: The above revenue forecasts reflect the implementation of All-Electronic Tolling on the Northern Coin System in the second half of FY 2021 and the Ticket System in FY 2022. The forecasts also include revenues from additional lanes on the SR 821 from Killian Parkway to SR 836 in FY 2021 and from SR 836 to Miramar Plaza in FY 2025. The Southern Coin and Ticket System also reflects the impact of additional lanes from Boynton Beach to Lake Worth in FY 2024 and the Ticket System includes impacts of the widening from West Palm Beach Service Plaza to SR 710 in FY 2027. Similarly, the Northern Coin System reflects impact from additional lanes from Osceola Parkway to Orlando South in the second half of FY 2021, from Clermont to Leesburg North in FY 2024, and from Partin Settlement Road to Osceola Parkway in FY 2028. Further, the forecasts reflect new interchanges opening on the SR 821 at NW 170th Street in FY 2025 and on the Northern Coin System at SR 417 (remaining movements) in FY 2021 and at Sand Lake Road in FY 2026.

Table 6
Florida's Turnpike Expansion Projects
Toll Revenue Forecast (\$000)
FY 2021 through FY 2031

Fiscal Year	Sawgrass Expressway	Seminole Expressway	Veterans Expressway	Southern Connector	Polk Parkway	Suncoast Parkway	Western Beltway - C	I-4 Connector	Beachline East	First Coast Expressway	Total
2021	\$74,108	\$52,165	\$50,301	\$11,632	\$34,216	\$25,644	\$14,330	\$13,636	\$6,187	\$10,583	\$292,802
2022	77,147	55,399	53,621	12,376	36,269	27,977	14,860	14,114	6,589	11,663	310,015
2023	81,004	58,557	56,892	13,181	38,010	30,030	15,469	14,862	6,945	12,677	327,627
2024	86,269	61,661	60,078	14,064	37,119	31,231	16,150	15,308	7,167	13,349	342,396
2025	91,359	64,620	63,142	15,020	38,139	32,227	16,909	15,721	7,317	13,990	358,444
2026	96,201	67,399	66,046	15,906	38,958	33,159	17,940	16,114	7,391	14,591	373,705
2027	100,723	69,960	68,754	17,036	39,712	34,019	18,909	16,468	7,457	15,146	388,184
2028	105,154	72,409	71,367	18,143	40,394	34,834	19,854	16,798	7,517	15,676	402,146
2029	110,212	74,798	73,793	19,232	41,047	35,600	20,768	17,117	7,577	16,193	416,337
2030	115,311	77,117	76,155	20,309	41,666	36,312	21,661	17,408	7,630	16,695	430,264
2031	120,544	79,354	78,439	21,385	42,251	37,002	22,527	17,686	7,683	17,179	444,050

Note: The above revenue forecasts reflect the implementation of All-Electronic Tolling on the Polk Parkway in FY 2024. The Sawgrass Expressway forecast includes revenues from additional lanes on most sections of the facility starting in FY 2029 through FY 2031, as well as additional lanes on Seminole Expressway in FY 2027. Additionally, the forecasts reflect a new interchange on Suncoast Parkway at Ridge Road opening in the second half of FY 2023, and the widening impact on Polk Parkway from CR 546 to north of Eastern Plaza and a new interchange at Braddock Road in FY 2024.

Table 7
Summary of Florida's Turnpike System
Toll and Concession Revenue Forecast (\$000)
FY 2021 through FY 2031

Fiscal Year	Mainline	Expansion Projects	Total Toll Revenue	Gross Concession Revenue	Total Gross Revenue
2021	\$601,267	\$292,802	\$894,069	\$9,144	\$903,213
2022	641,885	310,015	951,900	9,154	961,054
2023	681,522	327,627	1,009,149	9,272	1,018,421
2024	721,137	342,396	1,063,533	9,337	1,072,870
2025	758,413	358,444	1,116,857	9,458	1,126,315
2026	794,919	373,705	1,168,624	9,581	1,178,205
2027	826,986	388,184	1,215,170	9,706	1,224,876
2028	858,431	402,146	1,260,577	9,832	1,270,409
2029	887,527	416,337	1,303,864	9,962	1,313,826
2030	915,829	430,264	1,346,093	10,093	1,356,186
2031	943,436	444,050	1,387,486	10,226	1,397,712

As indicated earlier, the revenue forecasts presented in this report are subject to significant economic uncertainties regarding the COVID-19 pandemic recovery and contingencies beyond the control of AECOM. As such, if any number of unforeseen events occur, the forecasts may require adjustment.

We acknowledge with thanks the cooperation and support of the Florida's Turnpike Enterprise staff in the preparation of this report.

Respectfully,
AECOM Technical Services, Inc.



William A. Nelsen, C.P.A.
Vice President



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Associate Vice President