

Mid-Bay Bridge Authority and its regional transportation system

By: Gordon Fornell
Chairman of the Mid-Bay Bridge Authority

In the absence of state priority and funding in the late 80s and early 90s, Okaloosa county leaders successfully worked with the state legislature to establish the Mid-Bay Bridge Authority in order to construct the bridge and connecting roads to form a regional transportation system.

Without funds on hand, the Authority issued municipal bonds to finance the project which has been a tremendous success, resulting in commercial development and economic growth not previously seen in the area. And, the beauty to all tax-paying citizens in our county is that they don't pay across the board higher taxes for the Mid-Bay Authority's System. Only those who use the System pay for it, with many of them being tourists from outside the county.

This spring the Mid-Bay Bridge Authority had to make a choice: implement a scheduled toll increase that would significantly raise tolls across the board, or refinance our debt to keep tolls as low as responsibly possible. The consistent feedback of those citizens who participated in the process was to keep the rates as low as possible, especially for commuting workers -- locals who use the system the most.

As an Authority, we chose to refinance, taking advantage of historically low municipal bond interest rates in order to save the Authority and its users money. As a result, we will implement a new toll schedule on October 1 that doesn't cost SunPass frequent users one penny more and sets the Authority on a stable debt stream that should minimize the potential for any future toll increases. Our refinancing move saved \$4 million, reduced the annual tolls that must be collected, and did not extend the maturity date of our bonds.

We expect as a regulated government agency to face criticism and questions when we implement change. We know not everyone will agree, and we welcome all comments and opinions. We have throughout this entire process. Our goal is to involve, inform, and fully educate the citizens of Okaloosa County on the challenging process of sustaining and financing a transportation system with no revenue stream from the state gas tax.

We have addressed questions surrounding the new toll schedule and the future of the System openly and honestly, briefing the press and public since the beginning of March. I extend an invitation to anyone who questions our transparency, thoughtful preparation, and hard work as an Authority to do what's best for our system's users, to contact us and learn more about our goals as a governing body of this regional

transportation system. I'd also like to invite you to attend the monthly meetings of the Authority.

Since our announcement of the new toll schedule, some have asked the question: "Will we ever get rid of the debt incurred to manage and build the system?" Yes. The current bond issue term is through 2040, at which time the debt will be retired. Although the Authority participates in regional transportation planning efforts and may develop projects that benefit a compelling public transportation need, construction funds will be pursued through other financing means first- we have no plans at this point to incur more municipal bond debt.

While we have a plan, no one can predict future man-made or natural occurrences. What we do know is the Mid-Bay Bridge Authority's system has been a positive development. Sen. Don Gaetz described it to the *Northwest Florida Daily News* as, "one of the more positive developments in regional history."

Little known across the community is the system's positive impacts. For example, in the event of an evacuation, tolls will be suspended to ensure our citizens and visitors can reach safe havens quickly and safely. In addition, the Spence Parkway was constructed to improve traffic levels of service in Bluewater Bay, from White Point Road to State Road 20, and all the way across Rocky Bayou into Niceville proper. Residents can now travel in their community without the extreme traffic on Saturdays during the tourist season. Finally, in exchange for land easements, the Authority has enhanced the Eglin AFB mission by funding and executing numerous capital improvement and environmental restoration projects on the base.

Come this October and into the next year, the Mid-Bay Bridge Authority looks forward to continuing its engagements with Eglin, as well as economic, commercial, and public organizations in order to continue to meet local transportation needs.