



*Driving Innovation;*  
**Connecting Communities**

**2019 ANNUAL REPORT**

## LETTER FROM THE CHAIRMAN:

The Tampa Hillsborough Expressway Authority (THEA) is an independent, locally owned transportation agency that provides the Tampa Bay region with safe, reliable, efficient and sustainable transportation options.

In 2019, we made progress on the Selmon West Extension Project, which will enhance regional connectivity while relieving congestion along Gandy Boulevard. We also became the nation's first Connected Vehicle Project test site to communicate test information directly to the U.S. Department of Transportation (USDOT), helping them develop policies, procedures and safety protocols that can be used across the United States.

I am proud to say that as THEA continued its innovative work we – that is, our fantastic team of people – received accolades from around the transportation industry. These recognitions are a testament to the dedicated women and men who are the backbone of THEA.

We are deeply grateful to our customers, communities and organizations we serve. It is you who make possible our ability to be transportation innovators and community partners as well as a fiscally-disciplined organization.

At THEA, we look forward to 2020 with new and imaginative ideas to improve transportation across our region to better connect our community. Our drive to provide innovative and reliable transportation solutions for the Tampa Bay region is challenging, exciting and rewarding. We invite you join us for the ride.

**Vincent Cassidy**  
*Chairman*  
*President & CEO*  
Majesty Title Services

## BOARD OF DIRECTORS



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## INTRODUCTION

Hillsborough County was in the middle of a population boom in 1963 when the Expressway Authority was established. The goal of connecting our rapidly-expanding community to give residents greater ability to travel across the county is still relevant today. As a regional transportation organization with the ability to operate not only in Hillsborough County but in Pinellas, Pasco, Polk and Manatee Counties as well, THEA has the opportunity – and the responsibility – to help our regional transportation network function smoothly.

THEA owns, operates and maintains the Lee Roy Selmon Expressway, the Brandon Parkway, Meridian Avenue, the Selmon Greenway, and is currently working toward the completion of the Selmon West Extension. We also recently began construction on the South Selmon Safety Project, which will make the Selmon Expressway even safer for all who use it.

THEA is a regional transportation provider – but our influence extends around the globe. For example, our pioneering reversible express lanes have been studied and adopted in communities worldwide, and these lanes can also function as an Automated Vehicle Test bed, and is one of the key elements of our Connected Vehicle Pilot Project. This brings business, recognition, and industry leadership status to our agency and our region.

The Intelligent Transportation Society (ITS) America awarded the THEA CV Pilot with the Best Project Award and ITS World inducted the THEA CV Pilot into the ITS World Congress Hall of Fame. THEA is the first toll agency to be inducted into the World Hall of Fame.

At the core of our success is our commitment to partnerships and progress in our region. We work with federal, state and local partners to expand our region's transportation capabilities, reinvest and grow our community, and enhance the region's well-being.

## VISION



Our vision is to lead, partner and implement safe, economically sound and innovative multimodal transportation solutions for our Tampa Bay community.

## MISSION



Our mission is to provide safe, reliable and financially sustainable transportation services to the Tampa Bay region while reinvesting customer-based revenues back into the community.



## VEHICLE TECHNOLOGY

We're bringing tomorrow's vehicle technology to Tampa today.



## CONNECTED VEHICLE PILOT

THEA's Connected Vehicle Pilot uses technology to provide alerts to drivers of privately-owned vehicles, buses and historical streetcars. These alerts warn of potential conflicts among the vehicles, as well as pedestrians. Alerts include wrong-way entry on the THEA's Reversible Express Lanes, Speed Reduction and Stopped or Slowed Vehicles. Buses also receive priority on a busy downtown street.



Part of the CV Pilot is to provide information back to USDOT that will help that organization develop policies, procedures and safety protocols. THEA's CV Pilot is the first pilot to successfully transmit data back to USDOT.

Today, nearly 1,000 vehicles, along with 10 buses and 8 streetcars participate in our connected vehicle pilot. In addition to the data collection, the pilot hopes to help decrease congestion, enhance traffic flow, improve transit trip times, and reduce emissions of greenhouse gases.

THEA's Connected Vehicle Pilot is helping us achieve our goal of safer roads, shorter and reliable commutes, and a more connected community – and the world is paying attention.







## FAV SUMMIT

THEA is an enthusiastic sponsor of the annual Florida Automated Vehicles (FAV) Summit, having hosted the first annual summit in November 2013, as well as the 2015, 2016, 2017, and 2018 summit.

This yearly event brings together the best and brightest in transportation, the tech industry and government to learn what is currently happening in the world of Automated, Connected, Electric and Shared (ACES) to shape transportation technology. The 2019 Summit was held in November in Miami, where attendees networked and exchanged ideas on how to make automated vehicle technology accessible, efficient, and practical for current and future drivers. Speakers and attendees at the Summit included representatives from private and public entities; stock exchange-listed and start-up companies; as well as people from the world of academia. Multiple ACES vehicle demonstrations were held, thrilling attendees with what is currently happening and inspiring attendees with the extraordinary potential of the ACES industry.



## JOURNEY

Life is a journey.  
That's something we  
never forget.







## SELMON GREENWAY

Mostly shaded – and one hundred percent healthy fun – the Selmon Greenway is an oasis in the heart of the city, drawing walkers, bike riders, skaters and anyone who wants to enjoy fresh air and downtown’s amenities. We continue to add popular new pocket parks along the Greenway and, in the process, we received the Hillsborough County Planning Commission’s Award of Merit and the Tampa Downtown Partnership “Activating Spaces” Award.

The Deputy John Kotfila, Jr. Memorial Dog Park was built in honor of the late John Robert Kotfila, Jr., a Hillsborough County Deputy who held a strong bond with his dog, Dexter.

We are thrilled to report that this very special place for both dogs and their human butlers received a Best of the Bay Award!

This year, THEA unveiled a statue honoring community hero, icon, and the Expressway’s namesake Lee Roy Selmon – further deepening the connection between THEA and our community.







## SELMON WEST EXTENSION

2019 was a year of steady progress on our Selmon West Extension. This 1.9-mile toll road in the median of Gandy Boulevard will offer regional travelers a choice to use either Gandy Boulevard for local destinations, or use the Selmon Extension for a direct connection to the Lee Roy Selmon Expressway, Dale Mabry Highway or the Gandy Bridge.

The Selmon West Extension will help relieve the congestion of rush hour traffic on Gandy Boulevard by moving commuters to the new elevated tollway. Local residents will be able to use Gandy Boulevard to do everyday tasks such as shop at local businesses and take their children to and from school reliably and efficiently. The Selmon West Extension will also be used as a vital evacuation route in case of emergency.

Community participation has been key to this project since its inception. This year, THEA hosted six Gandy Boulevard Business Owners' Engagement Meetings and a virtual town hall as part of our commitment to make sure all voices are heard, and that the interests of the community are addressed.



### WESTWARD, HO!

The Selmon West Extension continues to move forward.





## AWARD-WINNING SHOP GANDY

When planning for the Selmon West Extension, THEA understood that the community surrounding the project had to be an important partner from the beginning, and that this project had to reflect their needs. To that end, THEA sought out all of the business owners located along the Gandy Boulevard corridor via telephone, social media, email, mail and even going door-to-door. We listened to their concerns, answered questions, solicited their input about the project, and established a long-lasting dialogue. One outcome from this community engagement was the marketing campaign of Shop Gandy! It was created to promote businesses along Gandy Boulevard using a full range of marketing tools. The campaign facilitates earned media opportunities, hosts community events at local businesses, and conducts social media contests and giveaways that are fun and effective ways to encourage local residents to shop local and to reinvest into their community.

For this shared effort between toll agency and local businesses, THEA was awarded the International Bridge, Tunnel and Turnpike Association's (IBTTA) 2019 Toll Excellence Award for Customer Service and Marketing Outreach!



### SMALL BUSINESSES

Small businesses help our community grow. We help small businesses grow.





## QUOTE FROM IBTTA:

“Tampa Hillsborough Expressway Authority’s work on the Selmon Extension Project has led to greater engagement of the community in order to find creative solutions to help reduce congestion on Gandy Boulevard in Tampa while supporting businesses and residents... This type of innovative solution and creative problem-solving through harnessing technological advancements and best practices are exactly what embodies a 2019 Toll Excellence Award winner.”

– Patrick Jones, IBTTA executive director and CEO



## SOUTH SELMON SAFETY PROJECT

The South Selmon Safety Project, which began construction in September 2019, will enhance driver safety along the Lee Roy Selmon Expressway by constructing a concrete barrier wall in the median of the Expressway. The project extends from the Hillsborough River to Himes Avenue.

This barrier wall between the Eastbound and Westbound traffic should prevent crossover accidents, and the paved shoulders will allow for cars to safely pull over in case of an emergency. Studies show that median barriers are effective in reducing fatal crashes and serious-injury crashes caused by crossover accidents.

We know that roadway construction can be inconvenient, but at THEA, making the Selmon Expressway a safer roadway for our travelers is our top priority – today, tomorrow and always.





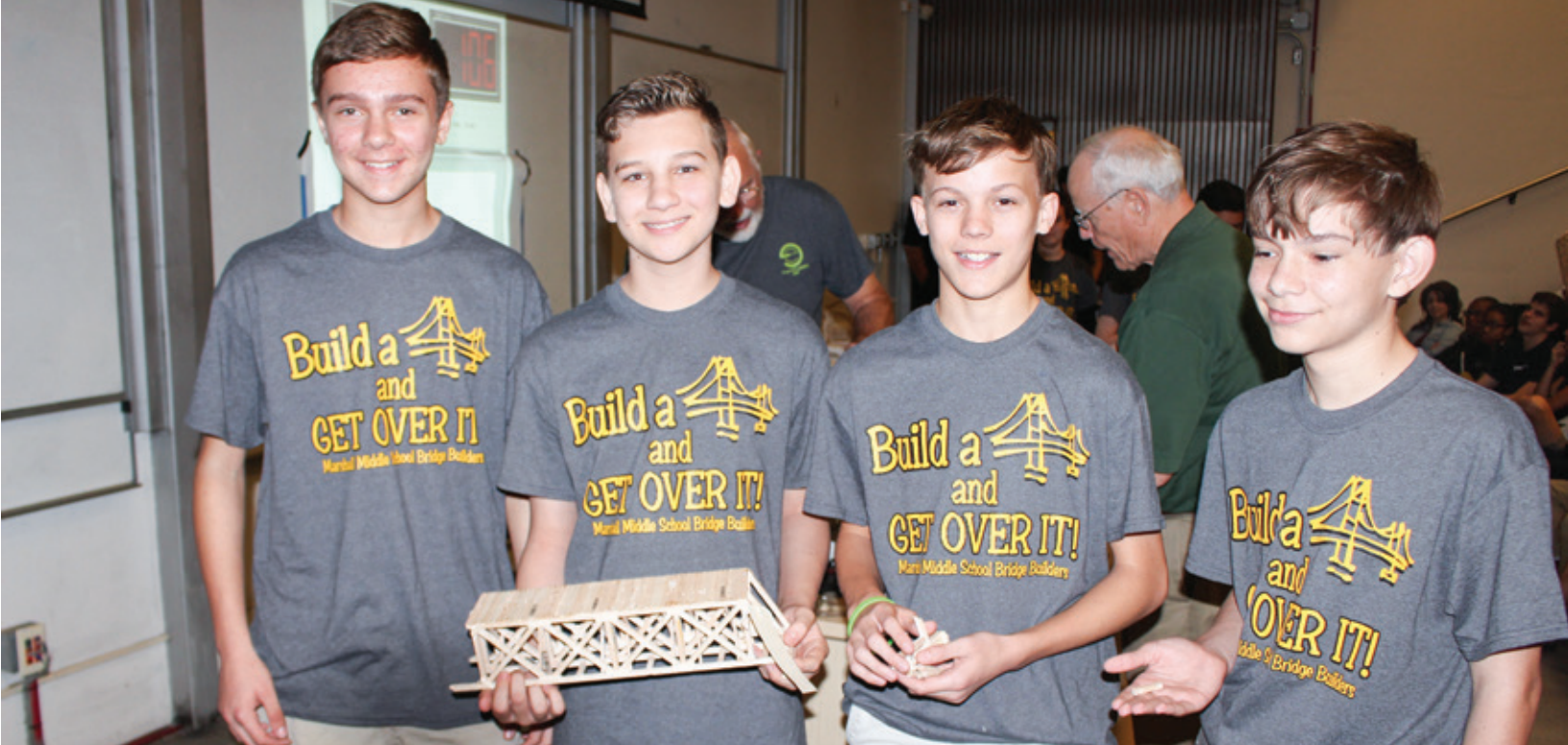
## **SOUTH SELMON PD&E STUDY**

THEA is currently conducting a Project Development and Environment (PD&E) Study to evaluate capacity improvements along the southernmost section of the Selmon Expressway. Various roadway and ramp modifications are being evaluated during the study that would improve the efficiency and capacity of the Selmon Expressway for years to come. The results of the study, if put into action, would deliver a series of benefits to our customers, including:

- Improved safety and travel times
- Enhanced evacuation corridor
- Reduced congestion
- Enhanced regional east-west mobility
- Ability to accommodate increased traffic demand







## COMMUNITY INVOLVEMENT

As an independent, locally operated toll agency, all our revenues are reinvested either back into the Selmon Expressway, Meridian Avenue, Brandon Parkway, the Selmon Greenway or into the communities we serve. THEA's commitment to our community includes one of our most rewarding programs, the Selmon – STEM Scholarship (S3), Named in honor of Mr. Lee Roy Selmon, the program was created to stimulate interest in science, technology, engineering and math among local middle school, high school and college students. The S3 program seeks to increase the exposure to transportation careers for Tampa Bay area students.

The S3 Program includes scholarships for University of South Florida (USF) engineering students, paid internship opportunities at THEA and sponsorship of the annual USF/Selmon Expressway Balsa Wood Bridge Building Competition. This competition is hosted by THEA and run by engineering students at the USF College of Engineering. Middle and high school student teams compete to design and build bridges that are put under simulated load tests until the balsa wood cracks beneath the weight. Each bridge is judged on load capacity, craftsmanship, originality and design drawing and weight held.

THEA has a commitment to use small businesses. To that end, we support the Minority Enterprise Development Corporation, the National Association of Asian American Professionals (NAAAP), the annual Women's Conference, the Pinellas Small Business Enterprise Initiative, and the National Association of Black Women in Construction (NABWIC). We also hosted an SBE Opportunity Forum with HNTB Corporation, the Minority Enterprise Development Conference, and the National Conference of Minority Transportation Officials (COMTO) Annual Meeting.



## SUCCESS

Building bridges to academic and career success.





## SOCIAL MEDIA

Social media: your direct connection to us.



### CONNECT WITH THEA ON SOCIAL MEDIA.

Connect with THEA on Social Media: Follow us on Facebook, Instagram, Twitter, YouTube, and Google+. To learn more, visit our website at [www.tampa-xway.com](http://www.tampa-xway.com).







# TRAFFIC & REVENUE 2019

April 17, 2020

Tampa Hillsborough Expressway Authority  
1104 E. Twiggs Street, Suite 300  
Tampa, Florida 33602



Members of the Authority:

Stantec Consulting Services Inc. (Stantec) is pleased to provide traffic and revenue (T&R) related inputs to the THEA Annual Report for the 2019 fiscal year ending June 30, 2019 in accordance with Section 5.13 of the Master Bond Resolution. We appreciate the assistance and coordination of THEA management during the analysis and production of this documentation.

The FY2019 Annual Report presents T&R data and the factors that drive T&R for the Selmon Expressway. Detailed summaries of historical T&R trends, traffic characteristics, expenses and other financial data provide context to the performance of the Selmon Expressway and THEA's operating and business environment. In addition, Stantec has provided a forecast of T&R for a ten-year period from FY2020 to FY2029 for THEA planning purposes.

Yours sincerely

A handwritten signature in black ink, appearing to read "Phil Eshelman".

**Phil Eshelman**

Stantec Consulting Services Inc.  
*Senior Project Manager*



# 1. FY2019 Traffic and Toll Revenue

The Tampa Hillsborough Expressway Authority operates the 15-mile Lee Roy Selmon Expressway (Selmon Expressway), the Reversible Express Lanes (REL), the Brandon Parkway, Meridian Avenue, and the Selmon Greenway. The REL is part of the Selmon Expressway and both facilities are tolled. The Brandon Parkway and Meridian Avenue are non-tolled roads. The Selmon Greenway is a 2 mile pedestrian and bicycle path through the heart of downtown Tampa, mostly in the shade of the Selmon Expressway.

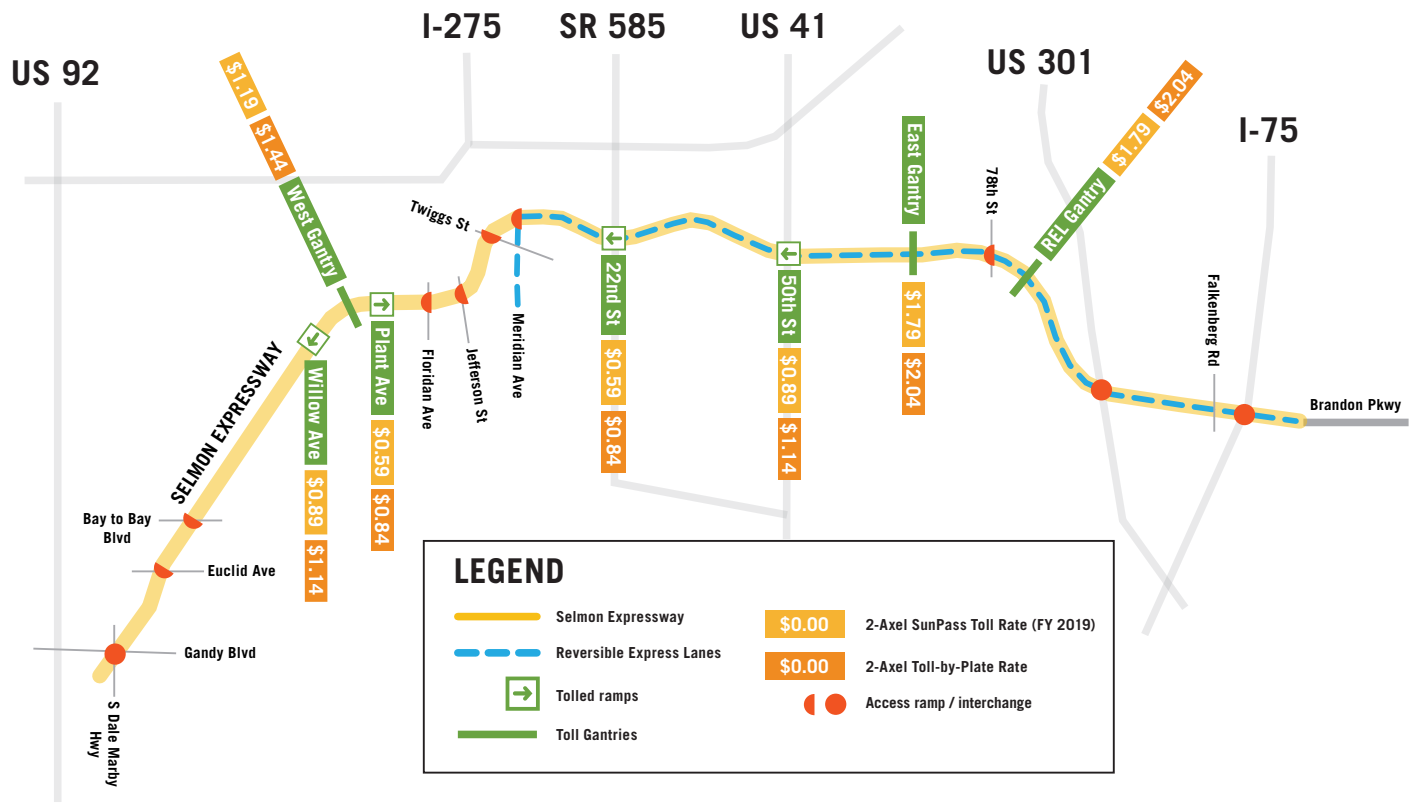
The Selmon Expressway connects Gandy Boulevard in southwest Tampa to I-75 and the community of Brandon to the east. The facility is a limited access toll road with two lanes in each direction. The REL effectively provides an additional six lanes; three westbound lanes during the morning commute from Brandon to Tampa and three eastbound lanes during the evening commute. The REL is also open eastbound on the weekend.

The Selmon Expressway is an all-electronic toll facility with tolls collected through SunPass transponder accounts or “Toll-By-Plate” video billing. The tolling locations and corresponding toll rates during FY2019 are presented in Figure 1.





**Figure 1: Selmon Expressway with Reversible Express Lanes with FY2019 Toll Rates for Passenger Cars**



Transaction growth on the Selmon Expressway has generally been increasing over the past five years. The only exception was for FY2018 when tolls were suspended by the governor for approximately 15 days from August 30, 2017 to September 13, 2017 due to Hurricane Irma. It is estimated that low growth of 0.3 percent from FY2017 to FY2018 would have been approximately a 2.8 percent gain. This is consistent with the FY2016 to FY2017 growth of 3.2 percent growth. Growth from FY2015 to FY2016 was substantial at 14.8 percent due to the continuing effect of the I-4/Selmon Connector opening on January 2014 that caused a change in travel patterns which boosted Selmon Expressway transactions. Since that time, it is clear that growth rates have settled to the steady state which is based on demographic growth in the corridor and in the region. The large growth from FY2018 to FY2019 of 6.0 percent can also be attributed to a lower FY2018 due to suspension of tolling. Normalizing for that and we would expect about 4.2 percent growth from that normalized FY2018 to actual FY2019, again consistent with previous years' growth after the impact of the I-4/Selmon Connector.



Historical toll revenue growth has been consistently above transaction growth as a function of the toll indexing policies of THEA, which adjusts tolls as a function of inflation, typically at 2.5 percent annually. Therefore, toll revenue typically increases at approximately 2.0 to 3.5 percentage points higher than transactions as demonstrated in the calculation of the average toll. The outlier is the toll revenue experience and average toll in FY2019, where transactions increased while toll revenue decreased 5 percent, which caused the average toll to decrease over 10 percent. This was caused by the following reasons: movement to a modified cash accounting basis, and general adjustments with the introduction of a new tolling back office. Previously, adjustments were made on an annual basis and moving forward cash collected and adjustments are made each month.

**Table 1: Selmon Expressway Transaction, Toll Revenue (thousands), and Average Toll FY2000 to FY2019**

FISCAL YEAR	TRANSACTIONS		TOLL REVENUE		AVERAGE TOLL	
	TOLL PAYING	PERCENT CHANGE	AMOUNT	PERCENT CHANGE	AMOUNT	PERCENT CHANGE
2000	27,837		\$21,447		\$0.77	
2001	28,998	4.2%	\$24,105	12.4%	\$0.83	7.9%
2002	29,982	3.4%	\$24,520	1.7%	\$0.82	-1.6%
2003	30,589	2.0%	\$25,078	2.3%	\$0.82	0.2%
2004	30,374	-0.7%	\$25,815	2.9%	\$0.85	-2.7%
2005	29,604	-2.5%	\$27,796	7.7%	\$0.94	10.5%
2006	32,088	8.4%	\$29,320	5.5%	\$0.91	-2.7%
2007	33,520	4.5%	\$37,308	27.2%	\$1.11	21.8%
2008	32,490	-3.1%	\$41,455	11.1%	\$1.28	14.6%
2009	31,398	-3.4%	\$40,350	-2.7%	\$1.29	0.7%
2010	31,581	0.6%	\$40,018	-0.8%	\$1.27	-1.4%
2011	31,635	0.2%	\$40,467	1.1%	\$1.28	0.9%
2012	33,476	5.8%	\$42,968	6.2%	\$1.28	0.3%
2013	32,465	-3.0%	\$41,803	-2.7%	\$1.29	0.3%
2014	37,848	16.6%	\$49,850	19.2%	\$1.32	2.3%
2015	48,530	28.2%	\$69,299	39.0%	\$1.43	8.4%
2016	55,983	15.4%	\$82,442	19.0%	\$1.47	3.1%
2017	57,802	3.2%	\$87,652	6.3%	\$1.52	3.0%
2018	57,969	0.3%	\$88,203	0.6%	\$1.52	0.3%
2019	61,457	6.0%	\$83,772	-5.0%	\$1.36	-10.4%

Source: THEA Monthly Traffic Operations Report and CFO reporting



The following figures provide a historical view of the growth in transactions, toll revenue, and average tolls. There has been generally positive growth in all three metrics, as shown in the figures.

Figure 2: Historical Transaction Growth

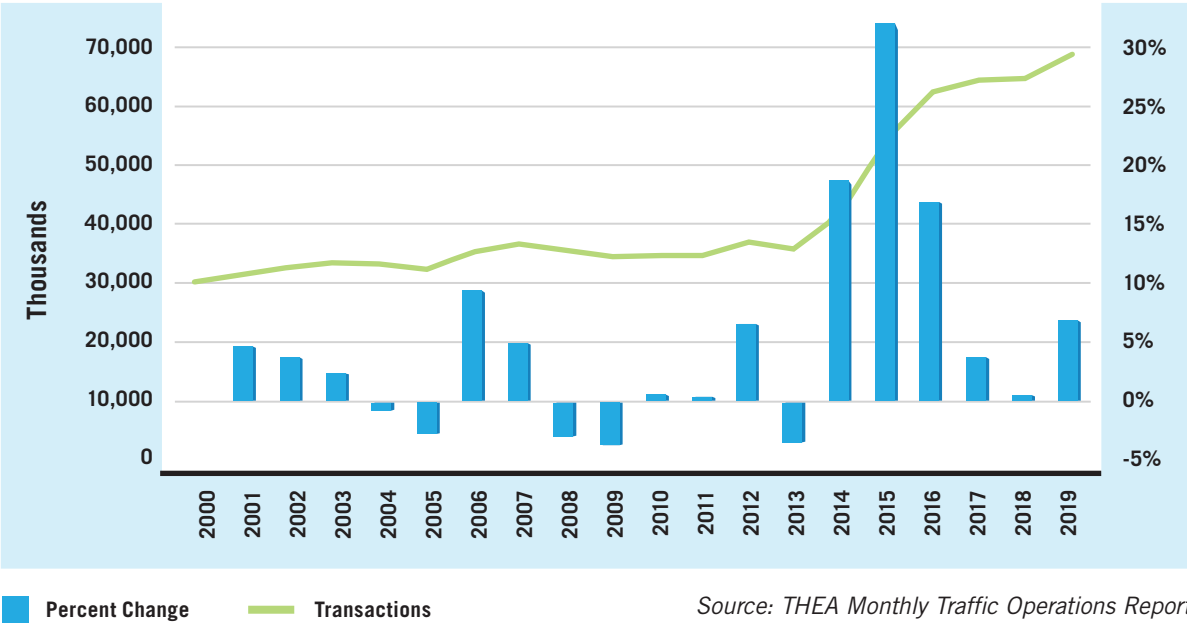
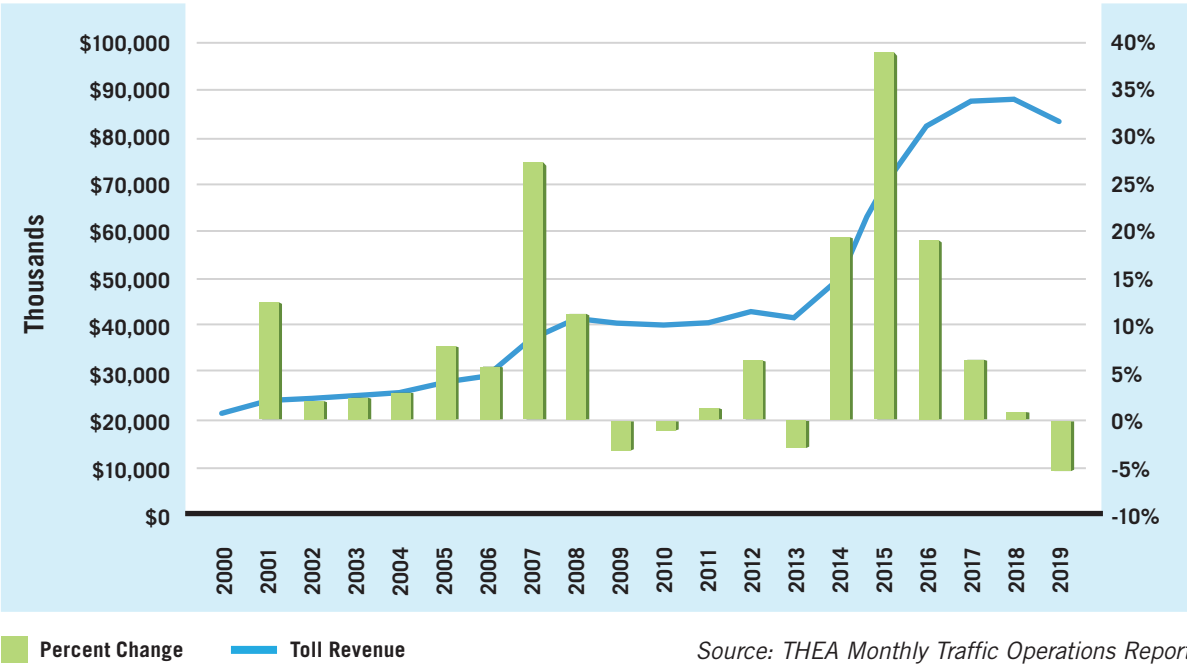
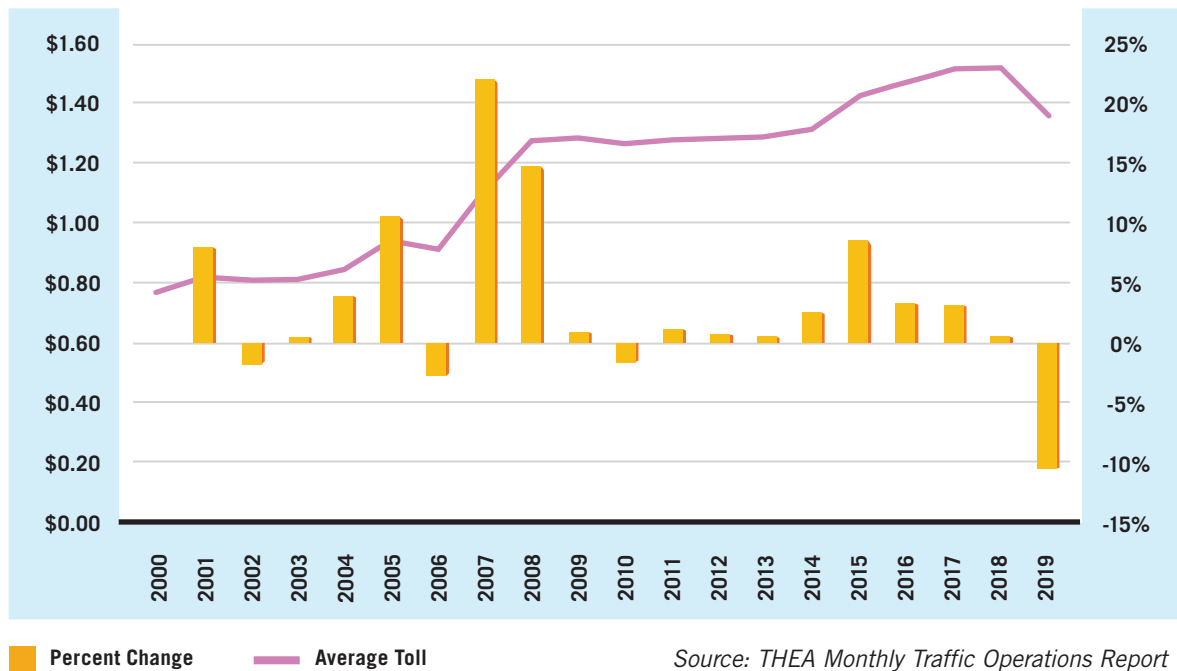


Figure 3: Historical Revenue Growth





**Figure 4: Historical Average Toll Growth**



Since the Fall of 2010 the Selmon Expressway converted all tolling points to all electronic tolling (AET). Tolls can be paid via a pre-paid SunPass account (by use of a SunPass transponder) or via a video-based, post-paid billing process (“Toll-By-Plate”). Video billing uses a photo of the customers’ license plate, bundles tolls and mails a monthly invoice to the address on the license plate registration. The video rate is 25 cents higher than the SunPass rate to reflect the higher cost of processing and increased risk of actual collection.





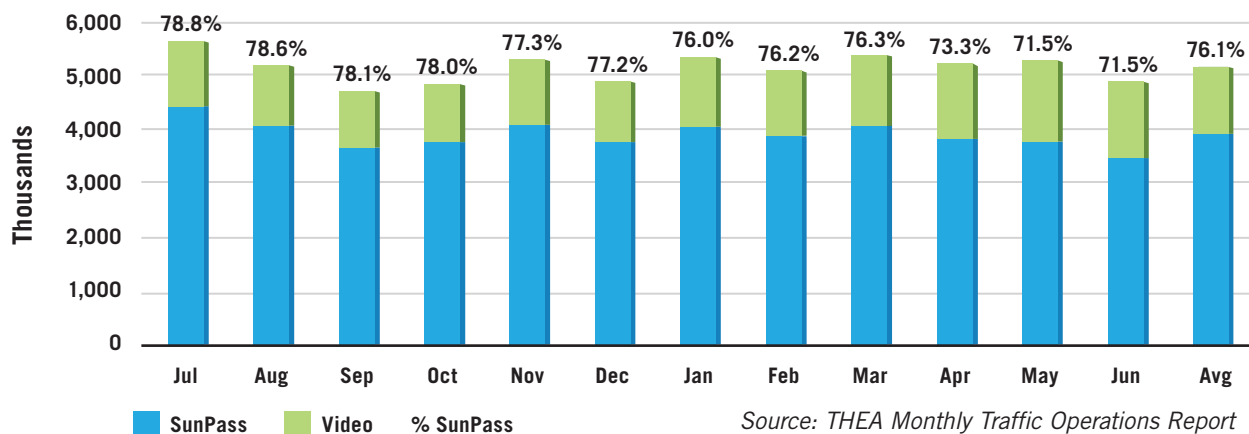
The monthly transactions by those two payment options in the table and figure below show both the consistent flow of traffic by month as well as the payment trends. Overall the percentage of transactions processed via SunPass is 76.1 percent, relatively consistent over the past few years.

**Table 2: FY2019 Monthly Transactions by Payment Method (thousands)**

MONTH	SUNPASS	TOLL-BY-PLATE	TOTAL	% SUNPASS
JUL-18	4,416	1,189	5,605	78.8%
AUG-18	4,059	1,102	5,161	78.6%
SEP-18	3,656	1,024	4,680	78.1%
OCT-18	3,759	1,063	4,822	78.0%
NOV-17	4,073	1,197	5,270	77.3%
DEC-18	3,756	1,108	4,863	77.2%
JAN-19	4,039	1,273	5,312	76.0%
FEB-19	3,853	1,205	5,058	76.2%
MAR-19	4,078	1,265	5,343	76.3%
APR-19	3,818	1,393	5,211	73.3%
MAY-19	3,766	1,501	5,266	71.5%
JUN-19	3,477	1,389	4,866	71.5%
<b>Total</b>	<b>46,749</b>	<b>14,709</b>	<b>61,457</b>	<b>76.1%</b>

Source: THEA Monthly Traffic Operations Report

**Figure 5: FY2019 Monthly Transactions by Payment Method**



Source: THEA Monthly Traffic Operations Report

For FY 2019, monthly toll revenue by payment option is slightly different than the transaction trends, with higher percentages of revenue coming from SunPass. This is due to the conversion to cash accounting procedures, a lag in collection for video transactions, and the continued transition of the toll collection back office at the DOT. Additionally, accounting adjustments due to this conversion are shown to lower received toll revenue in July 2018 and June 2019, the reason for the lower revenue numbers those months.

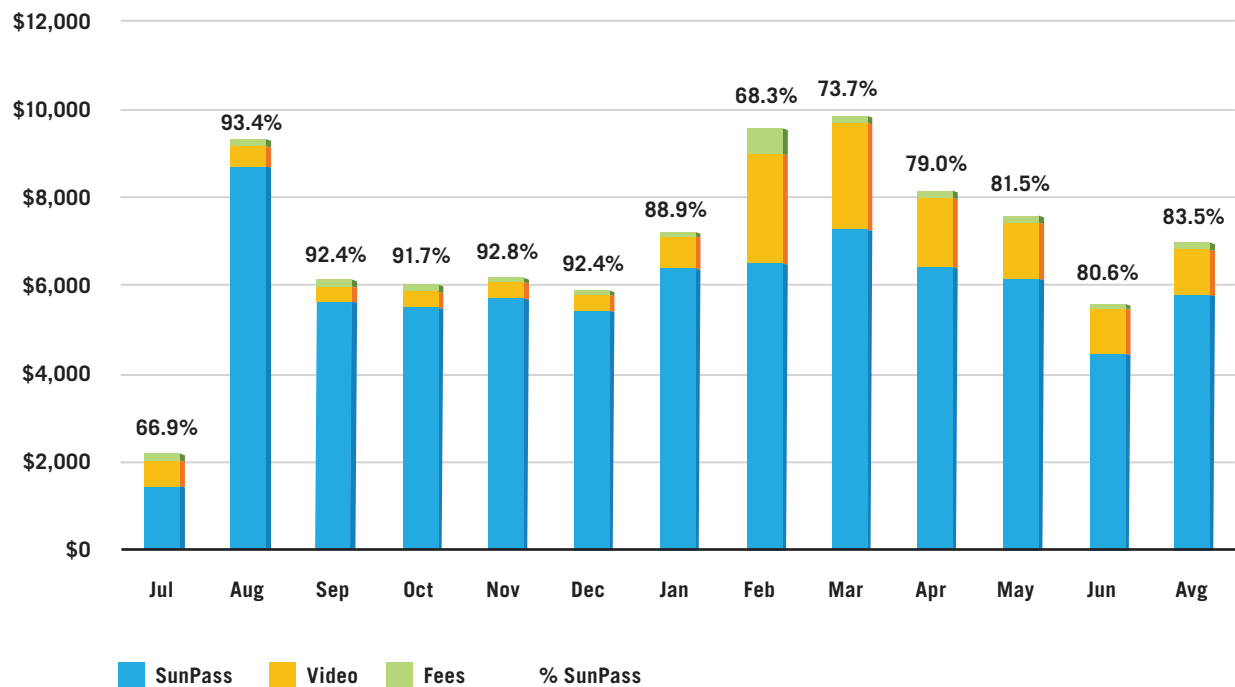
**Table 3: FY2019 Monthly Toll Revenue by Payment Method (\$000s)**

FISCAL YEAR	SUN PASS	VIDEO	FEES	TOTAL	% SUN PASS
JUL-18	\$1,488	\$603	\$134	\$2,224	66.9%
AUG-18	\$8,714	\$465	\$146	\$9,326	93.4%
SEP-18	\$5,670	\$359	\$110	\$6,139	92.4%
OCT-18	\$5,509	\$383	\$115	\$6,007	91.7%
NOV-18	\$5,760	\$361	\$84	\$6,205	92.8%
DEC-18	\$5,456	\$372	\$78	\$5,906	92.4%
JAN-19	\$6,437	\$699	\$102	\$7,239	88.9%
FEB-19	\$6,523	\$2,458	\$570	\$9,551	68.3%
MAR-19	\$7,250	\$2,453	\$134	\$9,838	73.7%
APR-19	\$6,435	\$1,581	\$128	\$8,144	79.0%
MAY-19	\$6,192	\$1,301	\$106	\$7,599	81.5%
JUN-19	\$4,511	\$995	\$89	\$5,595	80.6%
<b>TOTAL</b>	<b>\$66,946</b>	<b>\$12,030</b>	<b>\$1,796</b>	<b>\$83,772</b>	<b>83.5%</b>

THEA Monthly Traffic Operations Report - Adjusted



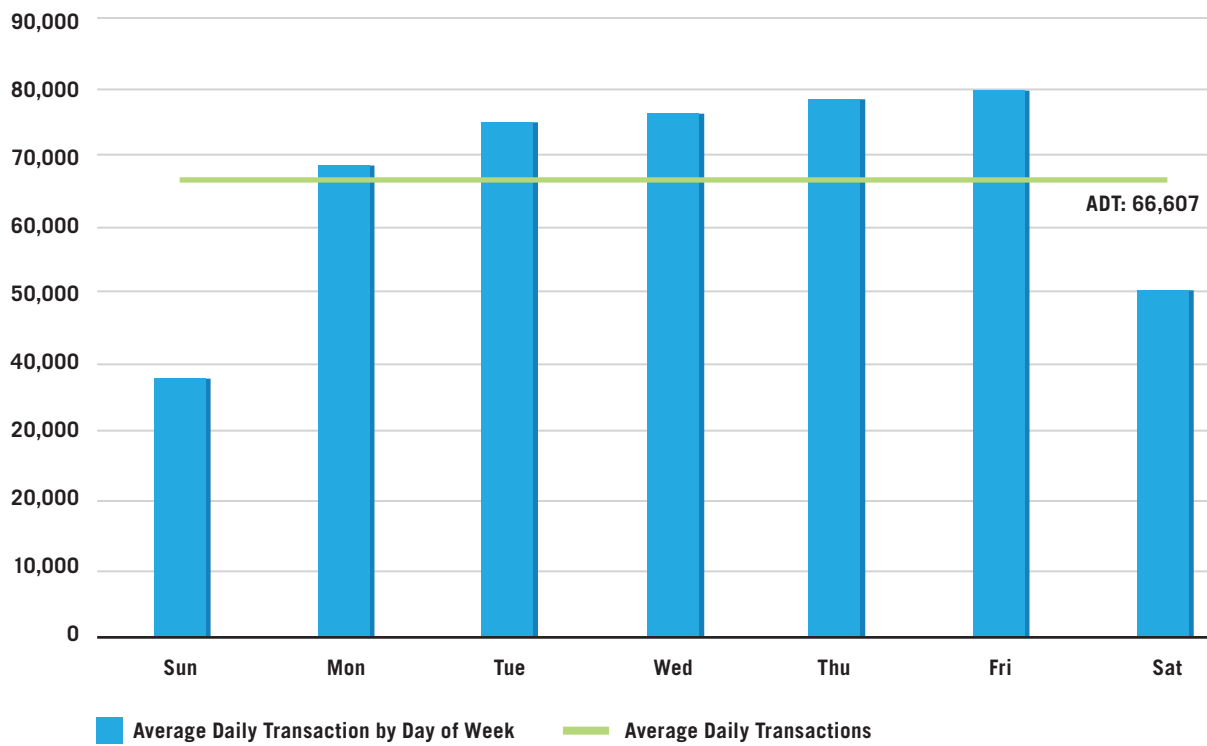
**Figure 6: FY2019 Monthly Toll Revenue by Payment Method (\$000s)**



THEA Monthly Traffic Operations Report - Adjusted

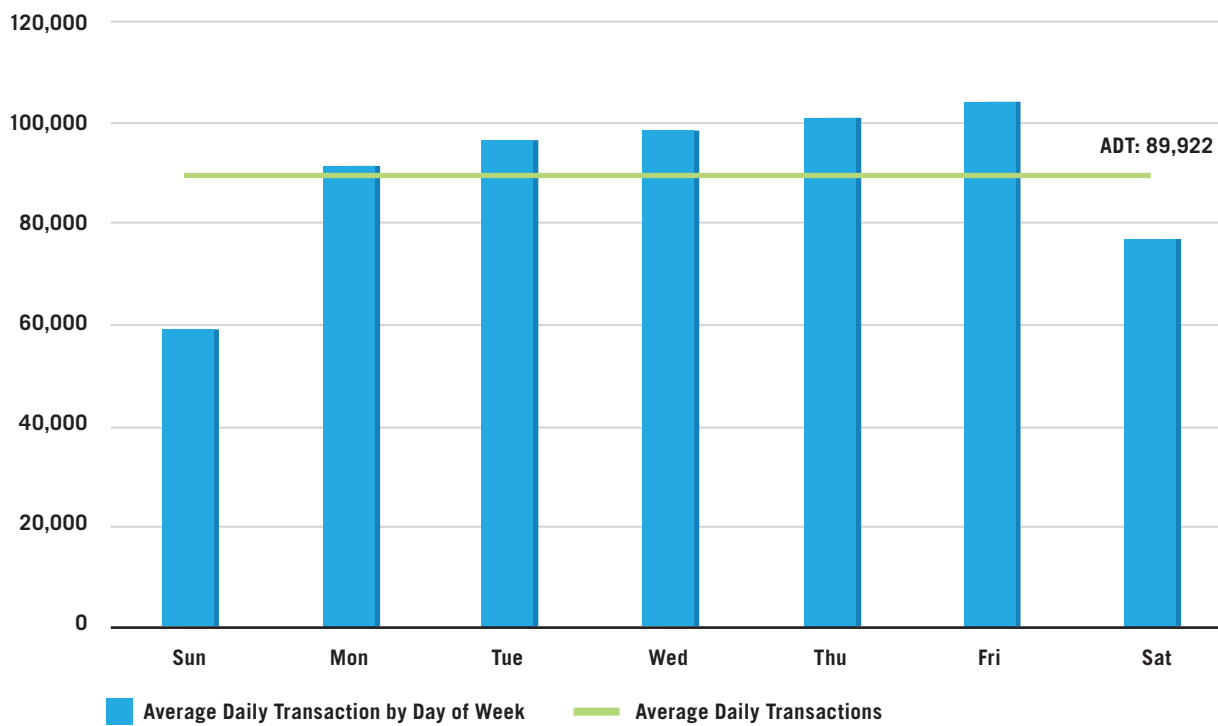
The daily transaction variations for the West Plaza Group, East Plaza Group and RELs are presented in Figure 4, Figure 5, and Figure 6, respectively. The West Group consists of the West Mainline Toll Gantry, Plant Avenue ramps and Willow Avenue ramps. The East Group comprises the East Mainline Toll Gantry, 50th Street ramps, and 22nd Street ramps. The REL is presented alone. Average Daily Transactions (ADT) volumes by day of the week are shown as the average over the full fiscal year of FY2019. As can be easily seen, the weekday traffic is much higher than the weekend traffic, which is consistent with the usage of the Selmon Expressway as a commuter facility. This trend is also very consistent with past fiscal years.

**Figure 7: West Plaza Group Average Daily Transactions**



Source: THEA Monthly Traffic Operations Report

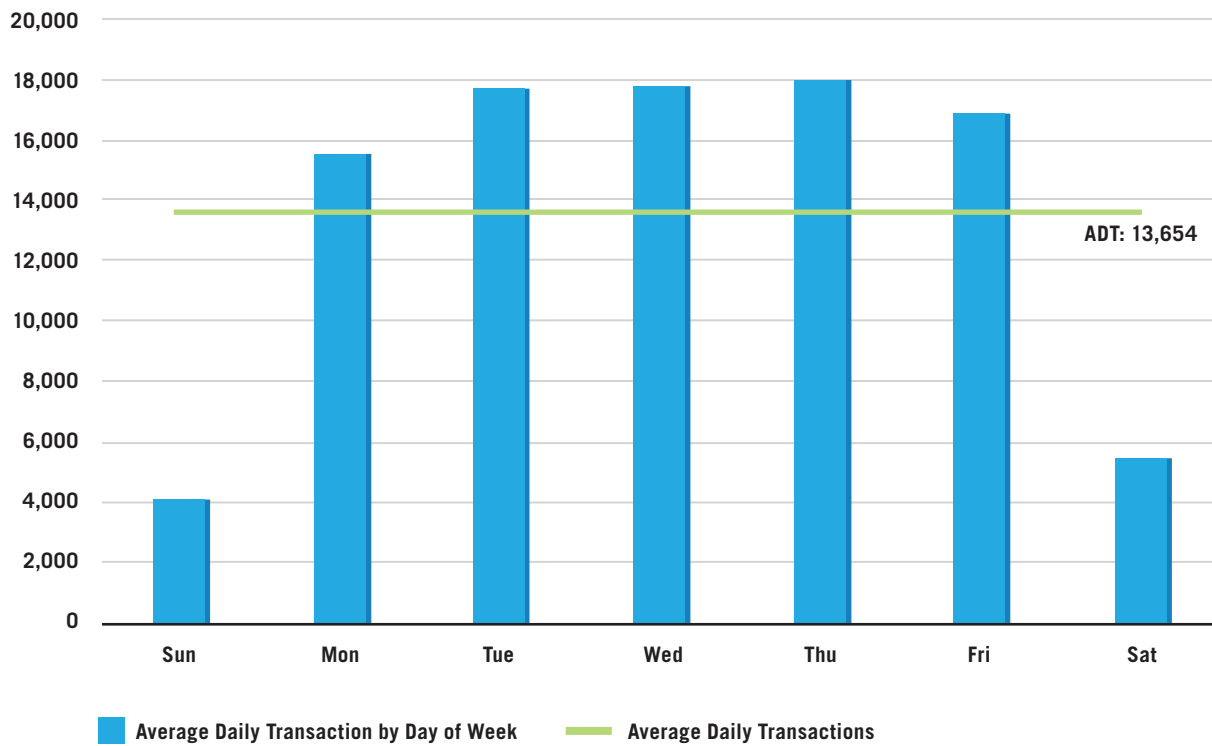
**Figure 8: East Plaza Group Average Daily Transactions**



Source: THEA Monthly Traffic Operations Report



**Figure 9: REL Average Daily Transactions**



Source: THEA Monthly Traffic Operations Report

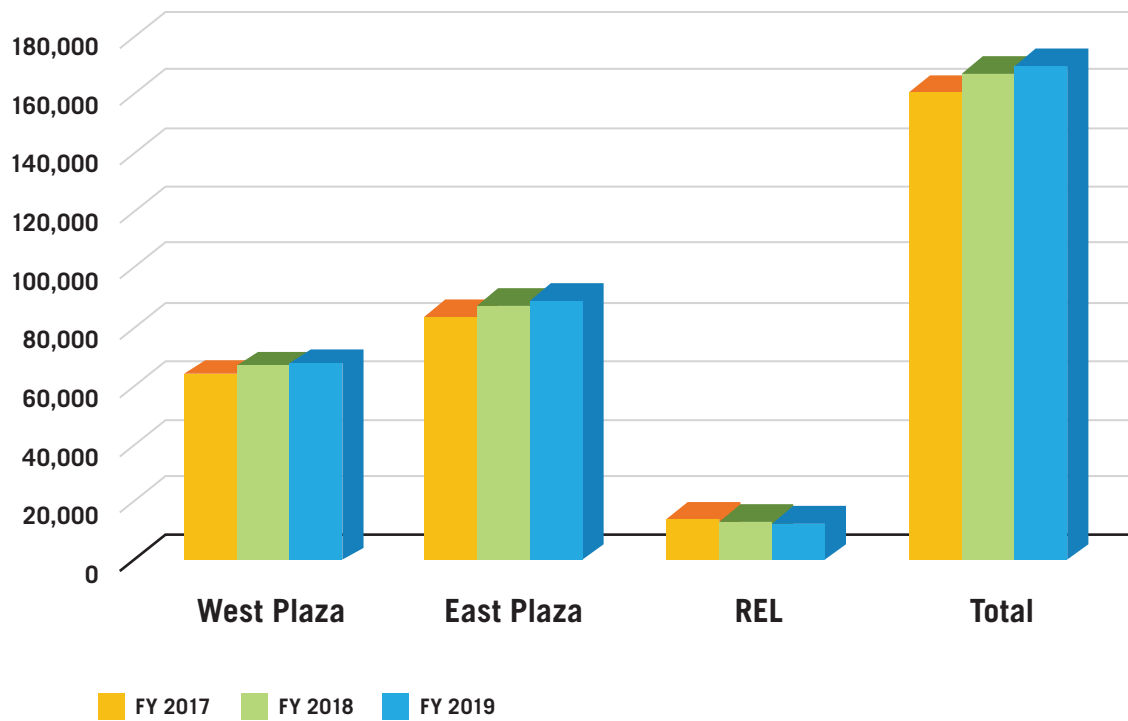
The average daily transactions by Plaza group are presented for FY2017 through FY2019 in Table 4 and Figure 10. The data shows strong daily traffic across the East and West Mainline plazas and general steady state of the Reversible plaza. The total traffic growth of 5.2 percent from FY2017 to FY2019 is indicative of the strong growth seen on the Selmon Expressway due to a continued healthy economic climate and increased attractiveness of the facility as other competing roadways experience more and more congestion.

**Table 4: Average Daily Transactions by Plaza Group (Includes all days of the week)**

PLAZA GROUP	FY 2017	FY 2018	FY 2019	GROWTH FY2017 - FY2019
West Plaza	62,891	66,243	66,607	5.9%
East Plaza	84,287	88,409	89,922	6.7%
REL	14,625	14,122	13,654	-6.6%
<b>Total</b>	<b>161,803</b>	<b>168,774</b>	<b>170,184</b>	<b>5.2%</b>

Source: THEA Monthly Traffic Operations Report

**Figure 10: Average Daily Transactions by Plaza Group (Includes all days of the week)**

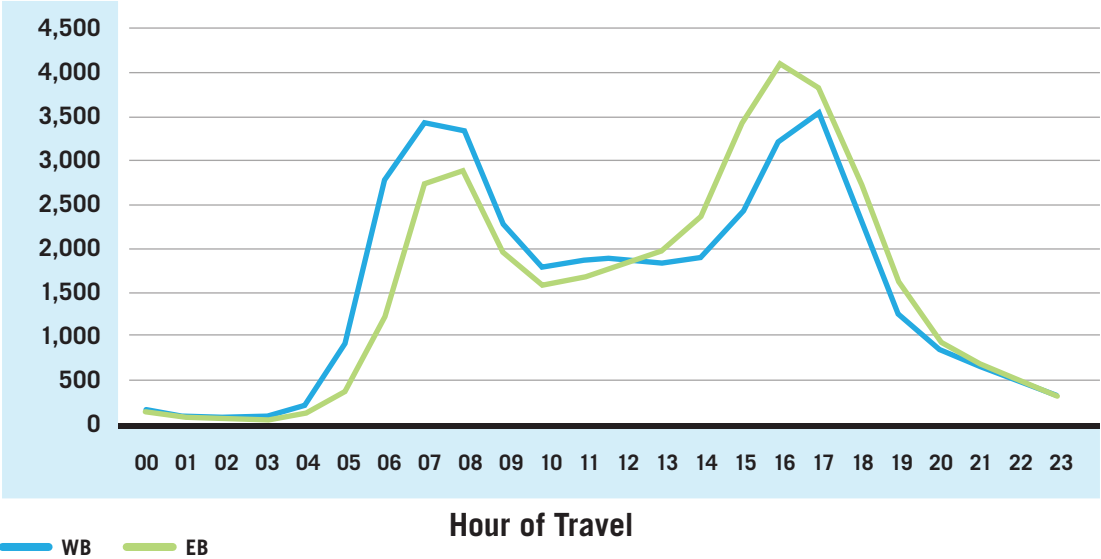


Source: THEA Monthly Traffic Operations Report



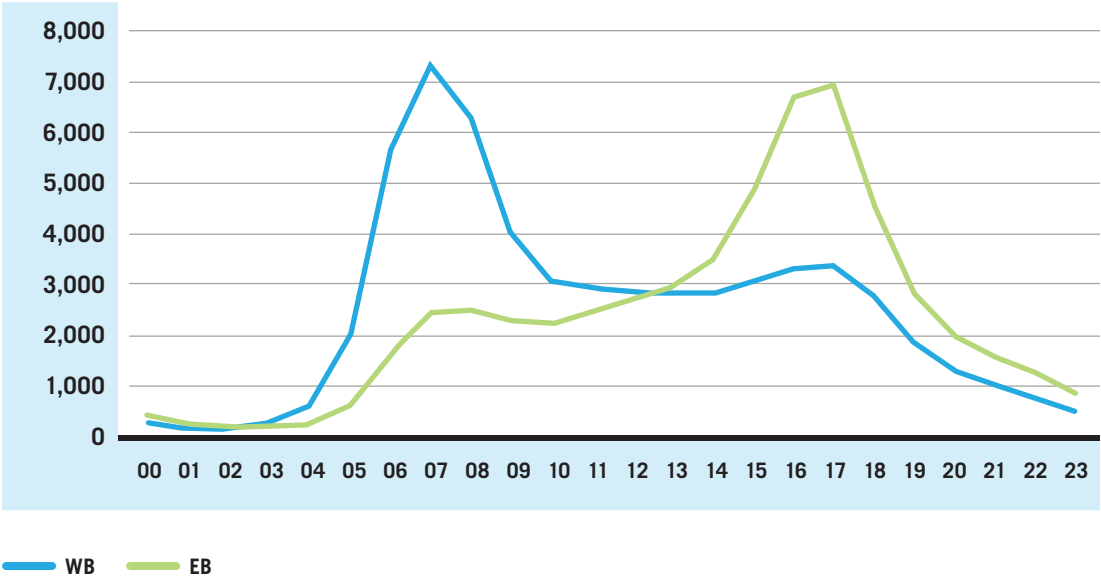
The hourly demand of traffic by direction on the Selmon Expressway by Plaza Group is presented in Figure 11 and Figure 12 for the West and East Plaza groups respectively. The West Plaza Group exhibits similar demand by direction for AM and PM peak periods. This is in contrast to the East Plaza Group that demonstrates strong directional demand with most of the westbound traffic in the AM peak period, while eastbound traffic has highest demand in the PM peak period.

Figure 11: West Plaza Group Hourly Demand by Direction



Source: THEA Monthly Traffic Operations Report

Figure 12: East Plaza Group Hourly Demand by Direction



Source: THEA Monthly Traffic Operations Report

The mix of traffic on the Selmon Expressway has been consistent historically with two axle vehicles (passenger cars) comprising about 96.5% of all transactions as shown in Table 5. Similar experiences are shown on the East and West Plaza groups and only slight difference on the REL as it is signed to prohibit larger vehicles.

**Table 5: Vehicle Class Breakdown by Plaza Group**

AXLE	WEST PLAZA GROUP	EAST PLAZA GROUP	REL	TOTAL
2 - AXLE	96.6%	95.9%	99.8%	96.5%
3 - AXLE	1.3%	1.5%	0.1%	1.3%
4 - AXLE	1.0%	1.1%	0.1%	0.9%
5 - AXLE	1.1%	1.6%	0.0%	1.3%
6+ - AXLE	0.0%	0.0%	0.0%	0.0%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: THEA Monthly Traffic Operations Report



## 2. Factors Affecting Traffic and Toll Revenue

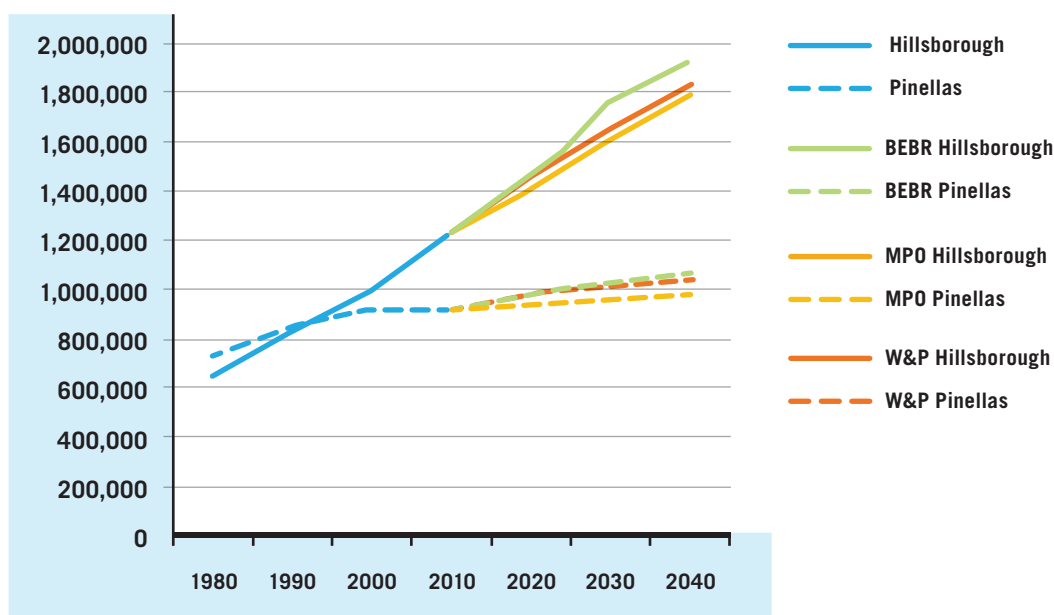
In this section some of the key factors that drive traffic and toll revenue on the Selmon Expressway are presented. These data include population growth, gross products, employment growth, and gas prices.

### 2.1 Tampa Area Population Growth

Population growth in the region is one of the most significant factors affecting transactions and toll revenue. Strong population growth, both historical and projected, is presented in Figure 16. From 1980 to 2010 the population in Hillsborough County almost doubled, growing from approximately 650,000 to 1.2 million according to the U.S. Census (Decennial). Pinellas County has also shown positive growth, albeit at a lower rate, growing by approximately 25 percent from 1980 to 2010. The annualized average annual growth rates since 1980 for Hillsborough County and Pinellas County were 2.2 percent and 0.8 percent respectively.

Projections of population were obtained from various sources to understand the potential growth in the region. These sources include the following: the University of Florida Bureau of Economic and Business Research (BEBR), Metropolitan Planning Organizations (MPO), and Woods and Poole Economics (W&P). The projected average annual growth rates from 2010 to 2040 for Hillsborough and Pinellas Counties (based on the 2010 Census figure and the average of the year 2040 population forecast from the three sources) are estimated to be 1.4 percent and 0.4 percent, respectively, which does continue the longterm historical growth at slightly lower levels.

**Figure 13: Tampa Region Population by County**

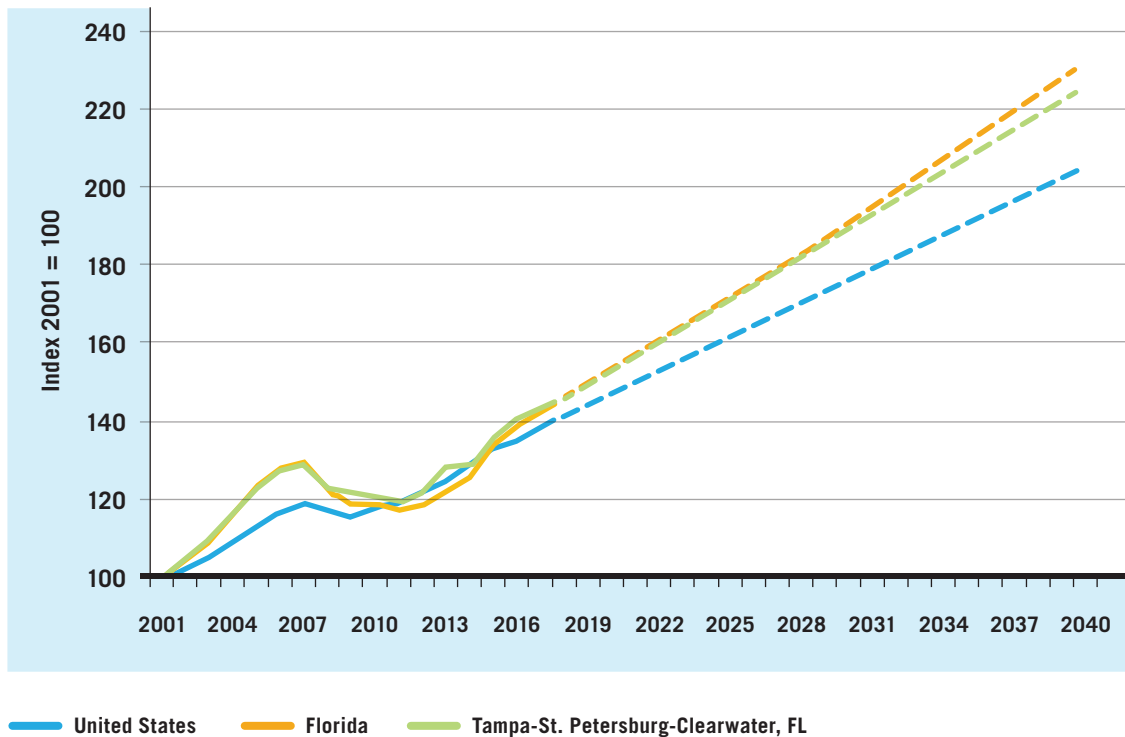


Sources: Bureau of Economic and Business Research (BEBR), Metropolitan Planning Organizations (MPO), and Woods & Poole Economics

## 2.2 Economic Conditions

The gross product for Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area, the State of Florida, and the United States from 2000 to 2017 is presented in Figure 10. It is clear that the Great Recession had a significant impact on the gross product in the region and state, but it appears that growth has continued at pre-recession levels since 2011. This level of growth is expected to continue into the future. Woods & Poole economics forecasts 2.0% annual growth rate in the metro area - slightly above the projected growth of the country overall (1.7%) but slightly below that of the state of Florida (2.2%)

**Figure 14: Gross Product by Geography**



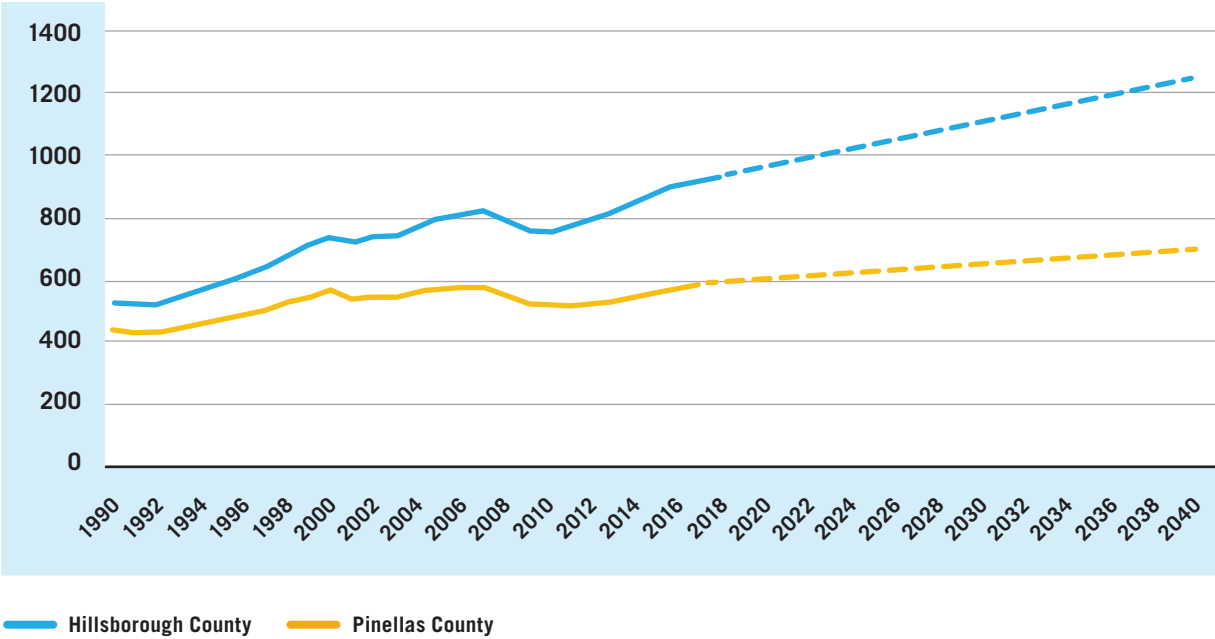
Source: Woods & Poole Economics



## 2.3 Regional Employment

As the Selmon Expressway is generally a commuter road, another major driver of traffic and toll revenue is employment. Historical and projected employment is presented in Figure 19. It is anticipated that employment for Hillsborough County will continue to grow into the future at an average annual rate of 1.3 and in Pinellas County at 0.7 percent.

Figure 15: Regional Employment (thousands)



Source: Woods & Poole Economics

# 2.4 Gas Prices

The price of gasoline is generally inversely related to vehicle usage; as the overall costs of travel increase, the amount of travel generally decreases. Historical gas prices for the State of Florida are presented by week for FY 2011 to FY 2019 in Figure 20. Since the middle of FY 2015 gas prices have generally been lower than the previous five years. In FY 2016 gas prices declined to even lower levels, however by the middle of FY 2017, prices were on the rebound. Since the middle of FY 2018, gas prices have hovered in the same range as the 2015-2017 period, but still below the historic highs of FY 2014 and before. It is anticipated that gas prices will stall or slowly decline over the coming months. Additionally, both employment and general economic growth have historically been a much better indicator of traffic levels. It is estimated that curtailment of travel as a function of rising gas prices will only occur above those historical highs of approximately \$4.00 per gallon.

Figure 16: Florida Average Retail Gas Prices



Source: United States Energy Information Administration (EIA)



### 3. Traffic and Revenue Forecast

Estimated transaction and toll revenues for the Selmon Expressway are presented in Table 6. The forecast assumes a 2.5 percent toll index adjustment annually, per THEA policy. The only exception is the S-Movement toll rates which are assumed to increase at two percent annually following FDOT policy\*. Additionally, the opening of the Selmon Extension, which will connect the Selmon Expressway to the Gandy Bridge and is expected in FY2022, will also increase traffic and revenue on the expressway system.

*Footnote: Administrative rule (Rule 14-15.0081) specifies the rate adjustment regime for FDOT*

**Table 6: Estimated Annual Transactions and Toll Revenue (thousands)**

FY	TRANSACTIONS	GROWTH	TOLL REVENUE	GROWTH
2020	64,283		\$94,409	
2021	65,025	1.2%	\$97,955	3.8%
2022	69,145	6.3%	\$104,559	6.7%
2023	70,317	1.7%	\$108,382	3.7%
2024	71,528	1.7%	\$112,720	4.0%
2025	72,778	1.7%	\$117,167	3.9%
2026	74,071	1.8%	\$121,970	4.1%
2027	75,409	1.8%	\$126,909	4.0%
2028	76,796	1.8%	\$132,072	4.1%
2029	78,233	1.9%	\$137,471	4.1%

*Includes impact of Selmon Extension in FY2022*

*Includes 20% of S Movement transactions and toll revenue*

*Assumes toll indexing equivalent to 2.5% increase in SunPass rate*

*Forecast includes estimated non-collection on a portion of transactions*

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