

---



**Mid-Bay Bridge Authority**

***Toll Schedule Analyses***

**Board Meeting**

**11-17-16**

---



# *Overview*

- 
- **Conducted Toll Schedule Analyses per Authority Direction**
  - **2 Public Meetings**
    - **Dates:**
      - ◆ **10/25/16: Destin**
      - ◆ **10/27/16: Niceville**
    - **Presented the various toll discount options**
    - **Received Feedback**
  - **Conducted Toll Schedule Analyses per Public Feedback**
-



# *Mid-Bay Bridge – Transactions*

---

## **Mid-Bay Bridge Transactions – (FY2016: October 2015 – September 2016)**

<b>Total</b>	<b>7.2 million</b>	<b>100%</b>
<b>@ toll rate (\$4.00)</b>	<b>2.3 million</b>	<b>32%</b>
<b>@ SunPass 25% Local Discount (\$3.00)</b>	<b>3.4 million</b>	<b>47%</b>
<b>@ SunPass 50% Frequent Discount (\$2.00)</b>	<b>1.5 million</b>	<b>21%</b>

---



# *Toll Schedule Alternatives*

## *Analyzed*

---

- **Status Quo (Base Case): No Change to Toll Schedule**
  - **Local Discounts: Discount to the current SunPass toll rate (\$3.00)**
  - **Frequent Customer Discounts:**
    - **Monthly Threshold Decrease: Test various decreases to the existing 41-transaction threshold**
    - **Monthly Stepped Threshold Option: Offering two levels of SunPass discounted rates**
  - **Annual Passes/Toll Cap**
    - **Annual Pass: Test various rates for pre-paid annual pass**
    - **Annual Toll Cap: Test various caps (once you achieve a revenue level you pay no more)**
-



# *Additional Analyses Based on Public Comments*

---

- **Combining of various discount programs:**
    - Threshold and SunPass Discount;
    - Threshold and Annual Pass;
  - **Increase of the Cash toll rate and decrease to other payment classes:**
    - Increase Cash to \$5, decrease SunPass;
    - Increase Cash to \$5, decrease Threshold;
  - **Combining the Mid-Bay Bridge and Spence Parkway transactions to achieve discount; and**
  - **Elimination of the Spence Parkway toll gantry and needed rates on Bridge to accommodate.**
-



# Results

MBBA Toll Schedule Alternatives								
ID	Category	Name	A	B	C	D	E	F
Base Case	Current Toll Schedule	Base Case						
1	Local Discount	SunPass Discount	\$0.10 discount	\$0.20 discount	\$0.25 discount (\$0.10 Parkway)	\$0.30 discount	\$0.40 discount	\$0.50 discount
2	Frequent User Discounts	Threshold Decrease	Threshold: 35	Threshold: 34	Threshold: 33	Threshold: 32	Threshold: 31	Threshold: 30
3		Dual Thresholds	Threshold 1: 35 Threshold 2: 41	Threshold 1: 31 Threshold 2: 41	Threshold 1: 35 Threshold 2: 40	Threshold 1: 30 Threshold 2: 40	Threshold 1: 30 Threshold 2: 36	Threshold 1: 25 Threshold 2: 36
4		Combined Thresholds	Combined Threshold: 82	Combined Threshold: 80	Combined Threshold: 70	Combined Threshold: 60		
5	Annual Spend Limit	Annual Pass	Annual Pass: \$250	Annual Pass: \$500	Annual Pass: \$800	Annual Pass: \$1,000	Annual Pass: \$1,500	
6		Annual Toll Cap	Annual Toll Cap: \$250	Annual Toll Cap: \$500	Annual Toll Cap: \$800	Annual Toll Cap: \$1,000	Annual Toll Cap: \$1,500	
Combined Alternatives								
7	Alt 1 and 2	SunPass Discount and Threshold Decrease	\$0.20 discount (\$0.10 Parkway) & Threshold 35	\$0.20 discount (\$0.10 Parkway) & Threshold 31	\$0.25 discount (\$0.10 Parkway) & Threshold 35	\$0.25 discount (\$0.10 Parkway) & Threshold 31		
8	Alt 1 and 3	SunPass Discount and Dual Thresholds	\$0.20 discount (\$0.10 Parkway) & Threshold 1: 35 Threshold 2: 40	\$0.20 discount (\$0.10 Parkway) & Threshold 1: 30 Threshold 2: 40	\$0.25 discount (\$0.10 Parkway) & Threshold 1: 35 Threshold 2: 40	\$0.25 discount (\$0.10 Parkway) & Threshold 1: 30 Threshold 2: 40		
9	Alt 2 and Alt 5	Threshold Decrease and Annual Pass	Threshold 35 Annual Pass: \$800	Threshold 35 Annual Pass: \$1,000	Threshold 38 Annual Pass: \$800	Threshold 33 Annual Pass: \$1,000		
10	Alt 1 with Cash to \$5	Increase Cash, decrease SunPass	Cash: \$5, SunPass: \$0.25 Discount	Cash: \$5, SunPass: \$0.30 Discount	Cash: \$5, SunPass: \$0.40 Discount	Cash: \$5, SunPass: \$0.50 Discount	Cash: \$5, SunPass: \$0.60 Discount	Cash: \$5, SunPass: \$0.61 Discount
11	Alt 2 with Cash to \$5	Increase Cash, decrease Threshold	Cash: \$5, Threshold: 30	Cash: \$5, Threshold: 25	Cash: \$5, Threshold: 21			
New Alternatives								
12	Remove Parkway Gantry and Increase Tolls at Bridge	Increase all rates	Bridge Cash: \$5 Bridge SunPass: \$3.00	Bridge Cash: \$5 Bridge SunPass: \$3.25	Bridge Cash: \$5 Bridge SunPass: \$3.50			

Lowest Rate that achieves Target Revenue

Rates that Achieve Target Revenue

Rates that Do Not Achieve Target Revenue



Mid-Bay Bridge Authority

---

# Details by Alternative

---



# *Current Toll Schedule*

Mid-Bay Bridge			
Axles	Cash	SunPass	SunPass Frequent User
2	\$4.00	\$3.00	\$2.00
3	\$8.00	\$8.00	\$8.00
Each Additional Axle	\$4.00	\$4.00	\$4.00

Spence Parkway			
Axles	Cash	SunPass	SunPass Frequent User
2	\$2.00	\$1.50	\$1.00
3	\$4.00	\$4.00	\$4.00
Each Additional Axle	\$2.00	\$2.00	\$2.00

Frequent User: 41 Monthly Transactions per Account per Facility





# *Toll Schedule Alternative*

## *Status Quo*

---

### ■ **No Change to the Toll Schedule**

#### ■ **Pros**

- **Low risk to the financial stability of the Authority**
- **Available revenue for potential Hurricane or other natural or man-made disaster**
- **Keeps current SunPass discount**

#### ■ **Cons**

- **Provides no additional discount to customers**

#### ■ **Results**

- **Achieves Target Revenue**
-



# *Toll Schedule Alternative*

## *Local Discounts*

---

### ■ Increase the SunPass discount

#### ■ Pros

- Some discounts achieve Target Revenue
- Offers SunPass customers a greater discount
- Low risk to the financial stability of the Authority

#### ■ Cons

- Offers no additional discount to the commuters/frequent customers

#### ■ Result

- Increasing discount from \$1.00 up to \$1.40 meets target revenue
-



# *Toll Schedule Alternative Frequent Customer Discounts*

---

- **Reduce monthly transaction Threshold (41) needed to achieve frequent customer toll rate (\$2.00)**
  - **Pros**
    - **Some discounts achieve Target Revenue**
    - **Expands frequent customer/commuter discount**
    - **Low risk to the financial stability of the Authority**
  - **Cons**
    - **Offers no additional discount to SunPass local customers**
  - **Result**
    - **Decreasing monthly transaction threshold from 41 to as low as 31 meets Target Revenue**
-



# *Toll Schedule Alternative Frequent Customer Discounts – Tiered*

---

- **Provide two levels of discount (\$2.50/\$2.00) at two transaction thresholds**
  - **Pros**
    - **Some thresholds achieve Target Revenue**
    - **Expands frequent customer/commuter discount**
    - **Low risk to the financial stability of the Authority**
  - **Cons**
    - **Offers no additional discount to SunPass local customers**
    - **Offers very little benefit to frequent customers/commuters in comparison with single threshold**
  - **Result**
    - **Offering transaction threshold at 30 for \$2.50 and 36 for \$2.00 meets Target Revenue**
-



## *Toll Schedule Alternative*

# *Frequent Customer Discounts - Combined*

---

- **Allow for combining of trips between Parkway and Bridge to achieve the Frequent User Discount**
  - **Pros**
    - **All thresholds tested achieve Target Revenue**
    - **Expands frequent customer/commuter discount**
    - **Low risk to the financial stability of the Authority**
  - **Cons**
    - **Low number of people benefit**
    - **Offers no additional discount to SunPass local customers**
    - **Offers very little benefit to frequent customers/commuters in comparison with single threshold**
  - **Result**
    - **Many thresholds meet Target Revenue**
-



# *Toll Schedule Alternative*

## *Annual Pass/Toll Cap*

---

- **Annual pass or annual toll cap for unlimited SunPass travel on the Bridge (by transponder)**
  - **Pros**
    - Offers deep discounts to very frequent customers
  - **Cons**
    - Annual fee or cap must be high to achieve Target Revenue
    - Risk to the financial stability of the Authority
  - **Result**
    - Annual Pass/Toll Cap would need to be \$800 or greater and would benefit the fewest amount of customers
-



# *Toll Schedule Alternative*

## *Local and Frequency Discounts*

---

- **Increase the SunPass discount and reduce monthly transaction Threshold (41) needed to achieve frequent customer toll rate (\$2.00)**
  - **Pros**
    - **Some discounts achieve Target Revenue**
    - **Offers SunPass customers a greater discount**
    - **Offers additional discount to the commuters/frequent customers**
  - **Cons**
    - **Higher risk to the financial stability of the Authority**
  - **Result**
    - **Increasing discount from \$1.00 up to \$1.20 and reducing threshold to 35 trips meets target revenue**
-



# *Toll Schedule Alternative*

## *Local and Frequency Discounts - Tiered*

- 
- **Increase the SunPass discount and Provide two levels of discount (\$2.50/\$2.00) at two transaction thresholds**
  - **Pros**
    - **Some discounts achieve Target Revenue**
    - **Offers SunPass customers a greater discount**
    - **Offers additional discount to the commuters/frequent customers**
  - **Cons**
    - **Higher risk to the financial stability of the Authority**
    - **Limited benefit compared do single threshold option**
  - **Result**
    - **Increasing discount from \$1.00 up to \$1.25 and Offering transaction threshold at 35 for \$2.50 and 40 for \$2.00 meets Target Revenue**
-





# *Toll Schedule Alternative Frequency Discounts and Annual Pass*

---

- **Reduce monthly transaction Threshold (41) needed to achieve frequent customer toll rate (\$2.00) and annual pass or annual toll cap for unlimited SunPass travel on the Bridge (by transponder)**
  - **Pros**
    - Some discounts achieve Target Revenue
    - Expands frequent customer/commuter discount
    - Offers deep discounts to very frequent customers
  - **Cons**
    - Offers no additional discount to SunPass local customers
  - **Result**
    - Threshold: 33; Annual Pass:\$1,000; or
    - Threshold: 38; Annual Pass:\$800
-



# *Toll Schedule Alternative Local Discounts and Increase Cash*

---

- **Increase the SunPass discount and increase Cash toll rate**
  - **Pros**
    - Offers SunPass customers a greater discount
  - **Cons**
    - Higher risk to the financial stability of the Authority
    - Increases tolls
    - Offers no additional discount to the commuters/frequent customers
  - **Result**
    - Increasing discount from \$1.00 up to \$1.60 and charging \$5 for cash toll meets target revenue
-



# *Toll Schedule Alternative Frequency Discounts and Increase Cash*

---

- **Increase the SunPass discount and increase Cash toll rate**
  - **Pros**
    - Expands frequent customer/commuter discount
  - **Cons**
    - Higher risk to the financial stability of the Authority
    - Increases tolls
    - Offers no additional discount to the local SunPass customers
  - **Result**
    - Decreasing threshold to 25 and charging \$5 for cash toll meets target revenue
-



## *Toll Schedule Alternative* *Remove Parkway Gantry and Increase Cash*

---

- **Remove the toll gantry at the Parkway and increase rates at the Bridge to compensate**
  - **Pros**
    - Removes toll collection costs at the Parkway
  - **Cons**
    - Increases Bridge tolls
    - Offers no discounts to any group at the Bridge
    - Removes the ability to collect Parkway tolls in the future when growth is expected to increase usage
  - **Result**
    - Cash toll will need to be \$5 and SunPass increased to \$3.25 to compensate for no revenue from the Parkway
-

---

The logo for the Mid-Bay Bridge Authority features a large orange sun with a yellow-to-orange gradient, partially obscured by a teal wavy line representing water. The text "Mid-Bay Bridge Authority" is written in a bold, black, sans-serif font across the sun.

**Mid-Bay Bridge Authority**

*Thank You*

---