Department-Owned Facilities

Alligator Alley

Page 31

- $25.1 million total toll revenue
- 7.6 million total transactions
- SunPass participation increased to 56.0 percent during the year.

Beachline East Expressway

Page 41

- $4.6 million total toll revenue
- 15.1 million total transactions
- SunPass participation increased to 61.9 percent during the year.

Pinellas Bayway System

Page 51

- $4.0 million total toll revenue
- 8.6 million total transactions
- SunPass participation increased to 61.7 percent during the year.

Sunshine Skyway Bridge

Page 63

- $21.7 million total toll revenue
- 18.5 million total transactions
- SunPass participation increased to 51.8 percent during the year.

95 Express

Page 73

- $19.4 million total toll revenue
- 20.1 million total transactions

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Alligator Alley

2.1 Background

Alligator Alley (Everglades Parkway in the original bond documents) was originally constructed as a two-lane, controlled access, 78-mile toll facility connecting the southwestern coastal areas of Collier and Lee Counties (Naples and Fort Myers) to the southeastern coastal areas of Broward and Miami-Dade Counties (Fort Lauderdale and Miami).

During the late 1970's and early 1980's, the Department completed construction of the I-75 corridor on the west coast between Tampa and Naples. Additionally, from 1986 to 1992, the Department widened Alligator Alley to four lanes and made it a limited-access, tolled, interstate facility (I-75) that is part of the Strategic Intermodal System (SIS). The facility was constructed with a mainline plaza located at each end of the facility, and two intermediate toll-free interchanges. The East mainline plaza is located in Broward County near the US 27 interchange, while the West mainline plaza is located in Collier County near the CR 951 interchange. Originally, both mainline plazas had six lanes, and collected tolls in both directions. The two intermediate toll-free interchanges are located at SR 29, the route to Immokalee; and CR 833, serving the Miccosukee Indian Reservation.

In April 2013, Standard and Poor's Rating Services raised its rating on bonds issued for the Alligator Alley toll road to AA- from A+. The outlook is stable. The upgrade reflects their view of historically strong debt service coverage (DSC), which is expected to continue, and no additional debt plans.

At the east end of Alligator Alley the facility is connected to I-595. I-595 is approximately 10.5 miles long and serves primarily commuter traffic traveling to and from work. The roadway is currently under construction to add three new ground level reversible express lanes in the median to help alleviate traffic congestion. The project, referred to as I-595 Express is expected to be completed in FY 2014.

The original toll configuration on Alligator Alley (payment made at the two mainline plazas in both directions) was converted to the one-stop toll configuration in May 1999. Under the one-stop toll configuration, a toll is collected at the West Plaza from vehicles traveling eastbound. The same toll is collected for the westbound traffic at the East plaza. With one-stop tolling, transactions on Alligator Alley decrease, but the total toll incurred to travel on the facility remains the same thereby not impacting revenues. **Figure 2.1** shows a detailed map of the facility with the most recent toll rates effective July 1, 2013 (FY 2014).

In February 2006, a toll rate increase was implemented for all customers on Alligator Alley. This was the first toll rate increase since the facility opened to traffic in 1969. Toll rates for two-axle vehicles increased from $1.50 to $2.00 for SunPass customers and to $2.50 for non-SunPass customers. Concurrent with the toll rate increase, the 10 percent SunPass discount program was discontinued. The discount program is explained further in **Section 2.3**.

In June 2012 (FY 2012), a toll rate increase was implemented for all customers on Alligator Alley, as mandated by the Florida Legislature. Toll rates for two-axle

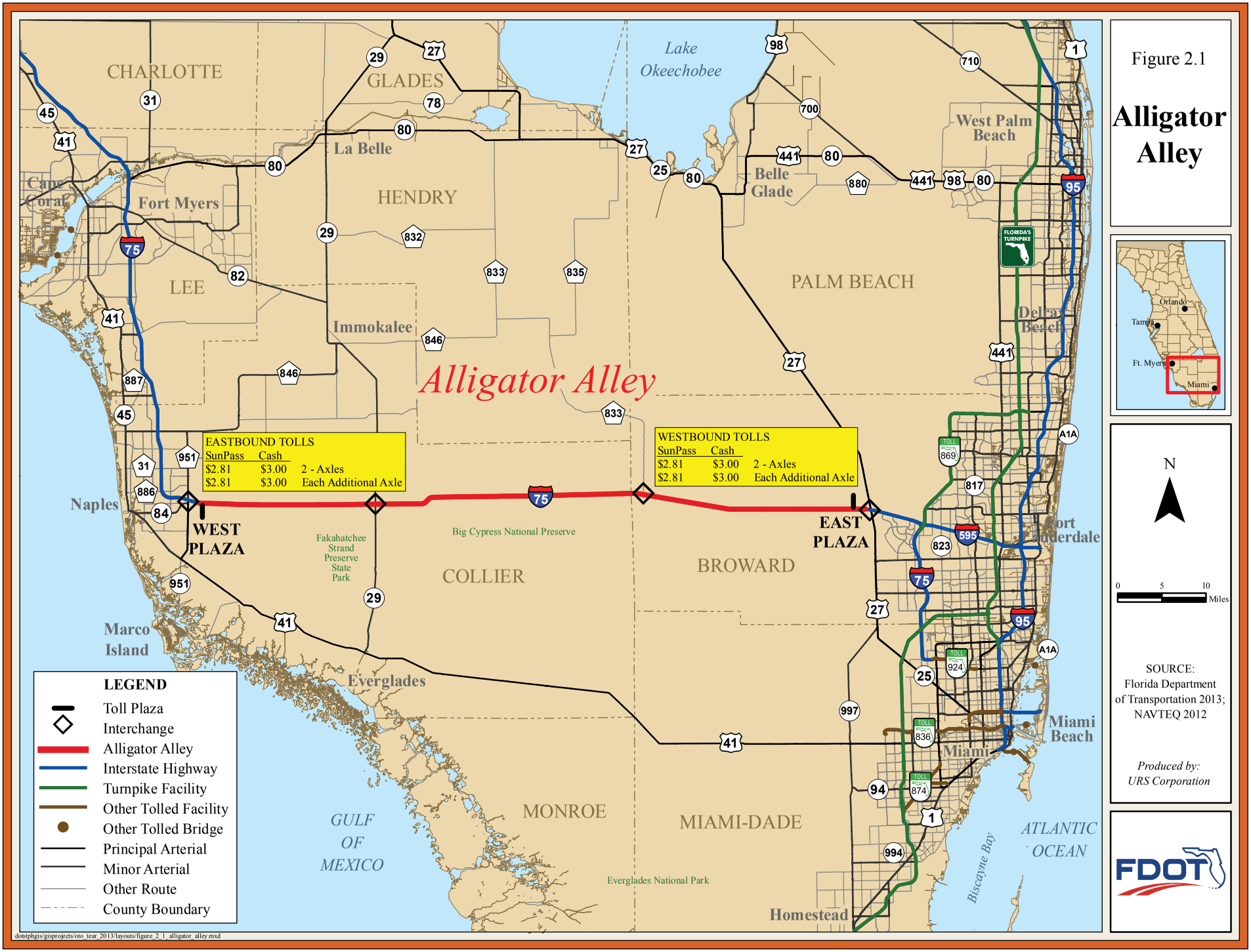


Figure 2.1
Alligator Alley
Alligator Alley
EASTBOUND TOLLS
SunPass Cash
$2.81 $3.00 2 - Axles
$2.81 $3.00 Each Additional Axle
WESTBOUND TOLLS
SunPass Cash
$2.81 $3.00 2 - Axles
$2.81 $3.00 Each Additional Axle
WEST PLAZA
EAST PLAZA
LEGEND
Toll Plaza
Interchange
Alligator Alley
Interstate Highway
Turnpike Facility
Other Tolled Facility
Other Tolled Bridge
Principal Arterial
Minor Arterial
Other Route
County Boundary
CHARLOTTE
GLADES
HENDRY
LEE
COLLIER
BROWARD
PALM BEACH
MONROE
MIAMI-DADE
Lake Okeechobee
Naples
Marco Island
Everglades
Fort Myers
Cape Coral
La Belle
Immokalee
Belle Glade
West Palm Beach
Big Cypress National Preserve
Fakahatchee Strand Preserve State Park
Everglades National Park
GULF OF MEXICO
ATLANTIC OCEAN
Biscayne Bay
Miami
Miami Beach
Homestead
Orlando
Tampa
Ft. Myers
Miami
N
0 5 10 Miles
SOURCE:
Florida Department of Transportation 2013;
NAVTEQ 2012
Produced by:
URS Corporation
FDOT
dotstphgis/gisprojects/oto_tear_2013/layouts/figure_2_1_alligator_alley.mxd

vehicles increased from $2.00 to $2.75 for SunPass customers and from $2.50 to $3.00 for cash customers. SunPass tolls were further indexed on July 1, 2013 (FY 2014) by the consumer price index, while cash rates remain unchanged.

Alligator Alley annual traffic and toll revenue from FY 2003 through FY 2013 are presented in **Table 2.1**. As a result of the FY 2006 toll rate increase, FY 2006 revenues significantly increased by 31.4 percent while transactions grew by 0.6 percent over FY 2005 levels. Compared to FY 2006, FY 2007 transactions increased by approximately 0.2 percent, while revenues increased by 24.1 percent as a result of a full year of higher tolls from the FY 2006 toll rate increase (i.e., partial year of toll rate increase in FY 2006). In FY 2008, transactions and revenue decreased by 5.2 percent and 6.7 percent, respectively, compared to FY 2007 levels. In FY 2009, traffic and revenue continued to decrease by 8.4 percent and 11.7 percent, respectively. This decline in FY 2008 and FY 2009 can primarily be attributed to the economic recession. In FY 2010, transactions and revenue increased by 3.9 percent and 3.0 percent, respectively, compared to FY 2009 levels. When compared to FY 2010, FY 2011 transactions and revenue both decreased by 1.1 percent, due to the continuing uncertainty of the economic recovery. In FY 2012, transactions slightly increased by 0.7 percent while revenues decreased by 0.5 percent, compared to FY 2011 levels. The revenue decline can be attributed to an increase in SunPass participation which resulted in a slight revenue decline since SunPass customers on Alligator Alley paid 20 percent less than cash customers before the June 2012 toll rate increase.

In FY 2013, transactions increased by 0.6 percent, while revenues increased by 27.8 percent as a result of a full year of higher tolls from the June 2012 (FY 2012) toll rate increase.

Table 2.1
Alligator Alley
Historical Transactions and Revenue Growth
FY 2003 through FY 2013

Fiscal Year	Transactions (000)				Toll Revenue[1] ($000)		Average Toll
	Toll Paying	Non Revenue	Total	Percent Change	Amount	Percent Change	
2003	7,132	31	7,163	-	$13,023	-	$1.818
2004	7,720	33	7,753	8.2%	14,118	8.4%	1.821
2005	7,734	567	8,301	7.1	14,437	2.3	1.739
2006[2]	8,095	253	8,348	0.6	18,968	31.4	2.272
2007	8,321	45	8,366	0.2	23,538	24.1	2.814
2008	7,919	14	7,933	(5.2)	21,962	(6.7)	2.768
2009	7,193	76	7,269	(8.4)	19,384	(11.7)	2.667
2010	7,530	24	7,554	3.9	19,962	3.0	2.643
2011	7,449	22	7,471	(1.1)	19,737	(1.1)	2.642
2012[3]	7,492	32	7,524	0.7	19,647	(0.5)	2.611
2013	7,529	37	7,566	0.6	25,115	27.8	3.319

Source: FDOT Office of the Comptroller and Turnpike Enterprise Finance Office.
Note: The non-revenue class includes authorized vehicles that pass through a toll plaza without incurring a toll (i.e., law enforcement, emergency vehicles) and transactions reported during toll suspensions attributable to hurricanes.
(1) Toll revenue reported net of the SunPass discount from FY 2002 through FY 2006.
(2) A toll rate increase for cash and SunPass customers was implemented on February 5, 2006.
(3) A toll rate increase for both cash and SunPass customers was implemented on June 24, 2012.

Historical operating and routine maintenance expenses from FY 2003 through FY 2013 are shown in **Table 2.2**. Operating expenses have increased from $2.2 million in FY 2003 to approximately $3.6 million in FY 2013. This increase represents an annual compounded growth rate of 5.4 percent. FY 2013 operating expenses decreased by approximately 3.6 percent, or $137 thousand, from FY 2012 levels primarily due to a decrease in expenses related to toll plaza operating contracts.

Table 2.2
Alligator Alley
Historical Operating and Routine Maintenance Expenses ($000)
FY 2003 through FY 2013

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total O&M Expenses
2003	$2,151	$2,923	$5,074
2004	2,475	3,197	5,672
2005	2,487	3,049	5,536
2006	2,099	2,796	4,895
2007	2,953	3,192	6,145
2008	3,460	2,089	5,549
2009	3,696	3,265	6,961
2010	3,085	3,262	6,347
2011	3,690	3,369	7,059
2012	3,781	3,409	7,190
2013	3,644	3,719	7,363

Source: FDOT Office of the Comptroller.

Maintenance of Alligator Alley, along with other portions of I-75, has been under private contract since the beginning of FY 2001, with the Department providing oversight through its Asset Management Coordinator. Maintenance activities include rest area preservation, mowing, canal and cabling system upkeep, litter removal and repairs due to accidents. Beginning in FY 2008, Road Ranger service was included under a separate contract through District 4, providing roadside assistance to stranded motorists as well as roadway debris removal. In previous years, these costs were included as part of the Asset Maintenance Contract.

FY 2013 routine maintenance expenses increased approximately 9.1 percent over FY 2012 levels primarily due to an increase in toll facility maintenance and building maintenance costs. In addition to routine maintenance expenses, renewal and replacement and capital improvement periodic costs totaling $3.1 million were incurred primarily for resurfacing and recreational access improvements.

2.2 FY 2013 Transactions, Revenues and Expenses

Monthly transactions and toll revenue on Alligator Alley during FY 2013 are presented in **Table 2.3** and show the East and West mainline plazas, as well as system totals. Total transactions at the East plaza were slightly over 4.0 million for the year compared to 3.6 million at the West plaza, totaling approximately 7.6 million transactions on the facility for FY 2013. The corresponding revenues were approximately $13.3 million and $11.8 million at the East and West plazas, respectively, for a system-wide total of $25.1 million. The third quarter of FY 2013 (i.e., January through March) was the peak period for travel on the facility. Transactions of nearly 2.1 million and revenues of $6.9 million were realized during that period.

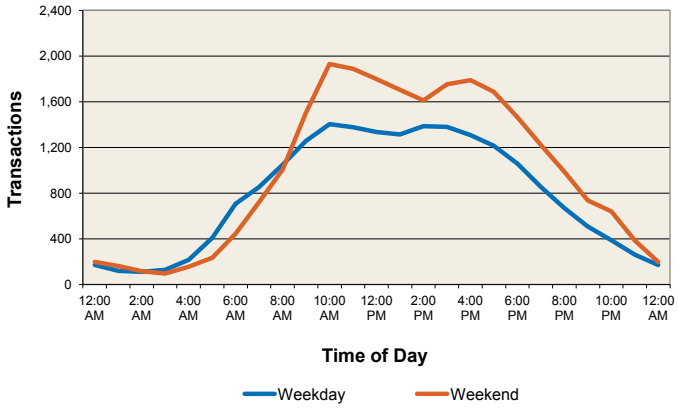
Transactions on Alligator Alley vary by time of day. **Graph 2.1** shows the number of hourly weekday and weekend transactions of a typical week at the mainline plazas during FY 2013. Travel demand on the facility increases during the early morning hours and remains relatively high throughout the midday period, tapering off during the evening hours. For Alligator Alley, there is no clear morning or evening peak periods typical of commuter facilities. Instead, Alligator Alley serves long-distance trips between the southeastern and southwestern coasts of Florida. Due to recreational travel, weekend transactions

Table 2.3
Alligator Alley
Monthly Transactions and Toll Revenue
FY 2013

Month	Transactions (000)			Toll Revenue ($000)		
	East Plaza	West Plaza	Total	East Plaza	West Plaza	Total
July 2012	339	306	645	$1,105	$1,003	$2,108
August	310	271	581	1,023	895	1,918
September	284	253	537	926	836	1,762
1st Quarter Total	933	830	1,763	3,054	2,734	5,788
October	297	265	562	1,005	895	1,900
November	336	296	632	1,118	983	2,101
December	346	310	656	1,156	1,012	2,168
2nd Quarter Total	979	871	1,850	3,279	2,890	6,169
January 2013	349	308	657	1,176	1,021	2,197
February	338	301	639	1,143	1,001	2,144
March	410	363	773	1,355	1,183	2,538
3rd Quarter Total	1,097	972	2,069	3,674	3,205	6,879
April	325	289	614	1,110	966	2,076
May	350	308	658	1,170	1,022	2,192
June	326	286	612	1,068	943	2,011
4th Quarter Total	1,001	883	1,884	3,348	2,931	6,279
Annual Total	**4,010**	**3,556**	**7,566**	**$13,355**	**$11,760**	**$25,115**

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.
Note: Transactions represent toll-paying and non-revenue traffic at mainline plazas.

Graph 2.1
Alligator Alley
Typical Hourly Transactions
FY 2013



Source: Data obtained from Turnpike Enterprise Finance Office for the 7-day period beginning Monday, April 8, 2013.

tend to exceed weekday transactions. Over 1,900 transactions occur between 10:00 a.m. and 11:00 a.m. on weekends.

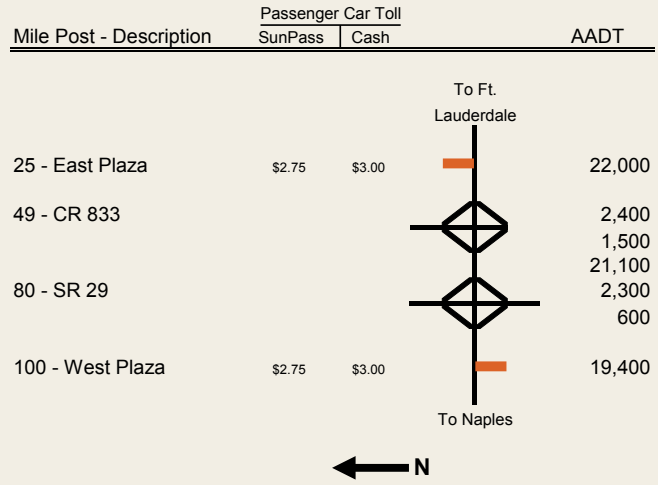
The monthly transaction variation in FY 2013 is analyzed in **Table 2.4**. On average, 20,700 vehicles traveled through the East and West toll plazas each day. The seasonal transaction analysis identifies periods of the year when traffic exceeds or falls below the normal pattern observed on the facility under average conditions. Based on average daily transactions at the East and West plazas, March was 20 percent above the average for the facility, while September was the lowest month at 14 percent below the average. September is typically the lowest month in south Florida due to fewer seasonal residents and tourists at that time of year. Although I-595 is currently under construction, there have been no noticeable traffic impacts on Alligator Alley.

Table 2.4
Alligator Alley
Seasonal Transaction Variation
FY 2013

Month	Average Daily Transactions			Seasonal Factor
	East Plaza	West Plaza	Total	
July 2012	11,000	9,900	20,900	1.01
August	10,000	8,700	18,700	0.90
September	9,500	8,400	17,900	0.86
October	9,500	8,500	18,000	0.87
November	11,200	9,900	21,100	1.02
December	11,200	10,000	21,200	1.02
January 2013	11,300	9,900	21,200	1.02
February	12,000	10,800	22,800	1.10
March	13,200	11,700	24,900	1.20
April	10,900	9,600	20,500	0.99
May	11,300	9,900	21,200	1.02
June	10,900	9,500	20,400	0.99
AADT	**11,000**	**9,700**	**20,700**	**1.00**

The FY 2013 two-way annual average daily traffic (AADT) profile for the facility is presented in **Figure 2.2**. Although East plaza paying-transactions averaged 11,000 per day, total two-way traffic volumes at the East mainline location averaged approximately 22,000 vehicles per day. Corresponding paying-transaction volumes at the West plaza averaged

Figure 2.2
Alligator Alley
Two-way AADT Profile
FY 2013

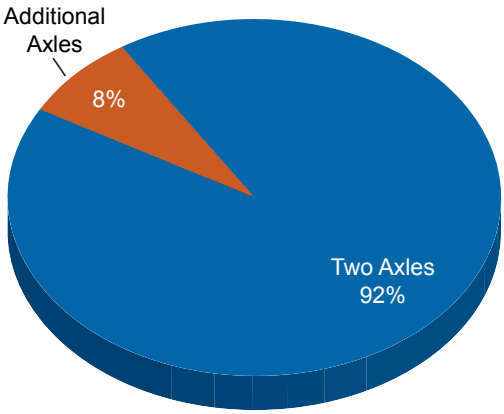


9,700 per day, with total two-way traffic volumes totaling 19,400. The East mainline location had approximately 1,300 more paying-transactions per day, due to the CR 833 and SR 29 ramps to and from the east having higher volumes than the respective ramps to and from the west.

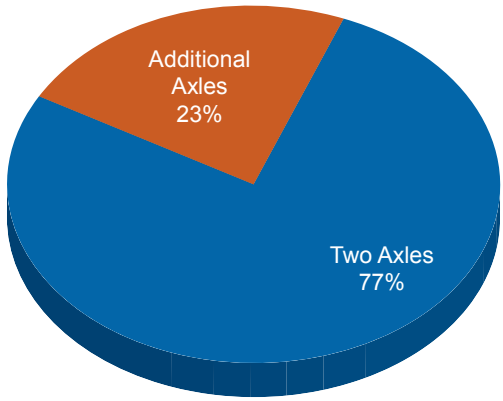
The "N minus 1" method of toll collection was implemented on Alligator Alley concurrent with one-stop tolling. Currently, truck toll rates are established in even multiples of the two-axle passenger car toll. This method results in a more equitable toll structure for passenger cars relative to trucks. Additionally, revenue can be reconciled to the treadle counts for accountability (i.e., it does not rely on manual classification of various truck types).

Graph 2.2 shows the truck transactions and revenue contributions for FY 2013. Since Alligator Alley is part of the interstate highway system, the truck percentages are the greatest of the seven Department-owned and Department-operated toll facilities. Trucks accounted for 8 percent of traffic on the facility and 23 percent of the revenue. In terms of actual revenue contributions, two-axle vehicles provided approximately $19.2 million while vehicles with three

Graph 2.2
Alligator Alley
Transactions by Axle Class
FY 2013



Revenue Contribution by Axle Class
FY 2013



or more axles provided $5.9 million in revenue for FY 2013.

The Department monitors the cost associated with the collection of tolls from customers by comparing the annual operating expense budget for the facility to the actual performance for the year. **Table 2.5** provides a comparison between the FY 2013 actual and budgeted operating and routine maintenance expenses. Actual operating expenses were 7.5 percent less than the FY 2013 budget primarily due to lower costs associated with transponder purchases and FHP costs than what was originally budgeted. Actual routine maintenance expenses were approximately 7.2 percent higher than the FY 2013 budget.

Table 2.5
Alligator Alley
Operating and Routine Maintenance Expenses ($000)
FY 2013

Type of Expense	Budget	Actual	Over/ (Under)	Variance
Operating	$3,941	$3,644	($297)	(7.5%)
Routine Maintenance	3,469	3,719	250	7.2
Total	**$7,410**	**$7,363**	**($47)**	**(0.6%)**

Source: FDOT Office of the Comptroller, Turnpike Enterprise Finance Office and the FY 2012 Enterprise Toll Operations Traffic Engineer's Annual Report.

2.3 SunPass

SunPass technology was implemented on Alligator Alley beginning in October 1999. The project included the installation of new electronic toll collection equipment at the East and West plazas and allows for future installation of SunPass equipment and conversion to mixed-use or dedicated lanes, if needed (see **Appendix A** for current lane configurations).

A SunPass discount program was implemented concurrently with the deployment of SunPass and provided a 10 percent retroactive discount. The discount was offered to drivers of all vehicle classes when they reached a threshold of 40 monthly toll payments. Concurrent with the February 2006 toll rate increase for all customers on Alligator Alley, the 10 percent SunPass discount program was discontinued. Under the current toll rate structure, SunPass customers pay less than non-SunPass customers at the East and West plazas with no minimum transaction threshold required.

Table 2.6 shows transactions by payment method on Alligator Alley for FY 2013. SunPass accounted for 56.0 percent of the total transactions in FY 2013, an increase from the 53.9 percent realized in FY 2012. Non-SunPass transactions constituted the remaining 44.0 percent. Monthly SunPass percentages ranged from approximately 53 percent to nearly 59 percent during the year. SunPass participation on Alligator Alley is lower than most other Florida toll facilities due to fewer commuters using the facility.

Table 2.6
Alligator Alley
Transactions by Payment Method
FY 2013

Month	Transactions (000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2012	370	275	645	57.4%
August	336	245	581	57.8
September	315	222	537	58.7
October	321	241	562	57.1
November	358	274	632	56.6
December	359	297	656	54.7
January 2013	356	301	657	54.2
February	337	302	639	52.7
March	407	366	773	52.7
April	339	275	614	55.2
May	384	274	658	58.4
June	354	258	612	57.8
Total	**4,236**	**3,330**	**7,566**	
Percentage	**56.0%**	**44.0%**	**100.0%**	

Source: Turnpike Enterprise Finance Office.

Table 2.7 shows gross toll revenue by payment method. Revenue attributable to SunPass was approximately $14.3 million, representing 57.0 percent of the total revenue in FY 2013. Non-SunPass constituted the remaining 43.0 percent of revenue. Monthly SunPass revenue percentages ranged from 54 to 60 percent during the year.

Table 2.7
Alligator Alley
Gross Toll Revenue by Payment Method
FY 2013

Month	Gross Toll Revenue ($000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2012	$1,220	$888	$2,108	57.9%
August	1,132	786	1,918	59.0
September	1,043	719	1,762	59.2
October	1,109	791	1,900	58.4
November	1,212	889	2,101	57.7
December	1,201	967	2,168	55.4
January 2013	1,222	975	2,197	55.6
February	1,163	981	2,144	54.2
March	1,373	1,165	2,538	54.1
April	1,178	898	2,076	56.7
May	1,306	886	2,192	59.6
June	1,169	842	2,011	58.1
Total	**$14,328**	**$10,787**	**$25,115**	
Percentage	**57.0%**	**43.0%**	**100.0%**	

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.

2.4 Noteworthy Events

The 2007 Legislature amended Section 338.165, Florida Statutes, to require the Turnpike System and other FDOT-owned facilities to index toll rates on existing toll facilities to the annual Consumer Price Index (CPI) or similar inflation indicator effective as of July 1, 2007. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years as necessary to accommodate cash toll rate schedules. As such, SunPass rates are to be adjusted annually based on the year-over-year change in CPI and rounded to the nearest penny, while cash rates will be adjusted once every five years and rounded to the next quarter. Accordingly, on July 1, 2013 (FY 2014), SunPass toll rates were adjusted by 2.1 percent and rounded to the penny. Cash rates remained unchanged since they were increased the prior year.

Pursuant to this requirement, effective on July 1, 2013 (FY 2014), the two-axle SunPass toll on the Alligator Alley increased to $2.81; the cash toll remained the same at $3.00. The observation of SunPass and overall traffic through September 2013 shows a modest growth. The relatively small increase in tolls compared to the preceding fiscal year did not divert the traffic from the facility. Traffic and toll revenue impact from this toll increase will continue to be monitored throughout the current year. Details of the traffic and revenue impacts are included in the **Overview** chapter.

2.5 Traffic, Revenue and Expense Forecasts

The ratio between historical traffic growth and population growth was used along with projected population growth as a guideline to estimate future traffic on Alligator Alley. Historical population growth focused on the four counties that have a significant regional impact on Alligator Alley traffic. These counties are Broward, Collier, Lee and Miami-Dade. Since Alligator Alley is part of the interstate system, the statewide population growth was also considered.

Since FY 2003, the annual compounded traffic growth rate on the Alligator Alley through FY 2013 was approximately 0.5 percent, whereas, the historical annual compounded population growth rate for the same period for the four counties was 1.1 percent. Over the past few years, traffic growth declined as a result of the economic recession. According to the latest economic outlook prepared by the Florida Legislature Office of Economic and Demographic Research in August 2013, Florida's population growth is forecast to continue strengthening, showing increasing rates over the next few years.

Table 2.8
Alligator Alley
Traffic and Gross Toll Revenue Forecasts
FY 2014 through FY 2024

Fiscal Year	Total Traffic	Toll Revenue ($000)			Toll Revenue Comparisons ($000)		
		Revenue with Constant Tolls[(1)]	Indexing Impact	Gross Toll Revenue	2012 Annual Report Forecast	Variance	
						Amount	Percent
2014	7,765	$25,750	$326	$26,076	$25,874	$202	0.8%
2015	8,045	26,754	584	27,338	27,234	104	0.4
2016	8,347	27,744	967	28,711	28,635	76	0.3
2017	8,629	28,660	1,390	30,050	30,017	33	0.1
2018	8,778	29,419	3,453	32,872	32,571	301	0.9
2019	9,028	30,199	3,955	34,154	33,885	269	0.8
2020	9,255	30,966	4,499	35,465	35,381	84	0.2
2021	9,457	31,728	5,087	36,815	36,786	29	0.1
2022	9,638	32,489	5,725	38,214	38,210	4	0.0
2023	9,761	32,960	7,615	40,575	39,611	964	2.4
2024	9,948	33,372	8,252	41,624	N/A	N/A	N/A

Note: Total traffic corresponds to the gross toll revenue.
N/A The FY 2012 Traffic Engineer's Annual Report forecast went through FY 2023.
(1) Toll revenue forecast without indexing.

Future population estimates have been calculated based on medium projections from the most recent publication by the Bureau of Economic and Business Research (BEBR), College of Business Administration at the University of Florida. The corresponding estimated annual population growth rate through 2020 for the four counties is 1.1 percent. (Historical and projected population growth rates for the four counties were previously shown in **Table 1.4**.) The historical ratio of traffic growth to population growth (0.5%) was applied to projected population growth rates to obtain a general guideline to estimate future annual traffic growth on the Alligator Alley. For the ten-year forecast period, traffic is estimated to grow at a higher percent during the first four years due to the positive effects of the strengthening economy. In the latter years of the forecast period, growth rates will gradually decline. Traffic profiles are provided in **Appendix B**, showing two-way AADT on each segment of the system, as well as the ramps, for FY 2013 through FY 2024.

The traffic and gross toll revenue forecasts for FY 2014 through FY 2024 are shown in **Table 2.8**. The forecast table includes the impact that indexing will have on revenue. Overall, the gross toll revenue forecast for this ten-year period is slightly above the forecast presented in the 2012 Annual Report due to the fact that actual traffic elasticity after the toll rate increase (-0.03) is slightly lower than the estimate (-0.10). Additionally, based on the actual FY 2013 SunPass participation rates, the projected participation rates have been adjusted lower than prior year, resulting in more revenue from higher paying cash customers. A summary of the economic factors affecting traffic and revenue is included in the Overview chapter of this report. In addition, **Appendix A** includes all the indexed toll rate schedules.

Projected operating and maintenance expenses during the same forecast period are shown in **Table 2.9**. The operating expenses for FY 2014 presented in this table represent the budgeted amount for that fiscal year (see **Appendix C** for a detailed description of the FY 2014 operating expense budget). This budget amount exceeds FY 2013 actual expenses by approximately $435 thousand. The expected increase is due primarily to an increase in toll plaza operating contracts and FHP costs. Subsequent to FY 2014, operating expenses are projected to grow at 2.0 percent annually. The routine maintenance expense forecast is based on the Asset Maintenance Contract through FY 2015. Subsequent to FY 2015, routine maintenance expenses were increased at 2.0 percent annually.

Table 2.9
Alligator Alley
Projected Operating and Maintenance Expenses ($000)
FY 2014 through FY 2024

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total Operating & Routine Maintenance Expenses	Periodic Maintenance Expense[1]	Total O&M Expenses
2014	$4,079	$4,008	$8,087	$9,134	$17,221
2015	4,161	3,434	7,595	9,893	17,488
2016	4,244	3,503	7,747	6,124	13,871
2017	4,329	3,573	7,902	4,551	12,453
2018	4,415	3,645	8,060	4,433	12,493
2019	4,504	3,718	8,222	4,522	12,744
2020	4,594	3,792	8,386	4,612	12,998
2021	4,685	3,868	8,553	4,704	13,257
2022	4,779	3,945	8,724	4,798	13,522
2023	4,875	4,024	8,899	4,894	13,793
2024	4,972	4,104	9,076	4,992	14,068

Note: Operating expenses are based on the budget developed by Turnpike Enterprise Finance Office for FY 2014.
(1) Periodic maintenance expenses include resurfacing, recreational access improvements, and other Department-funded R&R and improvements in the 5-year Work Program and are reported on a cash basis. Periodic maintenance expenses beyond FY 2018 have not been fully programmed. However, a minimal level of preservation (excluding extraordinary expenses) has been estimated based on historical costs.

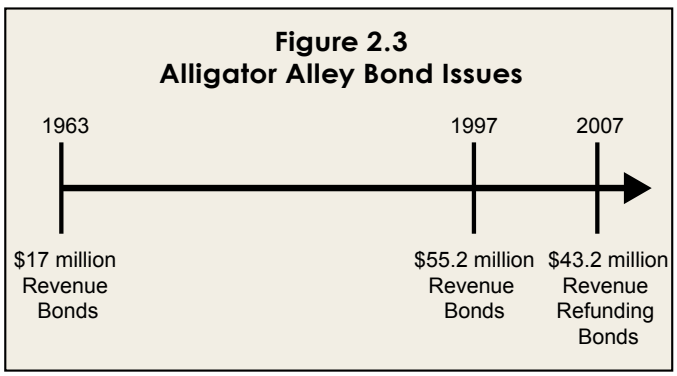
In addition, estimated costs for work not performed under the Asset Maintenance Contract are based on FY 2013 actual results increased for inflation at 2.0 percent annually.

Periodic maintenance expenses are based on information provided by the Office of Project Finance based on the 5-year Work Program and include construction of a fire station and rest area.

2.6 Revenue Sufficiency

A timeline of Alligator Alley bond issues is shown in **Figure 2.3**. As of June 30, 2013, bonds in the principal amount of $34.1 million remain outstanding from the 2007 Series. Each year, an amount of principal and accrued interest (annual debt service) on the outstanding bonds becomes due and payable. As a test of the ability of a facility to repay the annual debt service, a "coverage" calculation is performed. In accordance with the 2007 Series Bond Resolution, gross revenues are first required to provide 100 percent of the administrative, operating and routine maintenance expenses. The amount of revenues remaining (net revenues) is then available for the payment of debt service. Both renewal and replacement and other expenses funded by the Department (including rest area, recreational access and Collier County Fire Station grant) are not included in the operating and routine maintenance expenses for debt service calculations. The Bond Resolution requires that net revenues be 120 percent (1.2 times) of the annual debt service.

Figure 2.3
Alligator Alley Bond Issues



Note: A list of projects funded by each bond issue is included in **Table 1.5** of this report.

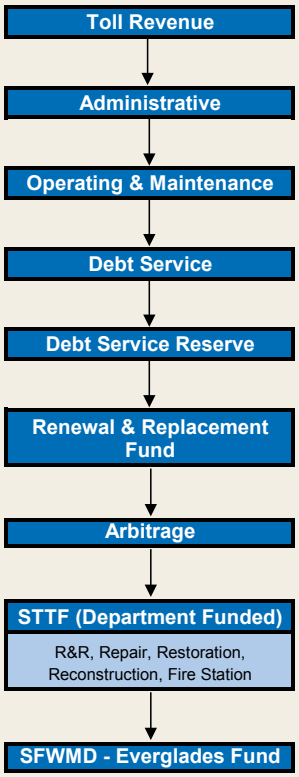
Table 2.10 provides a forecast of the sufficiency of Alligator Alley to meet annual debt service requirements through FY 2024. Generally, revenues used for debt service analysis on the facility include gross toll revenue and other income derived from (or in connection with) the operation of Alligator Alley. However, a conservative approach was taken for this analysis and only gross revenue was used in the calculation of net revenue (i.e., gross toll revenue less operating and routine maintenance expenses). As shown in the table, Alligator Alley significantly exceeds the 1.2 minimum debt service coverage requirement.

Table 2.10
Alligator Alley
Net Toll Revenue Forecast and Debt Service Coverage ($000)
FY 2013 through FY 2024

Fiscal Year	Gross Toll Revenue	Total Operating & Routine Maintenance Expenses[1]	Net Toll Revenue[2]	Debt Service[3]	
				Payment	Coverage Ratio
2013	$25,115	$7,363	$17,752	$3,450	5.1
2014	26,076	8,087	17,989	3,447	5.2
2015	27,338	7,595	19,743	3,450	5.7
2016	28,711	7,747	20,964	3,449	6.1
2017	30,050	7,902	22,148	3,448	6.4
2018	32,872	8,060	24,812	3,452	7.2
2019	34,154	8,222	25,932	3,451	7.5
2020	35,465	8,386	27,079	3,450	7.8
2021	36,815	8,553	28,262	3,453	8.2
2022	38,214	8,724	29,490	3,450	8.5
2023	40,575	8,899	31,676	3,452	9.2
2024	41,624	9,076	32,548	3,446	9.4

(1) Periodic maintenance includes significant expenses for resurfacing of the entire facility; however, these expenses are not included in the operating and routine maintenance expenses as bond resolutions exclude these expenses when calculating net revenue.
(2) Does not include investment income and operating revenues available for debt service.
(3) Annual debt service is obtained from the State Board of Administration Annual Report for the year ended June 30, 2013.

Figure 2.4
Flow of Funds
Series 2007
Alligator Alley Revenue Bonds



As indicated in **Figure 2.4**, revenues remaining after the fulfillment of the annual debt service requirement are used next to fund renewal and replacements and fire station grant.

The 2011 Legislative Session amended FS 338.26 (3) that excess toll revenues after O&M and R&R costs would be used to develop and operate a fire station at mile marker 63 on Alligator Alley to provide fire, rescue and emergency management services to the adjacent counties along Alligator Alley. Construction of the fire station and a rest area at the same mile marker began in August 2013 (FY 2014). This is a design build project with an estimated completion date of FY 2015. Additionally, construction of the north rest area is programmed in FY 2018.

The excess revenues remaining after all of these obligations have been determined and met are transferred to the South Florida Water Management District (SFWMD) to fund environmental projects designed to restore the Florida Everglades from the effects of the construction of Alligator Alley in accordance with Section 338.26, Florida Statutes.

In keeping with the intent of the statute, on June 30, 1997, the Department signed a Memorandum of Agreement with the SFWMD regarding the transfer of the excess toll revenues to the SFWMD. This agreement provides the transfer to be made annually and limits the transfer amount to the annual Legislative appropriation. Furthermore, the agreement provides for the total transfers made by the Department not to exceed $63.6 million by FY 2016. The agreement also requires that prior to its expiration, the agreement shall be renegotiated.

In FY 2013, a $4.4 million payment was transferred to the SFWMD because there was excess revenue available after paying operating and maintenance expenses and renewal and replacement costs on the facility. To date, the Department has transferred $43.5 million to the SFWMD.

Beachline East Expressway

3.1 Background

The Beachline East Expressway (Central Florida Expressway in its original bond documents and formerly known as the Bee Line East Expressway) is an east-west, four-lane toll facility that extends from SR 520 in Orange County east into Brevard County, where it splits into two branches. The 5-mile northeast branch becomes SR 407 and extends to a connection with SR 405, while the 9-mile southeast branch continues as SR 528 to a connection with the Bennett Causeway at US 1. The facility connects the John F. Kennedy Space Center and the aerospace industry to Orlando and serves as a regional connector to Florida's east coast.

Revenue bonds were sold in 1968 to fund the design and construction of the facility, and were retired on September 1, 1992. The facility opened to traffic in February 1974 with an initial toll of $0.20 for passenger cars and other two-axle vehicles. In July 1996, this toll was rounded to a quarter ($0.25) to improve toll collection efficiency. The mainline toll plaza on the facility was originally located east of SR 520. Following an agreement dated May 8, 1998 between the Department and the Orlando-Orange County Expressway Authority (OOCEA), this toll plaza was removed. At this time, OOCEA began collecting the toll at the Beachline Main Plaza located west of SR 520 between SR 417 and the interchange to International Corporate Park (ICP), with an initial toll of $1.00 for two-axle vehicles. Also, as part of this agreement, OOCEA was authorized to collect an additional $0.25 at the Beachline Main Plaza for the Department. Therefore, the toll collected at the plaza for two-axle vehicles was $1.25. This consolidation of toll plazas reduces the number of stops required by drivers, and provides considerable capital and annual operating cost savings to the Department. Subsequent to the removal of the original mainline toll plaza, the ramps to and from the east at SR 520 were tolled at $0.25 to maintain a closed system west of I-95. The tolling of the SR 520 ramps occurred on August 19, 1999. SunPass, E-Pass, and cash are accepted at these unstaffed ramps (see **Appendix A** for the lane configuration at these ramps).

On March 19, 2012 a new mainline toll plaza was opened at Dallas Boulevard by OOCEA to create toll equity for customers on the OOCEA portion of the Beachline Expressway. With the opening of this new mainline toll plaza, tolls at the OOCEA Beachline Mainline toll plaza were reduced and the $0.25 toll collected on behalf of FDOT were shifted to the new Dallas Mainline Toll Plaza. There were no changes to the toll collection plan on the SR 520 ramps to and from the east. In July 2012, FDOT indexed the cash rate on Beachline East. This increased the cash toll allocated to FDOT at Dallas Toll Plaza from $0.25 to $0.50. Further, effective July 1, 2013, FDOT indexed SunPass toll rates on the Beachline East by CPI. This increased the SunPass toll collected by OOCEA on behalf of FDOT from $0.25 to $0.26. As a result the 2-axle vehicle tolls collected at the Dallas Mainline Plaza are now $0.76 for ETC and $1.00 for cash (higher for 3+ axle vehicles) of which $0.50 is allocated to OOCEA (ETC and cash) and $0.26 (ETC) and $0.50 (cash) is allocated to FDOT. Tolls on the SR 520 ramps increased to $0.26 (ETC) while remaining

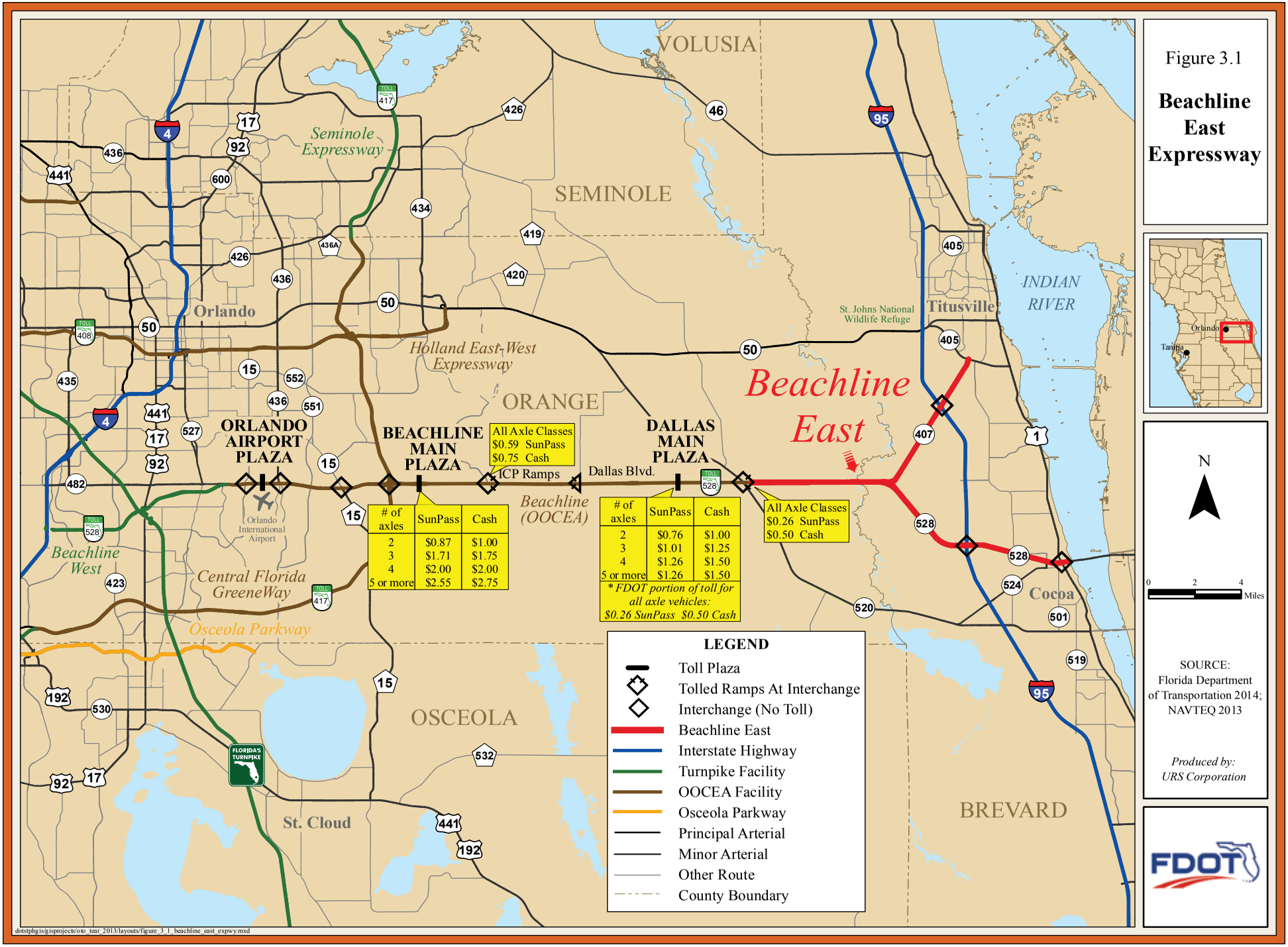


Figure 3.1

Beachline East Expressway

at $0.50 for cash payments. **Figure 3.1** shows a detailed map of the facility with the most recent toll rates effective July 1, 2013 (FY 2014).

Historically, Beachline East transactions and revenue have increased over the years. The annual transactions and revenue for the facility from FY 2003 through FY 2013 are presented in **Table 3.1**. In FY 2004 transactions increased by 10.7 percent over FY 2003 primarily due to an increase in tourism which had declined after the events of September 11, 2001.

Table 3.1
Beachline East Expressway
Historical Transactions and Revenue Growth
FY 2003 through FY 2013

Fiscal Year	Transactions (000)				Toll Revenue ($000)		Average Toll
	Toll Paying	Non Revenue	Total	Percent Change	Amount	Percent Change	
2003	15,065	49	15,114	–	$ 4,077	–	$ 0.270
2004	16,671	56	16,727	10.7	4,410	8.2%	0.264
2005	16,841	617	17,458	4.4	4,473	1.4	0.256
2006	17,917	130	18,047	3.4	4,765	6.5	0.264
2007	18,562	68	18,630	3.2	4,928	3.4	0.265
2008	18,215	75	18,290	(1.8)	4,810	(2.4)	0.263
2009	16,577	132	16,709	(8.6)	4,194	(12.8)	0.251
2010	17,053	72	17,125	2.5	4,410	5.2	0.258
2011	17,808	159	17,967	4.9	4,584	3.9	0.255
2012	17,056	111	17,167	(4.5)	4,432	(3.3)	0.258
2013	**15,066**	**45**	**15,111**	**(12.0)**	**4,645**	4.8	0.307

Source: FDOT Office of the Comptroller and Turnpike Enterprise Finance Office.
Note: The non-revenue class includes authorized vehicles that pass through a toll plaza without incurring a toll (i.e., law enforcement, emergency vehicles) and transactions reported during toll suspensions attributable to hurricanes.

During August and September 2004 (FY 2005), the State of Florida was impacted by four major hurricanes leading to periods of toll suspensions to aid in the evacuation of threatened areas and recovery efforts. Estimated revenue losses resulting from these temporary toll suspensions were $232 thousand. As a result, revenue growth for FY 2005 was approximately 1.4 percent, compared to 8.2 percent in FY 2004. FY 2006 revenues increased by 6.5 percent over FY 2005 revenues primarily due to a less active hurricane season. In FY 2007, the Beachline East experienced a diminished growth rate of 3.4 percent.

In FY 2008, transactions and revenue decreased by 1.8 percent and 2.4 percent, respectively, compared to FY 2007 levels. This decline in FY 2007 and FY 2008 can primarily be attributed to the economic slowdown and rising fuel prices. In FY 2009, transactions and revenue decreased by 8.6 percent and 12.8 percent, respectively, due to the severe economic recession. In FY 2010, transactions and revenue increased by 2.5 percent and 5.2 percent, respectively, compared to FY 2009 levels. This increase can primarily be attributed to the early signs of recovery following the economic recession. In FY 2011, transactions and revenue increased by 4.9 percent and 3.9 percent, respectively. In FY 2012 transactions decreased 4.5 percent while revenues decreased 3.3 percent, due to the fact that tolls collected on behalf of FDOT shifted to Dallas Mainline Plaza which has fewer vehicles than the Beachline Mainline Plaza.

In FY 2013, the first full year of toll collection at the Dallas Mainline Plaza, total transactions for both the Dallas Main Plaza and the SR 520 ramps combined decreased 12.0 percent and toll revenues were up 4.8 percent from FY 2012. The decrease in transactions can be attributed to the full year of toll collection at Dallas Mainline toll plaza and the toll rate increase. The increase in revenues is attributed to the cash toll rate increase which went into effect on July 1, 2012.

Historical operating and routine maintenance expenses from FY 2003 through FY 2013 are presented in **Table 3.2**. Operating expenses decreased from $647 thousand in FY 2003 to $147 thousand in FY 2013. In FY 2004, a change in the methodology used to allocate certain operating costs was adopted resulting in significant reductions in costs associated with the Tolls Data Center, SunPass Service Center, SunPass transponders and toll equipment maintenance. FY 2013 operating expenses decreased approximately 5.8 percent from FY 2012.

This decrease is primarily due to a reduction in transponder purchases.

Table 3.2
Beachline East Expressway
Historical Operating and Routine Maintenance Expenses ($000)
FY 2003 through FY 2013

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total O&M Expenses
2003	$647	$312	$959
2004	206	353	559
2005	139	416	555
2006	141	523	664
2007	150	546	696
2008	226	542	768
2009	204	440	644
2010	151	255	406
2011	165	331	496
2012	156	498	654
2013	147	910	1,057

Source: FDOT Office of the Comptroller.

Maintenance of the Beachline East Expressway is performed under a private Asset Maintenance Contract with the Department providing oversight through its Asset Management Coordinator. Maintenance activities include roadside mowing and upkeep, guardrail repair, shoulder repair and other routine maintenance items. FY 2013 routine maintenance expenses increased approximately 83 percent to $910 thousand over FY 2012 primarily due to asset maintenance costs that should have been charged in prior years but were not applied. The increased cost for Beachline East was $483 thousand. Excluding the increased cost, FY 2013 routine maintenance expenses were $427 thousand, or 14 percent below FY 2012 routine maintenance expenses. In addition to the FY 2013 operating and routine maintenance expenses reflected in the table, $38 thousand in periodic maintenance and capital improvements expense was incurred.

3.2 FY 2013 Transactions and Toll Revenues

Monthly transactions and toll revenue on the Beachline East Expressway during FY 2013 are presented in **Table 3.3**. The table shows transactions at the Dallas Mainline Plaza, as well as the SR 520 ramps and system totals. Total transactions at the Dallas Mainline Plaza were approximately 14.0 million for the year, compared to 1.1 million at the SR 520 ramps, providing approximately 15.1 million total transactions on the facility for FY 2013. The corresponding revenues were approximately $4.3 million and $0.3 million at the Dallas Mainline Plaza and the SR 520 ramps, respectively, for a system-wide total of $4.6 million. The fourth quarter experienced the largest amount of both transactions and revenue in FY 2013. Conversely, the second quarter had the lowest amounts of both transactions and revenue.

A result of the switch shows that in FY 2013 there were approximately 17.0 million transactions at the Beachline Mainline Toll Plaza and, as noted above, there were approximately 14.0 million transactions at the Dallas Mainline Toll Plaza, a difference of approximately 3.0 million more transactions, or 21.4 percent.

Table 3.3
Beachline East Expressway
Monthly Transactions and Toll Revenue
FY 2013

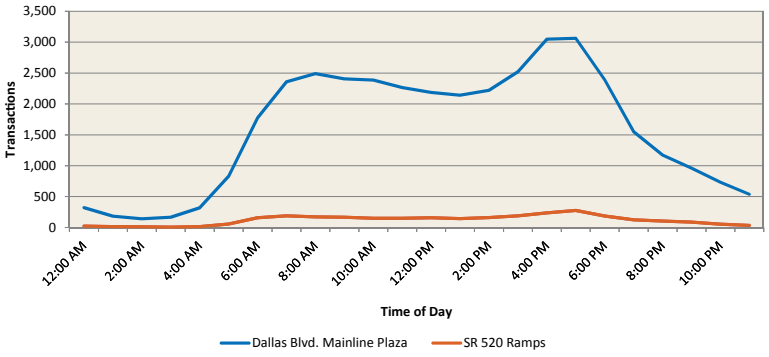
Month	Transactions (000)			Toll Revenue ($000)		
	Dallas Mainline Plaza	SR 520 Ramps	Total	Dallas Mainline Plaza	SR 520 Ramps	Total
July 2012	1,268	111	1,379	404	30	$434
August	1,161	101	1,262	361	27	388
September	1,056	96	1,152	323	25	348
1st Quarter Total	3,485	308	3,793	1,088	82	1,170
October	1,091	90	1,181	334	24	358
November	1,096	85	1,181	336	21	357
December	1,143	81	1,224	354	21	375
2nd Quarter Total	3,330	256	3,586	1,024	66	1,090
January 2013	1,120	87	1,207	345	22	367
February	1,079	80	1,159	334	22	356
March	1,334	95	1,429	421	24	445
3rd Quarter Total	3,533	262	3,795	1,100	68	1,168
April	1,177	92	1,269	367	25	392
May	1,261	109	1,370	389	30	419
June	1,200	98	1,298	381	25	406
4th Quarter Total	3,638	299	3,937	1,137	80	1,217
Annual Total	**13,986**	**1,125**	**15,111**	**$4,349**	**$296**	**$4,645**

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.
Note: Transactions represent toll-paying and non-revenue traffic at Dallas Mainline Plaza and the SR 520 ramps.

Last year (FY 2012) was only a partial year at Dallas Mainline Toll Plaza, as a result the full year impact would be higher than 21 percent.

Graph 3.1 shows the number of hourly transactions on weekdays of a typical week during FY 2013 at the Dallas Mainline Plaza and the tolled SR 520 ramps. Demand for travel on the facility increases during the morning and evening peak hours with hourly volumes in the evening reaching the maximum levels.

Graph 3.1
Beachline East Expressway
Typical Hourly Weekday Transactions
FY 2013



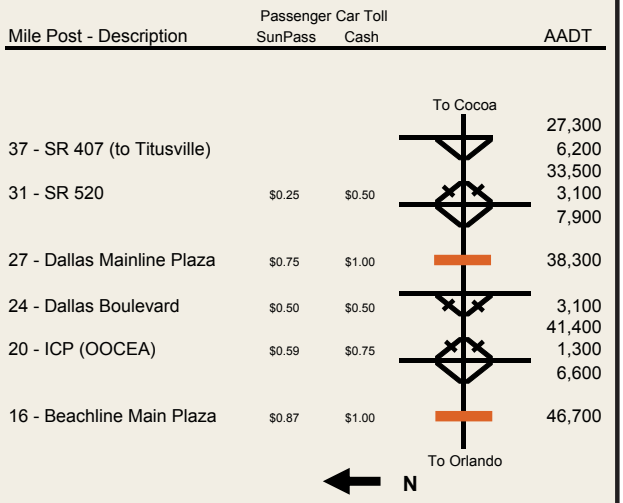
Source: Data obtained from Turnpike Enterprise Finance Office and OOCEA for the 5-day period beginning Monday, Februray 11, 2013.

The monthly seasonal transaction variation in FY 2013 is analyzed in **Table 3.4**. On average, approximately 38,300 vehicles used the Dallas Mainline Plaza during FY 2013. Furthermore, approximately 3,100 vehicles used the tolled SR 520 ramps. Based on average daily transactions, March had the highest volumes at 11 percent above the average for the facility (Dallas Mainline and SR 520 ramps combined). The FY 2013 two-way annual average daily traffic (AADT) profile for the facility is presented in **Figure 3.2**.

Table 3.4
Beachline East Expressway
Seasonal Transaction Variation
FY 2013

Month	Average Daily Transactions			Seasonal Factor
	Dallas Mainline Plaza	SR 520 Ramps	Total	
July 2012	40,900	3,600	44,500	1.07
August	37,400	3,300	40,700	0.98
September	35,200	3,200	38,400	0.93
October	35,200	2,900	38,100	0.92
November	36,500	2,800	39,300	0.95
December	36,900	2,600	39,500	0.95
January 2013	36,100	2,800	38,900	0.94
February	38,500	2,900	41,400	1.00
March	43,000	3,100	46,100	1.11
April	39,200	3,100	42,300	1.02
May	40,700	3,500	44,200	1.07
June	40,000	3,300	43,300	1.05
AADT	**38,300**	**3,100**	**41,400**	**1.00**

Figure 3.2
Beachline East Expressway
Two-way AADT Profile
FY 2013



3.3 SunPass/E-Pass

As of January 26, 2001 (FY 2001) the Beachline East Expressway system, as well as all other OOCEA toll facilities, integrated E-Pass and SunPass, providing two fully inter-operable systems (see **Appendix A** for lane configuration). Drivers can now use either type of transponder to travel on any toll facility in the region, expanding the attractiveness and convenience of electronic toll collection. SunPass (and E-Pass) transactions were approximately 9.4 million, or 61.9 percent of the nearly 15.1 million total transactions in FY 2013. As shown in **Table 3.5**, the monthly SunPass participation during FY 2013 ranged from a low of 59.0 percent in July to a high of 63.6 percent in May.

Table 3.5
Beachline East Expressway
Transactions by Payment Method
FY 2013

Month	Transactions (000) SunPass	Non-SunPass	Total	Percent SunPass
July 2012	813	566	1,379	59.0%
August	774	488	1,262	61.3
September	730	422	1,152	63.4
October	750	431	1,181	63.5
November	743	438	1,181	62.9
December	754	470	1,224	61.6
January 2013	754	453	1,207	62.5
February	711	448	1,159	61.3
March	849	580	1,429	59.4
April	789	480	1,269	62.2
May	872	498	1,370	63.6
June	811	487	1,298	62.5
Total	**9 350**	**5 761**	**15,111**	
Percentage	**61.9%**	**38.1%**	**100.0%**	

Source: Turnpike Enterprise Finance Office.
Note: Cash transactions represent toll-paying and non-revenue traffic.

The resulting SunPass revenue attributable to the Beachline East Expressway is approximately $2.5 million, or 54.9 percent of the $4.6 million collected in FY 2013. This rate is lower than the SunPass transaction percentage primarily due to the increase in non-SunPass revenue caused by the cash toll increase in July 2012. **Table 3.6** shows the revenue contributions from SunPass and non-SunPass attributable to the Beachline East Expressway. The monthly SunPass revenue contributions ranged from a low of approximately 50.9 percent to a high of 57.0 percent.

Table 3.6
Beachline East Expressway
Gross Toll Revenue by Payment Method
FY 2013

Month	Gross Toll Revenue ($000) SunPass	Non-SunPass	Total	Percent SunPass
July 2012	$221	$213	$434	50.9%
August	211	177	388	54.4
September	198	150	348	56.9
October	204	154	358	57.0
November	201	156	357	56.3
December	204	171	375	54.4
January 2013	206	161	367	56.1
February	193	163	356	54.2
March	230	215	445	51.7
April	216	176	392	55.1
May	238	181	419	56.8
June	227	179	406	55.9
Total	**$2,549**	**$2,096**	**$4,645**	
Percentage	**54.9%**	**45.1%**	**100.0%**	

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.

3.4 Noteworthy Events

The 2007 Legislature amended Section 338.165, Florida Statutes, to require the Turnpike System and other FDOT-owned facilities to index toll rates on existing toll facilities to the annual Consumer Price Index (CPI) or similar inflation indicator effective as of July 1, 2007. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years as necessary to accommodate cash toll rate schedules. As such, SunPass rates are to be adjusted annually based on the year-over-year change in CPI and rounded to the nearest penny, while cash rates will be adjusted once every five years and rounded to the next quarter. Accordingly, on July 1, 2013 (FY 2014), SunPass toll rates were adjusted by 2.1 percent and rounded to the penny. Cash rates remained unchanged since they were increased last year. Pursuant to this requirement, effective July 1, 2013 (FY 2014), the two-axle SunPass toll collected for the Department on the Beachline East increased to $0.26; the cash toll remained the same at $0.50. The observation of SunPass and overall traffic through September 2013 shows a modest growth. The relatively small increase in SunPass tolls did not divert traffic from the facility. Traffic and toll revenue impact of this toll increase will continue to be monitored throughout the current year. Details of the traffic and revenue impacts are included in the **Overview** chapter.

FDOT recently signed an agreement with All Aboard Florida to authorize the transit operator to use the Beachline right of way for a future rail line that partially runs between Cocoa Beach and the Orlando International Airport. In return, FDOT will receive an annual payment. The potential revenue loss on Beachline East due to travelers using rail transit is negligible.

3.5 FY 2013 Expenses and Liabilities

A comparison between actual and budgeted operating and routine maintenance expenses for FY 2013 is shown in **Table 3.7**. Actual operating expenses of $147 thousand were approximately $36 thousand, or 19.7 percent, less than the FY 2013 budget of $183 thousand. This decrease is primarily due to lower actual expenses incurred for toll plaza operating contracts. Routine maintenance expenses of $910 thousand were approximately 72 percent higher than the FY 2013 budget amount of $528 thousand primarily due to the asset maintenance costs that should have been charged in prior years that were not applied. Overall, actual FY 2013 operating and routine maintenance expenses were $345 thousand, or 48.7 percent, higher than budgeted.

Table 3.7
Beachline East Expressway
Operating and Routine Maintenance Expenses
($000)
FY 2013

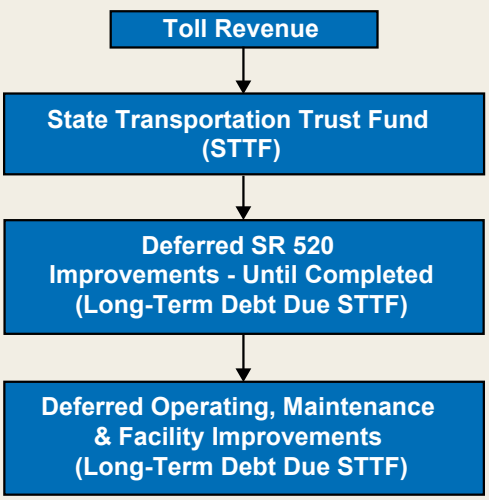
Type of Expense	Budget	Actual	Over/ (Under)	Variance
Operating	$183	$147	($36)	(19.7%)
Routine Maintenance	528	$910	382	72.3
Total	**$711**	**$1,057**	**$346**	**48.7%**

Source: FDOT Office of the Comptroller,Turnpike Enterprise Finance Office and the FY 2012 Enterprise Toll Operations Traffic Engineer's Annual Report.

The Beachline East Expressway has two liabilities that are payable to the Department. The first liability was set up to defer improvements and operating and maintenance expenses for the facility that exceeded available revenues while the bonds were outstanding. After retirement of the bonds, operating and maintenance expenses, and improvement costs were first added to the liability, then all gross toll revenues were used to reduce the liability.

Beginning in February 1999, gross toll revenue was first transferred to an escrow account to fund SR 520 off-system improvements. However, in FY 2006 the escrow account at the Department's Office of Financial Services was closed because FY 2006 expenditures for SR 520 improvements significantly exceeded escrow account funding. As shown in **Figure 3.3**, toll revenues are now deposited in the State Transportation Trust Fund (STTF) and are used to reduce the second liability consisting of deferred costs for SR 520 improvements. Correspondingly, operating and maintenance expenses and other facility improvements are deferred until the second liability is paid.

Figure 3.3
Flow of Funds
Beachline East Expressway



Analysis of the FY 2013 long-term liability for deferred SR 520 costs is presented in **Table 3.8**. Analysis of the FY 2013 long-term liability for deferred facility costs is presented in **Table 3.9**.

Table 3.8
Beachline East Expressway
Deferred STTF Advances for SR 520 Costs ($000)
FY 2013

Transaction	Amount
Balance, beginning of year	$14,071
Reductions[1]	4,517
Balance, end of year	$9,554

Source: FDOT Office of the Comptroller.
(1) As used here, reductions represent deposits from toll receipts.

Table 3.9
Beachline East Expressway
Deferred STTF Advances for Facility Costs ($000)
FY 2013

Transaction		Amount
Balance, beginning of year		$30,252
Additions	Operating & Maintenance	876
	Periodic Maintenance	38
Reductions		–
Balance, end of year		$31,166

Source: FDOT Office of the Comptroller.

3.6 Traffic, Revenue and Expense Forecasts

The ratio between historical traffic growth and population growth was used along with projected population growth to estimate future traffic on the Beachline East Expressway. Historical population growth focused on the four counties that have a significant regional impact on the facility. These counties are Brevard, Orange, Osceola and Seminole. Since the Beachline East Expressway is a primary east-west connector in central Florida, the statewide population growth was also considered.

From FY 2003 through FY 2012, before the shift from the Beachline Main Plaza to the Dallas Mainline Plaza, the annual compounded traffic growth rate on the Beachline East Expressway was approximately 1.4 percent. The historical annual compounded population growth rate for the period April 1, 2002 through April 1, 2012 (the latest available data) for the four counties was 1.8 percent. Before the shift, traffic growth had been consistent with population growth. However, during FY 2008 and FY 2009, traffic growth started to decline as a result of the economic recession. According to the latest economic outlook prepared by the Florida Legislature Office of Economic and Demographic Research in August 2013, Florida's population growth is forecast to continue strengthening, showing increasing rates of growth over the next few years.

Future population estimates have been calculated based on medium projections from the most recent publication by the Bureau of Economic and Business Research (BEBR), College of Business Administration at the University of Florida. The corresponding estimated annual population growth rate through 2020 for the four counties is 1.7 percent. (Historical and projected population growth rates for the four counties were previously shown in **Table 1.4**.) The historical ratio of traffic growth to population growth was applied to projected population growth rates to obtain a general guideline to estimate future annual traffic growth on the Beachline East Expressway. For the ten-year forecast period, traffic is estimated to grow at a higher percent during the first four years due to the positive effects of the strengthening economy. In the latter years of the forecast period, growth rates will gradually decline. Traffic profiles are provided in **Appendix B**, showing two-way AADT on each segment of the system, as well as the ramps, for FY 2013 through FY 2024.

The traffic and gross toll revenue forecasts for FY 2014 through FY 2024 are shown in **Table 3.10**. The forecast table includes the impact that indexing will have on revenue. The toll revenue forecast for this ten-year period is lower than the forecast presented in the 2012 Annual Report 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. A summary of the economic factors affecting traffic and revenue

Table 3.10
Beachline East Expressway
Traffic and Gross Toll Revenue Forecasts
FY 2014 through FY 2024

Fiscal Year	Total Traffic	Toll Revenue ($000)			Toll Revenue Comparisons ($000)		
		Revenue with Constant Tolls[(1)]	Indexing Impact	Gross Toll Revenue	2012 Annual Report Forecast	Variance	
						Amount	Percent
2014	15,711	$4,831	$122	$4,953	$5,642	($689)	(12.2%)
2015	16,393	5,039	129	5,168	5,891	(723)	(12.3)
2016	17,137	5,265	208	5,473	6,154	(681)	(11.1)
2017	17,823	5,471	296	5,767	6,426	(659)	(10.3)
2018	17,964	5,662	1,187	6,849	7,333	(484)	(6.6)
2019	18,628	5,832	1,292	7,124	7,568	(444)	(5.9)
2020	19,280	5,995	1,403	7,398	7,803	(405)	(5.2)
2021	19,853	6,145	1,520	7,665	8,036	(371)	(4.6)
2022	20,387	6,280	1,642	7,922	8,267	(345)	(4.2)
2023	20,508	6,371	2,026	8,397	8,497	(100)	(1.2)
2024	20,969	6,461	2,145	8,606	N/A	N/A	N/A

Note: Total traffic corresponds to the gross toll revenue.
N/A The FY 2012 Traffic Engineer's Annual Report forecast went through FY 2023.
(1) Toll revenue forecast without indexing.

is included in the **Overview** chapter of this report. In addition, **Appendix A** includes future indexed toll rate schedules.

The projected operating and maintenance expenses during the same forecast period are shown in **Table 3.11**. The operating budget amount for the facility in FY 2014 is $162 thousand, which is provided in detail in **Appendix C**. The FY 2014 operating budget is less than the FY 2013 actual operating expenses by approximately $15 thousand due, in part, to an expected decrease in toll equipment maintenance and SunPass Operations. Operating expenses for years subsequent to FY 2014 are estimated to increase at 2.0 percent annually. The routine maintenance expense forecast is based on the Asset Maintenance Contract through FY 2016. Subsequent to FY 2016, routine maintenance expenses were increased at 2.0 percent annually. In addition, estimated costs for work not performed under the Asset Maintenance Contract are based on FY 2013 actual results increased at 2.0 percent annually starting in FY 2017. Periodic maintenance expenses are provided by the Department's Office of Project Finance and are based on the 5-year Work Program and are increased at 2.0 percent for all years thereafter.

Table 3.11
Beachline East Expressway
Projected Operating and Maintenance Expenses ($000)
FY 2014 through FY 2024

Fiscal Year	Operating Expense	Maintenance Expenses		Total O&M Expenses
		Routine	Periodic[(1)]	
2014	$162	$539	$69	$770
2015	165	540	97	802
2016	169	541	88	798
2017	172	551	60	783
2018	175	562	33	770
2019	179	574	34	787
2020	182	585	34	801
2021	186	597	35	818
2022	190	609	36	835
2023	194	621	36	851
2024	197	633	37	867

Note: Operating expenses are based on the budget developed by Turnpike Enterprise Finance Office for FY 2014.
(1) Periodic maintenance expenses were provided by the FDOT Office of Project Finance and include resurfacing projectsand other Department funded renewal and replacement and improvements in the 5-year Work Program and are reported on a cash basis. Periodic maintenance expenses beyond FY 2017 include a minimal level of preservation (excluding extraordinary expenses) that are estimated based on FY 2017 expenses increased at 2.0 percent annually.

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Pinellas Bayway System

4.1 Background

The Pinellas Bayway System consists of a series of causeways and bridges providing a connection between St. Petersburg Beach, Fort DeSoto Park and I-275. The system is approximately 15.2 miles in length and includes 1.3 miles of bridges. **Figure 4.1** shows a map of the facility with the most recent toll rates effective July 1, 2013 (FY 2014).

The east-west section of the facility (SR 682) provides a connection between I-275 (via 54th Avenue) on the east and Gulf Boulevard (SR 699) on the west. This section crosses the Bayway Isles and Isle Del Sol. The north-south section of the facility (SR 679) extends from Isle Del Sol through Tierra Verde to Mullet Key and Fort DeSoto Park. The facility was opened to traffic in December 1962.

There are three mainline toll plazas on the Pinellas Bayway System. Tolls at the first plaza, located at the northeast end of the facility on the mainland near Eckerd College, are collected for westbound travel only. The second plaza is located on the northwest end of the facility in St. Petersburg Beach, near the intersection with Gulf Boulevard (SR 699). Tolls at this plaza are collected for eastbound travel only. Finally, tolls at the third mainline plaza, located on Tierra Verde, are collected for southbound travel only. No tolls are collected on the Pinellas Bayway System for the return trip from the south end of the facility.

In June 2012 (FY 2012), a toll rate increase was implemented on the Pinellas Bayway System, as mandated by the Florida Legislature. At the same time, the method used to calculate toll rates for three or more axle vehicles was changed from a per-axle basis to "N Minus 1" to be consistent with the methodology used on other department facilities and the Turnpike System. Toll rates for two-axle vehicles at each of the plazas on SR 682 increased from $0.50 to $0.75 for cash customers and increases at a rate of $0.75 per axle for vehicles with three or more axles. Tolls at the southern mainline plaza on SR 679 increased from $0.35 to $0.50 for cash customers and increase at a rate of $0.50 per axle for vehicles with three or more axles. As described in the Executive Summary chapter of this report, the SunPass toll rates were set $0.25 less than the adjusted cash rate. The toll rates for both cash and SunPass were the same on the Pinellas Bayway System prior to the toll increase. With indexing, cash rates increased, while the SunPass rates at each of the plazas on SR 682 remained unchanged and the SunPass rate at the SR 679 plaza actually decreased from $0.35 to $0.25. This is due to the $0.25 toll differential compared to the adjusted cash rate. SunPass tolls were indexed on July 1, 2013 (FY 2014) by the consumer price index, while cash rates remained unchanged.

Annual transactions and revenue for the facility from FY 2003 through FY 2013 are presented in **Table 4.1**. In FY 2003, total transactions were approximately 9.7 million and revenues were $3.6 million. Primarily due to the active hurricane season, FY 2005 transactions decreased 4.3 percent from the previous year, while revenues dropped by 3.6 percent. The decline in traffic and revenue in FY 2007, FY 2008, and FY 2009 can be attributed to the economic recession. In FY 2010, transactions and revenue decreased by 1.7 percent and 0.7 percent, respectively. This decline can be attributed to the sluggish economy following

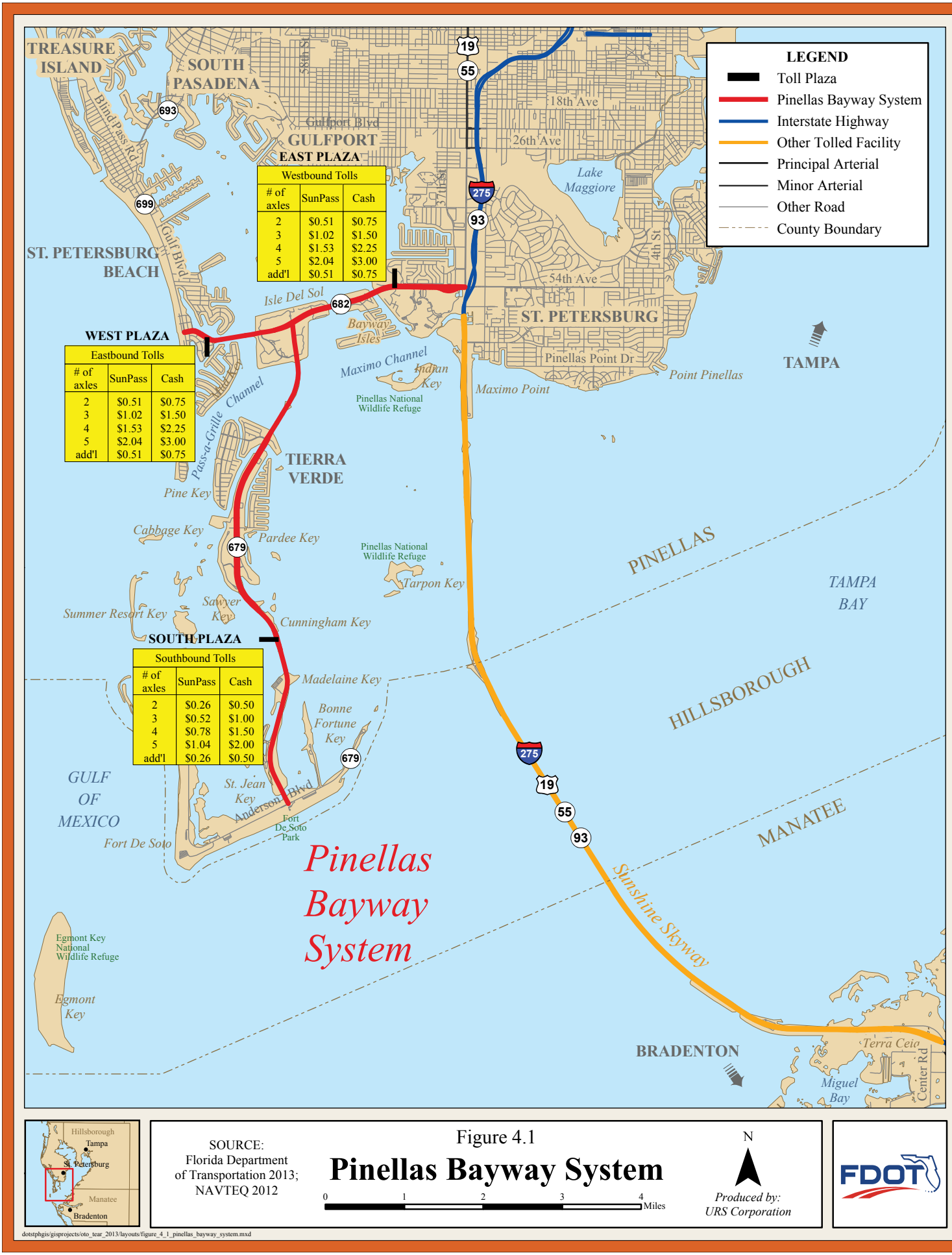

LEGEND
Toll Plaza
Pinellas Bayway System
Interstate Highway
Other Tolled Facility
Principal Arterial
Minor Arterial
Other Road
County Boundary
EAST PLAZA
Westbound Tolls
# of axles | SunPass | Cash
2 | $0.51 | $0.75
3 | $1.02 | $1.50
4 | $1.53 | $2.25
5 | $2.04 | $3.00
add'l | $0.51 | $0.75
WEST PLAZA
Eastbound Tolls
# of axles | SunPass | Cash
2 | $0.51 | $0.75
3 | $1.02 | $1.50
4 | $1.53 | $2.25
5 | $2.04 | $3.00
add'l | $0.51 | $0.75
SOUTH PLAZA
Southbound Tolls
# of axles | SunPass | Cash
2 | $0.26 | $0.50
3 | $0.52 | $1.00
4 | $0.78 | $1.50
5 | $1.04 | $2.00
add'l | $0.26 | $0.50
TREASURE ISLAND
SOUTH PASADENA
GULFPORT
ST. PETERSBURG BEACH
ST. PETERSBURG
TAMPA
TIERRA VERDE
BRADENTON
Gulfport Blvd
18th Ave
26th Ave
54th Ave
Lake Maggiore
Isle Del Sol
Bayway Isles
Maximo Channel
Indian Key
Maximo Point
Pinellas Point Dr
Point Pinellas
Pinellas National Wildlife Refuge
Pass-a-Grille Channel
Pine Key
Cabbage Key
Pardee Key
Tarpon Key
Summer Resort Key
Sawyer Key
Cunningham Key
Madelaine Key
Bonne Fortune Key
St. Jean Key
Anderson Blvd
Fort De Soto Park
Fort De Soto
GULF OF MEXICO
PINELLAS
TAMPA BAY
HILLSBOROUGH
MANATEE
Sunshine Skyway
Egmont Key National Wildlife Refuge
Egmont Key
Terra Ceia
Miguel Bay
Center Rd
Pinellas Bayway System
Hillsborough
Tampa
St. Petersburg
Manatee
Bradenton
SOURCE: Florida Department of Transportation 2013; NAVTEQ 2012
Figure 4.1
Pinellas Bayway System
0 1 2 3 4 Miles
N
Produced by: URS Corporation
FDOT
dotstphgis/gisprojects/oto_tear_2013/layouts/figure_4_1_pinellas_bayway_system.mxd

Table 4.1
Pinellas Bayway System
Historical Transactions and Revenue Growth
FY 2003 through FY 2013

Fiscal Year	Transactions (000)				Toll Revenue[1] ($000)		Average Toll
	Toll Paying	Non Revenue	Total	Percent Change	Amount	Percent Change	
2003	9,673	46	9,719	–	$3,576	–	$0.368
2004	10,060	46	10,106	4.0%	3,769	5.4%	0.373
2005	9,451	220	9,671	(4.3)	3,634	(3.6)	0.376
2006	9,921	21	9,942	2.8	3,732	2.7	0.375
2007	9,769	26	9,795	(1.5)	3,711	(0.6)	0.379
2008	9,649	30	9,679	(1.2)	3,656	(1.5)	0.378
2009	9,290	37	9,327	(3.6)	3,535	(3.3)	0.379
2010	9,142	26	9,168	(1.7)	3,510	(0.7)	0.383
2011	9,195	30	9,225	0.6	3,605	2.7	0.391
2012	9,098	37	9,135	(1.0)	3,535	(1.9)	0.387
2013	8,557	41	8,598	(5.9)	4,035	14.1	0.469

Source: FDOT Office of the Comptroller and Turnpike Enterprise Finance Office.
Note: The non-revenue class includes authorized vehicles that pass through a toll plaza without incurring a toll (i.e., law enforcement, emergency vehicles) and transactions reported during toll suspensions attributable to hurricanes.
(1) Toll revenue reported is net of the SunPass discount.

Maintenance of the Pinellas Bayway System is performed under a private Asset Maintenance Contract beginning in January 2003 (FY 2003). The contract includes expenses for movable bridge maintenance for the two drawbridges, as well as maintenance and inspection of all other bridges on the Pinellas Bayway System. Total FY 2013 routine maintenance expenses increased by 6.3 percent over FY 2012 due to higher bridge inspection costs. In addition to operating and routine maintenance expenses, renewal and replacement and capital improvement (periodic) costs totaling nearly $23.4 million were incurred during FY 2013 primarily due to bridge replacement costs.

the economic recession. Compared to FY 2010, FY 2011 transactions and revenue increased by 0.6 percent and 2.7 percent, respectively, which reflects the early signs of a slow recovery following the economic recession. In FY 2012, transactions and revenue decreased by 1.0 percent and 1.9 percent, respectively, compared to FY 2011. This decline can be attributed to various detours as a result of ongoing construction of the SR 682 bridge replacement project, as well as, continued weakness in the economy. FY 2013 transactions were down 5.9 percent from FY 2012, while revenue was up by 14.1 percent. The further decline in transactions can be attributed to continued construction detours from the SR 682 bridge replacement project and the toll rate increase. Correspondingly, the increase in revenues is a result of the full year of the higher cash tolls from the toll rate increase.

Historical operating and routine maintenance expenses from FY 2003 through FY 2013 are presented in **Table 4.2**. As indicated, operating expenses have decreased from $2.1 million in FY 2003 to $1.7 million in FY 2013. FY 2013 operating expenses were slightly less than those in FY 2012.

Table 4.2
Pinellas Bayway System
Historical Operating and Routine Maintenance Expenses ($000)
FY 2003 through FY 2013

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total O&M Expenses
2003	$2,128	$413	$2,541
2004	2,565	564	3,129
2005	1,997	649	2,646
2006	2,000	650	2,650
2007	2,146	484	2,630
2008	2,083	473	2,556
2009	2,122	588	2,710
2010	1,840	723	2,563
2011	1,802	747	2,549
2012	1,806	695	2,501
2013	1,720	739	2,459

Source: FDOT Office of the Comptroller.

4.2 FY 2013 Transactions and Toll Revenues

Monthly transactions and toll revenue on the Pinellas Bayway System during FY 2013 are presented in **Table 4.3**. Typically, the first quarter (i.e., July through September) generates more revenue compared to the remaining three quarters due to revenues from the general public annual passes (which represent a large percent of the available types of passes)

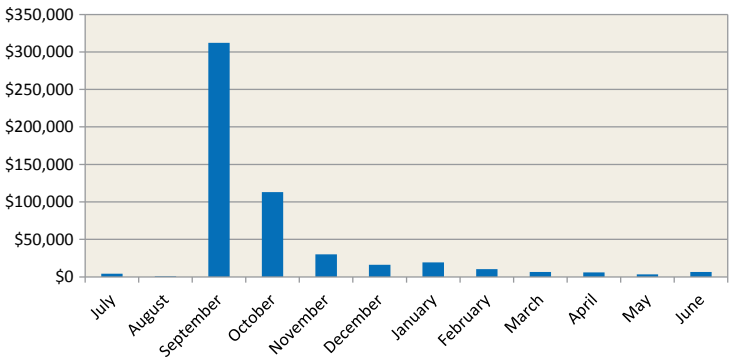
Table 4.3
Pinellas Bayway System
Monthly Transactions and Toll Revenue
FY 2013

Month	Transactions (000)	Toll Revenue ($000)
July 2012	762	$349
August	651	273
September	619	564
1st Quarter Total	2,032	1,186
October	644	369
November	628	270
December	629	256
2nd Quarter Total	1,901	895
January 2013	705	286
February	717	291
March	866	364
3rd Quarter Total	2,288	941
April	821	344
May	835	357
June	721	312
4th Quarter Total	2,377	1,013
Annual Total	**8,598**	**$4,035**

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.
Note: Transactions represent toll-paying and non-revenue traffic at the mainline plazas.

being recorded in September when the passes are primarily sold. The results indicate that the first quarter generated nearly $1.2 million in revenues compared to the $0.9 million (average) generated in each of the remaining three quarters. **Graph 4.1** shows the monthly distribution of pass sales.

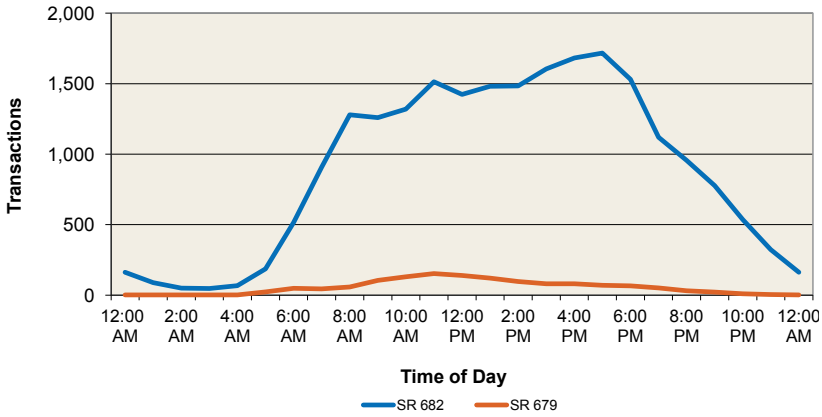
Graph 4.1
Pinellas Bayway System
Monthly Pass Sales Distribution
FY 2013



Note: Includes General Public and Bayway Isle passes

Graph 4.2 shows the number of hourly transactions on weekdays of a typical week during FY 2013 separated between the main east-west traffic on SR 682 and traffic on SR 679 traveling to Fort DeSoto Park. The majority of the transactions occur at the two plazas on SR 682, with a much smaller percentage occurring at the plaza on SR 679. As indicated, the travel demand on the facility quickly builds during the early morning hours and remains steady throughout the midday hours. Typical weekday traffic volumes peak in the early evening hours and quickly subside after 6:00 p.m., showing that the Pinellas Bayway System serves both commuter traffic and traffic related to the recreational beach activity in the area.

Graph 4.2
Pinellas Bayway System
Typical Hourly Weekday Transactions
FY 2013



Source: Data obtained from Turnpike Enterprise Finance Office for the 5-day period beginning Monday, June 17, 2013.

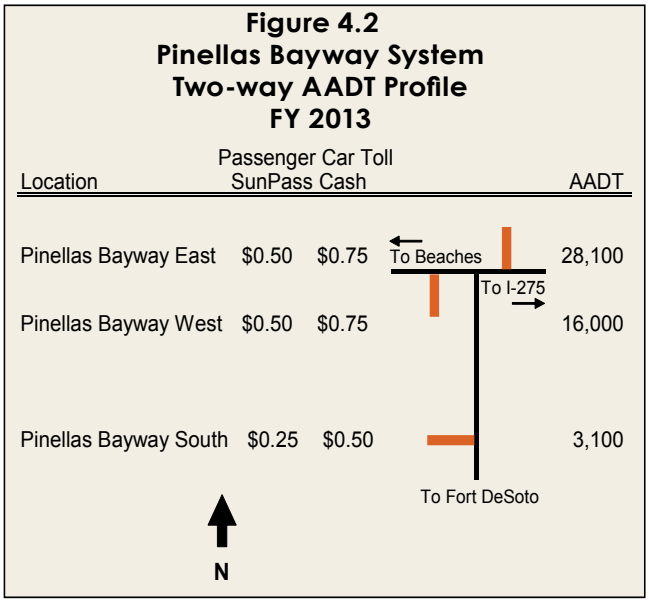
The monthly transaction variation in FY 2013 is illustrated in **Table 4.4**. Annual average daily traffic (AADT) on the Pinellas Bayway System for FY 2013 was approximately 23,600. The peak season occurred from February through May, with March traffic exceeding the average by 18 percent. This transaction level is expected since traffic during this period in west-central Florida tends to exceed the average due to tourists and seasonal residents. December transactions are 14 percent below the yearly average as a result of fewer tourists and seasonal residents in the area.

The FY 2013 two-way AADT profile for the facility is presented in **Figure 4.2**. The AADT at the East, West

Table 4.4
Pinellas Bayway System
Seasonal Transaction Variation
FY 2013

Month	Average Daily Transactions	Seasonal Factor
July 2012	24,600	1.04
August	21,000	0.89
September	20,600	0.87
October	20,800	0.88
November	20,900	0.89
December	20,300	0.86
January 2013	22,700	0.96
February	25,600	1.08
March	27,900	1.18
April	27,300	1.16
May	26,900	1.14
June	24,000	1.02
AADT	**23,600**	**1.00**

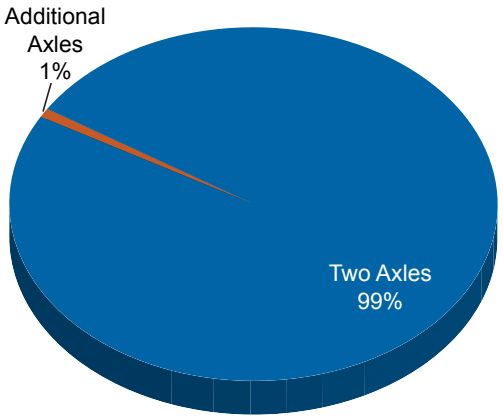
Figure 4.2
Pinellas Bayway System
Two-way AADT Profile
FY 2013



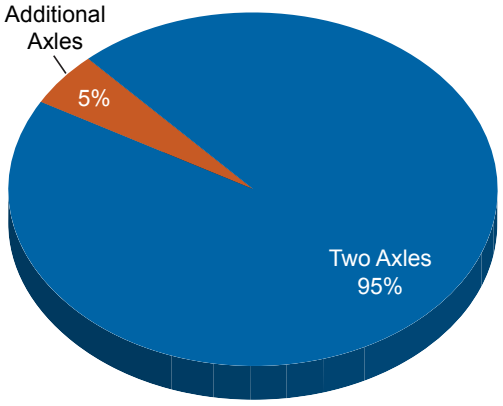
and South plazas during FY 2013 was 28,100, 16,000 and 3,100, respectively. The East Plaza experiences the highest traffic volumes, while the number of drivers traveling to Fort DeSoto Park through the South Plaza is the lowest of the three plazas. The sum of the two-way volumes for the three tolled locations is double that of the one-way volume shown in **Table 4.4**. Paying-transactions averaged 23,600 per day and the total two-way traffic volumes for the three locations averaged 47,200 vehicles per day.

The traffic and revenue contributions from trucks on the Pinellas Bayway System are shown in **Graph 4.3**. For FY 2013, trucks accounted for approximately 1 percent of the traffic on the facility and 5 percent of the revenue. In terms of annual revenue contributions, vehicles with three or more axles accounted for approximately $0.2 million while two-axle vehicles comprised the remaining $3.8 million.

Graph 4.3
Pinellas Bayway System
Transactions by Axle Class
FY 2013

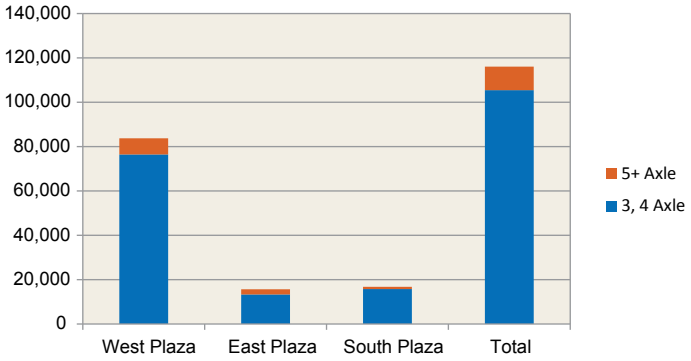


Revenue Contribution by Axle Class
FY 2013



Graph 4.4 shows multi-axle vehicle transactions by plaza. As shown, the west plaza had the highest amount of truck traffic in FY 2013. As indicated, the majority of multi-axle vehicles on the Pinellas Bayway System are 3 and 4 axles. This is due to a large percentage of customers using the facility

Graph 4.4
Pinellas Bayway System
Multi-Axle Vehicle Transactions by Plaza
FY 2013



for recreational activities such as boating. It is also attributed to the increase in truck traffic due to on-going construction activities related to the bridge replacement project.

4.3 SunPass

Travel on the Pinellas Bayway System has become more convenient with the implementation of SunPass on June 6, 2000. During the conversion to SunPass, electronic toll collection equipment was installed at each of the three toll plazas. While one lane at the East Plaza was converted to a dedicated SunPass lane, all other lanes were retrofitted with SunPass equipment and are designated as mixed-use lanes, accommodating both cash and SunPass transactions (see **Appendix A** for the lane configuration).

Concurrent with the implementation of SunPass, the Bayway Isle decal and the General Public decal were discontinued on June 30, 2000 and September 30, 2000, respectively. However, the discount program remains as annual passes are still issued. Under SunPass, a Bayway Isle resident pays $15 annually, allowing residents' unlimited passage through the East toll plaza. The Bayway Isle annual pass, which was authorized at the time of the original construction of the facility, begin selling in June of each year and expires on the first day of July of the following year (e.g., drivers who purchase a pass at the beginning of March will have only four months to use the pass before it expires). Likewise, the general public may purchase an annual pass for unlimited usage of the Pinellas Bayway System for $50. The General Public annual pass, which was authorized in 1985 pursuant to legislation, is sold in September of each year and expires on the first day of October of the following year. In FY 2013, there were approximately 10,724 General Public and 763 Bayway Isle passes sold.

In FY 2013, approximately 2.7 million transactions or 51.6 percent of all SunPass transactions on the Pinellas Bayway System were attributable to pass usage. **Table 4.5** shows monthly SunPass transactions by payment method.

Table 4.5
Pinellas Bayway System
SunPass Transactions by Payment Method
FY 2013

Month	Transactions (000)			Total
	General Public Pass	Bayway Isle Pass	Regular SunPass	
July 2012	184	12	236	432
August	188	12	201	401
September	187	12	191	390
October	194	14	201	409
November	210	15	181	406
December	212	15	180	407
January 2013	237	17	206	460
February	233	16	201	450
March	262	18	237	517
April	239	16	238	493
May	225	14	264	503
June	193	13	232	438
Total	2,564	174	2,568	5,306
Percentage	48.3%	3.3%	48.4%	100.0%

Source: Turnpike Enterprise Finance Office.

Correspondingly, annual pass sales accounted for $529 thousand (net of refunds) or 29.7 percent of total SunPass revenue. With an average toll of $0.193 for pass transactions, the annual pass program provided a combined savings of approximately $812 thousand to pass holders.

For those SunPass customers who do not participate in the Bayway Isle or General Public pass programs, a standard 10 percent discount is offered when a threshold of 40 transactions per month is reached. Transactions for SunPass customers with multi-axle

vehicles on the Sunshine Skyway Bridge also count toward this minimum threshold. The FY 2013 total for the discount program was approximately $13.6 thousand.

Table 4.6 shows transactions by payment method on the facility. SunPass transactions increased from approximately 58 percent of total transactions in FY 2012 to 62 percent of total transactions in FY 2013. Non-SunPass transactions constituted the remaining 38 percent of transactions in FY 2013. Monthly SunPass participation percentages ranged from approximately 57 percent to nearly 65 percent during the year. In general, SunPass participation is highest during off season months as a result of fewer tourists and seasonal residents, indicating that more commuters using SunPass travel on the facility during this time.

Table 4.7 shows gross toll revenue by payment method. SunPass accounted for 44 percent of the total revenue in FY 2013. Correspondingly, non-SunPass payments totaled 56 percent. Monthly revenues are influenced by annual pass sales. As previously mentioned, General Public annual passes are primarily sold in September and October, and as a result, approximately 72 percent of revenue for the month of September is attributable to SunPass. After November, sales drop significantly and the SunPass contribution was 42 percent or lower for all months other than September, October and November. The contribution to revenue from the Bayway Isle annual pass, with yearly renewal in June, is negligible.

Table 4.6
Pinellas Bayway System
Transactions by Payment Method
FY 2013

Month	Transactions (000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2012	432	330	762	56.7%
August	401	250	651	61.6
September	390	229	619	63.0
October	409	235	644	63.5
November	406	222	628	64.6
December	407	222	629	64.7
January 2013	460	245	705	65.2
February	450	267	717	62.8
March	517	349	866	59.7
April	493	328	821	60.0
May	503	332	835	60.2
June	438	283	721	60.7
Total	**5,306**	**3,292**	**8,598**	
Percentage	**61.7%**	**38.3%**	**100.0%**	

Source: Turnpike Enterprise Finance Office.
Note: General Public and Bayway Isle passes are included in the SunPass Program. Cash transactions represent toll-paying and non-revenue transactions.

Table 4.7
Pinellas Bayway System
Gross Toll Revenue by Payment Method
FY 2013

Month	Gross Toll Revenue ($000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2012	$119	$230	$349	34.1%
August	99	174	273	36.3
September(1)	406	158	564	72.0
October	211	158	369	57.2
November	120	150	270	44.4
December	105	151	256	41.0
January 2013	119	167	286	41.6
February	108	183	291	37.1
March	124	240	364	34.1
April	121	223	344	35.2
May	131	226	357	36.7
June(2)	120	192	312	38.5
Total	**$1,783**	**$2,252**	**$4,035**	
Percentage	**44.2%**	**55.8%**	**100.0%**	

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.
Note: General Public and Bayway Isle passes are included in the SunPass program.
(1) General Public passes are sold in September.
(2) Bayway Isle passes are sold in June.

4.4 Noteworthy Events

In FY 2012, construction began on the replacement of the bridge along Pinellas Bayway (SR 682). The

new high level bridge will increase the traffic capacity between the west toll plaza and SR 679 by adding two additional travel lanes. The construction also includes the reconstruction and resurfacing of a portion of SR 682 from SR 699 to the west toll plaza. New signing, lighting and landscaping will also be added along the entire 1.3 mile length of the bridge. Construction is expected to be complete in FY 2015. In March 2013 the first two lanes of the new four-lane bridge opened to traffic.

The 2007 Legislature amended Section 338.165, Florida Statutes, to require the Turnpike System and other FDOT-owned facilities to index toll rates on existing toll facilities to the annual Consumer Price Index (CPI) or similar inflation indicator effective as of July 1, 2007. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years as necessary to accommodate cash toll rate schedules. As such, SunPass rates are to be adjusted annually based on the year-over-year change in CPI and rounded to the nearest penny, while cash rates will be adjusted once every five years and rounded to the next quarter. Accordingly, on July 1, 2013 (FY 2014), SunPass toll rates were adjusted by 2.1 percent and rounded to the penny. Cash rates remained unchanged since they were increased last year. The Bayway Isle and General Public annual passes are not indexed.

Pursuant to this requirement, effective July 1, 2013 (FY 2014), the two-axle SunPass toll rates on the Pinellas Bayway System at each of the plazas on SR 682 increased to $0.51 and the two-axle SunPass toll rate at the southern plaza on SR 679 increased to $0.26 while the cash toll rates remained the same at $0.75 at each plaza on SR 682 and $0.50 at the southern plaza on SR 679. The observation of SunPass and overall traffic through September 2013 shows a modest growth. The relatively small increase in tolls did not divert traffic from the facility. Traffic and toll revenue impact of this toll increase will continue to be monitored throughout the current year. Details of the traffic and revenue impacts are included in the **Overview** chapter.

4.5 FY 2013 Expenses and Liabilities

A comparison between actual and budgeted operating and routine maintenance expenses for FY 2013 is presented in **Table 4.8**. Actual operating expenses were approximately 12.5 percent, or $245 thousand, less than the FY 2013 budget primarily due to lower costs associated with toll plaza operating contracts, salaries and transponder purchases. Actual routine maintenance expenses were higher than the FY 2013 budget by 4.7 percent, or $33 thousand due to higher than anticipated costs associated with bridge inspections. Overall, FY 2013 actual operating and routine maintenance expenses were approximately 7.9 percent below the FY 2013 budget.

Table 4.8
Pinellas Bayway System
Operating and Routine Maintenance Expenses ($000)
FY 2013

Type of Expense	Budget	Actual	Over/ (Under)	Variance
Operating	$1,965	$1,720	($245)	(12.5%)
Routine Maintenance	706	739	33	4.7
Total	**$2,671**	**$2,459**	**($212)**	**(7.9%)**

Source: FDOT Office of the Comptroller, Turnpike Enterprise Finance Office and the FY 2012 Enterprise Toll Operations Traffic Engineer's Annual Report.

The Pinellas Bayway System has a liability that is payable to the Department. This liability was set up to defer both routine and periodic maintenance expenses until the completion of the adopted improvement projects required by law (see **Section 4.7**). Annual maintenance and renewal and replacement expenses are added to the liability.

An analysis of the FY 2013 long-term liability on the facility is presented in **Table 4.9**. In addition to routine maintenance, approximately $3.2 million of capital improvement (periodic) expenses were incurred.

Table 4.9
Pinellas Bayway System
Long-Term Liability ($000)
FY 2013

Transaction		Amount
Balance, beginning of year		$36,695
Maintenance Additions	Routine	739
	Periodic (Capitalized District)	3,170
Balance, end of year		$40,604

Source: FDOT Office of the Comptroller.

4.6 Traffic, Revenue and Expense Forecasts

The ratio between historical traffic growth and population growth was used along with projected population growth to estimate future traffic growth on the Pinellas Bayway System. Historical population growth focused on Pinellas County, which has a significant impact on the facility.

From FY 2003 through FY 2013, the annual traffic growth rate on the Pinellas Bayway System was negative at -1.2 percent, whereas, the historical annual population growth rate for the same period has shown no growth. Additionally, over the past few years traffic growth has been declining as a result of the economic recession. According to the latest economic outlook prepared by the Florida Legislature Office of Economic and Demographic Research in August 2013, Florida's population growth is forecast to continue strengthening, showing increasing rates over the next few years.

Future population estimates have been calculated based on medium projections from the most recent publication by the Bureau of Economic and Business Research (BEBR), College of Business Administration at the University of Florida. The corresponding estimated annual population growth rate through 2020 for Pinellas County is 0.0 percent. (Historical and projected population growth rates for Pinellas County were previously shown in **Table 1.4**.) The historical ratio of traffic growth to population growth was applied to projected population growth rates to obtain a general guideline to estimate future annual traffic growth on the Pinellas Bayway System. For the ten-year forecast period, traffic is estimated to grow at a higher percent during the first four years due to the positive effects of the strengthening economy. In the latter years of the forecast period, growth rates will gradually decline. Traffic profiles are provided in **Appendix B**, showing two-way AADT on each segment of the system, for FY 2013 through FY 2024.

The traffic and gross toll revenue forecasts for FY 2014 through FY 2024 are shown in **Table 4.10**. The forecast table includes the revenue impact from toll indexing. The current gross toll revenue forecast is higher than the forecast presented in the 2012 Annual Report due to FY 2013 actual revenue exceeding last year's projection. The actual revenue impact from the construction activities related to the 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. A summary of the economic factors affecting traffic

Table 4.10
Pinellas Bayway System
Traffic and Gross Toll Revenue Forecasts
FY 2014 through FY 2024

Fiscal Year	Total Traffic	Toll Revenue ($000)				Toll Revenue Comparisons ($000)		
		Revenue with Constant Tolls[(1)]	Indexing Impact	SunPass Discount Impact	Gross Toll Revenue	2012 Annual Report Forecast	Variance	
							Amount	Percent
2014	8,613	$4,065	$42	$14	$4,093	$3,925	$168	4.3%
2015	8,805	4,180	73	15	4,238	4,139	99	2.4
2016	9,113	4,334	115	16	4,434	4,376	57	1.3
2017	9,383	4,343	158	16	4,485	4,451	34	0.8
2018	9,416	4,352	803	17	5,139	4,800	338	7.0
2019	9,596	4,361	830	17	5,175	4,842	332	6.9
2020	9,698	4,370	863	17	5,216	4,887	329	6.7
2021	9,754	4,379	900	17	5,262	4,933	329	6.7
2022	9,798	4,388	942	18	5,313	5,007	305	6.1
2023	9,803	4,398	1,190	18	5,570	5,084	486	9.6
2024	9,852	4,407	1,226	19	5,614	N/A	N/A	N/A

Note: Total traffic corresponds to the gross toll revenue.
N/A The FY 2012 Traffic Engineer's Annual Report forecast went through FY 2023.
(1) Toll revenue forecast without indexing.

and revenue is included in the **Overview** chapter of this report. In addition, **Appendix A** includes future indexed toll rate schedules.

Projected operating and maintenance expenses during the same forecast period are shown in **Table 4.11**. The operating expenses in FY 2014 represent the budget in the amount of approximately $1.7 million. (**Appendix C** contains a detailed description of the FY 2014 operating expense budget.) Estimated FY 2014 operating expenses decreased approximately $22 thousand over actual FY 2013 levels due, in part, to an expected decrease in toll equipment maintenance and repair costs. Subsequent to FY 2014, operating expenses are projected to grow at 2.0 percent annually. The routine maintenance expense forecast is based on Asset Maintenance Contract expenses programmed in work program through FY 2018. Subsequent to FY 2018, routine maintenance expenses were increased at 2.0 percent annually. In addition, estimated costs for work not performed under the Asset Maintenance Contract are based on FY 2013 results increased for inflation at 2.0 percent annually.

Table 4.11
Pinellas Bayway System
Projected Operating and Maintenance Expenses ($000)
FY 2014 through FY 2024

Fiscal Year	Operating Expense	Maintenance Expenses		Total O&M Expenses
		Routine	Periodic[1]	
2014	$1,698	$779	$283	$2,760
2015	1,732	775	1,656	4,163
2016	1,767	767	1,622	4,156
2017	1,802	781	4,280	6,863
2018	1,838	796	3,105	5,739
2019	1,875	807	3,167	5,849
2020	1,912	819	3,230	5,961
2021	1,950	832	3,295	6,077
2022	1,989	844	3,361	6,194
2023	2,029	857	3,428	6,314
2024	2,070	870	3,497	6,437

Note: Operating expenses are based on the budget developed by Turnpike Enterprise Finance Office for FY 2014.
(1) Periodic maintenance expenses include expenditures for toll plaza renovations, replacement of the west toll plaza, SunPass dedicated lane extension at the main plaza and various other improvements as part of the 5-year Work Program and are reported on a cash basis. Periodic maintenance expenses beyond FY 2018 have not been fully programmed, however, a minimum level of preservation (excluding extraordinary expenses such as resurfacing, etc.) has been estimated based on historical costs.

Periodic maintenance expenses are based on information provided by the Office of Project Finance for the 5-year Work Program. Total operating and maintenance expenses are projected to increase from $2.8 million in FY 2014 to $6.4 million in FY 2024.

4.7 Reserve Construction Account

Pursuant to legislation passed in 1985 (Chapter 85-364, Laws of Florida) and revised in 1995 (Chapter 95-382, Laws of Florida), toll collection on the Pinellas Bayway System has continued since the retirement of all outstanding bonds. Tolls collected were designated by the legislation for certain improvement projects: Phase I construction, Phase II construction and the Blind Pass Road widening. A description and status of each improvement project is shown in **Table 4.12**.

Table 4.12
Pinellas Bayway System
Improvement Projects

Project	Description	Status
Phase I Construction	Improvements consist of widening the Pinellas Bayway to four lanes from the eastern toll booth to State Road 679.	Complete
Phase II Construction	Improvements consist of widening the Pinellas Bayway to four lanes from State Road 679 west to Gulf Boulevard, including necessary approaches, bridges and avenues of access.	Under Construction
Blind Pass Road Construction	Improvements consist of widening the Blind Pass Road, State Road 699, to four lanes from 75th Avenue north to the approach of the Blind Pass Bridge, including necessary right-of-way acquisition along said portion of Blind Pass Road, and intersection improvements at 75th Avenue and Blind Pass Road.	Complete

As indicated in **Figure 4.3**, the Phase II and Blind Pass Road projects are being funded by a reserve construction account established by the Department to accumulate toll revenues after the payment of operating expenses. During FY 1995, the Department entered into an agreement with the Department of Financial Services, Division of Treasury, to maintain and invest the reserve construction account. All interest earnings accumulate in this account and assist in funding the projects.

A summary of the activity in the reserve account during FY 2013 is shown in **Table 4.13**. Additions to the reserve account primarily consist of net toll revenues (toll revenues less operating expenses) and interest earnings on the account. Reductions are reimbursements to the State Transportation Trust Fund related to costs incurred in the prior fiscal year for Phase II construction project.

Figure 4.3
Flow of Funds
Pinellas Bayway System

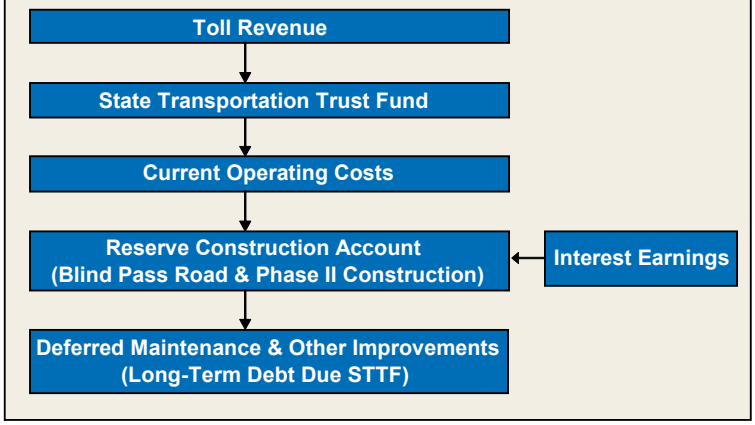


Table 4.13
Pinellas Bayway System
Analysis of Reserve Construction Account ($000)
FY 2013

Transaction	Amount
Balance, beginning of year	$45,731
Additions	3,163
Reductions[1]	8,659
Balance, end of year	$40,235

Source: FDOT Office of the Comptroller (reported on a cash basis).
(1) As used here, reductions represent prior year costs for Phase II construction project.

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Sunshine Skyway Bridge

5.1 Background

The original Sunshine Skyway Bridge opened in 1954 and was constructed as a two-lane toll project crossing Tampa Bay from US 19 at Maximo Point in Pinellas County to US 41, north of Palmetto in Manatee County. The facility was 15.1 miles in length and consisted of 10.2 miles of embankment and five bridges having a combined length of 4.9 miles. The facility underwent an expansion project to add two additional lanes on the existing causeways, an additional two-lane trestle bridge and a high-level bridge parallel to the existing main bridge span that opened in 1970.

Over the years, several accidents occurred, involving maritime shipping freighters traversing the channel between Tampa Bay and the Gulf of Mexico. These accidents were attributed, in part, to the positioning of the piers of the high-level structure over the navigation channel. On May 9, 1980, a freighter collided with one of the piers of the main span structure carrying the southbound roadway, causing a section of the center span to collapse into Tampa Bay. In order to maximize safe vehicular and maritime passage in the area, the Department constructed the new Sunshine Skyway Bridge as a single four-lane high-level structure, east of the original bridge, providing greater horizontal clearances between the main piers and an increased vertical height. The new 17.4-mile bridge opened to traffic in 1987 with one mainline plaza located at each end of the facility. The new bridge consists of 13.3 miles of embankment and causeway, which makes the actual bridge approximately 4.1 miles in length. The cost to replace the bridge was approximately $232 million. Funds to replace the bridge were provided from various sources including insurance recoveries, federal emergency relief and interstate funds, state funds and a $36 million bond issue in 1984. In honor of former Florida governor, Bob Graham, who spearheaded the state-of-the-art design of the new bridge, the Sunshine Skyway Bridge was designated the Bob Graham Sunshine Skyway Bridge effective July 1, 2005 (FY 2006) with the signing of House Bill 385.

Tolls at the northern plaza in Pinellas County are collected in the southbound direction only, while tolls at the southern plaza in Manatee County are collected in the northbound direction. Toll rates were increased on the facility in July 1982 (FY 1983). In June 2012 (FY 2012) a toll rate increase was implemented for all customers on Sunshine Skyway Bridge, as mandated by the Florida Legislature. Toll rates for two-axle vehicles increased from $1.00 to $1.25 for non-SunPass customers and from $0.75 to $1.00 for SunPass customers. At the same time, the method used to calculate toll rates for three or more axle vehicles was changed from a per-axle basis to "N Minus 1" to be consistent with the methodology used on other department facilities and the Turnpike System. In this method, the truck toll equals the passenger car toll multiplied by the number of axles minus one. SunPass customers with three or more axle vehicles continue to receive a 10% discount after a threshold of 40 monthly transactions is reached. SunPass tolls were further indexed on July 1, 2013 (FY 2014) by the consumer price index, while cash rates remained unchanged.


LEGEND
Toll Plaza
Sunshine Skyway Bridge
Interstate Highway
Other Tolled Facility
Principal Arterial
Minor Arterial
Other Road
County Boundary
KENNETH CITY
TREASURE ISLAND
ST. PETERSBURG
GULFPORT
TAMPA
ST. PETERSBURG BEACH
Boca Ciega Bay
Lake Maggiore
Long Key
Pass-a-Grille Beach
Maximo Point
Point Pinellas
PINELLAS
TAMPA BAY
Pines Key
TIERRA VERDE
Cabbage Key
Summer Resort Key
Fort De Soto
Pinellas Bayway
Egmont Key
Egmont Key National Wildlife Refuge
NORTH PLAZA
Southbound Tolls
# of axles | SunPass | Cash
2 | $1.02 | $1.25
3 | $2.04 | $2.50
4 | $3.06 | $3.75
5 | $4.08 | $5.00
add'l | $1.02 | $1.25
Sunshine Skyway Bridge
SOUTH PLAZA
Northbound Tolls
# of axles | SunPass | Cash
2 | $1.02 | $1.25
3 | $2.04 | $2.50
4 | $3.06 | $3.75
5 | $4.08 | $5.00
add'l | $1.02 | $1.25
PORT MANATEE
MANATEE
HILLSBOROUGH
Piney Point
Cockroach Bay
Bishop Harbor
Terra Ceia
Rubonia
ANNA MARIA
Anna Maria Key
GULF OF MEXICO
HOLMES BEACH
PALMETTO
Rocky Bluff
Ellenton
Manatee River
Perico Island
Palma Sola Bay
BRADENTON
Hillsborough
Tampa
Pinellas
St. Petersburg
Manatee
Bradenton
SOURCE: Florida Department of Transportation 2013; NAVTEQ 2012
Figure 5.1
Sunshine Skyway Bridge
0 1 2 3 4 5 Miles
N
Produced by: URS Corporation
FDOT
dotstphgis/gisprojects/oto_tear_2013/layouts/figure_5_1_sunshine_skyway_bridge.mxd

The bridge is part of the Strategic Intermodal System (SIS), designated as I-275, and is managed and operated by the Department. The Department provides for toll collection and maintenance of the facility, but may assign or contract these operations to a third party. **Figure 5.1** shows a detailed map of the facility, with the most recent toll rates effective July 1, 2013 (FY 2014).

Historically, traffic and revenue on the Sunshine Skyway Bridge have increased over the years. In FY 2003, total transactions were approximately 16.5 million, and toll revenues were approximately $16.3 million. In FY 2013, total transactions increased to 18.5 million, while toll revenues increased to approximately $21.7 million. Annual transactions and revenue for the facility from FY 2003 through FY 2013 are presented in **Table 5.1**. Over the course of the past 10 years, traffic on the facility has grown at an annual compounded rate of 1.1 percent. Correspondingly, toll revenues have increased by 2.9 percent annually. The decline in traffic and revenue in FY 2008 and FY 2009 can primarily be attributed to the economic recession. Compared to FY 2012, FY 2013 transactions and revenue both increased by approximately 1.9 percent and 31.2 percent, respectively. This growth in traffic can be contributed to the slight improvement in the economy and the inelastic effect from the toll rate increase. The significant growth in revenue is a result of a full year of higher tolls from the June 2012 (FY 2012) toll rate increase. The economic factors affecting traffic and revenue are discussed further in the **Overview** chapter of this report.

Historical operating and routine maintenance expenses from FY 2003 through FY 2013 are presented in **Table 5.2**. Operating expenses have increased from $3.2 million in FY 2003 to $4.7 million in FY 2013. This increase represents an annual compounded growth rate of 3.9 percent. The significant increase in operating expenses from $3.9 million in FY 2006 to over $5.3 million in FY 2007 is due to an increase in insurance costs after the FY 2006 hurricane season. FY 2013 operating expenses decreased $258 thousand, or 5.2 percent, from FY 2012. This decrease was primarily related to a decrease in transponder purchases, insurance premiums and toll plaza operating contracts.

Table 5.1
Sunshine Skyway Bridge
Historical Transactions and Revenue Growth
FY 2003 through FY 2013

Fiscal Year	Transactions (000)				Toll Revenue[1] ($000)		Average Toll
	Toll Paying	Non Revenue	Total	Percent Change	Amount	Percent Change	
2003	16,463	43	16,506	–	$16,251	–	$0.985
2004	17,682	42	17,724	7.4%	17,230	6.0%	0.972
2005	17,708	397	18,105	2.1	17,053	(1.0)	0.942
2006	18,694	30	18,724	3.4	17,798	4.4	0.951
2007	18,748	12	18,760	0.2	17,758	(0.2)	0.947
2008	18,192	15	18,207	(2.9)	17,025	(4.1)	0.935
2009	17,607	32	17,639	(3.1)	16,212	(4.8)	0.919
2010	17,764	22	17,786	0.8	16,310	0.6	0.917
2011	17,974	31	18,005	1.2	16,427	0.7	0.912
2012	18,102	48	18,150	0.8	16,555	0.8	0.912
2013	18,439	63	18,502	1.9	21,722	31.2	1.174

Source: FDOT Office of the Comptroller and Turnpike Enterprise Finance Office.
Note: The non-revenue class includes authorized vehicles that pass through a toll plaza without incurring a toll (i.e., law enforcement, emergency vehicles) and transactions reported during toll suspensions attributable to hurricanes.
(1) Toll revenue reported net of the SunPass discount since FY 2001.

Table 5.2
Sunshine Skyway Bridge
Historical Operating and Routine Maintenance Expenses ($000)
FY 2003 through FY 2013

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total O&M Expenses
2003	$3,171	$943	$4,114
2004	3,683	1,195	4,878
2005	3,395	1,722	5,117
2006	3,879	879	4,758
2007	5,340	1,686	7,026
2008	5,185	1,582	6,767
2009	5,129	2,165	7,294
2010	4,793	1,575	6,368
2011	5,074	2,475	7,549
2012	4,930	1,770	6,700
2013	4,672	2,325	6,997

Source: FDOT Office of the Comptroller.

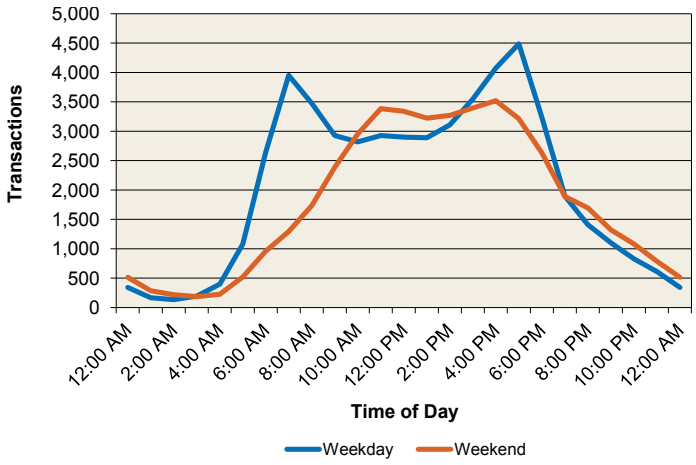
Beginning in February 2004, inspection and maintenance of the Sunshine Skyway Bridge is performed under a private Asset Maintenance Contract with the Department providing oversight through its Asset Management Coordinator. FY 2013 routine maintenance expenses increased 31.4 percent over FY 2012 levels primarily due to an increase in the amount of work performed under the Asset Maintenance Contract, specifically the biannual bridge inspection costs. Total operating and routine maintenance expenses on the facility have increased from $4.1 million in FY 2003 to $7.0 million in FY 2013. In addition, renewal and replacement and capital improvement periodic costs totaling $3.6 million were incurred in FY 2013 primarily for bridge repairs and rehabilitation.

5.2 FY 2013 Transactions and Toll Revenues

Monthly transactions and toll revenue on the Sunshine Skyway Bridge during FY 2013 are presented in **Table 5.3** for the north and south mainline plazas. There were approximately 9.3 million transactions at the north plaza and approximately 9.2 million transactions at the south plaza, for a total of 18.5 million transactions during FY 2013. The corresponding annual revenue was $10.9 million at the north plaza and $10.8 million at the south plaza, for a total of approximately $21.7 million during FY 2013. The third quarter experienced the largest amount of transactions and revenue in FY 2013, with March being the busiest month.

Graph 5.1 shows the number of hourly weekday and weekend transactions of a typical week during FY 2013 for both northbound and southbound traffic combined. During weekdays from 7:00 a.m. to 7:00 p.m. traffic levels are over 2,800 vehicles per hour. The weekday traffic on the facility has a morning peak from 7:00 a.m. to 10:00 a.m. and an evening peak from 4:00 p.m. to 7:00 p.m., reflecting the presence of commuters on the facility. On weekends, there is no clear morning or evening peak periods indicating that a large number of non-commuters use the facility (e.g., interstate travel influence).

Graph 5.1
Sunshine Skyway Bridge
Typical Hourly Transactions
FY 2013



Source: Data obtained from Turnpike Enterprise Finance Office for the 7-day period beginning Monday, January 7, 2013.

Table 5.3
Sunshine Skyway Bridge
Monthly Transactions and Toll Revenue
FY 2013

Month	Transactions (000)			Toll Revenue ($000)		
	North Plaza	South Plaza	Total	North Plaza	South Plaza	Total
July 2012	758	752	1,510	$896	$886	$1,782
August	727	713	1,440	854	839	1,693
September	688	683	1,371	805	799	1,604
1st Quarter Total	2,173	2,148	4,321	2,555	2,524	5,079
October	750	729	1,479	883	847	1,730
November	752	741	1,493	885	865	1,750
December	766	751	1,517	902	880	1,782
2nd Quarter Total	2,268	2,221	4,489	2,670	2,592	5,262
January 2013	782	771	1,553	923	907	1,830
February	784	773	1,557	926	908	1,834
March	932	915	1,847	1,091	1,058	2,149
3rd Quarter Total	2,498	2,459	4,957	2,940	2,873	5,813
April	826	821	1,647	975	973	1,948
May	815	807	1,622	957	947	1,904
June	736	730	1,466	861	855	1,716
4th Quarter Total	2,377	2,358	4,735	2,793	2,775	5,568
Annual Total	**9,316**	**9,186**	**18,502**	**$10,958**	**$10,764**	**$21,722**

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.
Note: Transactions represent toll-paying and non-revenue traffic at mainline plazas.

The FY 2013 monthly transaction variation is analyzed in **Table 5.4**. Annual average daily transactions (AADT) on the Sunshine Skyway

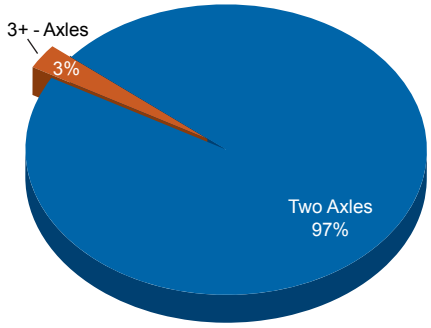
Table 5.4
Sunshine Skyway Bridge
Seasonal Transaction Variation
FY 2013

Month	Average Daily Transactions			Seasonal Factor
	North Plaza	South Plaza	Total	
July 2012	24,500	24,300	48,800	0.96
August	23,500	23,000	46,500	0.92
September	22,900	22,800	45,700	0.90
October	24,200	23,500	47,700	0.94
November	25,100	24,700	49,800	0.98
December	24,700	24,200	48,900	0.96
January 2013	25,200	24,900	50,100	0.99
February	28,000	27,600	55,600	1.10
March	30,100	29,500	59,600	1.18
April	27,500	27,400	54,900	1.08
May	26,300	26,000	52,300	1.03
June	24,500	24,300	48,800	0.96
AADT	**25,500**	**25,200**	**50,700**	**1.00**

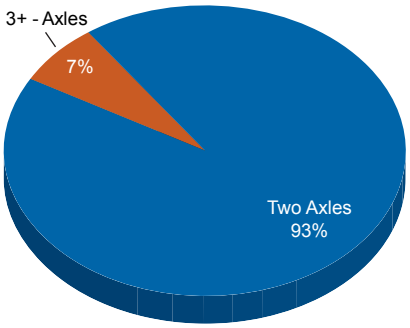
Bridge for FY 2013 was 50,700. The peak season occurred from February through April, with March being the highest month at 18 percent above average for the facility. This is expected, as traffic during March in southwest Florida tends to exceed the average due to tourists and seasonal residents. September was the lowest month at 10 percent below average. Historically, the month of September has the fewest transactions.

The traffic and revenue contributions from trucks on the Sunshine Skyway Bridge are shown in **Graph 5.2**. For FY 2013, trucks accounted for 3 percent of the traffic on the facility but accounted for 7 percent of the total revenue. In terms of actual revenue contributions, vehicles with three or more axles provided approximately $2.0 million, while two-axle vehicles comprised the remaining $19.7 million.

Graph 5.2
Sunshine Skyway Bridge
Transactions by Axle Class
FY 2013



Revenue Contribution by Axle Class
FY 2013



5.3 SunPass

SunPass was installed at the north and south plazas on the Sunshine Skyway Bridge on August 19, 2000 (FY 2001). SunPass implementation included the conversion of three of the six tolled lanes at each of the plazas to SunPass. Currently, there is a dedicated SunPass lane at each plaza and two mixed-use lanes, serving both cash and SunPass users. The remaining three lanes at each plaza are currently manned but will be able to accommodate future conversion to mixed-use or dedicated SunPass lanes if needed (see **Appendix A** for the lane configurations).

Historically, the Sunshine Skyway Bridge offered discounts to drivers in the form of tokens. Until October 2000, tokens were available for two-axle vehicles only and were sold in rolls of 40 coins for $30 (a revenue value of $0.75 for each), representing a discount of 25 percent compared to cash payments. The discount program now operates through SunPass, and

therefore, cash customers do not receive a discount.

Drivers of two-axle vehicles with a SunPass transponder pay $0.23 less than cash drivers. As stated before, SunPass customers with three or more axle vehicles receive a 10 percent retroactive discount when they reach a threshold of 40 monthly toll payments. The Pinellas Bayway System also participates in the discount program. Drivers who make toll payments on this facility are credited for these payments toward the threshold. SunPass discounts on the Sunshine Skyway Bridge totaled $18.2 thousand in FY 2013.

Table 5.5 shows the percentage of transactions by payment method on the Sunshine Skyway Bridge. Non-SunPass transactions amounted to approximately 8.9 million, or 48 percent of all transactions; whereas, SunPass transactions totaled nearly 9.6 million, or 52 percent of all transactions on the facility. Over the course of FY 2013, the monthly SunPass transaction percentage ranged from approximately 48 to 54 percent.

Table 5.5
Sunshine Skyway Bridge
Transactions by Payment Method
FY 2013

Month	Transactions (000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2012	760	750	1,510	50.3%
August	778	662	1,440	54.0
September	734	637	1,371	53.5
October	790	689	1,479	53.4
November	777	716	1,493	52.0
December	762	755	1,517	50.2
January 2013	808	745	1,553	52.0
February	771	786	1,557	49.5
March	881	966	1,847	47.7
April	855	792	1,647	51.9
May	873	749	1,622	53.8
June	789	677	1,466	53.8
Total	**9,578**	**8,924**	**18,502**	
Percentage	**51.8%**	**48.2%**	**100.0%**	

Source: Turnpike Enterprise Finance Office.
Note: Cash transactions represent toll-paying and non-revenue transactions.

Revenue attributable to SunPass was approximately $10.4 million, representing approximately 48 percent of the total system revenue in FY 2013. Toll revenue is reported net of the SunPass discount. Non-SunPass constituted the remaining 52 percent ($11.3 million) of revenue. Monthly SunPass revenue percentages ranged from 44 to approximately 50 percent during the year. **Table 5.6** shows the gross toll revenue by payment method.

Table 5.6
Sunshine Skyway Bridge
Gross Toll Revenue by Payment Method
FY 2013

Month	Gross Toll Revenue ($000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2012	$842	$940	$1,782	47.3%
August	850	843	1,693	50.2
September	802	802	1,604	50.0
October	859	871	1,730	49.7
November	844	906	1,750	48.2
December	828	954	1,782	46.5
January 2013	877	953	1,830	47.9
February	842	992	1,834	45.9
March	942	1,207	2,149	43.8
April	932	1,016	1,948	47.8
May	956	948	1,904	50.2
June	856	860	1,716	49.9
Total	**$10,430**	**$11,292**	**$21,722**	
Percentage	**48.0%**	**52.0%**	**100.0%**	

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.

5.4 Noteworthy Events

The 2007 Legislature amended Section 338.165, Florida Statutes, to require the Turnpike System and other FDOT-owned facilities to index toll rates on existing toll facilities to the annual Consumer Price Index (CPI) or similar inflation indicator effective as of July 1, 2007. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years as necessary to accommodate cash toll rate schedules. As such, SunPass rates are to be adjusted annually based on the year-over-year change in CPI and rounded to the nearest penny, while cash rates will be adjusted once every five years and rounded to the next quarter. Accordingly, on July 1, 2013 (FY 2014), SunPass toll rates were adjusted by 2.1 percent and rounded to the penny. Cash rates remained unchanged since they were increased last year.

Pursuant to this requirement, effective on July 1, 2013 (FY 2014), the two-axle SunPass toll collected on the Sunshine Skyway Bridge increased to $1.02; the cash toll remained the same at $1.25. The observation of SunPass and overall traffic through September 2013 shows a modest growth. The relatively small increase in tolls compared to the preceding fiscal year did not divert any traffic from the facility. Traffic and toll revenue impact of this toll increase will continue to be monitored throughout the current year. Details of the traffic and revenue impacts are included in the **Overview** chapter.

5.5 FY 2013 Expenses and Liabilities

A comparison between actual and budgeted operating and routine maintenance expenses for FY 2013 is shown in **Table 5.7**.

Table 5.7
Sunshine Skyway Bridge
Operating and Routine Maintenance Expenses ($000)
FY 2013

Type of Expense	Budget	Actual	Over/ (Under)	Variance
Operating	$5,261	$4,672	($589)	(11.2%)
Routine Maintenance	2,451	2,325	(126)	(5.1)
Total	**$7,712**	**$6,997**	**($715)**	**(9.3%)**

Source: FDOT Office of the Comptroller, Turnpike Enterprise Finance Office and the FY 2012 Enterprise Toll Operations Traffic Engineer's Annual Report.

Actual FY 2013 operating expenses were 11.2 percent lower than the FY 2013 operating budget. This variance is primarily due to a decrease in insurance premiums and credit card fees. Routine maintenance expenses were approximately 5.1 percent lower than the FY 2013 budget amount primarily due to a general decrease in routine maintenance needed on the facility compared to what was originally budgeted. Overall, actual FY 2013 operating and routine maintenance expenses were 9.3 percent lower than the budget.

The Sunshine Skyway Bridge has two liabilities that are payable to the Department. Any expenditure for improvements or new projects on the Sunshine Skyway Bridge is first added to this liability. Then, net toll revenues are used to reduce the liability. An analysis of the FY 2013 liability for facility costs is presented in **Table 5.8**.

Analysis of the second liability that was established

Table 5.8
Sunshine Skyway Bridge
STTF Advances for Facility Costs ($000)
FY 2013

Transaction	Amount
Balance, beginning of year	$4,560
Additions(1)	3,590
Reductions(2)	4,560
Balance, end of year	$3,590

Source: FDOT Office of the Comptroller.
(1) Additions represent costs incurred in the FY being reported.
(2) Reductions represent costs from prior FY that were reimbursed in the FY being reported.

to defer costs for off-system improvements is presented in **Table 5.9**. Off-system capital projects, including the Selmon Crosstown/I-4 Connector, SR 64 widening, US 19 interchange and the Manatee County automated traffic management system are initially funded by the STTF. These costs are being reimbursed by excess revenue after operating and maintenance (O&M) expenses and facility costs. Pursuant to Section 338.165 (4), Florida Statutes, the Department is authorized to issue bonds backed by Sunshine Skyway Bridge toll revenues to help fund a portion of these needed transportation projects located in Manatee, Hillsborough and Pinellas Counties. At this time, the Department has no plans to issue bonds backed by Skyway revenues.

Table 5.9
Sunshine Skyway Bridge
Deferred STTF Advances for Off-System Improvements ($000)
FY 2013

Transaction	Amount
Balance, beginning of year	$44,965
Additions	1,761
Reductions	9,908
Balance, end of year	$36,818

Source: FDOT Office of the Comptroller.

5.6 Traffic, Revenue and Expense Forecasts

The ratio between historical traffic growth and population growth was used along with projected population growth to estimate future traffic on the Sunshine Skyway Bridge. Historical population growth focused on the five counties that have a significant regional impact on the facility. These counties are Hillsborough, Manatee, Pasco, Pinellas and Sarasota. Since the facility is part of the Strategic Intermodal System, the statewide growth in population was also considered.

From FY 2003 to FY 2013, the annual compounded traffic growth rate on the Sunshine Skyway Bridge was approximately 1.1 percent, whereas, the historical annual compounded population growth rate for the same period for the five counties was 1.2 percent. In past years, traffic growth has exceeded population growth, however in FY 2013, traffic growth was slightly less than population growth. Over the past few years, traffic growth has declined as a result of the economic recession. According to the latest economic outlook prepared by the Florida Legislature Office of Economic and Demographic Research in August 2013, Florida's population growth is forecast to continue strengthening, showing increasing rates over the next few years.

Future population estimates have been calculated based on medium projections from the most recent publication by the Bureau of Economic and Business Research (BEBR), College of Business Administration at the University of Florida. The corresponding estimated annual population growth rate through 2020 for the five counties is 1.2 percent. (Historical and projected population growth rates for the five counties were previously shown in **Table 1.4**.) The historical ratio of traffic growth to population growth was applied to projected population growth rates to obtain a general guideline to estimate future annual traffic growth on the Sunshine Skyway Bridge. For the ten-year forecast period, traffic is estimated to grow at a higher percent during the first four years due to the positive effects of the strengthening economy. In the latter years of the forecast period, growth rates will gradually decline. Traffic profiles are provided in **Appendix B**, showing two-way AADT on the facility for FY 2013 through FY 2024.

The traffic and gross toll revenue forecasts for FY 2014 through FY 2024 are shown in **Table 5.10**. The gross toll revenue for most of the forecast period is higher than the forecast presented in the 2012 Annual Report due in large part to FY 2013 actual revenues exceeding last year's projection. Additionally, there was no 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. A summary of the economic factors affecting traffic and revenue is included in the **Overview** chapter of

Table 5.10
Sunshine Skyway Bridge
Traffic and Gross Toll Revenue Forecasts
FY 2014 through FY 2024

Fiscal Year	Total Traffic	Toll Revenue ($000)				Toll Revenue Comparisons ($000)		
		Revenue with Constant Tolls[(1)]	Indexing Impact	SunPass Discount Impact ($000)	Gross Toll Revenue	2012 Annual Report Forecast	Variance	
							Amount	Percent
2014	18,685	$22,269	$260	$19	$22,510	$22,014	$496	2.3%
2015	19,255	22,938	540	21	23,457	23,081	376	1.6
2016	19,737	23,489	856	22	24,323	23,959	364	1.5
2017	20,179	23,960	1,208	23	25,145	24,857	288	1.2
2018	20,340	24,344	3,223	24	27,543	27,197	346	1.3
2019	20,745	24,685	3,582	25	28,243	28,076	167	0.6
2020	21,120	25,032	3,980	26	28,986	29,040	(54)	(0.2)
2021	21,466	25,384	4,421	28	29,776	30,220	(444)	(1.5)
2022	21,765	25,740	4,903	29	30,613	31,436	(823)	(2.6)
2023	21,819	26,101	6,347	30	32,417	32,681	(264)	(0.8)
2024	22,106	26,466	6,879	30	33,315	N/A	N/A	N/A

Note: Total traffic corresponds to the adjusted gross toll revenue.
N/A The FY 2012 Traffic Engineer's Annual Report forecast went through FY 2023.
(1) Toll revenue forecast without indexing.

Table 5.11
Sunshine Skyway Bridge
Projected Operating and Maintenance Expenses ($000)
FY 2014 through FY 2024

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total Operating & Routine Maintenance Expenses	Periodic Maintenance Expense(1)	Total O&M Expenses
2014	$5,046	$1,751	$6,797	$920	$7,717
2015	5,147	2,422	7,569	1,746	9,315
2016	5,250	1,867	7,117	5,300	12,417
2017	5,355	2,499	7,854	4,560	12,414
2018	5,462	1,934	7,396	6,052	13,448
2019	5,571	2,600	8,171	6,173	14,344
2020	5,683	2,013	7,696	6,297	13,993
2021	5,796	2,705	8,501	6,422	14,923
2022	5,912	2,094	8,006	6,551	14,557
2023	6,030	2,815	8,845	6,682	15,527
2024	6,151	2,179	8,330	6,816	15,146

Note: Operating expenses are based on the budget developed by Turnpike Enterprise Finance Office for FY 2014.
(1) Periodic maintenance expenses include bridge repairs, bridge painting, Florida Highway Patrol services and other Department-funded improvements included in the 5-year Work Program and are reported on a cash basis. Periodic maintenance expenses beyond FY 2018 have not been fully programmed, however, a minimal level of preservation (excluding extraordinary expenses such as major bridge repairs) has been estimated based on FY 2018 expenses increased at 2.0 percent annually.

this report. In addition, **Appendix A** includes future indexed toll rate schedules.

The projected operating and maintenance expenses for FY 2014 through FY 2024 are shown in **Table 5.11**. The operating expenses in FY 2014 represent the budget amount for that fiscal year (see **Appendix C** for a detailed description of the FY 2014 operating expense budget). The budget amount of $5.0 million is 8.0 percent higher than FY 2013 actual operating expenses. The expected increase is due primarily to an increase in transponder purchases and credit card fees. Subsequent to FY 2014, operating expenses are projected to grow at 2.0 percent annually to account for inflation.

The routine maintenance expense forecast is based on the Asset Maintenance Contract through FY 2015. Subsequent to FY 2015, routine maintenance expenses have been increased 2.0 percent annually and take into account biennial bridge inspection expenses. Additional maintenance expenses not covered under the Asset Maintenance Contract are budgeted based on actual FY 2013 expenses increased by 2.0 percent annually.

Periodic maintenance expenses were provided by the Department's Office of Project Finance and are based on estimated expenditures for projects included in the Work Program and include bridge repairs, bridge painting and other Department-funded improvements.

Table 5.12 shows the projected net toll revenues through FY 2024. Net toll revenues consist of gross toll revenue less operating expense and routine and periodic maintenance expenses. The projected net revenues for the facility are estimated to increase from $14.8 million in FY 2014 to $18.2 million in FY 2024.

Net revenues are currently being used to reimburse STTF for system related costs and non-system related costs (long term debt).

Table 5.12
Sunshine Skyway Bridge
Net Toll Revenue Forecast ($000)
FY 2014 through FY 2024

Fiscal Year	Adjusted Gross Toll Revenue	Total O&M Expenses	Net Toll Revenue
2014	$22,510	$7,717	$14,793
2015	23,457	9,315	14,142
2016	24,323	12,417	11,906
2017	25,145	12,414	12,731
2018	27,543	13,448	14,095
2019	28,243	14,344	13,899
2020	28,986	13,993	14,993
2021	29,776	14,923	14,853
2022	30,613	14,557	16,056
2023	32,417	15,527	16,890
2024	33,315	15,146	18,169

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95 EXPRESS

6.1 Background

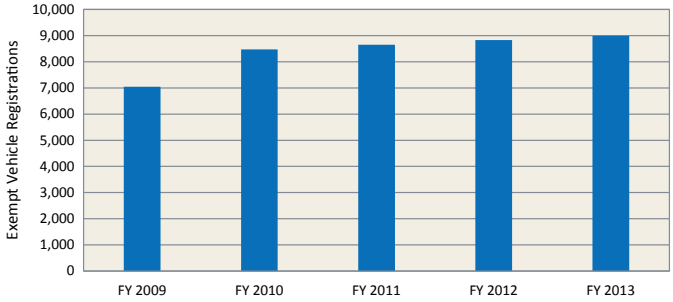
95 Express is a facility that provides limited access express lanes for drivers traveling north and south on 95 from I-395 in downtown Miami to Broward Boulevard in Fort Lauderdale. The facility is a Design/Build project developed in partnership between USDOT, FDOT Districts Four and Six, Florida's Turnpike Enterprise, the Miami-Dade and Broward Metropolitan Planning Organizations (MPO), Miami-Dade Expressway Authority, Miami-Dade and Broward County Transit and South Florida Commuter Services.

In 2007, District Six applied for and received $62.9 million in federal funding from the U.S. Department of Transportation Urban Partnership Agreement (UPA) program to assist in implementing 95 Express. Phase 1A of the project, which began toll collection in December 2008 (FY 2009), includes the 7-mile northbound direction only from SR 112 to the Golden Glades interchange just north of 151st Street in Miami-Dade County. Phase 1B, which began toll collection in January 2010 (FY 2010), includes the southbound direction from the Golden Glades interchange to just south of S.R. 836. This phase also extends the northbound express lanes further to the south from SR 112 to I-395. The express lanes are currently 7.3 miles in both directions. Phase 2 of the project, which is under construction, will extend the express lanes north 13 miles for both northbound and southbound lanes to provide continuous mobility between I-395 and Broward Boulevard in Broward County. Current studies are underway to further extend the 95 Express project north by an additional 25 miles to Linton Boulevard in Palm Beach County. As a result, the full length of the express lane system on I-95 could eventually exceed 45 miles. **Figure 6.1** shows a map of 95 Express and **Figure 6.2** shows the entry/exit locations along the project.

The express lanes operate as High Occupancy Toll

(HOT) lanes for passenger vehicles only (no trucks) and are designed to alleviate traffic congestion on the heavily traveled section of 95. HOV 3+ (high occupancy vehicles, or carpools, of three or more passengers), South Florida vanpools, hybrid vehicles, Miami-Dade and Broward County transit buses, Miami-Dade and Broward County public school buses and over-the-road motor coaches can drive toll-free on the facility after registering with South Florida Commuter Services (SFCS), the regional commuter assistance program funded by the Florida Department of Transportation. Motorcycles and emergency vehicles are also allowed to travel toll-free on the facility but are not required to register with SFCS. **Graph 6.1** shows the number of exempt vehicle registrations by year since inception of the express lanes. As of June 2013, approximately 9.0

Graph 6.1
95 Express
Exempt Vehicle Registrations
FY 2009 through FY 2013




LEGEND
Toll Gantry
Phase 1A
Phase 1B
Phase 2
Interstate Highway
Other Tolled Facility
Principal Arterial
Minor Arterial
Other Road
County Boundary
95 Express
NW 144TH STREET
NW 54TH STREET
Broward Blvd.
Griffin Rd.
Hollywood Blvd.
Palmetto Expy.
DAVIE
BROWARD
PEMBROKE PINES
MIRAMAR
MIAMI LAKES
MIAMI-DADE
HIALEAH
HOLLYWOOD
HALLANDALE BEACH
NORTH MIAMI
MIAMI SHORES
MIAMI
MIAMI BEACH
FLORIDA'S TURNPIKE
TOLL 924
TOLL 112
TOLL 836
Orlando
Ft. Myers
Miami
SOURCE:
Florida Department
of Transportation 2013;
NAVTEQ 2012
Figure 6.1
95 Express
0 1.25 2.5 5 Miles
N
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URS Corporation
FDOT
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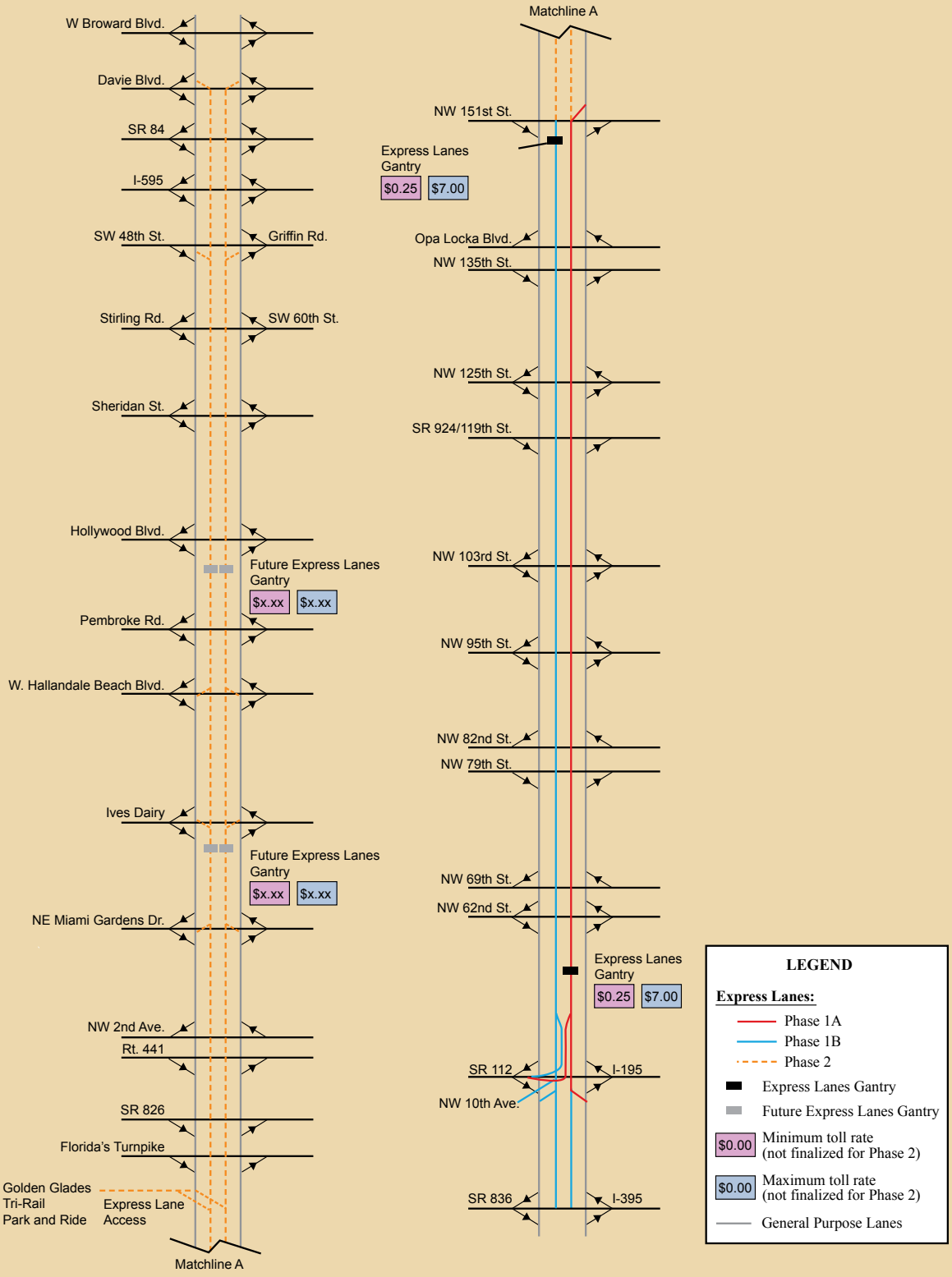
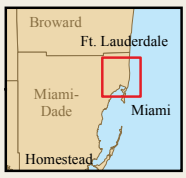
95 Express



Map Not to Scale



SOURCE:
Florida Department of Transportation 2013

Figure 6.2

95 Express Lane Entry / Exit Illustration - All Phases

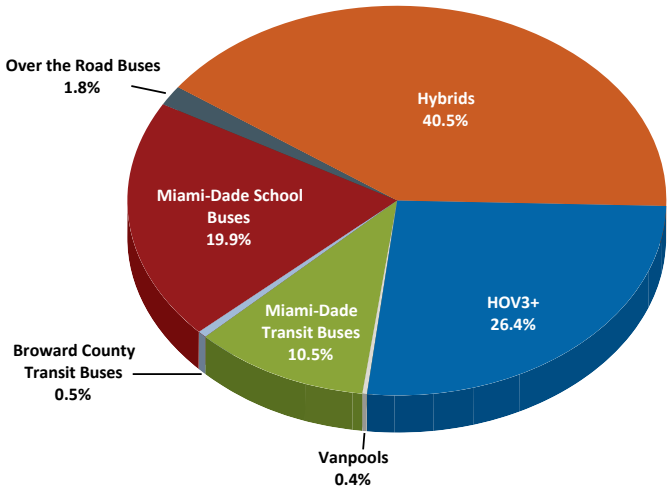
N

Produced by:
URS Corporation

dotstphgis/gisprojects/oto_tear_2013/layouts/figure_6_2_95_express_illustration.mxd

thousand vehicles were registered with SFCS. The percentage of exempt vehicle registrations by type for FY 2013 is shown in **Graph 6.2**.

Graph 6.2
95 Express
Exempt Vehicle Registrations to Date by Type
FY 2013



95 Express was converted from High Occupancy Vehicle lanes to a tolled facility in order to utilize the excess capacity available in these lanes to relieve congestion in the general purpose lanes. Therefore, all other unregistered 2-axle vehicles can use 95 Express lanes by paying a toll with their SunPass transponder. Tolls in these lanes are collected electronically using SunPass and are variably priced based on traffic volume. The toll rate is increased during peak periods when demand is greater in order to control the number of vehicles using the facility, enabling traffic to continue moving at a minimum speed of 45 miles per hour. To aid in customer decision making, the amount of the toll is clearly posted before the tolling point on overhead dynamic message signs.

95 Express is an all-electronic toll facility, meaning that no cash payment option is available. As previously mentioned, vehicles equipped with a transponder are processed through SunPass. For vehicles without a SunPass transponder, an image of the vehicle's license plate is captured and either recognized as a registered toll-exempt vehicle or processed through the toll violation system (see Section 6.3).

Table 6.1 shows the historical transactions and revenue growth on 95 Express. In FY 2009, the facility was open to traffic for approximately seven months in the northbound direction. During that time, 4.1 million transactions occurred, with the toll revenue amounting to approximately $2.8 million. FY 2010 was the first full year of operation for the northbound lanes. In addition, the southbound lanes began toll collection on January 15, 2010 (FY 2010). Annual transactions totaled approximately 11.9 million, resulting in toll revenues of approximately $9.2 million. FY 2011 was the first full year of operation for the southbound lanes. Annual transactions on 95 Express totaled nearly 18.8 million and toll revenues totaled nearly $15.8 million. The average toll on the facility during FY 2011 was $0.84. In FY 2012 annual transactions were approximately 19.7 million, a 4.7 percent increase over FY 2011. FY 2012 toll revenues totaled $17.9 million, up 13.5 percent over FY 2011. The average toll on the facility during FY 2012 was $0.91. In FY 2013 annual transactions were approximately 20.1 million, an increase of 2.1 percent over FY 2012. Toll revenues in FY 2013 totaled $19.4 million, up 8.2 percent from FY 2012. During FY 2013 the average toll on 95 Express was $0.97.

Table 6.1
95 Express
Historical Transactions and Revenue Growth
FY 2009 through FY 2013

Fiscal Year	Transactions (000)				Toll Revenue[1] ($000)		Average Toll
	Toll Paying	Non Revenue	Total	Percent Change	Amount	Percent Change	
2009[1]	4,075	69	4,144	-	$2,777	-	$0.681
2010[2]	11,631	285	11,916	N/A	9,224	N/A	0.774
2011	18,341	451	18,792	57.7%	15,780	71.1%	0.840
2012	19,198	468	19,666	4.7%	17,918	13.5%	0.911
2013	19,467	608	20,075	2.1%	19,393	8.2%	0.966

Source: FDOT Office of the Comptroller and Turnpike Enterprise Finance Office.
Note: The non-revenue class includes authorized vehicles that pass through a toll plaza without incurring a toll (i.e., law enforcement, emergency vehicles) and transactions reported during toll suspensions attributable to hurricanes.
(1) The facility opened in December 2008 (FY 2009) in the northbound direction only.
(2) The southbound express lanes opened in January 2010 (FY 2010).
N/A The growth in transactions and revenue is not comparable.

Historical toll operating and routine maintenance expenses for FY 2009 through FY 2013 are presented in **Table 6.2**. Total toll operating expenses on the facility decreased from nearly $1.6 million in FY 2012 to approximately $1.3 million in FY 2013. This decrease is attributed to toll plaza operating contracts and utilities. Also, additional operating costs totaling $5.2 million were paid with toll revenue. These costs were for 95 Express highway operations incurred by District Six. In addition, routine maintenance expenses totaling $1.2 million were incurred during FY 2013 primarily for the replacement of pavement delineators along the roadway.

Table 6.2
95 Express
Historical Operating and Routine Maintenance Expenses ($000)
FY 2009 through FY 2013

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total O&M Expenses
2009	518	0	$518
2010	961	0	961
2011	1,269	1,084	2,353
2012	1,634	1,152	2,786
2013	1,339	1,179	2,518

Source: FDOT Office of the Comptroller.

6.2 FY 2013 Transactions and Toll Revenues

Monthly transactions and toll revenue on 95 Express during FY 2013 are presented in **Table 6.3** and show the northbound and southbound lanes, as well as system totals. Total transactions on the northbound lanes and southbound lanes were approximately 9.9 million and 10.2 million, respectively, for the year, totaling 20.1 million for the facility. The corresponding revenues were approximately $9.5 million and $9.9 million on the northbound and southbound lanes, respectively, for a system-wide total of $19.4 million. The third quarter of FY 2013 (i.e., January through March) was the peak period for travel on the facility. Transactions of approximately 5.2 million were realized during that period.

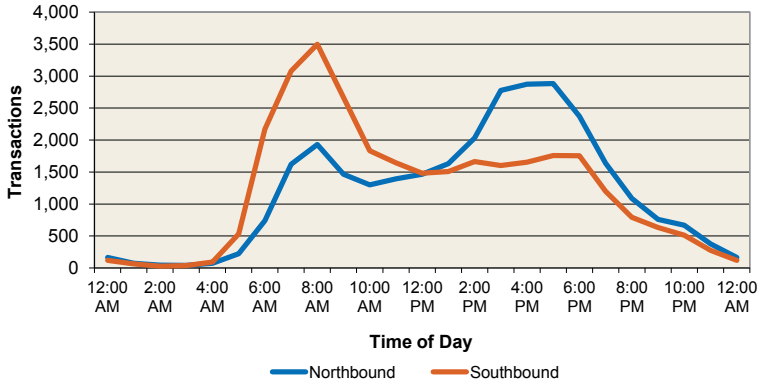
Table 6.3
95 Express
Monthly Transactions and Toll Revenue
FY 2013

Month	Transactions (000)			Toll Revenue ($000)		
	Northbound Lanes	Southbound Lanes	Total	Northbound Lanes	Southbound Lanes	Total
July 2012	789	803	1,592	$547	$612	$1,159
August	807	818	1,625	654	623	1,277
September	763	779	1,542	647	633	1,280
1st Quarter Total	2,359	2,400	4,759	1,848	1,868	3,716
October	844	876	1,720	790	811	1,601
November	795	841	1,636	808	738	1,546
December	800	844	1,644	822	719	1,541
2nd Quarter Total	2,439	2,561	5,000	2,420	2,268	4,688
January 2013	849	890	1,739	933	940	1,873
February	795	835	1,630	899	963	1,862
March	893	955	1,848	957	1,036	1,993
3rd Quarter Total	2,537	2,680	5,217	2,789	2,939	5,728
April	855	889	1,744	862	1,004	1,866
May	862	885	1,747	831	974	1,805
June	788	820	1,608	755	835	1,590
4th Quarter Total	2,505	2,594	5,099	2,448	2,813	5,261
Annual Total	**9,840**	**10,235**	**20,075**	**$9,505**	**$9,888**	**$19,393**

Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.
Note: Transactions represent toll-paying and non-revenue traffic at mainline plazas.

Graph 6.3 shows the number of hourly transactions on weekdays of a typical week during FY 2013 separate between northbound and southbound express lanes on 95 Express. As indicated, the demand for travel on the facility is highest during the morning and evening peak hours. The morning peak period occurs

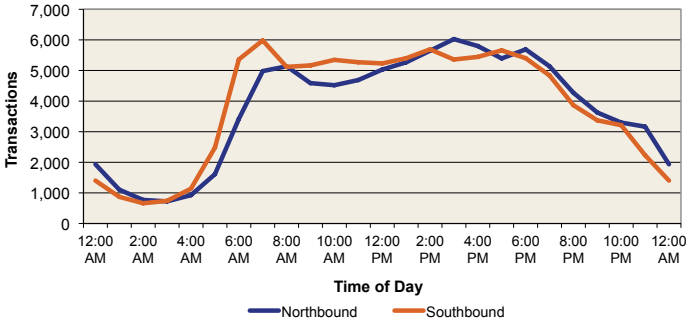
Graph 6.3
95 Express
Typical Hourly Weekday Transactions
FY 2013



Source: Data obtained from Turnpike Enterprise Finance Office for the 5-day period beginning Monday October 8, 2012.

from 7:00 a.m. to 9:00 a.m. primarily in the southbound lanes and the evening peak period occurs from 3:00 p.m. to 6:00 p.m. in the northbound lanes. In addition, the noticeable number of transactions during the middle of the day indicates that there are a number of non-commuters also using the facility. **Graph 6.4** shows the number of hourly transactions on weekdays of a typical week during FY 2013 for the northbound and southbound general purpose lanes on 95 Express. The morning and evening peak hours mirror the peak hours in the express lanes.

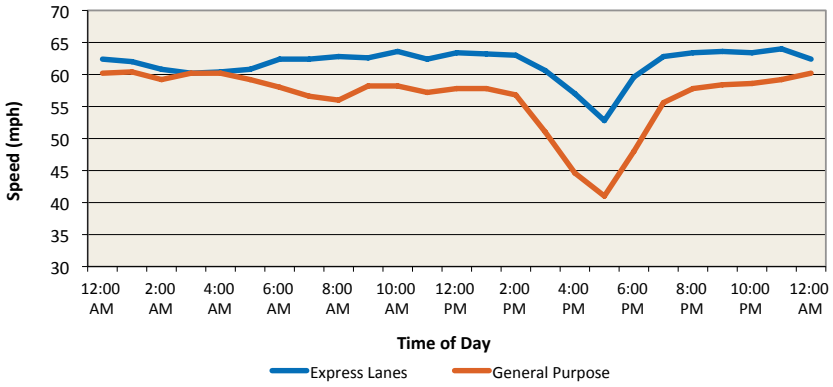
Graph 6.4
95 Express
Typical Hourly Weekday Transactions
General Purpose Lanes
FY 2013



Source: Data obtained from SunGuide for the 5-day period beginning Monday, October 8, 2012.

Graph 6.5 and **Graph 6.6** show the typical hourly speeds in the express lanes and general purpose lanes for northbound and southbound traffic, respectively. Traffic in the express lanes generally travels at higher speeds than traffic in the general purpose lanes. Commuters using the express lanes during the peak hours travel between 15 and 20 miles per hour faster than the general travel lanes. Similarly, express lane customers traveling during off peak hours drive approximately 5 to 8 miles per hour faster than traffic in the general purpose lanes.

Graph 6.5
95 Express
Typical Hourly Speed Northbound
FY 2013



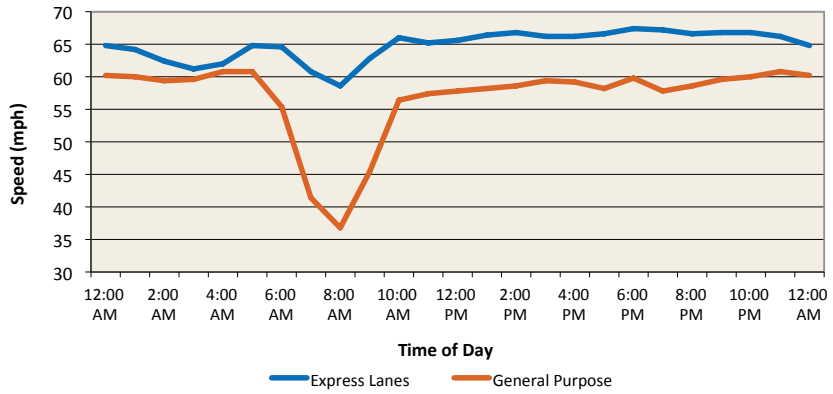
Source: Data obtained from SunGuide for the 5-day period beginning Monday, October 8, 2012.

The amount of time commuters saved during FY 2013 when using the express lanes over the general purpose lanes is presented in **Graph 6.7**. During the peak hours, commuters saved an average of three minutes in the northbound lanes and an average of five minutes in the southbound lanes.

The average weekday toll amounts by hour for a typical week during FY 2013 are presented in **Graph 6.8**. As indicated, tolls for the 95 Express facility increase during the morning and evening peak periods when traffic volumes in the express lanes are the highest.

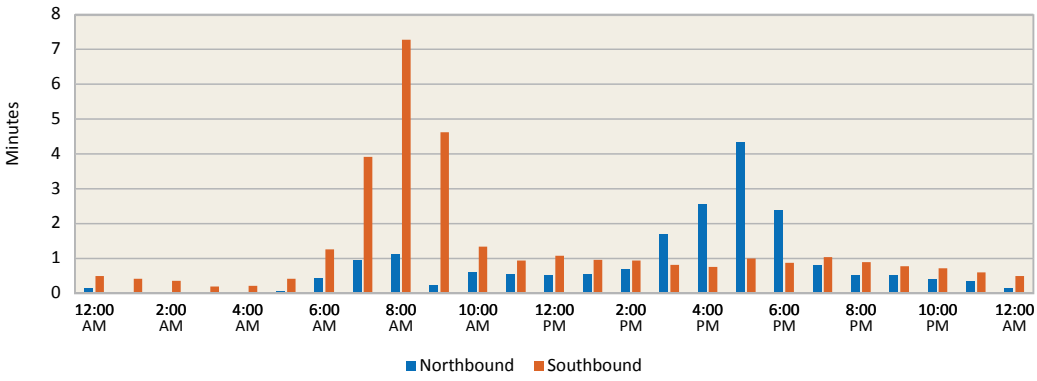
The toll amount on the 95 Express lanes fluctuates throughout the day. The percent of time the toll

Graph 6.6
95 Express
Typical Hourly Speed Southbound
FY 2013



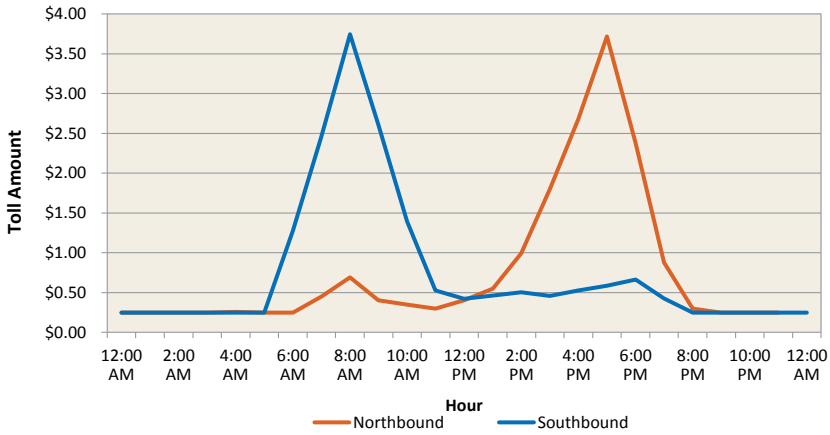
Source: Data obtained from SunGuide for the 5-day period beginning Monday, October 8, 2012.

Graph 6.7
95 Express
Express Lanes Travel Time Savings
Northbound and Southbound
FY 2013



Source: Data obtained from SunGuide for the 5-day period beginning Monday, October 8, 2012.

Graph 6.8
95 Express
Average Weekday Toll Amounts by Hour

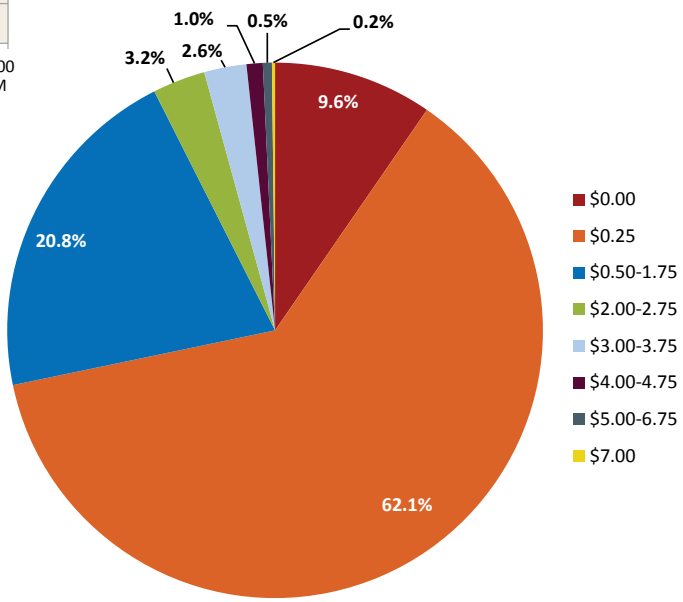


Source: Data obtained from SunGuide for the weekday period beginning Monday, October 8, 2012.

As previously stated, in FY 2013 there were 20.1 million transactions in the express lanes. Nearly 7.9 million, or 39.2 percent, of those transactions were charged the minimum toll, as shown in **Graph 6.10**. Approximately 81 thousand transactions, or 0.4 percent, were charged the max toll rate. The nearly 39.2 percent of transactions at the minimum toll represents 9.4 percent of the revenue in FY 2013, as shown in **Graph 6.11**. The 0.4 percent of transactions at the max toll rate represents 2.7 percent of the FY 2013 revenue. Therefore, nearly 90 percent of revenue occurs between the minimum and max toll rates.

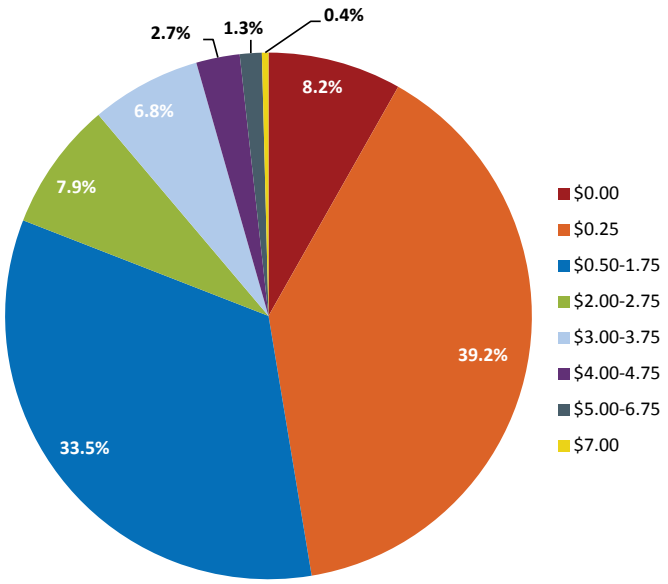
amount was in effect during FY 2013 is presented in **Graph 6.9**. Approximately 62 percent of the time the minimum toll of $0.25 was in effect. The max toll of $7.00 was in effect for just 0.2 percent of the time during FY 2013. For nearly 10 percent of the time a zero rate was in effect on the express lanes in FY 2013. This is due to routine event management, Express Lanes Phase 2 construction, weekly Express Lanes maintenance, and other construction project activities occurring in the area.

Graph 6.9
95 Express
Percent of Time Toll Amount in Effect
FY 2013



Source: Turnpike Enterprise Finance Office

Graph 6.10
95 Express
Transactions by Toll Amount
FY 2013

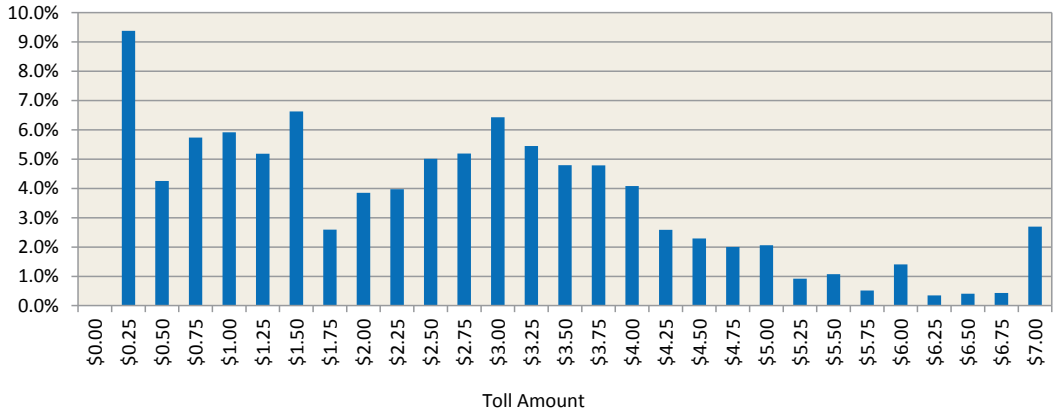


Source: Turnpike Enterprise Finance Office

Graph 6.12 shows the number of times during FY 2013 the toll rate was at the max rate. In the northbound lanes, the toll reached the max toll rate a total of 228 times during the peak travel times (3:00 p.m. to 6:00 p.m.). The month of March had the highest occurrence at 40 times. In the southbound lanes during FY 2013 the max toll rate was reached only 41 times during the peak travel times (7:00 a.m. to 9:00 a.m.). During the month of June the max toll occurred 13 times.

The FY 2013 monthly transaction variation is analyzed in **Table 6.4**. On average, approximately 55,000 drivers use the facility each day. Based on average daily transactions, 59,600 vehicles per day used the facility during the month of March, resulting in 8 percent more traffic than the average. July and September were the lowest months at 7 percent below the average.

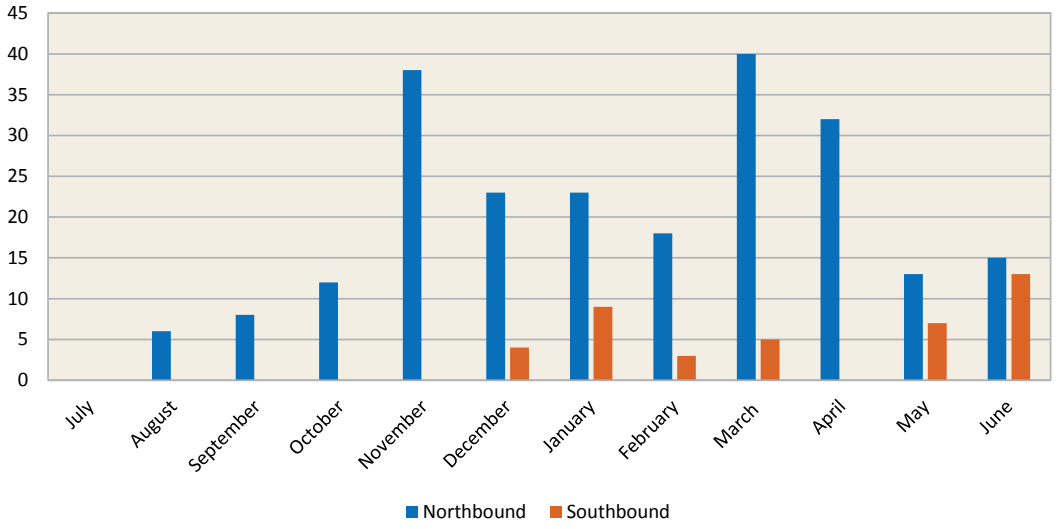
Graph 6.11
95 Express
Revenues by Toll Amount
FY 2013



Source: Turnpike Enterprise Finance Office

Transactions by customer type on 95 Express are shown in **Graph 6.13**. For FY 2013, SunPass accounted for approximately 90 percent of the transactions on the facility and essentially all of the revenue. Unpaid Toll Violation Notice (UTVN) transactions, exempt vehicles, and non-revenue vehicles account for the remaining 10 percent of the transactions. The UTVN process is explained in detail in Section 6.3 of this chapter.

Graph 6.12
95 Express
Number of times Max Toll
FY 2013



Source: Turnpike Enterprise Finance Office

Table 6.4
95 Express
Seasonal Transaction Variation
FY 2013

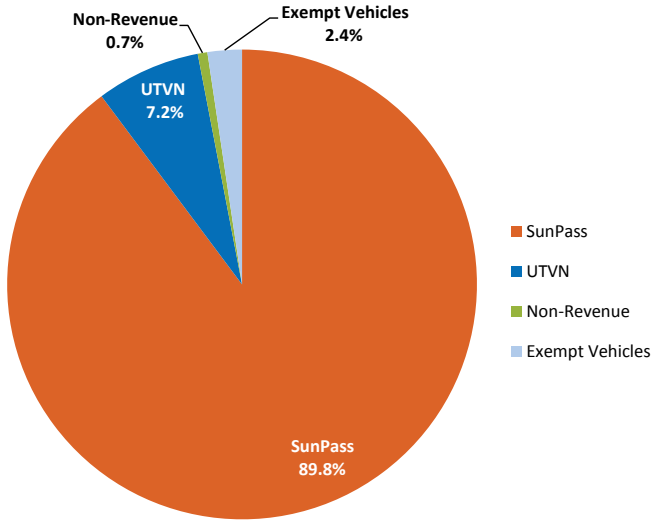
Month	Average Daily Transactions			Seasonal Factor
	Northbound Lanes	Southbound Lanes	Total	
July 2012	25,500	25,900	51,400	0.93
August	26,000	26,400	52,400	0.95
September	25,400	26,000	51,400	0.93
October	27,200	28,300	55,500	1.01
November	26,500	28,000	54,500	0.99
December	25,800	27,200	53,000	0.96
January 2013	27,400	28,700	56,100	1.02
February	28,400	29,800	58,200	1.06
March	28,800	30,800	59,600	1.08
April	28,500	29,700	58,200	1.06
May	27,800	28,500	56,300	1.02
June	26,300	27,300	53,600	0.97
AADT	**27,000**	**28,000**	**55,000**	**1.00**

6.3 SunPass

As previously mentioned, 95 Express is an all-electronic toll facility. Drivers of exempt vehicles are responsible for shielding their SunPass transponder to prevent the toll rate from being deducted from their account as they travel under the toll gantry.

In order to manage safety conditions on 95 Express, the Florida Department of Transportation (FDOT), has implemented a program that includes cameras, traffic detectors, incident response, and other measures to reduce the effects of crashes and breakdowns on traffic flow. Various situations on I-95 (Express Lanes or General Purpose Lanes) that affect traffic flow can result in no tolls being charged for a period of time.

Graph 6.13
95 Express
Transactions by Customer Type
FY 2013



Source: Turnpike Enterprise Finance Office

This includes incidents that result in blocked travel lanes on the facility or when traffic is diverted from the general purpose lanes into the express lanes.

The toll gantry structures include enforcement beacons to alert Florida Highway Patrol troopers when a vehicle has entered the express lanes without a transponder. License plate images are captured for all vehicles without a transponder and are then processed and filtered against the SFCS database of registered toll exempt users. All vehicles not registered as exempt are identified by their license plate and sent a UTVN which is an itemized bill of unpaid toll transactions. The total amount collected in FY 2013 as a result of the UTVN process was approximately $709 thousand. The itemized bill includes an administrative charge of $2.50 to recover the cost of administering this payment option. The customer is responsible for paying the bill via phone, mail or online at www.sunpass.com. Cameras also allow law enforcement vehicles to monitor illegal movement in and out of the express lanes.

6.4 FY 2013 Expenses

A comparison between actual and budgeted operating and routine maintenance expenses for FY 2013 is shown in **Table 6.5**. Actual toll operating expenses were approximately $344 thousand or 20.4 percent less than the FY 2013 budget. The decrease is primarily due to lower actual expenses incurred for toll equipment repairs and toll operating contracts. Routine maintenance expenses were approximately 19.7 percent lower than the FY 2013 budget. The decrease is primarily due to lower actual expenses incurred for thereplacement of delineators, which are used to separate the express lanes from the general purpose lanes.

Table 6.5
95 Express
Toll Operating and Routine Maintenance Expenses ($000)
FY 2013

Type of Expense	Budget	Actual	Over/ (Under)	Variance
Operating	$1,683	$1,339	($344)	(20.4%)
Routine Maintenance	1,468	1,179	($289)	(19.7%)
Total	**$3,151**	**$2,518**	**($633)**	**(20.1%)**

Source: FDOT Office of the Comptroller

6.5 Noteworthy Events

As previously mentioned, Phases 1A and 1B of the 95 Express project are fully open to traffic. Phase 2, which is under construction, is a 13-mile long project that includes extending the express lanes from the Golden Glades interchange in northern Miami-Dade County to Broward Boulevard in Fort Lauderdale. This phase is primarily funded by $88 million in federal economic stimulus money. Phase 2 construction is scheduled for completion in October 2014. In addition, there are three Project Development and Environmental (PD&E) studies, as well as a traffic and revenue study underway to evaluate the extension of the express lanes into Palm Beach County.

Starting in FY 2010, an escrow account was created to transfer excess 95 Express revenue. This account will be used for future facility costs (i.e. Transit, R&R). The escrow account balance as of June 30, 2013 is $36.5 million. From the escrow account, $22.5 million has been committed to the Palmetto Express Lanes project and $2.4 million has been committed to expand the Traffic Management Center (TMC) to prepare for future expansion of the Express Lanes Network.

Broward County Transit (BCT) and Miami-Dade Transit (MDT) both offer express bus service on 95 Express for passengers traveling to and from downtown Miami. The 95 Express bus service only operates on weekdays during the rush hour traffic commutes. The first morning route in the southbound direction begins at 5:30 a.m. for BCT and 5:45 a.m. for MDT. The final morning route is at 9:39 a.m. and 9:28 a.m. for BCT and MDT, respectively. The afternoon route leaving downtown Miami in the northbound direction begins at 3:07 p.m. for BCT and 3:35 p.m. for MDT. The final afternoon route for BCT is at 8:45 p.m. and 7:52 p.m. for MDT.

The services provided by Broward County Transit and Miami-Dade Transit have been a huge success with approximately 1,400 BCT riders and 3,600 MDT riders taking advantage of the routes on a daily basis during FY 2013. Broward County Transit currently has three 95 Express routes for commuters to ride into downtown Miami. In January, Broward County Transit replaced its Pembroke Pines-Hollywood-Miami route with two new 95 Express bus routes. The new Pembroke Pines bus travels to Miramar and then to downtown Miami. The second new route is from Hollywood to the Civic Center and downtown Miami. The Miramar to Miami route did not change. Miami-Dade Transit has four 95 Express routes; Broward Boulevard, Sheridan Street, and two routes from Golden Glades. The most popular route is Golden Glades, which serves nearly 2,400 riders a day. The route is operated by MDT, however, it is not included as part of the Miami Urban Partnership Agreement (UPA).

The 2007 Legislature amended Section 338.165, Florida Statutes, to require the Turnpike System and other FDOT-owned facilities to index toll rates on existing toll facilities to the annual consumer price index (CPI) or similar inflation indicators effective as of July 1, 2007. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years. The toll rates for 95 Express are set under a different rule than the other FDOT-owned facilities and are therefore excluded from the indexing requirement.

During Fall 2013 (FY 2014), FDOT conducted rule making to modify the minimum and maximum toll rates on 95 Express. According to the proposed rule the minimum toll rate will increase to $0.50. The existing 95 Express lanes maximum will be increased to $1.50 per mile. The maximum toll will further increase by $0.50 per mile every time the maximum is reached 45 days in a six month period. If adopted the new rates will go into effect on March 1, 2014.

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