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Annual Traffic and Revenue Report

Fiscal Year 2020
Lee County Toll Facilities

Prepared for:



CAPE CORAL BRIDGE
MIDPOINT MEMORIAL BRIDGE
SANIBEL CAUSEWAY

**CDM
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CHAPTER 1

INTRODUCTION TO THE LEE COUNTY TOLL FACILITIES

REPORT PURPOSE AND STRUCTURE

CDM Smith prepares this report on an annual basis for the Lee County Department of Transportation (LeeDOT). This report is a summary of the Fiscal Year (FY) 2020 annual performance characteristics of the three Lee County toll bridges. This report also includes a brief discussion of the external factors that contribute to total travel demand and toll revenue generation. Any changes in sources or methodologies that have occurred since the last report are noted in the text.

Chapter 1 provides an introduction to and history of the Lee County toll facilities and includes total system transaction and revenue performance, operating characteristics and historical trends. Chapter 2 is a review of historical and current socioeconomic trends through 2020. Economic conditions are always an important driver of transaction and toll revenue performance. For example, the recession of 2007 through 2009 negatively impacted toll revenues for several years on the three Lee County toll bridges. Other historical factors and events help explain transaction and toll revenue trends including significant weather events, population, employment, household income, gross regional product (GRP) and tourism.

The next three chapters contain a review of FY 2020 transaction and revenue performance in the context of historical trends and operating characteristics for the Midpoint Memorial Bridge (Chapter 3), Cape Coral Bridge (Chapter 4) and Sanibel Causeway (Chapter 5). Detailed information on annual toll program sales by toll payment type, violation enforcement and recovery, and any extenuating factors that may have affected toll collection are presented. Chapter 6 covers the County's financial position in relation to its fiscal obligations including debt service, obligatory payments to reserve funds, revenue sharing and capital improvements.

Most of the metrics presented in this report are tabulated on a fiscal year basis. Lee County's fiscal year begins on October 1 of the previous calendar year, ending the following September 30. For example, FY 2020 began on October 1, 2019 and concluded September 30, 2020. Some external variables are not available on a monthly basis and cannot easily be converted to fiscal year. These values are presented on a calendar year basis and are noted as such in the text.

The outbreak of the coronavirus disease was identified in China during December 2019, with the first confirmed case occurring in the United States on January 21, 2020. In March 2020, traffic impacts related to COVID-19 first became noticeable in Florida as many localities started issuing public school closings, stay-at-home orders, public space closures, social distancing orders and

other restrictions. Therefore, this report will document the travel pattern impacts related to the COVID-19 pandemic as they pertain to the Lee County Toll Facilities.

SYSTEM HISTORY

The Lee County toll system consists of three tolled bridges: Midpoint Memorial Bridge; Cape Coral Bridge; and Sanibel Causeway. A location map of the three facilities and the region they serve can be found in **Figure 1-1**. The first two toll facilities opened to traffic were the Sanibel Causeway and the Cape Coral Bridge, in 1963 and 1964 respectively. Tolls were removed from the Cape Coral Bridge in 1974 and reinstated in 1989 to help finance the construction of an additional span. The third and final toll facility, the Midpoint Memorial Bridge, opened to traffic in 1997 in response to growing demand for travel across the Caloosahatchee River.

Despite recent economic turbulence, particularly in Lee County where the effects of the national housing crisis were especially pronounced, historical growth in regional travel demand has been exceptionally high. During this time, socioeconomic indicators such as total population, households, employment, and median income have steadily increased at a pace considerably greater than the state and national averages. For example, between 1970 and 2007 (prior to the Great Recession) Lee County's annual population growth averaged 4.7 percent per year, which is significantly higher than statewide growth and more than four times the national average.

While economic growth has slowed considerably since late 2007, future regional growth is still forecasted to exceed the state and national averages, prior to the COVID-19 pandemic, in both the short-term and over the next 30 years. Rapid expansion in the region and the corresponding growth in travel demand have led to continued improvements in Lee County's transportation infrastructure, including numerous operational and physical upgrades to the Lee County toll system. Both short- and long-term socioeconomic trends impacting transactions and toll revenue, particularly the impacts of COVID-19, are discussed at greater length in Chapter 2, including a forecast of future socioeconomic growth, derived from external sources.

Facility Milestones

A list of major milestones in the history of Lee County's toll bridges is included in **Table 1-1**. Over the past 20 years, several significant changes to infrastructure and toll collection have occurred. The first and one of the most significant milestones occurred in the fall of 1997, when the opening of the Midpoint Memorial Bridge coincided with the introduction of electronic toll collection (ETC) on all Lee County toll bridges. ETC, branded locally as LeeWay, provides customers with LeeWay transponders the ease of paying tolls without stopping and allows non-commercial customers to buy into one of several toll discount programs. The introduction of ETC also benefitted Lee County, as toll facilities are able to handle larger volumes of traffic without the need for costly physical expansions of toll plazas or the cost of additional personnel. LeeWay became interoperable with SunPass and other toll systems throughout the State of Florida in 2004.

Figure 1-1
Location Map



**Table 1-1
Facility Milestone Dates**

Date	Event
May 1963	Sanibel Causeway opened to traffic
March 1964	Cape Coral Bridge opened to traffic
1974	Tolls removed on the Cape Coral Bridge
November 1989	Parallel span of the Cape Coral Bridge opened
November 1989	Tolls reinstated on the Cape Coral Bridge
November 1994	Tolls increased on the Cape Coral Bridge
October 1997	Midpoint Memorial Bridge opened to traffic
November 1997	ETC (LeeWay) begins on Lee County facilities
August 1998	Variable Pricing introduced on the Cape Coral and Midpoint Bridges
December 2003	ETC and variable pricing made available to vehicles with three or more axles
June 2004	LeeWay accepted on toll systems throughout the state of Florida
October 2004	Sunpass, E-PASS, and O-Pass accepted on the Lee County facilities
November 2004	Tolls increased on the Sanibel Causeway
November 2005	Reduced Fare Program began. Tolls reduced on the Sanibel Causeway.
September 2007	New Sanibel Causeway grand reopening ceremony held
November 2007	One-year trial period for one-way tolling on the Cape Coral and Midpoint Bridges begins
June 2008	Approval given for permanent one-way tolling on the Cape Coral and Midpoint Bridges
November 2008	Last automatic coin machines (ACM) removed from Cape Coral and Midpoint Bridges
July 2009	Toll-by-Plate tolling introduced for rental cars
May 2011	Midpoint Bridge toll plaza reconstruction complete: Open-road tolling introduced; remaining eastbound tolling infrastructure demolished
November 2012	Cape Coral Bridge toll plaza reconstruction complete: Open-road tolling introduced; remaining eastbound tolling infrastructure demolished
August 2013	LeeWay transponders accepted on North Carolina toll roads and NC Quick Pass customers are able to use LeeWay facilities via video billing
November 2014	LeeWay transponders accepted on Georgia toll roads and Peach Pass customers are able to use LeeWay facilities via video billing
March 2020	In response to the COVID-19 Pandemic, cash payments were suspended. Those without a transponder are billed via video billing.

In an effort to further enhance operational efficiencies, Lee County adopted a one-way toll collection policy on the Midpoint Memorial and Cape Coral Bridges, beginning on a trial basis in November 2007. The Sanibel Causeway has always operated with one-way tolling. The conversion to one-way tolling entailed the elimination of tolls in the eastbound direction and a doubling of toll rates in the westbound direction, causing no change in the net toll amount for a round trip. The program was approved for permanent implementation in June 2008 and in November 2008 the last toll equipment was removed to fully accommodate one-way tolling.

In July 2009, the Toll-by-Plate program was introduced for rental car customers. The program uses license plate information to identify rental vehicles and collect tolls electronically through agreements with three private companies. This allows rental car customers the same convenience as LeeWay customers to use a toll facility without stopping at a toll booth.

Since the permanent implementation of one-way tolling on the Midpoint Memorial and Cape Coral Bridges, Lee County improved both bridges with westbound open-road tolling (ORT) lanes. These exclusive lanes allow ETC customers to pass through the toll plaza without slowing down to drive through a traditional toll booth. The reconstruction of the Midpoint Memorial Bridge plaza was completed in May 2011, and Cape Coral Bridge plaza renovations were completed in November of 2012.

To improve customer service, LeeWay and its Florida Toll Agency partners became interoperable with North Carolina Turnpike Authority (NCTA) and their NC Quick Pass program in August of 2013 and with the Georgia State Road and Tollway Authority (SRTA) Peach Pass program in November 2014. With this agreement, LeeWay customers can now travel to North Carolina and Georgia and use the North Carolina and Georgia toll facilities via video billing. North Carolina Quick Pass and Georgia Peach Pass customers can also use the Lee County Bridge facilities via video billing.

In response to the COVID-19 Pandemic, Lee County suspended cash payments on the three toll bridges as of March 18, 2020. Those without a transponder are now directed to proceed through any open toll lane. An image of their license plate is taken, and the customer is mailed a notice for payment within 10 days of the transaction date. Payment can then be made online, over the phone or at a LeeWay Service Center. No administrative fees are assessed to these former cash customers. In May 2020, LeeWay also began a promotion to offer free sticker transponders to customers opening a LeeWay account or adding a vehicle to an existing account.

TOLL RATE SCHEDULES

Toll rates on the Midpoint Memorial and Cape Coral Bridges are shown in **Table 1-2** and vary based on the method of payment, vehicle class, and time of day. The current base toll rate for a cash/video/ETC transaction is \$2.00 for the first two axles plus \$2.00 for each additional axle. However, many discount programs are available to customers using a LeeWay transponder.

Table 1-2
Midpoint Memorial Bridge and Cape Coral Bridge Toll Schedule

Payment Type	Vehicle Class			
	2-Axle	3-Axle	4-Axle	5-Axle
Cash/Video/ETC	\$2.00	\$4.00	\$6.00	\$8.00
Unlimited	\$0.00	--	--	--
Reduced Fare	\$1.00	--	--	--
Variable Pricing	\$1.50	\$3.00	\$4.50	\$6.00
Unlimited Variable	\$0.00	--	--	--
Reduced Variable	\$0.75	--	--	--
Program Fee				
Unlimited Annual	\$330.00	--	--	--
Unlimited Semiannual	\$200.00	--	--	--
Reduced Fare Annual	\$40.00	--	--	--
Reduced Semiannual	\$24.00	--	--	--

The Unlimited Fare program allows for an unlimited number of trips at a flat rate of \$330.00 per year per bridge. A semiannual plan is also available for \$200.00 and is valid from either November through April or May through October. Both plans allow for unlimited travel on the Midpoint Memorial and the Cape Coral Bridges and may be prorated for shorter periods. Lee County also

offers a Reduced Fare program. Under this program, customers pay a one-time fee, after which they receive a fare reduction of 50 percent on all subsequent trips. Like the Unlimited Fare program, the Reduced Fare program is available on an annual or semiannual basis at a cost of \$40.00 and \$24.00, respectively.

In August 1998, Lee County introduced a Variable Pricing program. Under the program, customers receive a 25 percent discount if they travel during designated periods before and after the AM and PM peak travel hours. These periods are referred to as the “peak shoulders.” The intent is to attract motorists to travel during off peak hours to reduce congestion on the bridges.

In exchange for accepting a reduced rate, Lee County was able to free up capacity on the facility during its busiest hours. The shoulder periods are as follows (weekdays only, excluding holidays):

- 6:30 a.m. to 7:00 a.m.
- 9:00 a.m. to 11:00 a.m.
- 2:00 p.m. to 4:00 p.m.
- 6:30 p.m. to 7:00 p.m.

The Variable Pricing discount is given to every customer paying via ETC and reduces the toll from \$2.00 for 2-axle vehicles to \$1.50⁽¹⁾. The Reduced Fare discount program can be used in conjunction with the Variable Pricing discount for LeeWay customers. The toll for a customer enrolled in the Reduced Fare program traveling in the shoulder hours would be as low as \$0.75 for a two-axle vehicle. Unlike some variable toll systems, there is no corresponding increase in the peak period rates. Variable tolls are not applicable for LeeWay customers with an Unlimited Fare program discount.

The rates and program fees that are currently in effect on the Sanibel Causeway are shown in **Table 1-3**. Since November 2004, when tolls on the Sanibel Causeway were raised to help secure financing for the construction of the new causeway facility, cash rates have been \$6.00 for two-axle vehicles and \$3.00 per axle thereafter. A subsequent revision in November 2005 reduced tolls for customers participating in the discount programs. The Unlimited and Reduced Fare programs reflect the higher base toll. Annual and semiannual Unlimited Fare program fees are \$400.00 and \$300.00, respectively, while the annual and semiannual Reduced Fare programs cost \$67.00 and \$50.00, respectively. Unlike the two other Lee County facilities, there is no time of day pricing on the Sanibel Causeway.

Due to the numerous combinations of axle class, discount programs, and time-of-day pricing, Tables 1-2 and 1-3 are not all-inclusive. For example, Lee County also offers Combined and Multiple Vehicle Discount programs. The Combined Discount program allows for discounted and/or unlimited travel on all three Lee County toll facilities. Combined Unlimited annual and semiannual programs are available for \$730.00 and \$500.00, respectively. Combined Reduced

⁽¹⁾ LeeWay customers must have a prepaid LeeWay account. All other transponder holders must be pre-approved by their respective issuing agencies.

**Table 1-3
Sanibel Causeway Toll Schedule**

Payment Type	Vehicle Class			
	2-Axle	3-Axle	4-Axle	5-Axle
Cash/Video/ETC	\$6.00	\$9.00	\$12.00	\$15.00
Unlimited	\$0.00	--	--	--
Reduced Fare	\$2.00	--	--	--
Program Fee				
Unlimited Annual	\$400.00	--	--	--
Unlimited Semiannual	\$300.00	--	--	--
Reduced Fare Annual	\$67.00	--	--	--
Reduced Semiannual	\$50.00	--	--	--

Fare annual and semiannual programs are also available at a cost of \$107.00 and \$74.00, respectively. Additionally, customers can purchase mixed programs that provide unlimited travel on the Sanibel Causeway, and discounted travel on the Midpoint and Cape Coral Bridges, or vice versa.

Another discount program offered is the Multiple Vehicle Discount program. Under this program customers pay the full price of any selected discount program on the first vehicle registered and receive a 50 percent discount off the original program fee for a second vehicle. For instance, a customer who signs up for the Unlimited Annual Discount program would pay \$330.00 for the first vehicle, but only \$165 for the second vehicle registered under the same account. For each vehicle registered to a discount program at full cost, a second may be added at a 50 percent discount if vehicles are registered to the same individual. The Multiple Vehicle Discount program is only available for two-axle vehicles.

TOTAL SYSTEMWIDE TRANSACTIONS AND GROSS TOLL REVENUES

The following is a summary of detailed transaction and toll revenue performance for the Lee County toll facilities through FY 2020, with an emphasis on historical trends. Performance metrics reviewed include transactions, toll revenue, average toll rates and discount program sales and revenue. The historical trend analysis considers extenuating factors which may have affected transaction and revenue performance, such as toll rate increases, highway construction, the COVID-19 pandemic, and major weather events. The information presented in this section is derived from LeeDOT administration records and may differ slightly from values presented elsewhere in this report, which are derived from operational records and sample data. **Table 1-4** includes a comparison FY 2020 and FY 2019 total systemwide transactions (includes non-revenue and exempt transactions).

Table 1-4
Comparison of FY 2019 and FY 2020
Total Systemwide Transactions

Facility	Transactions		
	FY 2019	% Change	FY 2020
Midpoint Memorial Bridge	8,803,799	-7.5%	8,143,395
Cape Coral Bridge	8,497,958	-8.9%	7,742,043
Sanibel Causeway	3,310,711	-9.0%	3,013,469
Total	20,612,468	-8.3%	18,898,907

Source: Lee County Daily Class/Traffic Type Reports

Fiscal Year 2020 Toll Transactions and Revenues

In FY 2020, total systemwide toll transactions and revenues decreased over FY 2019. All three facilities experienced decreases in both categories. The decrease in transactions in FY 2020 can be primarily attributed to the state and local stay-at-home orders, public space closures, social distancing orders and other restrictions enacted beginning in March 2020 in response to the COVID-19 pandemic. While Lee County has not been as hard hit as other regions of Florida, it has still experienced major impacts to regional traffic patterns as a result of the state and local restrictions described above and the general concern regarding the spread of the virus. Additionally, reductions in air passenger travel, cruise passengers and overall tourism due to the COVID-19 pandemic have also impacted Lee County.

As shown in **Table 1-5**, of the three toll facilities, the Sanibel Causeway reported the largest decrease in toll transactions at 9.0 percent. By comparison, toll transactions on the Cape Coral Bridge and Midpoint Memorial Bridge decreased by 8.9 percent and 7.5 percent over FY 2019, respectively. Year-over-year revenue differences were greatest on the Cape Coral Bridge and Midpoint Memorial Bridge, likely due to the greater number of transactions on these facilities and the suspension of cash payments on Lee County toll bridges in response to the COVID-19 pandemic. Toll revenues on the Cape Coral Bridge decreased in FY 2020 by 17.4 percent over FY 2019, while toll revenues on the Midpoint Memorial Bridge decreased by 17.0 percent. Toll revenues on the Sanibel Causeway decreased by 15.0 percent over the prior year. The significant declines in revenues can partially be attributed to the recent decrease in the average toll rate due to changes in method of payment and lost revenue (or leakage) associated with the suspension of cash toll payments, implemented at the beginning of the COVID-19 pandemic.

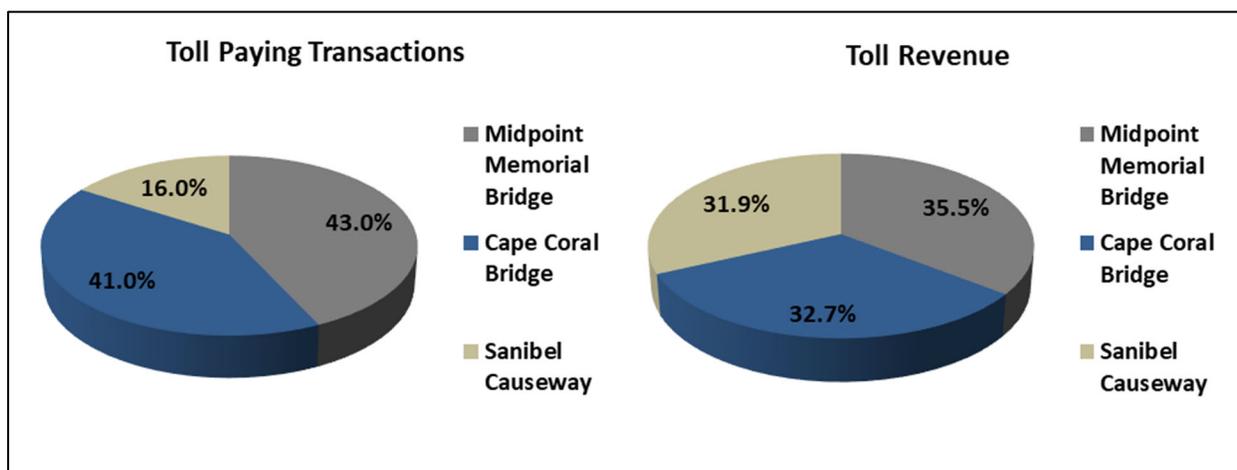
Table 1-5
Comparison of FY 2019 and FY 2020
Total Toll Transactions and Revenues

Facility	Transactions			Revenues		
	FY 2019	% Change	FY 2020	FY 2019	% Change	FY 2020
Midpoint Memorial Bridge	8,722,066	-7.5%	8,071,567	\$ 17,377,140	-17.0%	\$ 14,430,564
Cape Coral Bridge	8,453,337	-8.9%	7,701,445	\$ 16,101,310	-17.4%	\$ 13,303,934
Sanibel Causeway	3,293,772	-9.0%	2,997,361	\$ 15,245,980	-15.0%	\$ 12,962,566
Total	20,469,175	-8.3%	18,770,373	\$ 48,724,431	-16.5%	\$ 40,697,064

Source: Lee County Daily Class/Traffic Type Reports

Despite significant travel disruptions related to the COVID-19 pandemic, the relative proportions of toll transactions and revenues generated by each of the three Lee County toll bridges remained comparatively similar between FY 2019 and FY 2020. As shown in **Figure 1-2**, the Cape Coral and Midpoint Memorial Bridges accounted for the highest shares of systemwide toll transactions in FY 2020, collectively representing 84.0 percent of total toll transactions. The remaining 16.0 percent of systemwide toll transactions were on the Sanibel Causeway. Total toll revenue was almost evenly split between the three facilities, with Cape Coral accounting for 32.7 percent of toll revenues, Midpoint Memorial 35.5 percent, and Sanibel accounting for 31.9 percent of toll revenues. This is due in part to the higher toll rates associated with the Sanibel Causeway.

Figure 1-2
Percent Share of FY 2020 Toll Transactions and Revenues by Facility



Source: Lee County Daily Class/Traffic Type Reports

Historical Toll Transactions and Revenues

A comprehensive historical record of systemwide toll transactions and revenues from FY 1988 through FY 2020 is presented in **Table 1-6**. The data is also presented visually in **Figure 1-3**. As shown, toll transactions increased annually from FY 1989 to FY 1994, followed by a slight decline in FY 1995 due to a toll rate increase on the Cape Coral Bridge. From FY 1996 through FY 2006, toll transactions increased annually, with only slight growth in FY 2006 despite the toll reduction on the Sanibel Causeway in November 2005 and the beginning of the Great Recession. Toll transactions declined in FY 2007 and FY 2008 due to the effects from the Great Recession and construction activities on the Sanibel Causeway in FY 2007 and the introduction of one-way tolling on the Midpoint Memorial and Cape Coral Bridges in FY 2008.

Toll transactions remained relatively flat from FY 2009 to FY 2012. FY 2009 was the first full year in which tolls were collected in one direction only, and the year in which the Great Recession was at its most severe point.

Revenues followed a similar pattern, but with declines in FY 1992, FY 2003, FY 2006 and FY 2008. While revenue declines in FY 2008 and FY 2009 may be partially attributable to the conversion to one-way tolling, the continued decline through FY 2010 and minimal recovery in

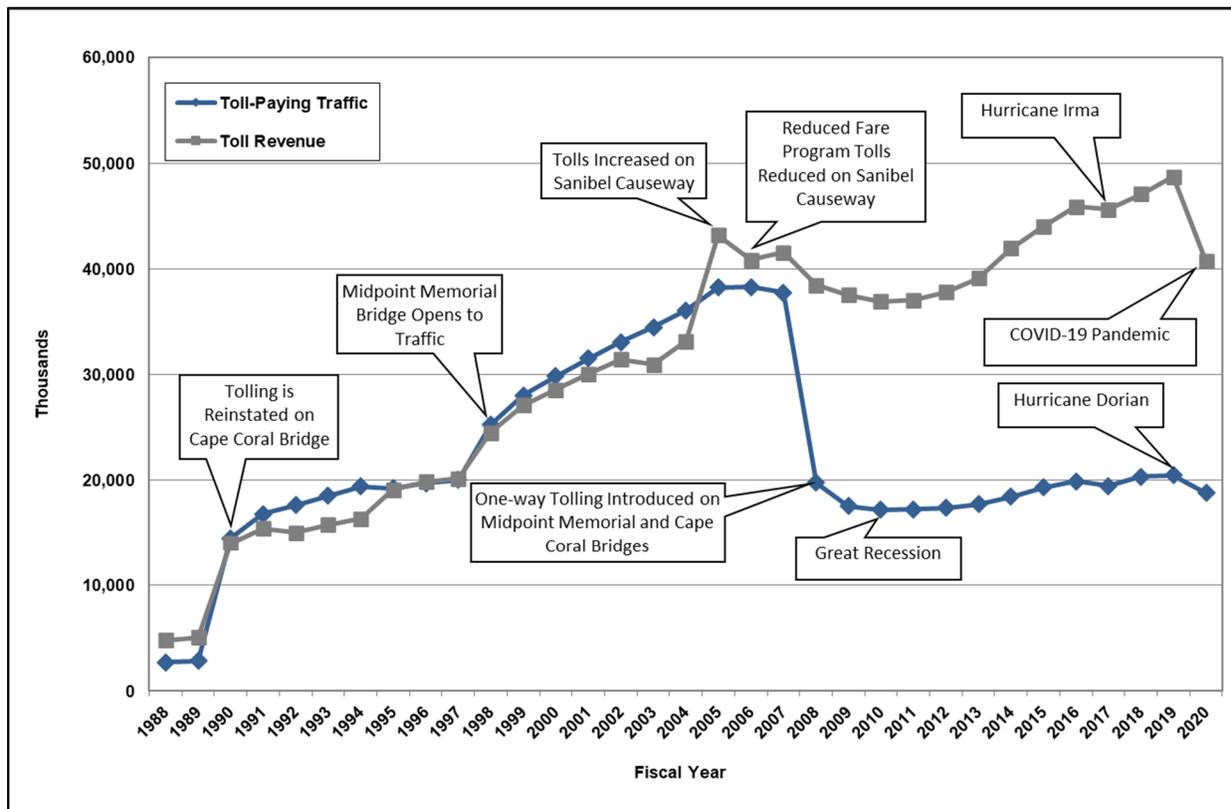
**Table 1-6
Systemwide Toll Transactions and Revenues
FY 1988 – 2020**

Fiscal Year	Toll-Paying Transactions	Percent Change	Total Revenue	Percent Change
1988	2,732,066	--	\$ 4,811,558	--
1989	2,855,493	4.5%	\$ 5,069,730	5.4%
1990 ¹	14,457,854	406.3%	\$ 13,975,140	175.7%
1991	16,757,147	15.9%	\$ 15,408,724	10.3%
1992	17,639,750	5.3%	\$ 14,992,775	-2.7%
1993	18,511,508	4.9%	\$ 15,743,853	5.0%
1994	19,384,938	4.7%	\$ 16,352,214	3.9%
1995 ²	19,216,585	-0.9%	\$ 19,091,562	16.8%
1996	19,699,530	2.5%	\$ 19,817,736	3.8%
1997	20,017,383	1.6%	\$ 20,147,383	1.7%
1998 ^{3,4}	25,212,859	26.0%	\$ 24,456,317	21.4%
1999	28,000,708	11.1%	\$ 27,064,956	10.7%
2000	29,826,111	6.5%	\$ 28,550,966	5.5%
2001	31,516,014	5.7%	\$ 30,052,651	5.3%
2002	33,034,201	4.8%	\$ 31,424,582	4.6%
2003 ⁵	34,468,398	4.3%	\$ 30,948,684	-1.5%
2004	36,074,005	4.7%	\$ 33,146,862	7.1%
2005 ⁶	38,224,394	6.0%	\$ 43,189,002	30.3%
2006 ⁷	38,267,295	0.1%	\$ 40,852,877	-5.4%
2007 ^{8,9}	37,724,435	-1.4%	\$ 41,538,709	1.7%
2008 ¹⁰	19,724,229	-47.7%	\$ 38,468,500	-7.4%
2009	17,508,626	-11.2%	\$ 37,542,070	-2.4%
2010	17,178,058	-1.9%	\$ 36,913,422	-1.7%
2011 ¹¹	17,200,180	0.1%	\$ 37,042,313	0.3%
2012	17,350,277	0.9%	\$ 37,785,844	2.0%
2013 ¹²	17,718,595	2.1%	\$ 39,130,029	3.6%
2014	18,433,304	4.0%	\$ 41,954,741	7.2%
2015	19,280,551	4.6%	\$ 44,030,727	4.9%
2016	19,872,830	3.1%	\$ 45,885,370	4.2%
2017 ¹³	19,439,022	-2.2%	\$ 45,612,881	-0.6%
2018	20,335,755	4.6%	\$ 47,072,060	3.2%
2019	20,469,175	0.7%	\$ 48,724,431	3.5%
2020 ¹⁴	18,770,373	-8.3%	\$ 40,697,064	-16.5%

Source: Historical Lee County Annual Reports.

- (1) Tolls reinstated on Cape Coral Bridge November 1, 1989.
(2) Toll increase applied on Cape Coral Bridge November 1, 1994.
(3) Midpoint Memorial Bridge opened to traffic October 19, 1997.
(4) Variable pricing program introduced on Cape Coral and Midpoint Bridges in August 1998.
(5) Traffic restrictions imposed on Sanibel Causeway due to structural failures identified in January 2003.
(6) Toll increase applied on Sanibel Causeway November 1, 2004.
(7) Reduced Fare Program tolls reduced on Sanibel Causeway November 1, 2005.
(8) Construction completed on Sanibel Causeway and three new spans opened to traffic in September 2007.
(9) New Violation Enforcement System implemented on Midpoint Bridge (January 2007) and Sanibel Causeway (June 2007).
(10) One-way tolling introduced on the Midpoint and Cape Coral Bridges on November 1, 2007.
(11) Reconstruction of Midpoint Memorial Bridge toll plaza completed in May 2011.
(12) Reconstruction of Cape Coral Bridge toll plaza completed in November 2012.
(13) Effects from Hurricane Irma in September 2017.
(14) Effects from COVID-19 pandemic beginning March 2020.

Figure 1-3
Systemwide Annual Toll Transactions and Revenues
FY 1988-2020



Source: FY 1997 through FY 2020 Lee County Annual Reports.

FY 2011 and FY 2012 indicate a substantial impact resulting from the Great Recession. Furthermore, transactions and revenue were “flat” as far back as FY 2006, predating both the conversion to one-way tolling and the recession. Some of those earlier declines are likely attributable to the substantial toll increases on the Sanibel Causeway, but may also be partly indicative of the early precursors of economic problems in the region. The housing market in Lee County began faltering some time before the nation entered the Great Recession, with building permits declining by over 20 percent in FY 2006.

From FY 2011 through FY 2016, transactions and revenues showed increasing annual growth, which indicated the slow recovery period after the Great Recession.

In FY 2017, both toll transactions and revenues declined for the first time since the Great Recession and the conversion to one-way tolling. This decline can be attributed to the negative impacts of toll suspensions on Lee County facilities during Hurricane Irma.

In FY 2018, both toll transactions and revenues increased. As previously mentioned, the increase in FY 2018 can partially be attributed to the negative impacts of Hurricane Irma on FY 2017 toll transactions and revenues and natural growth on the bridges. FY 2019 showed an increase in both toll transactions and revenues. One potential issue that likely impacted the growth of toll transactions were the SunPass interoperability issues in the early part of FY 2019.

The most significant event in FY 2020 was the imposition of state and local stay-at-home orders, public space closures (including schools), social distancing orders and other restrictions beginning in March 2020 in response to the COVID-19 pandemic. These actions were taken in an effort to reduce the spread of the disease based on guidelines from the Centers for Disease Control and Prevention (CDC) and the Federal Government. The following represents an overview of the timeline of events relevant to Florida and Lee County specifically:

- **March 2020** – A State of Emergency is declared in Florida and Lee County. Lee County implemented Stay-at-Home and Social Distancing Orders for vulnerable population. Additionally, gatherings of 10 or more people are restricted. Lee County businesses are encouraged to promote telecommuting and reduce on-site workforce by 50 percent. Lee County schools are closed. In-person cash payments on the Lee County toll bridges are suspended.
- **April 2020** – Governor DeSantis issued Executive Order Number 20-112, which provided a path to reopening Florida by promoting business operation and economic recovery while maintaining focus on core safety principles. Vacation rentals are suspended in Lee County. Lee County parks are reopened.
- **May 2020** – Outdoor seating regulations are enacted for restaurants and hotels started accepting reservations for rooms in Lee County.
- **June 2020** – Lee County revised short term vacation rental restrictions.
- **September 2020** – Lee County schools reopened.

As of February 3, 2021, there have been over 1.7 million confirmed cases of COVID-19 in Florida, with over 27,000 deaths. Within Lee County, there have been over 53,000 confirmed cases and over 800 deaths, or roughly 3 percent of the total statewide impact.

As noted above, Lee County has not been as hard hit as other regions of Florida. However, the state and local restrictions described above and the general concern regarding the spread of the virus have still produced major impacts to regional traffic patterns. The similarity in the relative share of toll transactions and revenue for the three toll facilities between FY 2019 and FY 2020 suggests that the impacts of COVID-19 have affected the three bridges similarly, although the Sanibel Causeway had the greatest negative impact, the Causeway has rebounded the fastest with positive growth in August and September 2020.

In response to the COVID-19 pandemic, Lee County suspended cash payments on the three toll bridges as of March 18, 2020. Those without a transponder are now directed to proceed through any open lane. An image of their license plate is taken, and the customer is mailed a notice for payment within 10 days of the transaction date. Payment can then be made online, over the phone or at a LeeWay Service Center. No administrative fees are assessed to these cashless customers.

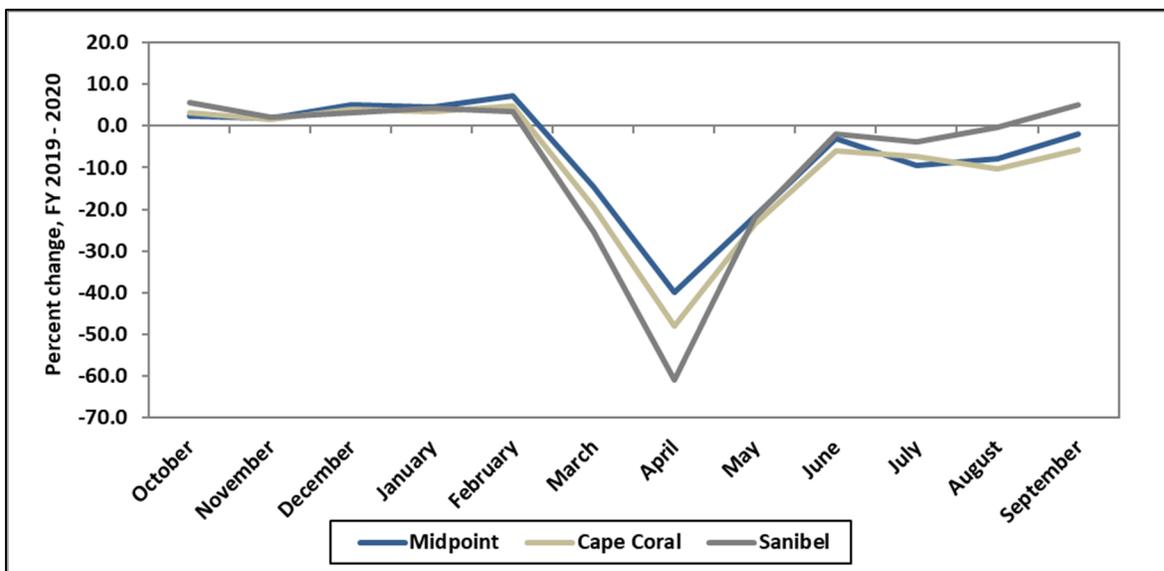
In addition to the COVID-19 pandemic, the following events, incidents, and construction activities were identified as potentially impacting transactions and revenue during FY 2020:

- On November 9, 2019 the Midpoint Memorial Bridge was closed between 11:00 p.m. and 2:23 a.m. due to an accident;
- On November 10, 2019 the Midpoint Memorial Bridge was closed between 6:19 p.m. and 8:25 p.m. for the Midpoint Madness 5k Veteran's Day Race; and
- On February 9, 2019 the Cape Coral Bridge was closed between 12:40 p.m. and 4:38 a.m. due to accidents in the westbound lanes.

No other major weather events, emergencies, or major accidents were reported.

The percent change in toll transactions by month between FY 2019 and FY 2020 for each of the three facilities is presented in **Figure 1-4**. As shown, all three facilities experienced similar patterns of change throughout FY 2020. The significant decrease in transactions for all three facilities between March and May 2020 can be attributed to the Stay-at-Home orders and other shutdowns related to the COVID-19 pandemic. Although transactions have significantly recovered since April, Lee County toll bridge transactions from June 2020 through the end of the fiscal year have been roughly 5 percent below those of the prior year. These lingering year-over-year differences are due to continued COVID-19 restrictions, reductions to regional employment as a result of the pandemic, and changes in regional travel patterns due to telecommuting and reduced levels of tourism.

Figure 1-4
Percent Change in Toll Transactions between FY 2019 and FY 2020, by Month
Cape Coral Bridge, Midpoint Memorial Bridge, and Sanibel Causeway



Source: Lee County Daily Class/Traffic Type Reports.

ETC PARTICIPATION

ETC was first introduced on the three Lee County toll facilities in 1997. In addition to Lee County's branded ETC system, LeeWay, the Lee County toll facilities also accept the Florida Department of Transportation's SunPass transponders and the Central Florida Expressway Authority's (CFX) E-PASS transponders. North Carolina Quick Pass customers as of August 2013

and Georgia's Peach Pass customers as of October 2014 (FY 2015) are able to use LeeWay facilities via video billing. Discounts on Lee County toll facilities are only available to customers with a LeeWay transponder. As previously noted, Lee County suspended cash payments on the three toll bridges as of March 18, 2020 in response to the COVID-19 pandemic. During the suspension, those without a transponder pay using video billing.

The historical rates of ETC participation are shown in **Table 1-7**. The Sanibel Causeway is separated in the table from the other two Lee County toll bridges due to the different toll rates and travel patterns associated with that facility. As shown in Table 1-7, ETC participation on the Lee County toll facilities has increased from 45.5 percent of all toll transactions in FY 1997 to 62.9 percent during FY 2020. During this period, the systemwide ETC percentage has increased in 18 of 24 years since its introduction in 1997. This growth has been driven primarily by the increase

Table 1-7
Systemwide ETC Participation Percentage (all classes)
FY 1997 – 2020

Year	Sanibel Causeway	Cape Coral and Midpoint Bridges	Systemwide
FY 1997	57.3	43.2	45.5
FY 1998	56.0	43.7	45.3
FY 1999	56.4	45.8	47.1
FY 2000	56.4	47.5	48.5
FY 2001	56.5	49.7	50.5
FY 2002	56.8	50.3	51.0
FY 2003	57.2	50.5	51.1
FY 2004	55.9	49.3	49.8
FY 2005	57.0	50.4	50.9
FY 2006	60.2	51.2	51.9
FY 2007	60.7	53.9	54.4
FY 2008	60.3	56.1	56.7
FY 2009	60.1	56.1	56.8
FY 2010	60.4	56.1	56.8
FY 2011	60.7	56.4	57.1
FY 2012	61.1	57.5	58.1
FY 2013	61.5	58.0	58.6
FY 2014	61.5	58.1	58.7
FY 2015	62.1	59.2	59.7
FY 2016	63.4	61.1	61.5
FY 2017	64.1	62.6	62.9
FY 2018	65.2	63.3	63.6
FY 2019	64.9	63.2	63.5
FY 2020	65.9	62.3	62.9

Source: FY 1997 through FY 2019 Lee County Annual Report, Lee County Toll Operations 15-minute transaction records.

in ETC participation on the Midpoint Memorial and Cape Coral Bridges, which increased from 43.2 percent in FY 1997 to 62.3 percent in FY 2020. By contrast, ETC participation on the Sanibel Causeway started at a higher rate (57.3 percent) in FY 1997 but has increased at a slower pace through FY 2020 to 65.9 percent. As a result, ETC participation on the Midpoint Memorial and Cape Coral Bridges has mostly caught up to that of the Sanibel Causeway.

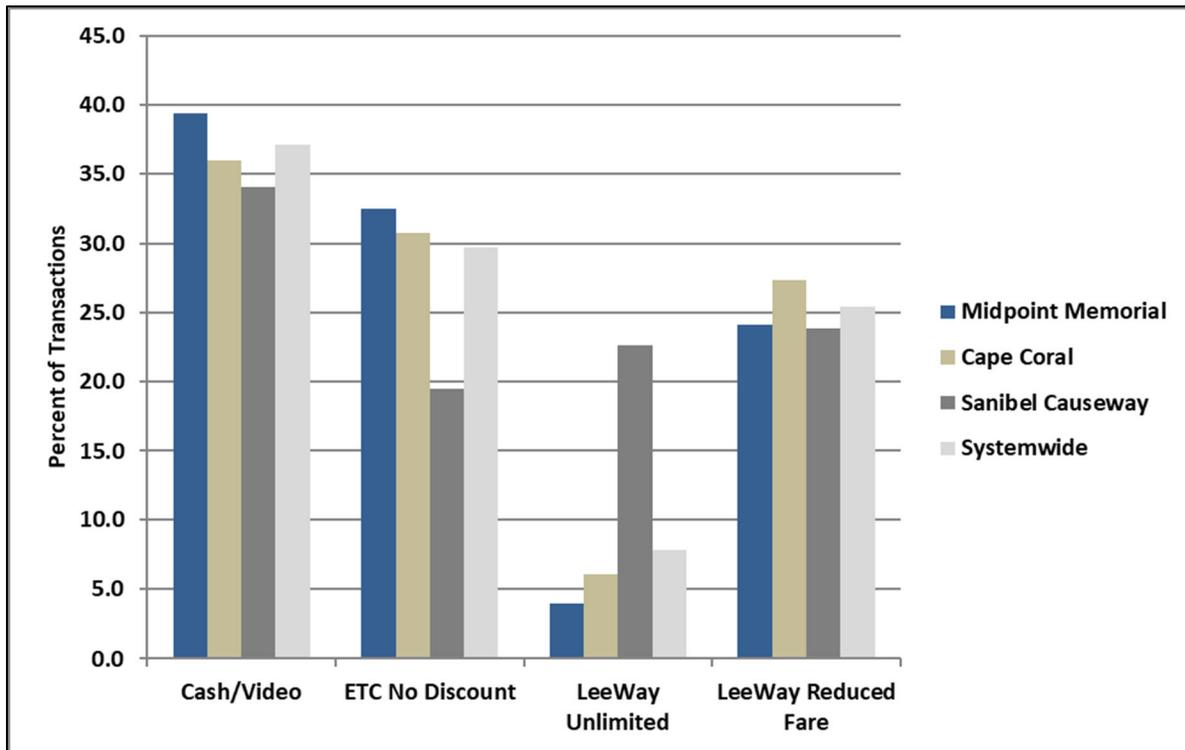
The COVID-19 pandemic has impacted all methods of payment categories. Due to the increase of people working at home and negative impacts to employment due to COVID-19, commuter traffic has been significantly reduced. Since commuters tend to use ETC for their toll payment, ETC participation rates have decreased slightly. Counterbalancing that impact is the reduction in recreational and tourist traffic due to the closures of parks, beaches and public spaces and the various restrictions imposed on travel. Looking at the actual experience in FY 2020 of the Lee County toll bridges in terms of ETC participation, the Midpoint Memorial and Cape Coral Bridges experienced a slight decrease in ETC participation from 63.2 percent in FY 2019 to 62.3 percent in FY 2020 as a result of the COVID-19 pandemic. By contrast, the Sanibel Causeway saw a slight increase in ETC participation during the same time period, from 64.0 to 65.9 percent. This is likely due to a disproportional decrease in recreational and tourist trips using cash payment on the Sanibel Causeway as compared to the other Lee County toll bridges, which were more affected by decreases in commuters paying through ETC. It is still unclear the extent to which these changes are temporary and will reverse, following the end of the COVID-19 pandemic, or represent longer-lasting structural changes to the economy and travel patterns (i.e., increased telecommuting and less recreational travel).

TOLL TRANSACTIONS BY PAYMENT TYPE

While the data presented thus far provides insight into the overall adoption of ETC, the actual use of LeeWay transponders is considerably more complex. This is due in large part to the many variations of available discount plan types, durations, and number of household vehicles. Moreover, the Sanibel Causeway serves a market with characteristics very different from the market served by the Cape Coral and Midpoint Memorial Bridges. The distribution of payment type by facility during FY 2020 is presented in **Figure 1-5**. Though there are dozens of variations of possible payment methods and plans, these plans can be classified in one of four ways: cash/video, ETC with no discount, LeeWay Unlimited, and LeeWay Reduced Fare.

As shown, the Midpoint Memorial and Cape Coral Bridges have the highest percentage of cash/video transactions at 39.4 percent and 36.0 percent, respectively, which is slightly higher than last year. Both bridges experienced a decrease in regular ETC transactions due to the Stay-at-Home Orders and closures related to COVID-19. That being said, the percent of full fare ETC transactions increased slightly on both facilities due to the corresponding reductions in Unlimited and Reduced Fare transactions. The ETC payments on these two facilities is quite similar, with a large portion of ETC transactions through the Reduced Fare program. LeeWay Reduced Fare transactions account for 24.1 percent and 27.3 percent of total transactions on the Midpoint Memorial and Cape Coral Bridges, respectively. The Unlimited program accounted for the smallest share, fewer than 7.0 percent of toll transactions on both facilities.

Figure 1-5
Percent of Toll Transactions by Payment Type by Facility



Source: Lee County FY 2020 Monthly Traffic by Class and PMT.

Cash/Video accounted for 34.1 percent of toll transactions on the Sanibel Causeway, which was the only Lee County toll bridge to experience a year-over-year percent reduction in Cash/Video transactions in FY 2020. This is likely due to the higher impact to the Sanibel Causeway of recreational area closures and travel restrictions related to COVID-19. Compared to the other two facilities, a much larger proportion of Sanibel Causeway customers opted for the Unlimited program, which accounted for 22.6 percent of all toll transactions. This is likely due to the higher toll rate on the Sanibel Causeway and the greater savings resulting from the use of the Unlimited program. On the Sanibel Causeway, ETC transactions utilizing no discount accounted for the smallest segment of overall transactions.

Systemwide, during FY 2020, full price/base rate ETC transactions increased by 1.6 percent while the Unlimited program decreased by 0.4 percent compared to FY 2019. The Reduced Fare program transactions decreased by 1.8 percent. Systemwide, Cash/Video transactions increased by 0.6 percent, compared to FY 2019. Again, this is because of the shifts in method of payment resulting from reduced commuters and reduced recreational traffic due to the COVID-19 pandemic. In addition, the implementation of video tolling in place of cash collections in response to the COVID-19 pandemic may have helped to encourage some additional video transactions due to the increased convenience to the customer.

With respect to the type of ETC transponders used, the vast majority are LeeWay transponders. However, as previously mentioned, Lee County accepts FDOT's SunPass, CFX's E-PASS, North Carolina's Quick Pass and Georgia's Peach Pass. As shown in **Table 1-8**, 63.4 percent of systemwide ETC transactions use LeeWay transponders. This marks 12 consecutive years in which the LeeWay share of ETC transactions has declined, down from a high of 91.2 percent in FY 2008.

Table 1-8
Percent of ETC Transactions by Issuing Agency

Issuing Agency	Transponder Name	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Systemwide Total
Lee County	LeeWay	57.6	63.3	77.9	63.4
FDOT	SunPass	41.6	36.2	21.4	36.0
CFX	E-PASS	0.8	0.5	0.7	0.7
Total		100.0	100.0	100.0	100.0

Source: Lee County FY 2020 ETC by Issuing Authority

In addition to the changes in travel patterns related to the COVID-19 pandemic, the loss in market share may be indicative of growth in ETC usage on Florida's Turnpike System, or growing awareness among SunPass users of interoperability between the two systems. The overall share of ETC transactions utilizing SunPass transponders has increased steadily in recent years, from 9.7 percent in FY 2009 to 36.0 percent in FY 2020, which may also result in lower participation in discount programs.

The distribution of ETC revenue by issuing agency is presented in **Table 1-9**. This includes Toll-by-Plate transactions for rental vehicles, which were introduced in FY 2009. Toll-by-Plate allows rental car customers to pay tolls on Lee County toll facilities without using cash or carrying their own transponder. The Toll-by-Plate transactions are charged toll rates equivalent to the cash rate plus a video processing fee of \$0.06 per transaction. The service providers are charged an administrative maintenance fee of 8 percent of the monthly gross tolls paid from the provider's prepaid account. As of FY 2018, only one provider is currently enrolled in the program: Verra Mobility (a portfolio company of Platinum Equity). Rental car companies include Dollar, Firefly, Hertz, Thrifty, Avis, Budget, Payless, Fox, Penske, Ryder, Alamo, Enterprise and National. All Toll-by-Plate transactions are ultimately accounted for as ETC transactions, although all ETC transactions contain a record as to whether they were originally transponder-based (LeeWay, SunPass, E-PASS) or image-based (Toll-by-Plate). Video billing is also used to process Quick Pass and Peach Pass transactions. The Toll-by-Plate totals below do not include the video transactions processed by Lee County at the toll facilities, only rental vehicles enrolled in the program.

Table 1-9
Percent of ETC Revenue by Issuing Agency

Issuing Agency	Transponder Name	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Systemwide Total
Lee County	LeeWay	44.47	39.41	42.15	41.94
FDOT	SunPass	51.52	56.78	47.33	52.28
CFX	E-PASS	0.86	1.15	1.44	1.13
NCTA	Quick Pass	0.02	0.02	0.06	0.03
SRTA	Peach Pass	0.05	0.03	0.17	0.08
Toll-by-Plate	N/A	3.08	2.61	8.85	4.55
Total		100.00	100.00	100.00	100.00

Source: Lee County FY 2020 AVI/V-Toll Report.

Note: Due to rounding, totals may not add to exactly 100.0 percent.

Note the distribution of revenue presented in this table does not match the distribution of toll transactions processed under each system or issuing agency and does not reflect the frequency with which each system or agency is invoked. The main reason for the differences is the discounts available to LeeWay customers and the markups associated with the Toll-by-Plate transactions, the distribution of toll revenue does not necessarily correspond with frequency or prevalence of one system or agency over another. This is most noticeable when comparing the toll transaction and revenue distributions presented in Tables 1-8 and 1-9. For example, while LeeWay transponders account for 57.6 percent of all Midpoint Memorial ETC transactions, Table 1-9 shows these transactions only account for 44.5 percent of all Midpoint Memorial Bridge ETC toll revenues.

FY 2020 was the eleventh full fiscal year in which Toll-by-Plate was available for rental car customers, and the payment method has continued to grow. In FY 2020, Toll-by-Plate accounted for 4.6 percent of systemwide ETC revenue, which is an increase of 1.2 percentage points over the percent share in FY 2019 and an increase from the 0.3 percent share in FY 2009 when the program was first introduced. This significant increase over the prior year is likely due to the changes in travel behavior as a result of the COVID-19 pandemic and the suspension of cash toll collection.

TOLL TRANSACTIONS BY VEHICLE CLASS

The distribution of toll transactions on each of the three Lee County toll facilities by vehicle class (number of axles) is presented in **Table 1-10**. Systemwide, 97.9 percent of all toll transactions were made by two-axle passenger vehicles, with little variation among the three facilities. The next most frequent vehicle class was the three-axle trucks, which typically includes delivery and service vehicles, including two-axle vehicles pulling trailers. These vehicles accounted for 1.0 percent of all toll transactions systemwide. Motorcycles represented 0.2 percent of total toll transactions and four-axle vehicles accounted for 0.7 percent of total toll transactions. Trucks with five or more axles represented just 0.2 percent of toll transactions.

Table 1-10
Percent of Total Toll Transactions by Vehicle Class

Vehicle Class	Midpoint Bridge	Cape Coral Bridge	Sanibel Causeway	Systemwide Total
Motorcycle	0.1	0.2	0.2	0.2
2-Axle	97.7	98.3	97.4	97.9
3-Axle	1.1	0.8	1.3	1.0
4-Axle	0.8	0.6	0.9	0.7
5-or-More-Axles	0.3	0.1	0.2	0.2
Total	100.0	100.0	100.0	100.0

Source: Lee County FY 2020 Monthly Traffic by Class and PMT

The fact that the distribution of vehicle classes in FY 2020 was generally unchanged from the previous fiscal year is significant in light of the COVID-19 pandemic. During the initial months of the pandemic, 2-axle passenger car traffic was significantly reduced, while 3-or-more-axle commercial vehicle traffic was not reduced to the same extent as goods were still being shipped around the country in order to satisfy consumer needs.

COMPARATIVE PERFORMANCE

Other Florida Toll Facilities

To provide additional context in analyzing the performance of the Lee County toll facilities, this section contains a comparison with performance on other toll roads and bridges throughout Florida. The available 2019 and 2020 toll transaction and revenue data for a number of such facilities is presented in **Table 1-11**. The facilities shown in the table operate on different fiscal years. All of the facilities shown are operated by Florida's Turnpike Enterprise and run on a fiscal year of July 1 through June 30 as opposed to the Lee County fiscal year which runs from October 1 to September 30. Given the differences in accounting calendars and the fluid nature of the economy during this reporting period, the operating results shown in Table 1-11 may vary, particularly due to the start of the COVID-19 pandemic in March 2020. In addition, a number of physical and operational changes may have occurred on these facilities over the past two years, and it is therefore difficult to control for all possible variables affecting transactions and revenue. It's important to note that Hurricane Dorian also negatively impacted Florida toll facilities in September 2019 (FY 2019). Nevertheless, the comparative performance data provide additional information through which to assess performance on Lee County toll facilities.

Table 1-11
Comparative Performance
Select Florida Toll Facilities
FY 2019 vs. FY 2020

Toll Facility	County	Length (miles)	Operator	Total Transactions (000s)			Revenue (\$000s)		
				2019	% Change	2020	2019	% Change	2020
Pinellas Bayway	Pinellas	15.2	FDOT	9,946	-9.3	9,020	\$6,091	-18.8	\$4,944
Beachline West Expwy	Orange	8	FTE	35,636	-13.0	30,992	\$29,320	-17.3	\$24,246
Lee County Toll System	Lee	3.5	Lee County	20,469	-8.3	18,770	\$48,724	-16.5	\$40,697
Alligator Alley	Collier/Broward	78	FDOT	10,083	-11.3	8,948	\$34,543	-10.8	\$30,813
Sunshine Skyway	Pinellas/Manatee	17.4	FDOT	22,826	-9.0	20,769	\$28,231	-9.6	\$25,513
Sawgrass Expwy	Broward	23	FTE	96,558	-11.9	85,054	\$88,747	-9.6	\$80,244
Beachline East Expwy	Orange/Brevard	15	FTE	21,151	-5.3	20,035	\$6,866	-8.9	\$6,256
Suncoast Pkwy	Hillsborough/Pasco/Hernando	42	FTE	36,810	-9.2	33,417	\$29,214	-8.9	\$26,623
Seminole Expwy	Osceola/Orange/Seminole	55	FTE	45,404	-10.4	40,686	\$60,209	-7.0	\$56,008
Mid-Bay Bridge/Spence Pkwy	Okaloosa	14.6	FDOT	10,532	-9.2	9,564	\$25,660	-6.1	\$24,101
Veterans Expwy	Hillsborough	15	FTE	70,158	-9.9	63,198	\$56,582	-5.0	\$53,781
Wekiva Pkwy	Orange/Lake/Seminole	25	FDOT	1,759	-6.9	1,637	\$1,539	-4.5	\$1,469
Polk Pkwy	Polk	25	FTE	38,121	-7.4	35,296	\$36,848	-3.8	\$35,431
Garcon Point Bridge	Santa Rosa	3.5	FDOT	2,193	-10.9	1,953	\$7,571	-1.4	\$7,462

Source: Florida's Turnpike Enterprise Comprehensive Annual Financial Report, FY 2020; Florida Department of Transportation 2020 Toll Operations Annual Report.

A review of the available data indicates a negative trend in transactions and revenue throughout the State of Florida due primarily to the COVID-19 pandemic. Of the 14 facilities shown in the table, all of them saw decreases in toll transactions greater than 5 percent in FY 2020. In terms of revenue, the impacts are generally greater. The discrepancy between transaction and revenue performance can be attributed to changes in travel patterns and methods of payment over the past year, due to the elimination of cash toll collection on Lee County facilities. Averaging the year-over-year percent change in toll transactions and revenue on all facilities in the table, on average toll transactions decreased by 10.0 percent while revenue decreased by 9.3 percent. Therefore, the Lee County toll bridges did better than the average Florida toll facility in the year-over-year change in transactions but fell short of the average for revenue. This may be due to the changes in the method of payment and the additional revenue leakage associated with the suspension of cash toll payments.

AVERAGE TOLL

While total transactions play a significant role in gross toll revenue, a shift in the distribution of vehicle class and payment methods can also have an impact on gross toll revenues. The combined effect of shifting payment method and vehicle class can be assessed by examining the average tolls on each of the Lee County facilities. **Table 1-12** presents the historical average toll rates for Fiscal Years 1998 through 2020 for each of the three toll bridges. As indicated, changes have been minimal over the last few years, with a significant decrease in 2020. The recent decrease in the average toll rate is likely the result of the changes in method of payment and lost revenue (or leakage) associated with the suspension of cash toll payments in response to the COVID-19 pandemic. Prior to that, the most obvious and most significant driver of average toll was the base toll rate itself, which last changed on the Cape Coral and Midpoint Memorial Bridges in FY 2008 with the implementation of one-way tolling, and on the Sanibel Causeway in FY 2005 with the toll rate increase.

Table 1-12
Historical Average Toll
FY 1998 – 2020

Fiscal Year	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Systemwide
1998 ¹	\$0.85	\$0.83	\$1.84	\$0.97
1999	0.85	0.83	1.88	0.97
2000	0.84	0.83	1.90	0.96
2001	0.84	0.83	1.92	0.95
2002	0.84	0.82	2.00	0.95
2003 ²	0.81	0.78	1.87	0.90
2004	0.83	0.80	1.95	0.92
2005 ³	0.85	0.81	4.76	1.13
2006 ⁴	0.84	0.80	4.11	1.07
2007	0.86	0.82	4.25	1.10
2008 ⁵	1.58	1.51	4.28	1.95
2009	1.76	1.67	4.29	2.14
2010	1.74	1.68	4.32	2.15
2011	1.76	1.69	4.27	2.15
2012	1.76	1.71	4.31	2.18
2013	1.79	1.73	4.37	2.21
2014	1.86	1.78	4.46	2.28
2015	1.88	1.79	4.48	2.28
2016	1.91	1.82	4.51	2.31
2017	1.95	1.84	4.59	2.35
2018	1.94	1.84	4.53	2.31
2019	1.99	1.90	4.63	2.38
2020 ⁶	1.79	1.73	4.32	2.17

(1) Variable pricing program introduced on Cape Coral and Midpoint Memorial Bridges August 1998.

(2) Traffic restrictions imposed on Sanibel Causeway January 2003.

(3) Toll increase applied on Sanibel Causeway November 2004.

(4) Reduced Fare Program transaction tolls reduced on Sanibel Causeway November 2005.

(5) Toll rates doubled on November 1, 2007 on Cape Coral and Midpoint Bridges, in conjunction with the conversion to one-way tolling.

(6) Cash tolls suspended March 18, 2020 in response to the COVID-19 pandemic.

Systemwide, the average toll rate was \$2.17 in FY 2020. This figure includes revenue from toll transactions, as well as program sales. The average toll rate decreased by 20 cents on the Midpoint Memorial Bridge, decreased by 17 cents on the Cape Coral Bridge, and decreased by 31 cents on the Sanibel Causeway, which is indicative of the impacts from the COVID-19 pandemic.

PROGRAM SALES

A detailed accounting of the sale of discount programs by facility and plan type is provided in **Table 1-13**. In total, the sale of discount programs represents a significant share of the total revenue from toll operations collected by Lee County. As indicated, a total of 72,222 discount programs were sold in FY 2020, generating \$5,591,528 in revenue, or 13.7 percent of the total systemwide revenues. This represents a 1.4 percent decrease in both program sales program revenue over FY 2019, when 73,273 program sales generated \$5,669,479 in gross revenue. This small decrease can be attributed to the fact that a majority of program sales occur in October of each year. Specific details of transactions and revenue by payment type are included in the facility chapters.

**Table 1-13
Discount Program Sales and Revenue
FY 2020**

	Program Description	Quantity	Revenue
Sanibel	Sanibel Annual Unlimited	3,032	\$ 1,133,024
	Sanibel Semiannual Nov thru Apr Unlimited	73	\$ 20,100
	Sanibel Semiannual May thru Oct Unlimited	101	\$ 21,525
	Sanibel Annual Reduced	10,319	\$ 641,894
	Sanibel Semiannual Nov thru Apr Reduced	2,012	\$ 97,250
	Sanibel Semiannual May thru Oct Reduced	536	\$ 25,850
Cape/Midpoint	Cape/Midpoint Annual Unlimited	3,301	\$ 980,341
	Cape/Midpoint Semiannual Nov thru Apr Unlimited	97	\$ 17,780
	Cape/Midpoint Semiannual May thru Oct Unlimited	151	\$ 24,568
	Cape/Midpoint Annual Reduced	41,819	\$ 1,525,560
	Cape/Midpoint Semiannual Nov thru Apr Reduced	2,567	\$ 58,356
	Cape/Midpoint Semiannual May thru Oct Reduced	2,369	\$ 54,096
Combination	Sanibel and Cape/Midpoint Annual Unlimited	528	\$ 375,209
	Sanibel and Cape/Midpoint Semiannual Nov thru April Unlimited	9	\$ 4,090
	Sanibel and Cape/Midpoint Semiannual May thru Oct Unlimited	33	\$ 12,679
	Sanibel and Cape/Midpoint Annual Reduced	4,402	\$ 446,993
	Sanibel and Cape/Midpoint Semiannual Nov thru April Reduced	350	\$ 25,049
	Sanibel and Cape/Midpoint Semiannual May thru Oct Reduced	255	\$ 18,278
	Annual Sanibel Reduced and Cape/Midpoint Unlimited	79	\$ 29,681
	Semiannual Nov thru April Sanibel Reduced and Cape/Midpoint Unlimited	0	\$ -
	Semiannual May thru Oct Sanibel Reduced and Cape/Midpoint Unlimited	0	\$ -
	Annual Sanibel Unlimited and Cape/Midpoint Reduced	181	\$ 76,965
	Semiannual Nov thru April Sanibel Unlimited and Cape/Midpoint Reduced	4	\$ 1,246
	Semiannual May thru Oct Sanibel Unlimited and Cape/Midpoint Reduced	4	\$ 996
	Total	72,222	\$ 5,591,528

Source: Lee County FY 2020 Discount Program Sales

In **Table 1-14**, the comprehensive list of all program type sales listed in Table 1-13 is condensed into five categories. The Cape Coral/Midpoint Unlimited category includes variations on that plan type, including annual and semiannual plans. The Cape Coral/Midpoint Reduced Fare category similarly condenses all annual and semiannual variants into a single category. The same is true of the two Sanibel categories. Finally, a fifth category includes combination plans that cover all three facilities (Reduced Fare, Unlimited, or a combination of the two).

**Table 1-14
Summary of Program Sales
FY 2020**

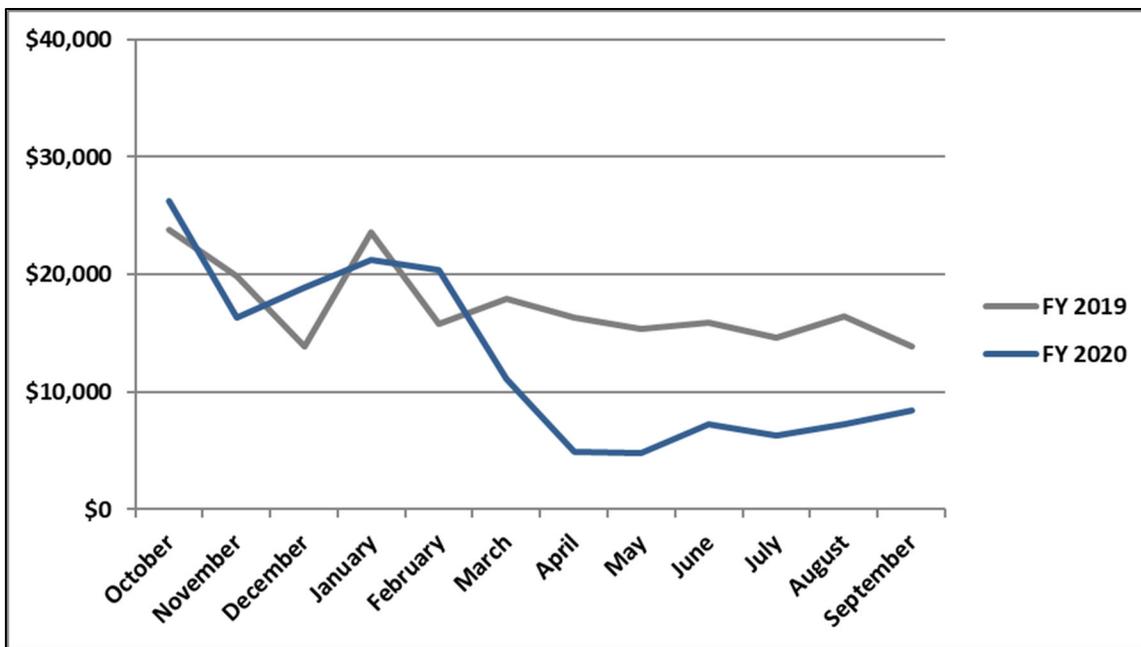
Program	Total Count	Percent of Total
Cape Coral/Midpoint Unlimited	3,549	4.9
Cape Coral/Midpoint Reduced Fare	46,755	64.7
Sanibel Unlimited	3,206	4.4
Sanibel Reduced Fare	12,867	17.8
Combination	5,845	8.1
Total	72,222	100.0

Source: Lee County FY 2020 Discount Program Sales

TRANSPONDER SALES

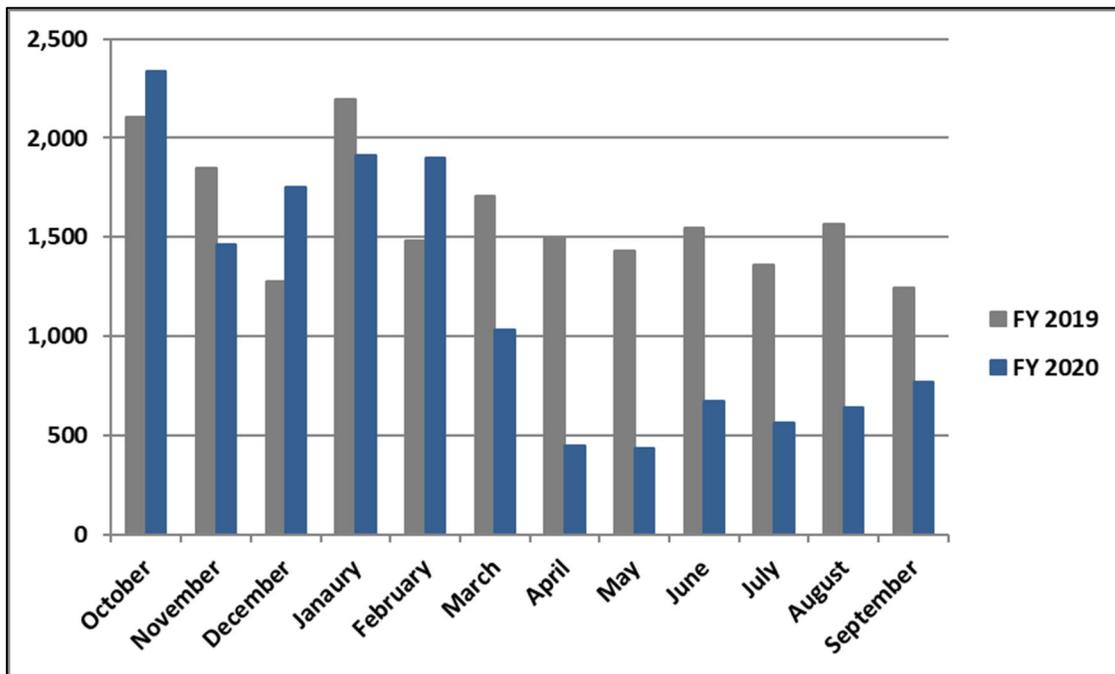
Additional revenues are generated directly through the sale of LeeWay transponders. Monthly transponder revenue and transponders sold in FY 2020 compared to FY 2019 are shown in **Figures 1-6 and 1-7**, respectively. During FY 2020, Lee County generated additional gross revenues of \$153,119 through the sale of 13,922 transponders. Transponder sales peaked in October with 2,335 transponders sold. Although FY 2020 transponder sales outpaced those of FY 2019 through February 2020, the onset of the COVID-19 pandemic served to reduce transponder sales by roughly half between April 2020 and the end of the fiscal year. Transponder sales were 27.7 percent less in FY 2020 as compared with the previous year, while revenue also declined by 26.1 percent.

**Figure 1-6
Comparison of FY 2019 and FY 2020
Systemwide Monthly Revenues from Transponder Sales**



Source: Lee County FY 2020 Transponder Sales

Figure 1-7
Comparison of FY 2019 and FY 2020
Systemwide Monthly Transponder Sales



Source: Lee County FY 2020 Transponder Sales

VIOLATION ENFORCEMENT SYSTEM

During 2007, a violation enforcement system (VES) was installed at the toll plazas for each of the three Lee County toll facilities. This system has been utilized during the current year for customers without transponders as cash payments have been suspended in response to the COVID-19 pandemic. When a customer passes through a toll plaza without paying or with an invalid LeeWay account, the VES employs a system of cameras and sensors to photograph the license plate of the offending vehicle. Violation images are reviewed through a double-blind procedure to obtain license plate information for each recordable violation. Under this process, the two reviews are independent of each other. Reviewers have no knowledge of the conclusion reached by the other reviewer. If both reviewers reach the same conclusion, the read is accepted. If there is a discrepancy between the two, the image is sent for additional review. Some images are considered unreadable due to factors such as sunlight or objects obscuring a clear view. If a license plate cannot be conclusively identified, the violation is “coded off” and the customer is not pursued.

Violations for which images are available and read are then forwarded for additional processing. If the license plate corresponds to a LeeWay, SunPass, E-PASS, Quick Pass, Peach Pass or rental car toll collection service provider account on record, the appropriate toll amount is deducted from the account. This is referred to as Video Tolling, or a “V Toll.” If no ETC account information is available for the plate, the license plate information is provided to the Highway Safety Motor Vehicles Department so they may locate the registered owner of the vehicle. The registered owner’s information is used to open a VES account and a Toll Due Notice (TDN) is generated and

mailed to the owner. If the toll is not paid or contested within 30 days, a uniform traffic citation (UTC) is issued. Owners who receive a UTC have 40 days to pay the toll plus a \$100.00 fee. If not paid within the time specified, the UTC is turned into the Lee County court system and the fine is increased to include court costs and 3 points may be added to the owner's driver's license. In December 2019, Lee County toll facilities began an overall review of its violation enforcement process and stopped issuing UTCs until a new process is developed.

Table 1-15 presents a summary of systemwide violation transactions by month for FY 2020. As shown, violations represented roughly 6.8 percent of total transactions through February 2020, with 99.3 percent of violation revenue being collected. This is consistent with the violation experience for the Lee County toll bridges in FY 2019. However, following the inception of the COVID-19 pandemic and the suspension of cash toll collection, the number and percent of violation transactions more than quadrupled. Customers that formerly paid with cash are initially classified as "violators" and handled through the VES. Despite this, the average violation collection rate only decreased slightly after March 2020, to 97.1 percent.

Table 1-15
Monthly Violation Transactions
FY 2020

Month	Total Traffic	% of Violations	Total Violations	VES Code-Offs	Collection %
Oct	1,742,142	6.8%	118,004	11,944	99.3%
Nov	1,690,495	6.8%	115,104	10,912	99.4%
Dec	1,760,682	7.0%	122,433	11,885	99.3%
Jan	1,871,658	6.7%	125,937	11,987	99.4%
Feb	1,833,697	6.7%	123,287	11,585	99.4%
Mar	1,561,107	16.7%	259,985	25,848	98.3%
Apr	955,040	35.7%	340,488	25,811	97.3%
May	1,342,012	37.4%	502,253	36,200	97.3%
Jun	1,509,302	38.1%	575,361	46,118	96.9%
Jul	1,506,391	38.2%	575,866	50,120	96.7%
Aug	1,503,735	37.3%	560,862	42,230	97.2%
Sep	1,494,112	37.2%	555,180	39,489	97.4%
Total	18,770,373	21.2%	3,974,760	324,129	98.3%

Source: Lee County FY 2020 Violation Summary Report

As of the end of FY 2020, violations represented 21.1 percent of total transactions. Of these, 8.2 percent were coded off because photos of license plates were not readable. It should be noted that despite the increase in the number of violations, the percent of code-offs decreased compared to FY 2019. Total violations increased by 212.6 percent from FY 2019 to FY 2020, with a 1.1 percent decrease in the overall rate of collected transactions. In total, 98.3 percent of all Lee County transactions were either paid at the toll plaza or processed for payment through the VES.

Table 1-16 contains a summary of revenue collection activities resulting from violations reported from the lane level system. In FY 2020, \$10,306,369 in violation revenue was registered by Lee County, a 212.9 percent increase from \$3,293,998 in FY 2019. Of that total, 20.1 percent, or \$2,076,045, was collected by billing tolls to existing ETC accounts or to rental car companies through the Toll-by-Plate program. Another \$3,929,022, or 38.1 percent, was collected through the issuance of Toll Due Notices and Uniform Traffic Citations. A total of \$4,301,302 in originally registered violation revenue was never collected, representing an increase of 421.8 percent. However, an additional \$1,238,873 in revenue was collected in fines, fees, and other miscellaneous revenues related to the VES. In total, after accounting for uncollectible revenues and additional fees and fines that were collected, \$3,062,429 in revenue was lost through the VES, over and above the amounts originally owed. This represents a revenue leakage rate of 8.1 percent, which is considerably less than comparable toll facilities that have implemented video tolling in place of cash toll collection. As previously noted, the increase in violations is a result of the suspension of cash toll payments in March 2020 in response to the COVID-19 pandemic.

Table 1-16
Monthly Violation Revenue Collections
FY 2020

Month	Outstanding Revenue Collection	AVI - Pay by Plate Revenue Collection	Non AVI Outstanding Violation Collection	VES and Court Collected Toll	Outstanding Collections, Losses, and False Transactions	Service Center Fees, Fines, and Misc. Revenue	Balance
Oct	-\$295,265	\$125,577	-\$169,688	\$79,205	-\$90,483	\$293,648	\$203,165
Nov	-294,222	143,938	-150,284	71,522	-78,762	240,100	161,338
Dec	-311,386	134,403	-176,983	72,053	-104,930	161,287	56,357
Jan	-319,940	157,942	-161,998	73,386	-88,613	116,950	28,337
Feb	-316,766	121,250	-195,516	71,147	-124,369	107,970	-16,399
Mar	-656,367	179,279	-477,088	77,233	-399,855	103,718	-296,137
Apr	-828,302	103,232	-725,070	232,089	-492,981	61,227	-431,754
May	-1,329,019	152,735	-1,176,284	359,558	-816,726	41,332	-775,394
Jun	-1,543,385	245,478	-1,297,907	520,358	-777,549	36,392	-741,157
Jul	-1,540,777	276,387	-1,264,390	899,300	-365,089	31,025	-334,064
Aug	-1,457,849	242,740	-1,215,109	754,821	-460,288	23,225	-437,063
Sep	-1,413,092	193,084	-1,220,008	718,351	-501,657	21,999	-479,658
Total	-\$10,306,369	\$2,076,045	-\$8,230,324	\$3,929,022	-\$4,301,302	\$1,238,873	-\$3,062,429

Source: Lee County FY 2020 Violation Summary Report

CHAPTER 2

REGIONAL ECONOMIC GROWTH TRENDS

Usage of toll facilities such as the Lee County bridges depends on three principal factors: the overall travel demand in the region; the potential time and distance savings associated with the toll facility compared to other toll-free facilities; and the willingness of motorists to pay for the time and/or distance savings offered by a tolled facility. The first factor, regional travel demand, is driven predominantly by the level and location of socioeconomic activity such as population, employment, and other economic activities. Economic activity can be measured most directly in terms of gross regional product (GRP), and is also reflected in measures of retail sales, tourism, the real estate market, and aggregate income levels. Development trends and the relative attractiveness of various housing markets will also impact the distribution of traffic within the region. There are also socioeconomic reasons for travel across the bridges. Customers only have one route when traveling from Fort Myers to Sanibel and limited options for travel across the Caloosahatchee River. Additionally, residents with jobs in Cape Coral, Sanibel and Fort Myers need to use the bridges every day to commute to and from work. These determinants of aggregate travel demand have a direct impact on both tolled and toll-free facilities.

The second factor, travel time and distance savings offered by the toll facility, is based on the geographic location of the facility, the state of the overall transportation network, and in particular the level of congestion along various competing routes. If a toll facility offers significant travel time or distance savings over the nearest toll-free route in a market for which travel demand exists, the facility will have a high level of demand. While geography is a fixed attribute, relative congestion may change over time and have an associated impact on demand for the toll facility.

The third factor impacting toll facility usage is the ability and willingness of a potential customer to pay the toll. This factor will determine how many customers use that facility at a particular toll rate once the previous two factors are considered. Higher wages and certain trip purposes (commuter and business traffic) will generally result in a higher average value of time among potential toll facility customers, resulting in a greater willingness to pay for the time and/or distance savings offered. Discount programs, such as the ones offered through LeeWay, assist customers in the ability to pay the toll and increase usage as customers perceive savings.

These factors can all be fundamentally traced to underlying socioeconomic variables, so it is important to understand the socioeconomic conditions in which the Lee County facilities have operated historically and in the most recent fiscal year. This chapter presents a number of socioeconomic parameters that are particularly relevant. Where appropriate and available, extensive historical context is provided. Wherever possible, comparative data is presented for Lee County, the State of Florida, and the entire United States. Except where noted, the data presented in this chapter refers to calendar years.

COVID-19 SOCIOECONOMIC IMPACTS

COVID-19 detrimentally impacted the United States, affecting lives, livelihoods, and everyday behaviors since the virus first appeared in mid-March 2020. An ensuing pandemic, with multiple infectious peak periods, altered societal norms, including travel and economic activities. After more than a year, “normal” pre-COVID-19 activities have yet to fully return; however, with the proliferation of ongoing vaccinations, the worst has likely passed, and a resumption of normalcy is on the horizon. COVID-19 has triggered a significant contraction in socioeconomic activity at the national, state, and regional levels.

National Real GDP

National real GDP shrank by an annualized 5.0 percent in the first quarter of 2020, which was significant considering the loss occurred almost entirely in March, with growth having occurred in both January and February. Real GDP fell by an annualized 31.4 percent in the second quarter of 2020, which was an unprecedented order-of-magnitude outlier since quarterly data were published (1947). No other quarter in the last 75 years was even close; the first quarter of 1958 was the previous record contraction at 10.0 percent annualized, and the most severe impact during the Great Recession was 8.4 percent annualized in the fourth quarter of 2008. Quarter 3 in 2020 partially rebounded by an annualized 33.4 percent, followed by a smaller 4.3 percent increase in the fourth quarter. While the Quarter 3 growth appears large, it did not reflect a full bounce-back, and the annual 2020 real GDP declined 3.5 percent in total. Such an annual decline had not been unobserved since 1946 (11.6 percent loss, reflecting the unravelling of the WWII boom years). As the official arbiter of economic cycles, the National Bureau of Economic Research (NBER) designated the COVID-19 pandemic a recession, beginning in February 2020, which is still ongoing.

Florida Real GSP

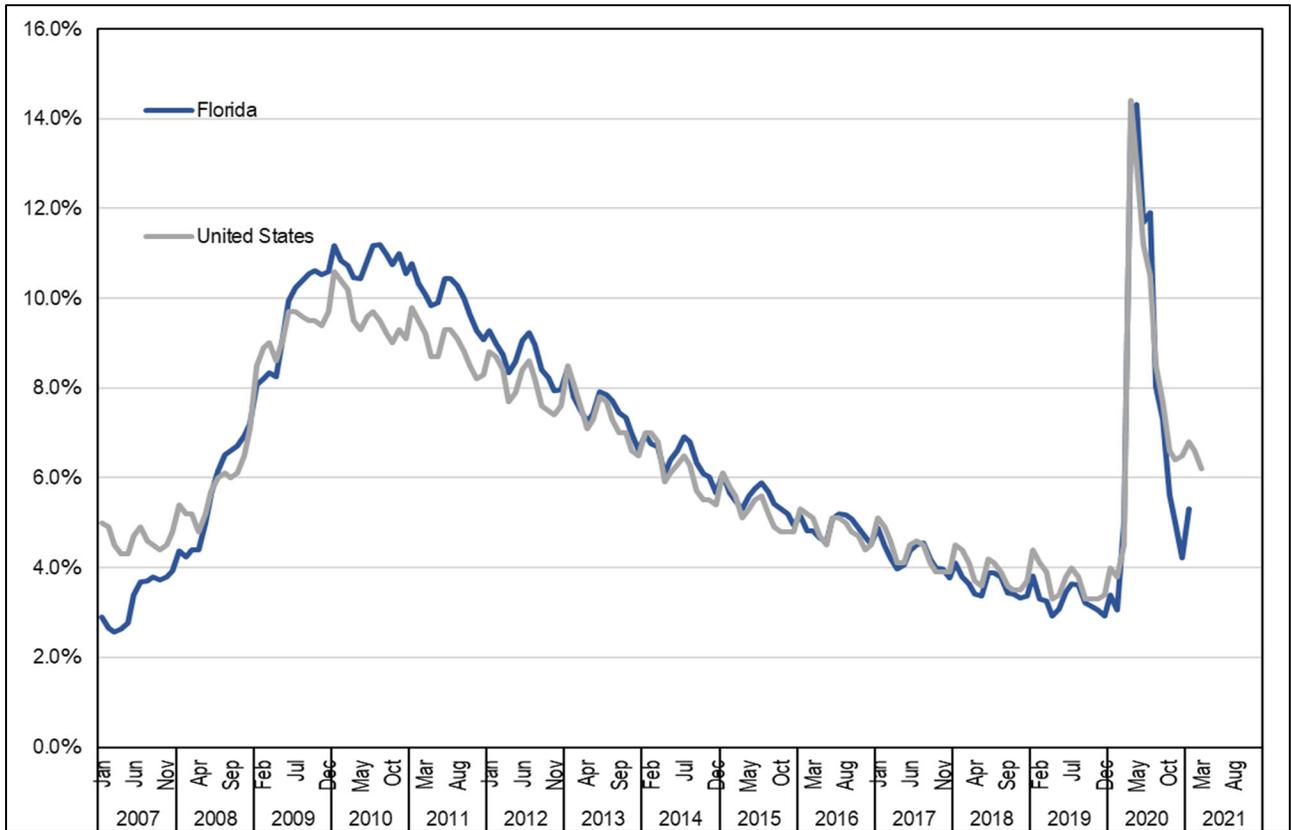
Economic impacts to Florida from COVID-19 were similar to the nation. Quarter 1 and Quarter 2 of 2020 shrank by an annualized 4.3 percent and 30.1 percent, respectively, a similar magnitude as the nation, and only slightly less severe. Quarter 3 rebounded at the same 33.4 percent annualized national pace, with Quarter 4 slightly slower at 3.1 percent. In total, Florida’s economy contracted 2.9 percent in 2020. Quarterly data for MSAs/counties are not published by the Bureau of Economic Analysis, and annual 2020 data for substate geographies are not yet released; however, areas within Florida highly dependent on tourism and related services industries were impacted more severely by COVID-19, given travel and social distancing restrictions.

Unemployment Rates

The monthly unemployment rates from 2007 to 2021 for Florida and the United States are presented in **Figure 2-1**. Tourism-dependent regions within Florida were particularly impacted by COVID-19. April and May 2020 had the highest unemployment rates during the pandemic, in the immediate aftermath of the virus circulating and during the initial policy responses that effectively shuttered businesses and social activities as preemptive, precautionary measures. Prior to COVID-19, unemployment rates were at historically low levels, in the low-to-mid 3.0 percent range during late 2019. In April 2020, the national unemployment rate (seasonally unadjusted) spiked to 14.4 percent; Florida peaked in May 2020 at 14.3 percent, which are rates notably higher than the worst

months during the 2007-2009 Great Recession, which were around 10.0 percent. Many employees returned to previous jobs, or found other employment, albeit all with additional safety precautions implemented, resulting in the unemployment rates subsequently declining. At the beginning of 2021, unemployment rates are back down into the 5.0 percent to 6.0 percent range.

Figure 2-1
Monthly Unemployment Rates
2007 – 2021



Source: Bureau of Labor Statistics

Economic Outlook

Many forecasting sources published national real GDP data since COVID-19 began, typically with rolling, quarterly updates to reflect the ongoing impacts and changing policy responses. Various sources were compiled and compared; see **Table 2-1** depicting forecasts of growth in national real GDP for 2021 and 2022. An average 4.4 percent is forecasted for 2021, ranging from 3.2 percent to 6.2 percent, effectively a rebounding back to 2019 real GDP levels, but with no additional growth above 2019 levels. In 2022, real GDP is forecasted to continue positive growth, but with some deceleration.

**Table 2-1
National Real GDP Forecasts 2021 - 2022**

Source	Release Date	2021	2022
Wells Fargo Securities Economics Group	February 19, 2021	6.2%	5.1%
Bank of Montreal (BMO) Capital Markets Economics	February 19, 2021	6.0%	4.0%
ScotiaBank Global Economics	February 4, 2021	5.8%	4.3%
International Monetary Fund (IMF): World Economic Outlook	January 2021	5.1%	2.5%
University of Michigan: Research Seminar in Quantitative Economics (RSQE)	February 19, 2021	4.8%	3.9%
Congressional Budget Office (CBO)	February 11, 2021	4.6%	2.9%
Federal Reserve Bank of Philadelphia: Survey of Professional Forecasters*	February 12, 2021	4.5%	3.7%
Conference Board	February 10, 2021	4.4%	N/A
Royal Bank of Canada (RBC) Economics	December 15, 2020	4.4%	2.7%
Economist Intelligence Unit (EIU): Global Forecasting Service	February 16, 2021	4.3%	3.0%
Federal Reserve Bank: Federal Open Market Committee (FOMC)	December 16, 2020	4.2%	3.2%
TD Economics	December 15, 2020	4.1%	3.3%
National Association of Realtors	January 30, 2021	4.0%	3.5%
Energy Information Administration (EIA): Short-Term Energy Outlook	February 4, 2021	3.8%	4.2%
World Bank	January 2021	3.5%	3.3%
PNC Financial Services Group	January 2021	3.4%	3.2%
National Association for Business Economics (NABE)*	December 2020	3.4%	N/A
Organization for Economic Cooperation and Development (OECD)	December 9, 2020	3.2%	3.5%
Average		4.4%	3.5%

Moody's Analytics projects a three-year economic rebounding from COVID-19, with 4.6 percent, 6.6 percent, and 4.5 percent annual growth in Florida for 2021, 2022, and 2023, respectively; growth rates similar to pre-Great Recession trends. After 2023, annual growth is projected to decelerate from about 3.0 percent to 2.5 percent through 2050. Moody's projects employment to return to pre-COVID-19 levels for Florida by 2022. Population growth forecasts are not appreciably impacted in Moody's data.

HISTORICAL SOCIOECONOMIC TRENDS

This section contains a summary of the long-term historical socioeconomic trends under which the Lee County toll facilities have operated in previous years. Statistics are provided through 2020, if available, and generally extend as far back as 40 years. The data is drawn from a number of government, academic and private sources.

Population

Between 1970 and 2020, the population of Lee County experienced tremendous growth, increasing by over 600 percent. Between 1970 and 2008, county population grew every year except one, adding over 500,000 individuals during that time. Growth was briefly interrupted in 2009 during the Great Recession when population declined by approximately 8,600 people or 1.4 percent. However, by 2010 growth had resumed. By 2011, previous population declines had been erased with the county growing by 1.1 percent to 625,310. In 2020, population growth in Lee County increased by 2.1 percent to 750,493. Since 1970, the compound average annual population growth rate is 4.0 percent per year. As shown in **Table 2-2**, Lee County population growth has

significantly outpaced the State of Florida, which, in turn, has grown faster than the nation over the same period. As a state, Florida's population more than tripled from 6,791,418 in 1970 to 21,596,068 in 2020.

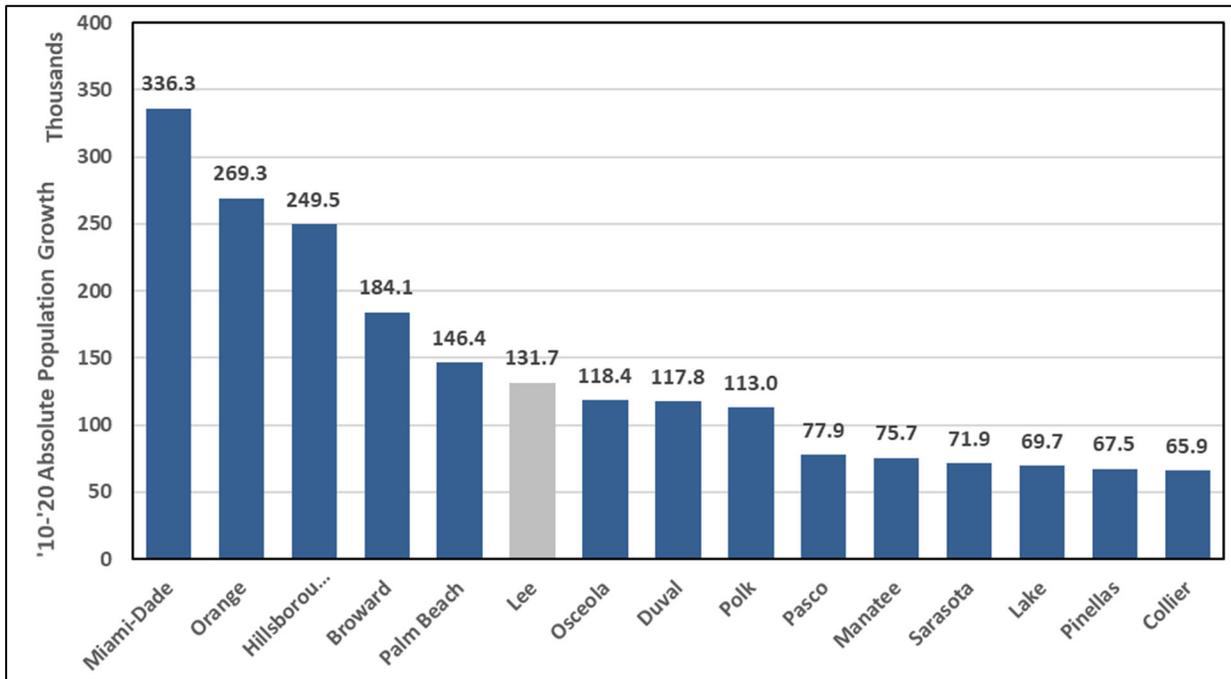
**Table 2-2
Historical Population Growth
1970 – 2020**

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
1970	105,216	--	6,791,418	--	203,302,037	--
1980	205,266	6.9%	9,746,959	3.7%	226,542,250	1.1%
1990	335,113	5.0%	12,938,071	2.9%	248,790,925	0.9%
2000	440,888	2.8%	15,982,378	2.1%	281,421,906	1.2%
2001	454,918	3.2%	16,331,739	2.2%	284,968,955	1.3%
2002	475,073	4.4%	16,674,608	2.1%	287,625,193	0.9%
2003	495,088	4.2%	17,071,508	2.4%	290,107,933	0.9%
2004	521,253	5.3%	17,516,732	2.6%	292,805,298	0.9%
2005	549,442	5.4%	17,918,227	2.3%	295,516,599	0.9%
2006	585,608	6.6%	18,349,132	2.4%	298,379,912	1.0%
2007	615,741	5.1%	18,680,367	1.8%	301,231,207	1.0%
2008	623,725	1.3%	18,807,219	0.7%	304,093,966	1.0%
2009	615,124	-1.4%	18,750,483	-0.3%	306,771,529	0.9%
2010	618,754	0.6%	18,801,310	0.3%	308,745,538	0.6%
2011	625,310	1.1%	18,905,070	0.6%	311,583,481	0.9%
2012	638,029	2.0%	19,074,434	0.9%	313,877,662	0.7%
2013	643,367	0.8%	19,259,543	1.0%	316,059,947	0.7%
2014	653,485	1.6%	19,507,369	1.3%	318,386,329	0.7%
2015	665,845	1.9%	19,815,183	1.6%	320,738,994	0.7%
2016	680,539	2.2%	20,148,654	1.7%	323,071,755	0.7%
2017	698,468	2.6%	20,484,142	1.7%	325,122,128	0.6%
2018	713,903	2.2%	20,840,568	1.7%	326,838,199	0.5%
2019	735,148	3.0%	21,208,589	1.8%	328,329,953	0.5%
2020	750,493	2.1%	21,596,068	1.8%	329,484,123	0.4%
'70-'20	+645,277	4.0%	+14,804,650	2.3%	+126,182,086	1.0%

Source: Florida Office of Economic and Demographic Research April 1, 2020 Estimates (State and County); U.S. Census Bureau July 1 Estimates (National).

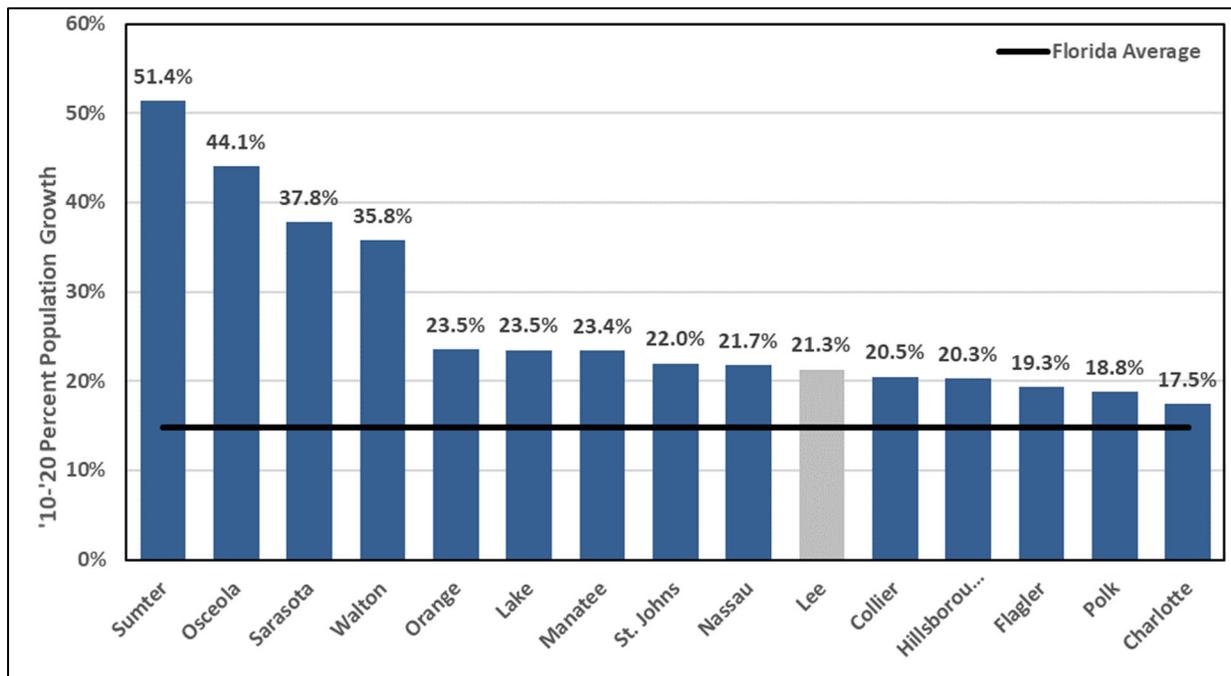
In absolute terms, Lee County ranked among the top 15 fastest growing counties in Florida between 2010 and 2020. In relative terms, Lee County ranked tenth compared to other counties in Florida. The 15 fastest growing counties over that ten-year period, in terms of absolute growth and percent growth, are presented in **Figures 2-2** and **2-3**. These growth rates are based on annual population estimates developed by the Florida Office of Economic and Demographic Research using data from the U.S. Census Bureau. Between 2010 and 2020, Lee County population grew by 131,739 residents, the sixth highest among all Florida counties in absolute terms, and by 21.3 percent, the tenth highest in terms of percentage. Both the absolute and relative growth have declined somewhat compared to 2007 and prior years due to the slower population growth in Lee County. However, since this trend has generally been mirrored throughout the State of Florida, Lee County's ranking relative to other counties has typically remained unchanged. However, in 2020 Lee County moved up from eleventh highest to tenth highest in relative growth during the same period.

Figure 2-2
Top Ten Counties, Absolute Population Growth
2010 – 2020



Source: Florida Office of Economic and Demographic Research April 1, 2020 Estimates.

Figure 2-3
Top Ten Counties, Percent Population Growth
2010 – 2020



Source: Florida Office of Economic and Demographic Research April 1, 2020 Estimates

Employment

Total employment at the county, state, and national level since 1990 are shown in **Table 2-3**. Lee County employment growth has significantly outpaced both state and national employment growth since 1990. Between 1990 and 2020, employment growth in Lee County was 112 percent and averaged 2.5 percent per year. This compares with a statewide average annual growth rate of 1.4 percent and a national average annual growth rate of 0.7 percent. An examination of other Bureau of Labor Statistics (BLS) sources dating back to the 1990s indicates that employment growth in Lee County was strong throughout the 1990s and early 2000s. Following 2006, this pattern of rapid employment growth abruptly reversed. As shown, employment in Lee County declined for three consecutive years from 2007 to 2009. Prior to 2007, employment growth in Lee County outpaced the state which, in turn, outpaced the nation. This trend turned positive in 2010, with Lee County experiencing positive year-over-year employment growth of 1.3 percent. Lee County employment growth continued from 2011 through 2019. Employment in Lee County, statewide, and nationally declined in 2020 due to the negative impacts of the COVID-19 pandemic.

Table 2-3
Historical Employment Growth
1990 - 2020

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
1990	149,321	--	6,068,832	--	118,870,710	--
1995	168,059	2.4%	6,656,533	1.9%	126,063,354	1.2%
2000	200,939	3.6%	7,565,981	2.6%	136,904,552	1.7%
2001	211,335	5.2%	7,669,117	1.4%	136,977,996	0.1%
2002	217,154	2.8%	7,656,349	-0.2%	136,455,782	-0.4%
2003	226,562	4.3%	7,783,148	1.7%	136,944,411	0.4%
2004	241,399	6.5%	8,049,908	3.4%	138,613,904	1.2%
2005	263,972	9.4%	8,398,974	4.3%	141,000,913	1.7%
2006	278,772	5.6%	8,709,522	3.7%	143,729,349	1.9%
2007	277,066	-0.6%	8,789,770	0.9%	145,156,135	1.0%
2008	262,214	-5.4%	8,637,164	-1.7%	144,860,346	-0.2%
2009	244,526	-6.7%	8,148,123	-5.7%	139,594,698	-3.6%
2010	247,790	1.3%	8,193,659	0.6%	139,408,090	-0.1%
2011	255,884	3.3%	8,371,638	2.2%	140,765,694	1.0%
2012	266,535	4.2%	8,588,669	2.6%	142,600,242	1.3%
2013	277,332	4.1%	8,770,084	2.1%	144,018,028	1.0%
2014	291,349	5.1%	8,966,245	2.2%	146,338,180	1.6%
2015	302,326	3.8%	9,070,977	1.2%	148,515,067	1.5%
2016	313,612	3.7%	9,335,870	2.9%	150,902,483	1.6%
2017	321,870	2.6%	9,639,326	3.3%	153,183,341	1.5%
2018	329,035	2.2%	9,808,656	1.8%	155,102,205	1.3%
2019	337,116	2.5%	10,016,060	2.1%	157,115,116	1.3%
2020	316,318	-6.2%	9,299,101	-7.2%	147,794,857	-5.9%
'90-'20	+166,997	2.5%	+3,230,269	1.4%	+28,924,146	0.7%

Source: United States Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics (LAUS) program.

Household Income

The median household income for Lee County, the State of Florida, and the United States from 1969 through 2019 is shown in **Table 2-4**. For the years ending 1969, 1979, 1989, and 1999, the data is from the Decennial Census conducted the year after (1970, 1980, etc.). For the years 2004 through 2019, the data is from the U.S. Census Bureau, Small Area Income and Poverty Estimates published annually from 2005 through 2020. Each year's value has been adjusted for inflation to constant 2019 dollars using the BLS Consumer Price Index for Urban Consumers Research Series (CPI-U-RS). CPI-U-RS is the same index used by the Census Bureau to adjust income between years. Since the previous Annual Report showed the values in 2018 dollars, the historical values shown in Table 2-4 will not match those shown in previous Annual Reports for the same years.

Table 2-4
Historical Median Household Income Growth
1969 – 2019 (Constant 2019 Dollars)

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
1969	\$45,245	--	\$46,511	--	\$55,063	--
1979	\$50,482	1.1%	\$50,700	0.9%	\$58,183	0.6%
1989	\$53,616	0.6%	\$54,820	0.8%	\$59,597	0.2%
1999	\$57,397	0.7%	\$55,718	0.2%	\$62,450	0.5%
2004	\$58,840	0.5%	\$55,354	-0.1%	\$60,002	-0.8%
2005	\$60,216	2.3%	\$55,552	0.4%	\$60,533	0.9%
2006	\$61,725	2.5%	\$57,693	3.9%	\$61,443	1.5%
2007	\$62,576	1.4%	\$58,943	2.2%	\$62,563	1.8%
2008	\$60,396	-3.5%	\$56,761	-3.7%	\$61,781	-1.3%
2009	\$54,369	-10.0%	\$53,333	-6.0%	\$59,847	-3.1%
2010	\$52,029	-4.3%	\$52,044	-2.4%	\$58,676	-2.0%
2011	\$51,731	-0.6%	\$50,293	-3.4%	\$57,399	-2.2%
2012	\$51,663	-0.1%	\$50,115	-0.4%	\$57,203	-0.3%
2013	\$51,146	-1.0%	\$50,505	0.8%	\$57,341	0.2%
2014	\$53,075	3.8%	\$51,231	1.4%	\$57,946	1.1%
2015	\$54,701	3.1%	\$53,302	4.0%	\$60,161	3.8%
2016	\$56,444	3.2%	\$54,173	1.6%	\$61,374	2.0%
2017	\$56,528	0.1%	\$54,842	1.2%	\$62,930	2.5%
2018	\$57,364	1.5%	\$56,437	2.9%	\$63,059	0.2%
2019	\$62,364	8.7%	\$59,198	4.9%	\$65,712	4.2%
'69-'19	+\$17,119	0.6%	+\$12,687	0.5%	+\$10,649	0.4%

Source: United States Census Bureau and Bureau of Labor Statistics. Values are adjusted for inflation to constant 2019 dollars using the BLS Consumer Price Index for Urban Consumers Research Series (CPI-U-RS).

Between 1969 and 2019, Lee County median household income grew by an average of 0.6 percent per year. Over the same period, statewide median household income grew at an average rate of 0.5 percent per year, while national growth was 0.4 percent per year. By 1999, Lee County median household income exceeded the statewide median, and surpassed the national median by 2006. However, slow growth followed by steep declines resulted in Lee County median household income falling below the national median in 2008. County median household income declined by a total of 15.3 percent between 2008 and 2013, falling to over \$6,000 below the national average by 2010. County, state, and national median household incomes all declined for five consecutive years, reflecting above-average unemployment levels and falling salaries. For the first time since the 1990s, in 2010 Lee County median household income fell behind the State of Florida. In 2011, Lee County median household income declined slightly by 0.6 percent and once again exceeded the average for the State of Florida. In 2014, Lee County median household income increased by 3.8 percent, which is the first increase since 2007. In 2019, the median household income for Lee County increased by 8.7 percent, Florida by 4.9 and the United States by 4.2 percent. The Lee County average is nearly \$3,400 below the national average.

Gross Regional Product

Gross Regional Product (GRP), referred to as Gross Domestic Product (GDP) at the national level, is an important measure in gauging the overall health of an economy. It includes the value of all goods and services provided (or consumed) within the region, including government spending, and is intended to represent the sum total of all economic activity. GRP and GDP are estimated on an annual basis for the states, metropolitan areas, and the nation, by the Bureau of Economic Analysis (BEA). The measures of historical GRP for Lee County, the State of Florida, and the United States, for 2001 through 2019 are shown in **Table 2-5**. Values are shown in constant 2012 dollars.

As shown in Table 2-5, 2019 saw growth in GRP/GDP at the county, state and national levels. This is the eighth consecutive year of growth for Lee County and the State of Florida, and the ninth for the United States. In the first half of the last decade, Lee County economic growth rates generally exceeded both the state and the nation. The Great Recession began in Lee County earlier, with negative GRP growth in 2007, while the Florida and United States economies continued to grow. Even after the recession took hold nationally, Lee County saw deeper declines in economic activity. The rate of growth in Lee County GRP fell below Florida in 2018 and leveled out in 2019. As of 2019, the GRP in Lee County exceeded its previous 2006 peak level two years ago (in 2017). By comparison, the statewide GRP in Florida exceeded its previous 2007 peak four years ago (in 2015), and the national GDP exceeded the previous 2007 peak eight years ago (in 2011).

Table 2-5
Historical Gross Regional Product
2001 – 2019 (Millions of 2012\$)

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2001	\$16,956	--	\$658,349	--	\$13,262,079	--
2002	\$18,135	7.0%	\$684,995	4.0%	\$13,493,064	1.7%
2003	\$19,800	9.2%	\$714,959	4.4%	\$13,879,129	2.9%
2004	\$22,263	12.4%	\$757,581	6.0%	\$14,406,382	3.8%
2005	\$24,651	10.7%	\$806,805	6.5%	\$14,912,509	3.5%
2006	\$26,415	7.2%	\$834,435	3.4%	\$15,338,257	2.9%
2007	\$25,939	-1.8%	\$835,637	0.1%	\$15,626,029	1.9%
2008	\$23,826	-8.1%	\$803,607	-3.8%	\$15,604,687	-0.1%
2009	\$21,862	-8.2%	\$759,432	-5.5%	\$15,208,834	-2.5%
2010	\$21,664	-0.9%	\$766,654	1.0%	\$15,598,753	2.6%
2011	\$21,370	-1.4%	\$763,484	-0.4%	\$15,840,664	1.6%
2012	\$21,681	1.5%	\$768,723	0.7%	\$16,197,007	2.2%
2013	\$21,900	1.0%	\$784,238	2.0%	\$16,495,369	1.8%
2014	\$23,081	5.4%	\$806,029	2.8%	\$16,912,038	2.5%
2015	\$24,291	5.2%	\$842,269	4.5%	\$17,432,170	3.1%
2016	\$25,755	6.0%	\$870,963	3.4%	\$17,730,509	1.7%
2017	\$26,696	3.7%	\$901,904	3.6%	\$18,144,105	2.3%
2018	\$27,418	2.7%	\$936,580	3.8%	\$18,687,786	3.0%
2019	\$28,208	2.9%	\$963,256	2.8%	\$19,091,662	2.2%
'01-'19	+\$11,252	2.9%	+\$304,907	2.1%	+\$5,829,583	2.0%

Source: United States Bureau of Economic Analysis.

Building Permits

Growth in the housing sector was a significant factor in the economic expansion, experienced throughout the 2000s, and an equally significant factor in the economic downturn towards the end of the decade, known as the “housing bubble.” Areas such as Lee County saw large increases in population and employment associated with significant new construction of housing during the growth years. Then, when home values began to fall and home sales declined, the economic impact in Lee County was particularly severe. This trend is reflected in the previous tables, which illustrated that while Lee County experienced above average growth in the first half of the last decade, the subsequent decline was more severe than the state and the nation. The trend is underscored by the precipitous drop in new home construction in the region.

The estimated number of new housing units for which building permits were issued in Lee County, the State of Florida, and the United States between 2000 and 2020 are presented in **Table 2-6**. Lee County experienced double-digit growth rates in the number of building permits issued each year from 2003 to 2005, followed by significant declines each year through 2009. In 2010, 2011 and 2012, the number of permits issued rose slightly, with a significant increase of 55.5 percent in 2013. The growth in permits continued in 2014 with an increase of 28.9. In 2015, Lee County building permits increased by 68.0 percent, which is the largest increase in permits during the 17-year period. The growth in building permits declined in 2016 by 21.3 percent, which is the first decline in Lee County since 2009. While the percentage increases over the previous five years may

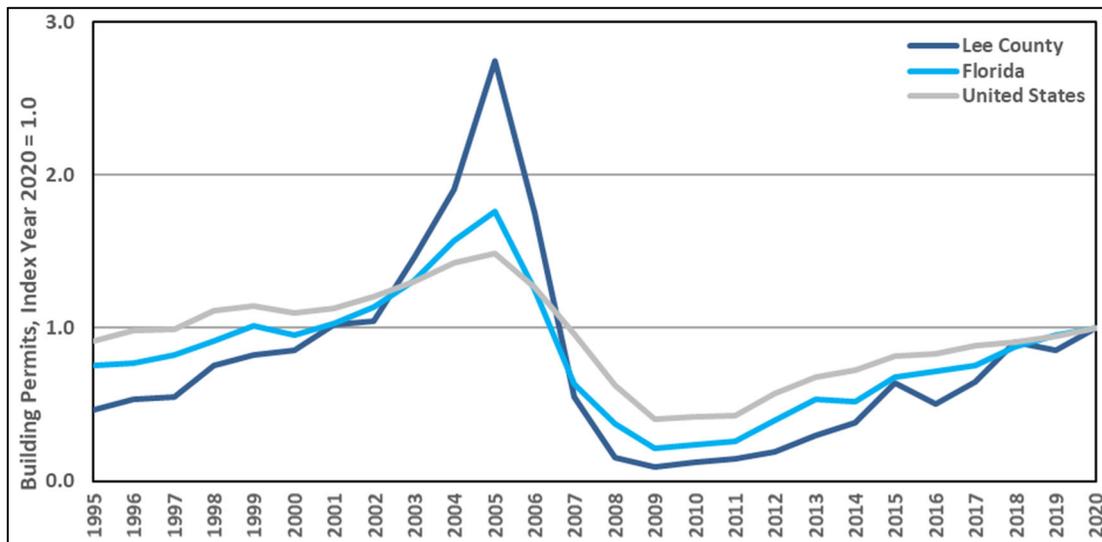
appear substantial, they represent growth following a 96.8 percent decline between 2005 and 2009. The 10,676 permits issued in 2020 are still 63.6 percent fewer than the peak year of 2005, when over 29,000 units were permitted. According to a recent market watch, the slower growth in Lee County building permits can be attributed in part to high material costs. The high costs are pushing homebuyers further north and east to more affordable submarkets. The building permit data from 1995 to 2020 is also shown graphically in **Figure 2-4**. Both the State of Florida and the United States also saw a peak in new housing units permitted in 2005. Since then, permits issued in Florida have dropped 43.4 percent, and nationally the rate of new building permits has dropped 32.6 percent. Even during the pandemic, the growth in Lee County permits issued increased by 17.3 percent in 2020 while Florida and the nation increased by 5.1 percent and 5.9 percent, respectively.

Table 2-6
Building Permit Growth – Total Units Permitted
2000 – 2020

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2000	9,120	3.4%	155,269	-5.7%	1,592,267	-4.3%
2001	10,959	20.2%	167,035	7.6%	1,636,676	2.8%
2002	11,146	1.7%	185,431	11.0%	1,747,678	6.8%
2003	15,675	40.6%	213,567	15.2%	1,889,214	8.1%
2004	20,395	30.1%	255,893	19.8%	2,070,077	9.6%
2005	29,330	43.8%	287,250	12.3%	2,155,316	4.1%
2006	18,746	-36.1%	203,238	-29.2%	1,838,903	-14.7%
2007	5,905	-68.5%	102,551	-49.5%	1,398,415	-24.0%
2008	1,602	-72.9%	61,042	-40.5%	905,359	-35.3%
2009	944	-41.1%	35,329	-42.1%	582,963	-35.6%
2010	1,276	35.2%	38,679	9.5%	604,610	3.7%
2011	1,587	24.4%	42,360	9.5%	624,061	3.2%
2012	2,043	28.7%	64,810	53.0%	829,658	32.9%
2013	3,176	55.5%	86,752	33.9%	990,822	19.4%
2014	4,095	28.9%	84,084	-3.1%	1,052,124	6.2%
2015	6,879	68.0%	109,924	30.7%	1,182,582	12.4%
2016	5,417	-21.3%	116,240	5.7%	1,206,642	2.0%
2017	6,954	28.4%	122,719	5.6%	1,281,977	6.2%
2018	9,724	39.8%	142,273	15.9%	1,317,895	2.8%
2019	9,100	-6.4%	154,711	8.7%	1,370,347	4.0%
2020	10,676	17.3%	162,592	5.1%	1,451,579	5.9%
'00-'20	+1,556	0.8%	+7,323	0.2%	-140,688	-0.5%

Source: United States Census Bureau Building Permits Survey

Figure 2-4
Total Units Permitted
1995 – 2020



Source: United States Census Bureau Building Permits Survey

Tourism

Traffic on the Lee County toll bridges, particularly the Sanibel Causeway, is heavily influenced by regional tourism as well as employment generated by the tourism and hospitality industries. Annual historical data is presented for both the State and Lee County in **Table 2-7**. Due to a change in the methodology employed by the Florida Commission for Tourism, statewide tourism estimates prior to calendar year 2009 are incompatible with the data available for the most current calendar years. As a result, statewide data prior to 2009 has been excluded from the table. The current sources will be used in all future annual reports provided they remain available and methodologically consistent.

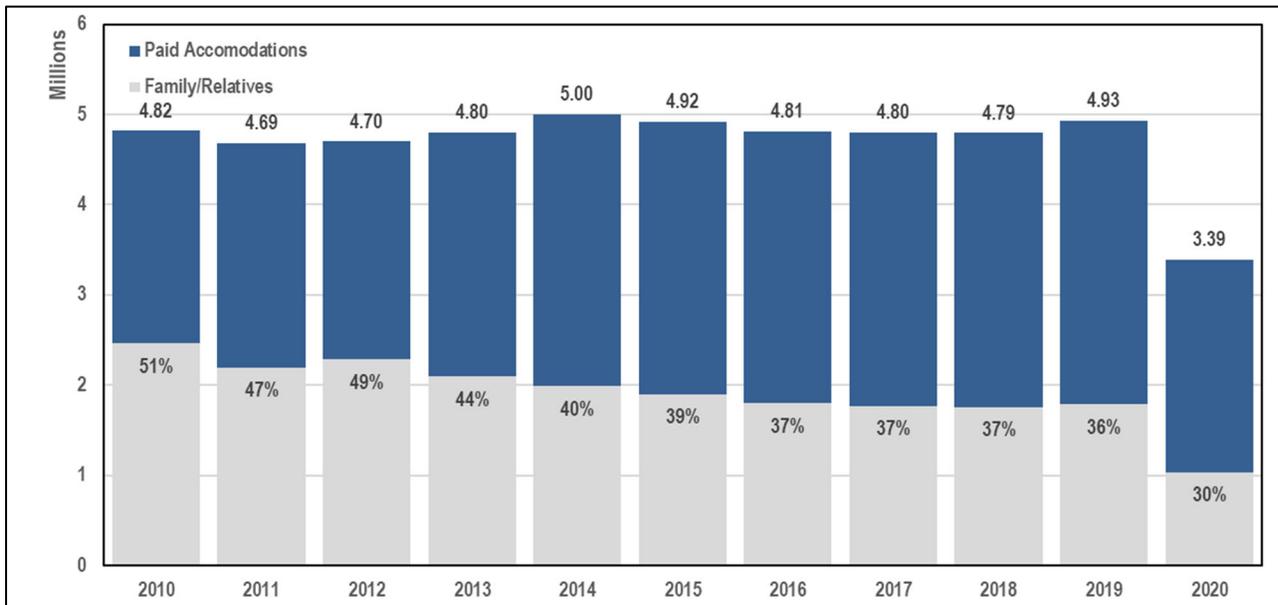
The COVID-19 pandemic had a negative impact on travel/tourism statewide and in Lee County. While Lee County has not been as severely impacted as other regions in Florida, it has still experienced major impacts to regional tourism as a result of state and local restrictions including stay-at-home orders, public space closures, and social distancing orders throughout most of 2020. As shown in Table 2-7, the number of visitors in Lee County declined by 31.2 percent in 2020. Of the total 3.4 million Lee County visitors in 2020, 30.5 percent consisted of family/relatives, which is significantly lower than the past several years. The impacts in Lee County were likely not as severe as other parts of the state, possibly due to the earlier reopening of beaches and hotels/short term rentals. The visitor data for Lee County is also shown graphically in **Figure 2-5**. This figure shows a trend over the last ten years that a larger proportion of visitors in paid accommodations come from far away origins, whereas visitors staying with friends and relatives are more likely to originate from nearby locations. As a result of the COVID-19 pandemic, the number of tourists visiting friends and family dropped by 42.1 percent compared to 2019, while the number of tourists with paid accommodations dropped by 25.0 percent.

**Table 2-7
Statewide and Lee County Tourism
2009 - 2020**

Year	Lee County						Florida	
	Family/ Relatives	Avg. Ann. % Δ	Paid Accommodations	Avg. Ann. % Δ	Total Visitors	Avg. Ann. % Δ	Total Visitors	Avg. Ann. % Δ
2009	2,462,692	--	2,248,596	--	4,711,288	--	80,879,000	--
2010	2,459,051	-0.1%	2,358,260	4.9%	4,817,311	2.3%	82,315,000	1.8%
2011	2,195,818	-10.7%	2,490,202	5.6%	4,686,020	-2.7%	87,306,000	6.1%
2012	2,282,333	3.9%	2,417,343	-2.9%	4,699,676	0.3%	91,524,000	4.8%
2013	2,094,921	-8.2%	2,703,012	11.8%	4,797,933	2.1%	94,144,000	2.9%
2014	1,987,596	-5.1%	3,015,974	11.6%	5,003,570	4.3%	98,492,000	4.6%
2015	1,895,742	-4.6%	3,023,021	0.2%	4,918,763	-1.7%	106,555,000	8.2%
2016	1,799,058	-5.1%	3,009,619	-0.4%	4,808,677	-2.2%	112,175,000	5.3%
2017	1,769,994	-1.6%	3,027,400	0.6%	4,797,394	-0.2%	118,364,000	5.5%
2018	1,754,853	-0.9%	3,038,997	0.4%	4,793,850	-0.1%	127,136,000	7.4%
2019	1,784,260	1.7%	3,142,140	3.4%	4,926,400	2.8%	131,423,000	3.4%
2020	1,033,740	-42.1%	2,357,960	-25.0%	3,391,700	-31.2%	86,715,000	-34.0%
'09-'20	-1,428,952	-7.6%	+109,364	0.4%	-1,319,588	-2.9%	+5,836,000	0.6%

Source: VisitFlorida.org and Lee County Visitor and Convention Bureau (Quarterly Visitor Profile Reports)

**Figure 2-5
Lee County Annual Visitors
2010 – 2020**



Source: VisitFlorida.org and Lee County Visitor and Convention Bureau (Quarterly Visitor Profile Reports)

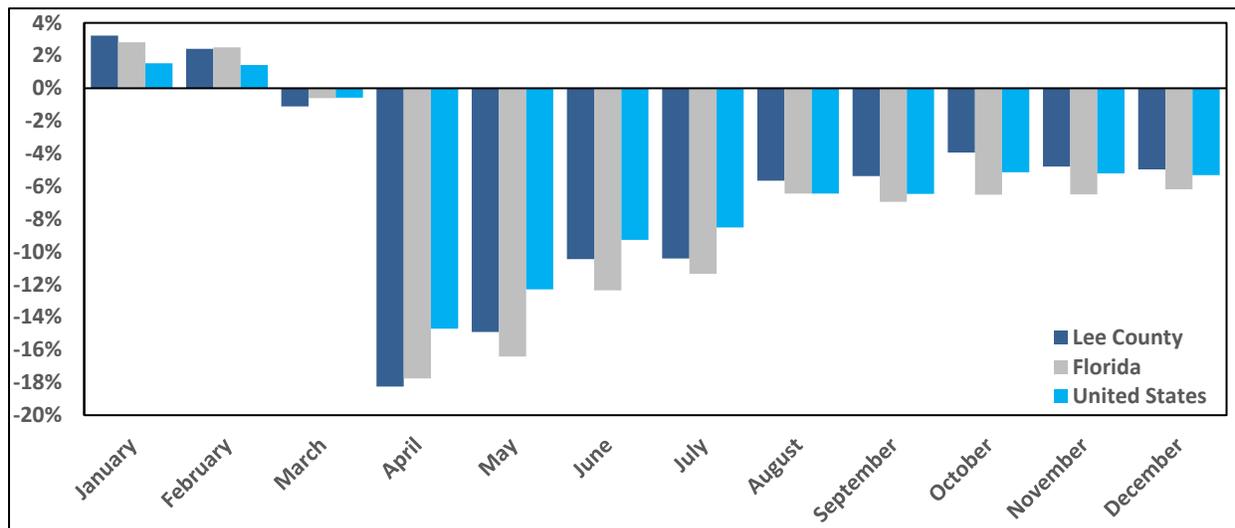
SHORT-TERM RECENT SOCIOECONOMIC STATISTICS

This section contains a review of recent trends in economic indicators such as employment, unemployment, retail sales, and building permit activity. The measures reviewed in this section are presented on a monthly basis, for one or more recent years. These short-term economic variables provide additional insight into the current trends that have influenced recent transactions and toll revenues.

Employment

The year-over-year percent changes in monthly total employment between 2019 and 2020 for Lee County, the State of Florida, and the United States are presented in **Figure 2-6**. The values are derived from the Bureau of Labor Statistics (BLS) Local Area Unemployment Statistics (LAUS) estimates and are current as of January 2021. As shown, employment in Lee County and at the state and national levels experienced increases in total employment for the first two months of 2020. All three experienced declines starting in March 2020, which correspond with the beginning of the COVID-19 pandemic. Declines continued throughout 2020, with the largest year over year declines occurring in April 2020. By the end of 2020, employment was still between 5 to 6 percent below 2019 at the county, state and national levels.

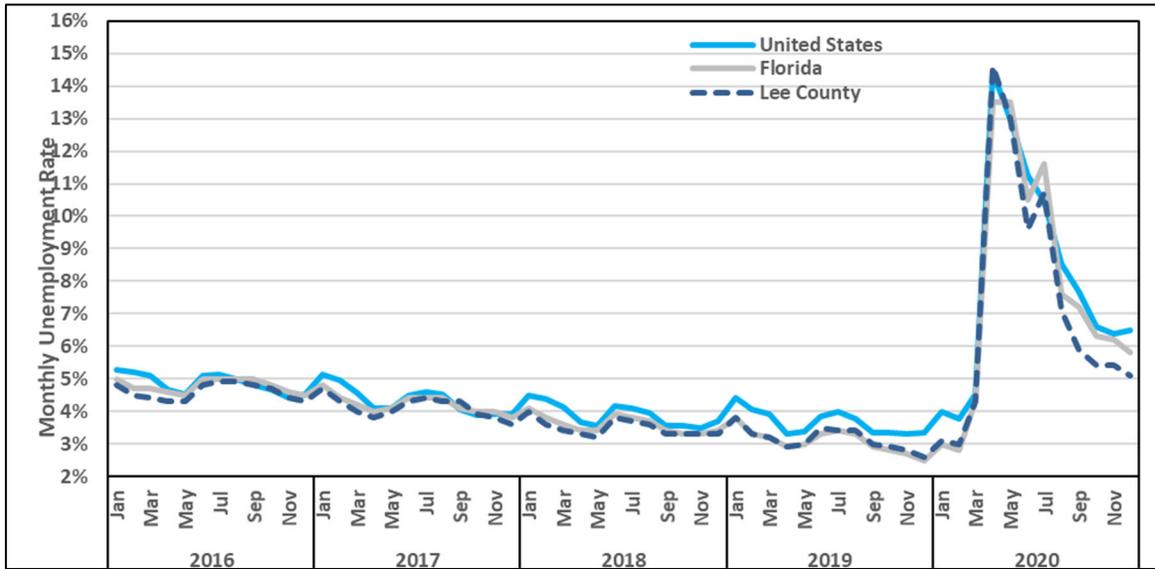
Figure 2-6
Percent Change in Total Employment
2020 vs. 2019



Source: United States Bureau of Labor Statistics, Local Area Unemployment Statistics.

The monthly unemployment rates, as reported by BLS, for the past five years, are shown in **Figure 2-7**. The data is derived from the same BLS data set as the previous figure and is current as of January 2021. Since 2016, the state, county and national unemployment rates had been gradually declining, representing a continuing trend through 2019. In March 2020, the unemployment rates began increasing with a significant spike in April 2020, following the onset of the COVID-19 pandemic, which is consistent with the decline in employment shown in Figure 2-6 at the county, state and national levels.

Figure 2-7
Unemployment Rate by Month
2016 – 2020

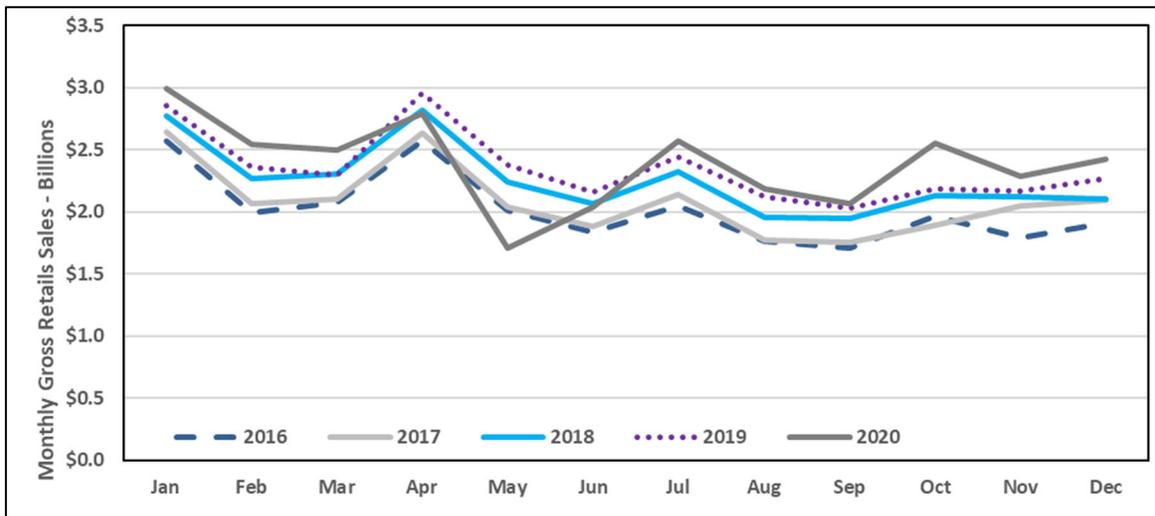


Source: United States Bureau of Labor Statistics, Local Area Unemployment Statistics.

Gross Retail Sales

Gross retail sales in Lee County are presented by month in **Figure 2-8** for 2016 through 2020. The data presented in this figure was published by the Florida Department of Revenue. As indicated, gross retail sales in Lee County for January through March in 2020 exceeded 2016 through 2019 monthly levels. Gross retail sales declined April through June in 2020, then rebounded from July 2020 through the end of the year. The months of January and April have historically been the two highest months for gross retail sales.

Figure 2-8
Lee County Monthly Gross Retail Sales
2016 – 2020

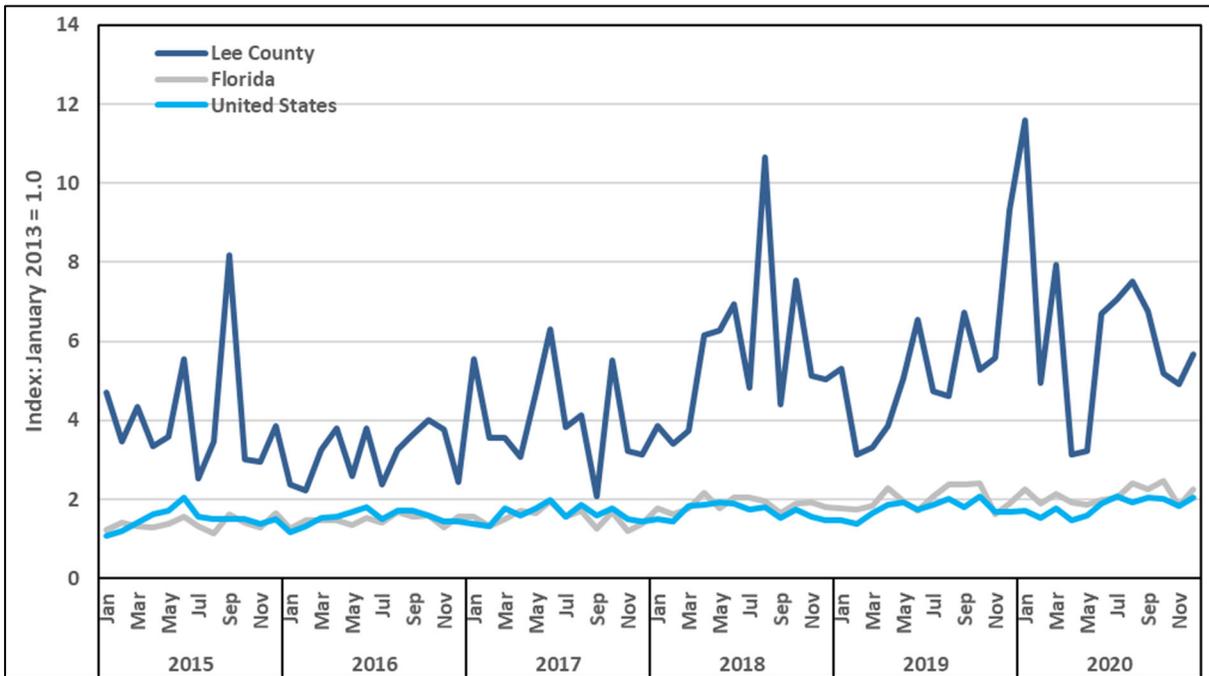


Source: Florida Department of Revenue, Florida Sales Tax Return Data.

Building Permits

As previously discussed, the housing market in Lee County has historically been quite volatile, experiencing explosive growth in the early 2000s followed by a near total halt beginning in 2007. For the County, the housing market is a good indicator of a strong regional economy and is particularly significant in a market where housing has had such a considerable economic impact in the past. Not only are construction jobs associated with home construction, but new home construction is a leading indicator of population growth, both of which likely result in higher traffic volumes. **Figure 2-9** presents the number of new housing units for which permits were issued in Lee County, the State of Florida, and the United States from 2015 through 2020. These values are indexed to the number issued in January 2013. Showing the number of permits issued as an index value allows for a direct comparison between local, state, and national trends on the same set of axes. In 2020, the growth in Lee County building permits increased over 2019, with the largest increase in January 2020. The effects of COVID-19 on building permits in Lee County was noticeable in March, April and May 2020, but recovered immediately thereafter. The growth in building permits in the United States and Florida reflected a slight increase over 2019 levels for all twelve months of the year, despite the COVID-19 pandemic.

Figure 2-9
Percent Change in Building Permits for New Housing Units
2015 – 2020



Source: U.S. Census Bureau, Manufacturing, Mining, and Construction Statistics.

Cape Coral Development

While economic development typically proceeds at a measured pace, some changes in the landscape are concentrated and significant enough they may potentially affect travel patterns. Historically, many of the regional retail destinations have been located in Fort Myers. In order to

obtain basic goods and services, many Cape Coral residents have had to cross the river via one of the four local river crossings. Beginning in the early 2010s, the City of Cape Coral began an initiative to provide more of these services “on island.” This trend continues and represents a substantial shift in the local economic landscape and may reduce the demand for cross-river trips. This, in turn, could gradually reduce demand on the Cape Coral and Midpoint Memorial Bridges, or at least dampen the rate of growth.

According to the Cape Coral Economic Development Office, the City of Cape Coral was recognized in several reports that could influence development within the area:

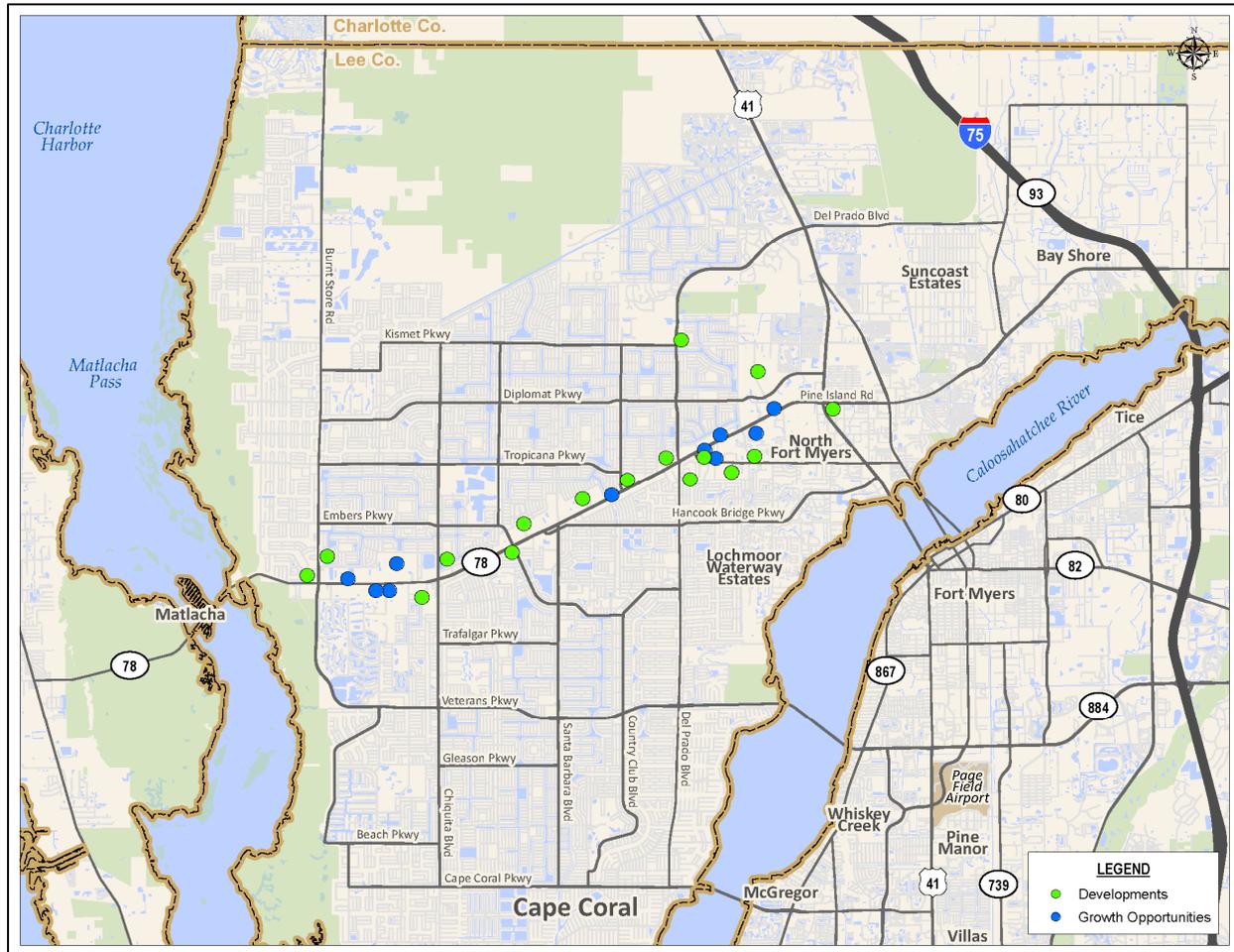
- Ranked #2 of Where More Young Residents Are Buying Homes – 2021 Study (Smartasset.com);
- Ranked #2 of The 25 Most Up-and-Coming Cities in America - 2021 Study (Neighbor);
- Ranked one of the best U.S. cities to start a business (Inc. 2020 Surge Cities);
- Cape Coral Metro Area listed as one of the Top 10 fastest-growing cities in the nation (Forbes Magazine, 2018); and
- Ranked one of the safest cities in the State of Florida (WalletHub)

Pine Island Road (S.R. 78) continues to be the focal point of new commercial growth in Cape Coral. To accommodate future growth, the City of Cape Coral entered into an agreement with the Florida Department of Transportation that resulted in the widening of the remaining two-lane portion of S.R. 78 between Chiquita Boulevard and Burnt Store Road in 2014. The widening of this major commercial corridor led to much more development along the western portion of the highway. Throughout the corridor, there are an estimated thirteen developments which have either been completed or are breaking ground this year and scheduled to be completed next year, with several more planned in the surrounding areas (See **Figure 2-10**). The developments that have already been completed are an Enterprise Car Rental, Tractor Supply Store, a 109-room Fairfield Inn by Marriott, and a multi-family housing complex with 292 units called Springs at Cape Coral. Some of the other developments which will be completed over the coming year are Joe V’s Farmers Market, Pine Island Park (flex/office/retail space), a 50,000 Sq. ft. retail and restaurant space called Cape Coral Commons, an 80-bed health facility called Encompass Health Rehab Facility, and a 100,000 Sq. ft. retail center called Island Pearl.

Also, there are a dozen development opportunities being advertised by the City of Cape Coral Economic Development Office (See Figure 2-10). Various types of development, such as office and flex spaces, residential and mixed-use development are just several that Cape Coral is hoping to target with incentives. Overall, this corridor continues to grow in importance with the planned developments and opportunities and will likely provide more options for those that live within Cape Coral.

In addition to Pine Island Road, Burnt Store Road was listed as another corridor that the City was hoping to focus development on over the coming years.

Figure 2-10
Map of Cape Coral Growth and Development Opportunities



PROJECTED SOCIOECONOMIC GROWTH

This section has a brief overview of forecasted growth in population, employment, and GRP based on data from the Bureau of Economic and Business Research (BEBR) at the University of Florida and Woods & Poole Economics, Inc. While the most up-to-date information has been included in the tables, the condition of the national, state, and local economies does not include the effects of the COVID-19 pandemic.

A summary of population forecasts for Lee County, the State of Florida, and the United States is presented in **Table 2-8**. BEBR was used for the Lee County and Florida forecasts, while Woods & Poole was used for the nationwide population forecast. In each case, the specific values presented in Table 2-8 were developed by using the growth rates from the outside forecasts and applying those rates to the actual 2019 population values as previously presented in Table 2-2 and (also shown in Table 2-8). Therefore, the actual population numbers shown in Table 2-8 may not precisely match those presented in the Woods & Poole and BEBR data sets. The change was made so projected future growth would be directly comparable to historical trends.

Table 2-8
Population Growth Forecast
2019 – 2045

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2019	735,148	--	21,208,589	--	328,329,953	--
2020	752,800	2.4%	21,556,000	1.6%	330,487,464	0.7%
2025	835,500	2.1%	23,130,900	1.4%	341,312,989	0.6%
2030	904,700	1.6%	24,426,200	1.1%	351,953,251	0.6%
2035	961,400	1.2%	25,498,000	0.9%	362,182,593	0.6%
2040	1,010,900	1.0%	26,428,700	0.7%	371,826,007	0.5%
2045	1,056,600	0.9%	27,266,900	0.6%	381,395,435	0.5%
'19-'45	+321,452	1.4%	+6,058,311	1.0%	+53,065,482	0.6%

Source: University of Florida Bureau of Economic and Business Research Florida Population Studies (Lee County and Florida); Woods & Poole Economics, Inc. 2019 CEDDS (U.S.); and CDM Smith calculations.

In their April 2019 population forecast (the latest edition available as of the writing of this report), BEBR estimated Lee County population will experience average annual growth of 1.4 percent through 2045. Over the same period, BEBR projects the State of Florida will experience average annual population growth of 1.0 percent. Woods & Poole projects average annual growth of 0.6 percent for the nation over that period. As indicated, Lee County growth is expected to return to relatively high levels of growth. While the BEBR forecast is not available in one-year increments, the BEBR forecast for Lee County, covering the period from 2019 to 2045, suggests that robust growth is expected to resume in the short-term and then gradually slow over time. The Woods & Poole forecast tends to show less variation in the growth rate over time than do the BEBR forecasts.

The employment growth forecasts for Lee County, the State of Florida, and the United States from 2019 through 2050 are shown in **Table 2-9**. Woods & Poole was the source of the forecasts for all three geographic areas. Like the population forecasts the table was developed by applying growth rates from the Woods & Poole forecast to the actual 2020 employment numbers previously shown in Table 2-3.

As with population, employment growth in Lee County is forecasted to outpace the state and the nation. As shown in Table 2-9, Lee County total employment is forecast, to increase by an average of 1.6 percent annually from 2025 through 2050. Statewide and national annual average employment growth is forecast to be 1.5 and 1.1 percent, respectively, over the same 25-year period. Consistent with Woods & Poole's population forecast, the employment forecast shows minimal variation in the growth rates over time, with growth at the national, county and state levels slowing just slightly.

Table 2-9
Employment Growth Forecast
2020 – 2050

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2020	316,318	--	9,299,101	--	147,794,857	--
2025	348,852	2.0%	10,177,249	1.8%	158,043,488	1.3%
2030	380,924	1.8%	11,040,254	1.6%	167,687,584	1.2%
2035	413,328	1.6%	11,913,517	1.5%	177,097,378	1.1%
2040	446,285	1.5%	12,806,175	1.5%	186,404,835	1.0%
2045	480,035	1.5%	13,728,289	1.4%	195,744,834	1.0%
2050	515,032	1.4%	14,696,699	1.4%	205,339,513	1.0%
'25-'50	+166,180	1.6%	+4,519,450	1.5%	+47,296,025	1.1%

Source: Woods & Poole Economics, Inc. 2020 CEDDS and CDM Smith calculations.

The forecasted growth rates in Gross Domestic Product (GDP) and Gross Regional Product (GRP) for Lee County, the State of Florida, and the United States are shown in **Table 2-10**. Unlike the previous year tables, the base year in Table 2-10 is 2019, as this is the last year for which historical data was available at all geographic levels. Like the previous two tables, this table was developed by applying growth rates from the Woods & Poole forecast to the historical base.

According to the Woods & Poole forecast the GRPs for Lee County and Florida are projected to increase by an average of 2.7 and 2.5 percent annually between 2019 and 2050. GDP for the United States is projected to experience slightly lower growth, with an average annual forecasted growth rate of 1.9 percent. In actuality, the Woods & Poole forecast concentrates the resumption of rapid growth between 2019 and 2020, with the highest growth in 2020. The forecast after 2020 indicates steady growth through 2050.

Table 2-10
Gross Product Growth Forecast
2019 – 2050 (Millions of 2012\$)

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2019	\$28,208	--	\$963,256	--	\$19,091,662	--
2020	\$29,091	3.1%	\$990,320	2.8%	\$19,504,979	2.2%
2025	\$33,805	3.0%	\$1,134,995	2.8%	\$21,673,066	2.1%
2030	\$38,906	2.9%	\$1,289,010	2.6%	\$23,883,646	2.0%
2035	\$44,488	2.7%	\$1,455,567	2.5%	\$26,183,429	1.9%
2040	\$50,599	2.6%	\$1,636,424	2.4%	\$28,593,760	1.8%
2045	\$57,295	2.5%	\$1,833,837	2.3%	\$31,142,121	1.7%
2050	\$64,670	2.5%	\$2,051,425	2.3%	\$33,873,481	1.7%
'19-'50	+\$36,462	2.7%	+\$1,088,169	2.5%	+\$14,781,819	1.9%

Source: Woods & Poole Economics, Inc. 2019 CEDDS; and United States Bureau of Economic Analysis.

CHAPTER 3

MIDPOINT MEMORIAL BRIDGE

FACILITY PROFILE

The Midpoint Memorial Bridge, shown in **Figure 3-1**, connects Veterans Parkway in Cape Coral with Colonial Boulevard in Fort Myers. It is located approximately three miles north of the Cape Coral Bridge and three miles south of the Caloosahatchee Bridge (US 41). The bridge opened to traffic in October 1997 (FY 1998). Concurrent with the construction of the Midpoint Memorial Bridge, major intersection improvements between Colonial Boulevard, CR 884, US 41, and Del Prado Boulevard were also completed. The combined improvements provided an additional and much-needed river crossing and provided greater mobility between the Cape Coral and Fort Myers communities. One-way tolling was implemented on the facility in November 2007. The toll plaza was reconstructed after the conversion to one-way tolling and the remaining eastbound tolling infrastructure was demolished. The reconstruction was completed by May 2011.



Figure 3-1
Midpoint Memorial Bridge Location Map



Facility Capacity

Based on information in the FDOT Quality/LOS Handbook – 2020 Generalized Service Volume Tables, a multilane, divided highway facility such as the Midpoint Memorial Bridge, which is designed for speeds of 50 MPH, can accommodate no more than 3,280 vehicles per hour per direction to maintain a level of service (LOS) “D” for Uninterrupted Flow Highways. Based on the generalized tables, the bridge can accommodate an average of 66,200 vehicles per day maintaining a LOS “D”. The toll plaza is not a capacity issue for the facility in that the cash lanes are separated from the two free-flow open-road tolling (ORT) lanes and there is plenty of storage for cash-lane traffic. Also, cash toll collection was suspended beginning in March 2020.

HISTORICAL TOLL TRANSACTIONS AND REVENUES

This section contains a summary of detailed toll transaction and toll revenue performance for the Midpoint Memorial Bridge toll facility through Fiscal Year 2020. This historical trend analysis considers extenuating factors which may have affected toll transaction and revenue performance, such as toll rate increases, highway construction, major weather events and the COVID-19 pandemic. The information presented in this section is derived from LeeDOT administration records and may differ slightly from values presented elsewhere in this report, which are derived from operational records and sample data.

Historical trends in toll transactions and revenues on the Midpoint Memorial Bridge from its opening in FY 1998 through FY 2020 are presented in **Table 3-1**. Since the facility opened, transaction growth was substantial during its first decade of operation. Between FY 1999 and FY 2004, annual transactions grew at an average rate of 7.5 percent per year, and between FY 2004 and FY 2007 as the facility matured, toll transactions grew at an average of 2.0 percent per year. Due to the conversion to one-way tolling in November 2007, transaction volumes are currently monitored only in the westbound, tolled direction, and are not directly comparable to volumes prior to FY 2009 (the first full year of one-way tolling). In FY 2008, the first signs of the Great Recession appeared with declines in transaction and revenue growth through FY 2010. In FY 2011, total annual transactions declined by 0.4 percent while revenue increased by 0.6 percent during this same time period, marking the first year of positive revenue growth since FY 2005. FY 2011 was the first year of recovery after the Great Recession. Between FY 2012 and FY 2016, total annual transactions and revenues increased annually over the prior year.

**Table 3-1
Midpoint Memorial Bridge Toll Transactions and Revenues
FY 1998 – 2020**

Fiscal Year	Toll Transactions	Percent Change	Total Revenue	Percent Change
1998	9,241,802	--	\$ 7,858,703	--
1999	11,546,609	24.9	\$ 9,852,929	25.4
2000	12,890,554	11.6	\$ 10,846,020	10.1
2001	13,700,380	6.3	\$ 11,454,241	5.6
2002	14,880,050	8.6	\$ 12,536,421	9.4
2003	15,795,078	6.1	\$ 12,825,878	2.3
2004	16,578,145	5.0	\$ 13,810,222	7.7
2005	17,958,287	8.3	\$ 15,228,546	10.3
2006	17,981,689	0.1	\$ 15,194,485	-0.2
2007	17,571,604	-2.3	\$ 15,144,492	-0.3
2008	8,296,227	-52.8	\$ 13,125,459	-13.3
2009	7,096,132	-14.5	\$ 12,515,963	-4.6
2010	6,997,015	-1.4	\$ 12,191,049	-2.6
2011	6,966,395	-0.4	\$ 12,262,048	0.6
2012	7,302,650	4.8	\$ 12,865,906	4.9
2013	7,372,292	1.0	\$ 13,203,203	2.6
2014	7,598,554	3.1	\$ 14,164,457	7.3
2015	7,975,126	5.0	\$ 14,988,167	5.8
2016	8,268,884	3.7	\$ 15,830,786	5.6
2017	8,090,020	-2.2	\$ 15,754,267	-0.5
2018	8,707,346	7.6	\$ 16,865,696	7.1
2019	8,722,066	0.2	\$ 17,377,140	3.0
2020	8,071,567	-7.5	\$ 14,430,564	-17.0

Source: Lee County Daily Class/Traffic Type Reports

(1) Midpoint Memorial Bridge opened to traffic October 19, 1997.

(2) Variable pricing program introduced on Cape Coral and Midpoint Bridges August 1998.

(3) New violation enforcement system implemented in January 2007.

(4) One-way tolling introduced on November 1, 2007.

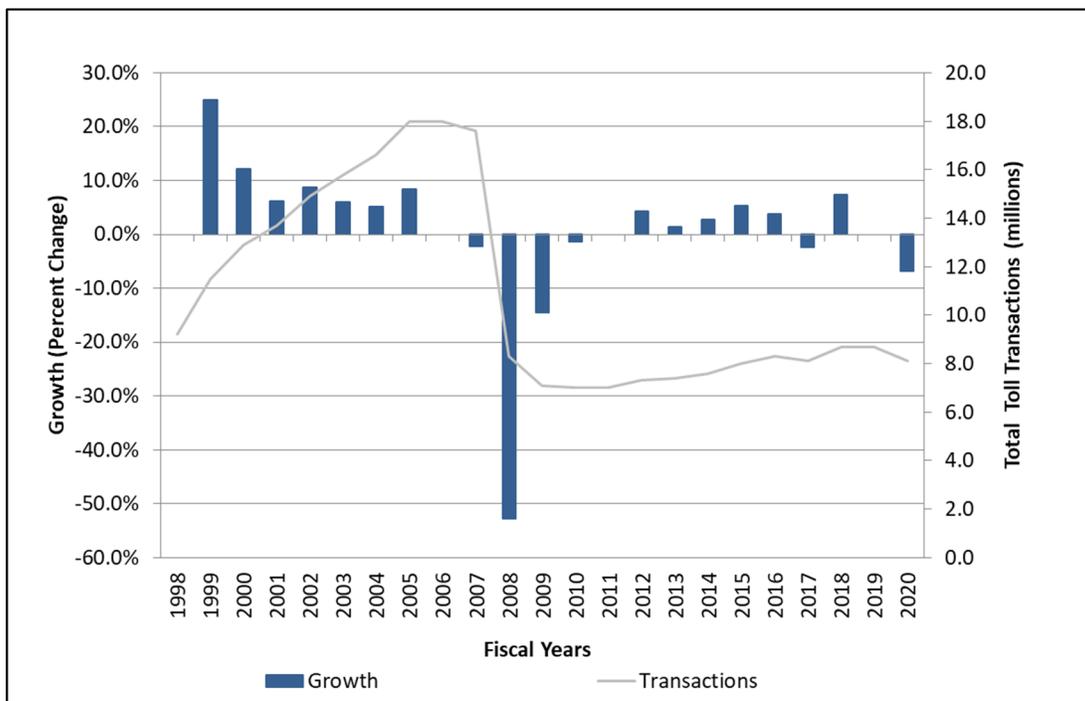
(5) Toll plaza reconstruction, including construction of high-speed ORT lanes and demolition of unused East-bound lanes completed May 2011.

(6) Effects from Hurricane Irma in September 2017.

(7) Effects from COVID-19 pandemic beginning March 2020.

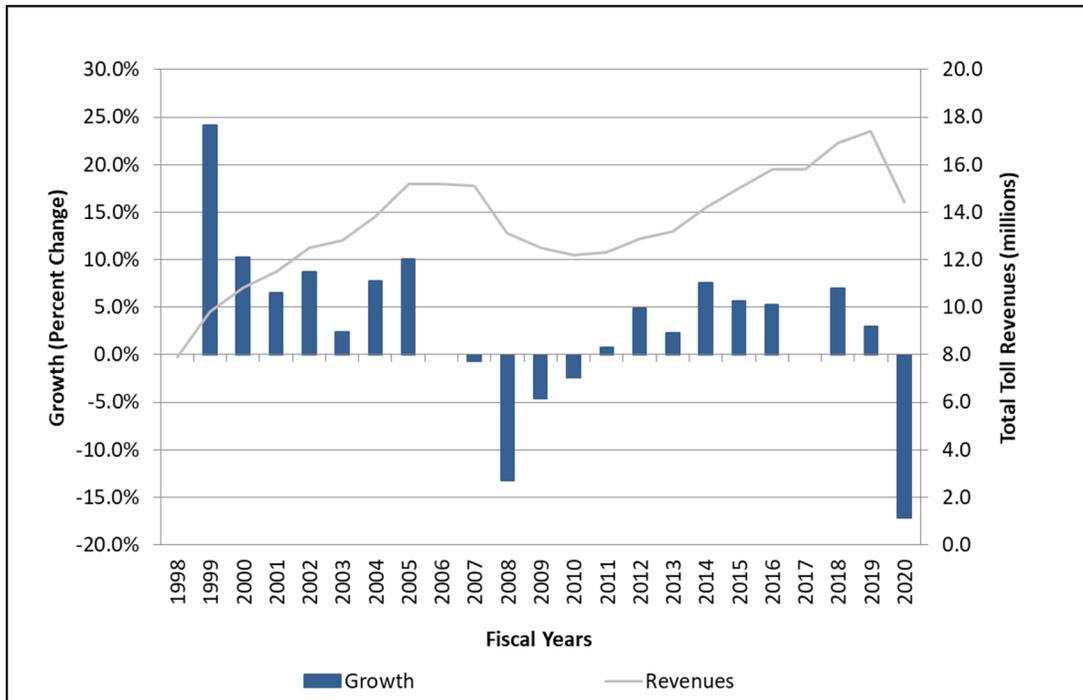
In FY 2017, toll transactions declined by 2.2 percent over the prior year and toll revenues declined by 0.5 percent. This decline in both toll transactions and revenues can be attributed to the negative impacts of toll suspensions on Lee County facilities during Hurricane Irma in September 2017. In FY 2018, toll transactions increased by 7.6 percent and toll revenues increased by 7.1 percent over 2017. The significant increase in FY 2018 compared to FY 2017 can partially be attributed to the recovery from the effects of Hurricane Irma on FY 2017 transactions and revenues, as well as normal growth. In FY 2019, there was a slight increase of 0.2 percent in the number of toll transactions, and a 3.0 percent increase in revenue compared to FY 2018. In FY 2020, transactions and revenues decreased significantly, by 7.5 and 17.0 percent, respectively, due to the negative impacts of the COVID-19 pandemic. The greater impact on revenue is due to the fact that cash toll collection was suspended beginning in March 2020. These are now video customers, who need to be identified and sent a bill for their toll payments. The Midpoint Memorial Bridge annual toll transactions and toll revenue trends including annual growth are also presented visually in **Figure 3-2** and **Figure 3-3**.

Figure 3-2
Midpoint Memorial Bridge Historical Toll Transactions and Annual Growth
FY 1998 – 2020



Source: Lee County Daily Class/Traffic Type Reports

**Figure 3-3
Midpoint Memorial Bridge Historical Toll Revenues and Annual Growth
FY 1998 – 2020**



Source: Lee County Daily Class/Traffic Type Reports

The monthly total transactions and average weekday transactions for the two most recent fiscal years are presented in **Table 3-2**. From October 2019 through February 2020 the Midpoint Memorial Bridge experienced a modest increase in both monthly and weekday transactions, as compared to the prior fiscal year. February 2020 appears as the strongest month in terms of year-over-year growth with a 6.2 percent increase in monthly transactions, which can be partially attributed to an additional day of toll collection in 2020 due to the leap year. The impact of the COVID-19 pandemic can be seen in the sharp decline of monthly and weekday total transactions from March through September 2020. These negative impacts can be attributed to the social distancing guidelines and stay-at-home orders implemented throughout the State of Florida and nationwide. These orders resulted in the closings of schools, restaurants, malls, sporting events, beaches, and other public venues, starting on March 9, 2020 with an executive order from Governor DeSantis declaring a State of Emergency. This was followed by Lee County’s Emergency Resolution on March 21, 2020. As a result, many people were furloughed or lost their jobs and traveled less. The most dramatic reductions were seen in the month of April 2020 when much of the state was closed in response to the COVID-19 pandemic. This totaled a 40.5 percent reduction in monthly transactions over 2019 and a 37.8 percent reduction in average weekday transactions in April 2020. In May 2020, Lee County started the “re-opening” process with revised restaurant and lodging policies and opening of public beaches. Transactions went down in July 2020 with a second wave of COVID-19 cases, which is reflected in the reduction in transactions that month.

In prior years, Table 3-2 compared toll-paying transactions instead of total transactions as shown below. The table was updated in the report to include a comparison of total transactions due to the elimination of cash collection and the changes in reporting for video billing. Toll-by-Plate transactions were originally classified as violations in the 15-minute transaction reports, which come directly from the data collected in the lanes. The comparison of total transactions captures all transactions regardless of payment type and shows the negative impacts of the COVID-19 pandemic by month.

Table 3-2
Comparison of FY 2019 and FY 2020 Monthly Total Transactions
Midpoint Memorial Bridge

Month	Monthly Total Transactions			Average Weekday Transactions		
	FY 2019	% Change	FY 2020	FY 2019	% Change	FY 2020
October	753,826	1.4%	764,499	26,500	2.3%	27,100
November	717,486	1.0%	724,479	26,300	0.8%	26,500
December	729,435	4.3%	761,048	25,600	4.7%	26,800
January	759,854	3.5%	786,121	26,600	3.0%	27,400
February	720,228	6.2%	764,646	28,200	2.8%	29,000
March	784,032	-15.3%	664,275	28,100	-14.2%	24,100
April	755,600	-40.5%	449,216	27,500	-37.8%	17,100
May	748,990	-22.4%	581,034	26,400	-20.1%	21,100
June	683,708	-4.0%	656,192	25,500	-5.9%	24,000
July	724,264	-10.4%	649,143	25,700	-9.7%	23,200
August	733,194	-8.7%	669,106	26,200	-7.3%	24,300
September	693,182	-2.8%	673,636	25,700	-4.3%	24,600
Total	8,803,799	-7.5%	8,143,395	26,500	-7.2%	24,600

Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records

A full breakdown of Midpoint Memorial Bridge transactions by class and payment method during FY 2019 and FY 2020 is provided in **Table 3-3**. Following ten consecutive years of declines, the LeeWay Unlimited program transactions declined once again, by 14.8 percent. Transactions in the Full Fare and Variable Discount LeeWay categories declined by 4.5 percent and 2.0 percent, respectively. In absolute terms, Full Fare Variable Discount LeeWay program transactions decreased by 11,934 transactions and Full Fare LeeWay transactions decreased by 91,943. Cash/Video transactions for two-axle vehicles declined by 4.2 percent compared to the same period in FY 2019. Motorcycle transactions also declined significantly by 55.4 percent due to those transactions being classified as two-axle vehicles once cash toll collection was suspended. Except for 3+ axle vehicles paying via cash/video, every category declined in FY 2020.

Due to the continuing shift away from discount programs toward Full Fare LeeWay transactions, overall market share among payment types is gradually changing. Full Fare LeeWay (no variable discount) accounted for 24.3 percent of toll-paying transactions in FY 2020. Overall, full fare

transactions gained approximately 2.5 percentage points of market share compared with FY 2019. Again, this suggests that motorists were less able or willing to make the initial outlay of funds required to enroll in the discounted programs, or simply took fewer trips. Individual categories saw shifts of less than ± 2.0 percent, and cash/video remains the largest single payment category, accounting for 38.3 percent of toll-paying transactions.

As previously noted in Chapter 1, Lee County suspended cash payments on the Midpoint Memorial Bridge as of March 18, 2020 in response to the COVID-19 pandemic. Customers without a transponder are able to pay using Toll-by-Plate video billing. The implementation of video billing in place of cash collection may have helped encourage additional video transactions due to the convenience to the customer. Lee County implemented video billing immediately upon removal of cash toll collection, a shift in their toll policy. Previously, unpaid in lane transactions were treated as violations and were subject to toll violation policies. The various shifts in method of payment can be partially attributed to reduced commuters and recreational traffic due to the COVID-19 pandemic.

Table 3-3
Comparison of FY 2019 and FY 2020 Annual Transactions by Payment and Vehicle Type
Midpoint Memorial Bridge

Full Fare (2-Axle Vehicles)	FY 2019	% Market Share	FY 2020	% Market Share	Change	% Change	% Change in Market Share
Full Fare Cash/Video	3,222,751	36.9%	3,088,463	38.3%	(134,288)	-4.2%	1.3%
Full Fare LeeWay	2,050,257	23.5%	1,958,314	24.3%	(91,943)	-4.5%	0.8%
Full Fare LeeWay Variable Discount	604,140	6.9%	592,206	7.3%	(11,934)	-2.0%	0.4%
Subtotal – Full Fare	5,877,148	67.4%	5,638,983	69.9%	(238,165)	-4.1%	2.5%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	1,774,646	20.3%	1,482,566	18.4%	(292,080)	-16.5%	-2.0%
LeeWay Reduced Fare Variable Discount	506,414	5.8%	442,861	5.5%	(63,553)	-12.5%	-0.3%
Subtotal – Reduced Fare	2,281,060	26.2%	1,925,427	23.9%	(355,633)	-15.6%	-2.3%
LeeWay Unlimited	374,510	4.3%	319,247	4.0%	(55,263)	-14.8%	-0.3%
Subtotal – LeeWay Discounted Programs	2,655,570	30.4%	2,244,674	27.8%	(410,896)	-15.5%	-2.6%
All Vehicles							
Motorcycles	24,336	0.3%	10,856	0.1%	(13,480)	-55.4%	-0.1%
3+ Axle Vehicles - Cash/Video	65,548	0.8%	81,033	1.0%	15,485	23.6%	0.3%
3+ Axle Vehicles - ETC	99,464	1.1%	96,021	1.2%	(3,443)	-3.5%	0.0%
Subtotal – 2-Axle Vehicles	8,532,718	97.8%	7,883,657	97.7%	(649,061)	-7.6%	-0.2%
Subtotal – Toll-Paying Traffic	8,722,066		8,071,567		(650,499)	-7.5%	
Exempt/Non-Revenue	81,733		71,828		(9,905)	-12.1%	
Total	8,803,799		8,143,395		(660,404)	-7.5%	

Source: Lee County Daily Class/Traffic Type Reports

As a complement to the previous table, estimated revenues by vehicle class and payment category are presented in **Table 3-4**. The revenue estimates are calculated based on total toll transactions and average toll rates within each payment category. Additionally, revenues generated through the discount sales programs have been included in this table. These values are estimates only and, as such, may not match the audited revenue figures presented elsewhere in this report, including the preceding Tables 3-1, 3-2 and 3-3. Nevertheless, the sums of these estimates are close to audited revenues and provide insight into the distribution of revenues on the Midpoint Memorial Bridge.

The change in revenue by payment and vehicle class loosely follows the change in toll transactions identified above. Discount program revenue decreased by 9.8 percent while full fare revenue decreased by 4.1 percent. Motorcycles decreased by 55.4 percent due to being treated as two-axle vehicles once cash collection was suspended, thus skewing the calculations. Three-or-more axle cash/video revenues increased by 24.2 percent and three-or-more axle ETC revenues decreased by 2.4 percent.

Table 3-4
Comparison of FY 2019 and FY 2020 Estimated Annual Revenue by Payment and Vehicle Type
Midpoint Memorial Bridge

Full Fare (2-Axle Vehicles)	FY 2019	% Market Share	FY 2020	% Market Share	Change	% Change	% Change in Market Share
Full Fare Cash/Video	\$ 6,445,502	40.3%	\$ 6,176,926	40.6%	\$ (268,576)	-4.2%	0.3%
Full Fare LeeWay	\$ 4,100,514	25.7%	\$ 3,916,628	25.8%	\$ (183,886)	-4.5%	0.1%
Full Fare LeeWay Variable Discount	\$ 906,210	5.7%	\$ 888,309	5.8%	\$ (17,901)	-2.0%	0.2%
Subtotal – Full Fare	\$ 11,452,226	71.7%	\$ 10,981,863	72.3%	\$ (470,363)	-4.1%	0.6%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	\$ 1,774,646	11.1%	\$ 1,482,566	9.8%	\$ (292,080)	-16.5%	-1.4%
LeeWay Reduced Fare Variable Discount	\$ 379,811	2.4%	\$ 332,146	2.2%	\$ (47,665)	-12.5%	-0.2%
LeeWay Reduced Fare Program Sales	\$ 920,159	5.8%	\$ 913,163	6.0%	\$ (6,995)	-0.8%	0.2%
Subtotal – Reduced Fare	\$ 3,079,542	19.3%	\$ 2,727,875	17.9%	\$ (351,666)	-11.4%	-1.3%
LeeWay Unlimited Program Sales	\$ 628,781	3.9%	\$ 611,841	4.0%	\$ (16,939)	-2.7%	0.1%
Subtotal – LeeWay Discounted Programs	\$ 3,703,396	23.2%	\$ 3,339,717	22.0%	\$ (363,679)	-9.8%	-1.2%
All Vehicles							
Motorcycles	\$ 24,336	0.2%	\$ 10,856	0.1%	\$ (13,480)	-55.4%	-0.1%
3+ Axle Vehicles - Cash/Video	\$ 335,682	2.1%	\$ 417,028	2.7%	\$ 81,346	24.2%	0.6%
3+ Axle Vehicles - ETC	\$ 459,034	2.9%	\$ 447,903	2.9%	\$ (11,131)	-2.4%	0.1%
Subtotal – 2-Axle Vehicles	\$ 15,155,622	94.9%	\$ 14,321,580	94.2%	\$ (834,042)	-5.5%	-0.6%
Total	\$ 15,974,674		\$ 15,197,366		\$ (777,307)	-4.9%	

Source: Lee County Daily Class/Traffic Type Reports

SEASONAL TRANSACTION VARIATIONS

The relative variability of transactions from month to month highlights seasonal patterns in transactions. A bridge that accommodates a large number of tourism-related trips will exhibit considerable variation, with peak transactions occurring during months with holidays and vacation season. By contrast, facilities used predominantly by commuters or with a large proportion of Interstate commercial transactions tend to have more consistent year-round levels of traffic. In the tables that follow, monthly total transaction volumes are normalized to average daily traffic (ADT), adjusting for the varying numbers of days in each month. Using monthly ADT allows for an easy comparison of the variations in relative travel demand across each facility at different times of the year. That being said, the typical seasonality trends were overshadowed in FY 2020 by the impacts in travel demand from the COVID-19 pandemic.

The FY 2020 monthly seasonal transaction variations for the Midpoint Memorial Bridge are presented in **Table 3-5**. As shown, monthly transaction volumes on the Midpoint Memorial Bridge significantly decreased in between March through the end of the year due to the Stay-at-Home orders and other shutdowns related to the COVID-19 pandemic. Over the twelve-month period,

average daily transactions ranged from a high of 26,400 vehicles per day in February 2020 to a low of 15,000 vehicles per day in April 2020. February 2020 included an additional day of toll collection compared to February 2019 due to the leap year. April 2020 was the first full month with negative COVID-19 impacts. As stated previously, traffic started to pick up in May and June 2020 with re-openings of beaches, restaurants and lodging, but dipped in July 2020 due to the second wave of COVID-19 cases that month.

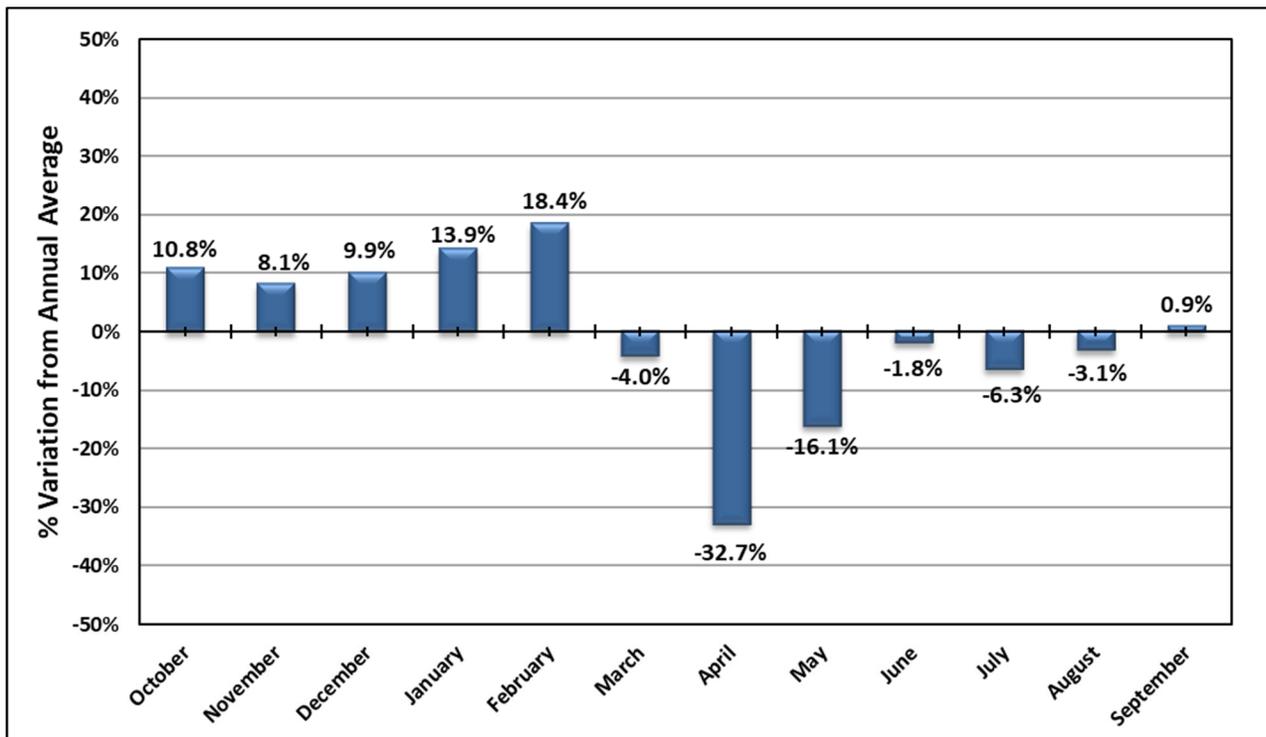
These data are presented in a graphical format in **Figure 3-4**. Each month's ADT appears as a percentage of the annual average for the fiscal year, which shows the deviation of the monthly average from the annual average. As can be seen here, February 2020 has the largest peak at 18.4 percent over the annual average and April 2020 is 32.7 percent below. Unlike previous years, the drop in transactions was evident starting in March 2020 and continued through the remainder of the year, with a slight increase in September 2020. Until that time, the variations were continuing as normal. In prior years, transactions on the Midpoint Memorial Bridge are typically above the annual average from October through April and then below average for the remainder of the year.

Table 3-5
Monthly Seasonal Variation in Transactions
Midpoint Memorial Bridge

Month	Number of Days in Month	Total Transactions	Average Daily Traffic	Seasonal Factor
October	31	764,499	24,700	1.108
November	30	724,479	24,100	1.081
December	31	761,048	24,500	1.099
January	31	786,121	25,400	1.139
February	29	764,646	26,400	1.184
March	31	664,275	21,400	0.960
April	30	449,216	15,000	0.673
May	31	581,034	18,700	0.839
June	30	656,192	21,900	0.982
July	31	649,143	20,900	0.937
August	31	669,106	21,600	0.969
September	30	673,636	22,500	1.009
Average		678,616	22,300	1.000
Total Year	366	8,143,395		100.0

Source: Lee County Daily Class/Traffic Type Reports

Figure 3-4
Variation in Average Daily Transactions, by Month
Midpoint Memorial Bridge



Source: Lee County Daily Class/Traffic Type Reports

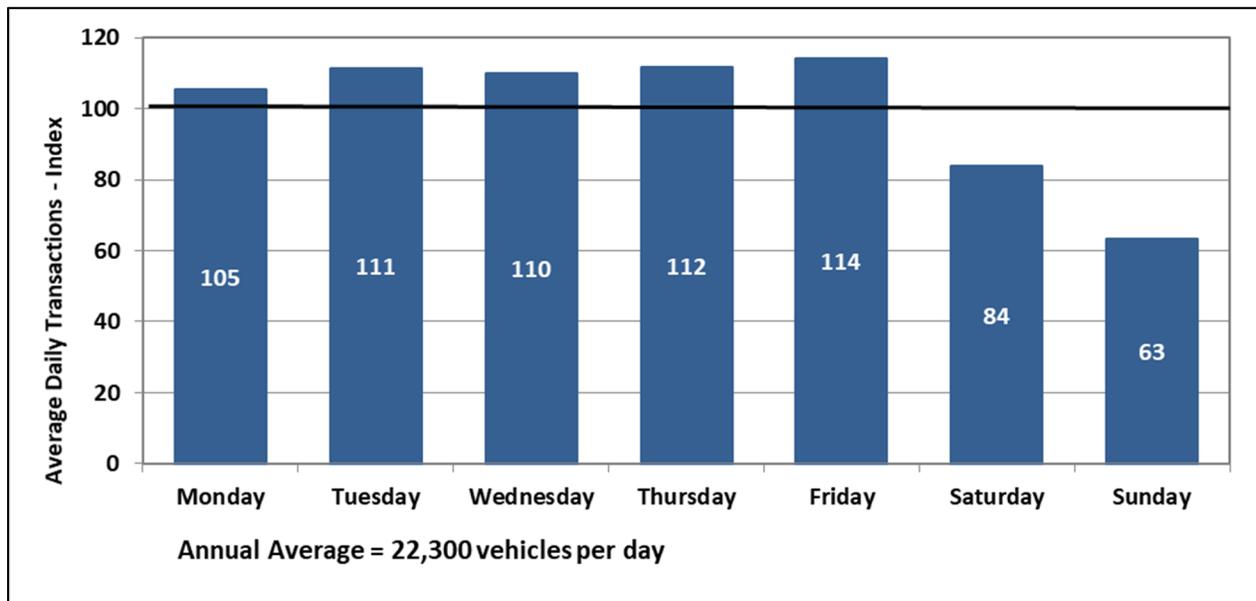
DAY-OF-WEEK TRANSACTION VARIATIONS

Fluctuations in transactions by day-of-week were also reviewed to provide additional insight into the operating characteristics of the facility. Typically, commuter-oriented roadways such as the Midpoint Memorial Bridge experiences consistently high transaction volumes throughout the work week with lower volumes on the weekends.

This analysis compares total transactions by day of the week. The data are presented as an index, where the annual average daily traffic volume equals 100. An index value of 100 for a given day of the week would indicate that day's transactions were precisely the same volume as the facility average. A value of 120 would indicate a day that has 20 percent greater volume than the average.

As shown in **Figure 3-5**, FY 2020 weekday transaction volumes on the Midpoint Memorial Bridge remained relatively consistent over the course of the five-day work week and higher than the average. Transactions were highest on Fridays, with an index value of 114 (14 percent higher than the average day), and volumes on Tuesday, Wednesday, and Thursday were relatively similar. Bridge transactions decline significantly on Saturdays and Sundays, which have index values of 84 and 63, respectively. This pattern, as mentioned above, is typical of a toll facility primarily serving commuter traffic. Despite the COVID-19 pandemic, which significantly impacted overall volumes, as well as monthly variations, the variations in FY 2020 traffic by day-of-week are very consistent with those seen in prior years.

Figure 3-5
Variations in Transactions, by Day
Midpoint Memorial Bridge



Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records

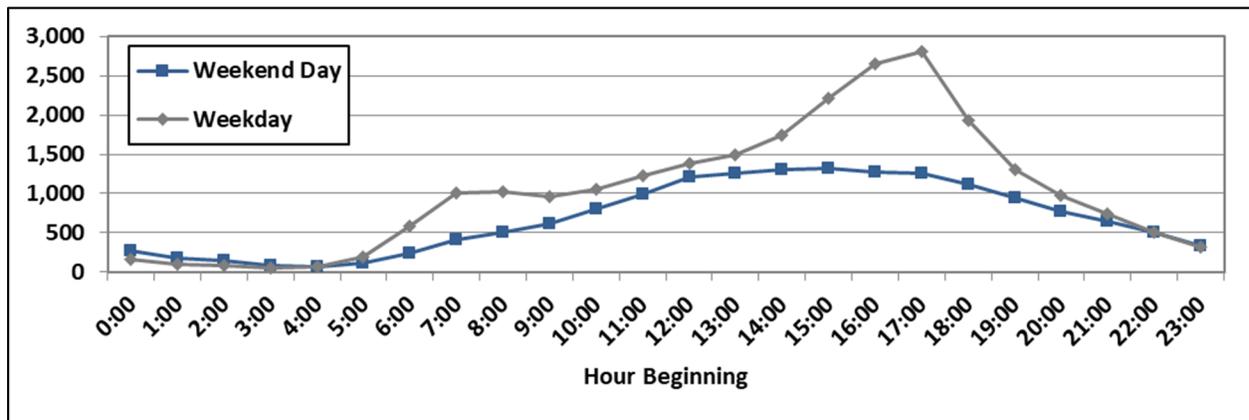
HOURLY TRANSACTION VARIATIONS

This analysis involves a review of transaction patterns by hour for the Midpoint Memorial Bridge. Weekday and weekend transactions are presented separately due to significant differences in their respective traffic patterns. As with the data presented previously, the estimates contained in this section were developed from unaudited counts at the lane level. Analysis of annual totals and financial documents presented elsewhere in this chapter are based on audited year-end reports and may not agree with the data presented here. In addition, since the conversion to one-way tolling in November 2007, data is available only in the tolled direction. This is important to keep in mind when observing the peaking patterns of transactions throughout the day. For instance, if a prominent afternoon peak is observed on weekdays in the tolled direction, this is likely due to daily commuters, and it can be inferred that a similar morning peak occurs in the non-tolled direction. Should permanent counters be installed in the future, two-way data will be reported in future annual reports, as was done prior to the conversion to one-way tolling. The tolled direction on the Midpoint Memorial is westbound (away from Fort Myers and toward Cape Coral).

The weekday and weekend day hourly transaction profiles on the Midpoint Memorial Bridge are shown in **Figure 3-6**. On both weekdays and weekend days, westbound transaction volumes gradually increase throughout the day, peaking in the late afternoon. On weekdays, the afternoon peak is quite steep, reaching nearly 2,800 vehicles per hour during the busiest hour between 5:00 and 6:00 p.m. Because the tolled direction is westbound (toward Cape Coral), this suggests that commuters using the bridge primarily reside on the west side, traveling east to Fort Myers in the morning and returning home in the evening. Weekday morning transactions significantly increase between 6:00 a.m. and 7:00 a.m., representing a modest reverse-commute peak in the morning

before leveling off at 7:00 a.m. and rising slowly again during the midday and early afternoon period. Volumes grow rapidly between 2:00 p.m. and 5:00 p.m. reaching an average peak hour volume of 2,800 vehicles per hour between 5:00 and 6:00 p.m. The peak-hour volume represents approximately 11.4 percent of total weekday transactions in the tolled direction. After 6:00 p.m. transactions drop precipitously, returning to late morning levels by 7:00 p.m. On weekend days, neither the morning nor the significant afternoon peaks are present. Instead, transactions increase gradually from approximately 6:00 a.m. until mid-afternoon, reaching a peak of 1,330 average peak hour vehicles in the 3:00 p.m. hour. After 5:00 p.m. transaction volumes decline steadily.

Figure 3-6
Hourly Transaction Profile
Midpoint Memorial Bridge



Source: Lee County Toll Operations 15-minute transaction records, FY 2020

FUTURE IMPROVEMENTS AND PLANS

Several projects were identified in the Lee County Capital Improvement Program (CIP) for future years including replacement of the entire toll system. A review of the FY 2020/2021 through FY 2024/2025 Lee County Metropolitan Planning Organization (MPO) Transportation Improvement Program (TIP) revealed no other significant short-term planned improvements that would directly affect traffic on the Midpoint Memorial Bridge. Long-term, the Lee County MPO 2045 Long-Range Transportation Plan (LRTP) does not include any planned improvements for the Midpoint Memorial Bridge. The third amendment to the Lee County/City of Cape Coral East-West Corridor Interlocal Agreement, adopted on September 1, 2020, includes several capital improvements that will directly affect traffic on the Midpoint Bridge, including:

- Burnt Store Road widening from Van Buren Parkway to the Charlotte County Line;
- Congestion improvements at Veterans Parkway and Santa Barbara Boulevard;
- Congestion improvements at Colonial Boulevard and Summerlin Road;
- Veterans Parkway widening from Chiquita Boulevard to Skyline Boulevard; and,
- Planning study for an additional crossing of the Caloosahatchee River.

ANNUAL EVENTS

Every year the Midpoint Memorial Bridge is the site of the Veterans Day Midpoint Madness 5K footrace. It is held annually on Veterans Day weekend and in FY 2020 the bridge was closed to vehicular traffic on November 11th, 2019 between 6:20 p.m. and 8:25 p.m. The race, which typically attracts 800 racers, had 600 racers start on the Midpoint Memorial Bridge at the McGregor Boulevard overpass on the Fort Myers side and cross the Caloosahatchee River towards Cape Coral and back on the bridge to the finish line at the entrance to Royal Palm Square Shopping Center. The race benefited the Lee County YMCA, who has hosted the event for several years.

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CHAPTER 4

CAPE CORAL BRIDGE

FACILITY PROFILE

The Cape Coral Bridge, which opened in 1964, provided the first direct connection across the Caloosahatchee River between Fort Myers and Cape Coral. Approximately 3.3 miles south-southwest of the Midpoint Memorial Bridge, the Cape Coral Bridge connects Cape Coral Parkway in Cape Coral with College Parkway in Fort Myers, as shown in **Figure 4-1**. Tolls were removed from the crossing in 1974 and then reintroduced in 1989 to help finance the construction of the second, parallel span. Currently, the original span carries two lanes of traffic in the westbound direction while the newer span carries two lanes of traffic in the eastbound direction. As with the Midpoint Memorial Bridge, one-way tolling was implemented in November 2007. The toll plaza was reconstructed after the conversion to one-way tolling and the remaining eastbound tolling infrastructure was demolished. The reconstruction was completed by November 2012.



Figure 4-1
Cape Coral Bridge Location Map



Facility Capacity

Like the Midpoint Memorial Bridge, the Cape Coral Bridge, which is designed for speeds of 50 MPH, can accommodate no more than 3,280 vehicles per hour per direction to maintain a LOS “D” according to the FDOT Quality/LOS Handbook – 2020 Generalized Service Volume Tables. Based on the generalized tables, the bridge is capable of accommodating an average of 66,200 vehicles per day to maintain a LOS “D.” As with the Midpoint Memorial Bridge, the Cape Coral Bridge toll plaza is not a capacity issue for the facility in that the cash lanes are separated from the two, free-flow, open-road tolling (ORT) lanes and there is plenty of storage for cash-lane transactions. Cash toll collection was suspended beginning in March 2020.

HISTORICAL TOLL TRANSACTIONS AND REVENUES

This section contains a summary of detailed toll transaction and revenue performance for the Cape Coral Bridge through FY 2020, with an emphasis on historical trends. The historical trend analysis considers extenuating factors which may have affected toll transaction and revenue performance, such as toll rate increases, highway construction, major weather events and the COVID-19 pandemic. The information presented in this section is derived from LeeDOT administration records and may differ slightly from values presented elsewhere in this report, which are derived from operational records and sample data.

Historical toll transaction and revenue data for the Cape Coral Bridge are presented in **Table 4-1**. Toll transaction growth on the Cape Coral Bridge has been strong, averaging 4.5 percent per year between FY 1999 and FY 2004, and 1.9 percent per year between FY 2004 and FY 2007. The Cape Coral and Midpoint Memorial Bridges were converted to one-way tolling in FY 2008, which contributed to the decrease in transactions. In FY 2008, the first signs of the Great Recession appeared with declines in transaction and revenue growth through FY 2010. Unlike the Midpoint Memorial Bridge, however, toll transactions increased slightly in FY 2011, rising 0.2 percent over the previous year. Revenue increased as well, following three consecutive years of decline. FY 2011 was the first year of recovery after the Great Recession. However, in FY 2012 both toll transactions and revenue declined by 3.4 percent and 2.0 percent, respectively, as a result of construction activity and lane closures on the facility. In FY 2013 toll transactions rebounded with an increase of 3.2 percent and an increase in toll revenues of 4.1 percent. Both toll transactions and revenues increased in FY 2014 and FY 2015 over the prior years. In FY 2016, toll transactions and toll revenues increased by 3.0 percent and 4.8 percent over FY 2015. Between FY 2016 and FY 2017, due to Hurricane Irma, toll transactions declined 2.4 percent over the prior year and toll revenues declined by 1.3 percent. This is the first decline in both transactions and revenues since FY 2012. This decline in both toll transactions and revenues can be attributed to the negative impacts of toll suspensions on Lee County facilities during Hurricane Irma in September 2017. In FY 2018, toll transactions increased by 3.6 percent and toll revenues increased by 4.0 percent over 2017. The significant increase in FY 2018 compared to FY 2017 can partially be attributed to the recovery from the effects of Hurricane Irma on FY 2017 transactions and revenues, as well as normal growth. For FY 2019 toll transactions increased by 1.1 percent and toll revenues increased by 4.4 percent over 2018. In FY 2020, transactions and revenues decreased significantly, by 8.9

and 17.4 percent, respectively, due to the negative impacts of the COVID-19 pandemic, which included the suspension of cash toll collection.

Table 4-1
Cape Coral Bridge Toll Transactions and Revenues
FY 1990 – 2020

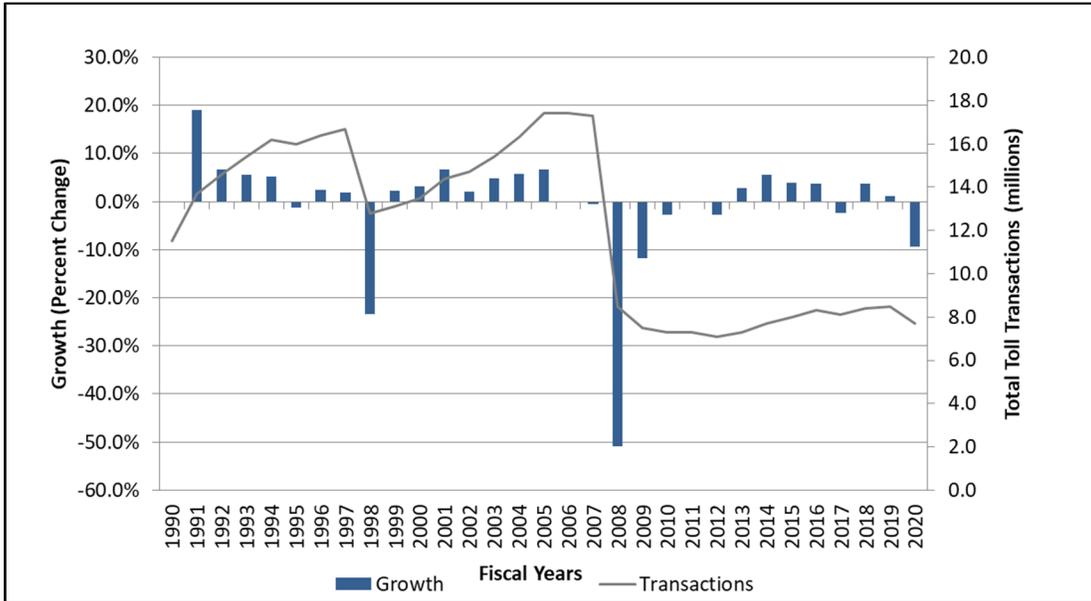
Fiscal Year	Toll Transactions	% Change	Total Revenue	% Change
1990 ¹	11,485,172	--	\$ 8,622,127	--
1991	13,750,424	0.2%	\$ 9,995,504	0.2%
1992	14,610,123	6.3%	\$ 9,499,384	-5.0%
1993	15,360,381	5.1%	\$ 10,007,292	5.3%
1994	16,193,397	5.4%	\$ 10,610,187	6.0%
1995 ²	16,002,042	-1.2%	\$ 13,332,077	25.7%
1996	16,420,656	2.6%	\$ 13,903,043	4.3%
1997	16,728,651	1.9%	\$ 14,206,099	2.2%
1998 ^{3,4}	12,671,536	-24.3%	\$ 10,527,194	-25.9%
1999	13,074,094	3.2%	\$ 10,870,181	3.3%
2000	13,536,062	3.5%	\$ 11,261,177	3.6%
2001	14,359,196	6.1%	\$ 11,944,838	6.1%
2002	14,747,594	2.7%	\$ 12,070,099	1.0%
2003	15,423,942	4.6%	\$ 12,051,150	-0.2%
2004	16,303,265	5.7%	\$ 13,099,139	8.7%
2005	17,355,653	6.5%	\$ 14,094,534	7.6%
2006	17,450,273	0.5%	\$ 13,996,781	-0.7%
2007 ⁵	17,263,048	-1.1%	\$ 14,124,429	0.9%
2008 ⁶	8,509,797	-50.7%	\$ 12,844,287	-9.1%
2009	7,505,751	-11.8%	\$ 12,541,967	-2.4%
2010	7,300,593	-2.7%	\$ 12,288,494	-2.0%
2011	7,315,500	0.2%	\$ 12,332,351	0.4%
2012 ⁷	7,069,408	-3.4%	\$ 12,086,478	-2.0%
2013 ⁸	7,295,664	3.2%	\$ 12,586,175	4.1%
2014	7,669,064	5.1%	\$ 13,685,953	8.7%
2015	8,022,636	4.6%	\$ 14,327,080	4.7%
2016	8,266,891	3.0%	\$ 15,014,104	4.8%
2017 ⁹	8,071,717	-2.4%	\$ 14,818,782	-1.3%
2018	8,364,186	3.6%	\$ 15,416,219	4.0%
2019	8,453,337	1.1%	\$ 16,101,310	4.4%
2020 ¹⁰	7,701,445	-8.9%	\$ 13,303,934	-17.4%

Source: Lee County Daily Class/Traffic Type Reports

- (1) Tolls reinstated on Cape Coral Bridge November 1, 1989.
- (2) Toll increase applied on Cape Coral Bridge November 1, 1994.
- (3) Midpoint Memorial Bridge opened on October 19, 1997.
- (4) Variable pricing program introduced on Cape Coral and Midpoint Memorial Bridges in August 1998.
- (5) New violation enforcement system implemented in January 2007.
- (6) One-way tolling introduced on November 1, 2007.
- (7) Toll plaza reconstruction, including construction of high-speed ORT lanes and demolition of unused Eastbound lanes completed November 2012.
- (8) Reconstruction of Cape Coral Bridge toll plaza completed in November 2012.
- (9) Effects of Hurricane Irma in September 2017.
- (10) Effects from COVID-19 pandemic beginning March 2020.

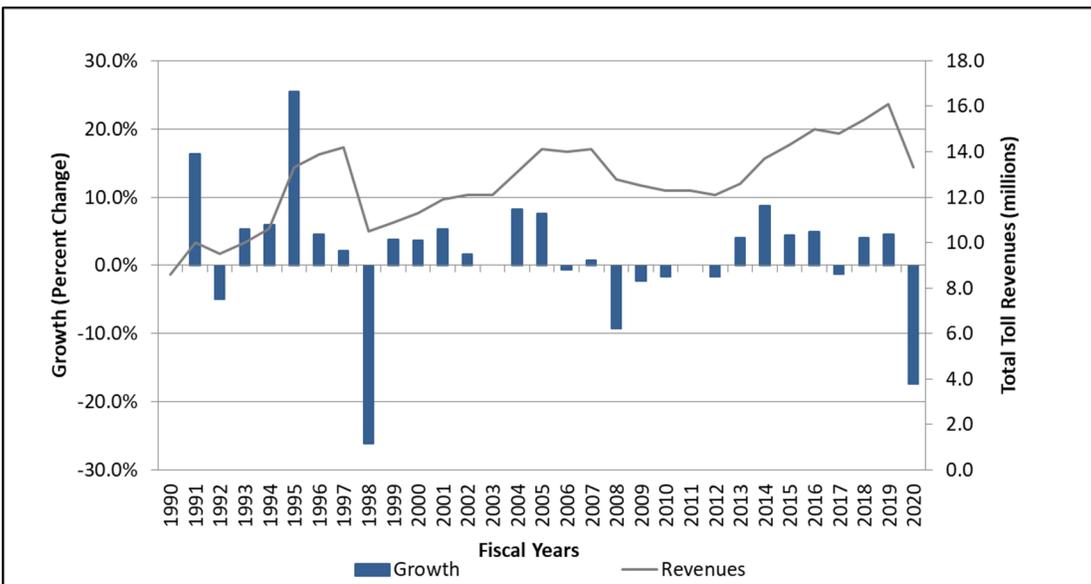
The Cape Coral Bridge annual toll transactions and toll revenue trends including annual growth are also presented visually in **Figure 4-2** and **Figure 4-3**.

Figure 4-2
Cape Coral Bridge Historical Toll Transactions and Annual Growth
FY 1990 – 2020



Source: Lee County Daily Class/Traffic Type Reports

Figure 4-3
Cape Coral Bridge Historical Toll Revenues and Annual Growth
FY 1990 – 2020



Source: Lee County Daily Class/Traffic Type Reports

The monthly transactions and average weekday transactions for the two most recent fiscal years are presented in **Table 4-2**. From October 2019 through February 2020 the Cape Coral Bridge experienced a modest increase in both monthly and weekday transactions, as compared to the prior fiscal year. February 2020 appears as the strongest month in terms of year-over-year growth with a 4.7 percent increase in monthly transactions, which can be partially attributed to an additional day of toll collection in 2020 due to the leap year. The Cape Coral Bridge has similar volumes of traffic and generally serve the same market as the Midpoint Memorial Bridge. The impact of the COVID-19 pandemic can be seen in the sharp decline of monthly and weekday total transactions from March through September 2020. These negative impacts can be attributed to the social distancing guidelines and stay-at-home orders implemented throughout the State of Florida and nationwide. These orders resulted in the closings of schools, restaurants, malls, sporting events, beaches, and other public venues, starting on March 9, 2020 with an executive order from Governor DeSantis declaring a State of Emergency. This was followed by Lee County's Emergency Resolution on March 21, 2020. As a result, many people were furloughed or lost their jobs and traveled less. The most dramatic reductions were seen in the month of April 2020 when much of the state was closed in response to the COVID-19 pandemic. This totaled a 48.0 percent reduction in monthly transactions over 2019 and a 45.6 percent reduction in average weekday transactions in April 2020. In May 2020, Lee County started the "re-opening" process with revised restaurant and lodging policies and opening of public beaches. Transactions went down in July 2020 with a second wave of COVID-19 cases, which is reflected in the reduction in transactions that month.

In prior years, Table 4-2 compared toll-paying transactions instead of total transactions as shown below. The table was updated in the report to include a comparison of total transactions due to the elimination of cash collection and the changes in reporting for video billing. Toll-by-Plate transactions are now originally classified as violations in the 15-minute transaction reports, which come directly from the data collected in the lanes. The comparison of total transactions captures all transactions regardless of payment type and shows the negative impacts of the COVID-19 pandemic by month.

Table 4-2
Comparison of FY 2019 and FY 2020 Monthly Total Transactions
Cape Coral Bridge

Month	Monthly Total Transactions			Average Weekday Transactions		
	2019	% Change	FY 2020	FY 2019	% Change	FY 2020
October	715,504	3.1%	737,472	25,200	3.6%	26,100
November	698,816	1.7%	710,531	25,400	2.8%	26,100
December	697,744	4.1%	726,035	24,700	3.6%	25,600
January	754,662	3.4%	780,234	26,600	3.0%	27,400
February	725,578	4.7%	760,038	28,300	1.8%	28,800
March	796,314	-19.3%	642,524	28,400	-18.3%	23,200
April	752,166	-48.0%	391,305	27,200	-45.6%	14,800
May	716,272	-23.5%	548,123	24,900	-21.3%	19,600
June	650,142	-6.1%	610,625	24,300	-9.1%	22,100
July	660,297	-7.3%	611,989	23,100	-6.5%	21,600
August	680,552	-10.2%	610,906	24,300	-9.9%	21,900
September	649,911	-5.8%	612,261	24,100	-7.5%	22,300
Total	8,497,958	-8.9%	7,742,043	25,500	-8.6%	23,300

Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records

A full breakdown of Cape Coral Bridge transactions by class and payment method during FY 2019 and FY 2020 is provided in **Table 4-3**. As indicated, LeeWay Unlimited declined by 74,672 transactions, or 13.9 percent. Reduced Fare transactions also declined during 2020, by 14.4 percent. Overall discount program transactions declined by 14.3 percent. LeeWay transactions in the full fare and variable discount categories declined by 4.4 and 0.6 percent, respectively. Cash/Video transactions also declined by 7.7 percent. Overall, Full Fare transactions declined by 5.8 percent. Motorcycle transactions also declined significantly by 52.3 percent due to those transactions being classified as 2-axle vehicles once cash toll collection was suspended. Except for 3+ axle vehicles paying via cash/video, every category declined in FY 2020. Except for 3+ axle vehicles paying via cash/video and ETC, every category declined in FY 2020.

Due to the continuing shift away from discount programs toward Full Fare LeeWay transactions, overall market share among payment types is gradually changing. Full Fare LeeWay (no variable discount) accounted for 23.0 percent of toll-paying transactions in FY 2020. Overall, full fare transactions gained approximately 2.1 percentage points of market share compared with FY 2019. Again, this suggests that motorists were less able or willing to make the initial outlay of funds required to enroll in the discounted programs, or simply took fewer trips. Individual categories saw shifts of less than ± 1.7 percent, and cash/video remains the largest single payment category, accounting for 35.0 percent of toll-paying transactions.

Table 4-3
Comparison of FY 2019 and FY 2020 Annual Transactions by Payment and Vehicle Type
Cape Coral Bridge

Full Fare (2-Axle Vehicles)	FY 2019	% Market Share	FY 2020	% Market Share	Change	% Change	% Change in Market Share
Full Fare Cash/Video	2,923,764	34.6%	2,698,642	35.0%	-225,122	-7.7%	0.5%
Full Fare LeeWay	1,854,495	21.9%	1,773,228	23.0%	-81,267	-4.4%	1.1%
Full Fare LeeWay Variable Discount	552,832	6.5%	549,274	7.1%	-3,558	-0.6%	0.6%
Subtotal – Full Fare	5,331,091	63.1%	5,021,144	65.2%	-309,947	-5.8%	2.1%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	1,881,698	22.3%	1,590,261	20.6%	-291,437	-15.5%	-1.6%
LeeWay Reduced Fare Variable Discount	555,390	6.6%	496,853	6.5%	-58,537	-10.5%	-0.1%
Subtotal – Reduced Fare	2,437,088	28.8%	2,087,114	27.1%	-349,974	-14.4%	-1.7%
LeeWay Unlimited	536,298	6.3%	461,626	6.0%	-74,672	-13.9%	-0.4%
Subtotal – LeeWay Discounted Programs	2,973,386	35.2%	2,548,740	33.1%	-424,646	-14.3%	-2.1%
All Vehicles							
Motorcycles	37,097	0.4%	17,701	0.2%	-19,396	-52.3%	-0.2%
3+ Axle Vehicles - Cash/Video	44,071	0.5%	45,335	0.6%	1,264	2.9%	0.1%
3+ Axle Vehicles - ETC	67,692	0.8%	68,525	0.9%	833	1.2%	0.1%
Subtotal – 2-Axle Vehicles	8,304,477	98.2%	7,569,884	98.3%	-734,593	-8.8%	0.1%
Subtotal – Toll-Paying Traffic	8,453,337		7,701,445		-751,892	-8.9%	
Exempt/Non-Revenue	44,621		40,598		-4,023	-9.0%	
Total	8,497,958		7,742,043		-755,915	-8.9%	

Source: Lee County Daily Class/Traffic Type Reports

As previously noted in Chapter 1, Lee County has suspended cash payments on the Cape Coral Bridge as of March 18, 2020 in response to the COVID-19 pandemic. Customers without a transponder are able to pay using Toll-by-Plate video billing. The implementation of video billing in place of cash collection may have helped encourage additional video transactions due to the convenience to the customer. Lee County implemented video billing immediately upon removal of cash toll collection, a shift in their toll policy. Previously, unpaid in lane transactions were treated as violations and were subject to the toll violation policies. The various shifts in method of payment can be partially attributed to reduced commuters and recreational traffic due to the COVID-19 pandemic.

Estimated revenues by payment type and vehicle class are presented in **Table 4-4**. The revenue estimates shown in this table are based upon the number of toll transactions, average toll rates, and total program sales revenues. As such, they may not match audited revenue figures presented elsewhere in this report. Nonetheless, total estimated revenues are close to audited revenues and provide valuable insight into the distribution of revenues on the Cape Coral Bridge.

In terms of comparative performance, overall toll revenues on the Cape Coral Bridge were down by 6.6 percent in FY 2020. Full Fare LeeWay and Full Fare LeeWay Variable Discount programs posted losses of 4.4 and 0.6 percent, respectively. Total Full Fare programs accounted for \$618,115 less in revenue compared to FY 2019. Full Fare Cash also shows a 7.7 percent decrease, accounting for \$450,244 in revenue. The largest decrease in terms of absolute revenue was LeeWay Reduced Fare revenue, which generated \$291,437 less in FY 2020 than FY 2019, a decline of 15.5 percent. Revenue also declined by 52.3 percent in the motorcycle revenue category, accounting for a loss

of \$19,396 compared to FY 2019. The significant decline in motorcycle revenue is due to being treated as two-axle vehicles once cash collection was suspended, thus skewing the calculations.

Table 4-4
Comparison of FY 2019 and FY 2020 Estimated Annual Revenue by Payment and Vehicle Type
Cape Coral Bridge

Full Fare (2-Axle Vehicles)	FY 2019	% Market Share	FY 2020	% Market Share	Change	% Change	% Change in Market Share
Full Fare Cash/Video	\$ 5,847,528	39.6%	\$ 5,397,284	39.1%	\$ (450,244)	-7.7%	-0.4%
Full Fare LeeWay	\$ 3,708,990	25.1%	\$ 3,546,456	25.7%	\$ (162,534)	-4.4%	0.6%
Full Fare LeeWay Variable Discount	\$ 829,248	5.6%	\$ 823,911	6.0%	\$ (5,337)	-0.6%	0.4%
Subtotal – Full Fare	\$ 10,385,766	70.3%	\$ 9,767,651	70.8%	\$ (618,115)	-6.0%	0.5%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	\$ 1,881,698	12.7%	\$ 1,590,261	11.5%	\$ (291,437)	-15.5%	-1.2%
LeeWay Reduced Fare Variable Discount	\$ 416,543	2.8%	\$ 372,640	2.7%	\$ (43,903)	-10.5%	-0.1%
LeeWay Reduced Fare Program Sales	\$ 920,159	6.2%	\$ 913,163	6.6%	\$ (6,995)	-0.8%	0.4%
Subtotal – Reduced Fare	\$ 3,218,399	21.8%	\$ 2,876,064	20.8%	\$ (342,335)	-10.6%	-0.9%
LeeWay Unlimited Program Sales	\$ 628,781	4.3%	\$ 611,841	4.4%	\$ (16,939)	-2.7%	0.2%
Subtotal – LeeWay Discounted Programs	\$ 3,847,180	26.0%	\$ 3,487,906	25.3%	\$ (359,274)	-9.3%	-0.8%
All Vehicles							
Motorcycles	\$ 37,097	0.3%	\$ 17,701	0.1%	\$ (19,396)	-52.3%	-0.1%
3+ Axle Vehicles - Cash/Video	\$ 220,652	1.5%	\$ 226,152	1.6%	\$ 5,500	2.5%	0.1%
3+ Axle Vehicles - ETC	\$ 292,964	2.0%	\$ 301,505	2.2%	\$ 8,541	2.9%	0.2%
Subtotal – 2-Axle Vehicles	\$ 14,232,946	96.3%	\$ 13,255,557	96.0%	\$ (977,389)	-6.9%	-0.2%
Total	\$ 14,783,659		\$ 13,800,914	100.0%	\$ (982,745)	-6.6%	

Source: Lee County Daily Class/Traffic Type Reports

SEASONAL TRANSACTION VARIATIONS

This section contains an analysis of seasonal patterns. In the tables that follow, monthly total transaction volumes are normalized to average daily traffic, adjusting for the varying numbers of days in each month. Using the monthly average allows for an easy comparison of the variations in relative travel demand across each facility at different times of the year. As previously mentioned, transactions and revenue were collected in the westbound direction only. That being said, the typical seasonality trends were overshadowed in FY 2020 by the impacts in travel demand from the COVID-19 pandemic.

The FY 2020 monthly seasonal transaction variations for the Cape Coral Bridge are presented in **Table 4-5**. As shown, the pattern is quite similar to that of the Midpoint Memorial Bridge. The annual average of 21,100 vehicles per day is slightly lower than the 22,300 vehicles per day on the Midpoint Memorial Bridge. The monthly average peaked in February 2020, totaling 26,200 vehicles per day, while the lowest average of 13,000 vehicles per day occurred in April 2020. February 2020 included an additional day of toll collection compared to February 2019 due to the leap year. Although the drop in transactions due to COVID-19 started in March 2020, April 2020 was the first full month with negative COVID-19 impacts, which continued through the remainder of the year. Traffic started to pick up in May and June 2020 with re-openings of beaches, restaurants, and lodging, but dipped in July 2020 due to the second wave of COVID-19 cases that month.

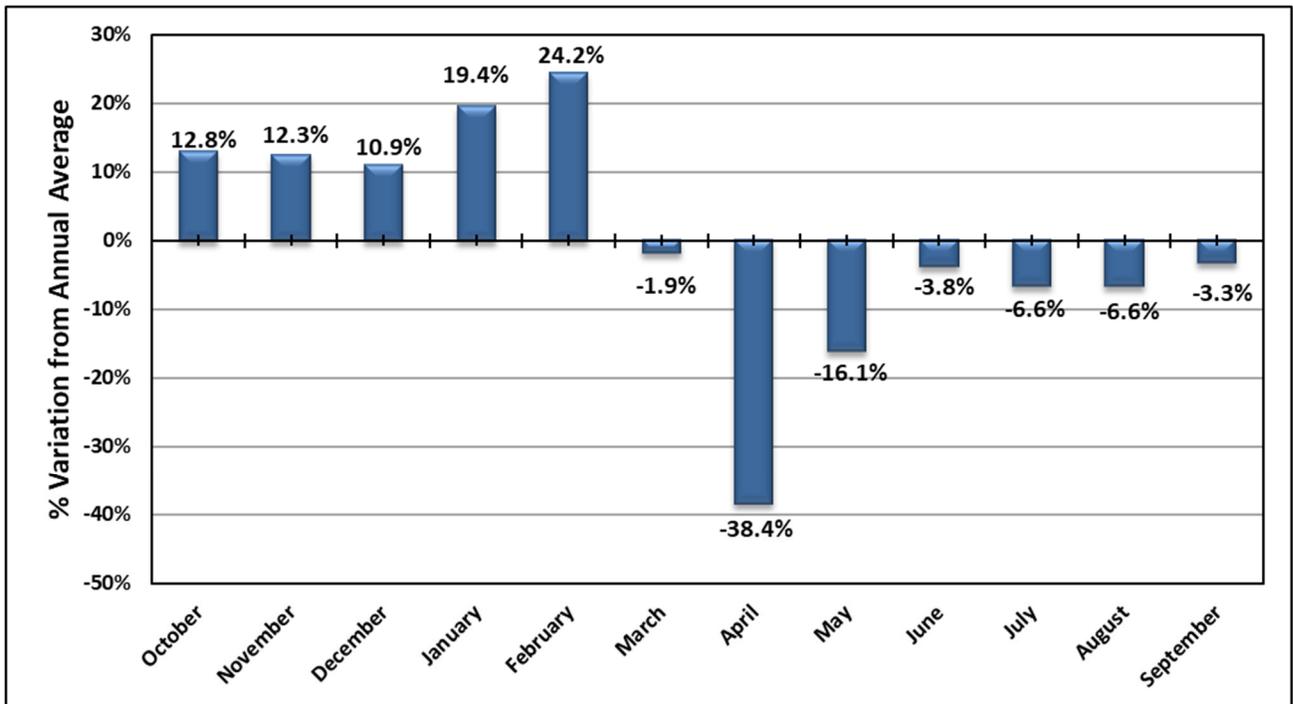
Table 4-5
Monthly Seasonal Variation in Transactions
Cape Coral Bridge

Month	Number of Days in Month	Total Transactions	Average Daily Traffic	Seasonal Factor
October	31	737,472	23,800	1.128
November	30	710,531	23,700	1.123
December	31	726,035	23,400	1.109
January	31	780,234	25,200	1.194
February	29	760,038	26,200	1.242
March	31	642,524	20,700	0.981
April	30	391,305	13,000	0.616
May	31	548,123	17,700	0.839
June	30	610,625	20,300	0.962
July	31	611,989	19,700	0.934
August	31	610,906	19,700	0.934
September	30	612,261	20,400	0.967
Average		645,170	21,100	1.000
Total Year	366	7,742,043		

Source: Lee County Daily Class/Traffic Type Reports

Monthly average daily traffic variations are presented graphically in **Figure 4-4**. Each month's ADT appears as a percentage of the annual average for the fiscal year, which shows the deviation of the monthly average from the annual average. These monthly averages represent a range of 24.2 percent above to 38.4 percent below the annual average. In prior years, transactions on the Cape Coral Bridge are typically above the annual average from October through April and then below average for the remainder of the year.

Figure 4-4
Variation in Average Daily Transactions, by Month
Cape Coral Bridge



Source: Lee County Daily Class/Traffic Type Reports

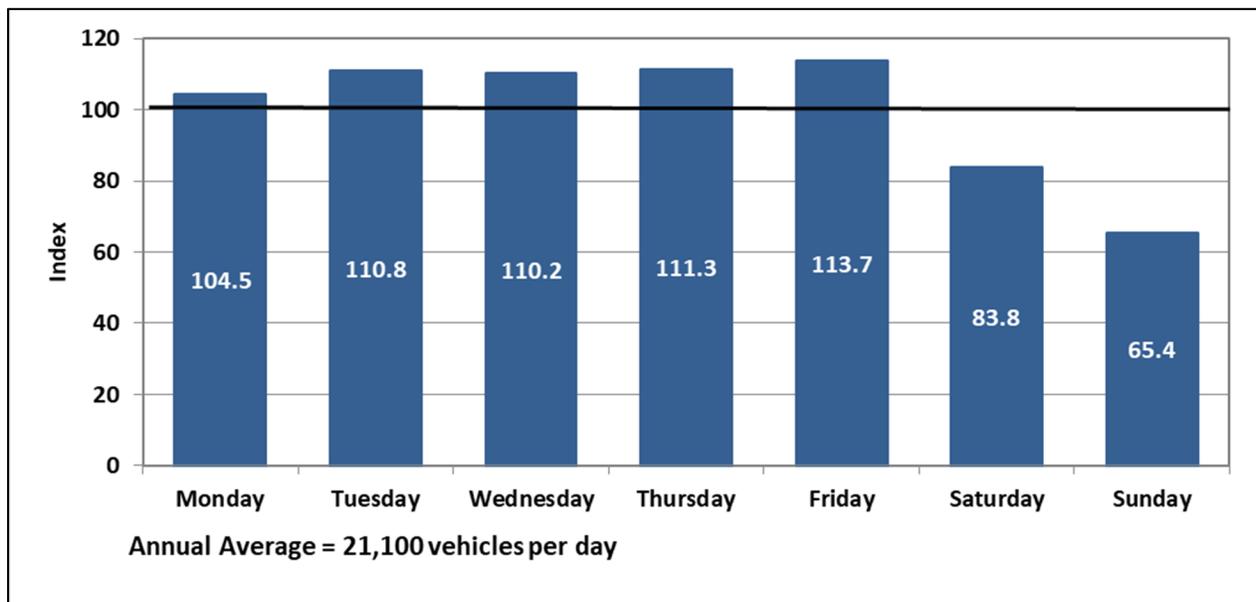
DAY-OF-WEEK TRANSACTION VARIATIONS

Fluctuations in transactions by day-of-week were also reviewed to provide additional insight into the operating characteristics of the facility. Typically, commuter-oriented roadways such as the Cape Coral Bridge experience consistently high transaction volumes throughout the work week with volumes declining on the weekends.

This analysis compares transactions by day of the week. The data are presented as an index, where the annual average daily traffic volume equals 100. An index value of 100 for a given day of the week would indicate that day's traffic was precisely the same volume as the facility average. A value of 120 would indicate a day that has 20 percent greater volume than the average.

As shown in **Figure 4-5**, FY 2020 weekday transaction volumes on the Cape Coral Bridge remained relatively consistent over the course of the five-day work week and higher than the average. Monday toll transactions were 4.5 percent above average. Indexed transaction volumes from Tuesday through Friday ranged from 110.2 to 113.7, with Friday being the peak day. Toll transaction volumes were lower on Saturdays and Sundays when volumes were 83.8 percent and 65.4 percent of annual average, respectively. In general, the Cape Coral profile is similar to the pattern observed on the Midpoint Memorial Bridge and consistent with prior years.

Figure 4-5
Variations in Transactions, by Day
Cape Coral Bridge



Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records

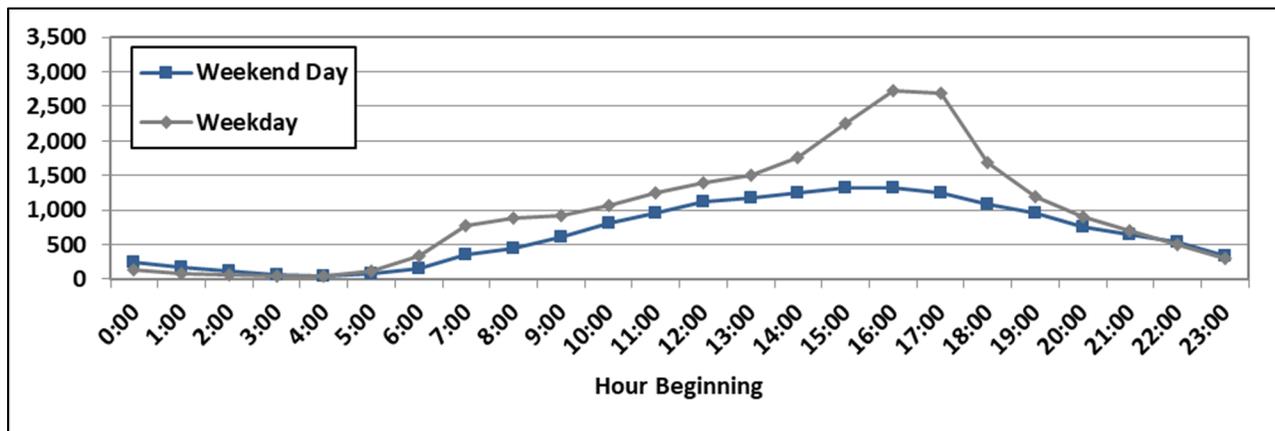
HOURLY TRANSACTION VARIATIONS

This section contains a review of transaction patterns by hour of the day for the Cape Coral Bridge. Weekday and weekend transactions are presented separately due to significant differences in their respective transaction patterns. As with the data presented previously, the values used in this

analysis were developed from unaudited counts at the lane level. Analysis of annual totals and financial documents presented elsewhere in this chapter are based on audited year-end reports and may not agree with the data presented here. It is important to keep in mind that data is available in the tolled direction only when observing the peaking patterns of transactions throughout the day. For instance, if a prominent afternoon peak is observed on weekdays in the tolled direction, this is likely due to daily commuters, and it can be inferred that a similar morning peak occurs in the non-tolled direction. Should permanent counters be installed in the future, two-way data will be reported in future annual reports, as was done prior to the conversion to one-way tolling. The tolled direction on the Cape Coral Bridge is westbound (away from Fort Myers and toward Cape Coral), just as on the Midpoint Memorial Bridge.

Hourly variations in transactions on the Cape Coral Bridge are similar to those observed on the Midpoint Memorial Bridge. As shown in **Figure 4-6**, westbound transactions on weekdays increase gradually throughout the day before a rapid buildup beginning between 2:00 p.m. and 3:00 p.m. The peak hour occurs between 4:00 p.m. and 5:00 p.m., with an average peak hour volume of 2,720 vehicles per hour, or 11.7 percent of the weekday total. Transactions on weekend days also behave similarly to the Midpoint Memorial Bridge, growing at a pace parallel to weekday transactions up through 2:00 p.m., though more steadily and without a morning peak. After 2:00 p.m., the rate of growth in transactions slows, reaching a peak of 1,320 average peak hour vehicles per hour between 4:00 p.m. and 5:00 p.m. followed by a steady decline.

Figure 4-6
Hourly Transaction Profile
Cape Coral Bridge



Source: Lee County Toll Operations 15-minute transaction records, FY 2020

FUTURE IMPROVEMENTS AND PLANS

Several projects were identified in the Lee County Capital Improvement Program (CIP) for future years including replacement of the entire toll system and the replacement of the westbound span of the Cape Coral Bridge. No other short-term facility improvements impacting the Cape Coral Bridge were identified in the MPO's TIP or the LRTP. The third amendment to the Lee County / City of Cape Coral East-West Corridor Interlocal Agreement, adopted on September 1, 2020, includes several capital improvements that will directly affect traffic on the Cape Coral Bridge, including:

- Burnt Store Road widening from Van Buren Parkway to the Charlotte County Line;
- Congestion improvements at Cape Coral Bridge/College Parkway Overpass and McGregor Boulevard;
- Alternative design concept for the replacement of the westbound span of the Cape Coral Bridge, including sidewalk/bike path/lighting; and,
- Planning study for an additional crossing of the Caloosahatchee River.

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CHAPTER 5

SANIBEL CAUSEWAY

FACILITY PROFILE

Replacing a ferry which had operated between Sanibel Island and mainland Fort Myers, the Sanibel Causeway opened to traffic in 1963. Its location is shown in **Figure 5-1**. The Causeway consists of three bridges and roadways connecting mainland Fort Myers with Sanibel Island via two intermediate engineered islands. These three individual spans, the two islands, and the toll plaza underwent a major reconstruction that was completed in early September 2007.



Figure 5-1
Sanibel Causeway Location Map



Facility Capacity

According to the FDOT Quality/LOS Handbook – 2020 Generalized Service Volume tables, a two-lane undivided highway facility with posted speeds of 30 MPH, such as the Sanibel Causeway, has a capacity of 1,190 vehicles per direction per hour for LOS “D” for uninterrupted flow highways in transitioning areas. The average capacity is 24,200 vehicles per day for LOS “D.” This capacity is reduced in the westbound direction by toll plaza activities. All customers must use either the two cash lanes or the one ETC dedicated lane. The bridge capacity is also constrained by the ability of the island’s transportation infrastructure to absorb incoming traffic.

HISTORICAL TOLL TRANSACTIONS AND REVENUES

This section contains a summary of detailed transaction and toll revenue performance for the Sanibel Causeway toll facility through FY 2020, with an emphasis on historical trends. The historical trend analysis considers extenuating factors which may have affected transaction and revenue performance, such as toll rate increases, highway construction, significant events including the COVID-19 pandemic, and major weather events. The information presented in this section is derived from LeeDOT administration records and may differ slightly from values presented elsewhere in this report, which are derived from operational records and sample data. The historical toll transaction and revenue trends for the Sanibel Causeway from FY 1988 to the current reporting year are presented in **Table 5-1**.

The last decade included multiple toll rate adjustments and several significant hurricane disruptions that contributed to this result. It is worth noting in November 2004 (FY 2005), tolls were doubled from \$3 to \$6, followed by a reduction in transactions. Such a large increase in tolls can have long-lasting effects on travel decisions. However, the toll was reduced to \$2 the following year in November 2005 for Reduced Fare transactions. FY 2005 was also impacted by several major hurricanes. Toll transactions began to increase in FY 2007 and FY 2008 by 2.9 percent. However, this growth was followed by declines observed in FY 2009 and FY 2010. This was a reflection of the Great Recession. Toll transaction growth resumed in FY 2011, with transactions increasing by 1.3 percent over the previous year. In FY 2012, toll transactions continued to increase by 2.1 percent over FY 2011. During FY 2012, revenue also increased by 3.1 percent, which reflected the first year of significant revenue growth since FY 2008. This trend continued in FY 2013 through FY 2015 with average toll transaction growth of approximately 3.0 percent per year and average toll revenue growth of nearly 5.0 percent per year. In FY 2016, toll transactions and toll revenues increased by 1.7 percent and 2.2 percent, as compared to FY 2015. Between FY 2016 and FY 2017, toll transactions declined 1.8 percent and toll revenues experienced a slight decline. This is the first decline in both transactions and revenues since FY 2010. This decline in both toll transactions and revenues can be attributed to the negative impacts of toll suspensions on Lee County facilities during Hurricane Irma in September 2017.

**Table 5-1
Sanibel Causeway Toll Transactions and Revenues
FY 1988 – 2020**

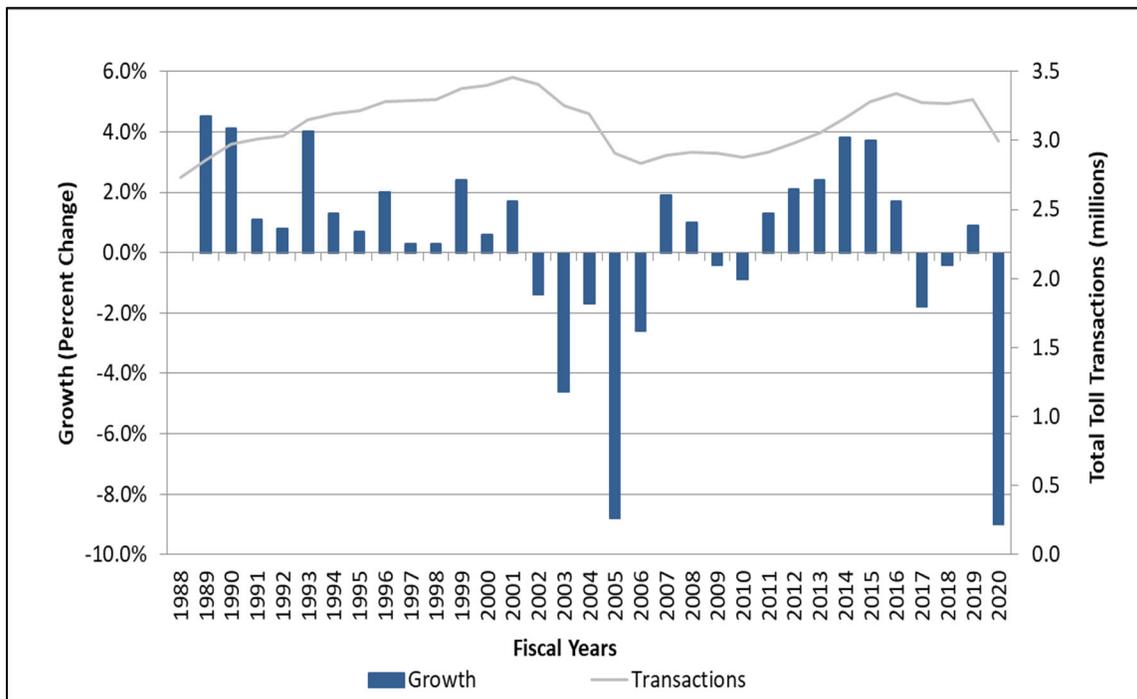
Fiscal Year	Toll Transactions	% Change	Total Revenue	% Change
1988	2,732,066	--	\$ 4,811,558	--
1989	2,855,493	4.5%	\$ 5,069,730	5.4%
1990	2,972,682	4.1%	\$ 5,353,013	5.6%
1991	3,006,723	1.1%	\$ 5,413,220	1.1%
1992	3,029,627	0.8%	\$ 5,493,391	1.5%
1993	3,151,127	4.0%	\$ 5,736,561	4.4%
1994	3,191,541	1.3%	\$ 5,742,027	0.1%
1995	3,214,543	0.7%	\$ 5,759,485	0.3%
1996	3,278,874	2.0%	\$ 5,914,693	2.7%
1997	3,288,732	0.3%	\$ 5,941,284	0.4%
1998	3,299,521	0.3%	\$ 6,070,420	2.2%
1999	3,380,005	2.4%	\$ 6,341,846	4.5%
2000	3,399,495	0.6%	\$ 6,443,769	1.6%
2001	3,456,438	1.7%	\$ 6,653,572	3.3%
2002	3,406,557	-1.4%	\$ 6,818,062	2.5%
2003 ¹	3,249,378	-4.6%	\$ 6,071,656	-10.9%
2004	3,192,595	-1.7%	\$ 6,237,501	2.7%
2005 ²	2,910,454	-8.8%	\$ 13,865,922	122.3%
2006 ³	2,835,333	-2.6%	\$ 11,661,611	-15.9%
2007 ⁴	2,889,783	1.9%	\$ 12,269,788	5.2%
2008 ⁵	2,918,205	1.0%	\$ 12,498,753	1.9%
2009	2,906,743	-0.4%	\$ 12,484,140	-0.1%
2010	2,880,450	-0.9%	\$ 12,433,879	-0.4%
2011	2,918,285	1.3%	\$ 12,447,914	0.1%
2012	2,978,219	2.1%	\$ 12,833,459	3.1%
2013	3,050,639	2.4%	\$ 13,340,651	4.0%
2014	3,165,686	3.8%	\$ 14,104,331	5.7%
2015	3,282,789	3.7%	\$ 14,715,480	4.3%
2016	3,337,055	1.7%	\$ 15,040,480	2.2%
2017 ⁶	3,277,285	-1.8%	\$ 15,039,832	0.0%
2018	3,264,223	-0.4%	\$ 14,790,145	-1.7%
2019	3,293,772	0.9%	\$ 15,245,980	3.1%
2020 ⁷	2,997,361	-9.0%	\$ 12,962,566	-15.0%

Source: Lee County Daily Class/Traffic Type Reports

- (1) Traffic restrictions imposed on Sanibel Causeway due to structural failures identified in January 2003.
- (2) Toll increase applied on Sanibel Causeway November 1, 2004 and transactions impacted by several major hurricanes.
- (3) Reduced Fare Program transaction tolls reduced on Sanibel Causeway November 1, 2005.
- (4) New violation enforcement system implemented in June 2007.
- (5) Construction completed on Sanibel Causeway and three new spans opened to traffic in September 2007.
- (6) Effects from Hurricane Irma in September 2017.
- (7) Effects from COVID 19 pandemic beginning March 2020.

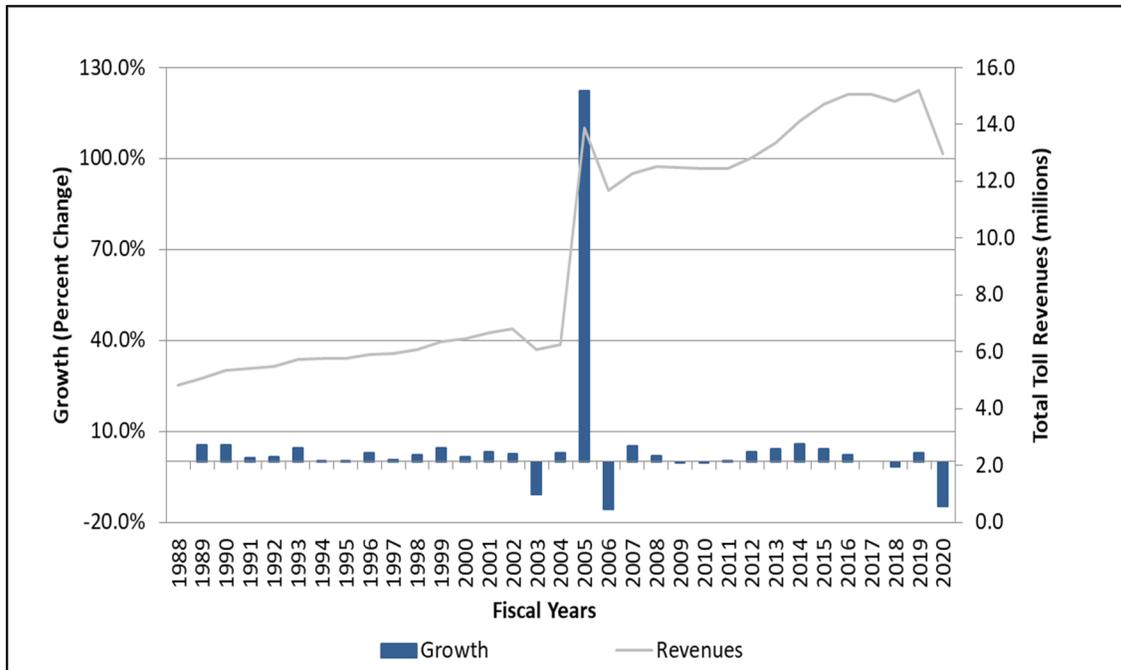
In FY 2018, toll transactions declined 0.4 percent and toll revenues declined 1.7 percent compared to FY 2017. This decline can partially be attributed to the longer-term economic impacts after Hurricane Irma in September 2017 (FY 2017). The Sanibel Causeway was also negatively impacted by poor water quality due to red tide and blue green algae blooms during the summer months, which negatively affected the local tourism, hotel and fishing guide industries. The 3.3 million toll transactions recorded in FY 2018 were 5.6 percent below the peak of 3.5 million transactions in FY 2001. Since FY 2000, transactions in ten of the last 18 years have declined over previous years on the Sanibel Causeway. Several factors over the years have contributed to the decline including toll increases, hurricanes, the Great Recession and lack of economic growth in the area. In FY 2019, toll transactions increased by 0.9 percent from FY 2018 while toll revenues increased by 3.1 percent from FY 2018. In FY 2020, toll transactions decreased by 9.0 percent, due to the negative impacts of the COVID-19 pandemic. Toll revenues also dropped significantly in FY 2020 by 15.0 percent. The more severe revenue impacts were due to the suspension of cash toll collection in March 2020, which has not returned. These are now video billing customers who need to be identified and sent a bill for their toll payment. The trends in Sanibel Causeway annual toll transactions and toll revenue annual growth are also presented visually in **Figure 5-2** and **Figure 5-3**.

Figure 5-2
Sanibel Causeway Historical Toll Transactions and Annual Growth
FY 1988 – 2020



Source: Lee County Daily Class/Traffic Type Reports

Figure 5-3
Sanibel Causeway Historical Toll Revenues and Annual Growth
FY 1988 – 2020



Source: Lee County Daily Class/Traffic Type Reports

The monthly total transactions and average weekday transactions for the two most recent fiscal years are presented in **Table 5-2**. From October 2019 through February 2020 the Sanibel Causeway experienced a modest increase in both monthly and weekday transactions. October 2019 appears as the strongest month in terms of year-over-year growth with a 5.7 percent increase in monthly transactions. The impact of the COVID-19 pandemic can be seen in the sharp decline of monthly and weekday total transactions from March 2020 through August 2020. These negative impacts can be attributed to the social distancing guidelines and stay-at-home orders implemented throughout the State of Florida and nationwide. These orders resulted in the closings of schools, restaurants, malls, sporting events, beaches, and other public venues, starting on March 9, 2020 with an executive order from Governor DeSantis declaring a State of Emergency. This was followed by Lee County’s Emergency Resolution on March 21, 2020. As a result, many people were furloughed or lost their jobs and traveled less. The most dramatic reductions were seen in the month of April 2020 when much of the state was closed due to the COVID-19 pandemic. This totaled a 60.9 percent reduction in monthly transactions over 2019 and a 57.5 percent reduction in average weekday transactions in April 2020. In May 2020, Lee County started “re-opening” process with revised restaurant and lodging policies and opening of public beaches. Transactions went down in July 2020 with a second wave of COVID-19 cases, which is reflected in the reduction in transactions that month. The local tourism, hotel, and fishing guide industries have been negatively impacted due to COVID-19, but there are signs that traffic could return to pre-pandemic levels. In September 2020, monthly toll transactions increased when compared to FY 2019, meaning some normalcy may be returning.

**Table 5-2
Comparison of FY 2019 and FY 2020 Monthly Total Transactions
Sanibel Causeway**

Month	Monthly Total Transactions			Average Weekday Transactions		
	FY 2019	% Change	FY 2020	FY 2019	% Change	FY 2020
October	239,426	5.7%	253,144	8,000	7.5%	8,600
November	261,399	2.1%	266,766	9,100	3.3%	9,400
December	275,964	3.3%	284,979	9,300	3.2%	9,600
January	305,372	4.2%	318,315	10,300	2.9%	10,600
February	310,367	3.5%	321,085	11,400	0.9%	11,500
March	355,759	-25.4%	265,546	11,700	-23.1%	9,000
April	314,979	-60.9%	123,130	10,600	-57.5%	4,500
May	283,526	-21.8%	221,665	9,100	-22.0%	7,100
June	256,840	-1.9%	252,000	8,700	-4.6%	8,300
July	265,024	-3.8%	255,010	8,700	-5.7%	8,200
August	234,099	-0.3%	233,491	7,900	-5.1%	7,500
September	207,956	5.0%	218,338	7,300	0.0%	7,300
Total	3,310,711	-9.0%	3,013,469	9,300	-8.6%	8,500

Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records

In prior years, Table 5-2 compared toll-paying transactions instead of total transactions as shown below. The table was updated in the report to include a comparison of total transactions due to the elimination of cash collection and the changes in reporting for video billing. Toll-by-Plate transactions were originally classified as violations in the 15-minute transaction reports, which come directly from the data collected in the lanes. The comparison of total transactions captures all transactions regardless of payment type and shows the negative impacts of the COVID-19 pandemic by month.

A full breakdown of Sanibel Causeway transactions by class and payment method during FY 2019 and FY 2020 is presented in **Table 5-3**. Compared to previous years, there was growth but also some declines, depending on the indicator. LeeWay Full Fare transactions increased by 19,457 transactions, or 3.6 percent when compared to FY 2019. Overall, the LeeWay discount program transactions decreased by 182,279 or 11.8 percent. Full Fare Cash/Video decreased significantly by 128,829 transactions and 11.5 percent, while the LeeWay Unlimited also decreased by 92,579 transactions, or 12.2 percent. Motorcycle transactions also declined significantly by 50.8 percent due to those transactions being classified as two-axle vehicles once cash toll collection was suspended.

In terms of the distribution of transactions across the various payment categories, there were no major shifts in market share. The biggest year-over-year change was in Full Fare LeeWay transactions, which saw a 2.3 percent increase in market share. Historically, Sanibel Causeway has been the only one of the three Lee County facilities in which discount program transactions account for nearly 50 percent of total transactions, due to the high toll compared to other facilities.

As previously noted in Chapter 1, Lee County has suspended cash payments on the Sanibel Causeway as of March 18, 2020 in response to the COVID-19 pandemic. Customers without a transponder are able to pay using Toll-by-Plate video billing. The implementation of video billing in place of cash collection may have helped encourage additional video transactions due to the convenience to the customer. Lee County implemented video billing immediately upon removal of cash toll collection, a shift in their toll policy. Previously, unpaid in lane transactions were treated as violations and were subject to the toll violation policies. The various shifts in method of payment can be partially attributed to reduced commuters and recreational traffic due to the COVID-19 pandemic.

Table 5-3
Comparison of FY 2019 and FY 2020 Annual Transactions by Payment and Vehicle Type
Sanibel Causeway

Full Fare (2-Axle Vehicles)	FY 2019	% Market Share	FY 2020	% Market Share	Change	% Change	% Change in Market Share
Full Fare Cash/Video	1,122,387	34.1%	993,558	33.1%	(128,829)	-11.5%	-0.9%
Full Fare LeeWay	539,483	16.4%	558,940	18.6%	19,457	3.6%	2.3%
Full Fare LeeWay Variable Discount ⁽¹⁾	0	0.0%	0	0.0%	0	0.0%	0.0%
Subtotal – Full Fare	1,661,870	50.5%	1,552,498	51.8%	(109,372)	-6.6%	1.3%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	791,835	24.0%	702,135	23.4%	(89,700)	-11.3%	-0.6%
LeeWay Reduced Fare Variable Discount ⁽¹⁾	0	0.0%	0	0.0%	0	0.0%	0.0%
Subtotal – Reduced Fare	791,835	24.0%	702,135	23.4%	(89,700)	-11.3%	-0.6%
LeeWay Unlimited	757,168	23.0%	664,589	22.2%	(92,579)	-12.2%	-0.8%
Subtotal – LeeWay Discounted Programs	1,549,003	47.0%	1,366,724	45.6%	(182,279)	-11.8%	-1.4%
All Vehicles							
Motorcycles	10,777	0.3%	5,307	0.2%	(5,470)	-50.8%	-0.2%
3+ Axle Vehicles - Cash/Video	21,616	0.7%	22,373	0.7%	757	3.5%	0.1%
3+ Axle Vehicles - ETC	50,506	1.5%	50,459	1.7%	(47)	-0.1%	0.2%
Subtotal – 2-Axle Vehicles	3,210,873	97.5%	2,919,222	97.4%	(291,651)	-9.1%	-0.1%
Subtotal – Toll-Paying Traffic	3,293,772		2,997,361		(296,411)	-9.0%	
Exempt/Non-Revenue	16,939		16,108		(831)	-4.9%	
Total	3,310,711		3,013,469		(297,242)	-9.0%	

Source: Lee County Daily Class/Traffic Type Reports

⁽¹⁾ Variable discount is not offered on the Sanibel Causeway.

Estimated annual toll revenues by payment category for the Sanibel Causeway over the past two fiscal years are presented in **Table 5-4**. As with the other two Lee County facilities, these revenues are estimates only and may not agree with audited values presented elsewhere in the report. As shown, the changes in revenue by vehicle class and payment type mirror changes observed in toll transactions on the Causeway, with declines in revenue for Full Fare Cash/Video but slight growth in revenue for Full Fare LeeWay transactions.

**Table 5-4
Comparison of FY 2019 and FY 2020 Estimated Annual Revenue by Payment and Vehicle Type
Sanibel Causeway**

Full Fare (2-Axle Vehicles)	FY 2019	% Market Share	FY 2020	% Market Share	Change	% Change	% Change in Market Share
Full Fare Cash/Video	\$ 6,734,322	45.5%	\$ 5,961,348	42.8%	\$ (772,974)	-11.5%	-2.7%
Full Fare LeeWay	\$ 3,236,898	21.9%	\$ 3,353,640	24.1%	\$ 116,742	3.6%	2.2%
Subtotal – Full Fare	\$ 9,971,220	67.4%	\$ 9,314,988	66.9%	\$ (656,232)	-6.6%	-0.5%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	\$ 1,583,670	10.7%	\$ 1,404,270	10.1%	\$ (179,400)	-11.3%	-0.6%
LeeWay Reduced Fare Program Sales	\$ 1,077,897	7.3%	\$ 1,079,170	7.8%	\$ 1,273	0.1%	0.5%
LeeWay Unlimited Program Sales	\$ 1,493,703	10.1%	\$ 1,462,348	10.5%	\$ (31,355)	-2.1%	0.4%
Subtotal – LeeWay Discounted Programs	\$ 4,155,270	28.1%	\$ 3,945,788	28.3%	\$ (209,482)	-5.0%	0.3%
All Vehicles							
Motorcycles	\$ 21,554	0.1%	\$ 10,614	0.1%	\$ (10,940)	-50.8%	-0.1%
3+ Axle Vehicles - Cash/Video	\$ 226,944	1.5%	\$ 232,830	1.7%	\$ 5,886	2.6%	0.1%
3+ Axle Vehicles - ETC	\$ 416,706	2.8%	\$ 414,109	3.0%	\$ (2,597)	-0.6%	0.2%
Subtotal – 2-Axle Vehicles	\$ 14,126,490	95.5%	\$ 13,260,776	95.3%	\$ (865,714)	-6.1%	-0.2%
Total	\$ 14,791,694		\$ 13,918,329		\$ (873,365)	-5.9%	

Source: Lee County Daily Class/Traffic Type Reports

SEASONAL TRANSACTION VARIATIONS

The relative variability of traffic across each facility from one month to the next highlights periods of the year when toll transactions exceed or drop below the normal pattern. For instance, a bridge that accommodates a large number of tourism-related trips will exhibit considerable variation, with peak toll transactions occurring during holidays and typical vacation months. By contrast, facilities used predominantly by commuters or with a large proportion of Interstate commercial traffic tend to have more consistent year-round levels of toll transactions. In the tables that follow, monthly total toll transaction volumes are normalized to average daily traffic, adjusting for the varying numbers of days in each month. Using monthly averages allows for an easy comparison of the variations in relative travel demand across each facility at different times of the year. Transactions only include the tolled westbound direction of travel. That being said, the typical seasonality trends were overshadowed in FY 2020 by the impacts in travel demand from the COVID-19 pandemic.

As shown in **Table 5-5**, the Sanibel Causeway exhibits a similar pattern with more significant seasonal peaking characteristics compared to the Cape Coral and Midpoint Memorial Bridges. Typically, March has been the busiest month both historically and was during FY 2019, but these patterns were much different in FY 2020. As shown, monthly transaction volumes on the Sanibel Causeway significantly decreased in between April 2020 through the end of the year due to the Stay-at-Home order and other shutdowns related to the COVID-19 pandemic. The average daily traffic in FY 2020 was 8,200 vehicles, which is lower than FY 2019's number at 9,000. April 2020 was the lightest month for toll transactions on the Sanibel Causeway, with an average of 4,100 vehicles per day. As stated previously, traffic started to pick up in May and June 2020 with re-openings of beaches, restaurants and lodging, but dipped in August and September 2020, which is typical seasonality for the Sanibel Causeway as they are "off-season" tourist months.

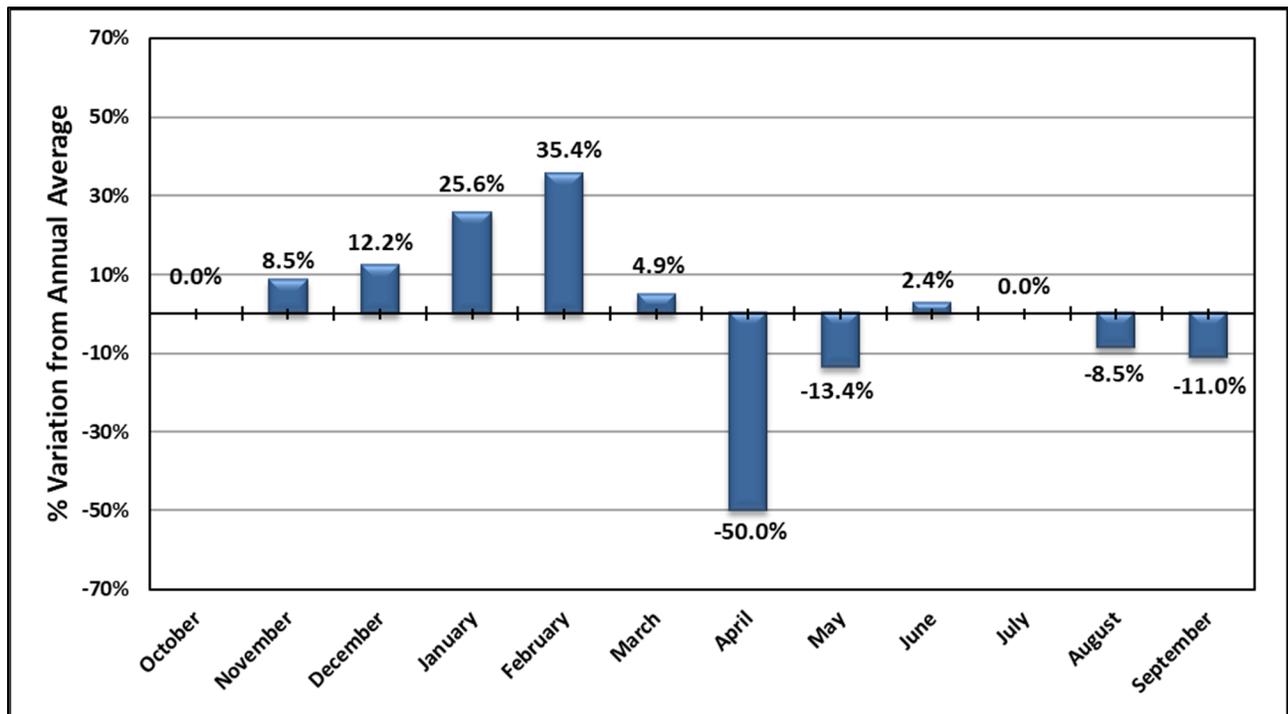
Table 5-5
Monthly Seasonal Variation in Transactions
Sanibel Causeway

Month	Number of Days in Month	Total Transactions	Average Daily Traffic	Seasonal Factor
October	31	253,144	8,200	1.000
November	30	266,766	8,900	1.085
December	31	284,979	9,200	1.122
January	31	318,315	10,300	1.256
February	29	321,085	11,100	1.354
March	31	265,546	8,600	1.049
April	30	123,130	4,100	0.500
May	31	221,665	7,100	0.866
June	30	252,000	8,400	1.024
July	31	255,010	8,200	1.000
August	31	233,491	7,500	0.915
September	30	218,338	7,300	0.890
Average		251,122	8,200	1.000
Total Year	366	3,013,469		

Source: Lee County Daily Class/Traffic Type Reports

This data is presented in a graphical format in **Figure 5-4**. Each month's ADT appears as a percentage of the annual average for the fiscal year, which shows the deviation of the monthly average from the annual average. As can be seen here, February 2020 has the largest peak at 35.4 percent over the annual average and April 2020 is 50.0 percent below. Unlike previous years, the drop in transactions was evident starting in April 2020 and continued through the remainder of the year. In prior years, transactions on the Sanibel Causeway are typically above the annual average from October through April and then below average for the remainder of the year.

Figure 5-4
Variation in Average Daily Transactions, by Month
Sanibel Causeway



Source: Lee County Daily Class/Traffic Type Reports

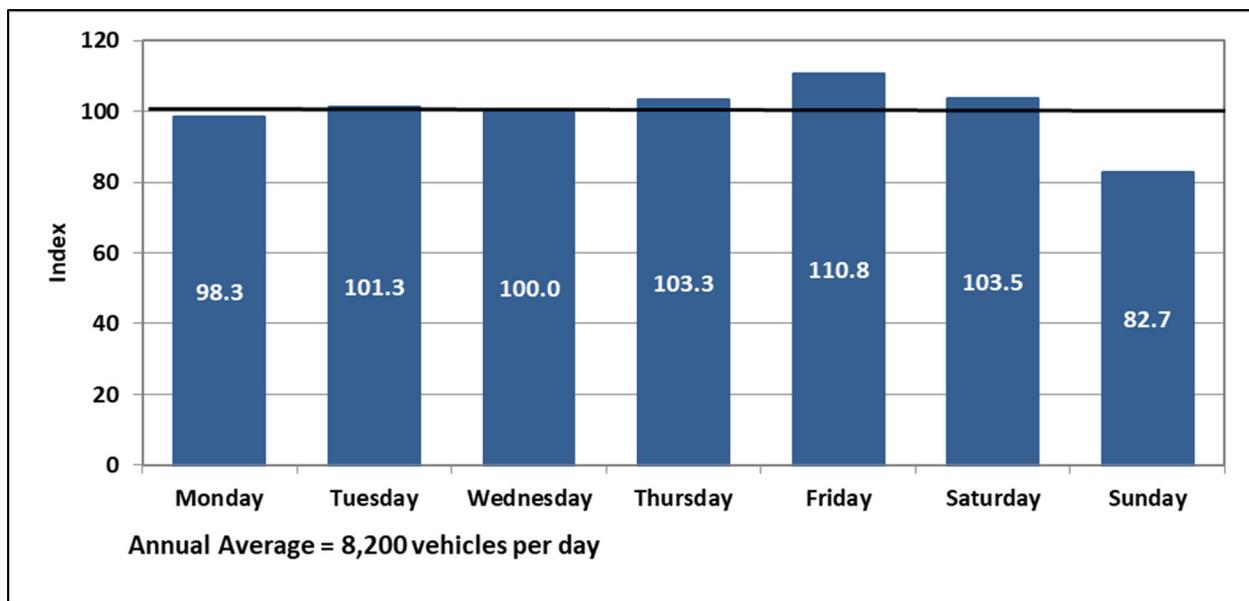
DAY-OF-WEEK TRANSACTION VARIATIONS

Fluctuations in transactions by day of week were also reviewed to provide additional insight into the operating characteristics of the facility. A facility like the Sanibel Causeway which accommodates a substantial number of leisure trips may experience higher transaction volumes on weekends and holidays as compared with commuter facilities. The transactions used here refer to westbound travel only, the only tolled direction.

This analysis compares transactions by day of the week. The data are presented as an index, where the annual average daily traffic volume equals 100. An index value of 100 for a given day of the week would indicate that day's traffic was precisely the same volume as the facility average. A value of 120 would indicate a day that has 20 percent greater volume than the average.

The variation in daily transactions during FY 2020 on the Sanibel Causeway exhibits a usage trend that is substantially different from the Midpoint Memorial and Cape Coral Bridges. This reflects Sanibel Island's orientation toward tourism, not commuting between home and work. As shown in **Figure 5-5**, toll transaction volumes rise gradually throughout the week, from 98.3 percent of the average on Mondays to a peak of 110.8 percent of the average on Fridays. Saturday volume is the second highest with an index value of 103.5. Sundays were typically the lightest traveled days with a volume that is 82.7 percent of the average. This is still a considerably higher index value than was observed on the other two toll facilities, where average Sunday toll transactions were approximately 65 percent of the average.

Figure 5-5
Variations in Transactions, by Day
Sanibel Causeway



Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records

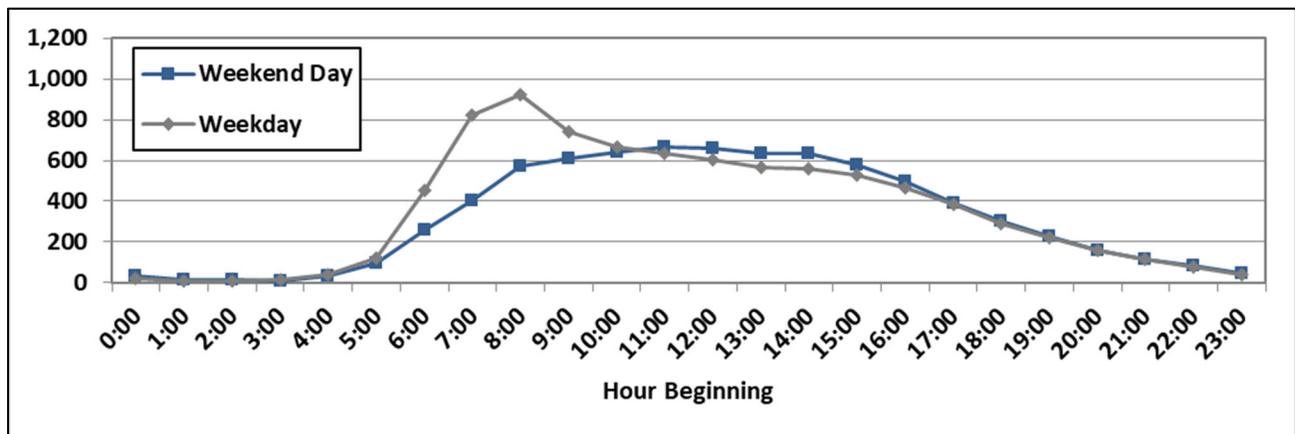
The less-pronounced variation in transactions by day of week should not be taken to mean the Sanibel Causeway is entirely dissimilar from the Cape Coral and Midpoint Memorial Bridges. While the high weekend volume does reflect a substantial amount of leisure trips and weekend discretionary usage, weekday volume remains strong and consistent. This implies that alongside the tourism-oriented travel there is also a substantial commuter component. This is likely a result of the sizable service and hospitality industry located on Sanibel Island, as well as a proportion of the Island's residents commuting off-island for work. Despite the COVID-19 pandemic, which significantly impacted overall volumes, as well as monthly variations, the variations in FY 2020 traffic by day-of-week are relatively consistent with prior years.

HOURLY TRANSACTION VARIATIONS

This section contains a review of transaction patterns by hour of the day for the Sanibel Causeway. Weekday and weekend toll transactions are presented separately due to significant differences in their respective traffic patterns. As with the data presented previously, the values used in this analysis were developed from unaudited counts at the lane level. Analysis of annual totals and financial documents presented elsewhere in this chapter are based on audited year-end reports and may not agree with the data presented here. In addition, the data are only available in the tolled direction. This is important to keep in mind when observing the peaking patterns of traffic throughout the day. For instance, if a prominent morning peak is observed on weekdays in the tolled direction, this is likely due to daily commuters, and it can be inferred that a similar afternoon peak occurs in the non-tolled direction. Should permanent counters be installed in the future, two-way data will be reported in future annual reports, as was done prior to the conversion to one-way tolling. The tolled direction on the Sanibel Causeway is westbound (toward Sanibel Island).

As illustrated in **Figure 5-6**, the hourly transaction patterns in the westbound (or on-island direction) on the Sanibel Causeway are quite different from the Midpoint Memorial and Cape Coral Bridges. Owing to the proportionally greater role of recreational transactions on this facility, weekday and weekend day transaction patterns are nearly identical with the exception of the five-hour morning peak period occurring on weekdays due to workers traveling to Sanibel Island.

Figure 5-6
Hourly Transaction Profile
Sanibel Causeway



Source: Lee County Toll Operations 15-minute transaction records, FY 2020

From almost no transactions during overnight hours, weekday transactions toward Sanibel Island climbs rapidly beginning at 5:00 a.m. Transaction growth continues to build to an average peak hour volume of 920 vehicles per hour between 8:00 a.m. and 9:00 a.m., representing 10.9 percent of weekday transactions. Following the decline from the morning peak, transactions remain relatively stable throughout the midday at between 470 and 660 vehicles per hour between 10:00 a.m. and 4:00 p.m. Transaction volumes decline steadily after 4:00 p.m., with no significant afternoon reverse-commute peak.

Weekend transactions are nearly identical to weekdays, save for the lack of a morning peak. Volumes are similar for hours preceding 5:00 a.m. and after 11:00 a.m. During the hours when the morning peak occurs on weekdays, weekend transactions build gradually, to a peak of 670 average peak hour vehicles between 11:00 a.m. and noon. These trends indicate a sizable number of commuters heading onto the island on weekdays, on top of a larger and steadier flow of recreational trips that occur on both weekdays and weekends, peaking in the middle of the day. As compared with the Midpoint Memorial and Cape Coral Bridges, peak-hour commuter transactions represent a smaller share of overall demand on the facility.

FUTURE IMPROVEMENTS AND PLANS

A few projects were identified in the Lee County Capital Improvement Program (CIP) for future years including a toll system replacement. A review of the current TIP found no major Causeway-related projects planned for the short-term. Long-term MPO projects in the LRTP include open road tolling on the Sanibel Causeway, although no time frame is specified.

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CHAPTER 6

NET AND EXCESS TOLL REVENUE

All toll revenues generated by the Lee County toll system are covered by a series of bond covenants and interlocal agreements that determine the manner and order in which revenues are distributed. This chapter contains descriptions of operating and maintenance costs, net revenues, deposits and withdrawals of covenanted and pledged funds and bond obligations. Other financial transactions required by covenant or agreement are presented as well. The data in this chapter was obtained from the Lee County Excess Revenue Report.

NET TOLL REVENUE

Net toll revenue is calculated by deducting maintenance and operating (M&O) expenses from gross toll revenues. FY 2020 gross toll revenues, M&O expenditures, and the resulting net revenues for the entire Lee County system and the three toll facilities individually are presented in **Table 6-1**. As shown, systemwide net toll revenues totaled approximately \$29.5 million in FY 2020. Each of the three facilities contributed a roughly equal proportion of gross toll revenues. The Sanibel Causeway had net revenue that was 34.8 percent of the total, compared with 34.4 percent and 30.8 percent on the Cape Coral Bridge and Midpoint Memorial Bridge, respectively. Gross toll revenues were negatively impacted by COVID-19 during the second half of the fiscal year, as noted previously in this report.

Table 6-1
Net Revenue by Facility
FY 2020

Line Item	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Total
Gross Toll Revenue	\$14,430,564	\$13,303,934	\$12,962,566	\$40,697,064
M&O Costs	(\$4,297,580)	(\$4,235,729)	(\$2,698,546)	(\$11,231,855)
Net Toll Revenue	\$10,132,984	\$9,068,206	\$10,264,020	\$29,465,210

Source: Lee County Unaudited Excess Revenues over Expenditures as of September 30, 2020.

The year-over-year change in M&O expenses by facility is shown in **Table 6-2**. The Midpoint Memorial Bridge experienced the largest percent increase in M&O expenses at 4.5 percent, which was largely offset by the decrease in M&O expenses on the Cape Coral Bridge. Overall, expenses increased by 0.4 percent systemwide.

Table 6-2
Comparative M&O Expenses by Facility
FY 2019 and 2020

Facility	FY 2019 Actual	FY 2020 Actual	Percent Change over FY 2019
Midpoint Memorial Bridge	\$4,113,367	\$4,297,580	4.5
Cape Coral Bridge	\$4,406,761	\$4,235,729	-3.9
Sanibel Causeway	\$2,667,147	\$2,698,546	1.2
Total	\$11,187,275	\$11,231,855	0.4

Source: Lee County Unaudited Excess Revenues over Expenditures as of September 30, 2020.

EXPENDITURES AND EXCESS REVENUE

As previously stated, net toll revenues generated by the three tolled facilities must be disbursed in a prescribed manner. The flow of funds is presented in **Figure 6-1**.

Senior Lien Debt Obligation

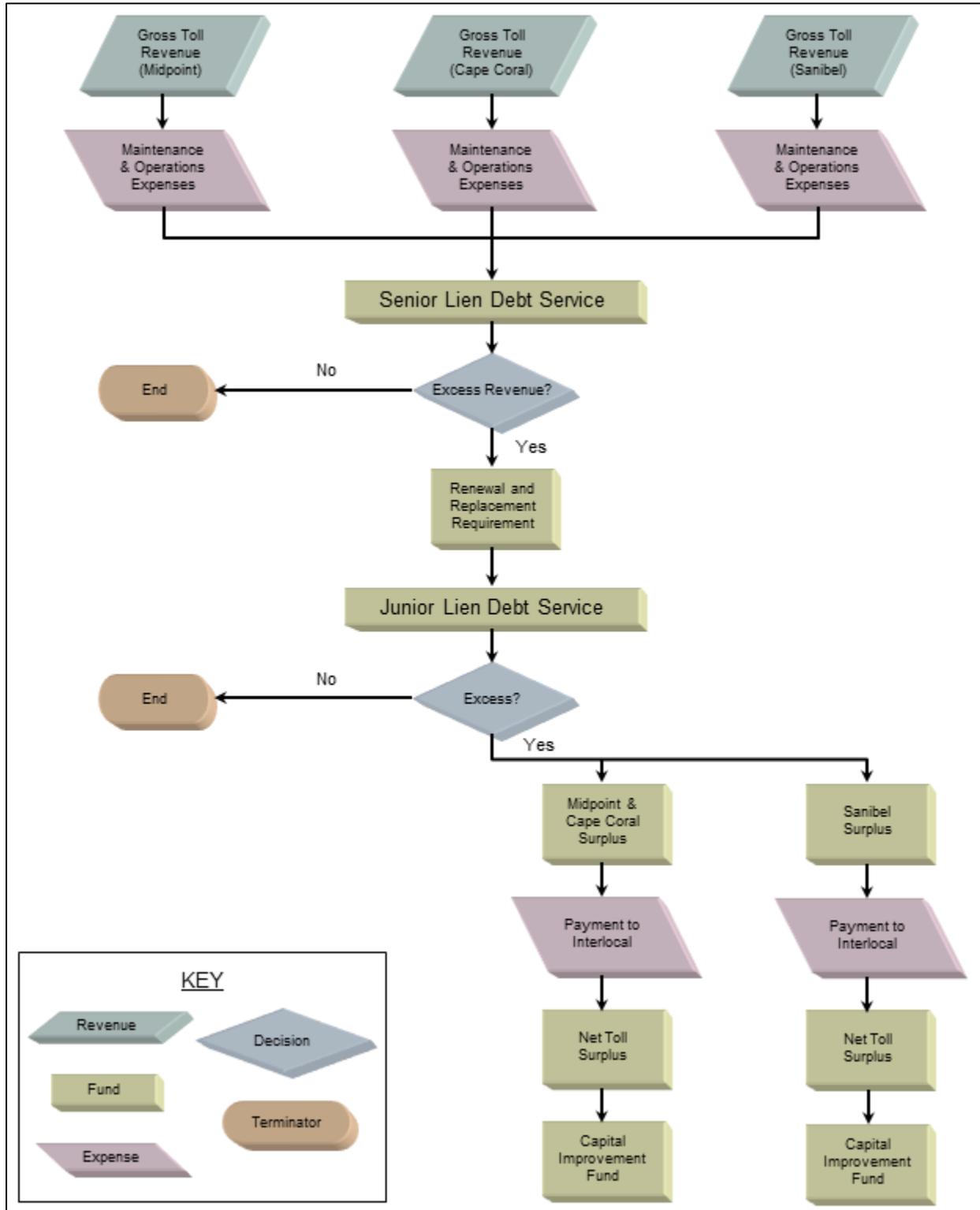
After paying all M&O expenses, the first obligation is to service senior lien debt. Senior lien debt is comprised of debt service to the Series 2014 bonds and bank loans that refunded the Series 2001 bonds. The ratio of net revenue versus the amount of senior lien debt due in that fiscal year is referred to as the coverage ratio. By covenant, Lee County is required to maintain a coverage ratio of 1.20. This means net revenue must exceed total senior lien debt obligations by 120 percent. In FY 2020, the coverage ratio for senior lien debt equaled 2.98, as shown in **Table 6-3**. The coverage ratio declined from the FY 2019 coverage ratio of 3.81. This decline can be attributed to the negative impacts of the COVID-19 pandemic on gross revenues during the second half of FY 2020. Despite these negative impacts, Lee County was still able to significantly exceed their coverage ratio requirements.

Table 6-3
Senior Lien Bond Coverage
FY 2020

Line Item	Amount
Total Gross Revenues	\$40,697,064
Total M&O Costs	(\$11,231,855)
Total Net Revenue	\$29,465,210
Annual Debt Service	(\$9,902,501)
Debt Coverage Ratio	2.98

Source: Lee County and CDM Smith Analysis.

**Figure 6-1
Flow of Funds**



Renewal and Replacement Fund

After fulfilling bond and debt obligations, Lee County is required to maintain a renewal and replacement (R&R) account for each facility. These accounts are required to have a minimum balance of either \$500,000 or 5.0 percent of the previous year's gross toll revenues, whichever is greater. Funds in these accounts can be used for a limited number of specific purposes including, but not limited to: major improvements or additions; unusual and extraordinary maintenance or repairs; maintenance activities not recurring annually; renewal and replacement of major equipment; and repairs or maintenance resulting from an emergency. The latter item is conditional and can only be used in cases where money from the maintenance and operations account and insurance proceeds do not cover the total cost of said emergency. **Table 6-4** contains the FY 2020 gross toll revenues for each bridge, 5.0 percent of the gross toll revenues, the expenditures for each bridge and the deposits required to meet the 5.0 percent minimum balance. In FY 2020 expenditures totaling \$63,857 were made from the three R&R accounts. No deposits were made in FY 2020 to maintain the required minimum balance.

Table 6-4
Deposits and Expenditures, Renewal and Replacement Fund
FY 2020

Line Item	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Total
<i>Gross Toll Revenues</i>	\$14,430,564	\$13,303,934	\$12,962,566	\$40,697,064
<i>5% Minimum Balance</i>	\$721,528	\$665,197	\$648,128	\$2,034,853
Expenditures	\$0	(\$62,597)	(\$1,260)	(\$63,857)
Deposits	\$0	\$0	\$0	\$0

Source: Lee County Unaudited Excess Revenues over Expenditures as of September 30, 2020.

Other Debt and Expenses

In addition to meeting the senior lien debt coverage requirement, Lee County is obligated to maintain a coverage ratio of 1.00 over all junior lien debt, subordinate debt, and covenanted payments, including bank and FDOT loans. The coverage ratio is calculated as net revenues over annual debt service and other expenses. As shown in **Table 6-5**, the Lee County facilities exceeded the required coverage ratio in FY 2020 with a 1.62 coverage ratio.

Table 6-5
Other Debt and Expenses
FY 2020

Line Item	Total
Total Gross Revenues	\$40,697,064
Total M&O Costs	(\$11,231,855)
Total Net Revenue	\$29,465,210
Annual Debt Service	(\$9,902,501)
Other Debt or Expenses	(\$8,308,627)
Total Debt	(\$18,211,127)
Debt Coverage Ratio	1.62

Source: Lee County and CDM Smith Analysis.

Interlocal Agreements

After meeting the debt obligations outlined above and satisfying covenanted fund requirements, remaining revenues are subject to Lee County's existing interlocal agreements with the City of Sanibel and the City of Cape Coral. The interlocal agreement with Cape Coral is attached as **Appendix A**. A copy of the settlement agreement with the City of Sanibel, which includes the interlocal agreement, is attached in **Appendix B**. The following sections provide brief overviews of these agreements and the general terms of each interlocal agreement.

Sanibel Interlocal Agreement: The interlocal agreement with the City of Sanibel went into effect in November 1987 and was amended and restated in June 2002. In January 2004, a lawsuit was filed by the City of Sanibel against Lee County based primarily on the County's plan to replace Span A of the causeway with a fixed-span bridge rather than a draw span similar to the original Span A. This case was dismissed on March 1, 2005, at which time a settlement agreement was reached between Lee County and the City of Sanibel. Under this settlement agreement, the City of Sanibel agreed to use its share of surplus toll revenues to reduce the cost of commuter discount program fees and tolls. Accordingly, a new toll schedule was implemented in November 2005.

As part of the current agreement, Lee County is required to remit to the City of Sanibel 21.0 percent of the net surplus revenues generated from the operation of the Sanibel Causeway. Net surplus revenues are defined as total gross revenues minus causeway M&O expenses, the debt service requirement for bonds issued related to the causeway, and payments into the causeway R&R account. In FY 2020, this equated to a payment of \$1,104,056.74.

Cape Coral Interlocal Agreement: The interlocal agreement between Lee County and the City of Cape Coral was entered into on March 22, 1995 and has been amended three times, in May 2001, November 2002, August 2004, and September 2020. The agreement states that 40.0 percent of the net surplus toll revenues generated by the Midpoint Memorial and Cape Coral Bridges are to be paid to the City of Cape Coral. Net surplus revenues are defined as total gross toll revenues minus Midpoint Memorial and Cape Coral Bridges M&O expenses, debt service payments, deposits into the R&R fund, and projects as outlined in the interlocal agreement. No direct transfer of funds between the county and the city has occurred. Rather, excess revenues are deposited into the capital improvement budget to be spent on projects in accordance with the interlocal agreement.

Capital Improvement Program

Revenue remaining after meeting the conditions of the interlocal agreements must be deposited into a capital improvements fund. The projects being funded through the capital improvement program include:

- Software/hardware upgrades to maintain toll interoperability with other toll agencies on all three facilities;
- Painting of the Cape Coral, Midpoint and LeeWay Service Center;
- Replacement of overhead signage at Sanibel, Big Carlos Pass Bridge;
- A complete toll system replacement on all three facilities; and,
- The long-term replacement of the westbound span of the Cape Coral Bridge.

Appendix A
Interlocal Agreement – City of Cape Coral

**THIRD AMENDMENT TO THE
LEE COUNTY/CITY OF CAPE CORAL
EAST-WEST CORRIDOR INTERLOCAL AGREEMENT**

This Third Amendment to the Lee County/City of Cape Coral East-West Corridor Interlocal Agreement dated March 22, 1995, the Amended and Restated Lee County/City of Cape Coral East-West Corridor Interlocal Agreement dated May 22, 2001, and Second Amendment to the Lee County/City of Cape Coral East-West Corridor Interlocal Agreement dated November 26, 2002, is made and entered into this 1st day of September, 2020 by and between LEE COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "COUNTY" and the CITY OF CAPE CORAL, a Florida municipal corporation located within Lee County, hereinafter referred to as "CITY", collectively, the "Parties".

WHEREAS, pursuant to the powers and authority granted the Parties under the Constitution of the State of Florida and by statute, each has planned, separately and in cooperation with the other, an integrated road network; and

WHEREAS, in a cooperative effort between the Parties to accomplish shared transportation objectives, certain interrelated capital transportation facilities known as the "Midpoint Bridge" (from Deleon Street in the City of Fort Myers to the Del Prado Interchange in the City of Cape Coral, the "East-West Corridor" [now known as the "Veterans Memorial Parkway"]) from the Del Prado Interchange west to the County Line including Burnt Store Road from Pine Island Road north to the County Line and Colonial Boulevard from Deleon Street to Solomon Boulevard in the City of Fort Myers) (collectively, the "PROJECT") have been planned and are, or are being constructed; and

WHEREAS, the CITY and COUNTY entered into an Interlocal Agreement regarding their respective duties and responsibilities for the PROJECT; and

WHEREAS, it is in the public's interest of both the CITY and the COUNTY to amend the Interlocal Agreement dated March 22, 1995, the Amended and Restated Lee County/City of Cape Coral East-West Corridor Interlocal Agreement dated May 22, 2001, and the Second Amendment to the Lee County/City of Cape Coral East-West Corridor Interlocal Agreement dated November 26, 2002, attached hereto as Exhibits "A", "B" and "C" respectively; and

WHEREAS, the March 22, 1995 Interlocal Agreement's main purpose was to build the interrelated facilities known as the "Midpoint Bridge" (from Deleon Street in the City of Fort Myers to the Del Prado Interchange in the City of Cape Coral), the "East-West Corridor" (from the Del Prado Interchange to Santa Barbara Boulevard in the City of Cape Coral) and Colonial Boulevard from Deleon Street to Solomon Boulevard in the City of Fort Myers; and,

WHEREAS, the May 22, 2001 Restated and Amended Agreement's main purpose was to extend the "East-West Corridor" from Santa Barbara Boulevard to Miracle Parkway in the City of Cape Coral, and from Surfside Boulevard in Cape Coral to Pine Island Road (known as Veteran's Memorial Parkway); and,

WHEREAS, the November 26, 2002 Second Amendment's main purpose was to widen Burnt Store Road from Pine Island Road (SR 78) to the Charlotte County line and provide technology and toll plaza upgrades to the Cape Coral Bridge and Midpoint Bridge Toll Facilities; and,

WHEREAS, the Parties seek to continue the cooperative effort through the financing, design, right-of-way acquisition, and construction of the PROJECT in a manner that fairly accomplishes the Parties' respective transportation goals and objectives; and

WHEREAS, the Parties seek to utilize the "Toll Revenues" and "Net Surplus Toll Revenues" as herein defined, to equitably distribute same, to meet future CITY and COUNTY transportation needs.

NOW, THEREFORE, in consideration of the above promises and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the CITY and COUNTY hereby agree to amend the Interlocal Agreement as follows:

1. The Recitals as set forth above are incorporated into the terms of this Agreement as if set out herein at length.
2. The Second Amendment to the Agreement is hereby amended as follows, with underlined language being the amendment to previously adopted text and deleted language being shown by ~~struck-through type~~ stricken text.

2.1 This Agreement shall remain in full force and effect through the Calendar Year ~~2020~~ 2030, and will be evaluated by the Parties hereto in Calendar Year ~~2007~~ 2029.

2.2 The Parties acknowledge and agree that certain PROJECTS and/or financing of PROJECTS will be funded through this Agreement. Those PROJECTS may include, but are not limited to:

- a. Replacement of the westbound span of the Cape Coral Bridge.
- b. Technology upgrades at the Cape Coral and Midpoint Memorial Bridges toll plazas.
- c. Burnt Store Road widening from Van Buren Parkway to the Charlotte County line.
- d. Congestion improvements at Veterans Parkway and Santa Barbara Boulevard.
- e. Congestion improvements at Colonial Boulevard and Summerlin Road.
- f. Congestion improvements at Cape Coral Bridge/College Parkway Overpass and McGregor Boulevard.

g. Veterans Parkway widening from Chiquita Boulevard to Skyline Boulevard.

2.3 The Parties may seek an alternate design concept for the replacement of the westbound span of the Cape Coral Bridge that may include a sidewalk/bike path/lighting. The COUNTY and CITY will review the design concepts and jointly determine the feasibility of the cost and whether joint funding is feasible or desired. If the Parties cannot agree on the feasibility and cost share of the sidewalk/bike path/lighting, that portion of the replacement will not go forward; however, the Parties will continue to pursue the replacement identified in 2.2.a. herein.

2.4 The COUNTY and CITY will coordinate planning efforts to determine whether another bridge across the Caloosahatchee River is warranted based on projected volumetrics and/or feasibility.

3. The remaining terms in the Interlocal Agreement dated March 22, 1995, the Amended and Restated Agreement dated March 22, 2001, and the Second Amendment to the Agreement attached hereto, remain the same.

IN WITNESS WHEREOF, the parties hereto have caused the execution hereby by their duly authorized officials on the date set forth above.

ATTEST:

CITY OF CAPE CORAL

BY: Kimberly Baums
City Clerk

BY: [Signature]
Joe Coviello, Mayor



APPROVED AS TO FORM

✓ [Signature]
City Attorney

ATTEST:
LINDA DOGGETT, CLERK

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

BY: [Signature]
Deputy Clerk

BY: [Signature]
Brian Hamman, Chair

APPROVED AS TO FORM FOR THE
RELIANCE OF LEE COUNTY ONLY

[Signature]
County Attorney's Office

EXHIBIT A

LEE COUNTY/CITY OF CAPE CORAL EAST-WEST CORRIDOR INTERLOCAL AGREEMENT

This Interlocal Agreement is made and entered into this 22nd day of March, 1995, by and between LEE COUNTY, FLORIDA, a political subdivision of the State of Florida, (hereinafter "COUNTY") and the CITY OF CAPE CORAL, FLORIDA, a Florida municipal corporation located within Lee County; (hereinafter "CITY"), collectively, the "Parties" hereto.

WHEREAS, pursuant to the powers and authority granted the Parties under the constitution of the State of Florida and by statute, each has planned, separately and in cooperation with the other, an integrated road network; and,

WHEREAS, in a cooperative effort between the Parties to accomplish shared transportation objectives, certain interrelated capital transportation facilities known as the "Midpoint Bridge" (from Deleon Street in the City of Fort Myers to the Del Prado Interchange in the City of Cape Coral), the "East-West Corridor" (from the Del Prado Interchange to Santa Barbara Boulevard in the City of Cape Coral) and Colonial Boulevard from Deleon Street to Solomon Boulevard in the City of Fort Myers (collectively, the "PROJECT") have been planned; and,

WHEREAS, the cooperative effort of the Parties has included successful participation in the litigation and related expense to establish the authority of the Parties to plan and construct the PROJECT, as reflected in Lee County and The City of Cape Coral v. The City of Fort Myers, Case No. 88-5598-CA; and,

WHEREAS, the cooperative effort of the Parties has included shared expense of preliminary engineering and the preparation and approval through the public hearing process of the Environmental Impact Statements (E.I.S.) for the PROJECT; and,

WHEREAS, the Parties seek to continue the cooperative effort through the financing, design, right-of-way acquisition, and construction of the PROJECT in a manner that fairly accomplishes the Parties' respective transportation goals and objectives; and,

WHEREAS, the cooperative financing effort includes a proposal to utilize a share of the CITY'S debt capacity to fund the construction of a portion of the PROJECT; and,

WHEREAS, the Parties seek to utilize the "Toll Revenues" and "Net Surplus Toll Revenues" as herein defined, in order to mitigate the effect of the pledge of the CITY'S credit, and to equitably distribute same, so as to meet future CITY and COUNTY transportation needs.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

1. The Parties agree that the PROJECT shall be included within the Lee County Road System for the purposes of superintendence and control by the COUNTY as set forth in the "Florida Transportation Code" Chapter 334.01 et. seq., Florida Statutes, and for all other legal purposes.

2. The Parties acknowledge and agree that the COUNTY shall use all reasonable efforts to finance, design, construct and maintain the transportation facility

known as the "Midpoint Bridge" project. The "Midpoint Bridge" project herein referred to shall consist of construction of the toll funded multi-laned road and bridge from Deleon Street in the City of Fort Myers to Del Prado Boulevard in the City of Cape Coral. The Parties further acknowledge and agree that the COUNTY shall use all reasonable efforts to finance, design, construct, acquire right-of-way for and maintain the Del Prado Boulevard Interchange, which connects the "Midpoint Bridge" project with the "East-West Corridor".

3. a) The Parties agree that the CITY, with the COUNTY'S prior request, review and approval, will use its bonding capacity to finance part of the "East-West Corridor", west of the Del Prado Interchange to Santa Barbara Boulevard. COUNTY'S approval of said financing shall not be unreasonably withheld. Subsequent to the COUNTY'S issuance of its "Toll Bonds" for the PROJECT, the CITY agrees to issue Local Option Gas Tax Revenue Bonds sufficient to finance no more than \$18.6 million of COUNTY construction funds for the Del Prado Interchange to Santa Barbara Boulevard portion of the PROJECT and \$5.0 million, or such other amount as provided for below, for the financing of CITY transportation projects at its discretion. The application of interest earnings from the proceeds of the Gas Tax Bonds issued by the CITY will be determined by the distribution of the bond proceeds to the Parties. The Parties agree that at the time of the issuance of the CITY'S bonds, the CITY may withhold \$5.0 million, or such other amount as provided for below, from the proceeds of the CITY'S bond issue.

If the COUNTY finds and notifies the CITY that the estimated CITY Gas Tax

bonding needs for the development of the Del Prado Interchange to Santa Barbara portion of the PROJECT is less than currently anticipated, the CITY agrees to reduce the total amount of the bonded debt accordingly. To the extent that the COUNTY'S required construction proceeds from the CITY'S Gas Tax bond issue are less than \$16.0 million, there will be a corresponding proportional reduction in the amount of funds to be withheld by the CITY. For purposes of establishing the percentage reduction for the CITY'S withheld funds, the "Total Gas Tax Bond Issue" shall mean the COUNTY'S actual construction proceeds, plus \$5.0 million. The proportional reduction in the funds to be withheld by the CITY shall be as follows: 1) from \$16.0 million to \$13.4 million of COUNTY construction proceeds, 24% of the total Gas Tax bond issue will be withheld by the CITY, 2) from \$13.3 million to \$3.0 million of COUNTY construction proceeds, 21% of the total Gas Tax bond issue will be withheld by the CITY (See: Exhibit "A" attached hereto, for examples of distribution). Any such reduction in the amount bonded by the CITY shall not affect the CITY'S released dedication of certain Gas Tax proceeds as set forth in paragraph c), below.

b) The balance of the funds required to finance the East-West Corridor will be provided solely by the COUNTY. The CITY will pledge its share of the COUNTY'S Local Option Gas Tax revenues (Section 336.025(1), Florida Statutes) as set forth herein, pursuant to a bond resolution, and by this Agreement, the COUNTY will pay to the CITY on an annual basis with toll or any other lawfully available County revenue sources, a sum of funds equal to the CITY'S actual debt service on the CITY'S total bond issue for the term of said bonds. Other than as set forth in this section, the

COUNTY shall use all reasonable efforts to finance, design, construct, acquire right-of-way for, and maintain the PROJECT.

c) The Parties agree that upon execution of this Agreement, the 2% increase to the allocation for Fiscal Year 1994-95 Gas Tax proceeds and the 4% increase to the allocation for Fiscal Year 1995-96 Gas Tax proceeds designated for use on the East-West Corridor as outlined in the June 27, 1994, Addendum to Gas Tax Interlocal Agreement (Section 3) between the Parties, shall be released from the dedication requirement.

4. The Parties acknowledge that an extension of the "East-West Corridor" project west of Santa Barbara Boulevard to Miracle Parkway is a future additional, essential link in the PROJECT in order to establish a continuous facility from the eastern to the western limits of the CITY. The Parties agree that the COUNTY shall use all reasonable efforts to design that portion of the "East-West Corridor" from Santa Barbara Boulevard to connect with Miracle Parkway. The Parties agree that the CITY may, but is not required to, conduct advance right-of-way acquisition for the Santa Barbara Boulevard to Miracle Parkway portion of the PROJECT in order to expedite construction and to control cost. Unless otherwise agreed to by the CITY under official CITY action, the actual costs of the advance right-of-way cost (not including "internal" or "in-house" costs), shall be reimbursed to the CITY by the COUNTY at or prior to commencement of construction. Such reimbursement shall be conditioned upon COUNTY'S approval of CITY'S purchase price and costs for any property acquired by CITY prior to closing of each parcel. Such approval shall not be unreasonably withheld

by COUNTY. COUNTY agrees to construct this portion of the corridor when necessary, appropriate and financially feasible.

5. The Parties acknowledge that both the existing Cape Coral Bridge and the future Midpoint Bridge facility will produce certain toll revenues. The Parties further acknowledge that based upon revenue projections by the feasibility and financial consultants retained by the COUNTY, there may be at some point in time, "Net Surplus Toll Revenues" as herein defined, generated by the Cape Coral Bridge and Midpoint Bridge facilities.

For purposes of this Section 5, the terms used herein shall have the following meaning:

1. "Additional Obligations" shall mean indebtedness payable on a parity with the Outstanding Bonds, whether such indebtedness is initially issued on a parity basis or achieves parity status by accession as set forth in the Resolution.
2. "Bonds" shall mean the Outstanding Bonds and any Additional Obligations.
3. "Bridges" shall mean the Cape Coral Bridge and the Midpoint Bridge.
4. "Bridges Debt Service Requirement" shall mean the sum of (a) the product of the Debt Service Requirement for the Outstanding Bonds multiplied by the ratio derived by dividing the sum of the amount or proceeds of the Outstanding Bonds used to finance the Bridges and extensions and improvements thereto and any capitalized interest in connection therewith by the total proceeds of the Outstanding Bonds less the sum of (i) any accrued interest, (ii) all issuance costs including any bond insurance premium or other credit enhancement fees, and (iii) any deposit to the Reserve

Subaccount established pursuant to the Resolution, and (b) the product of the Debt Service Requirement for any outstanding Additional Obligations and Subordinated Indebtedness multiplied by the ratio derived by dividing the amount of proceeds of any such Additional Obligations and Subordinated Indebtedness used to finance improvements, modifications or extensions to the Bridges and any capitalized interest in connection therewith by the total proceeds of such Additional Obligations and Subordinated Indebtedness less the sum of (i) any accrued interest, (ii) all issuance costs including any bond insurance premium or other credit enhancement fees, and (iii) any deposit to the Reserve Subaccount established pursuant to the Resolution or to any reserve account for Subordinated Indebtedness.

5. "Debt Service Requirement" for any annual period shall mean the aggregate amount of (a) interest paid or to be paid on account of the Bonds or any Subordinated Indebtedness during such annual period, except to the extent that such interest is paid from the proceeds of such Bonds or Subordinated Indebtedness, (b) principal of the Bonds or Subordinated Indebtedness paid or to be paid during such period whether such payment is due to maturity or mandatory redemption, (c) any deposits to the Reserve Subaccount required by the Resolution, or to any reserve account for Subordinated Indebtedness, during such period, and (d) disbursements for the expenses, liabilities and compensation of any paying agent, registrar, credit bank or depository related to the Bonds or Subordinated Indebtedness during such period.

6. "Gross Revenues" shall have the meaning provided therefor in the Resolution.

7. "Net Revenues" shall mean Gross Revenues less Operating Expenses.

8. "Operating Expenses" shall have the meaning provided therefor in the Resolution.

9. "Outstanding Bonds" shall mean (a) the Lee County, Florida Transportation Facilities Revenue Bonds, Series 1987, (b) the Lee County, Florida Transportation Facilities Refunding Revenue Bonds, Series 1991, (c) the Lee County, Florida Transportation Facilities Refunding Revenue Bonds, Series 1993 & 1993A, and (d) the Lee County, Florida Transportation Facilities Revenue Bonds, Series 1995.

10. "Renewal and Replacement Costs" shall mean an amount equal to five percent (5%) of the Gross Revenues of the Bridges.

11. "Resolution" shall mean Resolution No. 86-4-12 of the COUNTY, as restated, amended and supplemented.

12. "Subordinated Indebtedness" shall mean indebtedness secured by Net Revenues on a basis junior and subordinate to the Bonds.

On each April 1, following the first September 30 subsequent to completion of the Midpoint Bridge, the COUNTY shall remit to the CITY from monies available in the Surplus Account established by the Resolution, forty percent (40%) of the Net Surplus Toll Revenues as defined herein derived from operation of the Bridges during the preceeding fiscal year (October 1 to September 30) prior to each payment date, along with an accounting for such payment. Such percentage may be reviewed and renegotiated by the Parties in good faith, each five (5) years following the execution of this Agreement.

For purposes of this Agreement, "Net Surplus Toll Revenues" shall mean Gross Revenues of the Bridges less (i) Operating Expenses of the Bridges, (ii) the Bridges Debt Service Requirement, (iii) the Renewal and Replacement Costs of the Bridges, (iv) any payments made by the COUNTY to reimburse the CITY for debt service pursuant to Section 3 hereof, (v) debt service payments made by the COUNTY with respect to its Capital and Transportation Facilities Refunding Revenue Bonds, Series 1993A, (vi) any debt service payments made by the COUNTY with respect to obligations it issues to pay for costs of the PROJECT other than the Bonds and the obligations of the COUNTY secured by a pledge of the COUNTY'S share of the gas tax levied by the COUNTY pursuant to Section 336.025(1), Florida Statutes, as described in the Interlocal Agreement between the Parties dated June 27, 1994 (Lee County Contract No. C-93-0835), and (vii) any other debt service payments on any of the outstanding bonds as defined in paragraph 9. above, if necessary.

"Net Surplus Toll Revenues" shall be calculated prior to any deduction of debt service payments by the COUNTY for bonded transportation projects other than the PROJECT, which for purposes of this provision, shall also include the proposed road improvements from Santa Barbara to the Burnt Store Road Extension in the City of Cape Coral.

"Net Surplus Toll Revenues" shall further be calculated after the allocations to the CIP as currently contained in the Lee County CIP for FY 95-99, and programmed for Fiscal Years 94-95, 95-96 and 96-97, have been deducted. For all years following Fiscal Year 96-97, "Net Surplus Toll Revenues" shall be calculated prior to any

allocations to the Lee County D.O.T. CIP. Funds paid to the CITY pursuant to this Agreement shall be used for any transportation purpose as authorized by applicable Florida Statutes.

It is expressly understood and agreed by the CITY that the obligation of the COUNTY to make payments to the CITY required by this Agreement is in all respects subject to the Resolution, and that such payments shall be made only from the Surplus Account established pursuant to the Resolution, to the extent monies are available therein for such purpose, and are junior and subordinate to all payments required by the Resolution.

Finally, except for the Gas Tax Bonds as contemplated by this Agreement and as issued by the CITY, nothing herein shall be construed or interpreted to create or constitute an obligation or responsibility of the CITY for any deficits in the revenues from the PROJECT.

6. The Burnt Store Road Extension consists of the continuation of Burnt Store Road south of State Road 78 to the East-West Corridor at Miracle Parkway. This Agreement shall not affect the existing Interlocal Agreement between the Parties pertaining to Burnt Store Road.

7. The Parties acknowledge that the CITY has made certain expenditures for matters in advance of construction of the Midpoint Bridge to assist the COUNTY. The CITY'S efforts include filling certain canals necessitated by the future construction, relocation of existing in-service sewer lines in the PROJECT path, and additional wastewater engineering services associated with the Midpoint Bridge project. The

COUNTY agrees to reimburse the CITY the total sum of \$200,000 for those expenditures, pursuant to invoices from the CITY with back-up documentation.

8. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity or illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be constructed as if such invalid, illegal or unenforceable provision had never been contained herein.

9. This Agreement shall remain in full force and effect through the calendar year 2017, and will be evaluated by the Parties hereto in calendar year 2007, except that the Net Surplus Toll Revenue sharing formula as set forth herein shall remain in full force and effect as long as either or both the Cape Coral or Midpoint Bridges shall remain toll facilities. This Agreement shall be construed in accordance with the laws of the State of Florida.

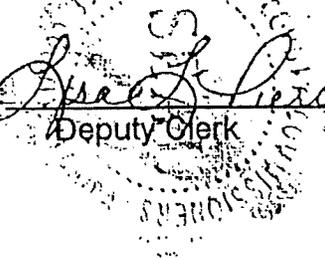
10. If this Agreement is not adopted and executed by the City of Cape Coral within fourteen (14) days from the date of execution by Lee County, then this Agreement will automatically become void, and of no further force or effect.

11. This Agreement may be executed in counterparts, with each Agreement becoming a fully effective and binding document upon the Parties once both Parties have each executed this Interlocal Agreement by their duly authorized representatives.

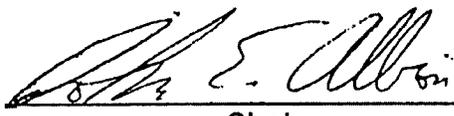
IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals
the date and year first above written.

ATTEST:
CHARLIE GREEN, CLERK

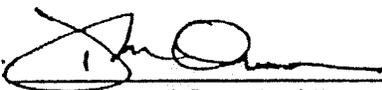
By: 
Deputy Clerk



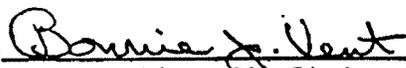
BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: 
Chairman

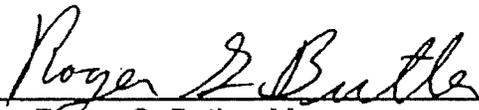
APPROVED AS TO FORM:

By: 
Office of County Attorney

ATTEST:

By: 
Bonnie J. Vent, City Clerk

CITY OF CAPE CORAL

By: 
Roger G. Butler, Mayor

APPROVED AS TO FORM:

By: 
Office of City Attorney

**EXAMPLES OF
BOND PROCEEDS TO BE PAID TO CAPE CORAL**

LEE COUNTY PROCEEDS	CAPE CORAL PROCEEDS	TOTAL BOND PROCEEDS
\$18,600,000	\$5,000,000	\$23,600,000
18,000,000	5,000,000	23,000,000
17,000,000	5,000,000	22,000,000
16,000,000	5,000,000	21,000,000
15,000,000	4,736,842	19,736,842
14,000,000	4,421,053	18,421,053
13,400,000	4,231,579	17,631,579
12,000,000	3,189,873	15,189,873
11,000,000	2,924,051	13,924,051
10,000,000	2,658,228	12,658,228
9,000,000	2,392,405	11,392,405
8,000,000	2,126,582	10,126,582
7,000,000	1,860,759	8,860,759
6,000,000	1,594,937	7,594,937
5,000,000	1,329,114	6,329,114
4,000,000	1,063,291	5,063,291
3,000,000	797,468	3,797,468

EXHIBIT B

AMENDED AND RESTATED
LEE COUNTY / CITY OF CAPE CORAL
EAST-WEST CORRIDOR INTERLOCAL AGREEMENT

This Amended and Restated Interlocal Agreement is made and entered into this 22nd day of May, 2001, by and between LEE COUNTY, FLORIDA, a political subdivision of the State of Florida, (hereinafter "COUNTY") and the CITY OF CAPE CORAL, FLORIDA, a Florida municipal corporation located within Lee County; (hereinafter "CITY"), collectively, the "Parties" hereto.

WHEREAS, pursuant to the powers and authority granted the Parties under the constitution of the State of Florida and by statute, each has planned, separately and in cooperation with the other, an integrated road network; and,

WHEREAS, in a cooperative effort between the Parties to accomplish shared transportation objectives, certain interrelated capital transportation facilities known as the "Midpoint Bridge" (from Deleon Street in the City of Fort Myers to the Del Prado Interchange in the City of Cape Coral, the "East-West Corridor" [now known as the "Veterans Memorial Parkway"] (from the Del Prado Interchange to Burnt Store Road in the City of Cape Coral) and Colonial Boulevard from Deleon Street to Solomon Boulevard in the City of Fort Myers (collectively, the "PROJECT") have been planned and are, or are being constructed; and,

WHEREAS, the cooperative effort of the Parties has included successful participation in the litigation and related expense to establish the authority of the Parties to plan and construct the PROJECT, as reflected in Lee County and The City of Cape

Coral v. The City of Fort Myers, Case No. 88-5598-CA; and,

WHEREAS, the cooperative effort of the Parties has included shared expense of preliminary engineering and the preparation and approval through the public hearing process of the Environmental Impact Statements (E.I.S.) for the PROJECT; and,

WHEREAS, the Parties seek to continue the cooperative effort through the financing, design, right-of-way acquisition, and construction of the PROJECT in a manner that fairly accomplishes the Parties' respective transportation goals and objectives; and,

WHEREAS, the cooperative financing effort includes a proposal to utilize a share of the CITY'S debt capacity to fund the construction of a portion of the PROJECT; and,

WHEREAS, the Parties seek to utilize the "Toll Revenues" and "Net Surplus Toll Revenues" as herein defined, in order to mitigate the effect of the pledge of the CITY'S credit, and to equitably distribute same, so as to meet future CITY and COUNTY transportation needs.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

1. The Parties agree that the PROJECT shall be included within the Lee County Road System for the purposes of superintendence and control by the COUNTY as set forth in the "Florida Transportation Code" Chapter 334.01 et. seq., Florida Statutes, and for all other legal purposes.

2. The Parties acknowledge and agree that the COUNTY shall use all reasonable efforts to finance, design, construct and maintain the transportation facility known as the "Midpoint Bridge" project. The "Midpoint Bridge" project herein referred to

shall consist of construction of the toll funded multi-laned road and bridge from Deleon Street in the City of Fort Myers to Del Prado Boulevard in the City of Cape Coral. The Parties further acknowledge and agree that the COUNTY shall use all reasonable efforts to finance, design, construct, acquire right-of-way for and maintain the Del Prado Boulevard Interchange, which connects the "Midpoint Bridge" project with the "East-West Corridor".

3. The Parties acknowledge that an extension of the "East-West Corridor" project west of Santa Barbara Boulevard to Miracle Parkway is a future additional, essential link in the PROJECT in order to establish a continuous facility from the eastern to the western limits of the CITY. The Parties agree that the COUNTY shall use all reasonable efforts to design that portion of the "East-West Corridor" from Santa Barbara Boulevard to connect with Miracle Parkway. The Parties agree that the CITY may, but is not required to, conduct advance right-of-way acquisition for the Santa Barbara Boulevard to Miracle Parkway portion of the PROJECT in order to expedite construction and to control cost. Unless otherwise agreed to by the CITY under official CITY action, the actual costs of the advance right-of-way cost (not including "internal" or "in-house" costs), shall be reimbursed to the CITY by the COUNTY at or prior to commencement of construction. Such reimbursement shall be conditioned upon COUNTY'S approval of CITY'S purchase price and costs for any property acquired by CITY prior to closing of each parcel. Such approval shall not be unreasonably withheld by COUNTY. COUNTY agrees to construct this portion of the corridor when necessary, appropriate and financially feasible.

4. The Parties acknowledge that both the existing Cape Coral Bridge and the

future Midpoint Bridge facility will produce certain toll revenues. The Parties further acknowledge that based upon revenue projections by the feasibility and financial consultants retained by the COUNTY, there may be at some point in time, "Net Surplus Toll Revenues" as herein defined, generated by the Cape Coral Bridge and Midpoint Bridge facilities.

For purposes of this Section 4., the terms used herein shall have the following meaning:

1. "Additional Obligations" shall mean indebtedness payable on a parity with the Outstanding Bonds, whether such indebtedness is initially issued on a parity basis or achieves parity status by accession as set forth in the Resolution.
2. "Bonds" shall mean the Outstanding Bonds and any Additional Obligations.
3. "Bridges" shall mean the Cape Coral Bridge and the Midpoint Bridge.
4. "Bridges Debt Service Requirement" shall mean the sum of (a) the product of the Debt Service Requirement for the Outstanding Bonds multiplied by the ratio derived by dividing the sum of the amount or proceeds of the Outstanding Bonds used to finance the Bridges and extensions and improvements thereto and any capitalized interest in connection therewith by the total proceeds of the Outstanding Bonds less the sum of (i) any accrued interest, (ii) all issuance costs including any bond insurance premium or other credit enhancement fees, and (iii) any deposit to the Reserve Subaccount established pursuant to the Resolution, and (b) the product of the Debt Service Requirement for any outstanding Additional Obligations and Subordinated Indebtedness multiplied by the ratio derived by dividing the amount of proceeds of any such Additional Obligations and

Subordinated Indebtedness used to finance improvements, modifications or extensions to the Bridges and any capitalized interest in connection therewith by the total proceeds of such Additional Obligations and Subordinated Indebtedness less the sum of (i) any accrued interest, (ii) all issuance costs including any bond insurance premium or other credit enhancement fees, and (iii) any deposit to the Reserve Subaccount established pursuant to the Resolution or to any reserve account for Subordinated Indebtedness.

5. "Debt Service Requirement" for any annual period shall mean the aggregate amount of (a) interest paid or to be paid on account of the Bonds or any Subordinated Indebtedness during such annual period, except to the extent that such interest is paid from the proceeds of such Bonds or Subordinated Indebtedness, (b) principal of the Bonds or Subordinated Indebtedness paid or to be paid during such period whether such payment is due to maturity or mandatory redemption, (c) any deposits to the Reserve Subaccount required by the Resolution, or to any reserve account for Subordinated Indebtedness, during such period, and (d) disbursements for the expenses, liabilities and compensation of any paying agent, registrar, credit bank or depository related to the Bonds or Subordinated Indebtedness during such period.

6. "Gross Revenues" shall have the meaning provided therefor in the Resolution.

7. "Net Revenues" shall mean Gross Revenues less Operating Expenses.

8. "Operating Expenses" shall have the meaning provided therefor in the Resolution.

9. "Outstanding Bonds" shall mean (a) the Lee County, Florida Transportation

Facilities Revenue Bonds, Series 1987, (b) the Lee County, Florida Transportation Facilities Refunding Revenue Bonds, Series 1991, (c) the Lee County, Florida Transportation Facilities Refunding Revenue Bonds, Series 1993 & 1993A, and (d) the Lee County, Florida Transportation Facilities Revenue Bonds, Series 1995.

10. "Renewal and Replacement Costs" shall mean an amount equal to five percent (5%) of the Gross Revenue of the Bridges.

11. "Resolution" shall mean Resolution No. 86-4-12 of the COUNTY, as restated, amended and supplemented.

12. "Subordinated Indebtedness" shall mean indebtedness secured by Net Revenues on a basis junior and subordinate to the Bonds.

On each April 1, following the first September 30 subsequent to completion of the Midpoint Bridge, the COUNTY shall remit to the CITY from monies available in the Surplus Account established by the Resolution, forty percent (40%) of the Net Surplus Toll Revenues as defined herein derived from operation of the Bridges during the preceding fiscal year (October 1 to September 30) prior to each payment date, along with an accounting for such payment. Such percentage may be reviewed and renegotiated by the Parties in good faith, each five (5) years following the execution of this Agreement.

For purposes of this Agreement, "Net Surplus Toll Revenues" shall mean Gross Revenues of the Bridges less (i) Operating Expenses of the Bridges, (ii) the Bridges Debt Service Requirement, (iii) the Renewal and Replacement Costs of the Bridges pursuant to the Lee County Bond Covenants, (iv) any payments made by the COUNTY to reimburse the CITY for debt service pursuant to Section 3 hereof, (v) debt service payments made

by the COUNTY with respect to its Capital and Transportation Facilities Refunding Revenue Bonds, Series 1993A, (vi) any debt service payments made by the COUNTY with respect to obligations it issues to pay for costs of the PROJECT other than the Bonds and the obligations of the COUNTY secured by a pledge of the COUNTY'S share of the gas tax levied by the COUNTY pursuant to Section 336.025(1), Florida Statutes, as described in the Interlocal Agreement between the Parties dated June 27, 1994 (Lee County Contract No. C-93-0835), (vii) any repayment of the Toll Facilities Revolving Trust Fund (TFRTF) loan by the State of Florida for Veteran's Memorial Parkway between Santa Barbara Boulevard and Surfside Boulevard; (viii) any repayments to the commercial paper debt incurred for the construction of Veteran's Memorial Parkway between Santa Barbara Boulevard and Miracle Parkway; (ix) any project costs, including land acquisition, professional fees, permits and construction of Veteran's Memorial Parkway between Santa Barbara Boulevard and Surfside; (x) construction costs, including any monies advanced by COUNTY for construction of Veteran's Memorial Parkway, of that portion of road segment formally known as "Veteran's Memorial Parkway Extension", from Surfside Boulevard to approximately 800 feet north of Pine Island Road, including the intersection of Veteran's and Pine Island Road; State of Florida Infrastructure bank loans, or any other enhancement projects as mutually agreed to by both government entities, and (xi) any other debt service payments on any of the outstanding bonds as defined in subsection 9. above, if necessary.

"Net Surplus Toll Revenues" shall be calculated prior to any deduction of debt service payments by the COUNTY for bonded transportation projects other than the

PROJECT, which for purposes of this provision, shall also include the proposed road improvements from Santa Barbara to the Burnt Store Road Extension in the City of Cape Coral.

Funds paid to the CITY pursuant to this Agreement shall be used for any transportation purpose as authorized by applicable Florida Statutes.

It is expressly understood and agreed by the CITY that the obligation of the COUNTY to make payments to the CITY required by this Agreement is in all respects subject to the Resolution, and that such payments shall be made only from the Surplus Account established pursuant to the Resolution, to the extent monies are available therein for such purpose, and are junior and subordinate to all payments required by the Resolution.

Finally, except for the Gas Tax Bonds as contemplated by this Agreement and as issued by the CITY, nothing herein shall be construed or interpreted to create or constitute an obligation or responsibility of the CITY for any deficits in the revenues from the PROJECT.

5. The "Burnt Store Road Extension" of the Veteran's Memorial Parkway consists of the continuation of Burnt Store Road south of State Road 78 to the East-West Corridor at Surfside Boulevard. This Agreement shall not affect the existing Interlocal Agreement between the Parties pertaining to the "Burnt Store Road Extension" of the Veteran's Memorial Parkway. Prior to the disbursement of any Net Surplus Toll Revenues, any costs for construction of the Veteran's Memorial Parkway Extension will be deducted as previously provided in Section Four, subparagraph five herein.

The CITY and the COUNTY acknowledge that the construction of the Veteran's Memorial Parkway Extension, consisting of Veteran's Memorial Parkway between Santa Barbara Boulevard and Surfside Boulevard, and Surfside Boulevard to approximately 800 feet north of Pine Island Road, including the intersection of Veteran's and Pine Island Road, will commence in Calendar Year 2001. The COUNTY will use all reasonable efforts to complete construction in Calendar Year 2002.

6. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity or illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

7. This Agreement shall remain in full force and effect through the Calendar Year 2020, and will be evaluated by the Parties hereto in Calendar Year 2010, except that the Net Surplus Toll Revenue sharing formula as set forth herein shall remain in full force and effect as long as either or both the Cape Coral or Midpoint Bridges shall remain toll facilities. This Agreement shall be construed in accordance with the laws of the State of Florida.

8. This Agreement may be executed in counterparts, with each Agreement becoming a fully effective and binding document upon the Parties once both Parties have each executed this Interlocal Agreement by their duly authorized representatives.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals the date and year first above written.

ATTEST:

By: Bonnie Mazurkiewicz
Bonnie Mazurkiewicz
City Clerk

CITY OF CAPE CORAL

By: Arnold Kempe
Arnold Kempe, Mayor

APPROVED AS TO FORM:

By: Maurice W. Miller
City Attorney

ATTEST: CHARLIE GREEN
CLERK OF COURTS

By: Michelle B. Leisner
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: [Signature]
Vice-Chairman

APPROVED AS TO FORM:

By: [Signature]
Office of the County Attorney

EXHIBIT C

SECOND AMENDMENT TO THE LEE COUNTY/CITY OF CAPE CORAL EAST-WEST CORRIDOR INTERLOCAL AGREEMENT

This Amendment to the Lee County/City of Cape Coral East-West Corridor Interlocal Agreement dated March 22, 1995 and Amended and Restated Lee County/City of Cape Coral East-West Corridor Interlocal Agreement dated May 22, 2001, is made and entered into this 26 day of November, 2002, by and between LEE COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "COUNTY" and the CITY OF CAPE CORAL, a Florida municipal corporation located within Lee County, hereinafter referred to as "CITY", collectively, the "Parties".

WHEREAS, pursuant to the powers and authority granted the Parties under the constitution of the State of Florida and by statute, each has planned, separately and in cooperation with the other, an integrated road network; and

WHEREAS, in a cooperative effort between the Parties to accomplish shared transportation objectives, certain interrelated capital transportation facilities known as the "Midpoint Bridge (from DeLeon Street in the City of Fort Myers to the Del Prado Interchange in the City of Cape Coral, the "East-West Corridor" [now known as the "Veterans Memorial Parkway"]) from the Del Prado Interchange west to the County Line including Burnt Store Road from Pine Island Road north to the County Line and Colonial Boulevard from DeLeon Street to Solomon Boulevard in the City of Fort Myers) (collectively, the "PROJECT") have been planned and are, or are being constructed; and

WHEREAS, the CITY and COUNTY entered into an Interlocal Agreement regarding their respective duties and responsibilities for the PROJECT; and

WHEREAS, it is in the public's interest of both the CITY and the COUNTY to amend the Interlocal Agreement dated March 22, 1995 and Amended and Restated Lee County/City of Cape Coral East-West

Corridor Interlocal Agreement dated March 22, 2001, attached hereto as Exhibits "A" and "B" respectively.

WHEREAS, the cooperative effort of the Parties has included successful participation in the litigation and related expense to establish the authority of the Parties to plan and construct the PROJECT, as reflected in *Lee County and the City of Cape Coral v. the City of Fort Myers*, Case No. 88-598-CA; and,

WHEREAS, the cooperative effort of the Parties has included shared expense of preliminary engineering and the preparation and approval through the public hearing process of the Environmental Impact Statements (E.I.S.) for the PROJECT; and

WHEREAS, the Parties seek to continue the cooperative effort through the financing, design, right-of-way, acquisition, and construction of the PROJECT in a manner that fairly accomplishes the Parties' respective transportation goals and objectives; and

WHEREAS, the Parties seek to utilize the "Toll Revenues" and "Net Surplus Toll Revenues" as herein defined, to equitably distribute same, so as to meet future CITY and COUNTY transportation needs.

NOW, THEREFORE, in consideration of the above promises and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the CITY and COUNTY hereby agree to amend the Interlocal Agreement as follows:

1. The Recitals as set forth above are incorporated into the terms of this Agreement as if set out herein at length.
2. The Amended and Restated Agreement is hereby amended as follows, with underlined language being the amendment to previously adopted text and deleted language being shown by struck-through type.

On each April 1, following the first September 30 subsequent to completion of the Midpoint Bridge,

the COUNTY shall remit to the CITY from monies available in the Surplus Account established by the Resolution, forty percent (40%) of the Net Surplus Toll Revenues as defined herein derived from operation of the Bridges during the preceding fiscal year (October 1 to September 30) prior to each payment date, along with an accounting for such payment. Such percentage may be reviewed and renegotiated by the Parties in good faith, each five (5) years following the execution of this Agreement.

For purposes of this Agreement, "Net Surplus Toll Revenues" shall mean Gross Revenues of the Bridges less (i) Operating Expenses of the Bridges; (ii) the Bridges Debt Service Requirement; (iii) the Renewal and Replacement Costs of the Bridges pursuant to the Lee County Bond Covenants; (iv) any payments made by the COUNTY to reimburse the CITY for debt service pursuant to Section 3 hereof; (v) debt service payments made by the COUNTY with respect to its Capital and Transportation Facilities Refunding Revenue Bonds, Series 1993A; (vi) any debt service payments made by the COUNTY with respect to obligations it issues to pay for costs of the PROJECT other than the Bonds and the obligations of the COUNTY secured by a pledge of the COUNTY's share of the gas tax levied by the COUNTY pursuant to Section 336.025(1), Florida Statutes, as described in the Interlocal Agreement between the Parties dated June 27, 1994 (Lee County Contract No. C-93-0835); (vii) any repayment of the Toll Facilities Revolving Trust Fund (TFRTF) loan by the State of Florida for Veteran's Memorial Parkway between Santa Barbara and Surfside Boulevard; (viii) any repayments to the commercial paper debt incurred for the construction of Veteran's Memorial Parkway between Santa Barbara Boulevard and Miracle Parkway; (ix) any project costs, including land acquisition, professional fees, permits and construction of Veteran's Memorial Parkway between Santa Barbara Boulevard and Surfside; (x) construction costs, including any monies advanced by COUNTY for construction of "Veteran's Memorial Parkway Extension", from Surfside Boulevard to approximately 800 feet north of Pine Island Road,

including the intersection of Veteran's and Pine Island Road and project costs relating to Burnt Store Road from SR 78 (Pine Island Road) north to the County line; (xi) State of Florida Infrastructure bank loans, or any other enhancement projects as mutually agreed to by both government entities; and (xii) any other debt service payments on any of the outstanding bonds as defined in subsection 9. above, if necessary; (xiii) and the Cape Coral Toll Plaza Rehabilitation, and (xiv) technology relating to electronic toll collection for Cape Coral and Midpoint Toll Facilities.

3. The County will undertake a corridor study for this roadway from Burnt Store Road at the north county line to Colonial Boulevard's interchange with Interstate I-75. The County will also provide street lighting at Veterans Parkway intersection with State Road 78. Additional street lighting will be provided when warranted and consistent with the adopted County policy on street lighting. Also, the County will construct turn lane improvements at Ceitus Parkway.

43. All of the remaining terms in the Interlocal Agreement dated March 22, 1995 and the Amended and Restated Agreement dated March 22, 2001, attached hereto, remain the same.

IN WITNESS WHEREOF, the parties hereto have caused the execution hereby by their duly authorized officials on the date set forth above.

ATTEST:

CITY OF CAPE CORAL

By: Bruno J. Mendez

City Clerk

By: Arnold Kempe

Arnold Kempe, Mayor

APPROVED AS TO FORM:

By: Dolores D. Menendez

City Attorney

ATTEST:

CHARLIE GREEN, CLERK

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: Michelle B. Cooper

Deputy Clerk

By: John E. Albini

Vice - Chairman

APPROVED AS TO FORM BY:

[Signature]

Office of the County Attorney

Appendix B
Settlement Agreement – City of Sanibel

IN THE CIRCUIT COURT OF THE TWENTIETH JUDICIAL CIRCUIT
IN AND FOR LEE COUNTY, FLORIDA
CIVIL DIVISION

CITY OF SANIBEL, a municipal corporation,)	
)	
Plaintiff,)	
)	
vs.)	CASE NO.: 04-134-CA-H
)	
LEE COUNTY, a political subdivision of the)	
State of Florida, and THE BOARD OF)	
COUNTY COMMISSIONERS OF LEE)	
COUNTY, its governing body,)	
)	
Defendant.)	
<hr/>		

**SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS
BY AND BETWEEN THE CITY OF SANIBEL AND LEE COUNTY**

This Settlement Agreement and Release of Claims (the "Agreement") is entered into this the 1st day of March, 2005 by and between the City of Sanibel ("City") and Lee County, Florida ("County"), who stipulate as follows:

RECITALS

A. WHEREAS, the City and County are parties to an action in the Circuit Court in and for Lee County, Florida, Case No. 04-134-CA-H, the style of which is set forth above (the "Litigation") arising out of or relating to the Sanibel Island Bridge and Causeway (the "Causeway"); and

B. WHEREAS, the parties have determined that settlement of the Litigation is in the best interests of the residents and businesses of the City and the County and will serve to improve the working relationship between the City and County in general, and specifically with regard to the reduction of the current Sanibel Discount Program Fees and Tolls; and

C. WHEREAS, the City and the County have determined to settle all the claims existing between them in the Litigation in accordance with the terms of this Settlement Agreement; and.

D. WHEREAS, the City and County have been parties to an interlocal agreement pertaining to the Causeway for several decades, the most recent of which is entitled the "Amended and Restated Interlocal Agreement," dated June 11, 2002 (the "Interlocal Agreement"), a copy of which is appended hereto as Exhibit A; and

E. WHEREAS, rights and liabilities of the Parties hereto arising under interlocal agreements other than the Interlocal Agreement as defined hereinabove are not affected nor addressed in any way by this Agreement; and

F. WHEREAS, under Section 6 of the Interlocal Agreement, the parties agreed that the County shall remit to the City twenty-one percent (21%) of the Net Revenues, as that term is defined therein, derived from operation of the Causeway; and

G. WHEREAS, as the result of incurring construction and other costs associated with construction of a new Causeway, the County has increased the Tolls and Sanibel Discount Program Fees associated with use of the Causeway (the "Causeway Tolls," as more fully defined below); and

H. WHEREAS, as the result of incurring construction and other costs associated with the construction of the new Causeway, the County has prepared a "Transportation Facilities Financing Model – Sanibel Interlocal Agreement Rebate" ("Financing Model"), a copy of which is appended hereto as Exhibit B; and

I. WHEREAS, the County intends to issue permanent financing for the replacement of the Sanibel Bridges and Causeway in parity with the County's Series 2001A Transportation Facilities Refunding Bonds, as defined in the Interlocal Agreement, with the estimated debt service payments (acknowledged by the parties to be only estimated as of the date of this Agreement, and subject to change) reflected in the "Bonded Debt Service" column of Exhibit "B".

NOW, THEREFORE, in consideration of the covenants by and between the City and the County, as set forth herein, and the sufficiency of each such sum and covenant being hereby acknowledged by the parties, it is agreed:

TERMS AND CONDITIONS OF AGREEMENT

1. The parties acknowledge that the recitals set forth hereinabove are material, are true and correct, and are incorporated herein by reference.

2. Definitions

a. Causeway Tolls – The term "Causeway Tolls" includes the fee charged the motoring public for the vehicular use of the Sanibel Causeway, and for purposes of this Agreement, the term "Causeway Tolls" shall include the following defined terms:

- (i) "Sanibel Discount Program Fees", which shall include the cost of all Program Fees as described in Lee County Resolution No. 04-08-60, at Section One, Paragraph c., i, ii, iii and iv, and Paragraph e., i, ii, iii and iv, attached hereto as Exhibit C., on an annual, semi-annual or other basis as part of the Sanibel Discount Program, and the per trip charge applicable to such Sanibel Discount Program.
- (ii) "Toll" shall mean the cash fee paid by motorists other than those paying Sanibel Discount Program Fees.

b. Junior Lien or General Loan Fund – The term “Junior Lien or General Loan Fund” means County debt obligation(s) other than bonded debt, and is reflected in the fourth column, “Other Debt Service,” on Exhibit B. The County currently anticipates that this Junior Lien or General Loan Fund will be substantially retired in 2010 and completely retired by 2012.

c. Surplus Toll Revenues – For the purposes of this Agreement only, “Surplus Toll Revenues” shall mean the “Gross Revenues” less the principal “Causeway Debt Service Requirement”, “Additional Obligations”, “Operating Expenses”, “Renewal and Replacement Costs”, and “Subordinated Indebtedness” for the 2001A Transportation Refunding Revenue Bonds, as all such terms are defined in the Interlocal Agreement, except that the term “Transportation Facility” shall mean the Causeway as defined hereinabove.

3. The Parties to this Agreement hereby expressly covenant and agree, for themselves and all who might make claim by and through them, to discontinue and dismiss with prejudice all actions, claims, counterclaims, suits and proceedings, including the Litigation, which are now pending by and between them with respect to the Causeway and/or the Interlocal Agreement, upon full payment of the sum set forth in paragraph No. 4 below, and do further expressly covenant and agree not to institute, reinstate or prosecute any action, cause of action, claim, cross-claim, counterclaim, proceeding or suit among or between them, whether sounding in tort, in contract, or otherwise for any loss or damage suffered by them and all who might make claim through them on account of the Causeway and/or the Interlocal Agreement or any matters related thereto. Each Party shall utilize its best efforts to seek the approval of the Circuit Court for a Joint Stipulated Motion for Dismissal With Prejudice and “Order,” which is appended

hereto as Exhibit D. Each Party shall bear its own attorney's and expert fees, costs, and other expenses.

4. Lee County shall release to the City, the Surplus Toll Revenues which were otherwise due and payable to the City on November 1, 2004, in the sum of Two Hundred Two Thousand Seven Hundred Ninety-Four and 85/100 Dollars (\$202,794.85) within ten (10) business days after the final execution of this Agreement. The City agrees to use same solely for reducing the Sanibel Discount Program Fees consistent with the terms of Paragraph no. 5.a. below.

5. Effective for all Surplus Toll Revenues collected and otherwise available as of October 1, 2004, the City and the County agree to contribute One Hundred Percent (100%) of their respective shares of the Surplus Toll Revenues for the following purposes:

a. The City shall contribute its 21% pro rata share of the Surplus Toll Revenues to which it is entitled under the terms of the Interlocal Agreement for the sole purpose of reducing the Sanibel Discount Program Fees for the Causeway so long as the County contributes its 79% pro rata share as described in Paragraph 5.b below. Notwithstanding the foregoing, and to the extent that the Surplus Toll Revenues must be utilized to retire the Junior Lien Debt or General Fund Loan in order to reduce the Sanibel Discount Program Fees, then to such extent the City contributes the same percentage of its pro rata share as is contributed by the County, with the remainder of its share pledged to the reduction of the Sanibel Discount Program Fees as described above.

b. The County shall contribute the entirety of its 79% pro rata share of the Sanibel Surplus Toll Revenues to which it is entitled under the terms of the Interlocal Agreement for the sole purpose of reducing the Sanibel Bridges Replacement and Toll Facility Project with

associated Sanibel Discount Program Fees and Causeway Tolls, until such time as the Junior Lien Debt or General Fund Loan is paid in full.

6. With respect to the issuance of the County's permanent bonded financing for the Project, the Parties recognize and acknowledge that the market conditions existing at the time of the bond sale, including but not limited to the prime interest rate, the bond ratings established by independent agencies, the relative strength or weakness of the bond market, and other financial variables are all conditions which are beyond the control of the County and make it impossible for the County to definitively agree upon a specific amount of decrease in the Sanibel Discount Program Fees. Nevertheless, it is the County's intention to utilize its best efforts to reduce such fees by at least thirty percent (30%) if market conditions existing at the time of the bond sale can sustain such percentage. The timing of the reduction shall be predicated on the timing of the sale of the County's bonds.

7. The County agrees to utilize its best efforts to establish amounts and schedules which shall result in the substantial retirement of the Junior Lien Debt or General Loan Fund in 2010, with final retirement of the same in 2012. After initial establishment of the amount of the Junior Lien or General Loan Fund, no additional sums shall be added to this class of debt service.

8. Upon the full retirement of the Junior Lien Debt or General Loan Fund, the County shall employ at its expense a Traffic and Revenue consultant to review the toll structure to ensure there are sufficient revenues to comply with the existing bond covenants. Said consultant shall exercise due diligence in reviewing and certifying its review. Within one year of the completion of the consultant's review and certification, the County shall consider possible additional reductions in the toll structure and shall perform an assessment of the Surplus Toll

Revenues for each Party. Under no circumstances shall the Surplus Toll Revenues be disbursed to only one of the Parties to this Agreement. Upon any such distribution, the Surplus Toll Revenues shall be used by the Parties for any lawful transportation purpose, as may be authorized by then existing law. In 2009, the Parties shall meet and negotiate in good faith, certain amendments to the "Interlocal Agreement" as defined herein, in conjunction with revisions to that certain Sanibel/Lee County Local Option Gas Tax distribution Interlocal Agreement as entered into by the Parties on May 31, 1989.

9. Subject to applicable laws relating to public hearings and other requirements of the laws of the State of Florida, the Parties will utilize their best efforts to amend and restate the Interlocal Agreement to reflect the above terms and conditions, effectuating the purposes of the Interlocal Agreement to the extent they are not inconsistent herewith.

10. Unless this Agreement is materially breached by the County, the City agrees that it will not bring any action or cause of action against the County or any other entity, nor will it take any action, formal or informal, which would be intended to adversely affect the County's ability to obtain permanent financing, in the form of the issuance of bonds or otherwise, for the Sanibel Bridges Replacement and Toll Facility Project.

11. The Parties acknowledge and agree that dates, assumptions and estimated costs set forth hereinabove and in Exhibit B are expressly contingent upon the Causeway not being subjected to an intervening Act of God or other natural disaster which render the projected performance of either Party as set forth herein or in Exhibit B, commercially impracticable.

12. The City hereby releases and forever discharges the County and its employees, officers, commissioners, agents, attorneys, and successors of and from all claims, demands, and causes of action of any kind and nature, whether known or unknown, in law or in equity, arising

out of or related to the Interlocal Agreement, including but not limited to the claims asserted in the Litigation and any and all such additional claims as could have been asserted in the Litigation.

13. The County hereby releases and forever discharges the City and its employees, officers, councilmen and councilwomen, agents, attorneys, and successors of and from all claims, demands, and causes of action of any kind and nature, whether known or unknown, in law or in equity, arising out of or related to the Interlocal Agreement, including but not limited to the claims asserted in the Litigation and any and all such additional claims as could have been asserted in the Litigation.

14. It is understood and agreed that the making and execution of this Agreement by the Parties hereto and the exchange of consideration reflected herein is not intended to be and shall not be construed as an admission of liability on the part of anyone or any entity, but is made and exchanged in settlement of disputed claims for the reasons set forth in the recitals and to avoid the expense of continuing litigation by the governmental bodies herein.

15. Each Party represents that the individual whose signature appears below on its behalf has full power and authority to execute this Agreement on its behalf, and that such authority is derived by virtue of that individual's office.

16. The Parties represent that they have not sold, assigned, granted or transferred to any person, corporate or natural, any claim, action, demand or cause of action which is released by this Agreement.

17. This Agreement is the result of negotiations among and between the City and the County, and each has had the opportunity to modify the drafting of this Agreement. Each Party

acknowledges that neither it nor anyone acting on its behalf is relying upon any statement, representation or promise (other than those set forth herein) made by or on behalf of any other Party but that, in agreeing to the settlement and in executing this Agreement, it is relying solely upon the results of its own investigation and knowledge and those of its own attorneys, agents, and employees and in reliance upon legal advice of counsel of its own selection, and not upon the legal advice of any other Party or that Party's attorneys.

18. The Parties agree that this Agreement shall be interpreted and construed in accordance with Florida law.

19. The Parties acknowledge and agree that this Agreement may be executed in counterparts, and that it shall be binding in all respects upon and inure to the benefit of the Parties, their legal representatives, successors, and duly approved assigns.

20. In the event that an action is commenced to enforce or interpret this Agreement, the Court may award attorneys' fees, costs and litigation expenses to the prevailing Party.

21. This Agreement must be signed and the Joint Stipulated Motion for Dismissal With Prejudice and Order appended hereto as Exhibit D must be executed and filed on or before the close of business on March 1, 2005; otherwise this Agreement shall be void and of no force and effect.

[BALANCE OF PAGE LEFT INTENTIONALLY BLANK]

LEE COUNTY, FLORIDA

By: *Douglas R. St. Cerny*
DOUGLAS R. ST. CERNY
CHAIRMAN, BOARD OF COUNTY
COMMISSIONERS OF LEE COUNTY

Attest: Charlie Green
Clerk of the Circuit Court
Lee County, Florida

By: *Michelle S. Cooper*
Deputy Clerk

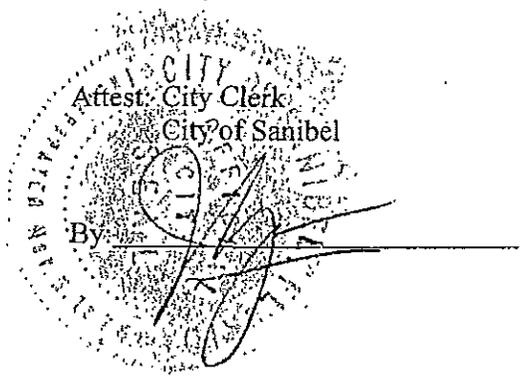


David Owen

APPROVED AS TO FORM
DAVID OWEN
COUNTY ATTORNEY

CITY OF SANIBEL, FLORIDA

By: *Marty Harrity*
MARTY HARRITY
MAYOR



Kenneth B. Cuyler
APPROVED AS TO FORM
KENNETH CUYLER
CITY ATTORNEY

EXHIBIT "A"

**AMENDED AND RESTATED
INTERLOCAL AGREEMENT**

between

LEE COUNTY, FLORIDA

and

CITY OF SANIBEL, FLORIDA

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**AMENDED AND RESTATED
INTERLOCAL AGREEMENT**

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT is made and entered into on this 11th day of June, 2002, by and between Lee County, a political subdivision and charter county of the State of Florida (the "County"), and the City of Sanibel, a municipal corporation of the State of Florida (the "City"), collectively the "Parties" hereto.

WITNESSETH:

WHEREAS, the County currently owns and operates the Sanibel Bridge and Causeway; and,

WHEREAS, the County has heretofore enacted Lee County Ordinance No. 86-11 providing for the imposition of tolls on certain transportation facilities, including the Sanibel Bridge and Causeway, and authorizing the issuance of transportation facilities revenue bonds payable from the aggregate net revenues of such transportation facilities; and,

WHEREAS, the County has, pursuant to Ordinance No. 86-11, adopted Resolution No. 86-4-12, authorizing the issuance of Transportation Facilities Revenue Bonds, Series 1987, for the purpose of refunding the County's Sanibel Bridge Improvement Bonds dated June 1, 1979, and financing the construction of certain other Transportation Facilities; and,

WHEREAS, in connection with the County's issuance of the Sanibel Bridge Improvement Bonds dated June 1, 1979, the City and the County entered into an Interlocal

Agreement dated as of November 10, 1987; and,

WHEREAS, the Parties hereto have determined that it is in the best interests of the citizens of both the City and the County to amend and restate the prior 1987 Interlocal Agreement and to enter into this Interlocal Agreement in connection with the County's issuance of its Transportation Facilities Revenue Bonds pursuant to Ordinance No. 86-11, and Resolution No. 86-4-12 as it has been further amended.

NOW THEREFORE, in consideration of the mutual benefits to be derived from this Agreement, the Parties hereto covenant and agree as follows:

Section 1. Definitions.

When used in this Agreement, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Additional Obligations" shall mean indebtedness payable on a parity with the Series 1987 Bonds as they have been subsequently refunded, whether such indebtedness is initially issued on a parity basis or achieves parity status by accession as set forth in the applicable Resolution.

"Agreement" shall mean this Amended and Restated Interlocal Agreement.

"Bonds" shall mean the Series 1987 Bonds as they have been subsequently refunded, and any Additional Parity Obligations.

"Causeway" shall mean the Sanibel Bridge and Causeway extending McGregor Boulevard in Punta Rassa and Causeway Road on Sanibel Island.

"Causeway Debt Service Requirement" shall mean the sum of (a) the product of the Debt Service Requirement for the Series 1987 Bonds multiplied by the ratio derived by

dividing the sum of (i) the amount of proceeds of the Series 1987 Bonds required to refund the Series 1987 Bonds used to finance improvements, modifications or extensions to the Causeway and any capitalized interest in connection therewith by the total proceeds of the Series 1987 Bonds less the sum of (i) any accrued interest, (ii) all issuance costs including any bond insurance premium or other credit enhancement fees, and (iii) any deposit to the Reserve Subaccount established pursuant to the Resolution, and (b) the product of the Debt Service Requirement for any outstanding Additional Obligations and Subordinated Indebtedness multiplied by the ratio derived by dividing the amount of proceeds of any such Additional Obligations and Subordinated Indebtedness used to finance improvements, modifications or extensions to the Causeway and any capitalized interest in connection therewith by the total proceeds of such Additional Obligations and Subordinated Indebtedness less the sum of (i) any accrued interest, and (ii) all issuance costs including any bond insurance premium or other credit enhancement fees and (iii) any deposit to the Reserve Subaccount established pursuant to the Resolution or to any reserve account for Subordinated Indebtedness. The above shall apply to the 1987 Bonds as subsequently refunded by the Series 2001A Transportation Facilities Refunding Revenue Bonds.

"City" shall mean the City of Sanibel, a municipal corporation of the State of Florida.

"County" shall mean Lee County, a political subdivision and charter county of the State of Florida.

"Debt Service Requirement" for any semi-annual period shall mean the aggregate

amount of (a) interest paid or to be paid on account of the Bonds or any Subordinated Indebtedness during such semi-annual period, except to the extent that such interest is paid from the proceeds of such Bonds or Subordinated Indebtedness, (b) principal of outstanding Bonds or Subordinated Indebtedness paid or to be paid during such period whether such payment is due to maturity or mandatory redemption, (c) any deposits to the Reserve Subaccount required by the Resolution, or to any reserve account for Subordinated Indebtedness, during such period, and (d) disbursements for the expenses, liabilities and compensation of any paying agent, registrar, credit bank or depository related to the Bonds or Subordinated Indebtedness during such period.

"Gross Revenues" shall mean all income and monies received by the County from the rates, fees, tolls and other charges to be made and collected by the County from the operation and ownership of a Transportation Facility, or otherwise received by the County or accruing to the County in the ownership and operation of such Transportation Facility, calculated in accordance with generally accepted accounting principles employed in the operation of facilities similar to such Transportation Facility. "Gross Revenues" do not include the proceeds of any governmental grants received in connection with any Transportation Facility.

"Operating Expenses" shall mean the County's reasonable and necessary expenses for current operation, maintenance and repair with respect to a Transportation Facility and shall include, without limiting the generality of the foregoing, administration expenses, insurance and surety bond premiums, legal and engineering expenses, ordinary and current rentals of equipment or other property, refunds of monies lawfully due to

others, payments to pension, retirement, health and hospitalization funds, repayments of operating subsidies received by the County on account of such Transportation Facility, and any other expenses required to be paid for or with respect to proper operation, maintenance or repair of such Transportation Facility, all to the extent properly attributable to such Transportation Facility in accordance with generally accepted accounting principles employed in the operation of facilities similar to the Transportation Facility. "Operating Expenses" do not include any provision for interest, depreciation, amortization or similar charges.

"Ordinance" shall mean Lee County Ordinance No. 86-11, as the same may from time to time hereafter be amended and/or supplemented.

"Prior Agreement" shall mean the Interlocal Agreement dated as of November 10, 1987, entered into by the City and the County in connection with the County's issuance of its Series 1987 Bonds.

"Renewal and Replacement Costs" shall mean an amount equal to five percent (5%) of the Gross Revenues.

"Resolution" shall mean Resolution No. 86-4-12 of the County, including any amendments thereto, heretofore, or hereafter adopted by the County.

"Series 1979 Bonds" shall mean the County's Sanibel Bridge Improvement Bonds dated June 1, 1979.

"Series 1987 Bonds" shall mean the Transportation Facilities Revenue Bonds, Series 1987, issued by the County pursuant to the Resolution, for the purpose of refunding the Series 1979 Bonds, and to finance the construction of certain other Transportation.

Facilities.

"Series 2001A Transportation Facilities Refunding Revenue Bonds" shall mean the Transportation Facilities Revenue Bonds issued by the County, pursuant to the Resolution for the purpose of refunding the Series 1987 Bonds among other related Transportation Bond Issues.

"Subordinated Indebtedness" shall mean indebtedness secured by Gross Revenues on a basis junior and subordinate to the Bonds.

"Transportation Facility" shall mean the Causeway or any other bridge or bridges, causeway or expressway which is acquired, constructed or improved with the proceeds of any series of Bonds.

The terms "herein", "hereunder", "hereby", "hereto", "hereof", and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of execution of this Agreement; and the term "hereafter" shall mean after the date of execution of this Agreement.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

Section 2. Term of Agreement.

This Agreement shall become effective upon its execution by the Parties hereto, and shall remain in effect for as long as any Parity Bonds remain outstanding under the Resolution.

Section 3. Maintenance of Causeway.

The County agrees that it will, at all times, maintain the Causeway in good repair

and in sound operating condition and will make all necessary repairs, renewals and replacements. To facilitate the foregoing, the County will have the Causeway inspected by an engineering firm on a biennial basis. The engineering firm will be required to submit a report setting forth its findings whether the Causeway has been maintained in good repair, working order and condition. The inspection and report on the Causeway's condition may be combined with other transportation facilities of the County.

Section 4. Imposition of Causeway Tolls.

The Parties recognize that the County is empowered to establish and impose tolls for use of the Causeway. Subject to the provisions of the Resolution, the County agrees that all such tolls shall be reasonable in amount and shall be classified in a reasonable way to cover all traffic, so that such tolls are uniform in application to all traffic falling within any reasonable classes.

Section 5. Causeway Improvements.

The Parties recognize that the County is presently proceeding to permit, design and construct certain improvements to the Transportation Facility for its entire length, which, if constructed, will develop the Transportation Facility as a two-lane roadway for traffic; one traffic lane for each direction, with two, associated, marked emergency breakdown lanes, one breakdown lane for each direction. The County will proceed in good faith to permit, design and construct the improved two-lane Transportation Facility with the two emergency breakdown lanes as described, retaining the existing Causeway Islands. The description for the two, associated, marked emergency breakdown lanes will not apply to Span A (the bascule bridge) of the Project.

The Parties agree that the County will proceed to seek all necessary and required permits for the proposed Transportation Facility pursuant to the terms and conditions of its Preliminary Design and Engineering ("PD&E") Report dated June 26, 2001, and that the City will not object to, nor interfere with, the County's pursuit of the said permits pursuant to the PD&E Study so long as the current Causeway configuration is maintained.

The Parties further acknowledge said planned Transportation Facility improvement process is an uncertain one as to end result and/or timing, although the County presently anticipates said road and bridge construction may commence approximately in Year 2004. The Parties recognize that the County and the City have been working and consulting together regarding the design of the projected improvements for a substantial period of time and in conjunction with a Study Group established by the City and the County for input on the design. Should the County be unable to reasonably obtain the permits for the projected improvements to the Transportation Facility and/or should circumstances arise beyond the lawful and reasonable control of the County in the permitting, design, or construction of the two-lane road with the two marked emergency breakdown lanes which would make such roadway improvements unfeasible, then this paragraph will be deemed null, void and of no further effect, and can be so declared by the County. The County will provide the City with ninety (90) days prior written notice of the County's proposed declaration of the nullification of this section and the basis for its decision. Then, in such event, the County will consult with the City concerning any alternative designs and applications for the construction of the improvements; such consultation to be non-binding in nature for both Parties.

Section 6. Payments to the City.

On October 30th and April 30th, the County shall remit to the City twenty-one percent (21%) of the Net Revenues derived from operation of the Causeway during the semiannual period ending thirty (30) days prior to each payment date. For purposes of this Agreement, Net Revenues shall mean Gross Revenues of the Causeway less (i) Operating Expenses of the Causeway, (ii) the Causeway Debt Service Requirement, and (iii) the Renewal and Replacement Costs of the Causeway. Commencing with the first full fiscal year following completion of the proposed improvements described in Section 5. hereof, the payment due April 30 of each year shall be adjusted, if necessary and if adequate funds are then on deposit in the Surplus Account, such that the total payment to the City in each fiscal year shall not be less than \$200,000.00. Funds paid to the City pursuant to this Agreement may be used for any lawful purpose of the City.

It is expressly understood and agreed by the City that the obligation of the County to make payments to the City required by this Agreement is in all respects subject to the Resolution and that such payments shall be made only from the Surplus Account established pursuant to the Resolution and are junior and subordinate to all payments required by the Resolution.

Section 7. Tolls for Other Transportation Facilities.

The County agrees to impose on the Transportation Facilities other than the Causeway, tolls that produce Gross Revenues at least sufficient in the aggregate to pay (i) the Debt Service Requirement less the Causeway Debt Service Requirement, (ii) the Operating Expenses of Transportation Facilities other than the Causeway, and (iii) the

Renewal and Replacement Costs of Transportation Facilities other than the Causeway.

Notwithstanding the foregoing, during the period in which interest allocable to the amount of Series 1987 Bond proceeds used to finance the acquisition and construction of a parallel span to the Cape Coral Bridge has been funded from proceeds of the Series 1987 Bonds, the County may, at its sole option, elect to fund the Operating Expenses and renewal and replacement costs of the Cape Coral Bridge from lawfully available funds of the County other than Gross Revenues of the Causeway, in lieu of imposing any toll thereon.

Section 8. Series 1979 Renewal and Replacement Fund.

Upon defeasance of the Series 1979 Bonds, the County shall remit to the City a sum equal to sixteen percent (16%) of the amount then on deposit in the renewal and replacement fund established in connection with issuance of the Series 1979 Bonds.

Section 9. Books and Records.

The County agrees to maintain books, records and accounts sufficient to determine compliance with Section 6. and Section 7. of this Agreement. The City shall have the right at all reasonable times to inspect such books, records and accounts.

Section 10. Prior Agreement Amended.

Upon the execution of this Agreement by the Parties hereto, the 1987 Agreement shall be duly amended by the terms of this Agreement.

Section 11. Parties In Interest.

This Agreement is made solely for the benefit of the County and the City and no other party or person shall acquire or have any right hereunder or by virtue hereof.

Section 12. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be regarded as the original and all of which shall constitute one and the same Agreement.

Section 13. Severability.

If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid or unenforceable, then such covenants, agreements or provisions be null and void and shall be deemed separable from the remaining covenants, agreements or provisions of this Agreement and shall in no way affect the validity or enforceability of any of the other covenants, agreements or provisions hereof.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed this 11th day of June, 2002, for the purposes herein expressed.

ATTEST: CHARLIE GREEN
CLERK OF COURTS

By: Jim A. Pearce
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: [Signature]
Chairman



APPROVED AS TO FORM:

By: [Signature]
Office of the County Attorney

ATTEST:

By: [Signature]
City Clerk

CITY OF SANIBEL, FLORIDA

By: [Signature]
Mayor

APPROVED AS TO FORM:

By: [Signature]
City Attorney

Lee County, Florida
Transportation Facilities Financing Model

DRAFT

Sanibel Interlocal Agreement Rebate

Year	Net Revenue	Less Bonded Debt Service	Other Debt Service	R&R Fund Deposit	Sanibel Net * Revenue	21% Rebate	Residual Net Revenue
1998	4,930,659	847,029	0	180,450	3,903,180	798,036	3,105,144
1999	5,136,449	847,053	0	83,615	4,205,780	845,491	3,360,289
2000	5,012,248	847,572	0	13,601	4,151,275	856,223	3,295,052
2001	4,969,224	613,750	0	293,819	4,061,654	844,791	3,216,863
2002	4,706,714	773,048	0	10,263	3,923,304	839,496	3,083,808
2003	4,146,884	790,136	0	807,939	2,548,810	641,485	1,907,325
2004	4,492,364	790,290	0	651,056	3,051,018	632,824	2,418,194
2005	11,000,000	790,303	443,333	806,352	8,960,012	(202,795)	9,162,807
2006	10,400,000	2,733,106	10,885,225	409,441	(3,627,772)	0	(3,627,772)
2007	11,700,000	5,239,676	6,155,075	25,000	280,249	0	280,249
2008	12,400,000	5,242,898	6,846,775	80,000	230,327	0	230,327
2009	12,300,000	4,629,379	7,329,925	90,000	250,696	0	250,696
2010	12,400,000	4,629,529	1,000,000	50,000	6,720,471	1,411,299	5,309,172
2011	11,200,000	4,629,206	300,000	60,000	6,210,704	1,304,248	4,906,456
2012	11,000,000	5,144,468	300,000	0	5,555,532	1,166,662	4,388,870
2013	11,100,000	5,159,339	0	40,000	5,920,661	1,243,339	4,677,322
2014	11,200,000	5,446,887	0	60,000	5,693,113	1,195,554	4,497,559
2015	11,100,000	5,439,377	0	210,000	5,450,623	1,144,673	4,306,150
2016	11,200,000	5,442,384	0	200,000	5,557,416	1,167,057	4,390,358
2017	11,300,000	5,441,722	0	210,000	5,648,278	1,186,138	4,462,140
2018	11,400,000	4,652,835	0	210,000	6,537,165	1,372,805	5,164,360
2019	11,300,000	5,634,959	0	210,000	5,455,041	1,145,559	4,309,482
2020	11,300,000	5,633,619	0	200,000	5,466,381	1,147,940	4,318,441
2021	11,400,000	5,635,072	0	205,000	5,559,978	1,167,595	4,392,383
2022	11,300,000	5,637,578	0	210,000	5,452,422	1,145,009	4,307,413
2023	11,400,000	5,636,008	0	200,000	5,563,992	1,168,458	4,395,534
2024	11,500,000	5,634,600	0	210,000	5,655,401	1,187,634	4,467,766
2025	11,400,000	5,637,294	0	210,000	5,552,706	1,166,068	4,386,638
2026	11,500,000	5,633,838	0	200,000	5,666,162	1,169,894	4,496,268
2027	11,500,000	5,637,528	0	210,000	5,652,472	1,187,019	4,465,453
2028	11,300,000	5,632,825	0	210,000	5,457,175	1,146,007	4,311,168
2029	11,300,000	5,634,195	0	200,000	5,465,806	1,147,819	4,317,986
2030	11,300,000	5,636,275	0	210,000	5,453,726	1,145,282	4,308,443
2031	11,300,000	5,633,794	0	210,000	5,456,207	1,145,803	4,310,403
2032	11,100,000	5,636,088	0	210,000	5,253,913	1,103,522	4,150,391
2033	11,000,000	5,636,871	0	200,000	5,163,130	1,084,257	4,078,872

* by Florida case law, this amount should be positive and thus not subsidized by CC/MP Revenues.

Information in this draft Financial Model is being provided solely as a convenience to the Public. It is not to be relied upon as a final expression of facts or calculations with respect to the Model. The information and calculations in this Model have been obtained from sources believed to be timely and reliable but are not guaranteed. Lee County undertakes no obligation to update any information included in this draft Model. The information, calculations and any expressions of opinion herein are subject to change without notice.

This Model constitutes statements of mathematical prediction(s) based on the most current information available at the time the Model was prepared, which was believed to be accurate. This Model is subject to specific criteria which may cause results to differ materially from those set forth herein in subsequent Models, if run under differing criteria.

Lee County disclaims any and all liability or responsibility for use of this draft Financial Model by others for purposes either consistent or inconsistent with its intended purpose, which is as an example of financial results obtained under certain, specific criteria as established by the County.

EXHIBIT "C"

LEE COUNTY RESOLUTION NO. 04-08-60

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA; AMENDING LEE COUNTY RESOLUTION NOS. 90-09-26, 90-09-27, 94-08-05, 96-12-105, 97-09-53, AND 01-06-58, RELATING TO THE CAPE CORAL, MIDPOINT MEMORIAL AND SANIBEL TOLL FACILITIES; MODIFY TOLL STRUCTURE; IMPOSING TOLLS ON THE SANIBEL BRIDGE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on April 16, 1986, the Board of County Commissioners of Lee County, Florida (the "Board"), enacted Lee County Ordinance No. 86-11, providing for the imposition of tolls on certain bridges and causeways and for the issuance of revenue bonds payable therefrom; and,

WHEREAS, the Board has previously adopted Lee County Resolution Nos. 90-09-26, 90-09-27, 94-08-05, and 01-06-58, which established the toll rates and commuter discount programs for the Sanibel Bridges, Midpoint Memorial Bridge and the Cape Coral Bridge collectively, "The Bridges"; and,

WHEREAS, the Board, on December 18, 1996, adopted Lee County Resolution No. 96-12-105 which sets forth reduced rates for each one-way trip on the Cape Coral Bridge and the Midpoint Memorial Bridge during off-peak hours when using the Automatic Vehicle Identification System (AVI System) for the duration of the congestion pricing program; and,

WHEREAS, the existing Cape Coral Bridge and the new Midpoint Memorial Bridge were established to function in concert to serve a common transportation corridor between the east and west banks of the Caloosahatchee River (collectively, the "Corridor"); and,

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WHEREAS, on September 23, 1997, the Board adopted Lee County Resolution No. 97-09-53 extending the term for the use of decals for the discount program; and,

WHEREAS, the Board finds and determines that vehicle class, frequency of use and time-of-day of use are a reasonable basis for the classification of its tolls; and,

WHEREAS, the Board now finds it appropriate to further amend the Toll Facilities' Resolutions to better serve the public.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, that:

SECTION ONE:

Lee County Resolution Nos. 90-09-26, 90-09-27, 94-08-05, 96-12-105, 97-09-53 and 01-06-58 are hereby amended with language being added indicated by underlining and language being deleted indicated by ~~strike-through~~, as indicated below.

Imposition of Tolls. Commencing on November 1, 1997 2004, the following tolls shall be imposed for use of The Bridges.

a. Except as otherwise provided herein, a toll for each one-way trip on the Cape Coral and Midpoint Memorial Bridges shall be paid in accordance with the schedule set forth below:

<u>Vehicle Class</u>	<u>Toll</u>
Motoreycles	\$.50
2 axles, 4 tires	1.00
2 axles, 6 tires	1.00
3 axles	2.00
4 axles	3.00
5 axles	4.00
6 or more axles	1.00 per axle

b. The following commuter discount programs utilizing an AVI device will be available for 2-axle, 4-tire vehicles or 2-axle, 6-tire vehicles only:

i. An annual discount program utilizing an AVI device may be purchased at a cost of \$40.00 per vehicle or \$20.00 for the second, fourth, sixth, etc., non-commercial vehicle registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Cape Coral and Midpoint Memorial Bridges for a period of twelve months commencing on November 1, upon payment of a \$0.50 toll to be deducted from a prepaid debit account for each one-way trip across the Bridges.

ii. A semi-annual discount program utilizing an AVI device may be purchased at a cost of \$24.00 per vehicle or \$12.00 for the second, fourth, sixth, etc., non-commercial vehicle registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Cape Coral and Midpoint Memorial Bridges for a period of six months commencing on November 1, or May 1, upon payment of a \$0.50 toll to be deducted from a prepaid debit account for each one-way trip across the Bridges.

iii. An annual discount program utilizing an AVI device may be purchased at a cost of \$330.00 per vehicle or \$165.00 for the second, fourth, sixth, etc., non-commercial vehicle registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Cape Coral and Midpoint Memorial Bridges for a period of twelve months commencing on November 1, without further payment. Prorated annual commuter programs will be sold per the following schedule:

<u>Validity Period</u>	<u>Price</u>	<u>Half-Price</u>
December 1 - October 31	\$309.00	\$155.00
January 1 - October 31	288.00	144.00
February 1 - October 31	267.00	134.00
March 1 - October 31	246.00	123.00
April 1 - October 31	222.00	111.00

iv. A semi-annual discount program utilizing an AVI device may be purchased at a cost of \$200.00 per vehicle or \$100.00 for the second, fourth, sixth, etc. non-commercial vehicle registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Cape Coral and Midpoint Memorial Bridges for a period of six months commencing on November 1, or May 1, without further payment. Prorated semi-annual commuter programs will be available per the following schedule:

<u>Validity Period</u>	<u>Price</u>	<u>Half-Price</u>
December 1 - April 30	\$168.00	\$84.00
January 1 - April 30	136.00	68.00
February 1 - April 30	104.00	52.00
March 1 - April 30	72.00	36.00
June 1 - October 31	\$168.00	\$84.00
July 1 - October 31	136.00	68.00
August 1 - October 31	104.00	52.00
September 1 - October 31	72.00	36.00

c. Combination commuter discount programs utilizing an AVI device for use on the Cape Coral, Midpoint Memorial and Sanibel Toll Facilities will be available for 2-axle, 4-wheel vehicles or 2-axle, 6 wheel vehicles only:

i. Annual combination discount programs utilizing an AVI device may be purchased at a cost of ~~\$50.00~~ \$140.00 per vehicle of ~~\$25.00~~ \$70.00 for the second, fourth, sixth, etc., non-commercial vehicles registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Cape Coral, Midpoint Memorial and Sanibel

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Toll facilities for a period of twelve months commencing on November 1, upon the payment of a \$0.50 toll deducted from a prepaid debit account at the Cape Coral and Midpoint Memorial Bridges and a \$3.00 toll deducted from a prepaid debit account at the Sanibel Toll Facilities.

ii. Semi-annual combination discount programs utilizing an AVI device may be purchased at a cost of ~~\$50.00~~ \$99.00 per vehicle or ~~\$15.00~~ \$49.50 for the second, fourth, sixth, etc., non-commercial vehicles registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Cape Coral, Midpoint Memorial and Sanibel Toll Facilities for a period of six months commencing on November 1 or May 1 upon payment of a \$0.50 toll deducted from a prepaid debit account at the Cape Coral and Midpoint Memorial Bridges and a \$3.00 toll deducted from a prepaid debit account at the Sanibel Toll Facilities.

iii. Annual combination discount programs utilizing an AVI device may be purchased at a cost of ~~\$586.00~~ \$930.00 per vehicle or ~~\$196.00~~ \$465.00 for the second, fourth, sixth, etc. non-commercial vehicle registered to or leased by the same natural person, which when properly installed, will entitle such vehicle to use the Cape Coral, Midpoint Memorial and the Sanibel Toll Facilities for a period of twelve months commencing on November 1, without further payment. Prorated annual combination commuter programs will be sold per the following schedule:

<u>Validity Period</u>	<u>Price</u>	<u>Half-Price</u>
December 1 - October 31	\$355.00 <u>\$884.00</u>	\$178.00 <u>\$442.00</u>
January 1 - October 31	550.00 <u>838.00</u>	165.00 <u>419.00</u>
February 1 - October 31	304.00 <u>792.00</u>	152.00 <u>396.00</u>
March 1 - October 31	279.00 <u>746.00</u>	140.00 <u>373.00</u>
April 1 - October 31	259.00 <u>697.00</u>	127.00 <u>349.00</u>

iv. Semi-annual combination discount programs may be purchased at a cost of ~~\$250.00~~ \$650.00 per vehicle or ~~\$115.00~~ \$325.00 for the second, fourth, sixth, etc., non-commercial vehicle registered to or leased by the same natural person, which when the AVI device is properly installed will entitle such vehicle to use the Cape Coral, Midpoint Memorial and Sanibel Toll Facilities for a period of six months commencing on November 1 and May 1, without further payment. Prorated semi-annual combination commuter programs will be sold per the following schedule:

<u>Validity Period</u>	<u>Price</u>		<u>Half-Price</u>	
December 1 - April 30	\$194.00	<u>\$543.00</u>	\$97.00	<u>\$272.00</u>
January 1 - April 30	158.00	<u>436.00</u>	79.00	<u>218.00</u>
February 1 - April 30	123.00	<u>329.00</u>	62.00	<u>165.00</u>
March 1 - April 30	87.00	<u>222.00</u>	44.00	<u>111.00</u>
June 1 - October 31	\$194.00	<u>\$543.00</u>	\$94.00	<u>\$272.00</u>
July 1 - October 31	159.00	<u>436.00</u>	79.00	<u>218.00</u>
August 1 - October 31	123.00	<u>329.00</u>	62.00	<u>165.00</u>
September 1 - October 31	87.00	<u>222.00</u>	44.00	<u>111.00</u>

d. Except as otherwise provided herein, a full paid toll for each Sanibel bound trip on the Causeway shall be paid in accordance with the schedule set forth below.

<u>Vehicle Class</u>	<u>Toll</u>	
Motorcycles	\$1.00	<u>\$ 2.00</u>
2 axles, 4 tires	3.00	<u>6.00</u>
2 axles, 6 tires	5.00	<u>6.00</u>
3 axles	4.50	<u>9.00</u>
4 axles	6.00	<u>12.00</u>
5 axles	7.50	<u>15.00</u>
6 or more axles	1.50 per axle	<u>3.00</u>

No toll shall be charged for a mainland-bound trip on the Sanibel Causeway.

e. The following commuter discount program will be available for 2-axle, 4-tire vehicles or 2-axle, 6-tire vehicles only:

i. An annual discount program utilizing an AVI device may be purchased at a cost of ~~\$25.00~~ \$100.00 per vehicle or ~~\$12.50~~ \$50.00 for the second, fourth, sixth, etc., additional non-commercial vehicle registered to or leased by the same natural person which when properly installed will entitle such vehicle to use the Sanibel Causeway for a period of twelve months commencing on November 1, upon payment of a ~~50.50~~ \$3.00 toll deducted from a prepaid debit account for each Sanibel-bound trip on the Sanibel Causeway.

ii. A semi-annual discount program utilizing an AVI device may be purchased at a cost of ~~\$15.00~~ \$75.00 per vehicle or ~~\$7.50~~ \$37.50 for the second, fourth, sixth, etc., additional non-commercial vehicle registered to or leased by the same natural person which when properly installed will entitle such vehicle to use the Sanibel Causeway for a period of six months commencing on November 1, or May 1 upon payment of a ~~\$0.50~~ \$1.00 toll deducted from a prepaid debit account for each Sanibel-bound trip on the Sanibel Causeway.

iii. An annual discount program utilizing an AVI device may be purchased at a cost of ~~\$150.00~~ \$600.00 per vehicle or ~~\$75.00~~ \$300.00 for the second, fourth, sixth, etc., non-commercial vehicle registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Sanibel Causeway for a period of twelve months commencing on November 1, without further payment. Prorated annual commuter programs will be sold per the following schedule:

<u>Validity Period</u>	<u>Price</u>	<u>Half-Price</u>
December 1 - October 31	5140.00 <u>5575.00</u>	570.00 <u>288.00</u>
January 1 - October 31	130.00 <u>550.00</u>	65.00 <u>275.00</u>
February 1 - October 31	120.00 <u>525.00</u>	60.00 <u>263.00</u>
March 1 - October 31	110.00 <u>500.00</u>	55.00 <u>250.00</u>
April 1 - October 31	100.00 <u>475.00</u>	50.00 <u>238.00</u>

iv. A semi-annual discount program utilizing an AVI device may be purchased at a cost of ~~\$98.00~~ \$450.00 per vehicle or ~~\$45.00~~ \$225.00 for the second, fourth, sixth, etc., non-commercial vehicle registered to or leased by the same natural person, which when properly installed will entitle such vehicle to use the Sanibel Causeway for a period of six months commencing on November 1 or May 1, without further payment. Prorated semi-annual commuter programs will be sold per the following schedule:

<u>Validity Period</u>	<u>Price</u>	<u>Half-Price</u>
December 1 - April 30	\$76.00 <u>\$375.00</u>	\$38.00 <u>\$188.00</u>
January 1 - April 30	62.00 <u>300.00</u>	31.00 <u>150.00</u>
February 1 - April 30	48.00 <u>225.00</u>	24.00 <u>113.00</u>
March 1 - April 30	34.00 <u>150.00</u>	17.00 <u>75.00</u>
June 1 - October 31	\$76.00 <u>\$375.00</u>	\$38.00 <u>\$188.00</u>
July 1 - October 31	62.00 <u>300.00</u>	31.00 <u>150.00</u>
August 1 - October 31	48.00 <u>225.00</u>	24.00 <u>113.00</u>
September 1 - October 31	34.00 <u>150.00</u>	17.00 <u>75.00</u>

l. During the term of the variable pricing program, a toll for each one-way trip on the Cape Coral and Midpoint Memorial Bridges during off-peak hours when using the automatic vehicle identification system shall be paid in accordance with the schedule set forth below:

<u>Vehicle Class</u>	<u>Off-Peak Hour Toll Payment Without AVI Device*</u>	<u>Off-Peak Hour Toll Payment With AVI Device*</u>
Motorcycles	\$.50	\$.25, upon availability
2 axles, 4 tires	\$1.00	\$.50/.25 (applies to \$.25 coin drop pre-paid)
2 axles, 6 tires	\$1.00	\$.50/.25 (applies to \$.25 coin drop pre-paid)
3 axles	\$2.00	\$1.00, upon availability
4 axles	\$3.00	\$1.50, upon availability
5 axles	\$4.00	\$2.00, upon availability
6 or more axles	\$1.00 per axle	\$.50 per axle, upon availability

*As defined and authorized by Paragraphs 1.b.i., 1.b.ii., 1.c.i. and 1.c.ii., above.

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The above rates for off-peak discounted toll travel shall only be available to toll facility travelers who have established a pre-paid account and obtained an officially authorized automatic vehicle identification device. Accommodations for consumers desiring a single payment, annual or semi-annual, discount program, utilizing an AVI device free of a per-trip toll for either the Cape/Midpoint Corridor or with a combination of the Cape/Midpoint Corridor and Sanibel Bridges, shall be continued at the current pricing, but without any additional discounting.

Off-peak hours are currently defined as that time between 6:30 a.m. to 7:00 a.m.; 9:00 a.m. to 11:00 a.m.; 2:00 p.m. to 4:00 p.m.; and 6:30 to 7:00 p.m. Monday through Friday, excluding Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas and New Year's Days. The Lee County Director of Public Works shall have the ability to modify the off-peak hours if deemed necessary, upon posting at the facilities of the changes in hours in accordance with §338.01, Florida Statutes. In the event the Fourth of July, Christmas or New Year's Day falls on a Saturday or Sunday, the week-day customarily given as a day off to county employees will be excluded from the definition of off-peak hours and no additional discount in accordance with this schedule will be given.

~~g. From November 1, 1997 should the transponders (AVI devices) not be substantially distributed and operational, any semi-annual and annual decal purchased after April 30, 1997 and October 31, 1996, respectively, will be honored at the toll facilities in Lee County for the various commuter discount programs as outlined in this Resolution, until such time that the transponders (AVI devices) be substantially distributed and operational.~~

~~Upon completion of distributing transponders to all persons taking part in the commuter discount programs, Lee County Division of Transportation will post notice at the facilities that the stickers will no longer be honored at the facilities.~~

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SECTION TWO:

This Resolution shall be implemented as of November 1, 2004, however, the effective date that the time-of-day variable tolls as specified in Section One (d) are put into effect at the Cape Coral and Midpoint Memorial Toll Facilities will be determined by the Lee County Division of Transportation, upon posting at the facilities of the change in accordance with Section 338.01, Florida Statutes.

The foregoing Resolution was offered by Commissioner Judah, who moved its adoption. The motion was seconded by Commissioner St. Cerny and, being put to a vote, the vote was as follows:

DOUGLAS ST. CERNY	<u>AYE</u>
BOB JANES	<u>AYE</u>
RAY JUDAH	<u>AYE</u>
ANDREW COY	<u>AYE</u>
JOHN E. ALBION	<u>AYE</u>

DULY PASSED AND ADOPTED this 10th day of August, 2004.

ATTEST:
CHARLIE GREEN, CLERK

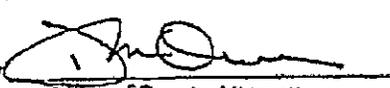
By: 
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: 
Chairman



APPROVED AS TO FORM:

By: 
Office of County Attorney

