

FORECAST SUMMARY

The Annual Report is prepared under contract No. C-9N10 between the Turnpike Enterprise Finance Office of the Florida Department of Transportation (the Department) and AECOM. It satisfies the respective Bond Resolutions that require the Traffic Engineer to provide a traffic and earnings report to the Department on an annual basis. The report includes a comprehensive traffic and revenue analysis on the five toll facilities owned by the Department and on the two toll facilities operated by the Department, for the period July 1, 2014 through June 30, 2015 (FY 2015).

The Department-owned toll facilities include Alligator Alley, Pinellas Bayway System, Sunshine Skyway Bridge, 95 Express and 595 Express. 595 Express is operated under a concession agreement. An analysis of traffic, revenue and expenses was completed for 95 Express and 595 Express through FY 2015. However, traffic, revenue and expense forecasts for these facilities are not included herein.

The facilities operated by the Department under Lease-Purchase Agreements and owned by the respective Authorities include the Garcon Point Bridge and Mid-Bay Bridge/Spence Parkway. An analysis of historic traffic, revenue and expenses was completed for the Garcon Point Bridge. A forecast for expenses was prepared and is included in Garcon Point Bridge section of this report; however, traffic and revenue forecasts for this facility are not included herein.

Prior estimates on the Department-owned facilities, excluding express lane facilities, have been very reliable because traffic patterns are typically known and a significant amount of historical traffic and revenue data are already available. Forecasts were developed for three of the five Department-owned

toll facilities with little uncertainty regarding land use and motorist travel patterns. The forecasts are based on actual traffic and revenue performance and modified to account for historical and future growth in population for the relevant metropolitan areas. These forecasts are further adjusted for future known events such as roadway improvement projects, advancements in toll collection technology, development impacts and other noteworthy events. The forecast also includes additional revenues generated from the indexing of tolls on the Alligator Alley, Pinellas Bayway and Sunshine Skyway.

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

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

9.1 OVERALL REVENUE RESULTS

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

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individual toll facility were considered and analyzed. The following is a summary of the major factors that impacted the traffic and revenue forecasts of each facility:

ALLIGATOR ALLEY

Current revenue projections for all years of the forecast period were increased due to the fact that actual revenue exceeded last year's projection. Furthermore, initial results from the July 1, 2015 indexing of SunPass® toll rates did not show any material impact on traffic. Traffic is estimated to grow at a higher percent during the first part of the forecast period. In the latter years, growth rates will gradually decline for the Alligator Alley traffic forecast through FY 2026.

PINELLAS BAYWAY SYSTEM

The current revenue projections for the ten year period beginning FY 2016 are higher than the forecast presented in the FY 2014 Annual Report due to the fact that FY 2015 actual revenue slightly exceeded last year's projection. The actual revenue impact from the construction activities related to the SR 682 bridge replacement project was less than expected and there was negligible traffic impact from the indexing of tolls in FY 2015. Transactions in FY 2016 and thereafter are not expected to be impacted by the annual indexing of SunPass® toll rates. Traffic is estimated to grow at a higher percent during the first part of the forecast period. In the latter years, growth rates will gradually decline for the Pinellas Bayway System traffic forecast through FY 2026. The traffic and revenue forecasts account for a 10 percent discount for SunPass® customers who do not participate in the Bayway Isle or General Public Pass programs. The 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.

SUNSHINE SKYWAY BRIDGE

Current revenue projections were increased for all years of the forecast period due in large part to FY 2015 actual revenues exceeding last year's projection. Additionally, there was negligible impact on traffic as a result of the July 1, 2014 (FY 2015) toll rate indexing. Transactions in FY 2016 and thereafter are not expected to be impacted by the annual indexing of SunPass® toll rates. Traffic is estimated to grow at a consistent rate through FY 2026. Additionally, a discount program is available to all SunPass® customers. Drivers of two-axle vehicles with a SunPass® transponder pay less than cash drivers. SunPass® customers with three or more axles receive a 10 percent retroactive discount when they reach a threshold of 40 transactions a month. Drivers who make toll payments on Pinellas Bayway System are credited for these payments toward the threshold. The SunPass® discount program is accounted for in the traffic and revenue forecasts.

MID-BAY BRIDGE/SPENCE PARKWAY

Traffic and revenue forecasts correspond to the Authority's fiscal year (October 1 through September 30). Both traffic and revenue projections were adjusted based on trends observed after the start of toll collection on the Spence Parkway on January 6, 2014. The forecasts also assume that during the forecast period through FY 2026, there will be a continuation of normal economic conditions, albeit with less intense growth than before the recent recession, the bridge will be expanded to meet capacity if required, and that the Spence Parkway to SR 85 will continue to show a steady increase in traffic.

9.2 FORECAST SUMMARIES

Estimated transactions for three of the five Department-owned facilities and the Mid-Bay Bridge/Spence Parkway for FY 2016 through FY 2026 are shown in **Table 9.1**. As previously mentioned,

traffic, revenue and expense forecasts for 95 Express and 595 Express are not included herein. Total traffic transactions for the Department-owned facilities are expected to increase from 39.2 million in FY 2016 to 44.9 million in FY 2026, growing by approximately 1.4 percent annually. For the Mid-Bay Bridge/Spence Parkway, transactions are forecast to increase from 9.3 million in FY 2016 to 12.4 million in FY 2026, an annual increase of 2.9 percent. As previously mentioned, traffic, revenue and expense forecasts for the Garcon Point Bridge are not included herein. Overall, total transactions on the four facilities are expected to increase from 48.5 million in FY 2016 to 57.3 million in FY 2026, an increase of approximately 1.7 percent annually.

The gross toll revenue forecast by toll facility for the same period is presented in **Table 9.2**. Total gross toll revenue for the Department-owned facilities is estimated to increase from \$58.9 million in FY 2016 to \$85.5 million in FY 2026, growing by approximately 3.8 percent annually. Total gross toll revenue for the Mid-Bay Bridge/Spence Parkway is estimated to increase from \$24.9 million in FY 2016 to \$31.5 million in FY 2026, an annual increase of 2.4 percent. Overall, total gross toll revenue for the four facilities is expected to increase from \$83.8 million in FY 2016 to \$117.0 million in FY 2026, an increase of approximately 3.4 percent annually.

Table 9.3 shows the projected operating and routine maintenance expenses by toll facility from FY 2016 through FY 2026. Expenses that are periodic in

Table 9.1
Transaction Forecast (000)
Department-owned and Department-operated Toll Facilities
FY 2016 through FY 2026

Fiscal Year	Department-owned Toll Facilities				Department-operated Toll Facilities	Total Traffic Transactions
	Alligator Alley	Pinellas Bayway System	Sunshine Skyway Bridge	Total Traffic Transactions	Mid-Bay Bridge/Spence Parkway ⁽¹⁾	
2016	8,768	9,730	20,682	39,180	9,328	48,508
2017	9,001	9,844	20,976	39,821	9,674	49,495
2018	9,245	9,865	21,269	40,379	10,044	50,423
2019	9,498	9,930	21,562	40,990	10,409	51,399
2020	9,735	10,002	21,867	41,604	10,734	52,338
2021	9,970	10,073	22,181	42,224	11,043	53,267
2022	10,206	10,145	22,501	42,852	11,342	54,194
2023	10,443	10,173	22,704	43,320	11,630	54,950
2024	10,593	10,248	23,005	43,846	11,910	55,756
2025	10,744	10,321	23,306	44,371	12,175	56,546
2026	10,886	10,397	23,620	44,903	12,427	57,330

Note: The forecasts include toll-paying and non-revenue traffic.
The 95 Express, 595 Express and Garcon Point Bridge revenue and expense forecasts are not included herein.
(1) Mid-Bay Bridge transaction forecast includes the impact of the October 1, 2015 (FY 2016) toll rate increase.

Table 9.2
Gross Toll Revenue Forecast (\$000)
Department-owned and Department-operated Toll Facilities
FY 2016 through FY 2026

Fiscal Year	Department-owned Toll Facilities				Department-operated Toll Facilities	Total Gross Toll Revenue
	Alligator Alley	Pinellas Bayway System	Sunshine Skyway Bridge	Total Gross Toll Revenue	Mid-Bay Bridge/Spence Parkway ⁽¹⁾	
2016	\$29,587	\$4,610	\$24,709	\$58,906	\$24,854	\$83,760
2017	30,539	4,691	25,329	60,559	25,624	86,183
2018	33,260	5,357	27,713	66,330	26,518	92,848
2019	34,462	5,397	28,422	68,281	27,385	95,666
2020	35,729	5,437	29,161	70,327	28,117	98,444
2021	37,050	5,483	29,926	72,459	28,792	101,251
2022	38,435	5,540	30,722	74,697	29,431	104,128
2023	40,777	5,795	32,569	79,141	30,024	109,165
2024	41,829	5,852	33,440	81,121	30,580	111,701
2025	42,929	5,911	34,382	83,222	31,088	114,310
2026	44,066	5,973	35,418	85,457	31,545	117,002

Note: The forecasts include the impact of the SunPass® discount program and future indexing of tolls.
The 95 Express, 595 Express and Garcon Point Bridge revenue and expense forecasts are not included herein.
(1) Mid-Bay Bridge revenue forecast includes the impact of the October 1, 2015 (FY 2016) toll rate increase.

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nature are not included in this forecast; however, a periodic maintenance expense forecast is included in the individual chapters. Total operating and routine maintenance expenses for the Department-owned facilities increase from approximately \$18.5 million in FY 2016 to \$21.5 million in FY 2026. Total operating and routine maintenance expenses for the Mid-Bay Bridge/Spence Parkway increase from \$2.9 million in FY 2016 to \$3.5 million in FY 2026. Overall, total operating and routine maintenance expenses for the four facilities increase from \$21.4 million in FY 2016 to \$25.0 million in FY 2026, or 1.6 percent annually.

Lastly, the net toll revenue forecast for each of the four toll facilities is presented in **Table 9.4**. Total net toll revenue for the Department-owned facilities in FY 2016 is \$40.4 million. Net toll revenues are estimated to increase to \$63.9 in FY 2026. The Mid-Bay Bridge/Spence Parkway shows estimated total net toll revenue of \$22.0 million in FY 2016 increasing to \$28.1 million in FY 2026. Overall, total net toll revenue for the four facilities is forecast to increase from \$62.4 million in FY 2016 to \$92.0 million in FY 2026, or 4.0 percent annually.

Table 9.3
Projected Operating and Maintenance Expenses (\$000)
Department-owned and Department-operated Toll Facilities
FY 2016 through FY 2026

Fiscal Year	Department-owned Toll Facilities				Department-operated Toll Facilities	Total O&M Expenses
	Alligator Alley	Pinellas Bayway System	Sunshine Skyway Bridge	Total O&M Expenses	Mid-Bay Bridge/Spence Parkway	
2016	\$8,583	\$2,562	\$7,337	\$18,482	\$2,889	\$21,371
2017	8,612	2,597	8,016	19,225	2,900	22,125
2018	8,691	2,646	7,423	18,760	2,972	21,732
2019	8,783	2,696	8,154	19,633	3,026	22,659
2020	8,877	2,746	7,650	19,273	3,086	22,359
2021	9,054	2,802	8,402	20,258	3,148	23,406
2022	9,235	2,857	7,909	20,001	3,211	23,212
2023	9,420	2,914	8,678	21,012	3,275	24,287
2024	9,608	2,973	8,177	20,758	3,340	24,098
2025	9,801	3,032	8,964	21,797	3,408	25,205
2026	9,996	3,093	8,455	21,544	3,475	25,019

Note: The 95 Express, 595 Express and Garcon Point Bridge revenue and expense forecasts are not included herein.

Table 9.4
Net Toll Revenue Forecast (\$000)
Department-owned and Department-operated Toll Facilities
FY 2016 through FY 2026

Fiscal Year	Department-owned Toll Facilities				Department-operated Toll Facilities	Total Net Toll Revenue
	Alligator Alley	Pinellas Bayway System	Sunshine Skyway Bridge	Total Net Toll Revenue	Mid-Bay Bridge/Spence Parkway	
2016	\$21,004	\$2,048	\$17,372	\$40,424	\$21,965	\$62,389
2017	21,927	2,094	17,313	41,334	22,724	64,058
2018	24,569	2,711	20,290	47,570	23,546	71,116
2019	25,679	2,701	20,268	48,648	24,359	73,007
2020	26,852	2,691	21,511	51,054	25,031	76,085
2021	27,996	2,681	21,524	52,201	25,644	77,845
2022	29,200	2,683	22,813	54,696	26,220	80,916
2023	31,357	2,881	23,891	58,129	26,749	84,878
2024	32,221	2,879	25,263	60,363	27,240	87,603
2025	33,128	2,879	25,418	61,425	27,680	89,105
2026	34,070	2,880	26,963	63,913	28,070	91,983

Note: The net toll revenue forecasts above consist of gross toll revenue less operating and routine maintenance expenses. The 95 Express, 595 Express and Garcon Point Bridge revenue and expense forecasts are not included herein.