

Annual Traffic and Revenue Report

Fiscal Year 2022

Lee County Toll Facilities



CAPE CORAL BRIDGE

MIDPOINT MEMORIAL BRIDGE

SANIBEL CAUSEWAY

Prepared for:



JUNE 2023

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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 contains a summary of the Fiscal Year (FY) 2022 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 2022. Economic conditions are always an important driver of transaction and toll revenue performance. 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 2022 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 2022 began on October 1, 2021, and concluded September 30, 2022. Some external variables are not available monthly 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.

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 significant travel disruptions, historical growth in regional travel demand has remained high. Since 2000, socioeconomic indicators such as total population, households, employment, and median income have steadily increased at a pace 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 since late 2007, recent regional employment and population growth has averaged approximately 2 percent per year and is still forecasted to exceed the state and national averages in both the short-term and over the next 30 years per forecasts published by the University of Florida Bureau of Economic and Business Research. 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 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 can 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.

To help further enhance operational efficiencies, Lee County adopted a one-way toll collection policy on the Midpoint Memorial and Cape Coral Bridges, beginning in November 2008. 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.

In July 2009, the Rental Car 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.

Figure 1-1
Location Map

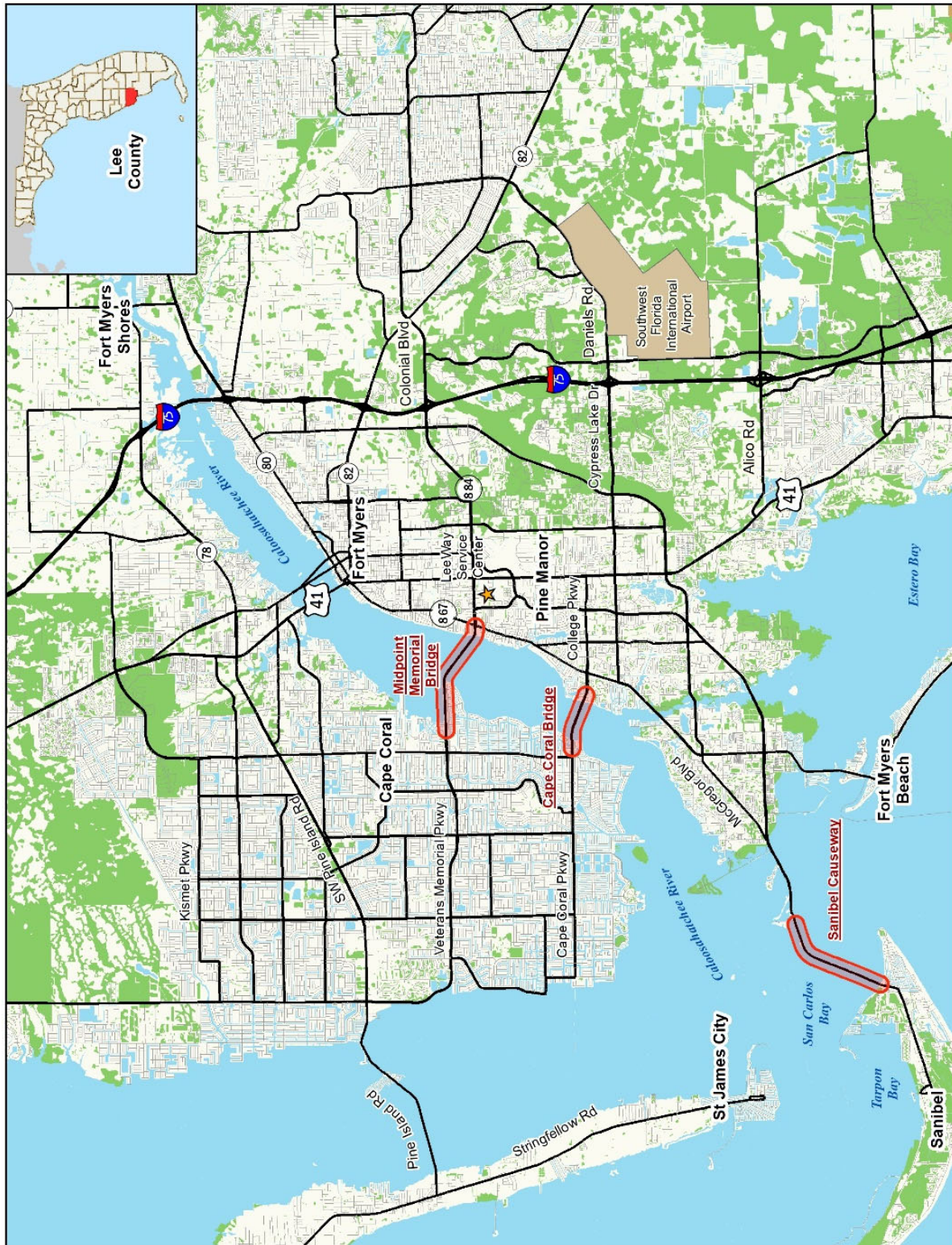


Table 1-1
Facility Milestone Dates

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	Rental Car Program 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 tolling
November 2014	LeeWay transponders accepted on Georgia toll roads and Peach Pass customers are able to use LeeWay facilities via video tolling
March 2020	In response to the COVID-19 Pandemic, cash payments were suspended. Those without a transponder are billed via Pay-By-Plate.
May 2021	E-ZPass customers are able to use LeeWay facilities via video tolling
October 2021	Lee County converted to an all-electronic tolling process on October 1, 2021 (FY 2022). Implementation of \$3.00 administrative fee per Pay-By-Plate transaction and removal of motorcycle discount also began October 1, 2021.
March 2022	Lee County began accepting E-Zpass transponders in Lee County toll lanes

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 tolling. Also, as of May 2021, E-ZPass customers can use the Lee County Bridge facilities via video tolling. As of March 2022, E-ZPass transponders are accepted and processed as ETC transactions in all Lee County toll lanes.

In response to the COVID-19 Pandemic, Lee County suspended cash payments on the three toll bridges and switched to all-electronic tolling (AET) as of March 18, 2020. Those without a transponder are now directed to proceed through any open toll lane and are processed as a Pay-By-Plate transaction. An image of their license plate is taken, and the customer is mailed an invoice for payment within 21 days of the transaction date. Payment can then be made online, over the phone or at the LeeWay Service Center. No administrative fees were assessed to these former cash customers through September 2021. 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. In June 2021, Lee County announced the permanent suspension of cash toll collection starting October 1, 2021 (FY 2022), going to AET on all Lee County bridges. As of FY 2022, Lee County also implemented a \$3.00 administrative fee per Pay-By-Plate transaction and permanently removed the motorcycle discount.

TOLL RATE SCHEDULES

Toll rates on the Midpoint Memorial and Cape Coral Bridges for FY 2022 are shown in **Table 1-2** and vary based on the method of payment, vehicle class, and time of day. The FY 2022 base toll rate for an ETC transaction is \$2.00 for the first two axles plus \$2.00 for each additional axle. All Pay-By-Plate transactions are charged an additional \$3.00 administrative fee per transaction. 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
ETC	\$2.00	\$4.00	\$6.00	\$8.00
Pay-By-Plate*	\$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	--	--	--

* All Pay-By-Plate transactions charged additional \$3.00 administrative fee per transaction

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 an additional 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 were \$6.00 for two-axle vehicles and \$3.00 per axle thereafter, until the removal of cash toll collection in March 2020 in response to the COVID-19 pandemic. A subsequent revision in November 2005 reduced tolls for customers participating in the discount programs to \$2.00 for 2-axle vehicles. 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 Variable Pricing discount on the Sanibel Causeway.

As of October 1, 2021 (FY 2022), with the implementation to all-electronic tolling (AET), all Sanibel Pay-By-Plate transactions are charged an additional \$3.00 administrative fee per transaction.

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

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 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.

Table 1-3
Sanibel Causeway Toll Schedule

Payment Type	Vehicle Class			
	2-Axle	3-Axle	4-Axle	5-Axle
ETC	\$6.00	\$9.00	\$12.00	\$15.00
Pay-By-Plate*	\$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	--	--	--

* All Pay-By-Plate transactions charged additional \$3.00 administrative fee per transaction

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 \$165.00 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 2022, 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 2022 and FY 2021 total systemwide transactions (includes non-revenue and exempt transactions).

Table 1-4
Comparison of FY 2021 and FY 2022
Total Systemwide Transactions

Facility	Transactions		
	FY 2021	% Change	FY 2022
Midpoint Memorial Bridge	8,922,096	0.2%	8,937,148
Cape Coral Bridge	8,406,049	1.7%	8,546,171
Sanibel Causeway	3,436,218	2.5%	3,522,965
Total	20,764,363	1.2%	21,006,284

Source: Lee County Daily Class/Traffic Type Reports

Fiscal Year 2022 Systemwide Toll Transactions and Revenues

In FY 2022, total systemwide toll transactions and revenues increased over FY 2021. All three facilities experienced increases in both categories. As shown in **Table 1-5**, of the three toll facilities, the Sanibel Causeway reported the largest increase in toll transactions at 2.5 percent. By comparison, toll transactions on the Cape Coral Bridge and Midpoint Memorial Bridge increased by 1.6 percent and 0.1 percent over FY 2021, respectively. Toll Revenues increased 21.9 percent over FY 2021. The significant increase in revenues can be attributed to the conversion to AET, which began on October 1, 2021. Customers without a prepaid transponder are charged a \$3.00 administrative fee in addition to the toll for using the Pay-By-Plate system. In FY 2022, both transactions and revenues were negatively impacted by toll suspensions during Hurricane Ian. Tolls were suspended on all three facilities starting on September 26, 2022. Tolls were reinstated on the Midpoint Memorial and Cape Coral Bridges on November 1, 2022 and on the Sanibel Causeway on January 1, 2023. The suspensions included approximately 4.5 days of no toll collection the last week of FY 2022.

Table 1-5
Comparison of FY 2021 and FY 2022
Total Toll Transactions and Revenues

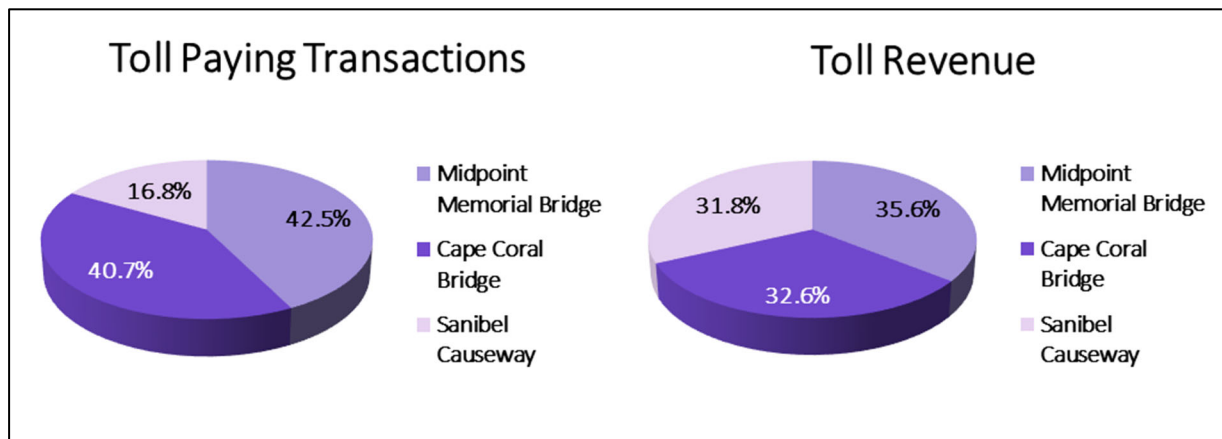
Facility	Transactions			Revenues*		
	FY 2021	% Change	FY 2022	FY 2021	% Change	FY 2022
Midpoint Memorial Bridge	8,854,936	0.1%	8,865,800	\$ 14,204,750	25.4%	\$ 17,813,539
Cape Coral Bridge	8,364,502	1.6%	8,500,765	\$ 13,171,616	23.7%	\$ 16,290,405
Sanibel Causeway	3,419,121	2.5%	3,505,192	\$ 13,671,824	16.5%	\$ 15,933,950
Total	20,638,559	1.1%	20,871,757	\$ 41,048,190	21.9%	\$ 50,037,894

Source: Lee County Daily Class/Traffic Type Reports

*Actual revenues collected can be for transactions that occurred in prior fiscal years.

The relative proportions of systemwide toll transactions and revenues generated by each of the three Lee County toll bridges remained comparatively similar between FY 2021 and FY 2022. As shown in **Figure 1-2**, the Cape Coral and Midpoint Memorial Bridges accounted for the highest shares of systemwide toll transactions in FY 2022, collectively representing 83.2 percent of total toll transactions. The remaining 16.8 percent of systemwide toll transactions were on the Sanibel Causeway. Total systemwide toll revenue was almost evenly split between the three facilities, with Midpoint Memorial accounting for 35.6 percent of toll revenues, Cape Coral 32.6 percent, and Sanibel accounting for 31.8 percent of toll revenues.

Figure 1-2
Percent Share of FY 2022 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 2003 through FY 2022 is presented in **Table 1-6**. The data is also presented graphically in **Figure 1-3**. From FY 2003 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.

Table 1-6
Systemwide Toll Transactions and Revenues
FY 2003 – FY 2022

Fiscal Year		Toll-Paying Transactions	Percent Change	Total Revenue	Percent Change
2003	¹	34,468,398	-	\$ 30,948,684	-
2004		36,074,005	4.7%	\$ 33,146,862	7.1%
2005	²	38,224,394	6.0%	\$ 43,189,002	30.3%
2006	³	38,267,295	0.1%	\$ 40,852,877	-5.4%
2007	^{4,5}	37,724,435	-1.4%	\$ 41,538,709	1.7%
2008	⁶	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	⁷	17,200,180	0.1%	\$ 37,042,313	0.3%
2012		17,350,277	0.9%	\$ 37,785,844	2.0%
2013	⁸	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	⁹	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	¹⁰	18,770,373	-8.3%	\$ 40,397,249	-17.1%
2021	¹⁰	20,638,559	10.0%	\$ 41,048,190	1.6%
2022	^{11, 12}	20,871,757	1.1%	\$ 50,037,894	21.9%

Source: Historical Lee County Annual 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.

⁽³⁾ Reduced Fare Program tolls reduced on Sanibel Causeway November 1, 2005.

⁽⁴⁾ Construction completed on Sanibel Causeway and three new spans opened to traffic in September 2007.

⁽⁵⁾ New Violation Enforcement System implemented on Midpoint Bridge (January 2007) and Sanibel Causeway (June 2007).

⁽⁶⁾ One-way tolling introduced on the Midpoint and Cape Coral Bridges on November 1, 2007.

⁽⁷⁾ Reconstruction of Midpoint Memorial Bridge toll plaza completed in May 2011.

⁽⁸⁾ Reconstruction of Cape Coral Bridge toll plaza completed in November 2012.

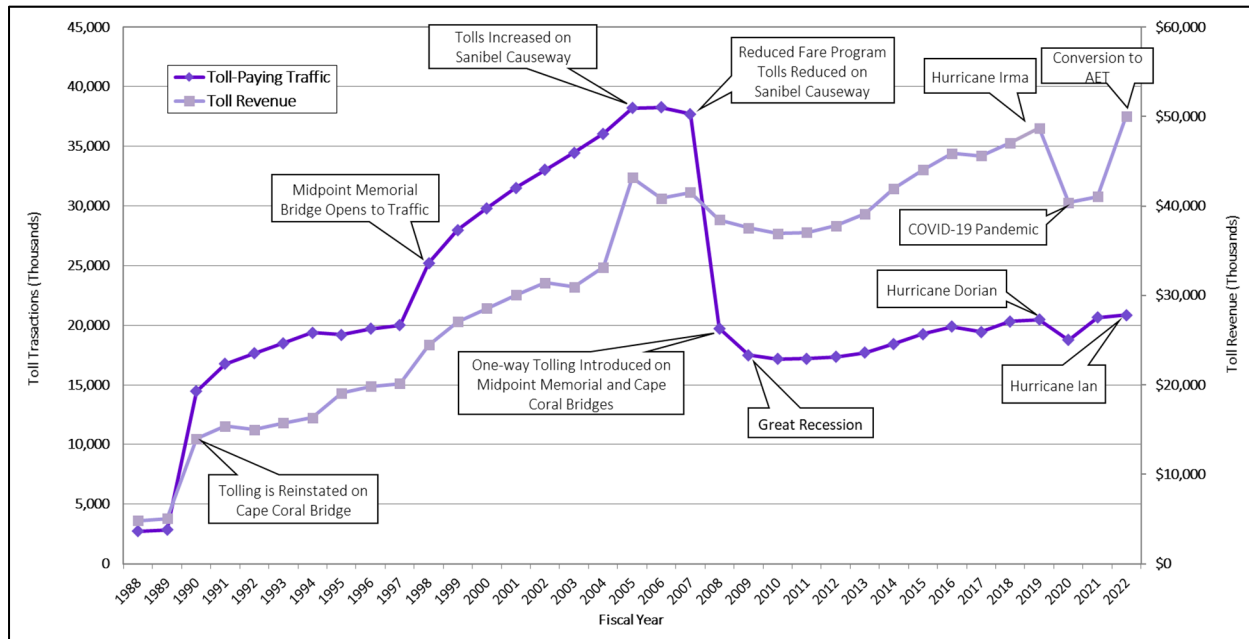
⁽⁹⁾ Effects from Hurricane Irma in September 2017.

⁽¹⁰⁾ Effects from COVID-19 pandemic beginning March 2020 through February 2021.

⁽¹¹⁾ Conversion to All Electronic Tolling beginning October 1, 2022. Implementation of \$3.00 administrative fee per Pay-By-Plate transaction.

⁽¹²⁾ Effects from Hurricane Ian in September 2022.

Figure 1-3
Systemwide Annual Toll Transactions and Revenues
FY 1988 – FY 2022



Source: FY 1997 through FY 2022 Lee County Annual Reports.

Revenues followed a similar pattern, but with declines in FY 2006 and FY 2008. While revenue declines in FY 2008 and FY 2009 are partially attributable to the conversion to one-way tolling, the continued decline through FY 2010 and minimal recovery in 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 the result of 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 to reduce the spread of the disease based on guidelines from the Centers for Disease Control and Prevention (CDC) and the Federal and State Government. Lee County was not as hard hit as other regions of Florida. However, the state and local restrictions and the general concern regarding the spread of the virus 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 affected the three bridges similarly. While the Sanibel Causeway had the greatest early negative impact, the Causeway 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 beginning on March 18, 2020. Those without a transponder are now directed to proceed through any open lane and are processed as Pay-By-Plate transactions. An image of their license plate is taken, and the customer is mailed an invoice for payment within 21 days of the transaction date. Payment can then be made online, over the phone or at the LeeWay Service Center. Administrative fees were also suspended during this time.

In FY 2022, systemwide transactions increased by 1.1 percent and revenues increased by 21.9 percent compared to FY 2021. The significant increase in revenues can be attributed to the conversion to AET, which began on October 1, 2021. Customers without a prepaid transponder are charged a \$3.00 administrative fee in addition to the toll for using the Pay-By-Plate system. As previously mentioned, both transactions and revenues in FY 2022 were negatively impacted by toll suspensions during Hurricane Ian.

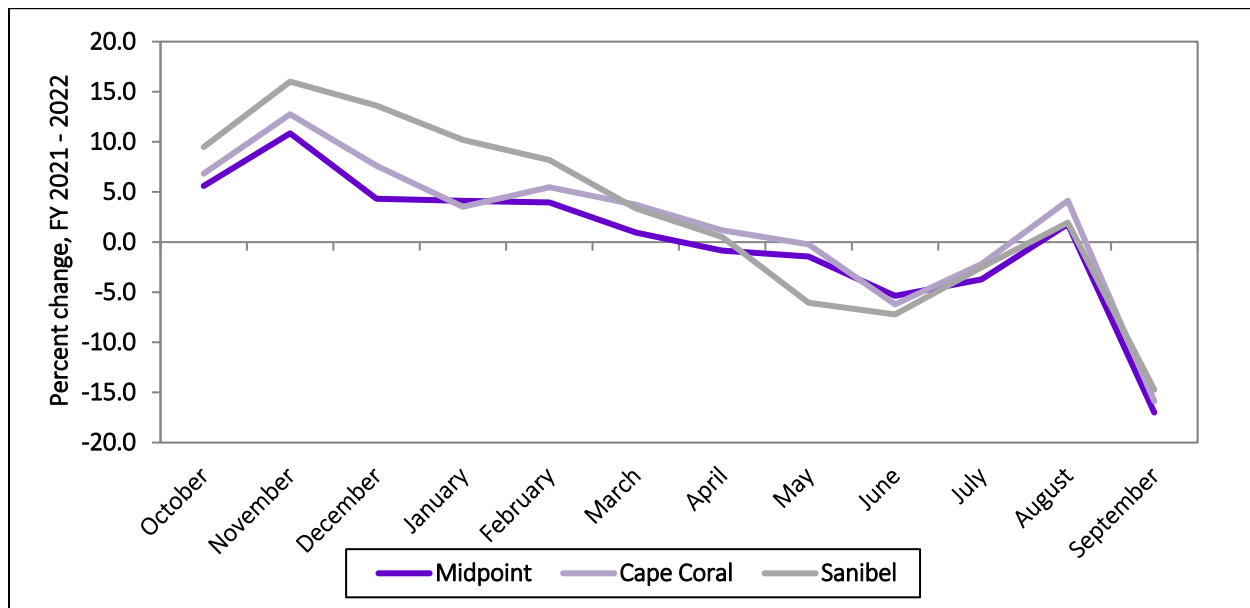
In FY 2022, Lee County transaction and revenue reports included duplicate ETC transactions due to E-ZPass customers having multiple transponders in their vehicle when using Lee County toll facilities. Due to this issue, transactions and revenue for each facility are slightly overstated for March 2022 through September 2022.

The following additional events, incidents, and construction activities were identified as potentially impacting transactions and revenue during FY 2022:

- From 6:00 p.m. until 9:00 p.m. on November 11, 2021, the Midpoint Memorial Bridge was closed for the annual Veterans Day race.
- On March 26, 2022, the Sanibel Causeway was closed between 7:00 p.m. and 10:30 p.m. due to police activity.
- From 3:00 a.m. on July 4, 2022, until 3:00 a.m. on July 5, 2022, the Cape Coral Bridge was closed for a Fourth of July celebration.

The percent change in toll transactions by month between FY 2021 and FY 2022 for each of the three facilities is presented in **Figure 1-4**. As shown, all three facilities experienced similar patterns of change throughout FY 2022. The largest decrease in toll transactions on all three facilities in September 2022 is due to the significant impacts of toll suspensions during Hurricane Ian.

Figure 1-4
Percent Change in Toll Transactions between FY 2021 and FY 2022, 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) can use LeeWay facilities via video tolling. As of May 2021, all E-ZPass customers made up of 18 states in the northeast and Midwest, can use LeeWay facilities via video tolling. Discounts on Lee County toll facilities are only available to customers with a LeeWay transponder. Those without a transponder pay using Pay-By-Plate.

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 51.1 percent of all toll transactions in FY 2003 to a record high 65.1 percent during FY 2022. The significant increase in systemwide ETC participation can be partially attributed to customers shifting to payment via ETC to avoid the \$3.00 administrative fee per Pay-By-Plate transaction, which was implemented in FY 2022. The increase in FY 2022 could also be due to the acceptance of E-ZPass and Quick Pass transponders on Lee County toll facilities.

Table 1-7
Systemwide ETC Participation Percentage (all classes)
FY 2003 – FY 2022

Year	Sanibel Causeway	Cape Coral and Midpoint Bridges	Systemwide
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
FY 2021	59.9	59.0	59.2
FY 2022	63.8	65.4	65.1

Source: FY 2003 through FY 2022 Lee County Annual Report, Lee County Toll Operations 15-minute transaction records.

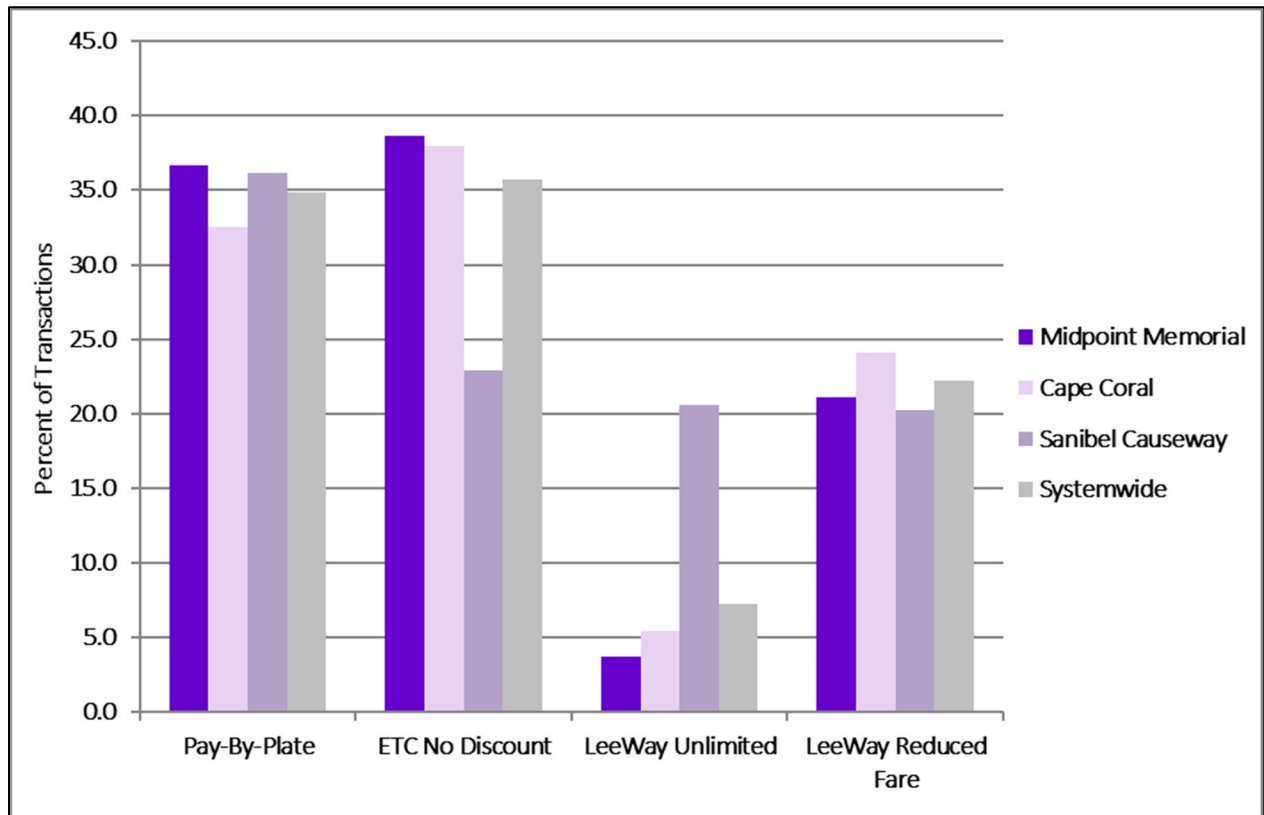
TOLL TRANSACTIONS BY PAYMENT TYPE

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 2022 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: Pay-By-Plate, ETC with no discount, LeeWay Unlimited, and LeeWay Reduced Fare.

As shown, the Midpoint Memorial Bridge had the highest percentage of Pay-By-Plate transactions at 36.6 percent, which is lower than last year. Full Fare ETC transactions on all three facilities accounted for 35.7 percent of transactions in FY 2022 compared to 30.0 percent in FY 2021. LeeWay Unlimited transactions increased on all three facilities from 7.0 percent for the system in

FY 2021 to 7.2 percent in FY 2022. Again, this is because of the shifts in method of payment and the implementation of the administrative fee for Pay-By-Plate users, which reflects the increase in ETC participation on the Lee County facilities. LeeWay Reduced Fare transactions remained the same as FY 2021 on all three facilities.

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



Source: Lee County FY 2022 Monthly Traffic by Class and PMT.

With respect to the type of ETC transponders used, the vast majority were LeeWay transponders. However, as previously mentioned, Lee County accepts FDOT's SunPass and CFX's E-PASS. Lee County also accepts North Carolina's Quick Pass, Georgia's Peach Pass and E-ZPass, which are processed via video tolling. As of March 2, 2022 (FY 2022), E-ZPass and Quick Pass transponders are now accepted in Lee County toll facility lanes and are no longer processed via video billing. As shown in **Table 1-8**, 61.9 percent of systemwide ETC transactions use LeeWay transponders, which is slightly higher than the 61.5 percent reported in FY 2021. This is the first year that the LeeWay share of ETC transactions has increased after 13 consecutive years of declines.

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	57.2	61.8	74.3	61.9
FDOT	SunPass	40.8	36.3	22.0	35.8
CFX	E-PASS	1.1	0.9	1.0	1.0
Various*	E-ZPass	0.9	1.0	2.7	1.3
Total		100.0	100.0	100.0	100.0

Source: Lee County FY 2022 ETC by Issuing Authority

*Includes various agencies that issue E-ZPass transponders

The overall share of ETC transactions utilizing SunPass transponders has increased steadily in recent years, from 9.7 percent in FY 2009 to 35.8 percent in FY 2022. This is a decline from 37.7 percent reported in FY 2021.

The share of ETC revenue by issuing agency is presented in **Table 1-9**. This includes video tolling transactions through the Rental Car Program, which was introduced in FY 2009. Video tolling allows rental car customers to pay tolls on Lee County toll facilities without using cash or carrying their own transponder. The video tolling transactions for the Rental Car Program are charged toll rates equivalent to the ETC/Pay-By-Plate 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 video tolling 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, E-ZPass, Quick Pass) or image-based (Rental Car Program). Video tolling is also used to process Peach Pass transactions. The video tolling totals below do not include the video transactions processed by Lee County at the toll facilities, only rental vehicles enrolled in the program.

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 Rental Car Program 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 57.2 percent of all Midpoint Memorial ETC transactions, Table 1-9 shows these transactions only account for 40.1 percent of all Midpoint Memorial Bridge ETC toll revenues.

Table 1-9
Share of ETC Revenue by Issuing Agency

Issuing Agency	Transponder Name	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Systemwide Total
Lee County	LeeWay	40.1	42.3	31.6	38.0
FDOT	SunPass	51.6	46.3	37.0	45.1
CFX	E-PASS	1.5	1.3	1.9	1.6
ISHTA	I-PASS	0.6	0.8	1.8	1.1
NCTA	Quick Pass	0.0	0.0	0.1	0.1
SRTA	Peach Pass	0.0	0.1	0.2	0.1
Rental Car Program	Rental Cars	3.8	6.6	21.5	10.5
Various*	E-ZPass	2.4	2.6	5.9	3.6
Total		100.0	100.0	100.0	100.0

Source: Lee County FY 2022 AVI/V-Toll Report.

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

*Includes various agencies that issue E-ZPass transponders

FY 2022 was the thirteenth full fiscal year in which video tolling was available for rental car customers, and the payment method has continued to grow. In FY 2022, the Rental Car Program accounted for 10.5 percent of systemwide ETC revenue, which was an increase from the 0.2 percent share in FY 2009 when the program was first introduced. This is a slight decline from 10.7 percent reported in FY 2021.

TOLL TRANSACTIONS BY VEHICLE CLASS

The share 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, 98.1 percent of all toll transactions were made by two-axle passenger vehicles, with little variation among the three facilities. Motorcycles are included in the two-axle totals. 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 0.9 percent of all toll transactions systemwide. Four-axle vehicles accounted for 0.8 percent of total toll transactions. Trucks with five or more axles represented just 0.2 percent of toll transactions. The distribution of vehicle classes in FY 2022 was virtually unchanged from the previous fiscal year.

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

Vehicle Class	Midpoint Bridge	Cape Coral Bridge	Sanibel Causeway	Systemwide Total
2-Axle	97.6	98.8	97.6	98.1
3-Axle	1.1	0.6	1.3	0.9
4-Axle	1.0	0.5	0.9	0.8
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 2022 Monthly Traffic by Class and PMT

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 2021 and 2022 toll transaction and revenue data for several 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. In addition, several 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. Nevertheless, the comparative performance data provide additional information through which to assess performance on Lee County toll facilities.

Table 1-11
Comparative Performance
Other Florida Toll Facilities
FY 2021 vs. FY 2022

Toll Facility	County	Length (miles)	Operator	Total Transactions (000s)			Total Revenue (\$000s)		
				2021	% Change	2022	2021	% Change	2022
Wekiva Pkwy	Orange/Lake/Seminole	25	FDOT	1,701	45.5	2,475	\$1,503	30.9	\$1,969
Beachline West Expwy	Orange	8	FTE	27,019	34.2	36,258	\$23,323	27.5	\$29,733
Suncoast Pkwy	Hillsborough/Pasco/Hernando	42	FTE	35,136	24.9	43,879	\$27,855	26.3	\$35,189
Lee County Toll System	Lee	3.5	Lee County	20,639	1.1	20,872	\$41,048	21.9	\$50,038
Veterans Expwy	Hillsborough	15	FTE	61,025	16.7	71,229	\$51,896	14.8	\$59,556
Sawgrass Expwy	Broward	23	FTE	79,799	14.3	91,194	\$76,395	12.1	\$85,674
Polk Pkwy	Polk	25	FTE	36,702	12.9	41,436	\$37,099	11.5	\$41,372
Alligator Alley	Collier/Broward	78	FDOT	9,605	12.1	10,766	\$33,512	10.7	\$37,106
Beachline East Expwy	Orange/Brevard	15	FTE	17,899	21.8	21,802	\$5,710	10.7	\$6,319
Sunshine Skyway	Pinellas/Manatee	17.4	FDOT	20,803	11.6	23,216	\$25,907	9.2	\$28,288
Seminole Expwy	Osceola/Orange/Seminole	55	FTE	39,351	7.7	42,369	\$53,422	4.6	\$55,898
Mid-Bay Bridge/Spence Pkwy	Okaloosa	14.6	FDOT	10,944	4.1	11,392	\$28,319	3.8	\$29,394
Pinellas Bayway	Pinellas	15.2	FDOT	9,633	1.7	9,796	\$5,185	-3.4	\$5,009

Source: Florida's Turnpike Enterprise Comprehensive Annual Financial Report, FY 2022; Florida Department of Transportation 2022 Toll Operations Annual Report.

A review of the available data indicates a positive trend in transactions and revenue on most of the facilities in the State of Florida due primarily to the continued positive impacts of recovery from the COVID-19 pandemic. Also, as previously mentioned, Lee County facilities were negatively impacted by toll suspensions the last week of FY 2022 during Hurricane Ian. Of the 13 facilities shown in the table, each of them saw increases in toll transactions in FY 2022. 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, including the conversion to AET on Lee County facilities and the implementation of the \$3.00 administrative fee per Pay-By-Plate transaction. Averaging the year-over-year percent change in toll and revenue on all facilities in the table, on average toll transactions increased by 15.2 percent while revenue increased by 13.2 percent.

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 2003 through 2022 for each of the three toll bridges. As indicated, changes have been minimal over the last few years, with a significant increase in FY 2022. The significant increase in FY 2022 can be partially attributed to the conversion to AET and the implementation of the \$3.00 administrative fee per Pay-By-Plate transaction.

Table 1-12
Historical Average Toll (Includes Program Sales)
FY 2003 – FY 2022

Fiscal Year		Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Systemwide
2003	¹	\$0.81	\$0.78	\$1.87	\$0.90
2004		\$0.83	\$0.80	\$1.95	\$0.92
2005	²	\$0.85	\$0.81	\$4.76	\$1.13
2006	³	\$0.84	\$0.80	\$4.11	\$1.07
2007		\$0.86	\$0.82	\$4.25	\$1.10
2008	⁴	\$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	⁵	\$1.77	\$1.71	\$4.30	\$2.15
2021		\$1.60	\$1.57	\$4.00	\$1.99
2022	⁶	\$2.01	\$1.92	\$4.55	\$2.40

⁽¹⁾ Traffic restrictions imposed on Sanibel Causeway January 2003.

⁽²⁾ Toll increase applied on Sanibel Causeway November 2004.

⁽³⁾ Reduced Fare Program transaction tolls reduced on Sanibel Causeway November 2005.

⁽⁴⁾ Toll rates doubled on November 1, 2007 on Cape Coral and Midpoint Bridges, in conjunction with the conversion to one-way tolling.

⁽⁵⁾ Cash tolls suspended beginning March 18, 2020 in response to the COVID-19 pandemic.

⁽⁶⁾ Conversion to All Electronic Tolling beginning October 1, 2022. Implementation of \$3.00 administrative fee per Pay-By-Plate transaction.

Systemwide, the average toll rate was \$2.40 in FY 2022. This figure includes revenue from toll transactions, as well as program sales. The average toll rate increased by \$0.41 on the Midpoint Memorial Bridge, increased by \$0.35 on the Cape Coral Bridge, and increased by \$0.55 on the Sanibel Causeway, which is indicative of the overall conversion to AET.

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 73,460 discount programs were sold in FY 2022, generating \$5,779,107 in revenue, or 10.4 percent of the total systemwide revenues. This represents a 5.0 percent increase in program sales revenue over FY 2021, when 71,612 program sales generated \$5,503,378 in gross revenue. Specific details of transactions and revenue by payment type are included in the facility chapters.

Table 1-13
Discount Program Sales and Revenue
FY 2022

	Program Description	Quantity	Revenue
Sanibel	Sanibel Annual Unlimited	3,144	\$ 1,172,867
	Sanibel Semiannual Nov thru Apr Unlimited	63	\$ 16,400
	Sanibel Semiannual May thru Oct Unlimited	222	\$ 50,525
	Sanibel Annual Reduced	10,590	\$ 657,354
	Sanibel Semiannual Nov thru Apr Reduced	1,822	\$ 88,150
	Sanibel Semiannual May thru Oct Reduced	720	\$ 34,950
Cape/Midpoint	Cape/Midpoint Annual Unlimited	3,297	\$ 983,838
	Cape/Midpoint Semiannual Nov thru Apr Unlimited	116	\$ 20,064
	Cape/Midpoint Semiannual May thru Oct Unlimited	241	\$ 39,452
	Cape/Midpoint Annual Reduced	41,508	\$ 1,515,340
	Cape/Midpoint Semiannual Nov thru Apr Reduced	2,520	\$ 57,312
	Cape/Midpoint Semiannual May thru Oct Reduced	3,046	\$ 69,936
Combination	Sanibel and Cape/Midpoint Annual Unlimited	600	\$ 422,951
	Sanibel and Cape/Midpoint Semiannual Nov thru April Unlimited	16	\$ 7,508
	Sanibel and Cape/Midpoint Semiannual May thru Oct Unlimited	62	\$ 24,067
	Sanibel and Cape/Midpoint Annual Reduced	4,510	\$ 456,195
	Sanibel and Cape/Midpoint Semiannual Nov thru April Reduced	373	\$ 26,825
	Sanibel and Cape/Midpoint Semiannual May thru Oct Reduced	331	\$ 23,902
	Annual Sanibel Reduced and Cape/Midpoint Unlimited	69	\$ 24,977
	Semiannual Nov thru April Sanibel Reduced and Cape/Midpoint Unlimited	-	\$ -
	Semiannual May thru Oct Sanibel Reduced and Cape/Midpoint Unlimited	3	\$ 622
	Annual Sanibel Unlimited and Cape/Midpoint Reduced	198	\$ 83,277
	Semiannual Nov thru April Sanibel Unlimited and Cape/Midpoint Reduced	2	\$ 648
	Semiannual May thru Oct Sanibel Unlimited and Cape/Midpoint Reduced	7	\$ 1,949
	Total	73,460	\$ 5,779,107

Source: Lee County FY 2022 Discount Program Sales

In **Table 1-14**, the comprehensive list of all program type sales has been 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 2022

Program	Total Count	Percent of Total
Cape Coral/Midpoint Unlimited	3,654	5.0
Cape Coral/Midpoint Reduced Fare	47,074	64.1
Sanibel Unlimited	3,429	4.7
Sanibel Reduced Fare	13,132	17.9
Combination	6,171	8.4
Total	73,460	100.0

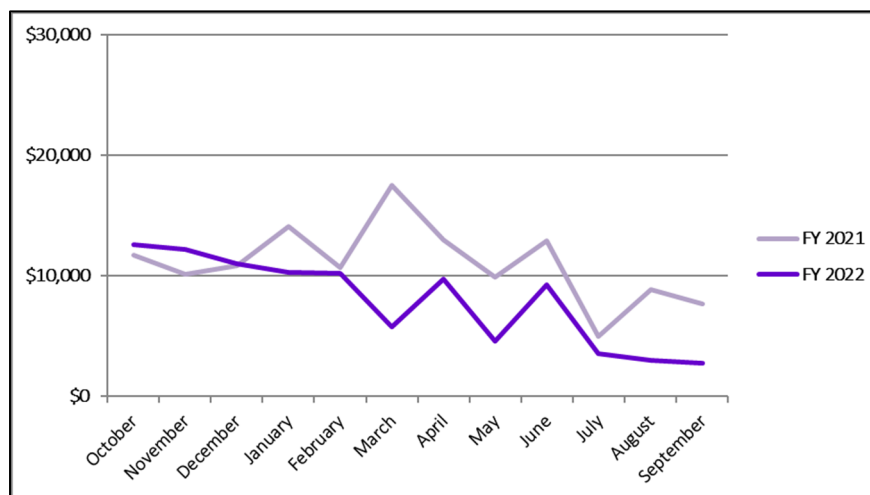
Source: Lee County FY 2022 Discount Program Sales

TRANSPONDER SALES

Additional revenues are generated directly through the sale of LeeWay transponders. Monthly transponder revenue and transponders sold in FY 2022 compared to FY 2021 are shown in **Figures 1-6** and **1-7**, respectively. During FY 2022, Lee County generated additional gross revenues of \$94,944 through the sale of 6,123 transponders. Transponder sales peaked in November with 862 transponders sold. Transponder sales and revenues were significantly lower in FY 2022. Transponder sales were 43.0 percent less in FY 2022 as compared with the previous year, while revenue also declined by 28.2 percent.

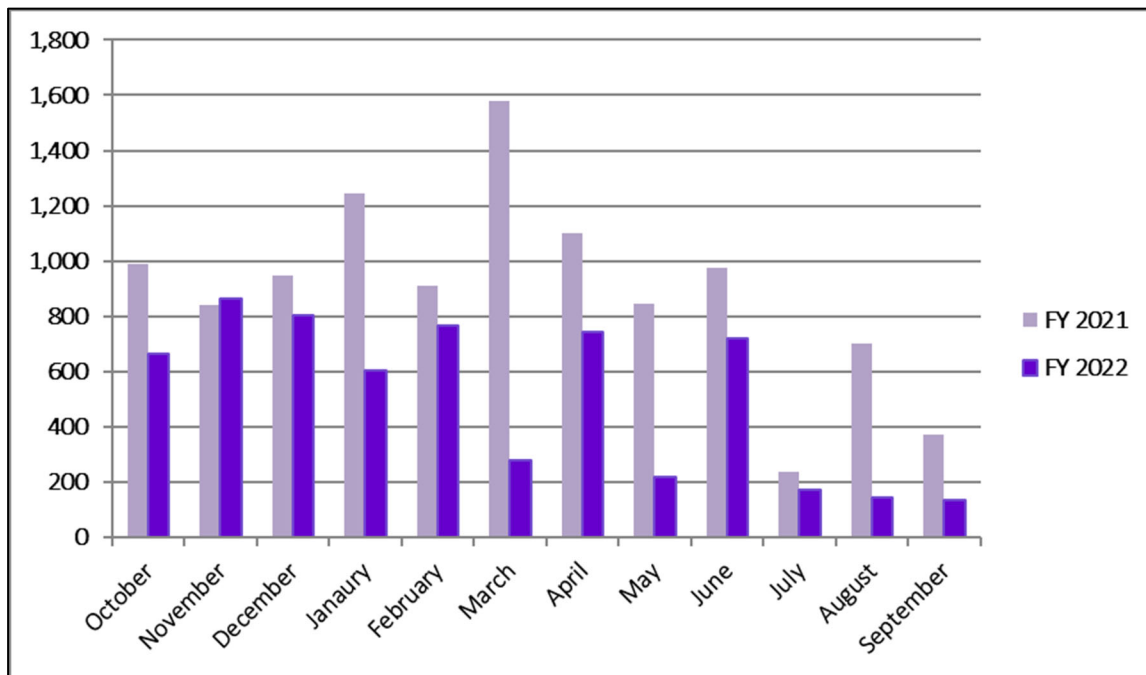
As of June, 2021, all customers can receive a free sticker transponder when opening a LeeWay account or adding a vehicle to an existing account. This has contributed to the significant decline in transponder sales and revenue in FY 2022.

Figure 1-6
Comparison of FY 2021 and FY 2022
Systemwide Monthly Revenues from Transponder Sales



Source: Lee County FY 2022 Transponder Sales

Figure 1-7
Comparison of FY 2021 and FY 2022
Systemwide Monthly Transponder Sales



Source: Lee County FY 2022 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. 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, E-ZPass 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 to locate the registered owner of the vehicle. The registered owner’s information is used to open a VES account and a Toll Due Invoice (TDI) is generated and mailed to the owner for Pay-By-Plate toll collection. 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 three 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, with plans to pursue motor vehicle registration holds in the future.

Table 1-15 presents a summary of systemwide violation transactions by month for FY 2022. As shown, violations represented roughly 34.6 percent of total transactions for FY 2022, which was the third full year of the suspension of cash toll collection at the toll facilities, which continued the significant increase in violations and a lower collection rate. Customers that formerly paid with cash are initially classified as "violators" and handled through the VES. Despite this, the average rate of violations sent for processing was 97.8 percent for the year.

Table 1-15
Monthly Violation Transactions
FY 2022

Month	Total Traffic	% of Violations	Total Violations	VES Code-Offs	Collection %
Oct	1,744,780	36.4%	635,028	37,278	97.9%
Nov	1,730,779	35.3%	611,430	38,983	97.7%
Dec	1,818,371	35.5%	645,602	43,218	97.6%
Jan	1,794,677	35.5%	637,441	44,116	97.5%
Feb	1,771,067	35.4%	627,720	48,437	97.3%
Mar	1,985,850	34.1%	677,958	48,437	97.6%
Apr	1,850,809	33.3%	615,395	38,889	97.9%
May	1,765,973	34.7%	612,777	35,606	98.0%
Jun	1,660,283	34.2%	567,829	34,441	97.9%
Jul	1,689,458	35.4%	597,733	35,299	97.9%
Aug	1,704,663	32.8%	558,470	33,457	98.0%
Sep	1,355,047	32.1%	435,266	30,627	97.7%
Total	20,871,757	34.6%	7,222,649	468,788	97.8%

Source: Lee County FY 2022 Violation Summary Report

Of the total violations, 6.5 percent were coded off because photos of license plates were not readable, or due to cross lane duplicates and other duplicate transactions. It should be noted that despite the increase in the number of violations, the percent of code-offs decreased compared to FY 2021. Total violations decreased by 13.9 percent from FY 2021 to FY 2022, with a 0.2 percent increase in the overall rate of collected transactions. In total, 97.8 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 2022, \$19,805,013 in violation revenue was registered by Lee County, a 12.1 percent decrease from \$22,535,916 in FY 2021. Of that total, 33.7 percent, or \$6,579,231 was collected by video tolling to existing ETC accounts or through the Rental Car Program. Another \$8,096,146, or 40.9 percent, was collected through Pay-By-Plate collection or through video billing with the issuance of Toll Due Invoices. A total of \$5,129,636 in originally registered violation revenue was never collected, representing a decrease of 33.4 percent compared to FY 2021. Also, an additional \$5,785,007 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, \$655,731 in revenue was collected through the VES, over and above the amounts originally owed. This represents combating the increase in revenue leakage, through the administration a \$3.00 per transaction fee added to invoices for Pay-By-Plate toll collection.

Table 1-16
Monthly Violation Revenue Collections
FY 2022

Month	Outstanding Revenue Collection	Video Tolling and Rental Car Program Revenue Collection	Outstanding Violation Collection	VES Pay-By-Plate and Court Collected Toll Revenue	Outstanding Collections, Losses, and False Transactions	Service Center Fees, Fines, and Misc. Revenue	Balance
Oct	-\$1,656,236	\$501,037	-\$1,155,199	\$880,263	-\$274,936	\$28,005	-\$246,930
Nov	-1,633,131	421,897	-1,211,234	737,526	-473,708	244,823	-228,886
Dec	-1,755,916	543,729	-1,212,187	701,111	-511,075	463,984	-47,091
Jan	-1,779,243	571,327	-1,207,916	753,626	-454,290	592,692	138,403
Feb	-1,763,217	539,040	-1,224,177	664,887	-559,290	552,433	-6,857
Mar	-1,881,454	689,779	-1,191,675	749,427	-442,248	639,496	197,248
Apr	-1,714,633	766,465	-948,168	677,746	-270,422	604,311	333,889
May	-1,707,402	596,454	-1,110,948	686,660	-424,288	625,482	201,194
Jun	-1,580,259	501,470	-1,078,789	619,343	-459,446	564,703	105,256
Jul	-1,686,774	553,644	-1,133,131	560,833	-572,298	511,233	-61,065
Aug	-1,497,168	522,460	-974,708	604,536	-370,172	534,343	164,171
Sep	-1,149,582	371,931	-777,651	460,189	-317,462	423,502	106,040
Total	-\$19,805,013	\$6,579,231	-\$13,225,782	\$8,096,146	-\$5,129,636	\$5,785,007	\$655,371

Source: Lee County FY 2022 Violation Summary Report

CHAPTER 2

REGIONAL ECONOMIC GROWTH TRENDS

Toll facility usage, such as the Lee County bridges, depends on three principal factors: regional travel demand; the travel time and/or distance savings achieved from using the toll facility compared to toll-free facilities; and willingness to pay for such time and/or distance savings.

Regional travel demand is driven predominantly by socioeconomic trends, such as population, employment, and other economic activities. These trends are measured most directly by gross regional product (GRP), but are also reflected by retail sales, tourism, real estate, and income metrics. Development trends and the relative housing market attractiveness also impact regional traffic. Customers only have one route between Fort Myers and Sanibel, limiting travel options across the Caloosahatchee River. Additionally, many residents with Cape Coral, Sanibel, or Fort Myers jobs must commute on the bridges daily. These factors directly impact both tolled and toll-free facilities.

Travel time and/or distance savings on toll facilities are based on the location of economic activities and transportation network conditions, such as congestion along alternative routes. If toll facilities offer significant travel time and/or distance savings, the facilities have relatively higher demand. While geography is fixed, relative congestion may change, with impacts on the toll facilities.

Ability and willingness to pay tolls determines facility demand, once the previous two factors are considered. Higher wages and certain trip purposes (commuter and business traffic) generally result in a higher value of time, resulting in a greater willingness to pay for time and/or distance savings. Discount programs, such as those offered through LeeWay, subsidize the ability to pay tolls and increase facility usage.

As these factors relate to socioeconomic trends, it is important to understand such conditions affecting Lee County facilities. This chapter presents socioeconomic metrics, with extensive historical context as appropriate and available. Where possible, comparative data are also presented for Florida and the United States. Except as noted, data presented refers to calendar years.

HISTORICAL SOCIOECONOMIC TRENDS

This section summarizes long-term historical socioeconomic trends pertaining to Lee County toll facilities, with data extending as far back as 40 years, through 2021 or 2022, as available. Data are from various government, academic, and private sources.

Population

Between 1970 and 2022, Lee County's population increased tremendously, at over 600 percent, with over 500,000 additional individuals between 1970 and 2008. Growth was interrupted in 2009 during the Great Recession when population declined by 8,600 people, or 1.4 percent. However, by 2010 growth resumed and continued since. In 2022, population increased 2.5 percent to 802,178. Since 1970, the compound average annual population growth rate was 4.0 percent. **Table 2-1** depicts Lee County's population growth, outpacing Florida at 2.3 percent, which in turn, historically grew faster than the nation, at 1.0 percent. Florida's population more than tripled from 6,791,418 in 1970 to 22,276,132 in 2022.

Table 2-1
Historical Population Growth
1970 – 2022

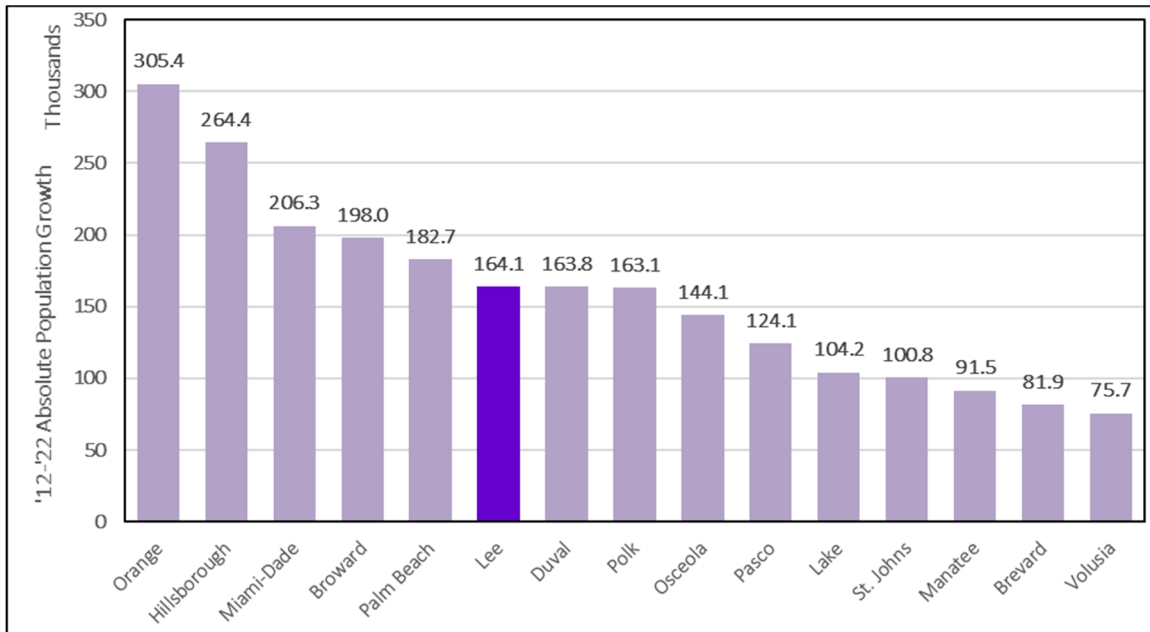
Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
1970	105,216	--	6,791,418	--	203,302,037	--
1980	205,266	6.9%	9,746,959	3.7%	226,542,250	1.1%
1990	335,113	5.0%	12,938,071	2.9%	248,790,925	0.9%
2000	440,888	2.8%	15,982,378	2.1%	281,421,906	1.2%
2001	454,918	3.2%	16,331,739	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%	311,556,874	0.9%
2012	638,029	2.0%	19,074,434	0.9%	313,830,990	0.7%
2013	643,367	0.8%	19,259,543	1.0%	315,993,715	0.7%
2014	653,485	1.6%	19,507,369	1.3%	318,301,008	0.7%
2015	665,845	1.9%	19,815,183	1.6%	320,635,163	0.7%
2016	680,539	2.2%	20,148,654	1.7%	322,941,311	0.7%
2017	698,468	2.6%	20,484,142	1.7%	324,985,539	0.6%
2018	713,903	2.2%	20,840,568	1.7%	326,687,501	0.5%
2019	735,148	3.0%	21,208,589	1.8%	328,239,523	0.5%
2020	750,493	2.1%	21,596,068	1.8%	331,511,512	1.0%
2021	782,579	4.3%	21,898,945	1.4%	332,031,554	0.2%
2022	802,178	2.5%	22,276,132	1.7%	333,287,557	0.4%
'70-'22	+696,962	4.0%	+15,484,714	2.3%	+129,985,520	1.0%

Source: Florida Office of Economic and Demographic Research April 1, 2022, Estimates (State and County); U.S. Census Bureau July 1 Estimates (National).

In absolute population growth terms, Lee County ranked with the sixth largest growth in Florida between 2012 and 2022; in relative terms, Lee County ranked 13th in percent population growth, as presented in **Figures 2-1** and **2-2**, respectively, based on annual population estimates from the Florida Office of Economic and Demographic Research via Census Bureau data. In the preceding decade since 2012, Lee County's population increased by 164,149 residents, equating to a 25.7

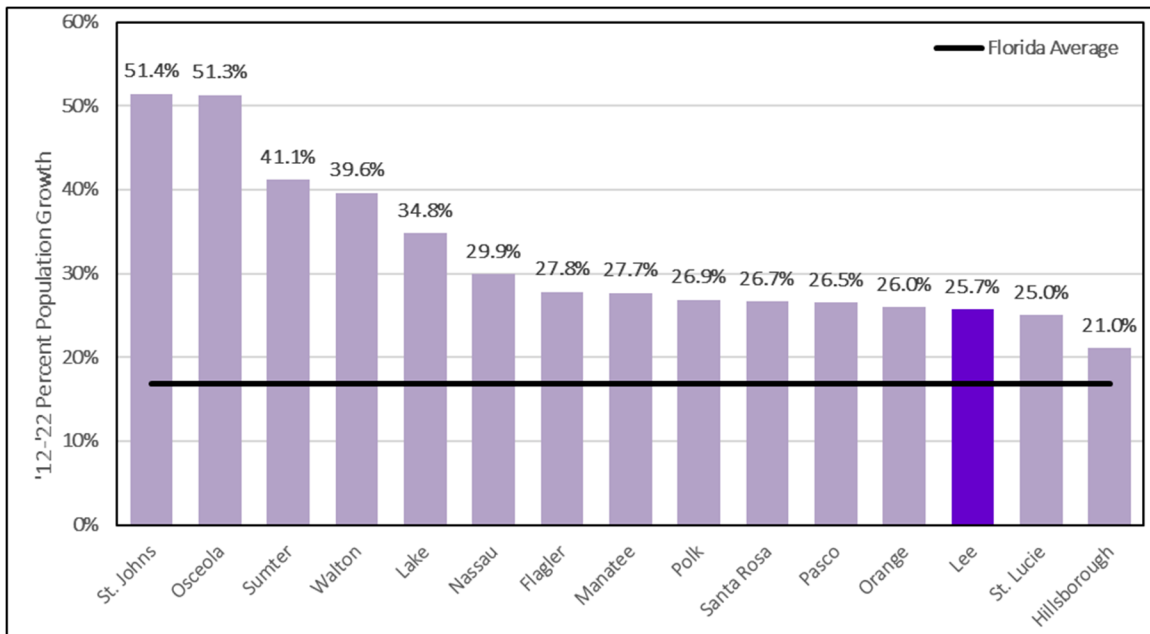
percent increase, from 638,029 to 802,178 residents. Lee County's relative ranking regarding population growth has not appreciably changed compared to other Florida counties.

Figure 2-1
Top Ten Counties Absolute Population Growth
2012 – 2022



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

Figure 2-2
Top Ten Counties Percent Population Growth
2012 – 2022



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

Employment

Total employment levels and changes since 1990 are shown in **Table 2-2**. Lee County's historical employment growth significantly outpaced Florida and the nation, with growth averaging 2.8 percent per year since 1990, compared with a statewide average of 1.7 percent and a national 0.9 percent average. Lee County's employment growth was strong throughout the 1990s and early 2000s, but employment levels contracted between 2007 and 2009 during the Great Recession. Employment growth resumed after 2009 until contracting 5.1 percent in 2020 due to the COVID-19 pandemic. However, the decline was less pronounced than Florida's 6.7 percent contraction and the nation's 6.1 percent. In 2022, Lee County's employment grew 5.3 percent over 2021.

Table 2-2
Historical Employment Growth
1990 – 2022

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
1990	149,605	--	6,078,379	--	118,870,667	--
1995	167,899	2.3%	6,645,821	1.8%	126,063,354	1.2%
2000	202,746	3.8%	7,620,683	2.8%	136,904,850	1.7%
2001	212,798	5.0%	7,692,124	0.9%	136,977,996	0.1%
2002	217,744	2.3%	7,651,923	-0.5%	136,455,783	-0.4%
2003	226,074	3.8%	7,760,904	1.4%	136,944,521	0.4%
2004	241,402	6.8%	8,033,591	3.5%	138,613,904	1.2%
2005	264,219	9.5%	8,400,346	4.6%	141,000,913	1.7%
2006	278,800	5.5%	8,707,158	3.7%	143,729,348	1.9%
2007	277,702	-0.4%	8,813,449	1.2%	145,156,135	1.0%
2008	262,190	-5.6%	8,636,212	-2.0%	144,860,346	-0.2%
2009	243,832	-7.0%	8,127,251	-5.9%	139,594,698	-3.6%
2010	246,599	1.1%	8,155,401	0.3%	139,393,813	-0.1%
2011	254,435	3.2%	8,334,119	2.2%	140,688,859	0.9%
2012	264,043	3.8%	8,529,063	2.3%	142,527,196	1.3%
2013	275,689	4.4%	8,706,060	2.1%	143,905,032	1.0%
2014	290,623	5.4%	8,931,440	2.6%	146,318,948	1.7%
2015	303,892	4.6%	9,106,772	2.0%	148,554,913	1.5%
2016	314,990	3.7%	9,360,237	2.8%	150,949,349	1.6%
2017	318,774	1.2%	9,544,892	2.0%	153,744,176	1.9%
2018	326,661	2.5%	9,734,029	2.0%	155,727,509	1.3%
2019	334,789	2.5%	9,928,235	2.0%	157,805,897	1.3%
2020	317,759	-5.1%	9,267,151	-6.7%	148,183,367	-6.1%
2021	342,117	7.7%	9,843,057	6.2%	153,099,685	3.3%
2022	360,252	5.3%	10,389,001	5.5%	158,291,136	3.4%
'90-'22	+210,647	2.8%	+4,310,622	1.7%	+39,420,469	0.9%

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

Household Income

Median household income from 1969 through 2021 is shown in **Table 2-3**. For years ending 1969, 1979, 1989, and 1999, data are from the Decennial Census, conducted the year after (1970, 1980, etc.). For years 2004 through 2021, data are from the U.S. Census Bureau, Small Area Income and Poverty Estimates, published annually. Each year's value is inflated to constant 2021 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 depicted 2020 dollars, historical values shown in 2021 dollars thus do not match those in previous Annual Reports.

Table 2-3
Historical Median Household Income Growth (2021\$)
1969 – 2021

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
1969	\$47,955	--	\$49,297	--	\$58,361	--
1979	\$53,506	1.1%	\$53,737	0.9%	\$61,668	0.6%
1989	\$56,827	0.6%	\$58,103	0.8%	\$63,167	0.2%
1999	\$60,835	0.7%	\$59,056	0.2%	\$66,191	0.5%
2004	\$62,365	0.5%	\$58,670	-0.1%	\$63,595	-0.8%
2005	\$63,823	2.3%	\$58,879	0.4%	\$64,159	0.9%
2006	\$65,423	2.5%	\$61,148	3.9%	\$65,123	1.5%
2007	\$66,324	1.4%	\$62,474	2.2%	\$66,311	1.8%
2008	\$64,014	-3.5%	\$60,161	-3.7%	\$65,481	-1.3%
2009	\$57,625	-10.0%	\$56,528	-6.0%	\$63,431	-3.1%
2010	\$55,146	-4.3%	\$55,162	-2.4%	\$62,190	-2.0%
2011	\$54,829	-0.6%	\$53,305	-3.4%	\$60,837	-2.2%
2012	\$54,757	-0.1%	\$53,117	-0.4%	\$60,629	-0.3%
2013	\$54,210	-1.0%	\$53,531	0.8%	\$60,776	0.2%
2014	\$56,254	3.8%	\$54,299	1.4%	\$61,416	1.1%
2015	\$57,978	3.1%	\$56,495	4.0%	\$63,765	3.8%
2016	\$59,825	3.2%	\$57,418	1.6%	\$65,050	2.0%
2017	\$59,914	0.1%	\$58,127	1.2%	\$66,699	2.5%
2018	\$60,800	1.5%	\$59,818	2.9%	\$66,836	0.2%
2019	\$66,099	8.7%	\$62,744	4.9%	\$69,648	4.2%
2020	\$69,247	4.8%	\$64,624	3.0%	\$70,504	1.2%
2021	\$66,426	-4.1%	\$63,054	-2.4%	\$69,717	-1.1%
'69-'21	+\$18,471	0.6%	+\$13,757	0.5%	+\$11,356	0.3%

Source: United States Census Bureau and Bureau of Labor Statistics. Values are inflated to constant 2020 dollars using the BLS Consumer Price Index for Urban Consumers Research Series CPI-U-RS.

Since 1969, Lee County's real median household income grew on average 0.6 percent per year, slightly faster than the statewide 0.5 percent per year and national 0.3 percent per year. Lee County's real median household income generally exceeded Florida's but not the national median household income. County median household income declined 15.3 percent between 2008 and

2013, during and after the Great Recession, declining to over \$6,000 below the national median levels. County, state, and national median household incomes all declined for those five consecutive years, reflecting above-average unemployment, and falling salaries. Lee County's real median household income increased each year from 2014 to 2020. However, 2021 median household income levels were 4.1 percent lower than 2020, or \$66,000. The Florida and national median household income also declined in 2021. This is most likely due to the slow-down of pandemic-related relief efforts and record high inflation.

Gross Regional Product

Gross Regional Product (GRP), referred to as Gross Domestic Product (GDP) nationally, is important to gauging overall economic health. Measured as the value of all goods and services provided (or consumed) within a region, including government spending, it is intended to represent aggregate economic activity. GRP and GDP are estimated annually for states, metropolitan areas, and nationally by the Bureau of Economic Analysis (BEA). Real GRP for Lee County, Florida, and national GDP between 2001 and 2021 are in **Table 2-4**. Values are in constant (or fixed, or real) 2012 dollars.

Table 2-4
Historical Gross Regional Product (Millions of 2012\$)
2001 – 2021

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2001	\$17,209	--	\$660,660	--	\$13,263,417	--
2002	\$18,639	8.3%	\$689,974	4.4%	\$13,488,357	1.7%
2003	\$20,556	10.3%	\$722,375	4.7%	\$13,865,519	2.8%
2004	\$23,332	13.5%	\$769,141	6.5%	\$14,399,696	3.9%
2005	\$25,529	9.4%	\$815,756	6.1%	\$14,901,269	3.5%
2006	\$27,436	7.5%	\$839,964	3.0%	\$15,315,943	2.8%
2007	\$27,513	0.3%	\$850,049	1.2%	\$15,623,871	2.0%
2008	\$25,137	-8.6%	\$816,070	-4.0%	\$15,642,962	0.1%
2009	\$22,800	-9.3%	\$769,061	-5.8%	\$15,236,262	-2.6%
2010	\$22,394	-1.8%	\$775,040	0.8%	\$15,648,991	2.7%
2011	\$22,203	-0.9%	\$772,021	-0.4%	\$15,891,534	1.5%
2012	\$22,669	2.1%	\$778,545	0.8%	\$16,253,970	2.3%
2013	\$23,151	2.1%	\$794,842	2.1%	\$16,553,348	1.8%
2014	\$24,280	4.9%	\$817,234	2.8%	\$16,932,051	2.3%
2015	\$25,739	6.0%	\$852,242	4.3%	\$17,390,295	2.7%
2016	\$27,624	7.3%	\$881,539	3.4%	\$17,680,274	1.7%
2017	\$28,253	2.3%	\$912,687	3.5%	\$18,076,651	2.2%
2018	\$29,155	3.2%	\$941,627	3.2%	\$18,609,078	2.9%
2019	\$29,515	1.2%	\$965,673	2.6%	\$19,036,052	2.3%
2020	\$29,571	0.2%	\$950,164	-1.6%	\$18,509,143	-2.8%
2021	\$32,192	8.9%	\$1,029,576	8.4%	\$19,609,812	5.9%
'01-'21	+\$14,982	3.2%	+\$368,916	2.2%	+\$6,346,395	2.0%

Source: United States Bureau of Economic Analysis.

Since the Great Recession (officially 2007 to 2009) through the 2020 COVID-19 pandemic, the national, state, and regional economies expanded annually, resulting in an entire decade of growth. On average since 2001, the growth in Lee County's GRP generally exceeded both Florida and the nation, with average rates of 3.2, 2.2, and 2.0 percent, respectively. The Great Recession affected Lee County more markedly than either Florida or United States, with shorter-duration and less severe annual declines in economic activity. Lee County exhibited faster growth between 2014 and 2016 than the larger economies, then decelerated prior-to the pandemic. In 2021, Lee County's GRP increased 8.9 percent, higher than Florida's 8.4 and the nation's 5.9 percent increases.

Building Permits

Housing growth was a significant factor during the 2000s economic expansion, and in the following downturn at the end of the decade, known as the "housing bubble." Areas such as Lee County experienced large population and employment increases associated with significant new housing construction. As home values and sales declined, Lee County's economic impact was particularly severe, as reflected in the previous employment, GRP and household income tables illustrating declines more severe than Florida and the nation. Such trend is underscored by the precipitous drop in new home construction during and after the Great Recession.

Estimated annual authorized housing units building permits between 2000 and 2021 are presented in **Table 2-5**. Lee County experienced double-digit building permit growth between 2003 to 2005, followed by significant annual declines through 2009. In 2010, 2011 and 2012, authorized permits rose slightly, with significant percent increases between 2013 and 2015. However, while the relatively large percentage increases appear substantial, they represent growth following a 96.8 percent decline between 2005 and 2009.

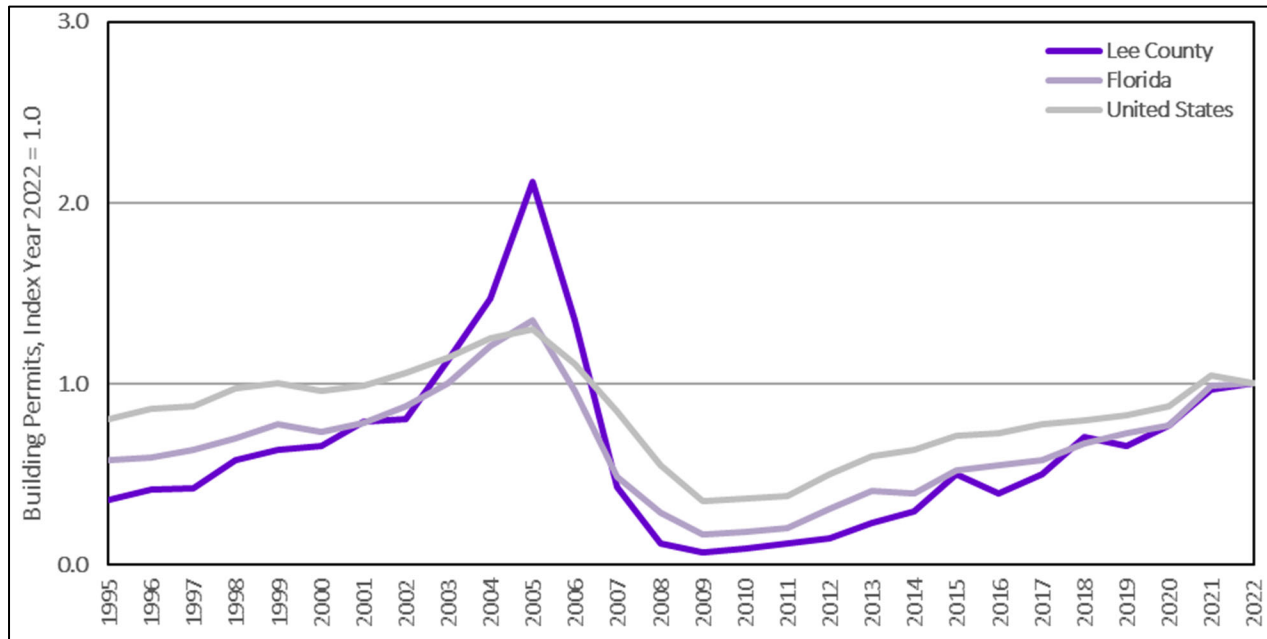
13,844 permits were issued in 2022, an annual 3.4 percent increase, yet only 47.2 percent of the 2005 peak, when over 29,000 units were permitted. Slower building permit growth can be partially attributed to high material costs, which are pushing homebuyers further north and east to more affordable submarkets. Building permit data from 1995 to 2022 are graphed in **Figure 2-3** as an index to the value in 2022. Both Florida and the United States also exhibited a 2005 peak with subsequent decline. Housing permit growth occurred during the pandemic, with Lee County's increasing 17.3 percent in 2020, with Florida and the nation by 5.1 percent and 5.9 percent, respectively. 2021 growth was more pronounced, at 25.5 percent in Lee County, similar in relative magnitude to Florida and nation.

Table 2-5
Building Permit Growth
2000 – 2022

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%
2021	13,394	25.5%	209,657	28.9%	1,729,910	19.2%
2022	13,844	3.4%	212,206	1.2%	1,651,857	-4.5%
'00-'22	+4,724	1.9%	+56,937	1.4%	+59,590	0.2%

Source: United States Census Bureau Building Permits Survey

Figure 2-3
Indexed Building Units Permitted
1995 – 2022



Source: United States Census Bureau Building Permits Survey

Tourism

Lee County toll bridge traffic, particularly on the Sanibel Causeway, is heavily influenced by regional tourism and by employment in the tourism and hospitality industry. Annual historical tourism visitation data are presented in **Table 2-6**. Due to a methodology change by the Florida Commission for Tourism, statewide estimates prior to 2009 are incompatible with currently available data; as such, data prior to 2009 are excluded.

COVID-19 negatively impacted travel/tourism in Florida and Lee County. While Lee County impacts in 2020 were not as severe as other Florida regions, the effect was nonetheless major, stemming from state and local restrictions, including stay-at-home orders, public space closures, and social distancing. Per **Table 2-6**, Lee County visitors declined 31.2 percent in 2020 to 3.4 million, 30.5 percent consisted of family/relatives, which is significantly lower than previous years. Lee County impacts were likely not as severe as other Florida regions due to earlier beaches and hotels/short-term rental openings. In 2021, Lee County visitors increased by 38.2 percent to nearly 4.7 million with 27.0 percent family/relatives. This significant increase can partly be attributed to the recovery from COVID-19 and gradual return to normal travel patterns. In 2022, Lee County experienced a decline in visitors of 5.4 percent with 28.0 percent family and relatives. Lee County visitor data are also graphed in **Figure 2-4**, showing trend with an increasing proportion of paid accommodation visitors. In 2022, tourists visiting friends and family declined 2.1 percent; tourists with paid accommodations declined 6.6 percent. The decline in tourism in 2022 can most likely be attributed to the negative impacts of Hurricane Ian, which impacted travel to the area from September 2022 through the end of the year.

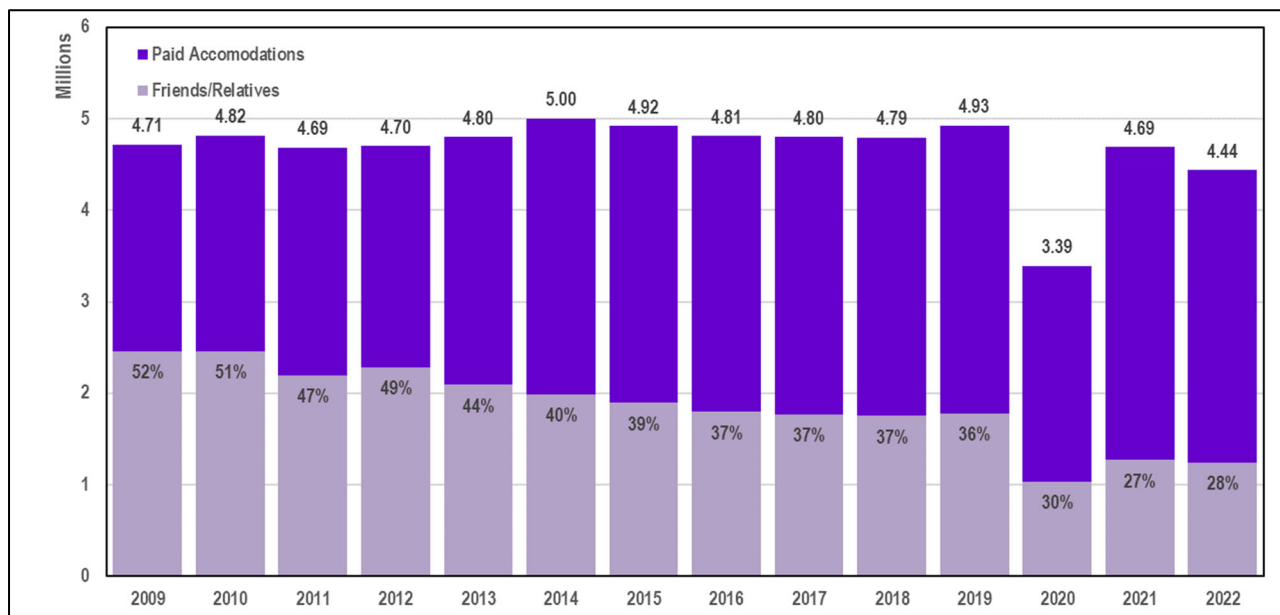
Table 2-6
Lee County and Statewide Tourism
2009 - 2022

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%	79,313,000	-39.7%
2021	1,272,100	23.1%	3,415,400	44.8%	4,687,500	38.2%	121,838,000	53.6%
2022	1,244,900	-2.1%	3,191,100	-6.6%	4,436,000	-5.4%	137,565,000	12.9%
'09-'22	-1,217,792	-5.1%	+942,504	3.2%	-275,288	-0.5%	+56,686,000	4.9%

*Note: 2022 Florida Visitor total is an estimate. Final data not expected until May/June 2022.

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

Figure 2-4
Lee County Annual Visitors
2009 – 2022



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

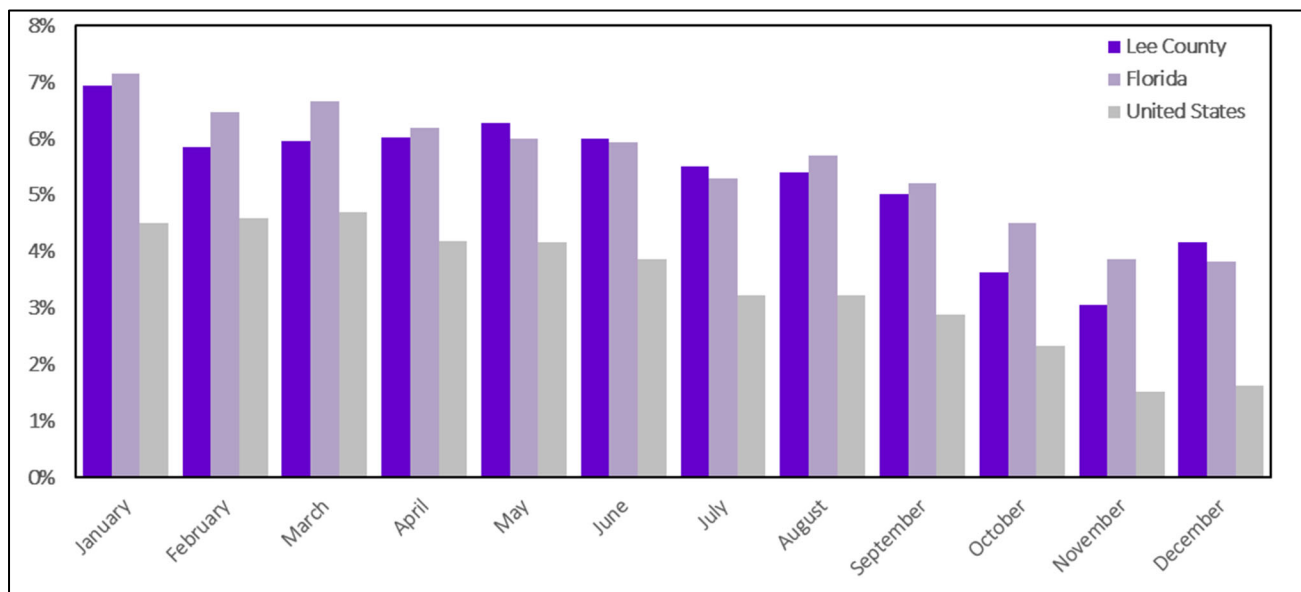
SHORT-TERM RECENT SOCIOECONOMICS

This section reviews recent economic trends in employment, unemployment, retail sales, and building permit activity, presented monthly, for recent years. Such variables provide additional insight into trends influencing recent transactions and toll revenues.

Employment

Year-over-year monthly employment percent changes between 2021 and 2022 are presented in **Figure 2-5** and are derived from the Bureau of Labor Statistics (BLS) Local Area Unemployment Statistics (LAUS). Employment levels increased in every month in 2022 on the county, state, and national levels. Both Lee County and Florida exhibited higher employment increases than the nation throughout 2022.

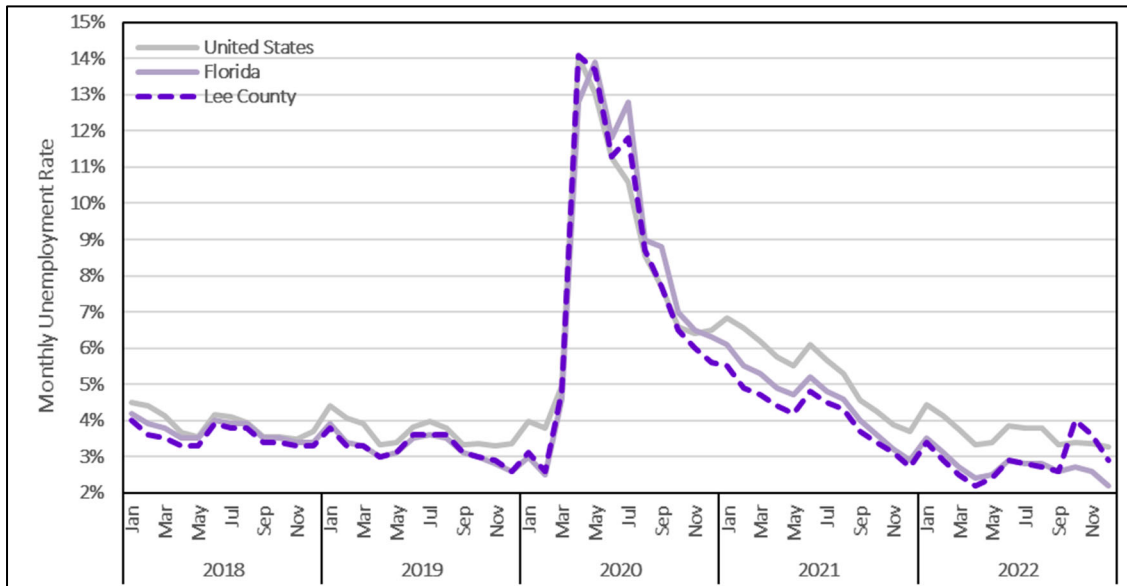
Figure 2-5
Monthly Employment Percent Change
2022 vs. 2021



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

Monthly unemployment rates for the past five years are shown in **Figure 2-6**, derived from the same BLS data as the previous figure. Since 2018, unemployment rates gradually declined through the end of 2019 to between 3.0 and 4.0 percent. In March 2020, unemployment rates increased, with a significant and unprecedented spike in April and May 2020, following COVID-19. Since the early pandemic months in mid-2020, unemployment rates steadily declined, with end-2021 down to pre-pandemic levels between 3.0 and 4.0 percent. Lee County in December 2022 exhibited a 2.9 percent unemployment., slightly higher than Florida's 2.2, and below the national 3.3.

Figure 2-6
Monthly Unemployment Rates
2018 – 2022

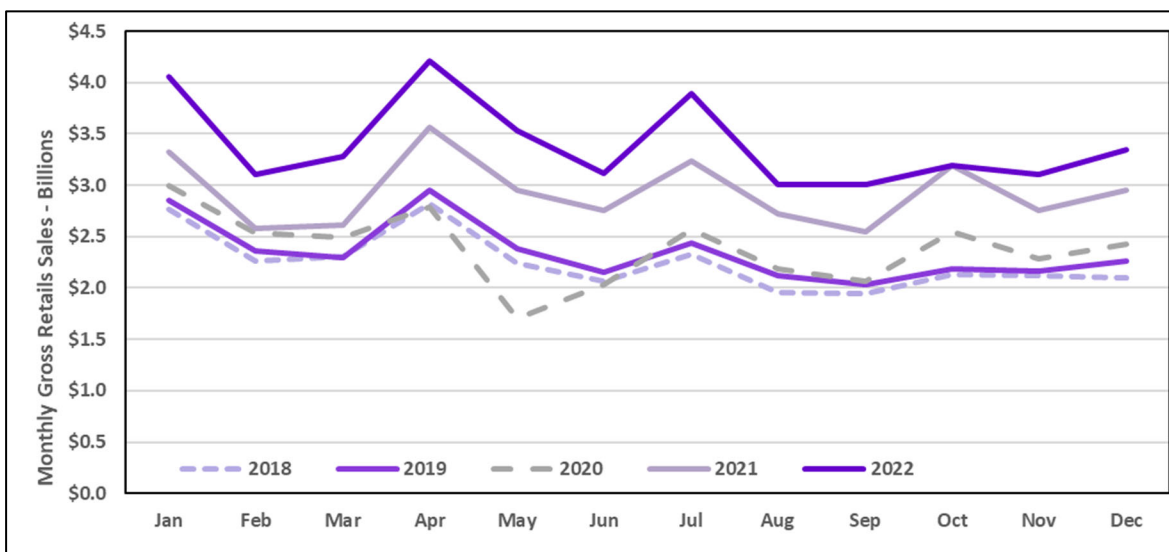


Source: United States Bureau of Labor Statistics, Local Area Unemployment Statistics.

Gross Retail Sales

Monthly gross retail sales in Lee County are presented in **Figure 2-7** for the last five years, based on Florida Department of Revenue data. Gross retail sales in 2022 exceeded 2018 through 2021 levels during all months of the year. In 2022, such sales increased further, at about 16.1 percent higher than 2021.

Figure 2-7
Lee County Monthly Gross Retail Sales
2018 – 2022

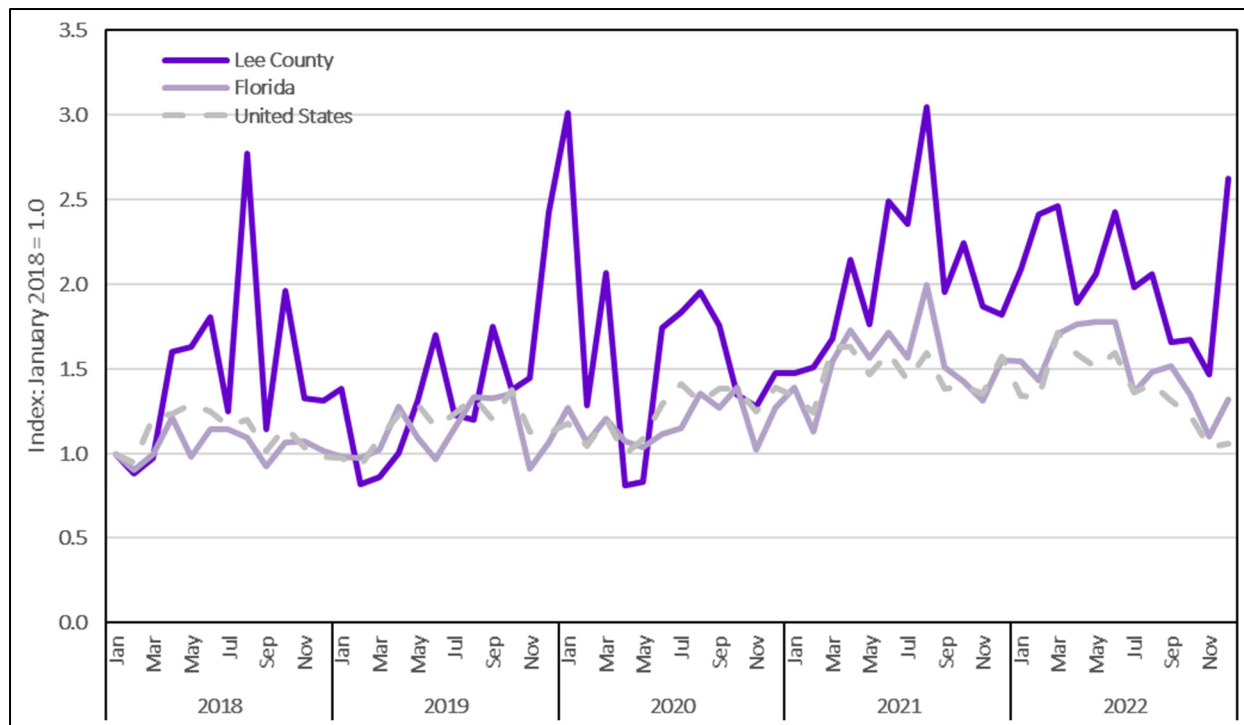


Source: Florida Department of Revenue, Florida Sales Tax Return Data

Building Permits

As noted, Lee County's housing market has been quite volatile, experiencing explosive growth in the early 2000s followed by a near total halt beginning 2007. Lee County's housing market is a good regional economic indicator, relating not only to home construction jobs, but as a leading population growth indicator, both result in higher traffic volumes. **Figure 2-8** presents new housing units authorized in the last five years, indexed to January 2018. Indexing allows for direct comparison between local, state, and national trends. While Lee County's trend is slightly more volatile than Florida or the nation (as expected, given relative scale), all have generally trended upwards in the last five years, regardless of COVID-19. Given the nature of the COVID-19 pandemic, with stay-at-home mandates, etc., the resultant recession did not prompt a housing crash similar to the 2007 housing bubble – fundamentally different causal factors and ensuing trends.

Figure 2-8
Indexed Building Units Permits
2018 – 2022



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

Cape Coral Development

While economic development typically proceeds gradually, some localized changes are concentrated and significant, potentially affecting travel patterns. Historically, many regional retail destinations were in Fort Myers, such that Cape Coral residents would cross the river on one of the four bridges to obtain goods and services. In the early 2010s, the City of Cape Coral began initiatives to provide more services “on island”; a continued trend representing a substantial shift in the local economic landscape, reducing (or at least dampening growth of) cross-river trip

demand, such as on the Cape Coral and Midpoint Memorial Bridges. The City adopted the *Cape Coral Economic Development Master Plan – Blueprint for Promoting Growth*, which has already been successful in locating new development for the city.

The master plan has the city divided into four quadrants, with potential development and redevelopment opportunities identified. The Southeast and Southwest quadrants are served by the Midpoint Memorial and Cape Coral Bridges. The Southeast quadrant was the city's first commercial area, originally developed in the 1960's. The South Cape Community Redevelopment Area (CRA) serves this commercial area. This CRA has four key objectives: 1.) Blight Removal, 2.) Attracting Private Investment, 3.) Attracting Major Employers, and 4.) Attracting a mix of market rate and affordable housing.

Within the Southeast quadrant, which runs from SR 78 to the Caloosahatchee River and from the river to Santa Barbara Blvd., the master plan identifies several redevelopment opportunities, including the 20-acres Bimini Basin East for redevelopment as a town center. In February of 2023, this site was approved for rezoning and master concept plan for Bimini Square, a \$100 million mixed use development with 218 multi-family units, 48,000 sq. ft. of medical office, 7,500 sq. ft. restaurant with boat slips, and 500-space parking garage, and will take 2 years to construct.

The Southwest quadrant, which runs from SR 78 to the Caloosahatchee River and from Santa Barbara Blvd. to Surfside Blvd., has more larger lot development opportunities plus redevelopment opportunities. For example, there are two apartment complexes along Veterans Parkway that are under development. The first is the Surfside Apartments, a 221-unit apartment complex near Surfside Blvd., which is under construction; and the second, the 320- unit Cape 84Acres development on Veterans Parkway at the turn to Burnt Store Road. With the economic development master plan, there appears to be a concentrated effort in bringing economic development and redevelopment in Cape Coral which may impact traffic on both the Midpoint Memorial and Cape Coral Bridges.

PROJECTED SOCIOECONOMIC GROWTH

This section contains an overview of forecasted population, employment, and GRP based on data from the Bureau of Economic and Business Research (BEBR) at the University of Florida and from Woods & Poole Economics, Inc. Data are generally presented in five-year increments, with average annual growth calculated therefrom.

Population

Population forecasts are presented in **Table 2-7**, based on BEBR for Lee County and Florida, and Woods & Poole for the nation, with the latter values presented developed by superimposing the growth rates from Woods & Poole to the actual 2021 population estimates in Table 2-1. Therefore, estimated population forecasts in Table 2-7 may not precisely match those presented in the Woods & Poole data. Such superimposition was made so projected future growth would be directly comparable to historical trends.

Table 2-7
Population Growth Forecast
2022 – 2045

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2022	802,178	--	22,276,132	--	333,287,557	--
2025	851,600	2.0%	23,164,000	1.3%	340,046,251	0.7%
2030	924,500	1.7%	24,471,100	1.1%	351,115,515	0.6%
2035	983,700	1.2%	25,520,800	0.8%	361,800,808	0.6%
2040	1,033,800	1.0%	26,405,500	0.7%	371,905,136	0.6%
2045	1,077,800	0.8%	27,176,700	0.6%	381,969,244	0.5%
'22-'45	+275,622	1.3%	+4,900,568	0.9%	+48,681,687	0.6%

Source: University of Florida Bureau of Economic and Business Research Florida Population Studies (Lee County and Florida); Woods & Poole Economics, Inc. 2022 CEDDS (U.S.); and CDM Smith calculations.

BEBR estimates Lee County's average annual population growth at 1.3 percent through 2045, with Florida at 0.9 percent. Woods & Poole projects 0.6 percent average annual growth for the nation. While BEBR forecasts are unavailable in one-year increments, the forecast suggests relatively faster growth in the next decade, followed by decelerating growth thereafter. Woods & Poole's national forecast show less deceleration trends than BEBR.

Employment

Employment forecasts are shown in **Table 2-8** from Woods & Poole. Similar to national population forecasts, data were developed by applying Woods & Poole growth rates onto actual 2021 employment previously shown in Table 2-2.

Lee County's employment growth forecasts are effectively the same as Florida's, both of which are forecast to outpace the nation. Lee County's employment forecast averages 1.3 percent and Florida's averages 1.5 percent annually through 2060; national growth is forecast at 1.0 percent. All geographies' employment forecast growth rates are projected to decelerate slightly over time.

Table 2-8
Employment Growth Forecast
2022 – 2060

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2022	360,252	--	10,389,001	--	158,291,136	--
2025	382,730	2.0%	11,075,256	2.2%	166,804,461	1.8%
2030	413,990	1.6%	12,031,436	1.7%	177,356,066	1.2%
2035	444,855	1.4%	13,002,352	1.6%	187,692,696	1.1%
2040	475,387	1.3%	13,992,818	1.5%	197,884,534	1.1%
2045	505,693	1.2%	15,009,313	1.4%	208,013,731	1.0%
2050	536,117	1.2%	16,066,861	1.4%	218,277,249	1.0%
2055	566,995	1.1%	17,180,573	1.3%	228,856,976	1.0%
2060	598,608	1.1%	18,364,609	1.3%	239,915,126	0.9%
'25-'60	+215,878	1.3%	+7,289,354	1.5%	+73,110,665	1.0%

Source: Woods & Poole Economics, Inc. 2022 CEDDS and CDM Smith calculations.

Real GRP

Gross Domestic Product (GDP) and Gross Regional Product (GRP) forecasts are shown in **Table 2-9**, with a 2020 base year, as this is the last year that historical data were available. Like the previous two tables, data were developed by applying Woods & Poole growth rate forecasts to the historical base.

As with employment, Woods & Poole GRP growth forecast for Lee County is projected to be 2.2 percent annually and Florida is projected to be 2.5 percent annually through 2060. National GDP is projected with slightly lower growth, averaging 1.9 percent. Woods & Poole forecast relatively rapid growth in 2021 followed by slower, steadier growth through 2060, closer aligned to historical average growth between 2.0 and 3.0 percent.

Table 2-9
Gross Product Growth Forecast (Millions of 2012\$)
2020 – 2060

Year	Lee County	Avg. Ann. % Δ	Florida	Avg. Ann. % Δ	United States	Avg. Ann. % Δ
2020	\$29,571	--	\$950,164	--	\$18,509,143	--
2025	\$33,813	2.7%	\$1,112,580	3.2%	\$21,064,282	2.6%
2030	\$38,180	2.5%	\$1,268,475	2.7%	\$23,345,672	2.1%
2035	\$42,813	2.3%	\$1,437,898	2.5%	\$25,737,156	2.0%
2040	\$47,721	2.2%	\$1,622,142	2.4%	\$28,250,491	1.9%
2045	\$52,916	2.1%	\$1,822,774	2.4%	\$30,901,354	1.8%
2050	\$58,436	2.0%	\$2,042,655	2.3%	\$33,724,437	1.8%
2055	\$64,326	1.9%	\$2,284,916	2.3%	\$36,756,446	1.7%
2060	\$70,629	1.9%	\$2,552,881	2.2%	\$40,034,952	1.7%
'20-'60	+\$41,058	2.2%	+\$1,602,717	2.5%	+\$21,525,809	1.9%

Source: Woods & Poole Economics, Inc. 2022 CEDDS; and United States Bureau of Economic Analysis.

CHAPTER 3

MIDPOINT MEMORIAL BRIDGE

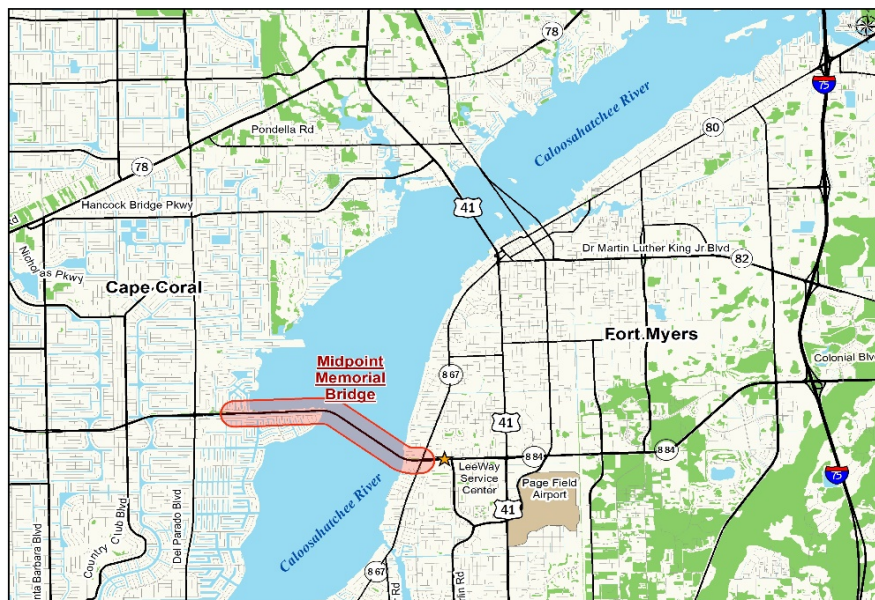
FACILITY PROFILE

The Midpoint Memorial Bridge, shown in **Figure 3-1**, connects Veterans Parkway (SR 884) in Cape Coral with Colonial Boulevard (SR 884) 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 improvements to the intersection were completed on SR 884 (Colonial Boulevard/Veterans Parkway) at SR 867 (McGregor Boulevard), US 41, and Del Prado Boulevard. The combined improvements provided an additional and much-needed river crossing and 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 2023 Multimodal Quality/ Level of Service Handbook – 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 2,910 vehicles per hour per direction to maintain a level of service (LOS) “D” and 3,340 to maintain LOS “E” for C1/C2 context classification facilities. Based on the generalized tables, the bridge can accommodate an average of 55,700 vehicles per day (two-way) maintaining a LOS “D” or 63,900 to maintain LOS “E.” Average daily transactions on the Midpoint Memorial Bridge reached their peak in February 2022 with an average weekday daily volume of 28,500 toll transactions in the tolled direction. The average weekday peak hour transaction volume for FY 2022 was 2,920, based on Lee County 15-minute transaction records. With a daily peak hour capacity of 3,340 vehicles per hour per direction, it is estimated that the facility operated at a LOS of E or better during peak hours for all of FY 2022. The official conversion to All-Electronic Tolling (AET) began on October 1, 2021 (beginning of FY 2022). Three lanes at the Midpoint Memorial Bridge toll plaza are open for AET collections. The toll booth structure will be removed in a future project.

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 from FY 2003 through FY 2022. 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. The historical toll transaction and revenue trends for the Midpoint Memorial Bridge from FY 2003 to the current reporting year are presented in **Table 3-1**.

Between FY 2003 and FY 2004, annual toll transactions grew 5.0 percent, and as the facility matured between FY 2004 and FY 2007, toll transactions grew at an average of 2.0 percent per year. Due to the conversion to one-way tolling in November 2007 (FY 2008), 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). Also in FY 2008, the first signs of the Great Recession appeared with declines in toll transaction and revenue growth through FY 2010. In FY 2011, annual toll transactions declined by 0.4 percent while revenue increased by 0.6 percent during this same 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, annual toll transactions and revenues increased annually over the prior year.

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 17.6 percent, respectively, due to the negative impacts of the COVID-19 pandemic.

Table 3-1
Midpoint Memorial Bridge Toll Transactions and Revenues
FY 2003 – FY 2022

Fiscal Year		Toll Transactions	Percent Change	Total Revenue*	Percent Change
2003		15,795,078	-	\$ 12,825,878	-
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	¹	17,571,604	-2.3	\$ 15,144,492	-0.3
2008	²	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	³	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	⁴	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	⁵	8,071,567	-7.5	\$ 14,324,662	-17.6
2021	⁵	8,854,936	9.7	\$ 14,204,750	5.6
2022	^{6,7}	8,865,800	0.1	\$ 17,813,539	25.4

Source: Lee County Daily Class/Traffic Type Reports

*Actual revenue collected can be for transactions that occurred in prior fiscal years.

⁽¹⁾ New violation enforcement system implemented in January 2007.

⁽²⁾ One-way tolling introduced on November 1, 2007.

⁽³⁾ Toll plaza reconstruction, including construction of high-speed ORT lanes and demolition of unused east-bound lanes completed in May 2011.

⁽⁴⁾ Effects from Hurricane Irma in September 2017.

⁽⁵⁾ Effects from COVID-19 pandemic beginning March 2020 through February 2021.

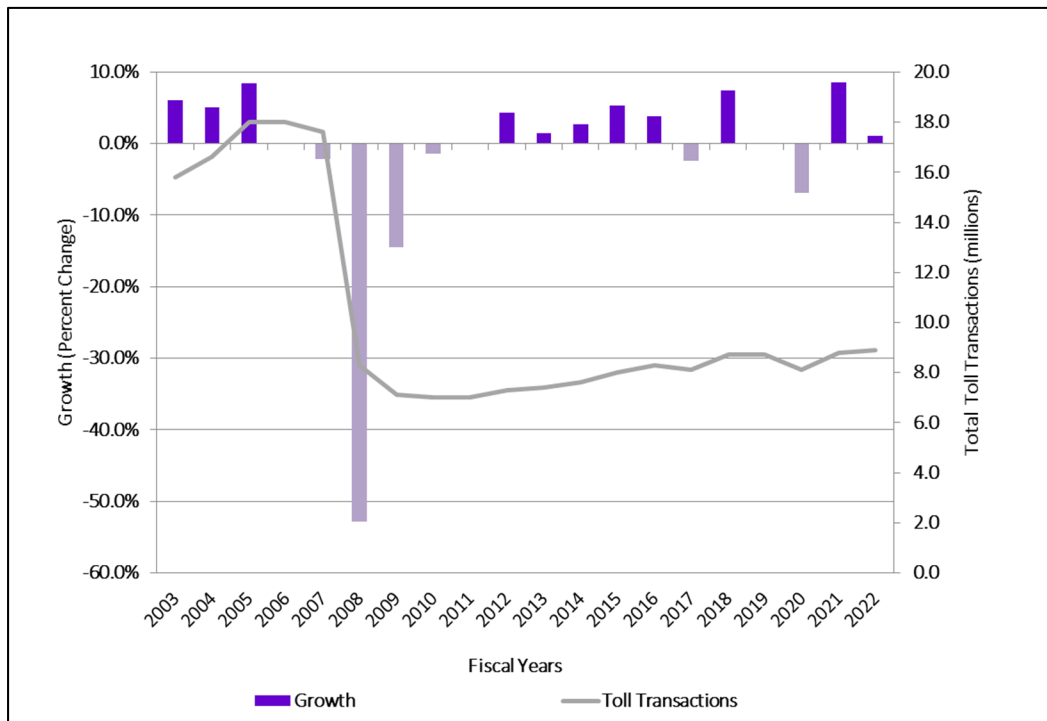
⁽⁶⁾ Conversion to All Electronic Tolling beginning October 1, 2021. Implementation of \$3.00 administrative fee per Pay-By-Plate transaction.

⁽⁷⁾ Effects from Hurricane Ian in September 2022.

The greater impact on revenue is due to the cash toll collection suspension beginning in March 2020. Former cash customer transactions are now being processed as Pay-By-Plate customers, who are identified by license plate reviews and sent a bill for their toll payments. In FY 2021, transactions increased by 9.7 percent and revenues increased by 5.6 percent compared to FY 2020, representing the increase over COVID-19 conditions. October 2020 through February 2021 transactions and revenues continued to be negatively impacted by the COVID-19 pandemic, with partial recovery starting in March 2021.

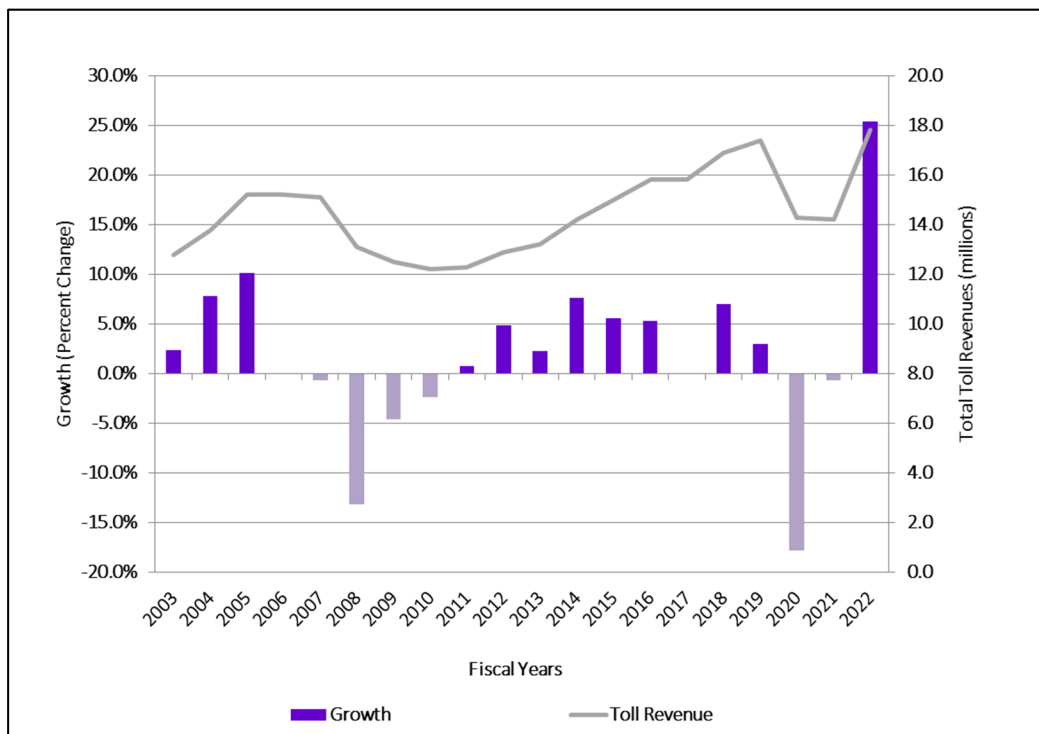
In FY 2022, transactions increased by 0.1 percent and revenues increased by 25.4 percent compared to FY 2021. The significant increase in revenues can be attributed to the conversion to AET, which began on October 1, 2021. Customers without a prepaid transponder are charged a \$3.00 administrative fee in addition to the toll for using the Pay-By-Plate system. In FY 2022, both transactions and revenues were negatively impacted by toll suspensions during Hurricane Ian. Tolls were suspended on the facility from September 26, 2022 through November 1, 2022, which included approximately 4.5 days of no toll collection the last week of FY 2022. 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 2003 – FY 2022



Source: Lee County Daily Class/Traffic Type Reports

Figure 3-3
Midpoint Memorial Bridge Historical Toll Revenues and Annual Growth
FY 2003 – FY 2022



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**. Using average number of weekday transactions allows for an easy comparison of the variations in relative travel demand over the year. From October 2021 through March 2022, the Midpoint Memorial Bridge overall experienced increases in both monthly and weekday transactions, as compared to the prior fiscal year. The average number of weekday transactions on Midpoint Memorial Bridge ranged from a low of 26,300 in June and July 2022 to a high of 28,600 in March 2022. The Midpoint Memorial Bridge experienced a decline in transactions in April, May, June, July, and September. The declines in April and July can be attributed to one less weekday in those months compared to the prior year. The declines experienced in September 2022 reflect the suspension of tolls on Midpoint Memorial Bridge shortly before Hurricane Ian's landfall on September 28. September average weekday transactions were adjusted to only include 17.5 days of toll collection during the month. Toll collection was suspended for the remaining 4.5 weekdays due to Hurricane Ian.

Table 3-2
Comparison of FY 2021 and FY 2022 Monthly Total Transactions
Midpoint Memorial Bridge

Month	Monthly Total Transactions			Average Weekday Transactions		
	FY 2021	% Change	FY 2022	FY 2021	% Change	FY 2022
October	726,391	5.6%	767,089	25,800	6.2%	27,400
November	674,608	10.9%	747,893	24,700	9.3%	27,000
December	743,381	4.3%	775,444	25,900	4.2%	27,000
January	732,951	4.1%	763,102	26,200	5.3%	27,600
February	707,940	4.0%	735,941	27,700	2.9%	28,500
March	806,587	1.0%	814,268	28,200	1.4%	28,600
April	778,421	-0.9%	771,766	28,400	-0.7%	28,200
May	767,591	-1.4%	756,474	27,300	-1.8%	26,800
June	757,178	-5.4%	716,493	27,300	-3.7%	26,300
July	759,427	-3.7%	731,170	26,300	0.0%	26,300
August	741,906	1.8%	755,216	26,600	0.0%	26,600
September ⁽¹⁾	725,715	-17.0%	602,292	26,400	0.4%	26,500
Total	8,922,096	0.2%	8,937,148	26,700	1.9%	27,200

Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records, FY 2022

⁽¹⁾ September average weekday transactions adjusted to include 17.5 days of toll collection, excluding 4.5 days of toll suspension during Hurricane Ian.

A full breakdown of Midpoint Memorial Bridge transactions by class and payment method during FY 2021 and FY 2022 is provided in **Table 3-3**. Full Fare Pay-By-Plate transactions for two-axle vehicles decreased by 14.7 percent compared to the same period in FY 2021. Transactions in the Full Fare and Variable Discount LeeWay categories increased by 19.5 percent and 17.4 percent, respectively. These trends reflect the shift in customer payment method from Pay-By-Plate to ETC to avoid the \$3.00 administrative fee per transaction that was implemented on October 1, 2021 (FY 2022). In absolute terms, Full Fare Variable Discount LeeWay program transactions increased by 113,978 transactions and Full Fare LeeWay transactions increased by 419,174. Following several years of declines, the LeeWay Unlimited program transactions increased in FY 2022, by 6.8 percent. Total LeeWay Discount Program transactions increased by 0.9 percent over FY 2021.

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 29.0 percent of toll-paying transactions in FY 2022. Overall, full fare transactions remained the same percent of market share as FY 2021. 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. Full Fare Pay-By-Plate remains the largest single payment category, accounting for 35.4 percent of toll-paying transactions, although with a decrease in market share of 6.2 percent compared to FY 2021.

The implementation of Pay-By-Plate in place of cash collection in FY 2021 may have initially encouraged additional video billing transactions due to the convenience to the customer. However, with the implementation of a \$3.00 administrative fee per transaction in FY 2022, it is

anticipated that the Full Fare Pay-By-Plate transactions and market share will continue to decline as customers shift to payment via ETC. As previously mentioned, Hurricane Ian also negatively impacted travel on Lee County facilities in FY 2022 during the month of September.

Table 3-3
Comparison of FY 2021 and FY 2022 Annual Transactions by Payment and Vehicle Type
Midpoint Memorial Bridge

Full Fare (2-Axle Vehicles)	FY 2021	% Market Share	FY 2022	% Market Share	Change	% Change	% Change in Market Share
Full Fare Pay-By-Plate	3,681,175	41.6%	3,138,481	35.4%	(542,694)	-14.7%	-6.2%
Full Fare LeeWay	2,152,414	24.3%	2,571,588	29.0%	419,174	19.5%	4.7%
Full Fare LeeWay Variable Discount	653,956	7.4%	767,934	8.7%	113,978	17.4%	1.3%
Subtotal – Full Fare	6,487,545	73.3%	6,478,003	73.1%	(9,542)	-0.1%	-0.2%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	1,422,371	16.1%	1,427,499	16.1%	5,128	0.4%	0.0%
LeeWay Reduced Fare Variable Discount	427,553	4.8%	420,958	4.7%	(6,595)	-1.5%	-0.1%
Subtotal – Reduced Fare	1,849,924	20.9%	1,848,457	20.8%	(1,467)	-0.1%	0.0%
LeeWay Unlimited	303,122	3.4%	323,601	3.6%	20,479	6.8%	0.2%
Subtotal – LeeWay Discounted Programs	2,153,046	24.3%	2,172,058	24.5%	19,012	0.9%	0.2%
All Vehicles							
Motorcycles	-	0.0%	-	0.0%	-	0.0%	0.0%
3+ Axle Vehicles - Pay-By-Plate	106,577	1.2%	110,070	1.2%	3,493	3.3%	0.0%
3+ Axle Vehicles - ETC	107,768	1.2%	105,669	1.2%	(2,099)	-1.9%	0.0%
Subtotal – 2-Axle Vehicles	8,640,591	97.6%	8,650,061	97.6%	9,470	0.1%	0.0%
Subtotal – Toll-Paying Traffic	8,854,936		8,865,800		10,864	0.1%	
Exempt/Non-Revenue	67,160		71,348		4,188	6.2%	
Total	8,922,096		8,937,148		15,052	0.2%	

Source: Lee County Daily Class/Traffic Type Reports.

As a complement to the previous table, revenues by payment category are presented in **Table 3-4**. The revenue shown in this table are based upon the actual revenue collected for each of the payment categories. Table 3-4 provides valuable insight into the distribution of revenues on the Midpoint Memorial Bridge.

The change in revenue by payment method follows the trends in toll transactions identified above. Discount program sales revenue increased by 4.6 percent while full fare ETC revenue increased by 18.6 percent. The Full Fare Pay-By-Plate revenue decreased by 19.6 percent compared to FY 2021 due to customers switching to ETC to avoid the \$3.00 per transaction administrative fee implemented in FY 2022. The Toll Due Notice \$3.00 fee totaled \$2.7 million in FY 2022 and represented 15.2% of total revenue collected on the facility. As previously mentioned, FY 2022 revenues were also negatively impacted by toll suspensions the last week in September during Hurricane Ian.

Table 3-4
Comparison of FY 2021 and FY 2022 Estimated Annual Revenue by Source
Midpoint Memorial Bridge

Payment Method	FY 2021	% Market Share	FY 2022	% Market Share	Change	% Change	% Change in Market Share
Discount Program Sales	\$ 1,484,430.36	10.5%	\$ 1,553,324.10	8.7%	\$ 68,893.74	4.6%	-1.7%
ETC Total	\$ 8,621,874.25	60.7%	\$ 10,226,639.00	57.4%	\$ 1,604,764.75	18.6%	-3.3%
LeeWay (including V-Tolls)	\$ 3,604,007.25		\$ 4,495,798.50				
FDOT (including I-Tolls)	\$ 4,852,879.00		\$ 5,306,188.50				
CFX (including I-Tolls)	\$ 111,744.00		\$ 155,203.00				
NCTA (including I-Tolls)	\$ 2,790.00		\$ 2,775.50				
SRTA (All transactions are I-Tolls)	\$ 3,324.00		\$ 3,412.00				
E-Z Pass (including I-Tolls)	\$ 47,130.00		\$ 263,261.50				
Pay-By-Plate	\$ 3,848,053.51	27.1%	\$ 3,095,742.54	17.4%	\$ (752,310.97)	-19.6%	-9.7%
Credit Card Fees from Interoperable Transactions	\$ 26,111.25	0.2%	\$ 27,013.90	0.2%	\$ 902.65	3.5%	0.0%
Fines	\$ 26,192.94	0.2%	\$ 15,237.26	0.1%	\$ (10,955.68)	-41.8%	-0.1%
Other Revenue			\$ 1,912.88	0.0%	\$ 1,912.88	0.0%	0.0%
Subtotal	\$ 14,006,662.31	98.6%	\$ 14,919,869.68	83.8%	\$ 913,207.37	6.5%	-14.8%
Transponder Sales	\$ 52,906.17	0.4%	\$ 28,480.36	0.2%	\$ (24,425.81)	-46.2%	-0.2%
Toll Due Notice Fee (\$3)	\$ 23,505.00	0.2%	\$ 2,736,413.87	15.4%	\$ 2,712,908.87	11541.8%	15.2%
Other Fee Revenue	\$ 121,676.37	0.9%	\$ 128,774.72	0.7%	\$ 7,098.35	5.8%	-0.1%
Total	\$ 14,204,749.85		\$ 17,813,538.63		\$ 3,608,788.78	25.4%	

Source: Lee County

SEASONAL TRANSACTION VARIATIONS

The relative variability of transactions from month to month highlights their seasonal patterns. A bridge that accommodates many 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 and those 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 various times of the year. September only includes 25.5 days of toll collection due to 4.5 days of toll suspension during Hurricane Ian.

The FY 2022 monthly seasonal transaction variations for the Midpoint Memorial Bridge are presented in **Table 3-5**. Over the twelve-month period, average daily transactions ranged from a high of 26,300 vehicles per day in February and March 2022 to a low of 23,600 vehicles per day in July and September 2022. 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 and March 2022 have the largest peak at 6.0 percent over the annual average and July and September 2022 are 4.8 percent below. Transactions on the Midpoint Memorial Bridge are typically below average during the second half of the fiscal year.

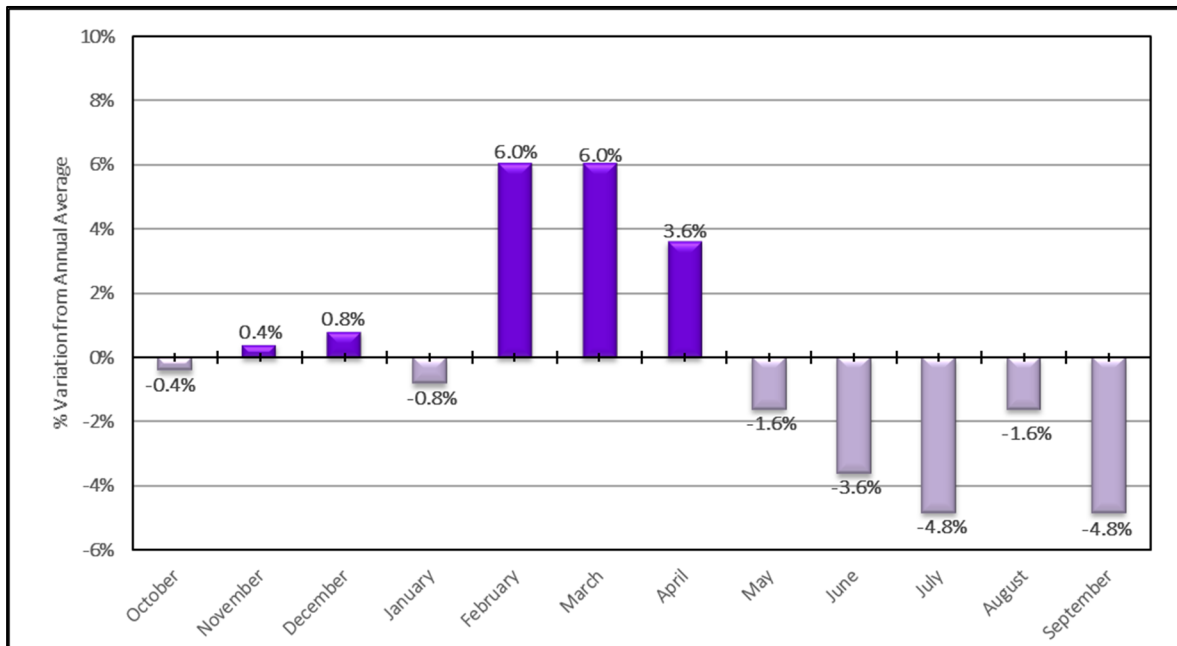
Table 3-5
Monthly Seasonal Variation in Transactions
Midpoint Memorial Bridge

Month	Number of Days in Month	Total Transactions	Average Daily Traffic	Seasonal Factor
October	31	767,089	24,700	0.996
November	30	747,893	24,900	1.004
December	31	775,444	25,000	1.008
January	31	763,102	24,600	0.992
February	28	735,941	26,300	1.060
March	31	814,268	26,300	1.060
April	30	771,766	25,700	1.036
May	31	756,474	24,400	0.984
June	30	716,493	23,900	0.964
July	31	731,170	23,600	0.952
August	31	755,216	24,400	0.984
September ⁽¹⁾	25.5	602,292	23,600	0.952
Average		744,762	24,800	1.000
Total Year	360.5	8,937,148		100.0

Source: Lee County Daily Class/Traffic Type Reports

⁽¹⁾ September average daily traffic adjusted to include 25.5 days of toll collection, excluding 4.5 days of toll suspension during Hurricane Ian.

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



Source: Lee County Daily Class/Traffic Type Reports

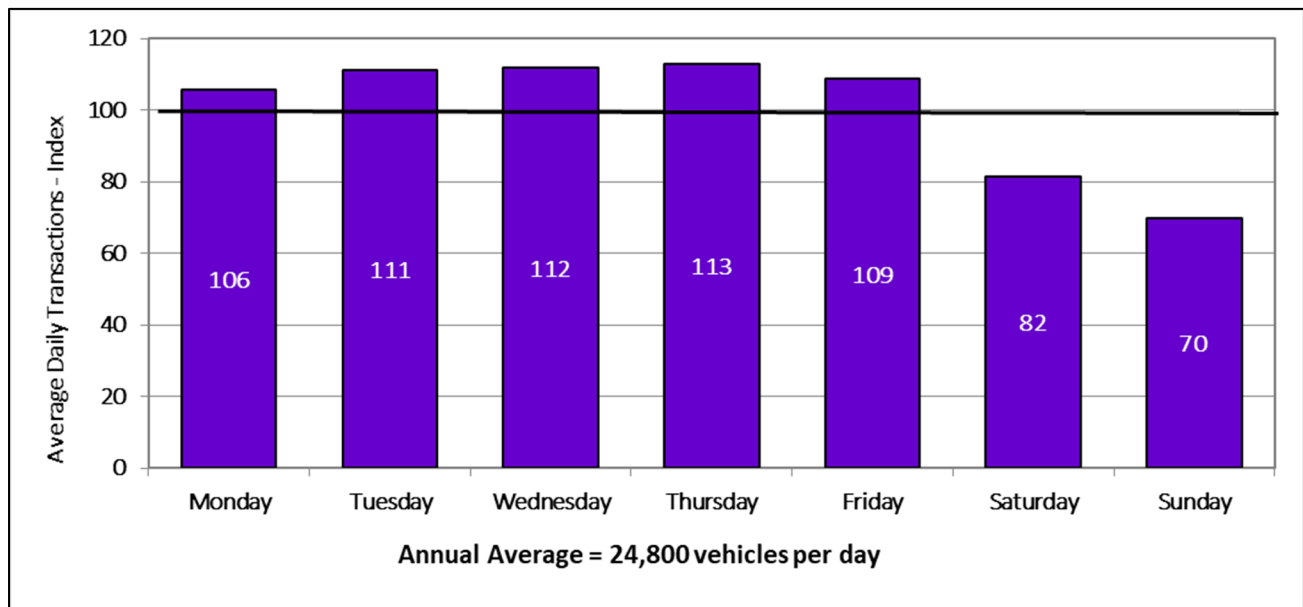
DAY-OF-WEEK TRANSACTION VARIATIONS

Fluctuations in transactions by day-of-week were also reviewed to provide additional insight into the operating characteristics of the facility. Typically, commuter-oriented bridges such as the Midpoint Memorial Bridge experience 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 2022 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 Thursdays, with an index value of 113 (13 percent higher than the average day), and volumes on Monday, Tuesday, Wednesday, and Friday ranged from index values of 106 to 112. Bridge transactions decline significantly on Saturdays and Sundays, which have index values of 82 and 70 consistent with a commuter facility. The variations in FY 2022 traffic by day-of-week are consistent with those seen in prior years.

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



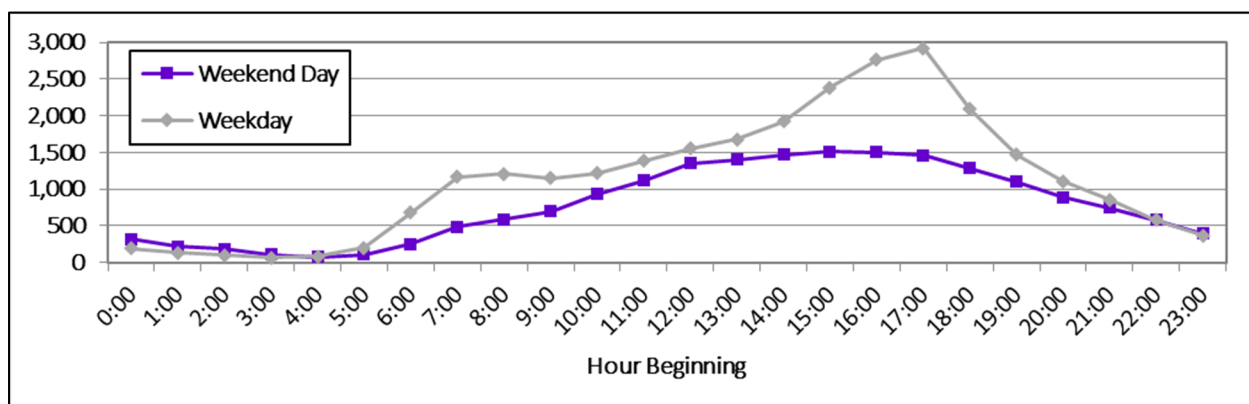
Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records, FY 2022

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 align 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 consider 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 2,900 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. The peak-hour volume represents approximately 10.7 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 1,500 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 2022

FUTURE IMPROVEMENTS AND PLANS

A review of the Lee County Capital Improvement Program (CIP) for future years identified a few projects that could impact traffic on Lee County toll facilities. The first is the Cape Coral Bridge westbound span replacement, which began design in FY 21/22, as well as the toll system replacement project programmed for construction in FY 22/23. A review of the FY 2022/2023 through FY 2026/2027 Lee County Metropolitan Planning Organization (MPO) Transportation Improvement Program (TIP) revealed one significant short-term planned improvement that would directly affect traffic on the Midpoint Memorial Bridge – SR 739 (Metro Parkway) from Daniels Parkway to north of Colonial Boulevard widening project. 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 Memorial 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.

The Burnt Store Road improvement is listed as priority #7 on the Lee County MPO 2021 Federal and State Funded Project Priority List. Two other improvements, the Veterans Parkway Widening and Colonial Boulevard/Summerlin Road, are in the Lee County CIP but beyond the first five years.

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 2022 the bridge was closed to vehicular traffic on November 11, 2021 between 6:00 PM and 9:00 PM. The race, which typically attracts 800 racers, started on the Midpoint Memorial Bridge at the McGregor Boulevard overpass on the Fort Myers side and crossed 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.

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

Based on information in the FDOT 2023 Multimodal Quality/Level of Service Handbook – Generalized Service Volume Tables, a multilane, divided highway facility such as the Cape Coral Bridge, which is designed for speeds of 50 MPH, can accommodate up to 2,910 vehicles per hour per direction to maintain a level of service (LOS) “D” and 3,340 to maintain LOS “E” for C1/C2 context classification facilities. Based on the generalized tables, the bridge can accommodate an average of 55,700 vehicles per day (two-way) maintaining a LOS “D” or 63,900 to maintain a LOS “E.” Average daily transactions on the Cape Coral Bridge reached their peak in March 2022 with an average daily volume of 26,300 toll transactions in the tolled direction. The average weekday peak hour transaction volume for FY 2022 was 2,933, based on Lee County 15-minute transaction records. With a daily peak hour capacity of 3,340 vehicles per hour per direction, it is estimated that the facility operated at a LOS of E or better during peak hours for all of FY 2022. The official conversion to the AET process began on October 1, 2021 (beginning of FY 2022). Four lanes at the Cape Coral Bridge toll plaza are open for AET collections. The toll booth structure will be removed in a future project.

HISTORICAL TOLL TRANSACTIONS AND REVENUES

This section contains a summary of detailed toll transaction and revenue performance for the Cape Coral Bridge toll facility from FY 2003 through FY 2022. 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. The historical toll transaction and revenue trends for the Cape Coral Bridge from FY 2003 to the current reporting year are presented in **Table 4-1**.

Historically, toll transaction growth on the Cape Coral Bridge was strong, 5.7 percent between FY 2003 and FY 2004, and 2.0 percent per year between FY 2004 and FY 2007. Due to the conversion to one-way tolling in November 2007 (FY 2008), 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). As well 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, because 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.

Table 4-1
Cape Coral Bridge Toll Transactions and Revenues
FY 2003 – FY 2022

Fiscal Year	Toll Transactions	Percent Change	Total Revenue*	Percent Change
2003	15,423,942	-	\$ 12,051,150	-
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 ¹	17,263,048	-1.1%	\$ 14,124,429	0.9%
2008 ²	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 ³	7,069,408	-3.4%	\$ 12,086,478	-2.0%
2013 ⁴	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 ⁵	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 ⁶	7,701,445	-8.9%	\$ 13,197,691	-18.0%
2021 ⁶	8,364,502	8.6%	\$ 13,171,616	-0.2%
2022 ^{7,8}	8,500,765	1.6%	\$ 16,290,405	23.7%

Source: Lee County Daily Class/Traffic Type Reports

*Actual revenue collected can be for transactions that occurred in the prior fiscal year.

⁽¹⁾ New violation enforcement system implemented in January 2007.

⁽²⁾ One-way tolling introduced on November 1, 2007.

⁽³⁾ Toll plaza reconstruction, including construction of high-speed ORT lanes and demolition of unused Eastbound lanes completed November 2012.

⁽⁴⁾ Reconstruction of Cape Coral Bridge toll plaza completed in November 2012.

⁽⁵⁾ Effects of Hurricane Irma in September 2017.

⁽⁶⁾ Effects from COVID-19 pandemic beginning March 2020 through February 2021.

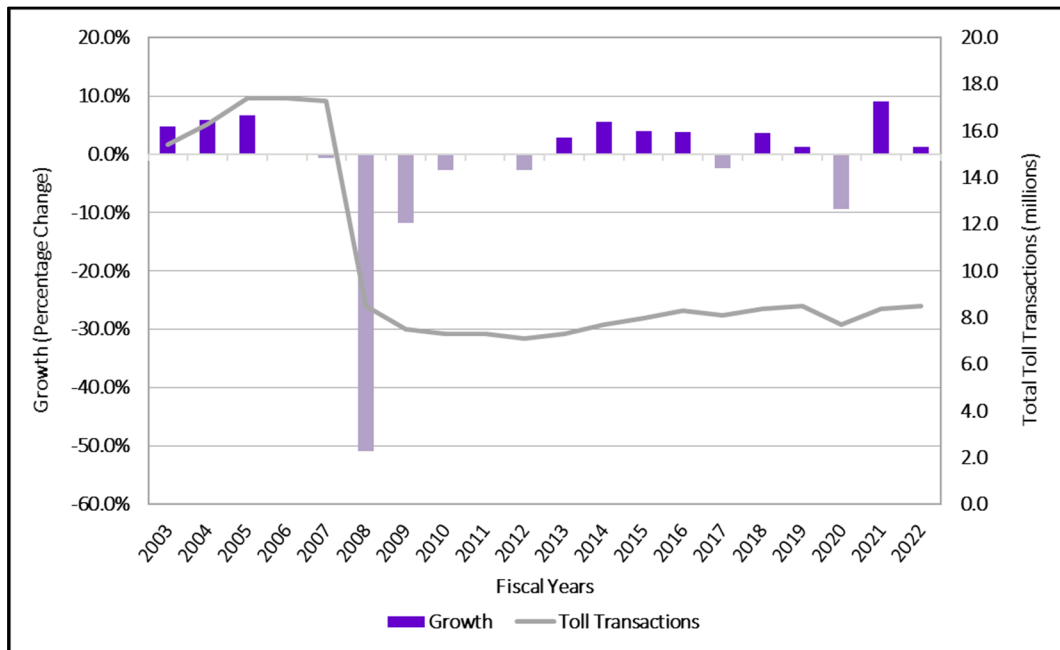
⁽⁷⁾ Conversion to All Electronic Tolling beginning October 1, 2021. Implementation of \$3.00 administrative fee per Pay-By-Plate transaction.

⁽⁸⁾ Effects from Hurricane Ian in September 2022.

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 18.0 percent, respectively, due to the negative impacts of the COVID-19 pandemic, which included the suspension of cash toll collection. The greater impact on revenue is due to the cash toll collection suspension beginning in March 2020. Former cash customer transactions are now being processed as Pay-By-Plate customers, who are identified by license plate reviews and sent a bill for their toll payments.

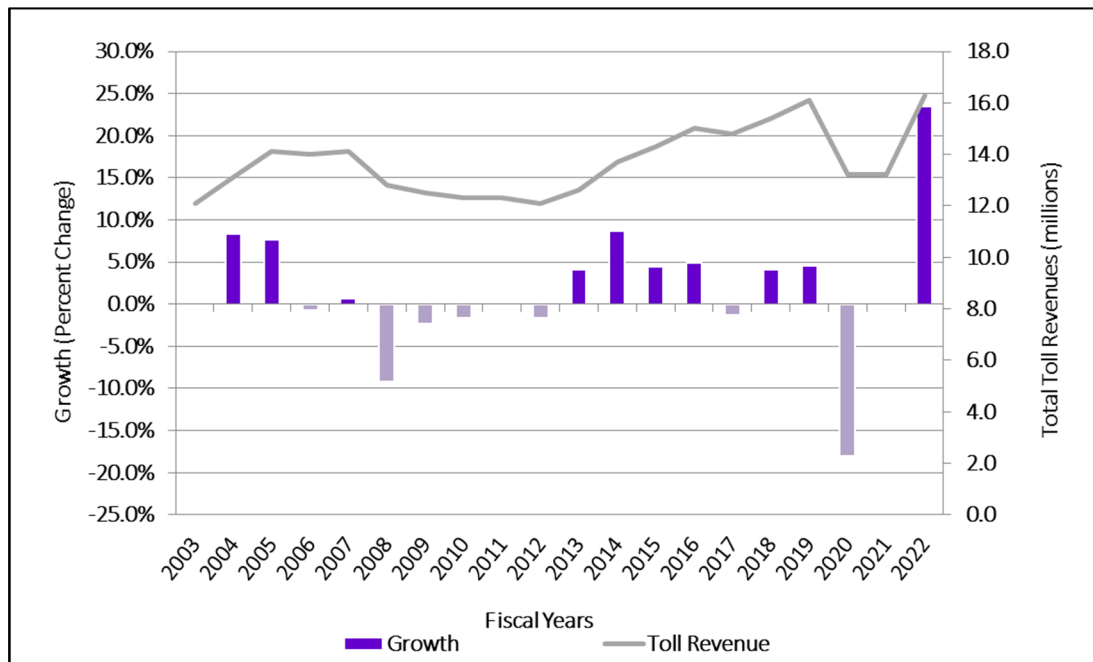
In FY 2022, transactions increased by 1.6 percent and revenues increased by 23.7 percent compared to FY 2021. The significant increase in revenues can be attributed to the conversion to AET, which began on October 1, 2021. Customers without a prepaid transponder are charged a \$3.00 administrative fee in addition to the toll for using the Pay-By-Plate system. In FY 2022, both transactions and revenues were negatively impacted by toll suspensions during Hurricane Ian. Tolls were suspended on the facility from September 26, 2022, through November 1, 2022, which included approximately 4.5 days of no toll collection the last week of FY 2022. 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 2003 – FY 2022



Source: Lee County Daily Class/Traffic Type Reports

Figure 4-3
Cape Coral Bridge Historical Toll Revenues and Annual Growth
FY 2003 – FY 2022



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**. Using average number of weekday transactions allows for an easy comparison of the variations in relative travel demand over the year. From October 2021 through April 2022, the Cape Coral Bridge experienced increases in both monthly and weekday transactions, as compared to the prior fiscal year. The average number of weekday transactions on the Cape Coral Bridge ranged from a low of 23,600 in July 2022 to a high of 28,600 in March 2022. The Cape Coral Bridge experienced a decline in transactions in May, June, July, and September. The decline in July can be attributed to one less weekday compared to the prior year. The declines experienced in September 2022 reflect the suspension of tolls on the Cape Coral Bridge shortly before Hurricane Ian's landfall on September 28. September average weekday transactions were adjusted to only include 17.5 days of toll collection during the month. Toll collection was suspended the remaining 4.5 weekdays due to Hurricane Ian.

Table 4-2
Comparison of FY 2021 and FY 2022 Monthly Total Transactions
Cape Coral Bridge

Month	Monthly Total Transactions			Average Weekday Transactions		
	FY 2021	% Change	FY 2022	FY 2021	% Change	FY 2022
October	673,421	6.8%	719,359	23,900	7.9%	25,800
November	631,334	12.8%	711,836	23,100	11.3%	25,700
December	693,202	7.6%	745,914	24,100	8.7%	26,200
January	705,951	3.5%	730,861	25,100	5.6%	26,500
February	689,902	5.5%	727,642	26,700	4.9%	28,000
March	789,775	3.7%	819,251	27,500	4.0%	28,600
April	749,974	1.2%	758,724	27,100	2.2%	27,700
May	719,529	-0.2%	717,821	24,500	2.9%	25,200
June	721,312	-6.2%	676,457	25,600	-3.5%	24,700
July	684,800	-2.2%	669,809	24,500	-3.7%	23,600
August	676,918	4.1%	704,836	24,200	2.1%	24,700
September ⁽¹⁾	669,931	-15.9%	563,661	24,300	-2.1%	23,800
Total	8,406,049	1.7%	8,546,171	25,000	3.6%	25,900

Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records, FY 2022

⁽¹⁾ September average weekday transactions adjusted to include 17.5 days of toll collection, excluding 4.5 days of toll suspension during Hurricane Ian.

A full breakdown of Cape Coral Bridge transactions by class and payment method during FY 2021 and FY 2022 is provided in **Table 4-3**. Full-Fare Pay-By-Plate transactions for two-axle vehicles decreased by 15.5 percent compared to the same period in FY 2021. Transactions in the Full Fare and Variable Discount LeeWay categories increased by 23.4 and 22.4 percent, respectively. These trends reflect the shift in customer payment method from Pay-By-Plate to ETC to avoid the \$3.00 administrative fee per transaction that was implemented on October 1, 2021 (FY 2022). In absolute terms, Full Fare Variable Discount LeeWay program transactions increased by 135,625 transactions and Full Fare LeeWay transactions increased by 461,854. Following several years of declines, the LeeWay Unlimited program transactions increased in FY 2022, by 4.0 percent. Total LeeWay Discount Program transactions increased by 2.4 percent over FY 2021.

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 28.7 percent of toll-paying transactions in FY 2022. Overall, full fare transactions remained the same percent of the market share as FY 2021. 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. Full Fare Pay-By-Plate remains the largest single payment category, accounting for 32.0 percent of toll-paying transactions, although with a decrease in market share of 6.5 percent compared to FY 2021.

The implementation of Pay-By-Plate in place of cash collection in FY 2021 may have initially encouraged additional video billing transactions due to the convenience to the customer.

However, with the implementation of a \$3.00 administrative fee per transaction in FY 2022, it is anticipated that the Full Fare Pay-By-Plate transactions and market share will continue to decline as customers shift to payment via ETC. As previously mentioned, Hurricane Ian also negatively impacted travel on Lee County facilities in FY 2022 during the month of September.

Table 4-3
Comparison of FY 2021 and FY 2022 Annual Transactions by Payment and Vehicle Type
Cape Coral Bridge

Full Fare (2-Axle Vehicles)	FY 2021	% Market Share	FY 2022	% Market Share	Change	% Change	% Change in Market Share
Full Fare Pay-By-Plate	3,216,655	38.5%	2,717,579	32.0%	-499,076	-15.5%	-6.5%
Full Fare LeeWay	1,975,320	23.6%	2,437,174	28.7%	461,854	23.4%	5.1%
Full Fare LeeWay Variable Discount	606,281	7.2%	741,906	8.7%	135,625	22.4%	1.5%
Subtotal – Full Fare	5,798,256	69.3%	5,896,659	69.4%	98,403	1.7%	0.0%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	1,522,481	18.2%	1,550,297	18.2%	27,816	1.8%	0.0%
LeeWay Reduced Fare Variable Discount	474,940	5.7%	487,272	5.7%	12,332	2.6%	0.1%
Subtotal – Reduced Fare	1,997,421	23.9%	2,037,569	24.0%	40,148	2.0%	0.1%
LeeWay Unlimited	442,969	5.3%	460,562	5.4%	17,593	4.0%	0.1%
Subtotal – LeeWay Discounted Programs	2,440,390	29.2%	2,498,131	29.4%	57,741	2.4%	0.2%
All Vehicles							
Motorcycles	0	0.0%	0	0.0%	0	0.0%	0.0%
3+ Axle Vehicles - Pay-By-Plate	55,390	0.7%	45,417	0.5%	-9,973	-18.0%	-0.1%
3+ Axle Vehicles - ETC	70,466	0.8%	60,558	0.7%	-9,908	-14.1%	-0.1%
Subtotal – 2-Axle Vehicles	8,238,646	98.5%	8,394,790	98.8%	156,144	1.9%	0.3%
Subtotal – Toll-Paying Traffic	8,364,502		8,500,765		136,263	1.6%	
Exempt/Non-Revenue	41,547		45,406		3,859	9.3%	
Total	8,406,049		8,546,171		140,122	1.7%	

Source: Lee County Daily Class/Traffic Type Reports

As a complement to the previous table, calculated revenues by payment category are presented in **Table 4-4**. The revenue shown in this table are based upon the actual revenue collected for each of the payment categories. Table 4-4 provides valuable insight into the distribution of revenues on the Cape Coral Bridge.

The change in revenue by payment method follows the trends in toll transactions identified above. Discount program sales revenue increased by 4.6 percent while full fare ETC revenue increased by 20.4 percent. The Full Fare Pay-By-Plate revenue decreased by 24.9 percent over FY 2021 due to customers switching to ETC to avoid the \$3.00 per transaction administrative fee implemented in FY 2022. The Toll Due Notice \$3.00 fee totaled \$2.2 million and represented 13.3 percent of total revenue collected on the facility. As previously mentioned, FY 2022 revenues were also negatively impacted by toll suspensions the last week in September during Hurricane Ian.

Table 4-4
Comparison of FY 2021 and FY 2022 Estimated Annual Revenue by Source
Cape Coral Bridge

Payment Method	FY 2021	% Market Share	FY 2022	% Market Share	Change	% Change	% Change In Market Share
Discount Program Sales	\$ 1,484,430	11.3%	\$ 1,553,324	9.5%	\$ 68,894	4.6%	-1.7%
ETC Total	\$ 8,195,760	62.2%	\$ 9,870,041	60.6%	\$ 1,674,281	20.4%	-1.6%
LeeWay (including V-Tolls)	\$ 3,926,183		\$ 4,833,526				
FDOT (including I-Tolls)	\$ 4,125,093		\$ 4,604,336				
CFX (including I-Tolls)	\$ 86,947		\$ 122,210				
NCTA (including I-Tolls)	\$ 3,044		\$ 4,108				
SRTA (All transactions are I-Tolls)	\$ 5,916		\$ 6,236				
E-Z Pass (including I-Tolls)	\$ 48,578		\$ 299,626				
Pay-By-Plate	\$ 3,252,027	24.7%	\$ 2,442,837	15.0%	\$ (809,190)	-24.9%	-9.7%
Credit Card Fees from Interoperable Transactions	\$ 26,169	0.2%	\$ 36,081	0.2%	\$ 9,912	37.9%	0.0%
Fines	\$ 23,232	0.2%	\$ 5,299	0.0%	\$ (17,933)	-77.2%	-0.1%
Other Revenue			\$ 2,732	0.0%	\$ 2,732	0.0%	0.0%
Subtotal	\$12,981,618	98.6%	\$ 13,910,313	85.4%	\$ 928,696	7.2%	-13.2%
Transponder Sales	\$ 52,906	0.4%	\$ 37,974	0.2%	\$ (14,932)	-28.2%	-0.2%
Toll Due Notice Fee (\$3)	\$ 15,416	0.1%	\$ 2,170,418	13.3%	\$ 2,155,002	13979.0%	13.2%
Other Fee Revenue	\$ 121,676	0.9%	\$ 171,700	1.1%	\$ 50,023	41.1%	0.1%
Total	\$13,171,616		\$ 16,290,405		\$ 3,118,789	23.7%	

Source: Lee County

SEASONAL TRANSACTION VARIATIONS

The relative variability of transactions from month to month highlights their seasonal patterns. A bridge that accommodates many 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 and those 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. September only includes 25.5 days of toll collection due to 4.5 days of toll suspension during Hurricane Ian.

The FY 2022 monthly seasonal transaction variations for the Cape Coral Bridge are presented in **Table 4-5**. Over the twelve-month period, average daily transactions ranged from a high of 26,400 vehicles per day in March 2022 to a low of 21,600 vehicles per day in July 2022. These data are presented in a graphical format 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. As can be seen here, March 2022 has the largest peak at 11.4 percent over the annual average and July 2022 is 8.9 percent below. Transactions on the Cape Coral Bridge are typically below average during the second half of the year.

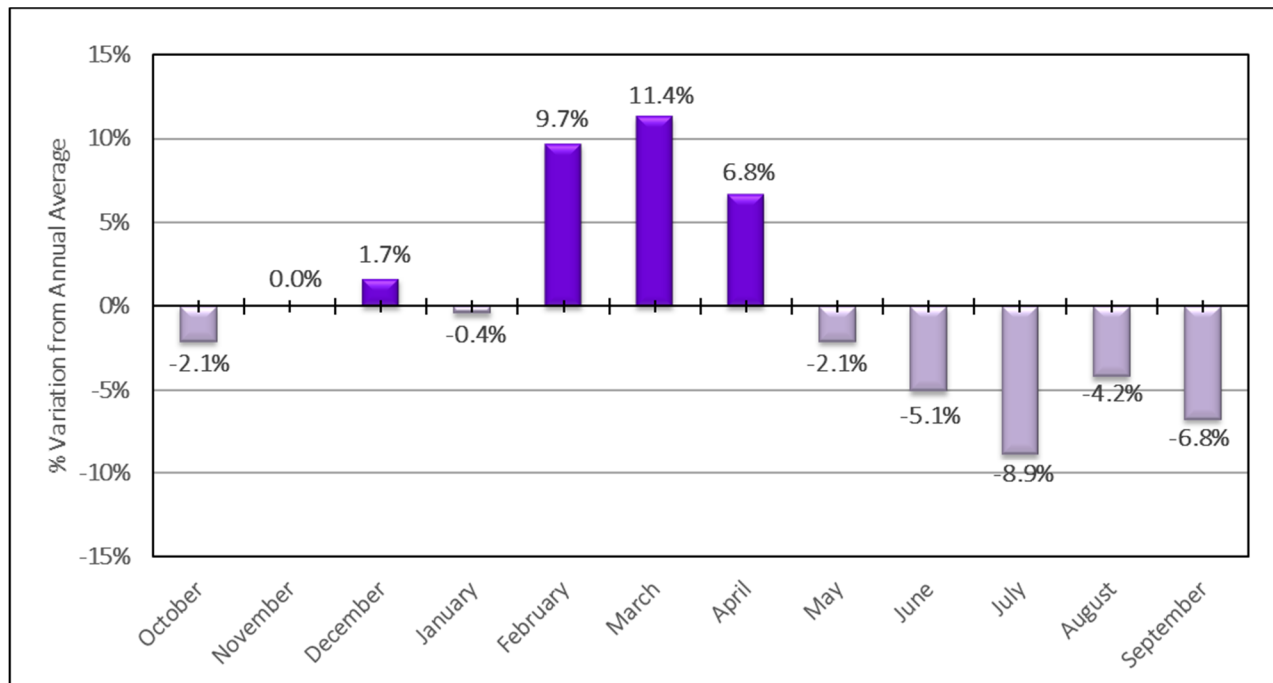
Table 4-5
Monthly Seasonal Variation in Transactions
Cape Coral Bridge

Month	Number of Days in Month	Total Transactions	Average Daily Traffic	Seasonal Factor
October	31	719,359	23,200	0.979
November	30	711,836	23,700	1.000
December	31	745,914	24,100	1.017
January	31	730,861	23,600	0.996
February	28	727,642	26,000	1.097
March	31	819,251	26,400	1.114
April	30	758,724	25,300	1.068
May	31	717,821	23,200	0.979
June	30	676,457	22,500	0.949
July	31	669,809	21,600	0.911
August	31	704,836	22,700	0.958
September ⁽¹⁾	25.5	563,661	22,100	0.932
Average		712,181	23,700	1.000
Total Year	360.5	8,546,171		

Source: Lee County Daily Class/Traffic Type Reports

⁽¹⁾ September average daily traffic adjusted to include 25.5 days of toll collection, excluding 4.5 days of toll suspension during Hurricane Ian.

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



Source: Lee County Daily Class/Traffic Type Reports

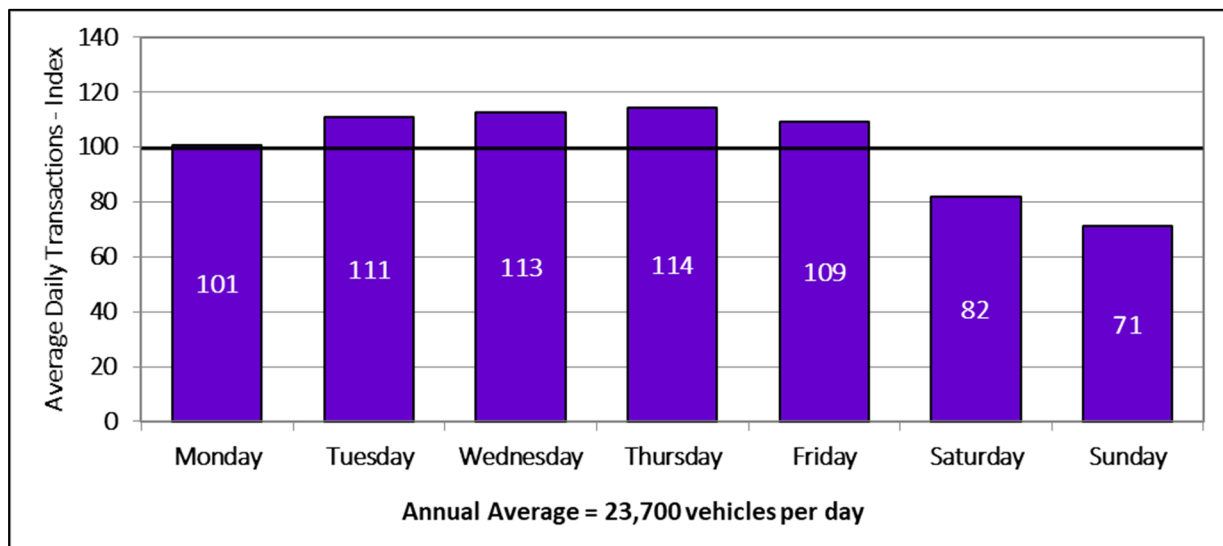
DAY-OF-WEEK TRANSACTION VARIATIONS

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 2022 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. Transactions were highest on Thursdays, with an index value of 114 (14 percent higher than the average day), and volumes on Monday, Tuesday, Wednesday, and Friday ranged from index values of 101 to 113. Bridge transactions decline significantly on Saturdays and Sundays, which have index values of 82 and 71. The variations in FY 2022 traffic by day-of-week are consistent with those seen in 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, FY 2022

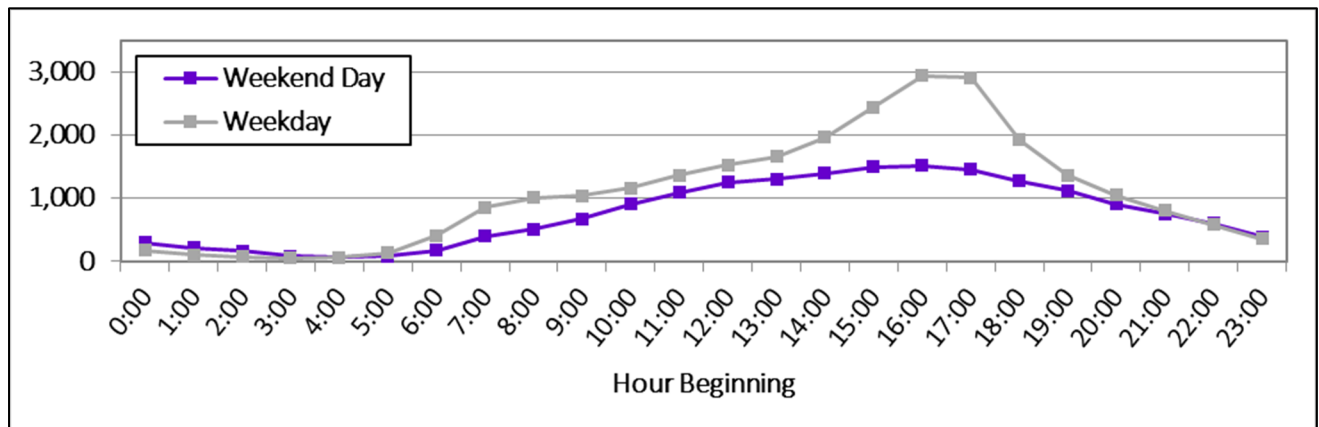
HOURLY TRANSACTION VARIATIONS

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.

The weekday and weekend day hourly transaction profiles on the Cape Coral Bridge are shown in **Figure 4-6**. 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 slightly over 2,900 vehicles per hour during the busiest hours between 4:00 and 6:00 p.m. The peak hour flattens during afternoon peak hours, indicating the bridge reaching capacity. 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. The peak-hour volume represents approximately 11.3 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 1,500 average peak hour vehicles in the 4:00 p.m. hour. After 5:00 p.m. transaction volumes decline steadily.

Figure 4-6
Hourly Transaction Profile
Cape Coral Bridge



Source: Lee County Toll Operations 15-minute transaction records, FY 2022

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, replacement of the westbound span of the Cape Coral Bridge, and additional lanes planned for the eastbound span for a total of six lanes. No other short-term facility improvements impacting the Cape Coral Bridge were identified in the MPO's TIP. 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.

The Lee County MPO 2045 Long Range Transportation Plan includes the Burnt Store Road improvement in the Cost Feasible Plan between 2031 and 2035 and the Cape Coral Bridge WB Span Replacement is listed for preliminary engineering in the current year.

ANNUAL EVENTS

On the 4th of July, the City of Cape Coral holds its annual City of Cape Coral Red, White and Boom event. The Cape Coral Bridge is the site of several activities including the Freedom 5K and a vantage point for the fireworks show. In FY 2022 the bridge was closed to vehicular traffic from 3:00 AM on July 4, 2022, through 3:00 AM on July 5, 2022.



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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

Based on information in the FDOT 2023 Multimodal Quality/Level of Service Handbook – 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 1,070 vehicles per direction per hour for LOS “D” for C3C Context Classification facilities. The average capacity is 21,700 vehicles per day (two-way) for LOS “D.” Average daily transactions on the Sanibel Causeway reached their peak in March 2022 with an average daily volume of 11,700 toll transactions in the tolled direction. The average weekday peak hour transaction volume for FY 2022 was 1,100, based on Lee County 15-minute transaction records. With a daily peak hour capacity of 1,070 vehicles per hour per direction, it is estimated that the facility operated at a LOS of D or better during peak hours for all of FY 2022. The official conversion to the AET process began on October 1, 2021 (beginning of FY 2022). Three lanes at the Cape Coral Bridge toll plaza are open for AET collections.

HISTORICAL TOLL TRANSACTIONS AND REVENUES

This section contains a summary of detailed transaction and toll revenue performance for the Sanibel Causeway toll facility from FY 2003 through FY 2022, 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, 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. The historical toll transaction and revenue trends for the Sanibel Causeway from FY 2003 to the current reporting year are presented in **Table 5-1**.

The last two decades included multiple toll rate adjustments, several significant hurricane disruptions, the Great Recession, and the COVID-19 pandemic that have negatively impacted transactions and revenues. It is worth noting in November 2004 (FY 2005), tolls were doubled from \$3 to \$6, which resulted in an increase in revenue and 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 reflected the Great Recession. Toll transaction growth resumed in FY 2011 and FY 2012, with transactions increasing by 1.3 percent over FY 2010 and by 2.1 percent over FY 2011, respectively. 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 was 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 2003 – FY 2022

Fiscal Year		Toll Transactions	Percent Change	Total Revenue*	Percent Change
2003	¹	3,249,378	-	\$ 6,071,656	-
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%	\$ 12,874,896	-15.6%
2021	⁷	3,419,121	14.1%	\$ 13,671,824	6.2%
2022	^{8,9}	3,505,192	2.5%	\$ 15,933,950	16.5%

Source: Lee County Daily Class/Traffic Type Reports

*Actual revenue collected can be from transactions that occurred in the prior fiscal year.

⁽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 through February 2021.

⁽⁸⁾ Conversion to All Electronic Tolling beginning October 1, 2021. Implementation of \$3.00 administrative fee per Pay-By-Plate transaction.

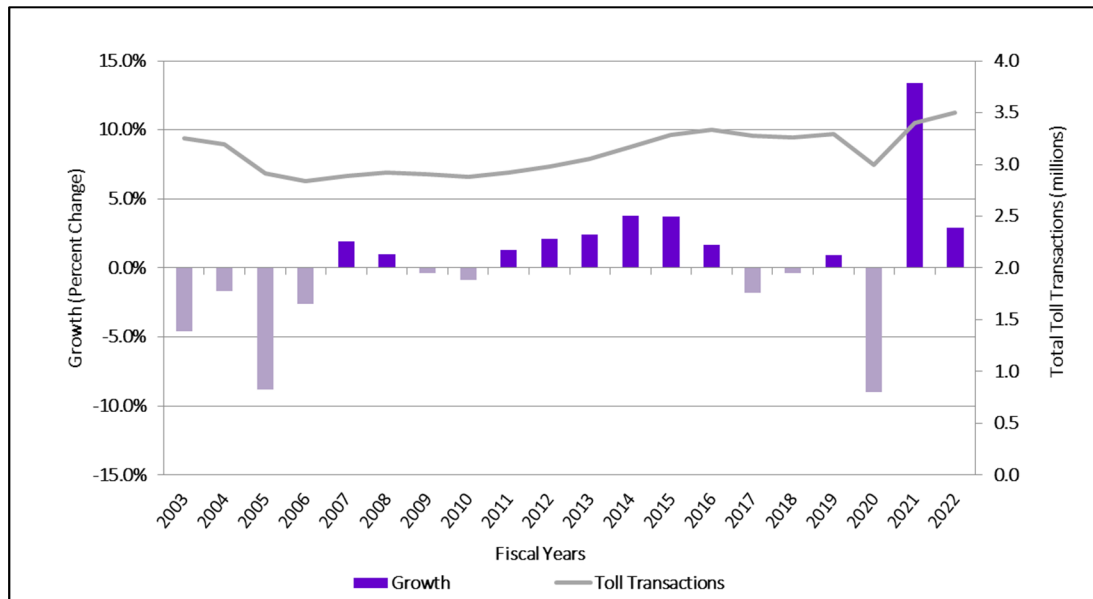
⁽⁹⁾ Effects from Hurricane Ian in September 2022.

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 recorded in FY 2001. 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 15.6 percent. The greater impact on revenue is due to the cash toll collection suspension beginning in March 2020. Former cash customer transactions are now being processed as Pay-By-Plate customers, who are identified by license plate reviews and sent a bill for their toll payments. In FY 2021, transactions increased by 14.1 percent and revenues increased by 6.2 percent compared to FY 2020, representing the initial recovery from COVID-19 conditions. October 2020 through February 2021 transactions and revenues continued to be negatively impacted by the COVID-19 pandemic, with partial recovery starting in March 2021.

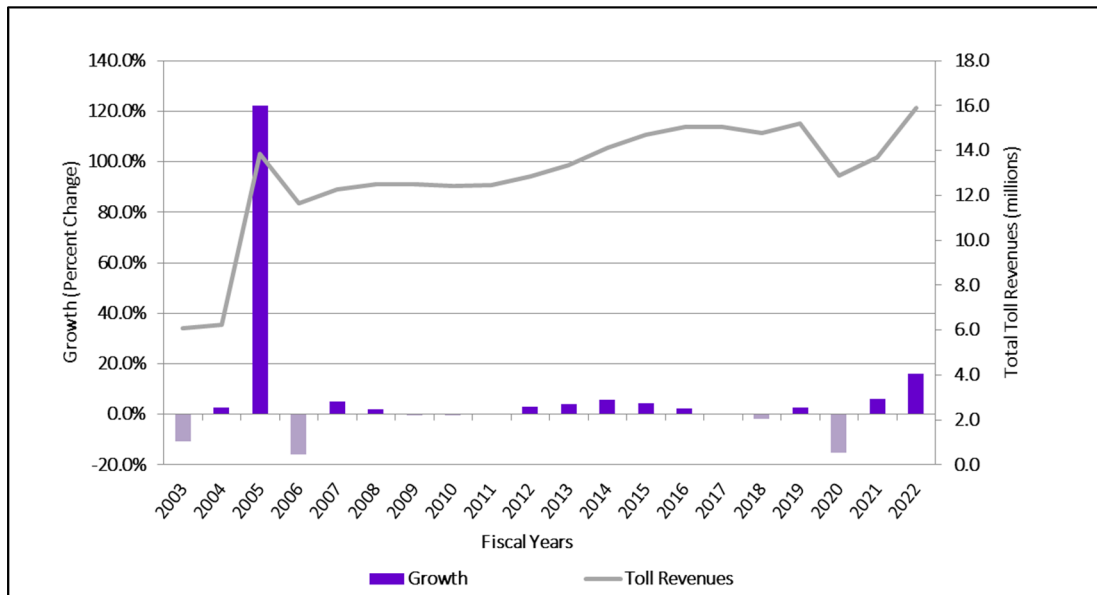
In FY 2022, transactions increased by 2.5 percent and revenues increased by 16.5 percent compared to FY 2021. The significant increase in revenues can be attributed to the conversion to AET, which began on October 1, 2021. Customers without a prepaid transponder are charged a \$3.00 administrative fee in addition to the toll for using the Pay-By-Plate system. In FY 2022, both transactions and revenues were negatively impacted by toll suspensions during Hurricane Ian. Tolls were suspended on the facility from September 26, 2022 through January 1, 2023, which included approximately 4.5 days of no toll collection the last week of FY 2022. 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 2003 – FY 2022



Source: Lee County Daily Class/Traffic Type Reports

Figure 5-3
Sanibel Causeway Historical Toll Revenues and Annual Growth
FY 2003 – FY 2022



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**. Using average number of weekday transactions allows for an easy comparison of the variations in relative travel demand over the year. From October 2021 through April 2022, the Sanibel Causeway overall experienced increases in both monthly and weekday transactions, as compared to the prior fiscal year. The average number of weekday transactions on Sanibel Causeway ranged from a low of 7,700 in September 2022 to a high of 11,900 in March 2022. The Sanibel Causeway experienced a decline in transactions in May, June, July, and September. The decline in July can be attributed to one less weekday in that month compared to the prior year. The declines experienced in September 2022 reflect the suspension of tolls on Sanibel Causeway shortly before Hurricane Ian's landfall on September 28. September average weekday transactions were adjusted to only include 17.5 days of toll collection during the month. Tolls were suspended the remaining 4.5 weekdays of the fiscal year due to Hurricane Ian.

Table 5-2
Comparison of FY 2021 and FY 2022 Monthly Total Transactions
Sanibel Causeway

Month	Monthly Total Transactions			Average Weekday Transactions		
	FY 2021	% Change	FY 2022	FY 2021	% Change	FY 2022
October	246,035	9.5%	269,353	8,200	9.8%	9,000
November	242,527	16.0%	281,379	8,300	15.7%	9,600
December	270,520	13.6%	307,355	9,000	14.4%	10,300
January	282,778	10.2%	311,596	9,400	11.7%	10,500
February	293,554	8.2%	317,584	10,600	9.4%	11,600
March	352,029	3.4%	363,863	11,400	4.4%	11,900
April	330,664	0.5%	332,323	11,000	0.9%	11,100
May	323,157	-6.1%	303,569	10,100	-5.0%	9,600
June	300,788	-7.2%	279,042	9,900	-6.1%	9,300
July	307,599	-2.5%	299,834	9,600	-1.0%	9,500
August	252,803	1.9%	257,717	8,400	0.0%	8,400
September	233,764	-14.7%	199,350	7,800	-1.3%	7,700
Total	3,436,218	2.5%	3,522,965	9,500	4.2%	9,900

Source: Lee County Daily Class/Traffic Type Reports, Lee County Toll Operations 15-minute transaction records, FY 2022

A full breakdown of Sanibel Causeway transactions by class and payment method during FY 2021 and FY 2022 is presented in **Table 5-3**. Full Fare Pay-By-Plate transactions for two-axle vehicles decreased by 7.7 percent compared to the same period in FY 2021. Transactions in the Full Fare LeeWay category increased by 140,553, or 22.1 percent. These trends reflect the shift in customer payment method from Pay-By-Plate to ETC to avoid the \$3.00 administrative fee per transaction that was implemented on October 1, 2021 (FY 2022). In absolute terms, the total Full Fare transactions increased by 1.9 percent over FY 2021. Following several years of declines, the LeeWay Reduced Fare Program transactions increased by 2.6 percent, and the LeeWay Unlimited program transactions increased in FY 2022, by 4.2 percent. Total LeeWay Discount Program transactions increased by 3.4 percent over FY 2021. Variable discount programs are not offered on the Sanibel Causeway.

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 accounted for 22.1 percent of toll-paying transactions in FY 2022. Overall, full fare transactions were 0.3 percent less market share compared to FY 2021. 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. Full Fare Pay-By-Plate remains the largest single payment category, accounting for 35.3 percent of toll-paying transactions, although with a decrease in market share of 7.7 percent compared to FY 2021.

The implementation of Pay-By-Plate in place of cash collection in FY 2021 may have initially encouraged additional video billing transactions due to the convenience to the customer.

However, with the implementation of a \$3.00 administrative fee per transaction in FY 2022, it is anticipated that the Full Fare Pay-By-Plate transactions and market share will continue to decline as customers shift to payment via ETC and with interoperability with other toll agencies. As previously mentioned, Hurricane Ian also negatively impacted travel on Lee County facilities in FY 2022 during the month of September.

Table 5-3
Comparison of FY 2021 and FY 2022 Annual Transactions by Payment and Vehicle Type
Sanibel Causeway

Full Fare (2-Axle Vehicles)	FY 2021	% Market Share	FY 2022	% Market Share	Change	% Change	% Change in Market Share
Full Fare Pay-By-Plate	1,339,436	39.2%	1,236,617	35.3%	(102,819)	-7.7%	-3.9%
Full Fare LeeWay	637,087	18.6%	777,640	22.2%	140,553	22.1%	3.6%
Full Fare LeeWay Variable Discount ⁽¹⁾	0	0.0%	0	0.0%	0	0.0%	0.0%
Subtotal – Full Fare	1,976,523	57.8%	2,014,257	57.5%	37,734	1.9%	-0.3%
LeeWay Discounted Programs (2-Axle Vehicles)							
LeeWay Reduced Fare	680,224	19.9%	697,639	19.9%	17,415	2.6%	0.0%
LeeWay Reduced Fare Variable Discount ⁽¹⁾	0	0.0%	0	0.0%	0	0.0%	0.0%
Subtotal – Reduced Fare	680,224	19.9%	697,639	19.9%	17,415	2.6%	0.0%
LeeWay Unlimited	681,832	19.9%	710,415	20.3%	28,583	4.2%	0.3%
Subtotal – LeeWay Discounted Programs	1,362,056	39.8%	1,408,054	40.2%	45,998	3.4%	0.3%
All Vehicles							
Motorcycles	0	0.0%	0	0.0%	0	0.0%	0.0%
3+ Axle Vehicles - Pay-By-Plate	30,685	0.9%	30,839	0.9%	154	0.5%	0.0%
3+ Axle Vehicles - ETC	49,857	1.5%	52,042	1.5%	2,185	4.4%	0.0%
Subtotal – 2-Axle Vehicles	3,338,579	97.6%	3,422,311	97.6%	83,732	2.5%	0.0%
Subtotal – Toll-Paying Traffic	3,419,121		3,505,192		86,071	2.5%	
Exempt/Non-Revenue	17,097		17,773		676	4.0%	
Total	3,436,218		3,522,965		86,747	2.5%	

Source: Lee County Daily Class/Traffic Type Reports

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

As a complement to the previous table, estimated revenues by payment category are presented in **Table 5-4**. The revenue shown in this table are based upon the actual revenue collected for each of the payment categories. Table 5-4 provides valuable insight into the distribution of revenues on the Sanibel Causeway.

The change in revenue by payment method follows the trends in toll transactions identified above. Discount program sales revenue increased by 5.4 percent while full fare ETC revenue increased by 19.4 percent. The Full Fare Pay-By-Plate revenue decreased by 12.8 percent over FY 2021 due to customers switching to ETC to avoid the \$3.00 per transaction administrative fee implemented in FY 2022. As previously mentioned, FY 2022 revenues were also negatively impacted by toll suspensions the last week in September during Hurricane Ian.

Table 5-4
Comparison of FY 2021 and FY 2022 Estimated Annual Revenue by Source
Sanibel Causeway

Payment Method	FY 2021	% Market Share	FY 2022	% Market Share	Change	% Change	% Change in Market Share
Discount Program Sales	\$ 2,534,517	18.5%	\$ 2,672,458	16.8%	\$ 137,941	5.4%	-1.8%
ETC Total	\$ 8,087,446	59.2%	\$ 9,659,788	60.6%	\$ 1,572,342	19.4%	1.5%
LeeWay (including V-Tolls)	\$ 4,483,912		\$ 5,223,580				
FDOT (including I-Tolls)	\$ 3,346,247		\$ 3,541,731				
CFX (including I-Tolls)	\$ 134,895		\$ 176,607				
NCTA (including I-Tolls)	\$ 9,618		\$ 11,652				
SRTA (All transactions are I-Tolls)	\$ 17,916		\$ 21,552				
E-Z Pass (including I-Tolls)	\$ 94,858		\$ 684,666				
Pay-By-Plate	\$ 2,933,303	21.5%	\$ 2,557,256	16.0%	\$ (376,047)	-12.8%	-5.4%
Credit Card Fees from Interoperable Transactions	\$ 13,056	0.1%	\$ 27,014	0.2%	\$ 13,958	106.9%	0.1%
Fines	\$ 11,718	0.1%	\$ 8,485	0.1%	\$ (3,233)	-27.6%	0.0%
Other Revenue			\$ 2,230	0.0%	\$ 2,230	0.0%	0.0%
Subtotal	\$ 13,580,039	99.3%	\$ 14,927,230	93.7%	\$ 1,347,191	9.9%	-5.6%
Transponder Sales	\$ 26,453	0.2%	\$ 28,480	0.2%	\$ 2,027	7.7%	0.0%
Toll Due Notice Fee (\$3)	\$ 4,494	0.0%	\$ 849,465	5.3%	\$ 844,971	18802.2%	5.3%
Other Fee Revenue	\$ 60,838	0.4%	\$ 128,775	0.8%	\$ 67,937	111.7%	0.4%
Total	\$ 13,671,824		\$ 15,933,950		\$ 2,262,126	16.5%	

Source: Lee County

SEASONAL TRANSACTION VARIATIONS

The relative variability of transactions from month to month highlights their seasonal patterns. A bridge that accommodates many 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 and those 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. September only includes 25.5 days of toll collection due to 4.5 days of toll suspension during Hurricane Ian.

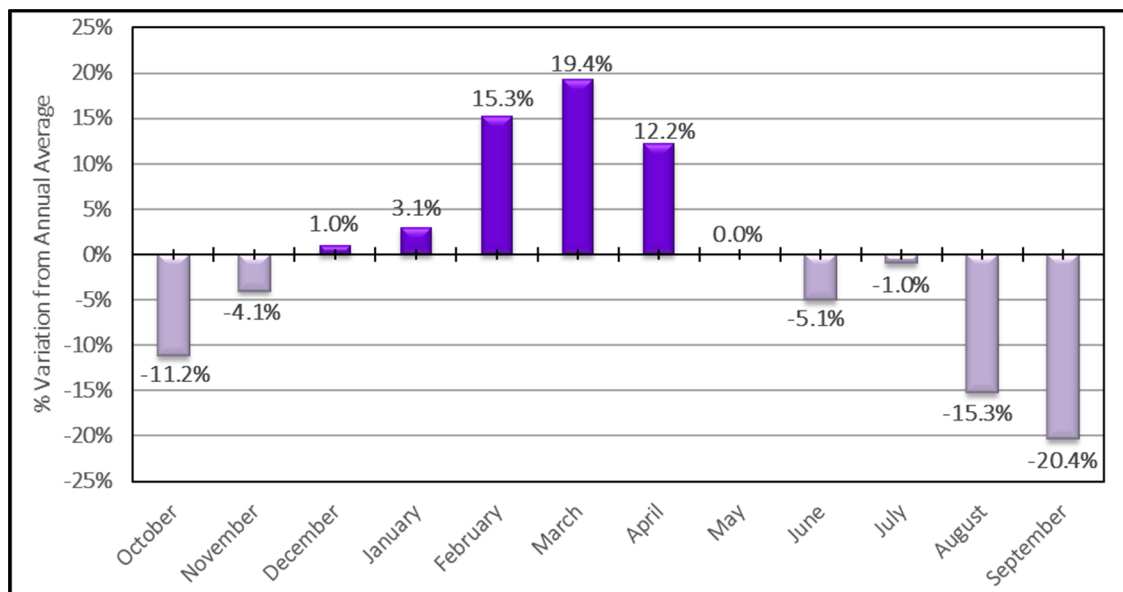
The FY 2022 monthly seasonal transaction variations for the Sanibel Causeway are presented in **Table 5-5**. Over the twelve-month period, average daily transactions ranged from a high of 11,700 vehicles per day in March 2022 to a low of 7,800 vehicles per day in September 2022. These data are presented 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, March 2022 has the largest peak at 19.4 percent over the annual average and September 2022 is 20.4 percent below. Transactions on the Sanibel Causeway are typically below average during the second half of the year.

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	269,353	8,700	0.888
November	30	281,379	9,400	0.959
December	31	307,355	9,900	1.010
January	31	311,596	10,100	1.031
February	28	317,584	11,300	1.153
March	31	363,863	11,700	1.194
April	30	332,323	11,100	1.133
May	31	303,569	9,800	1.000
June	30	279,042	9,300	0.949
July	31	299,834	9,700	0.990
August	31	257,717	8,300	0.847
September	25.5	199,350	7,800	0.796
Average		293,580	9,800	1.000
Total Year	360.5	3,522,965		

Source: Lee County Daily Class/Traffic Type Reports

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



Source: Lee County Daily Class/Traffic Type Reports

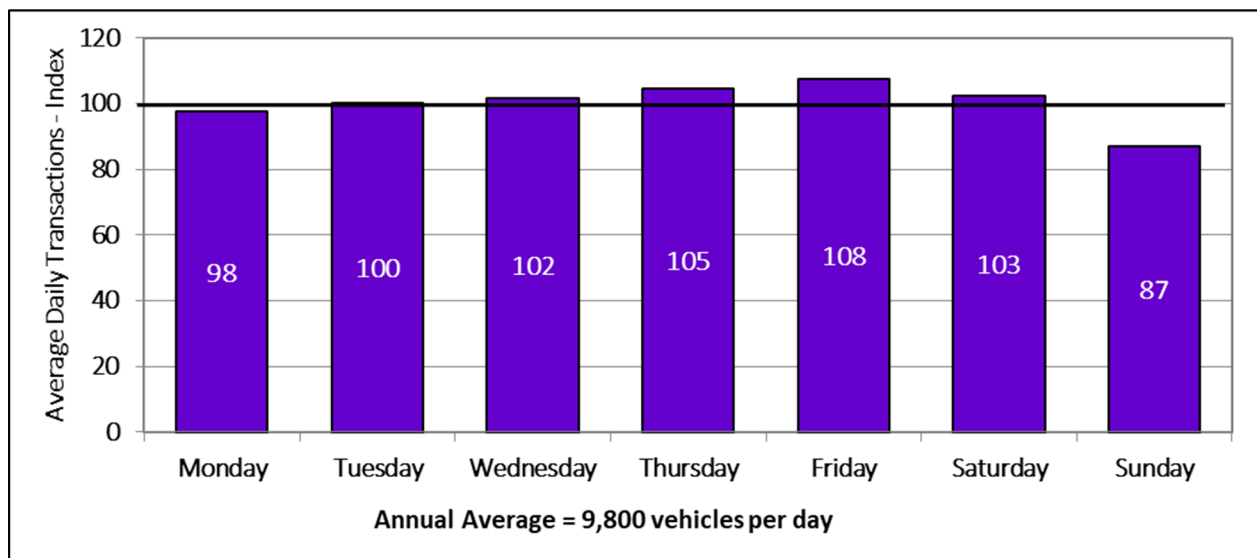
DAY-OF-WEEK TRANSACTION VARIATIONS

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 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.

The variation in daily transactions during FY 2022 on the Sanibel Causeway exhibits a usage trend that is substantially different from the Midpoint Memorial and Cape Coral Bridges. FY 2022 weekday transaction volumes on the Sanibel Causeway remained relatively consistent over the course of the five-day work week and consistent with the average. 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 weekdays, from 98 percent of the average on Mondays to 108 percent of the average on Fridays. Saturday volume is also above average with an index value of 103. Sundays were typically the lightest traveled days with a volume that is 87 percent of the average. The variations in FY 2022 traffic by day-of-week are consistent with those seen in prior years.

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

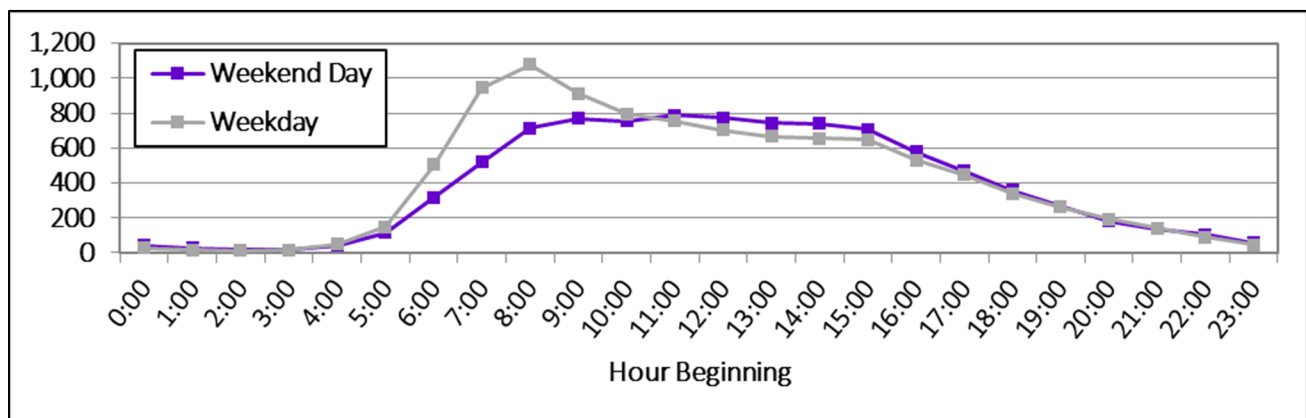
The less-pronounced variation in transactions by day of week should not be taken to mean the Sanibel Causeway is entirely dissimilar from the Cape Coral and Midpoint Memorial Bridges. While the high weekend volume does reflect a substantial amount of leisure trips and weekend discretionary usage, weekday 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.

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 except for 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 2022

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 1,076 vehicles per hour between 8:00 a.m. and 9:00 a.m., representing 10.8 percent of weekday transactions. Following the decline from the morning peak, transactions remain relatively stable throughout the midday at between 400 and 800 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 nearly 800 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 and overhead sign replacements. 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. This may change as the Sanibel Causeway experienced significant storm damage to the intermediate islands from Hurricane Ian as the storm made landfall on September 28, 2022. FDOT emergency response had the bridge open to emergency service vehicles within a few days, and open to regular traffic on October 19, 2022, with temporary improvements. FDOT anticipates the permanent repairs to be completed by December 2023.



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 and is based on accrued revenue, which differs from actual revenue collected used throughout the rest of this report.

NET ACCRUED REVENUE

Net accrued revenue is calculated by deducting maintenance and operating (M&O) expenses from gross accrued revenues. FY 2022 gross accrued revenues, M&O expenditures, and the resulting net accrued revenues for the entire Lee County system and the three toll facilities individually are presented in **Table 6-1**. As shown, systemwide net accrued revenues totaled nearly \$43.0 million in FY 2022. Each of the three facilities contributed a roughly equal proportion of gross accrued revenues. The Sanibel Causeway had net accrued revenue that was 34.3 percent of the total, compared with 32.2 percent and 33.5 percent on the Cape Coral Bridge and Midpoint Memorial Bridge, respectively.

Table 6-1
Net Accrued Revenue by Facility
FY 2022

Line Item	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Total
Gross Accrued Revenue	\$18,619,680	\$18,727,439	\$18,433,828	\$55,780,947
M&O Costs	(\$4,209,331)	(\$4,906,822)	(\$3,705,559)	(\$12,821,711)
Net Accrued Revenue	\$14,410,349	\$13,820,617	\$14,728,269	\$42,959,234
% of Net Accrued Revenue	33.5%	32.2%	34.3%	100.0%

Source: Lee County Unaudited Excess Revenues over Expenditures as of September 30, 2022.

The year-over-year change in M&O expenses by facility is shown in **Table 6-2**. All three facilities experienced a decrease in M&O expenses compared to FY 2021. The Midpoint Memorial Bridge experienced the largest percent decrease in M&O expenses of 24.3 percent. The decrease in M&O expenses can partially be attributed to additional debt expenses in FY 2021 and decreased direct labor costs at the bridge plazas associated with the implementation of AET. Overall, expenses decreased by 12.3 percent systemwide.

Table 6-2
Comparative M&O Expenses by Facility
FY 2021 and 2022

Facility	FY 2021 Actual	FY 2022 Actual	Percent Change over FY 2020
Midpoint Memorial Bridge	\$5,564,018	\$4,209,331	-24.3
Cape Coral Bridge	\$5,435,041	\$4,906,822	-9.7
Sanibel Causeway	\$3,615,635	\$3,705,559	2.5
Total	\$14,614,694	\$12,821,712	-12.3

Source: Lee County Unaudited Excess Revenues over Expenditures as of September 30, 2022.

EXPENDITURES AND EXCESS REVENUE

As previously stated, net accrued 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

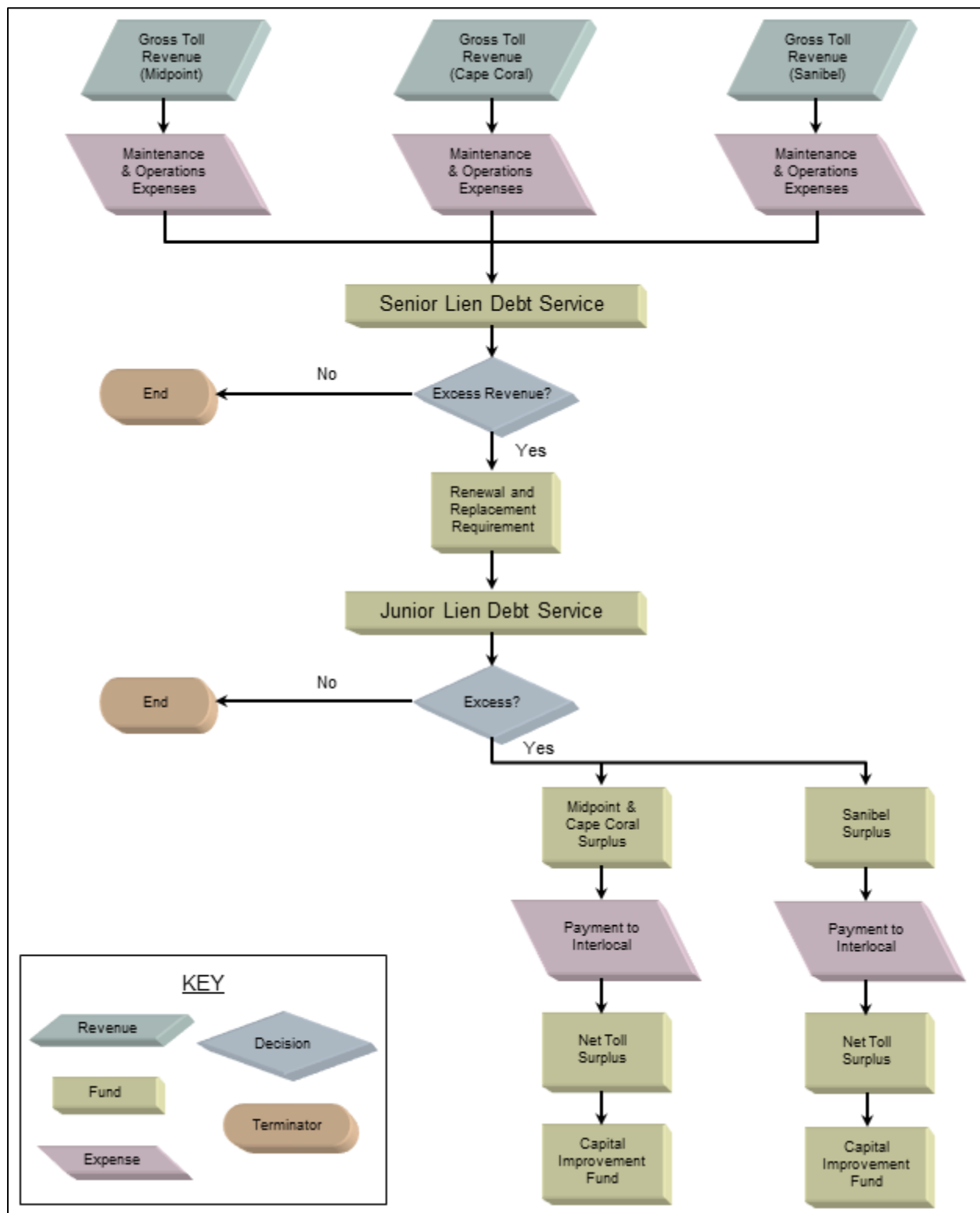
After paying all M&O expenses, the first obligation is to service senior lien debt. Senior lien debt is comprised of debt service to the Series 2014 bonds that refunded the Series 2001 bonds. The ratio of net revenue versus the amount of senior lien debt due in that fiscal year is referred to as the 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 20 percent. In FY 2022, the coverage ratio for senior lien debt equaled 4.34, as shown in **Table 6-3**. The coverage ratio increased significantly from the FY 2021 coverage ratio of 2.94. This increase can be attributed to the Cape Coral debt being retired in FY 2021 (\$821K last payment) and the pay-off of bank loans for Cape and Midpoint in 2021.

Table 6-3
Senior Lien Bond Coverage
FY 2022

Line Item	Amount
Total Gross Accrued Revenue	\$55,780,947
Total M&O Costs	(\$12,821,711)
Total Net Accrued Revenue	\$42,959,235
Annual Debt Service	(\$9,909,322)
Senior Lien Debt Coverage Ratio	4.34

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 2022 gross accrued revenues for each bridge, 5.0 percent of the gross accrued revenues, the expenditures for each bridge and the deposits required to meet the 5.0 percent minimum balance. In FY 2022 expenditures totaling \$433,509 were made from the three R&R accounts. A total deposit of \$339,323 was made for the three facilities in FY 2022 to maintain the required minimum balance.

Table 6-4
Deposits and Expenditures, Renewal and Replacement Fund
FY 2022

Line Item	Midpoint Memorial Bridge	Cape Coral Bridge	Sanibel Causeway	Total
<i>Gross Accrued Revenue</i>	\$18,619,680	\$18,727,439	\$18,433,828	\$55,780,947
<i>5% Minimum Balance</i>	\$930,984	\$936,372	\$921,691	\$2,789,047
Expenditures	(\$49,764)	(\$131,040)	(\$252,705)	(\$433,509)
Deposits	\$41,935	\$1,480	\$295,907	\$339,323

Source: Lee County Unaudited Excess Revenues over Expenditures as of September 30, 2022.

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 2022 with a 4.34 coverage ratio.

Table 6-5
Other Debt and Expenses
FY 2022

Line Item	Total
Total Gross Accrued Revenue	\$55,780,947
Total M&O Costs	(\$12,821,711)
Total Net Accrued Revenue	\$42,959,235
Annual Debt Service	(\$9,909,322)
Other Debt or Expenses	\$0
Total Debt	(\$9,909,322)
Junior Lien Debt Coverage Ratio	4.34

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.

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 four 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, in FY 2022 \$3.0M was transferred to the capital improvement budget from the Cape Coral Bridge and Midpoint Memorial Bridge excess revenues, or \$1.5M from each bridge.

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 moveable span like the original. 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 2022, this equated to a payment of \$1,629,752.26, leaving a residual net revenue of \$9,760,483.35.

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 Causeway, Cape Coral Bridge, Midpoint Memorial Bridge, and 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.

During FY 2022, the replacement of the overhead signage at the three bridges was in design phase, the complete toll system replacement was completed, and the Cape Coral Bridge WB span replacement is in Project Development & Environment (PD&E) and Preliminary Engineering phases.

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 Brauns
City Clerk

BY: [Signature]
Joe Coviello, Mayor



APPROVED AS TO FORM

[Signature]
City Attorney

ATTEST:
LINDA DOGGETT, CLERK

BY: [Signature]
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

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, 19 95, 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.

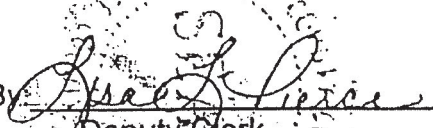
9. This Agreement shall remain in full force and effect through the calendar year 2017, and will be evaluated by the Parties hereto in calendar year 2007, except that the Net Surplus Toll Revenue sharing formula as set forth herein shall remain in full force and effect as long as either or both the Cape 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

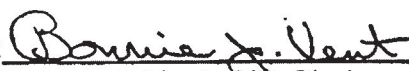
BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

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 constructed 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: Maureen 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: Bonnie J. Moynihan

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. Albion

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.)

**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.

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LEE COUNTY, FLORIDA

By: 

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



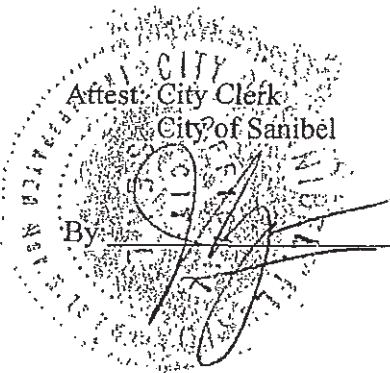


APPROVED AS TO FORM
DAVID OWEN
COUNTY ATTORNEY

CITY OF SANIBEL, FLORIDA

By: 

MARTY HARRITY
MAYOR



Attest: City Clerk
City of Sanibel

By: 

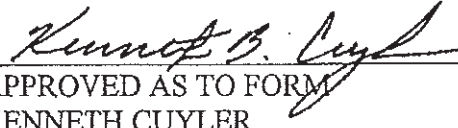

APPROVED AS TO FORM
KENNETH CUYLER
CITY ATTORNEY

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. Pierce
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 Revenues	Less Bonded Debt Service	Other Debt Service	R&R Fund Deposit	Sanibel Net * Revenues	21% Rebate	Residual Net Revenues
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	10,363	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	4,629,286	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	5,139,339	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	5,439,177	0	210,000	5,450,823	1,144,673	4,306,150
2016	11,200,000	5,442,384	0	200,000	5,557,616	1,167,057	4,390,558
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	5,559,928	1,167,595	4,392,333
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	1,189,894	4,476,268
2027	11,500,000	5,637,528	0	210,000	5,452,472	1,187,019	4,265,453
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 obligations 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>
Motorcycles	\$.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

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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 ~~\$30.00~~ \$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 ~~\$585.00~~ \$930.00 per vehicle or ~~\$195.00~~ \$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	530.00 <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	156.00 <u>436.00</u>	79.00 <u>218.00</u>
February 1 - April 30	129.00 <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	129.00 <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	3.00 <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 ~~\$6.50~~ \$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	\$140.00 <u>\$575.00</u>	\$70.00 <u>\$288.00</u>
January 1 - October 31	\$30.00 <u>\$50.00</u>	65.00 <u>275.00</u>
February 1 - October 31	\$20.00 <u>\$25.00</u>	60.00 <u>263.00</u>
March 1 - October 31	\$10.00 <u>\$00.00</u>	55.00 <u>250.00</u>
April 1 - October 31	\$00.00 <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 ~~\$90.00~~ \$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>

f. 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

[Signature]
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: *[Signature]*
Chairman

APPROVED AS TO FORM:

By: *[Signature]*
Office of County Attorney



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