

# DEPARTMENT-OPERATED FACILITIES



## GARCON POINT BRIDGE

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- \$4.3 million total toll revenue
- Nearly 1.3 million total transactions
- SunPass participation increased to 36.2 percent during the year.



## MID-BAY BRIDGE

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- \$15.5 million total toll revenue
- Nearly 6.5 million total transactions
- SunPass participation increased to 65.9 percent during the year.

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# GARCON POINT BRIDGE

## 7.1 BACKGROUND

The Garcon Point Bridge is a 3.5-mile bridge that spans Pensacola/East Bay between Garcon Point (south of Milton) and Redfish Point (between Gulf Breeze and Navarre) in southwest Santa Rosa County. The bridge and roadway segments that comprise this facility are designated as SR 281 and provide access to the Gulf Breeze peninsula from areas north and east of Pensacola Bay. On the south side of the bay, the road continues as a one-mile, two-lane highway that connects to US 98. On the north side of the bay, SR 281 connects to I-10 approximately 7.5 miles north of the toll plaza. Overall, the distance between US 98 and I-10 is 12 miles.

**Figure 7.1** shows a map of Garcon Point Bridge and the surrounding area. The toll plaza is located at the southern end of Garcon Point, and tolls are collected in both directions. Beyond the Gulf Breeze peninsula, south of Santa Rosa Sound, the Sykes Bridge (SR 399) and Navarre Bridge provide access to the resort communities on Santa Rosa Island.



The Santa Rosa Bay Bridge Authority, established in 1984, oversaw the financing and construction of the Garcon Point Bridge. Construction of this two-lane facility was financed by the Series 1996 Revenue Bonds. The two-lane bridge opened to traffic on May 14, 1999.

The Authority entered into a lease-purchase agreement with the Department, whereby the Department maintains and operates the bridge and remits all tolls collected to the Authority as lease payments. The term of the lease runs concurrently with the bonds, and matures in 2028. At that time the Department will own the bridge, assuming the bonds are fully paid. Should the bonds, or any additional issuance of bonds, be outstanding in 2028, the lease term will be extended through the payoff date of the outstanding bonds.

When the Garcon Point Bridge opened to traffic in May 1999, the toll for passenger cars and other two-axle vehicles was set at \$2.00. Based on the toll rate increase schedule discussed in **Section 7.5**, the toll rate was increased to \$2.50 for two-axle vehicles in FY 2002. On July 1, 2004 (FY 2005) the two-axle toll rate increased to \$3.00, reflecting the second scheduled toll rate increase. The third scheduled toll rate increase went into effect on July 1, 2007 (FY 2008), which increased the two-axle rate to \$3.50. On January 5, 2011 (FY 2011) the two-axle rate increased to \$3.75, reflecting the fourth scheduled toll rate increase. SunPass users of two-axle vehicles receive a 50 percent rebate after they reach a threshold of 30 toll transactions per month on the Garcon Point Bridge toll facility. Tolls for vehicles with three or more axles are calculated using the “N minus 1” method and increase at the rate of \$3.75 per axle above that of the two-axle toll.

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The bond year for the Garcon Point Bridge as reported herein runs from July 1 to June 30, corresponding to the Department's fiscal year and the Authority's bond year for debt service payments.

The Santa Rosa Bay Bridge Authority had its first debt service payment default on July 1, 2011 due to insufficient gross revenues. As a result, a majority of the board members resigned and a new board is being formed to begin restructuring the Authority's debt. The bond documents clearly advised investors that neither the State of Florida nor Santa Rosa County would have any responsibility for payment of the bond debt. The Department continues to operate and maintain the Garcon Point Bridge.

**Table 7.1** shows historical transactions and revenue growth on the Garcon Point Bridge. In FY 2001, annual transactions totaled over 1.3 million, resulting

million. In FY 2005, total transactions increased 1.2 percent from FY 2004, while revenue increased by approximately 28.3 percent. The modest increase in transactions can be attributed to the active hurricane season, as well as the elasticity associated with the July 2004 toll rate increase. The increase in toll revenue is due to the toll rate increase and increased truck traffic brought about by post-hurricane construction in the area. FY 2008 transactions and toll revenue decreased by 13.6 and 0.5 percent, respectively. The decrease in traffic and revenue in FY 2007 and FY 2008 can primarily be attributed to the economic slowdown and rising fuel prices. Additionally, FY 2008 transactions were negatively impacted by the July 2007 toll rate increase. Despite the impacts of the economic slowdown, FY 2008 revenue only decreased by 0.5 percent due to the additional revenue generated from the toll rate increase. FY 2009 transactions and toll revenue decreased by 8.6

percent and 8.3 percent, respectively. The decrease in traffic and revenue in FY 2009 can be attributed to the economic recession. Traffic decreased in FY 2010 due to the continuing recession, but also due to the Gulf Oil Spill which began in April 2010 and continued during the remainder of the fiscal year.

In FY 2011, total transactions decreased 1.3 percent from FY 2010, while toll revenue increased by 1.7 percent. The decrease in transactions can be attributed to the elasticity associated with the January 2011 toll rate increase, as well as the continuing uncertainty of the economic recovery. The slight increase in toll revenue is due to the toll rate increase, however the facility continues to be impacted by the slow economy. FY 2011 toll revenue includes a \$316 thousand reduction as a result of the SunPass discount program. The economic factors contributing to the decline in traffic

**Table 7.1  
Garcon Point Bridge  
Historical Transactions and Revenue Growth  
FY 2001 through FY 2011**

Fiscal Year	Transactions (000)				Toll Revenue <sup>(1)</sup> (\$000)		Average Toll
	Toll Paying	Non Revenue	Total	Percent Change	Amount	Percent Change	
2001	1,315	20	1,335	-	\$2,571	-	\$1.926
2002	1,197	19	1,216	(8.9)%	2,878	11.9%	2.367
2003	1,267	20	1,287	5.8	3,117	8.3	2.422
2004	1,477	18	1,495	16.2	3,588	15.1	2.400
2005	1,489	24	1,513	1.2	4,604	28.3	3.043
2006	1,660	29	1,689	11.6	4,997	8.5	2.959
2007	1,666	4	1,670	(1.1)	4,790	(4.1)	2.868
2008	1,439	4	1,443	(13.6)	4,767	(0.5)	3.304
2009	1,312	7	1,319	(8.6)	4,369	(8.3)	3.312
2010	1,264	4	1,268	(3.9)	4,203	(3.8)	3.315
2011	1,243	8	1,251	(1.3)	4,276	1.7	3.418

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 the facility opened.

in toll revenues of approximately \$2.6 million. With the toll rate increase in FY 2002, transactions decreased 8.9 percent from FY 2001 levels, while toll revenue increased 11.9 percent to approximately \$2.9

Figure 7.1

# Garcon Point Bridge



SOURCE:  
Florida Department  
of Transportation 2011;  
NAVTEQ 2010

Produced by:  
URS Corporation



**TWO-WAY TOLLS**  
\$3.75 2 - Axles, 50% Rebate for SunPass after 30 transactions  
\$3.75 Each Additional Axle

**LEGEND**

- Toll Plaza
- Garcon Point Bridge
- Other Toll Bridge
- Interstate Highway
- Principal Arterial
- Minor Arterial
- Other Route
- County Boundary

Map data: Esri, DeLorme, NAVTEQ, © 2011. All rights reserved. URS Corporation. Bridge map.

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and revenue are discussed in greater detail in the **Overview** chapter of this report.

Transactions and toll revenue during the last two months of FY 2010 and especially during the summer of 2010 (FY 2011) were affected by the BP oil spill, which began with the explosion of the Deepwater Horizon drilling platform on April 20, 2010. The oil slick moved eastward from the waters off of Louisiana to Mississippi and Alabama, and eventually began affecting the beaches at Pensacola and Santa Rosa Island in May. Before the oil spill, Garcon Point Bridge traffic and revenue were down 1.8 percent and 0.5 percent, respectively, in April compared to the prior year due to the sluggish economy following the recession. The totals further declined to 6.7 percent and 7.0 percent, respectively, in May, and to 6.3 percent and 5.6 percent in June. The decline in May and June is primarily due to the oil spill.

In July 2010 (FY 2011), traffic and revenue further declined to 12.0 percent and 12.5 percent, respectively, below the prior year. However, by September the facility had rebounded to just slightly below prior year levels. This strong rebound was the result of the capping of the well on July 15, the “static (top) kill” on August 5, and the permanent “bottom kill” (relief well) on September 19. By the spring of 2011, traffic began to rebound from the suppressed levels of 2010. While traffic was rebounding from the oil spill, toll revenues increased, particularly in May and June (above the 10 percent level), due to both the recovery from the oil spill and the toll rate increase in January 2011.

Historical operating and routine maintenance expenses from FY 2001 through FY 2011 are presented in **Table 7.2**. Operating expenses have decreased from \$986 thousand in FY 2001 to \$969 thousand in FY 2011. In FY 2011, total operating expenses increased by 1.4 percent or \$13 thousand from FY 2010. This increase in operating expenses is primarily due to an increase in credit toll plaza operating contracts.

**Table 7.2**  
**Garcon Point Bridge**  
**Historical Operating and Routine**  
**Maintenance Expenses (\$000)**  
**FY 2001 through FY 2011**

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total O&M Expenses
2001	\$986	\$4	\$990
2002	929	145	1,074
2003	835	45	880
2004	1,174	14	1,188
2005	994	99	1,093
2006	868	93	961
2007	1,020	118	1,138
2008	1,051	124	1,175
2009	997	98	1,095
2010	956	135	1,091
2011	969	160	1,129

Source: FDOT Office of the Comptroller.

Maintenance of the Garcon Point Bridge is performed under a private Asset Maintenance Contract, beginning in FY 2005, 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. The Asset Maintenance Contract expired in FY 2011 so all maintenance activity is provided in-house beginning in FY 2012. Toll facilities maintenance and bridge inspections are performed outside the scope of the Asset Maintenance Contract. FY 2011 routine maintenance expenses increased approximately \$25 thousand from the prior year due to an increase in general maintenance on the facility and bridge inspection costs.

**7.2 FY 2011 TRANSACTIONS AND TOLL REVENUES**

Monthly transactions and toll revenue on the Garcon Point Bridge during FY 2011 are presented in **Table 7.3**. The fourth quarter (i.e., April through June) generated the most transactions and revenue with 347 thousand and \$1.2 million, respectively.

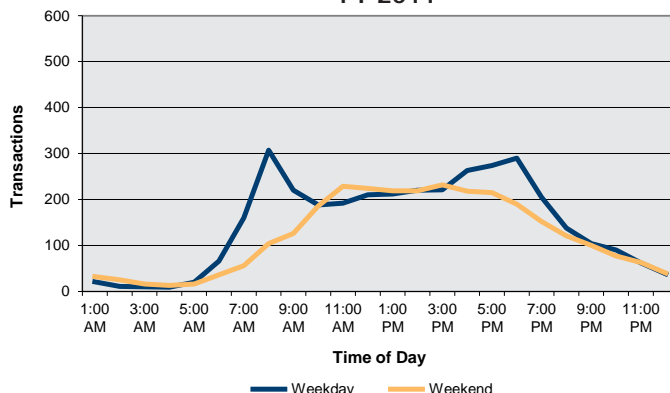
**Table 7.3**  
**Garcon Point Bridge**  
**Monthly Transactions and Toll Revenue**  
**FY 2011**

Month	Transactions (000)	Toll Revenue (\$000)
July 2010	125	\$421
August	107	352
September	102	338
1st Quarter Total	334	1,111
October	102	338
November	92	304
December	91	302
2nd Quarter Total	285	944
January 2011	84	295
February	83	294
March	118	386
3rd Quarter Total	285	975
April	109	384
May	115	414
June	123	448
4th Quarter Total	347	1,246
<b>Annual Total</b>	<b>1,251</b>	<b>\$4,276</b>

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

Graph 7.1 shows the number of hourly weekday and weekend transactions of a typical week during FY 2011 on the Garcon Point Bridge. As indicated, weekday demand for travel on the facility is highest during the morning and evening peak hours. The morning peak hour occurs from 7:00 a.m. to 8:00 a.m. and the afternoon peak occurs from 4:00 p.m. to 6:00 p.m. Additionally, midday traffic volumes of nearly 216 vehicles per hour show the relative influence of non-commuters (tourist/recreational travelers) on

**Graph 7.1**  
**Garcon Point Bridge**  
**Typical Hourly Transactions**  
**FY 2011**



Source: Data obtained from Turnpike Enterprise Finance Office for the 7-day period beginning Monday August 16, 2010.

the facility. The influence of tourists and recreational travelers is more pronounced on the weekends.

Table 7.4 shows the monthly seasonal transaction variation in FY 2011. On average, approximately 3,400 drivers use the bridge each day. Based on average daily transactions, the facility experienced 4,100 vehicles per day during the month of June, resulting

**Table 7.4**  
**Garcon Point Bridge**  
**Seasonal Transaction Variation**  
**FY 2011**

Month	Average Daily Transactions	Seasonal Factor
July 2010	4,000	1.18
August	3,400	1.00
September	3,400	1.00
October	3,300	0.97
November	3,000	0.88
December	2,900	0.85
January 2011	2,700	0.79
February	3,000	0.88
March	3,800	1.12
April	3,600	1.06
May	3,700	1.09
June	4,100	1.21
<b>AADT</b>	<b>3,400</b>	<b>1.00</b>

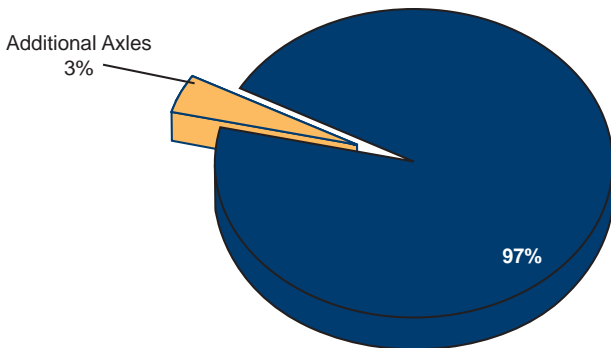
in 21 percent more traffic than the annual average. During the spring and summer months, transactions exceed the normal pattern observed on this facility due to tourists and seasonal residents. However, in FY 2011 the summer ratios were muted compared to the same months in FY 2010 due to the oil spill. January was the lowest month at 21 percent below the average.

Traffic and revenue contributions for trucks on the Garcon Point Bridge are shown in Graph 7.2. For FY 2011, trucks accounted for approximately 3 percent of traffic on the facility. Correspondingly, the revenue collected from truck traffic translated into 8 percent of the total revenue on the facility. The revenue percentage for trucks is influenced by the "N minus 1" toll structure. In terms of actual revenues, trucks

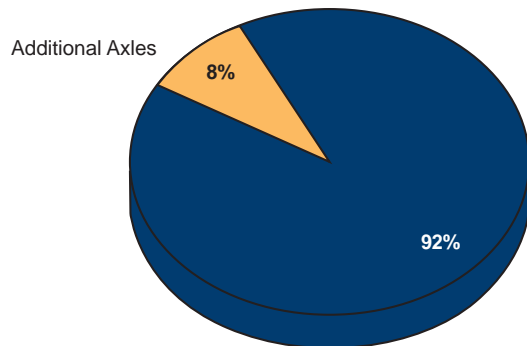
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provided approximately \$0.4 million of the total, while passenger vehicles comprised the remaining \$3.9 million.

**Graph 7.2  
Garcon Point Bridge  
Transactions by Axle Class  
FY 2011**



**Revenue Contribution by Axle Class  
FY 2011**



**7.3 SUNPASS**

SunPass was implemented on the Garcon Point Bridge concurrent with the opening of the facility on May 14, 1999. The toll plaza has five lanes, and tolls are collected in both directions with SunPass technology available in select lanes (see **Appendix A** for the lane configurations). A discount is provided to users of SunPass beyond the threshold of 30 transactions on the Garcon Point Bridge toll facility per month. As such, drivers of two-axle vehicles are given a 50

percent retroactive discount once they exceed the threshold.

**Table 7.5** shows the SunPass transactions on Garcon Point Bridge during FY 2011. SunPass usage totaled 453 thousand transactions in FY 2011, resulting in a SunPass participation rate of 36.2 percent, up slightly from 35.6 percent in FY 2010. On a daily basis, approx-

**Table 7.5  
Garcon Point Bridge  
Transactions by Payment Method  
FY 2011**

Month	Transactions (000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2010	37	88	125	29.6%
August	38	69	107	35.5
September	38	64	102	37.3
October	39	63	102	38.2
November	35	57	92	38.0
December	35	56	91	38.5
January 2011	36	48	84	42.9
February	35	48	83	42.2
March	40	78	118	33.9
April	40	69	109	36.7
May	40	75	115	34.8
June	40	83	123	32.5
<b>Total</b>	<b>453</b>	<b>798</b>	<b>1,251</b>	
<b>Percentage</b>	<b>36.2%</b>	<b>63.8%</b>	<b>100.0%</b>	

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

imately 1,241 vehicles out of 3,400 utilize SunPass. The monthly SunPass participation ranged from 29.6 percent to 42.9 percent during FY 2011, peaking during the winter months due to a lower percentage of tourists.

Revenue attributable to SunPass for FY 2011 totaled over \$1.4 million, as shown in **Table 7.6**. This amount represents 33.5 percent of all toll revenue. The SunPass revenue amount is net of the SunPass discount for the facility, which for FY 2011, amounted to approximately \$316 thousand. The monthly SunPass revenue contribution ranged from a low of 27.3 percent to a high of 40.7 percent during FY 2011. Non-SunPass payments accounted for 66.5 percent of total revenue.

**Table 7.6**  
**Garcon Point Bridge**  
**Gross Toll Revenue by Payment Method**  
**FY 2011**

Month	Gross Toll Revenue (\$000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2010	\$115	\$306	\$421	27.3%
August	114	238	352	32.4
September	115	223	338	34.0
October	117	221	338	34.6
November	109	195	304	35.9
December	110	192	302	36.4
January 2011	120	175	295	40.7
February	113	181	294	38.4
March	130	256	386	33.7
April	128	256	384	33.3
May	131	283	414	31.6
June	131	317	448	29.2
<b>Total</b>	<b>\$1,433</b>	<b>\$2,843</b>	<b>\$4,276</b>	
<b>Percentage</b>	<b>33.5%</b>	<b>66.5%</b>	<b>100.0%</b>	

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

## 7.4 FY 2011 EXPENSES AND LIABILITIES

A comparison between actual and budgeted operating and routine maintenance expenses for FY 2011 is shown in **Table 7.7**. Operating expenses were less than the FY 2011 budget by \$71 thousand (6.8 percent), primarily due to less actual expenses for toll equipment repair and maintenance. Rou-

**Table 7.7**  
**Garcon Point Bridge**  
**Operating and Routine Maintenance**  
**Expenses (\$000)**  
**FY 2011**

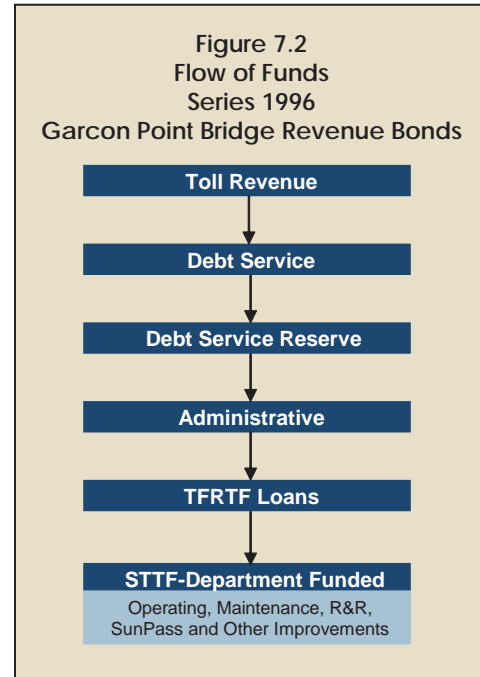
Type of Expense	Budget	Actual	Over/ (Under)	Variance
Operating	\$1,040	\$969	(\$71)	(6.8%)
Routine Maintenance	147	160	13	8.8
<b>Total</b>	<b>\$1,187</b>	<b>\$1,129</b>	<b>(\$58)</b>	<b>(4.9%)</b>

Source: FDOT Office of the Comptroller, Turnpike Enterprise Finance Office and the FY 2010 Enterprise Toll Operations Traffic Engineer's Annual Report.

tine maintenance expenses exceeded the budget by \$13 thousand (8.8 percent) due to higher actual expenses for routine maintenance on the facility. Overall in FY 2011, total operating and routine maintenance expenses were 4.9 percent less than the budgeted amount.

As shown in **Figure 7.2**, Garcon Point Bridge has liabilities payable to the Department for TFRTF loans and

an advance from the STTF. The first payable is an advance from the Department's Toll Facility Revolving Trust Fund (TFRTF). As of June 30, 2011, the TFRTF



balance was approximately \$7.9 million, to be paid back when sufficient funds become available (i.e., when the debt service reserve is fully funded).

The second payable is an advance for the costs of operating and maintaining the toll facility. The Department, in accordance with the Lease-Purchase Agreement between the Department and the Santa Rosa Bay Bridge Authority, pays operating and maintenance expenses on the bridge. As such, the Department considers these expenses as long-term receivables. This liability is to be paid subsequent to the payment of the TFRTF loans. An analysis of the long-term liability for FY 2011 is presented in **Table 7.8**. As indicated, the long-term liability balance as of June 30, 2011 was approximately \$16.8 million. The significant increase in periodic maintenance expenses can be attributed to \$500 thousand originally paid out of State funds for bridge repair that was transferred to the facility.

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**Table 7.8  
Garcon Point Bridge  
Long-Term Liability (\$000)  
FY 2011**

Transaction		Amount
Balance, July 1, 2010		\$15,128
Additions	Operating & Routine Maintenance	1,129
	Other <sup>(1)</sup>	503
Reductions <sup>(2)</sup>		-
Balance, June 30, 2011		\$16,760

(1) Other additions represent increases in the long-term liability due to other periodic maintenance expenses.  
 (2) As used here, reductions represent reimbursements made by the Authority to the Department.

**7.5 NOTEWORTHY EVENTS**

Based on actual toll revenues on the Garcon Point Bridge, it was determined that future toll revenue is not sufficient to meet minimum debt service coverage requirements. As such, the Santa Rosa Bay Bridge Authority adopted a toll rate increase program to increase tolls every three years beginning July 1, 2001 (FY 2002). Since FY 2002, there have been several \$0.50 toll rate increases from \$2.00 to the current toll rate of \$3.75.

Despite the adopted toll rate increase program, the Santa Rosa Bay Bridge Authority had its first payment default on July 1, 2011. As previously mentioned, the Department continues to operate and maintain the Garcon Point Bridge.

FDOT District 3 is widening SR 87 from two to four lanes in four stages from US 98 to US 90, north of I-10. The 4-mile segment from US 98 to north of Five Forks Road has been completed. A contract to widen the 3-mile segment between Five Forks Road and the Eglin Airforce Base boundary was executed in August 2010 with an estimated completion date of December 2012. The widening of the remaining nine miles is not programmed for construction within the current Work Program. Over the long term, this increased capacity on SR 87 will negatively impact traffic and revenue on the Garcon Point Bridge as customers are diverted to the newly-widened competing facility.

**7.6 REVENUE SUFFICIENCY**

Based on estimates provided by the Department's Office of Financial Development, as of June 30, 2011, bonds in the principal amount of \$116.8 million remain outstanding from the Series 1996 issue. Each year, an amount of principal and accrued interest on the outstanding bonds becomes due and payable. This amount is known as the annual debt service. As a test of the ability of a facility to repay the annual debt service, a "coverage" calculation is performed. In accordance with the Series 1996 Bond Resolution, gross revenues are required to provide 120 percent of the Annual Net Debt Service Requirement (or 1.2 coverage ratio).

As required by the bond resolution, annual "net" debt service is defined as annual debt service less interest earnings attributable to the debt service and debt service reserve funds and capitalized interest. Pursuant to the bond resolutions, approximately \$9.2 million in Santa Rosa Bay Bridge Authority, Series 1996 bond proceeds were deposited into a Debt Service Reserve Fund established to meet debt service payment in instances where toll revenues are deficient. During FY 2002 through FY 2011, approximately \$7.4 million of these funds were used to supplement gross toll revenues to satisfy debt service requirements. As a result, the debt service reserve fund was depleted and it was determined that the Santa Rosa Bay Bridge Authority would not have enough funds for the July 1, 2011 debt service payment. The Bank of New York Mellon sent a notice of default to the Authority on April 27, 2011. A new board is being formed to begin restructuring the debt. The Department continues to collect toll revenues from the bridge which are remitted to the Bank of New York Mellon.

# MID-BAY BRIDGE

## 8.1 BACKGROUND

The Mid-Bay Bridge is a 3.5-mile toll bridge that extends over Choctawhatchee Bay from SR 20 and Range Road east of Niceville to US 98 near the coastal resort community of Destin in southeast Okaloosa County. This two-lane bridge opened to traffic in June 1993 with one mainline toll plaza located on the north side of the bay. **Figure 8.1** shows a map of the bridge, and the 11-mile Mid-Bay Bridge Connector (to SR 85), under construction. The first section of the Connector to SR 20 opened to traffic in May 2011 as a four-lane, limited-access approach. The second section from SR 20 to Range Road opened to traffic in September 2011.

The bridge and roadway segments that comprise this facility are designated as SR 293. On the north side of the bay, with the completion of SR 293 to SR 20 and Range Road, the north approach is now four lanes. On the south side of the bay, it continues as a four lane approach (Danny Wuerffel Way) for one mile and intersects with US 98. Overall, SR 293 is currently 7.5 miles to Range Road and will be 15.5 miles when complete to SR 85. The Connector has



full interchanges at SR 20 and Range Road. In the future, the Connector will have full interchanges at SR 285, SR 85 and an at-grade intersection at Forrest Road.

The Mid-Bay Bridge Authority was established in 1986 to oversee the financing and construction of the Mid-Bay Bridge. The Authority entered into a Lease-Purchase Agreement with the Department whereby the Department maintains and operates the Bridge and remits all of the tolls collected to the Authority as lease payments. The term of the lease runs concurrently with the bonds. At the time that the bonds mature and are fully paid, the Department will own the Bridge. While the bonds presently mature in 2040, the lease term will be extended through the payoff date of the outstanding bonds should the bonds, or any additional issuance of bonds, be outstanding on October 1, 2040.

The Mid-Bay Bridge Authority operates on a fiscal year ending September 30. However, for consistency across all seven Department-owned and Department-operated facilities, all FY 2011 data for this facility is reported according to the Department's fiscal year ending June 30, 2011.

Tolls are collected in both directions on the Mid-Bay Bridge. The toll for two-axle vehicles was \$2.00 from 1993, when the bridge opened, until September 30, 2004. A book of 20 coupons, valid for one month, was offered for sale to commuters at a cost of \$20 (a 50 percent discount). With the conversion to SunPass, coupons were discontinued on May 31, 1999. The discount for two-axle vehicles continued under SunPass with a \$1.00 discount off the \$2.00 cash toll without any limitations on trip frequency. Effective October 1, 2004 (FY 2005), the two-axle toll rate increased to \$2.50 for cash customers and \$1.50 for

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SunPass customers. Then, on June 1, 2010 (FY 2010) tolls were increased to \$3.00 for cash customers and \$2.00 for Sunpass customers. Tolls for vehicles with three or more axles (regardless of whether or not they pay by cash or SunPass) are calculated using the “N minus 1” method and increase at the rate of \$3.00 per axle over the two-axle toll.

Historically, traffic and revenue on the Mid-Bay Bridge have increased over the years. The annual increase in traffic and revenue for the facility from FY 2001 through FY 2011 is presented in **Table 8.1**. In FY 2001, total transactions were approximately 4.4 mil-

This decrease in traffic and revenue in FY 2007 can be attributed to the residual impact of the severe hurricane seasons in 2004 and 2005, as well as the economic slowdown affecting the state of Florida. Behind this has been the reduced level of tourism in Okaloosa and Walton counties. Potential visitors were not making motel-hotel-condominium reservations, not only because of any renewed hurricane threat, but apparently due to post-hurricane concerns (from the 2004-2005 seasons) back in their respective communities. The decline in traffic and revenue in FY 2008 and FY 2009 can be attributed to the economic recession.

In FY 2011, transactions decreased by 4.0 percent, whereas revenue increased by 20.2 percent compared to FY 2010. FY 2011 transactions were negatively impacted by the June 2010 toll rate increase and the continuing uncertainty of the economic recovery, which is further discussed in the **Overview** chapter of this report. However, FY 2011 revenue significantly increased due to the additional revenue generated from the first full year of the toll rate increase.

Transactions and revenue during the late spring-early summer of 2010 (FY 2011) were affected by the BP oil spill, which began with the explosion of the Deepwater Horizon drilling platform on April 20, 2010. While the oil slick moved eastward from the waters off of

Louisiana to Mississippi and Alabama, and began affecting the beaches in Escambia and Santa Rosa Counties, it only minimally affected Okaloosa Island to the west of Destin. Accordingly, it appears that Mid-Bay Bridge traffic was affected more by media reports than by the actual oil spill.

Historical operating and routine maintenance expenses from FY 2001 through FY 2011 are presented in **Table 8.2**. Operating expenses have increased from approximately \$1.1 million in FY 2001 to nearly \$2.1 million in FY 2011. This increase represents an

**Table 8.1**  
**Mid-Bay Bridge**  
**Historical Transactions and Revenue Growth**  
**FY 2001 through FY 2011**

Fiscal Year	Transactions (000)				Toll Revenue (\$000)		Average Toll
	Toll Paying	Non Revenue	Total	Percent Change	Amount	Percent Change	
2001	4,432	12	4,444	-	\$6,770	-	\$1.523
2002	4,951	17	4,968	11.8%	7,483	10.5%	1.506
2003	5,691	19	5,710	14.9	8,764	17.1	1.535
2004	6,915	21	6,936	21.5	10,254	17.0	1.478
2005	7,361	256	7,617	9.8	13,528	31.9	1.776
2006	7,529	156	7,685	0.9	14,540	7.5	1.892
2007	7,452	3	7,455	(3.0)	14,200	(2.3)	1.905
2008	7,165	3	7,168	(3.8)	13,421	(5.5)	1.872
2009	6,789	50	6,839	(4.6)	12,586	(6.2)	1.840
2010	6,755	4	6,759	(1.2)	12,867	2.2	1.904
2011	6,476	13	6,489	(4.0)	15,472	20.2	2.384

Source: FDOT Office of the Comptroller and Turnpike Enterprise Finance Office.  
Notes: 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.

lion and toll revenues were approximately \$6.8 million. In FY 2001, toll revenues decreased from prior year due to bridge restrictions and closures between August and November 2000, following the discovery of damaged tendons within the bridge structure. In FY 2005, transactions and toll revenues increased by 9.8 percent and 31.9 percent, respectively, primarily due to the October 2004 toll rate increase and continued development in the area.

From FY 2006 to FY 2007, transactions decreased by 3.0 percent and revenues decreased by 2.3 percent.

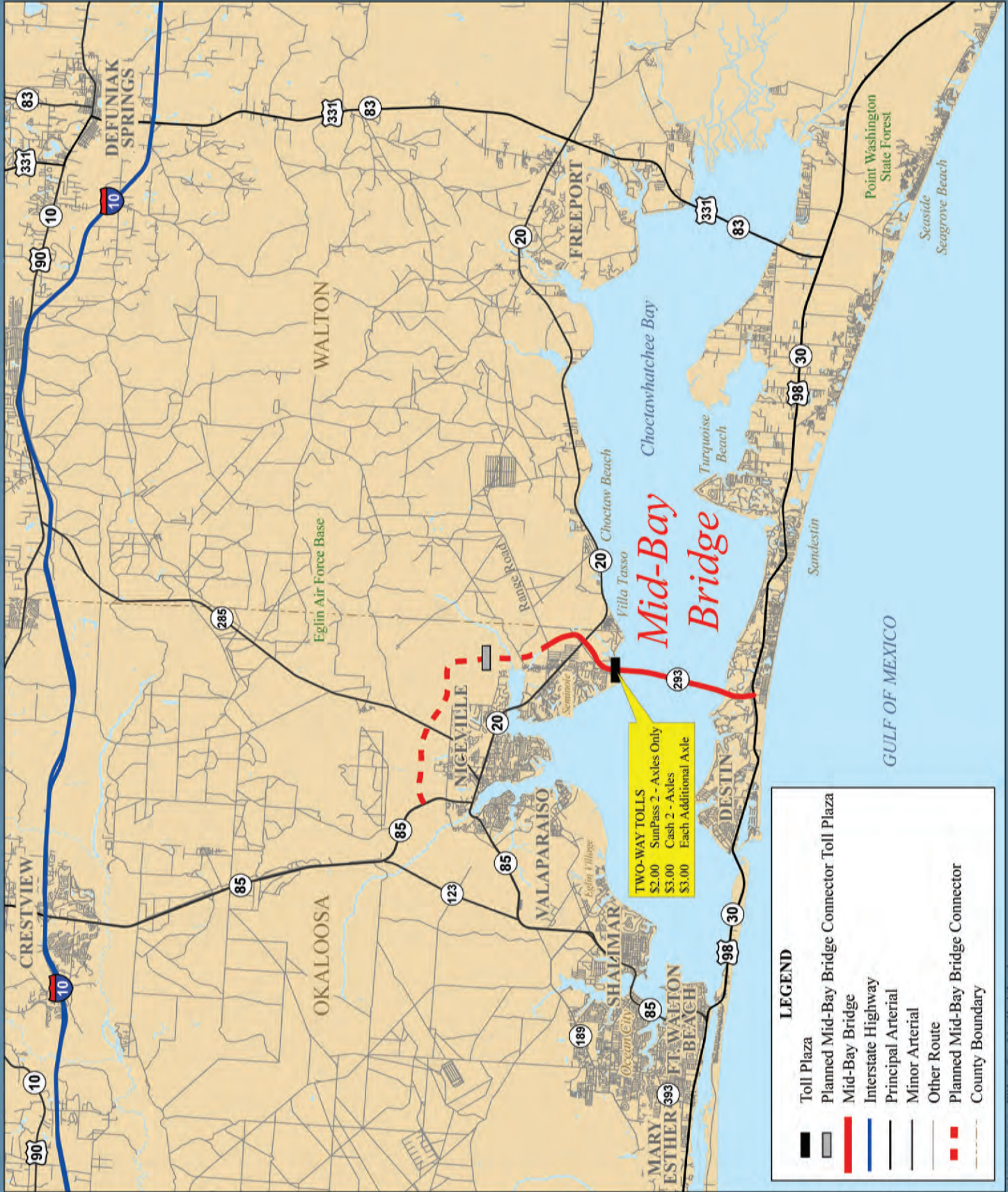
Figure 8.1

# Mid-Bay Bridge



SOURCE:  
Florida Department  
of Transportation 2011;  
NAVTEQ 2010

Produced by:  
URS Corporation



**TWO-WAY TOLLS**  
SunPass 2 - Axles Only \$2.00  
Cash 2 - Axles \$3.00  
Each Additional Axle \$3.00

**LEGEND**

- Toll Plaza
- Planned Mid-Bay Bridge Connector Toll Plaza
- Mid-Bay Bridge
- Interstate Highway
- Principal Arterial
- Minor Arterial
- Other Route
- Planned Mid-Bay Bridge Connector
- County Boundary

ENTERPRISE TOLL OPERATIONS

**Table 8.2**  
**Mid-Bay Bridge**  
**Historical Operating and Routine Maintenance**  
**Expenses (\$000)**  
**FY 2001 through FY 2011**

Fiscal Year	Operating Expense	Routine Maintenance Expense	Total O&M Expenses
2001	\$1,088	\$49	\$1,137
2002	1,290	62	1,352
2003	1,495	122	1,617
2004	1,852	131	1,983
2005	1,624	196	1,820
2006	1,643	194	1,837
2007	1,916	246	2,162
2008	2,058	213	2,271
2009	2,155	195	2,350
2010	1,971	167	2,138
2011	2,061	202	2,263

Source: FDOT Office of the Comptroller.

annual compounded growth rate of 6.6 percent. FY 2011 operating expenses increased by approximately 4.6 percent, or \$90 thousand, from FY 2010. The increase in FY 2011 operating expenses was primarily related to an increase in credit card fees, utilities and transponder purchases.

Maintenance of the Mid-Bay Bridge has been performed under a private Asset Maintenance Contract beginning in FY 2005. Maintenance activities include roadside mowing and upkeep, guardrail repair, shoulder repair and other routine maintenance items. FY 2011 routine maintenance expenses increased 21.0 percent, or \$35 thousand, from FY 2010 primarily due to an increase in facility maintenance expenses and work performed under the Asset Maintenance Contract. In addition to routine maintenance expenses, approximately \$137 thousand in periodic maintenance and capital improvement expenses were incurred during FY 2011 primarily for general repairs and computer system upgrades.

**8.2 FY 2011 TRANSACTIONS AND TOLL REVENUES**

Monthly transactions and toll revenue on the Mid-Bay Bridge during FY 2011 are presented in **Table 8.3**.

**Table 8.3**  
**Mid-Bay Bridge**  
**Monthly Transactions and Toll Revenue**  
**FY 2011**

Month	Transactions (000)	Toll Revenue (\$000)
July 2010	647	\$1,570
August	547	1,291
September	509	1,199
1st Quarter Total	1,703	4,060
October	526	1,241
November	478	1,115
December	510	1,181
2nd Quarter Total	1,514	3,537
January 2011	446	1,028
February	442	1,030
March	568	1,381
3rd Quarter Total	1,456	3,439
April	566	1,373
May	613	1,487
June	637	1,576
4th Quarter Total	1,816	4,436
<b>Annual Total</b>	<b>6,489</b>	<b>\$15,472</b>

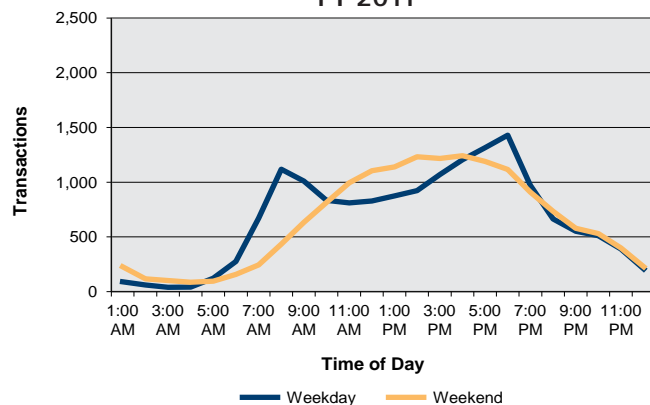
Source: FDOT Office of the Comptroller (Annual Toll Revenue) and Turnpike Enterprise Finance Office.

Note: Transactions represent toll-paying and non-revenue traffic at mainline plaza.

The fourth quarter (April through June) experienced the most transactions and highest revenue of any quarter.

**Graph 8.1** shows the number of hourly weekday and weekend transactions of a typical week during FY 2011. As expected, the demand for travel on the facility during weekdays is highest during the morning and evening peak hours. Approximately 1,100 vehicles use the facility during the morning peak hour from 7:00 a.m. to 8:00 a.m. and in the evening peak

**Graph 8.1**  
**Mid-Bay Bridge**  
**Typical Hourly Transactions**  
**FY 2011**



period approximately 1,400 vehicles use the facility from 5:00 p.m. to 6:00 p.m. On weekends, there is no clear morning or evening peak periods indicating that a large number of non-commuters, many associated with recreational travel, use the facility.

The monthly transaction variation in FY 2011 is analyzed in **Table 8.4**. The two-way annual average daily traffic (AADT) on the Mid-Bay Bridge for FY 2011 was 17,800, down from 18,500 in FY 2010. The peak season occurs in the late spring and early summer, continuing from March through July. June was the highest month at 19 percent above the average for the facility. January was the lowest month at 19 percent

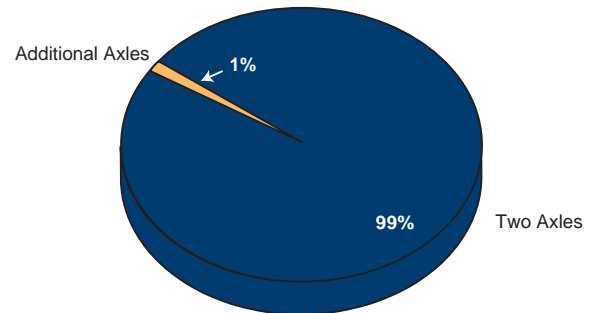
**Table 8.4**  
Mid-Bay Bridge  
Seasonal Transaction Variation  
FY 2011

Month	Average Daily Transactions	Seasonal Factor
July 2010	20,900	1.17
August	17,700	0.99
September	17,000	0.96
October	17,000	0.96
November	15,900	0.89
December	16,500	0.93
January 2011	14,400	0.81
February	15,800	0.89
March	18,300	1.03
April	18,900	1.06
May	19,800	1.11
June	21,200	1.19
<b>AADT</b>	<b>17,800</b>	<b>1.00</b>

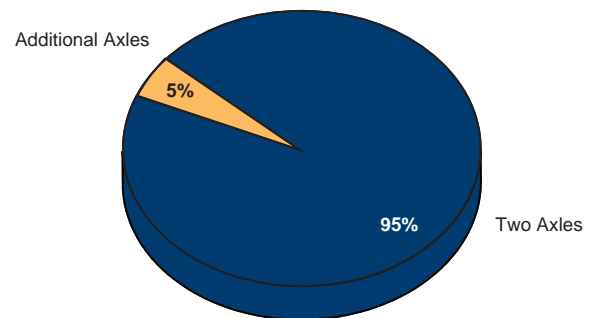
below the average. Typically, the lowest transaction levels occur from November through January, as it is the off-season for tourists and seasonal residents in northwest Florida.

The traffic and revenue contributions from trucks on the Mid-Bay Bridge are shown in **Graph 8.2**. For FY 2011, trucks accounted for approximately 1 percent of traffic on the facility. Correspondingly, the revenue collected from truck traffic amounted to 5 percent of the total. In terms of actual totals, vehicles with three or more axles provided approximately

**Graph 8.2**  
Mid-Bay Bridge  
Transactions by Axle Class  
FY 2011



**Revenue Contribution by Axle Class**  
FY 2011



\$0.7 million, while two-axle vehicles comprised the remaining \$14.7 million.

### 8.3 SUNPASS

The Mid-Bay Bridge toll plaza was originally constructed as a three-lane plaza accommodating two way traffic. In May 1999, capacity improvements were completed and the toll plaza was widened from three to six lanes. The conversion to SunPass occurred concurrently with the widening in May 1999. The Mid-Bay Bridge toll plaza was expanded again in May 2007 from six to eight lanes. (See **Appendix A** for the toll plaza configurations).

The percentages of SunPass transactions on Mid-Bay Bridge during FY 2011 are shown in **Table 8.5**. As indicated, SunPass transactions totaled nearly 4.3 million, resulting in a participation rate of 65.9 percent, up slightly from 65.8 percent in FY 2010. Correspondingly,

ENTERPRISE TOLL OPERATIONS

**Table 8.5**  
**Mid-Bay Bridge**  
**Transactions by Payment Method**  
**FY 2011**

Month	Transactions (000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2010	392	255	647	60.6%
August	364	183	547	66.5
September	341	168	509	67.0
October	355	171	526	67.5
November	335	143	478	70.1
December	363	147	510	71.2
January 2011	324	122	446	72.6
February	310	132	442	70.1
March	372	196	568	65.5
April	363	203	566	64.1
May	383	230	613	62.5
June	373	264	637	58.6
<b>Total</b>	<b>4,275</b>	<b>2,214</b>	<b>6,489</b>	
<b>Percentage</b>	<b>65.9%</b>	<b>34.1%</b>	<b>100.0%</b>	

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

non-SunPass transactions accounted for the remaining 34.1 percent. On a monthly basis, the highest SunPass participation occurred during the winter months (November through February) when commuters constitute a larger share of the total volume on the bridge.

The resulting SunPass revenue on the Mid-Bay Bridge is approximately \$8.9 million, or 57.7 percent, of all revenue collected on the facility. Non-SunPass payments totaled approximately \$6.5 million in FY 2011. Table 8.6 shows revenue contributions from SunPass

**Table 8.6**  
**Mid-Bay Bridge**  
**Gross Toll Revenue by Payment Method**  
**FY 2011**

Month	Gross Toll Revenue (\$000)			Percent SunPass
	SunPass	Non-SunPass	Total	
July 2010	\$816	\$754	\$1,570	52.0%
August	756	535	1,291	58.6
September	711	488	1,199	59.3
October	737	504	1,241	59.4
November	693	422	1,115	62.2
December	750	431	1,181	63.5
January 2011	668	360	1,028	65.0
February	641	389	1,030	62.2
March	795	586	1,381	57.6
April	767	606	1,373	55.9
May	800	687	1,487	53.8
June	786	790	1,576	49.9
<b>Total</b>	<b>\$8,920</b>	<b>\$6,552</b>	<b>\$15,472</b>	
<b>Percentage</b>	<b>57.7%</b>	<b>42.3%</b>	<b>100.0%</b>	

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

and non-SunPass on the Mid-Bay Bridge by month. Note that while SunPass contributed approximately 57.7 percent of the total toll revenue in FY 2011, as previously mentioned, SunPass comprised approximately 65.9 percent of traffic on the facility. This is due to the lower toll paid by two-axle SunPass customers.

## 8.4 FY 2011 EXPENSES AND LIABILITIES

A comparison between actual and budgeted operating and routine maintenance expenses for FY 2011 is presented in Table 8.7. Actual FY 2011 operating expenses were less than the budget by \$173 thousand, or 7.7 percent. This decrease in actual operating expenses is primarily due to fewer expenses than originally budgeted for toll equipment maintenance and repair costs. Actual routine maintenance expenses of \$202 thousand were more than the FY 2011 budget by approximately \$23 thousand, or 12.8 percent, primarily due to an increase in routine maintenance needed on the facility compared to what was originally budgeted. Overall, operating and routine maintenance expenses for FY 2011 were 6.2 percent less than budgeted amounts.

**Table 8.7**  
**Mid-Bay Bridge**  
**Operating and Routine Maintenance Expenses (\$000)**  
**FY 2011**

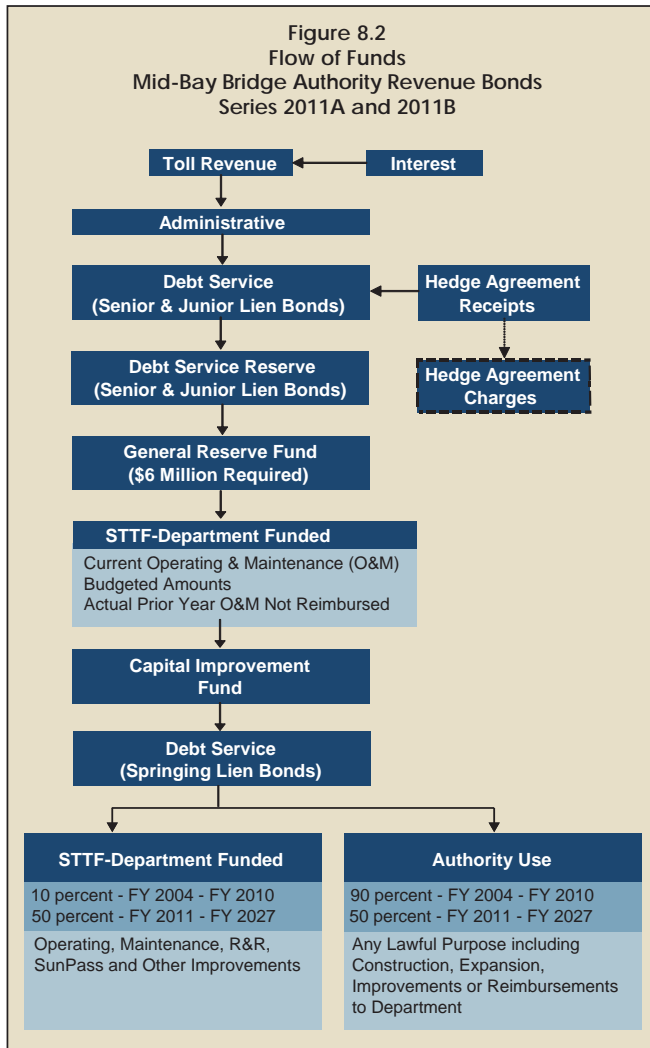
Type of Expense	Budget	Actual	Over/ (Under)	Variance
Operating	\$2,234	\$2,061	(\$173)	(7.7%)
Routine Maintenance	179	202	23	12.8
<b>Total</b>	<b>\$2,413</b>	<b>\$2,263</b>	<b>(\$150)</b>	<b>(6.2%)</b>

Source: FDOT Office of the Comptroller, Turnpike Enterprise Finance Office and the FY 2010 Enterprise Toll Operations Traffic Engineer's Annual Report.

As reflected in Figure 8.2, the Mid-Bay Bridge has a liability that is payable to the Department subsequent to the payment of annual debt service. This liability consists of funds advanced to the Authority to fund the costs of operations, maintenance and improvements. As provided in the Bond Covenants, the amount of repayment is based on the condition

that if the moneys on deposit in the General Reserve (GR) Fund are in excess of \$6.0 million, and if all the obligations of the counterparty under the Hedge Agreements have been satisfied, the excess shall be transferred to reimburse the Department for the current budgeted cost of operation and maintenance

fully repaid. The remaining 50 percent of the funds deposited in the Capital Improvements Fund is to be used by the Authority for any lawful purpose at such time as the Authority shall determine. The Department agreed to accept 10 percent of the amount in the Capital Improvement Fund and to defer the remaining amount due to the Department from FY 2004 through FY 2010. The moneys deferred helped finance a portion of the costs of design and construction of the north approach capacity improvements and toll plaza expansion. Beginning in FY 2011, the Department was supposed to begin receiving 50 percent of amounts deposited in the Capital Improvement Fund to reduce amounts owed to the Department. However, the Department has agreed to receive these payments only after the payment of the Springing Lien Bonds as established in the 2011A and 2011B Official Statement.



and any actual prior year operations and maintenance costs not reimbursed.

Moneys in excess of the current operating and maintenance liability to the Department are then deposited in the Capital Improvement Fund and shall be applied as follows: 50 percent of the annual amount deposited shall be transferred to the Department until all outstanding amounts due to the Department are

An analysis of the FY 2011 STTF long-term liability is presented in **Table 8.8**. FY 2011 additions to the liability totaled approximately \$2.4 million, comprised of \$2.3 million in operating and maintenance expenses and \$0.1 million in periodic maintenance and capital improvements. According to the flow of funds, the Mid-Bay Bridge Authority is required to wire 1/12 of the operating and maintenance budget to the Department each month. During FY 2011, \$2.5 million was reimbursed to the Department for budgeted operating and maintenance expenses.

The Mid-Bay Bridge Authority has a second liability consisting of various advances from a \$1.5 million loan (plus investment interest) from the Department’s Toll Facilities Revolving Trust Fund (TFRTF) for a corridor study, traffic and revenue study and project design work. As shown in **Table 8.9**, the TFRTF liability balance as of June 30, 2011 was approximately \$1.0 million. As reflected in **Table 8.10**, the TFRTF liability is to be paid back from excess toll revenues available in the Capital Improvement Fund in installments from FY 2012 through FY 2016.

ENTERPRISE TOLL OPERATIONS

**Table 8.8  
Mid-Bay Bridge  
STTF Long-Term Liability (\$000)  
FY 2011**

Transaction	Amount
Balance, July 1, 2010	\$16,182
Additions <sup>(1)</sup>	2,400
Reductions <sup>(2)</sup>	2,459
Balance, June 30, 2011	\$16,123

Source: FDOT Office of the Comptroller.

- (1) Additions represent increases in the long-term liability due to O&M expenses and improvements.
- (2) As used here, reductions represent reimbursements made by the Authority to the Department from general reserve funds.

**Table 8.10  
Mid-Bay Bridge  
Payment Schedule  
TFRTF Liability (\$000)**

Fiscal Year	Payment
2012	\$252
2013	252
2014	252
2015	158
2016	83
Balance	\$997

Source: FDOT Office of Financial Development.

### 8.5 NOTEWORTHY EVENTS

The Authority continues to follow-through on its Capital Improvement Program that includes new and expanded approach roads and eventually a second, parallel span to the existing two-lane bridge over Choctawhatchee Bay. Specifically, the Mid-Bay Bridge Connector extends from the Mid-Bay Bridge toll plaza (expanded to eight lanes in May 2007) to SR 85; and the widening of SR 20 from White Point Road (which has served as the bridge’s north approach since its opening in 1993) to the Connector (the new north approach).

**Table 8.9  
Mid-Bay Bridge  
TFRTF Liability (\$000)  
FY 2011**

Transaction	Amount
Balance, July 1, 2010	\$1,249
Additions	
New loans	-
Interest	-
Reductions	252
Balance, June 30, 2011	\$997

Source: FDOT Office of Financial Development.

The Mid-Bay Bridge Capital Improvement Program is being developed as a cooperative effort among the Mid-Bay Bridge Authority, the US Air Force, the Florida Department of Transportation, and the local

County and City governments and communities. Many of the improvements are located on Eglin Air Force Base, owned by the US Government. Following are the Connector components of the program, under construction and looking forward, with anticipated time lines:

**Mid-Bay Bridge Connector – 3 Phases**

**Phase 1:** Mid-Bay Bridge to Range Road. This section was completed and opened to SR 20 in May 2011 and to Range Road in September 2011.

**Phase 2:** Range Road to State Road 285. Scheduled completion by January 2014.

**Phase 3:** State Road 285 to State Road 85. Scheduled completion by January 2014.

Tolls will be collected on the Mid-Bay Bridge Connector at one-half of the rate for Mid-Bay Bridge through All-Electronic Tolling (AET). The single toll plaza will be located north of Range Road on the Connector.

The Authority has combined Phases 2 and 3 of the Connector (Range Road to SR 85) to run concurrently, with completion to SR 85 scheduled for FY 2014. The Series 2011 bonds were issued in early 2011 to fund the Capital Improvement Program.

The second component of the Capital Improvement Program is the widening of SR 20 from White Point Road to the Connector. The widening to four lanes was completed in May 2011. The Authority and the

Department entered into an agreement in December 2006 that was amended in April 2008 and again in September 2009. This agreement allows for offsetting the Authority's Long Term Debt for costs incurred in construction of SR 20 up to an amount which shall not exceed the total amount owed. Upon completion of the project, and acceptance by the Department, the Authority shall prepare and submit a statement certifying the amount of expenditures for eligible costs of the project, plus supporting documentation required by the Department. Provided that the Authority abides by the terms of the agreement, the Department shall offset the debt on a dollar for dollar basis.

Finally, the third component is the expansion of the Mid-Bay Bridge. With the slowdown in bridge traffic growth during the past three years and an anticipated modest recovery, the need for the bridge expansion is not projected to be needed until the mid 2020's.

## 8.6 TRAFFIC, REVENUE AND EXPENSE FORECASTS

In forecasting traffic and revenue for the bridge, prior traffic and revenue performance was used as a guide to estimate the total traffic and revenue for FY 2012 through FY 2022. The forecasts presented in **Table 8.11** and **Table 8.12** show traffic and gross toll revenues, respectively, as forecast in the Authority's Series 2011 Official Statement.

Current revenue forecasts for FY 2012 through FY 2022 were increased from the prior year. The forecast accounts for the toll rate increase on Mid-Bay Bridge on June 1, 2010 (FY 2010), the opening and collection of tolls for the Mid-Bay Bridge Connector in January 2014 (FY 2014), as well as a planned increase in tolls on both the bridge and Connector in FY 2016 (subject to change as financial conditions warrant). The forecast tables include the additional traffic and revenue anticipated for the Connector, as well as

the impact that the Connector will have on Bridge traffic and revenue. The positive revenue variances in FY 2016-2017 reflect the Authority's programming for the next toll increase in FY 2016 instead of FY 2018 in support of its finance plan in the 2011 Official Statement. The modest traffic increases on the bridge reflect a gradual return to normal economic conditions as described in the **Overview** chapter of this report. However, Florida's economic recovery

**Table 8.11**  
**Mid-Bay Bridge**  
**Traffic Forecast**  
**FY 2012 through FY 2022**

Fiscal Year	Mid-Bay without Connector (000)	Connector Impact to Bridge (000)	Connector (000)	Toll Rate Increase Impact (000)	Total Traffic (000)
2012	6,639	N/A	N/A	N/A	6,639
2013	6,826	N/A	N/A	N/A	6,826
2014 <sup>(1)</sup>	7,059	1,018	1,678	N/A	9,755
2015	7,340	1,059	2,526	N/A	10,925
2016 <sup>(2)</sup>	7,482	1,008	2,841	(707)	10,624
2017	7,721	1,040	2,932	(729)	10,964
2018	7,975	1,074	3,029	(753)	11,325
2019	8,216	1,104	3,126	(769)	11,677
2020	8,408	1,131	3,224	(787)	11,976
2021	8,580	1,156	3,322	(807)	12,251
2022	8,768	1,181	3,395	(824)	12,520

Note: Traffic and revenue forecasts correspond to the Authority's fiscal year. However, for purposes of this report, these forecasts are shown in terms of the Department's fiscal year.  
(1) Opening of the Mid-Bay Bridge Connector, January 2014.  
(2) Planned toll increase, subject to change as financial conditions warrant.

over the next 10 years will not achieve growth rates as high as those seen in the years leading up to the recession.

Accordingly, revenues for the Bridge and Connector are projected to increase from \$15.7 million in FY 2012 to \$36.1 million in FY 2022. Traffic profiles are provided in **Appendix B** showing the two-way AADT on the Mid-Bay Bridge for FY 2011 through FY 2022.

ENTERPRISE TOLL OPERATIONS

**Table 8.12**  
**Mid-Bay Bridge**  
**Gross Toll Revenue Forecast**  
**FY 2012 through FY 2022**

Fiscal Year	Mid-Bay Bridge without Connector (\$000)	Connector Impact to Bridge (\$000)	Connector (\$000)	Toll Rate Increase Impact (\$000)	Toll Revenue Comparisons (\$000)			
					FY 2011 Gross Revenue	2010 Annual Report Forecast	Variance	
							Amount	Percent
2012	\$15,695	N/A	N/A	N/A	\$15,695	\$15,695	\$0	0.0%
2013	16,089	N/A	N/A	N/A	16,089	16,089	0	0.0
2014 <sup>(1)</sup>	16,589	\$2,392	\$1,717	N/A	20,698	20,698	0	0.0
2015	17,198	2,480	2,577	N/A	22,255	22,255	0	0.0
2016 <sup>(2)</sup>	20,245	3,441	2,924	\$4,612	31,222	23,242	7,980	34.3
2017	20,846	3,544	3,011	4,749	32,150	23,906	8,244	34.5
2018	21,467	3,649	3,101	4,890	33,107	33,107	0	0.0
2019	22,020	3,740	3,187	5,077	34,024	34,024	0	0.0
2020	22,459	3,818	3,275	5,217	34,769	34,769	0	0.0
2021	22,835	3,892	3,364	5,345	35,436	35,436	0	0.0
2022	23,237	3,960	3,423	5,439	36,059	N/A	N/A	N/A

Note: Traffic and revenue forecasts correspond to the Authority's fiscal year. However, for purposes of this report, these forecasts are shown in terms of the Department's fiscal year.

- (1) Opening of the Mid-Bay Bridge Connector, January 2014.
- (2) Planned toll increase, subject to change as financial conditions warrant.
- N/A The FY 2010 Traffic Engineer's Annual Report forecast went through FY 2021.

The projected operating and maintenance expenses for FY 2012 through FY 2022 are shown in **Table 8.13**. The operating expenses in FY 2012 represent the budget amount for that fiscal year (see **Appendix C** for a detailed description of the FY 2012 operating

**Table 8.13**  
**Mid-Bay Bridge**  
**Projected Operating and Maintenance**  
**Expenses (\$000)**  
**FY 2012 through FY 2022**

Fiscal Year	Operating Expense	Maintenance Expenses		Total O&M Expenses
		Routine	Periodic <sup>(1)</sup>	
2012	\$2,205	\$218	\$140	\$2,563
2013	2,282	221	548	3,051
2014	2,362	224	603	3,189
2015	2,445	227	429	3,101
2016	2,530	230	199	2,959
2017	2,619	215	206	3,040
2018	2,711	223	213	3,147
2019	2,805	230	221	3,256
2020	2,904	238	228	3,370
2021	3,005	247	236	3,488
2022	3,110	255	245	3,610

Note: Operating expenses are based on the budget developed by Turnpike Enterprise Finance Office for FY 2012.

- (1) Periodic maintenance expenses were provided by the FDOT Office of Financial Development based on estimated expenditures from the 5-Year Work Program and are reported on a cash basis. Periodic maintenance expenses beyond FY 2016 include a minimal level of preservation (excluding extraordinary expenses such as major bridge repairs) that are based on FY 2016 expenses increased at 3.5 percent annually.

expense budget). Estimated FY 2012 operating expenses are approximately \$144 thousand higher than actual FY 2011 levels due, in part, to an expected increase in toll equipment repair/maintenance and toll operating contracts. Subsequent to FY 2012, operating expenses are projected to grow at 3.5 percent annually to allow for inflation.

Routine Maintenance expenses are based on the Asset Maintenance Contract through FY 2017. Subsequent years have been increased at 3.5 percent annually through FY 2022. In

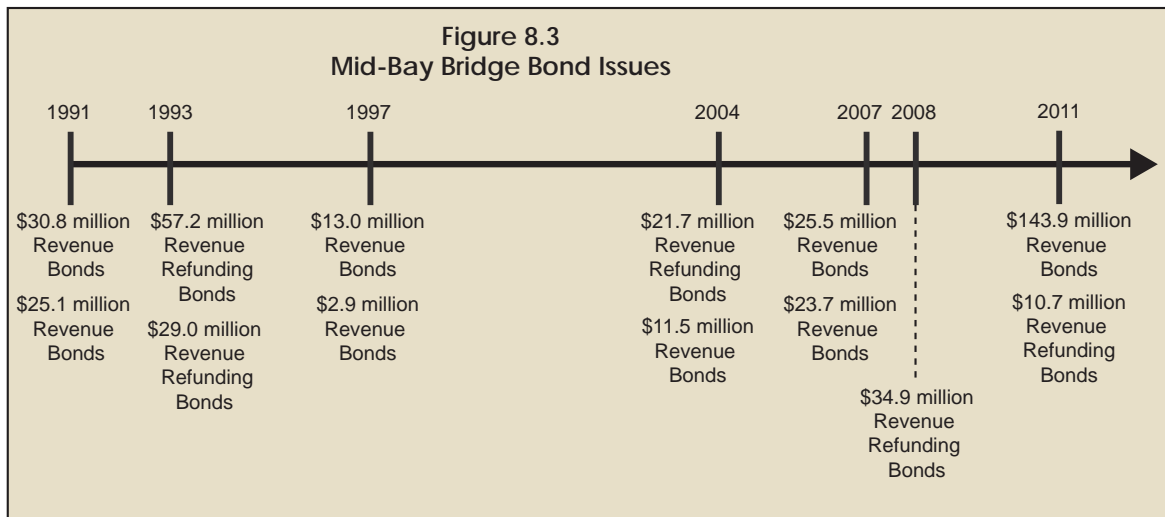
addition, estimated costs for work not performed under the Asset Maintenance Contract are based on FY 2011 actual results increased for inflation at 3.5 percent annually. Periodic maintenance expenses are provided by the Department's Office of Financial Development and are based on the 5-year Work Program and include toll plaza improvements and toll system upgrades.

## 8.7 REVENUE SUFFICIENCY

As of September 30, 2011, bonds in the principal amount of \$262.7 million (unaudited) remain outstanding from the Series 1993A, 1993D, 1997A, 2007A, 2007B, 2008A, 2011A and 2011B issues. Each year, an amount of principal and accrued interest on the outstanding bonds becomes due and payable. This amount is known as the annual debt service. As a test of the ability of a facility to repay the annual debt service, a "coverage" calculation is performed. In accordance with the Bond Resolution, gross revenues are first required to provide 100 percent of the administrative expenses. The amount of

revenues remaining (net revenues) is then available for the payment of debt service. The net revenues and the amounts on deposit in the General Reserve Fund are required to be at least sufficient to pay 175 percent of the Annual Debt Service Requirement. A timeline of Mid-Bay Bridge bond sales for the facility is shown in **Figure 8.3**.

held constant thereafter. Administrative expenses are based on actual FY 2011 expenses (unaudited), inflated annually at 3.5 percent. As shown in the table, the Mid-Bay Bridge exceeds the 1.75 minimum debt service coverage requirement.



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

**Table 8.14** provides a forecast of the sufficiency of the Mid-Bay Bridge to meet its annual debt service requirements through FY 2022. Interest earnings are based on actual FY 2011 amounts (unaudited) and

**Table 8.14**  
**Mid-Bay Bridge**  
**Analysis of Debt Service Coverage (\$000)**  
**FY 2011 through FY 2022**

Fiscal Year	Gross Toll Revenue	Interest Earnings	Administrative Expenses	Total Gross Revenue	General Reserve Fund	Total Available Revenue	Debt Service	
							Payment <sup>(1)</sup>	Coverage Ratio
2011	\$15,472	\$941	\$707	\$15,706	\$6,000	\$21,706	\$8,929	2.4
2012	15,695	941	732	15,904	6,000	21,904	9,589	2.3
2013	16,089	941	757	16,273	6,000	22,273	9,661	2.3
2014	20,698	941	784	20,855	6,000	26,855	13,352	2.0
2015	22,255	941	811	22,385	6,000	28,385	14,313	2.0
2016	31,222	941	840	31,323	6,000	37,323	20,964	1.8
2017	32,150	941	869	32,222	6,000	38,222	19,253	2.0
2018	33,107	941	900	33,148	6,000	39,148	20,731	1.9
2019	34,024	941	931	34,034	6,000	40,034	20,518	2.0
2020	34,769	941	964	34,746	6,000	40,746	20,621	2.0
2021	35,436	941	997	35,380	6,000	41,380	22,376	1.9
2022	36,059	941	1,032	35,968	6,000	41,968	23,700	1.8

Note: Interest Earnings and Administrative Expenses for FY 2011 are preliminary totals and are subject to change.  
 (1) Taken from the Official Statement for the Series 2011A and 2011B Bonds.

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