Government Efficiency Task Force
401 Senate Office Building
October 5, 2011
6:15 p.m. – 8:15 p.m.

1) Call to Order

2) Roll Call

3) Approval of Minutes

4) Presentation on Florida’s Turnpike Enterprise
   Secretary Ananth Prasad, Florida Department of Transportation

5) Presentation on the Orlando-Orange County Expressway Authority
   Mike Snyder, Executive Director, Orlando-Orange County Expressway Authority

6) Presentation on the Tampa-Hillsborough County Expressway Authority
   Joseph Waggoner, Executive Director, Tampa-Hillsborough County Expressway Authority

7) Presentation on Expressway Authorities
   Reynold Meyer, Staff Director, Senate Budget Subcommittee on Transportation, Tourism, and Economic Development Appropriations

8) Work Group Discussion and Assignments

9) Public Comment

10) Adjourn
Government Efficiency Taskforce
401 Senate Office Building
Tallahassee, Florida
Monday, September 19, 2011
9:00 a.m. – 11:00 a.m.

MEETING MINUTES

Members Present:
Chair Abraham Uccello
Vice Chair Lizbeth Benacquisto
Representative Frank Attkisson
Representative Gary Aubuchon
Speaker Larry Cretul
Ms. Ann Duncan
Mr. Matthew Falconer (by phone)
Mr. Michael Heckin (by phone)
Mrs. Belinda Keiser
Representative John Legg
Senator Patrick Neal
Lt. Col. Frances Rice (by phone)
Mr. Robert Stork (by phone)
Representative Rob Wallace

Members Absent:
Mr. Eric Silagy (excused)

Chair Uccello called the meeting to order at 9:04 a.m.

Staff called the roll and announced the presence of a quorum.

Chair Uccello introduced Jesse Panuccio, Deputy General Counsel with the Executive Office of the Governor. Mr. Panuccio presented an overview of open meetings and public records laws applicable to the Task Force and answered member questions.

Mrs. Keiser moved to approve the minutes. The motion was adopted without objection.

Chair Uccello introduced the Task Force Staff Director, Jeffrey Woodburn and Administrative Assistant, Elisa Weber. Ms. Duncan moved to confirm Task Force staff. The motion was adopted without objection. Chair Uccello introduced Heather Williamson, dedicated resource from the House of Representatives for the Task Force.

Chair Uccello proposed adding consideration of meeting schedule to agenda. The motion was adopted without objection. Senator Benacquisto moved to amend the Task Force meeting
schedule to October 5, 2011, October 19, 2011, November 2, 2011, November 16, 2011, and December 7, 2011 from 6:15 p.m. to 8:15 p.m. The motion was adopted without objection.

Chair Uccello asked each member to introduce themselves and present the ideas they submitted to the Task Force. After all members present spoke, Chair Uccello discussed the priorities, scope, and actionable items of the Task Force, as outlined in his September 15, 2011, memorandum to Jeffrey Woodburn.


Mr. Heekin moved the Task Force rise. The meeting adjourned at 11:00 a.m.
Government Efficiency Task Force
Organizational Meeting
412 Knott Building
Tallahassee, Florida
Tuesday, August 30, 2011
10:00 a.m. – 12:00 noon

MEETING MINUTES

Members Present:
Representative Frank Attkisson (by phone)
Representative Gary Aubuchon (by phone)
Senator Lizbeth Benacquisto (by phone)
Speaker Larry Cretul (by phone)
Ms. Ann Duncan
Mr. Matthew Falconer (by phone)
Ms. Belinda Keiser
Representative John Legg (by phone)
Senator Patrick Neal (by phone)
Lt. Col. Frances Rice (by phone)
Mr. Eric Silagy
Mr. Abraham Uccello
Representative Rob Wallace (by phone)

Members Absent:
Mr. Michael Heekin
Mr. Robert Stork

Acting Chair Abraham Uccello called the meeting to order at 10:07 a.m.

Staff called the roll and announced the presence of a quorum.

Acting Chair Uccello welcomed the members and then asked staff to read the Task Force Rules. Senator Neal moved to suspend the reading of the rules and adopt the rules. Lt. Col. Rice and Ms. Keiser seconded. The motion was adopted without objection.

Acting Chair Uccello opened the floor for nominations of a permanent chair. Ms. Keiser moved that Acting Chair Uccello be nominated for Chair. Senator Benacquisto and Ms. Duncan seconded. Acting Chair Uccello asked if there was any discussion. Seeing none, Senator Neal moved to accept the nomination of Acting Chair Uccello by acclamation. Ms. Duncan and Mr. Falconer seconded. With no objections, the motion was adopted by acclamation.
Chair Uccello opened the floor for nominations of a Vice Chair. Mr. Silagy moved that Senator Benacquisto be nominated for Vice Chair. Senator Neal seconded. Ms. Keiser moved to close the floor for nominations. The motion was adopted without objection.

Chair Uccello proposed a calendar for Task Force meetings on September 22, October 6, October 20, November 3, November 17, and December 8, 2011. Representative Legg moved that the September 22 meeting be moved to Monday, September 19 from 9a.m. – 11a.m. Lt. Col. Rice seconded. The motion was adopted without objection.

Chair Uccello moved that the other meetings occur from 3p.m. – 5p.m. in Tallahassee on their respective dates. The motion was adopted without objection.

Lt. Col. Rice moved to adopt the meeting dates as amended. Senator Benacquisto and Ms. Duncan seconded. The motion was adopted without objection.

Chair Uccello announced that Jesse Panuccio, Deputy General Counsel to the Office of Governor Rick Scott, was scheduled to appear before the Task Force to discuss communications and transparency as they relate to the Task Force. Mr. Panuccio was not present, so Chair Uccello moved to postpone the presentation to the first business meeting of the Task Force on September 19, 2011. The motion was adopted without objection.

Chair Uccello requested that members copy all email correspondence related to the business of the Task Force to info@floridaefficiency.com.

Chair Uccello instructed staff to read Art. III, Section 19 (i), Constitution of the State of Florida, and s. 11.9005, F.S., which provide the constitutional and statutory authority for the Task Force. Chair Uccello outlined three objectives for the Task Force: a financial objective for a savings of $3 billion, a time objective for providing recommendations for the 2012 regular legislative session and future sessions, and a culture change objective to achieve continuous and consistent results. Chair Uccello requested that each member submit three ideas for the Task Force toward those objectives by Monday, September 5, 2011. Items are to be submitted using the standard form to be distributed by staff.

Chair Uccello opened the floor for additional questions. Seeing none, Senator Benacquisto moved the Task Force rise. The meeting adjourned at 10:23a.m.
Florida’s Turnpike Enterprise

Diane Gutierrez-Scaccetti
Executive Director and
Chief Executive Officer

Presentation to the Florida Government Efficiency Task Force
October 5, 2011

Evolution of Florida’s Turnpike

From Authority to Enterprise

1953
Florida Turnpike Authority

1989
Florida’s Turnpike District

2002
Florida’s Turnpike Enterprise
Evolution of Florida's Turnpike

From Authority to Enterprise

1953

- Build original mainline
- Retire debt

Evolution of Florida's Turnpike

From Authority to Enterprise

1989

- Leverage existing system
- Build expansion projects
- Issue revenue bonds
Evolution of Florida’s Turnpike

From Authority to Enterprise

2002 - Today

- Maximize system resources
- Increase bond cap ($10B)
- Manage in a business-like manner
  - Autonomy and flexibility to pursue innovation
  - Public sector motives, private sector methods

Organization

PEOPLE OF FLORIDA

GOVERNOR

SECRETARY

Transportation Commission

Passenger Rail Commission

Office of General Counsel

Communications Office

Federal Programs

Assistant Secretary Engineering & Operations

Assistant Secretary Finance & Administration

- Districts 1 - 7
- Florida’s Turnpike

Assistant Secretary Intermodal Systems Development

Florida’s Turnpike Enterprise
Help meet State's transportation needs

CITIZENS
✓ 2,174 lane miles
✓ Since 1993, 91% of new corridors are tolled

CUSTOMERS
✓ Over 2 million daily
✓ 95% receive value for toll paid
✓ 78% SunPass participation

ORGANIZATION
✓ 85% privatized staff
✓ 176 companies

BONDHOLDERS
✓ $2.8B outstanding bonds
✓ AA rated
✓ Safeguards: Financial, Statutory, Operational

PUBLIC ACCOUNTABILITY

Delivering Transportation

FDOT owned
592 miles
Serves:
✓ 21 counties
✓ 71% of population

Authority owned

1. Seminole Expressway
2. Beachline East Expressway
3. Beachline West Expressway
4. Western Beltway, Part C
5. Southern Connector Extension
6. Polk Parkway
7. Suncoast Parkway
8. Veterans Expressway
9. Sunshine Skyway Bridge
10. Pinellas Bayway System
11. Sawgrass Expressway
12. Alligator Alley
13. I-95 Express Lanes
Delivering Transportation

FY 2011 Toll Transactions
(in millions)

<table>
<thead>
<tr>
<th></th>
<th>Florida’s Turnpike</th>
<th>Mid-Bay Bridge</th>
<th>Garcon Point Bridge</th>
<th>THEA</th>
<th>OOCEA</th>
<th>MDX</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Transactions</td>
<td>652.9</td>
<td>6.5</td>
<td>1.3</td>
<td>31.6</td>
<td>292.5</td>
<td>220.1</td>
<td>1,204.9</td>
</tr>
<tr>
<td>Transactions Processed by Turnpike</td>
<td>652.9</td>
<td>6.5</td>
<td>1.3</td>
<td>25.4</td>
<td>109.8</td>
<td>181.0</td>
<td>976.9</td>
</tr>
</tbody>
</table>

4 out of 5 transactions processed by Turnpike

History of Fiscal Responsibility

- Low Toll Rates

<table>
<thead>
<tr>
<th>Toll Facility</th>
<th>Length</th>
<th>Passenger Car Toll (ETC Rate)</th>
<th>Toll Per-Mile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miami-Dade Expressway Authority</td>
<td>4 - 14</td>
<td>$1.00 - $2.50</td>
<td>11¢ - 22¢</td>
</tr>
<tr>
<td>Tampa-Hillsborough Expressway Authority</td>
<td>15</td>
<td>$2.50</td>
<td>17¢</td>
</tr>
<tr>
<td>Orlando-Orange County Expressway Authority</td>
<td>6 - 33</td>
<td>$1.00 - $4.00</td>
<td>10¢ - 18¢</td>
</tr>
<tr>
<td>Pennsylvania Turnpike (Mainline Only)</td>
<td>360</td>
<td>$28.18</td>
<td>7.8¢</td>
</tr>
<tr>
<td>New Jersey Turnpike</td>
<td>118</td>
<td>$9.05</td>
<td>7.7¢</td>
</tr>
<tr>
<td>Florida’s Turnpike Mainline</td>
<td>320</td>
<td>$17.90</td>
<td>5.6¢</td>
</tr>
<tr>
<td>New York Thruway (Mainline Section 1)</td>
<td>390</td>
<td>$17.43</td>
<td>4.5¢</td>
</tr>
<tr>
<td>Ohio Turnpike</td>
<td>241</td>
<td>$10.25</td>
<td>4.3¢</td>
</tr>
</tbody>
</table>
**History of Fiscal Responsibility**

- **Level Maintenance Costs**

  ![Maintenance Rating Chart](chart1)
  - **Rating**: 92, 91, 92
  - **Dept. Goal**: 92
  - **Maintenance Expense**: $39M, $39M, $41M
  - **Lane Miles**: 2,092, 2,112, 2,174
  - **Years**: 2009, 2010, 2011

**History of Fiscal Responsibility**

- **Reduced Toll Collection Costs**

  ![Toll Collection Cost Chart](chart2)
  - **Toll Collection Cost**: $116.6M / 776.7M = 15.0¢
History of Fiscal Responsibility

- Reduced Toll Collection Costs

\[
\begin{array}{c|c|c|c}
 & 
\text{Number of Toll Transactions} & \text{Toll Collection Cost} \\
\hline
\$113.8\text{M} & = & 14.6\text{¢} \\
\$115.6\text{M} & = & 15.0\text{¢} \\
776.7\text{M} & & \\
\hline
\end{array}
\]

SunPass: 8.5¢  Cash: 32.0¢

History of Fiscal Responsibility

- Low Cost of Capital (4.5%)
- No Refinancing Risk

Variable Debt as a Percentage of Total Bonded Debt

<table>
<thead>
<tr>
<th></th>
<th>Pre-Recession</th>
<th>Post-Recession</th>
</tr>
</thead>
<tbody>
<tr>
<td>IL Toll Highway</td>
<td>49%</td>
<td>32%</td>
</tr>
<tr>
<td>NJ Turnpike</td>
<td>35%</td>
<td>18%</td>
</tr>
<tr>
<td>PA Turnpike</td>
<td>43%</td>
<td>23%</td>
</tr>
<tr>
<td>OOCEA</td>
<td>46%</td>
<td>27%</td>
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</tbody>
</table>
Partnerships

- Authorities:
  - Toll Operations
    - Cash Operations
    - SunPass Operations
    - TOLL-BY-PLATE
  - AET in Miami
  - Maintenance
  - Western Beltway (SR 429)

Partnerships

- Projects:
  - Service Plazas
  - Sun Life Stadium (Miami Dolphins)
  - BankAtlantic Center (Broward Arena)
  - NW 12th St. (Beacon Tradeport)
  - Southern Connector Extension
  - SR 429 Interchange
  - NW 106th St.
  - Becker Rd.
  - Pace Road

Public/Private
Public/Public
Public/Public/Private
Partnerships

Southern Connector Extension ($153.3 M)

Public Public Private

52% 48%

Seminole Expressway, Project 2 ($265.2 M)

Public Public

61% 39%

Western Beltway, Part C ($326.9 M)

Public Public Private

38% 62%

Turnpike Investment
Non-Turnpike Investment

Future Partnership & Innovations

Public Sector Motives with Private Sector Methods

Turnpike Industry Forum

October 26-27, 2011

- General and Breakout Sessions
- One-on-One Meetings

www.floridastturnpike.com/industryforum
Orlando-Orange County Expressway Authority

- Government Entity Created In 1963
- Special District of the State operating like a business
- Oversight By 5 Member Authority Board
  - 3 Orange County Residents appointed by Governor
  - Ex-Officio voting members
    - Mayor of Orange County
    - FDOT District 5 Secretary
Mission

- Improve the mobility and quality of life in Central Florida
- Provide access to major economic centers
- Be consistent with growth management and environmental objectives
- Financially sound
- Cooperative with other modes of transportation and governmental jurisdictions

URBAN EXPRESSWAY SYSTEM

- 105 Centerline Miles
- 671 Lane Miles (including ramps)
- 59 Interchanges
- 274 Bridges
- 13 Mainline Toll Plazas
- 62 Ramp Toll Plazas
How We Do Business

Partnerships (21 active Interlocal Agreements)

History of Bond Ratings

<table>
<thead>
<tr>
<th>YEAR</th>
<th>Moody's</th>
<th>S&amp;P</th>
<th>Fitch</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>A3</td>
<td>A-</td>
<td>A</td>
</tr>
<tr>
<td>2003</td>
<td>A2(upgrade)</td>
<td>A(upgrade)</td>
<td>A</td>
</tr>
<tr>
<td>2005</td>
<td>A1(upgrade)</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>2007</td>
<td>A1</td>
<td>A</td>
<td>A</td>
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<td>2008</td>
<td>A1</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>2010</td>
<td>A1</td>
<td>A</td>
<td>A</td>
</tr>
</tbody>
</table>
Current Florida Toll Rates

HOW OUR 5-YEAR WORK PLAN BENEFITS OUR COMMUNITY

The $1.4 Billion Investment will generate*

- $800 million in wages and income to the region
- Supports 16,465 jobs in the Orlando area
- 3,293 jobs per year for five years (over the life of the Work Program)
Public Agency, Business Minded

98% Privatized
Bringing Private Sector Efficiencies Into A Public Agency

Supporting 526 Florida based companies

- 337 in Central Florida
- 74 Minority/Women Owned Businesses

How We Do Business

Construction Contracts Completed within 10% above original contract amount

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>95%</td>
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<td>90%</td>
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<td>85%</td>
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<td>80%</td>
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<td>70%</td>
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</tbody>
</table>

Construction Contracts Completed within 20% above original contract time

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
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<tr>
<td>95%</td>
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</table>
Providing Safer Roadways While Trimming Costs

<table>
<thead>
<tr>
<th>Maintenance Rating</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>90</td>
<td>94</td>
<td>92</td>
<td>93</td>
</tr>
<tr>
<td>85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance expense</td>
<td>$14.8M</td>
<td>$13.8M</td>
<td>$13.7M</td>
</tr>
<tr>
<td>Lane Miles</td>
<td>671.43</td>
<td>671.43</td>
<td>671.43</td>
</tr>
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</table>

Note: Objective established by the Florida Transportation Commission

Processing Costs Remain Low

<table>
<thead>
<tr>
<th>Cost Per Transaction</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactions</td>
<td>293M</td>
<td>288M</td>
<td>296M</td>
</tr>
<tr>
<td>$0.20</td>
<td></td>
<td></td>
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<tr>
<td>$0.15</td>
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<td>$0.10</td>
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<tr>
<td>$0.11</td>
<td></td>
<td></td>
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</tbody>
</table>
Synergies Create Efficiencies

Transactions Processed for:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida Turnpike Enterprise</td>
<td>40,846,797</td>
</tr>
<tr>
<td>FDOT (Beachline)</td>
<td>16,186,710</td>
</tr>
<tr>
<td>Osceola Parkway</td>
<td>3,684,081</td>
</tr>
<tr>
<td>Greater Orlando Airport Authority</td>
<td>262,935</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>60,980,523</strong></td>
</tr>
</tbody>
</table>

Innovation Fostering Efficiencies

- First to Privatize Toll Collections - 1993
- First to Plan for Open Road Tolling - 1993
- First to Privatize Roadway Maintenance - 1993
- First with Electronic Toll Technology - 1994
- First to install Fiber Optic Network Throughout System - 1997
- First New Plaza Featuring Open Road Tolling - 2000
- First Plaza Conversion to Open Road Tolling - 2003
- First to Develop a System of Real Time Travel Information for Roadway Users - 2006
Issue Brief 2012-208 Cost Effectiveness of Regional Expressway and Bridge Authorities

Review by Joe Waggoner
Executive Director
Tampa-Hillsborough Expressway Authority
Issue Brief 2012-208 Cost Effectiveness of Regional Expressway and Bridge Authorities

"Cost Effectiveness"

The brief on regional authorities does not provide:

- Why Regional Authorities were created
- How tolling is used to fund projects
- Full accounting of tax-based funds vs. toll based funds of the toll options used in Florida
- Benefits achieved for the Region and Florida
Issue Brief 2012-208 Cost Effectiveness of Regional Expressway and Bridge Authorities

- Regional authorities have financed highway projects for more than three-decades
- FDOT pays O&M only when toll revenues are insufficient
- THEA is obligated to pay O&M and has paid 100% of since 2001
- Regional Authorities have provided billions of dollars in highway infrastructure to support growth and serve Florida with minimal FDOT tax-based funding
- The primary purpose for toll facilities is to create a revenue source that can support bond financing to build new highway capacity sooner than would otherwise be possible (vs. reliance on tax-based pay-go financing)
- Generally, new toll facilities are not self-supporting, particularly in the initial years of operation
and the subsidy is re-paid.

Regional Authorities maintain and operate State highways with a minimal FDOT subsidy.

Regional Authorities align with state needs and with no state debt. FDOT tax dollar subsidies provided because tax funds, and with minimal dependence on tax acceleration development of state/regional highways with minimal regional/State collaboration.

Regional Authorities create new funds to cost-effectiveness of Regional Authorities.
Why Regional Toll Authorities Exist

- Every regional authority was created by the region - a burden assumed to accelerate projects for Regional benefits
- Regional needs determine projects; one size does not fit all
- Regional Authority sets their toll rate and controls the use of their toll funds
- Regional authority debt is not state debt.
- Aligns source of funds with policy, role & function
How Tolling is Used

➢ Added fund source to finance development of large (high cost) projects

➢ Tolling is a finance model based on user/benefit/payment
  • You only pay when you use it
  • Development cost (financing) is spread over time, so time-of-use matches time-of-benefit, and time-of-payment.

➢ What about the added cost of financing vs. Pay-Go?
  • Building earlier saves on construction and material cost (inflation)
  • Starts generating “new revenue” earlier
  • Frees demand on traditional funding sources (tax $’s) for other needs
  • Earlier availability facilitates Growth & Development

➢ The Benefits More Than Offset the Financing Cost

➢ Need to replace traditional funding sources is growing

What are the Florida toll models?.....
FDOT - Lease Purchase Agreement Model
New $400 Million State Road Toll Project

FDOT Subsidy Recovery
Re-Payment
Agency Cash
O&M Cost of $10 Million
Bond Financing of $400 Million (100%)

Dollars in Millions

Fiscal Year

Revenue
Debt Service
O&M
FDOT - FTE Model

New $400 Million State Road Toll Project

- FDOT Subsidy, say $100 Million (25%)
  - No Re-payment
- Bond Financing of $300 Million (75%)
- O&M Cost of $10 Million

Fiscal Year

- Revenue
- Debt Service
- O&M
**FDOT Capital Contributions**

*Turnpike projects have benefited from over $1.2 billion of FDOT tax-based funds*

- **Subsidy is about 37% of the project costs**
- **Subsidy is not repaid**

**Regional Authorities Projects**

- Develop state/regional highways 10% subsidy of state and federal tax funds
- Subsidy is repaid
- No state debt

<table>
<thead>
<tr>
<th>Lane Miles</th>
<th>Santa Rosa Bay Bridge Authority</th>
<th>Mid-Bay Bridge Authority</th>
<th>Tampa-Hillsborough County Expressway Authority</th>
<th>Orlando-Orange County Expressway Authority</th>
<th>Florida Turnpike Enterprise</th>
</tr>
</thead>
</table>
| Gross Toll Revenue FY 2010-11 | $4,275,765 | $15,476,000 | $40,476,072 | $263,787,000 | $600,897,000
| Toll Transactions FY 2010-11 | 1,250,863 | 6,519,391 | 31,634,997 | 292,477,739 | 652,900,000
| Bond Debt Outstanding | $16,800,000 | $287,115,000 | $324,520,000 | $2,696,415,000 | $2,811,831,000
| FDOT Capital Contributions³ | ? | ? | 9,000,000 | ? | $1,260,028,731

<table>
<thead>
<tr>
<th>Long-Term Debt Payable to Department of Transportation</th>
<th>$24,660,290</th>
<th>$17,361,327</th>
<th>$200,536,032</th>
<th>$270,088,808</th>
<th>$153,403,079</th>
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</thead>
<tbody>
<tr>
<td>State Transportation Trust Fund for Payment of Operations and Maintenance/Renewal and Replacement As Required by LPA</td>
<td>$16,760,290</td>
<td>$16,123,074</td>
<td>$122,606,604</td>
<td>$235,565,776</td>
<td>$0</td>
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<tr>
<td>State Transportation Trust Fund – Principal and Interest on Loans</td>
<td>$0</td>
<td>$0</td>
<td>$12,034,945</td>
<td>$0</td>
<td>$101,480,000</td>
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<tr>
<td>Debt Due Toll Facilities Revolving Trust Fund - Principal and Interest on Loans</td>
<td>$7,900,000</td>
<td>$997,373</td>
<td>$10,477,546</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>State Infrastructure Bank Loans</td>
<td>$0</td>
<td>$0</td>
<td>$55,536,000</td>
<td>$34,523,032</td>
<td>$51,923,079</td>
</tr>
</tbody>
</table>

**Future Capital Project Expenditures**

<table>
<thead>
<tr>
<th>FY 2010-11 Unaudited Expenditures for Administration, Operations &amp; Maintenance</th>
<th>$3,222,801¹</th>
<th>$9,794,610</th>
<th>$52,524,284</th>
<th>$179,900,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary &amp; Benefit (included in total expenditures) FTE</td>
<td>N/A</td>
<td>$223,000</td>
<td>$2,010,194</td>
<td>$6,419,842</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td>61</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$30,197,148</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>468</td>
</tr>
</tbody>
</table>
How Regional Expressway Authorities differ from FDOT and the Turnpike?

- All receive state support of the O&M expenses via transportation taxes, and that is repaid
- Upfront grants by FDOT of Turnpike projects – not repaid
- Financing
  - Regional authorities use financing which results in slightly higher interest rate, but substantially greater bonding capacity. More project funding = More jobs for Floridians
  - Turnpike uses the one size fits all, level 30 year debt financing that provides: Slightly lower interest rate, but substantially less bonding capacity = Less project funding

- Administrative and Managerial functions
  - Regional staff are directly accountable to community
  - Provide solutions tailored to community needs (Reversible Express Lanes, All–Electronic Tolling, Bus Toll Lanes
Creating Efficiencies

- Each model is a useful tool for Florida
- Each model fits best for certain needs
- Removing any tool disadvantages Florida
- Solutions include
  - FDOT Constructs Roads (Assets) Which Are Not Viable For Tolling
  - Regional Authorities construct roads in their regions viable for tolling and supporting primarily commuter trips
  - FTE constructs roads viable for tolling of an Intra-Regional nature (the Turnpike Mainline) supporting primarily intra-Regional trips
Alternate Plan to Unlock Florida’s Transportation Potential

- THEA’s Plan of Finance
- Regional Mobility Plan, *moving toward the Texas model*...
  - Regionals purchase the regional commuter-based toll roads from Florida providing a significant cash infusion to Florida
  - Florida utilizes cash for FDOT, taxpayer funded projects and for Turnpike, toll viable Intra-Regional projects
  - Regionals use remaining toll capacity to fund needed projects
Aligns policy, role, and function

- Improve Local Transportation assets... not for profits of private owners

Good Public Policy

Reduce Current and Future State Debt

- Net increase in Jobs / Private sector growth

Reduces the State workforce

More Jobs for Floridians

Provides Needed Funding

Benefits:

Moving toward the Texas model...

Regional Mobility Plan
Government Efficiency Task Force
October 5, 2011

Interim Activity

The purpose of the Issue Brief is to review the revenues and expenditures of authorities operating under lease purchase agreements with the Florida Department of Transportation and the revenues and expenditures of the department’s Florida Turnpike Enterprise.
Florida Tolling Authorities

(Lane Miles)

**LANE MILES**

2,922.6

**TOLL REVENUE**

$924.93 Million

### Bonded Debt

($ in millions)

**Outstanding Bonded Debt**

- SRBBA: $16.8
- MBBA: $281.1
- THEA: $374.9
- OCECA: $1,696.4
- Turnpike: $7,011.8

**Revenues Available for Debt Service and Coverage Ratio**

- Gross Toll Revenues: $717.1
- Revenue Available for Debt Service: $133.0
- Debt Service Payment: $10.93
- Coverage Ratio: 1.77%
Long-Term Debt Owed to State
$674.93 Million

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRBBA</td>
<td>$24.66</td>
<td>4%</td>
</tr>
<tr>
<td>MBBA</td>
<td>$17.12</td>
<td>2%</td>
</tr>
<tr>
<td>THEA</td>
<td>$200.66</td>
<td>30%</td>
</tr>
<tr>
<td>OOCEA</td>
<td>$270.09</td>
<td>40%</td>
</tr>
<tr>
<td>TURNPIKE</td>
<td>$162.40</td>
<td>24%</td>
</tr>
</tbody>
</table>

Combined Debt
Bonded and State Long-Term

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRBBA</td>
<td>$141.5</td>
<td>2%</td>
</tr>
<tr>
<td>MBBA</td>
<td>$304.2</td>
<td>4%</td>
</tr>
<tr>
<td>THEA</td>
<td>$525.2</td>
<td>8%</td>
</tr>
<tr>
<td>OOCEA</td>
<td>$2,966.5</td>
<td>43%</td>
</tr>
<tr>
<td>TURNPIKE</td>
<td>$2,974.2</td>
<td>43%</td>
</tr>
</tbody>
</table>
Fiscal Year 2010-11 Unaudited Expenditures
Operating, Maintenance & Administration

$200.00
$180.00
$160.00
$140.00
$120.00
$100.00
$80.00
$60.00
$40.00
$20.00
$0.00

SRBBA  MBBA  THEA  OOCEA  TURNPIKE

$3.22  $9.79  $52.52  $0.02  $179.90

Total Expenditures  -Cost of Administration
MEMORANDUM

To: Members of the Government Efficiency Task Force
From: Abraham Uccello, Chairman
Subject: Meeting and Efficiency Initiative Format
Date: September 29, 2011

The Government Efficiency Task Force meeting and efficiency initiative format shall contain the following four elements when considering items for recommendation on our Legislative agenda:

1. An introduction to the efficiency initiative presented to the full Task Force for consideration including:
   a. Initiative title and description
   b. Brief background
   c. Solvency desired
   d. Potential efficiency to be achieved

2. A workshop on the initiative containing the following:
   a. Testimony and evidence from relevant stakeholders
   b. Question and answer periods between guest speakers and Task Force members

3. A publicly-noticed work group teleconference considering:
   a. Assessment of testimony
   b. Analysis of the initiative within the context of the attached Efficiency Initiative Framework
   c. Proposed position for the Task Force to take on recommending initiative

4. A final presentation following the structure of the Efficiency Initiative Framework, given by the leader of the work group before the full Task Force, to include:
   a. A description of the business process(es) within which the status quo exists and stakeholders served
   b. A definition of the rules that create the metric by which the initiative has been drawn
   c. A description of the evidence or testimony that supports the audit of the process
   d. A clear and defined decision to act: eliminate, create, consolidate, reorganize
   e. A clear and defined change(s) that will affect infrastructure, process and/or people
   f. Clearly defined effect(s) of above change(s) on outsourcing, procurement and/or contracts
g. A statement of efficiency that outlines the proposed position of the Task Force recommendation, demonstrating an increase in service and value to stakeholders, cost savings and/or cultural change

The general timeline will be as follows: Items 1 and 2 will be presented at a meeting of the full Task Force. During the interim between meetings, item 3 will take place at an agreed upon time by the work group members. Finally, item 4 will be presented at the next meeting of the full Task Force. This schedule will enable us to proceed efficiently, covering each initiative over the course of two Task Force meetings. Priority areas to be considered under the Task Force’s Legislative agenda include:

- Expressway consolidation
- Business regulation and licensing
- Outsourcing and procurement
- Toll securitization
- Information technology