



Toll Revenue and Traffic Analysis

November 15, 2011

Overview

- *Total Peak Season Traffic and Revenue*
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- *Peak Season Traffic and Revenue Statistics – Saturdays*
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Total Peak Season Traffic and Revenue

| Total Revenue and Traffic Figures | | | | | | | | |
|-----------------------------------|----------------|----------------|----------------|------------------|--------------------|--------------------|--------------------|--------------------|
| | Traffic | | | | Revenue | | | |
| | Weekdays | Saturdays | Sundays | Total | Weekdays | Saturdays | Sundays | Total |
| 2011 Peak Season Results | 947,268 | 447,728 | 300,522 | 1,695,518 | \$1,918,631 | \$2,472,375 | \$1,545,577 | \$5,936,583 |
| 2010 Peak Season Results | 1,155,086 | 543,265 | 376,578 | 2,074,929 | \$1,721,028 | \$1,025,855 | \$696,170 | \$3,443,052 |
| 2011 Results vs. 2010 | (207,818) | (95,537) | (76,056) | (379,411) | \$197,604 | \$1,446,520 | \$849,407 | \$2,493,531 |
| % Change from 2010 | (17.99)% | (17.59)% | (20.20)% | (18.29)% | 11.48% | 141.01% | 122.01% | 72.42% |
| 2011 Forecast | 957,388 | 362,943 | 210,731 | 1,531,063 | \$1,872,303 | \$1,872,487 | \$1,000,639 | \$4,745,429 |
| Variance from Forecast | (10,120) | 84,785 | 89,791 | 164,455 | \$46,328 | \$599,888 | \$544,938 | \$1,191,154 |
| % Variance from Forecast | (1.06)% | 23.36% | 42.61% | 10.74% | 2.47% | 32.04% | 54.46% | 25.10% |

- **Period of Analysis if 5/19/11 (Thursday) through 9/11/11 (Sunday) and 5/20/10 (Thursday) through 9/12/10 (Sunday)**
- 2011 and 2010 Peak Season Results compiled by BB&T Capital Markets from data provided by the City of Chesapeake
- 2011 Forecast data provided by Steer Davies Gleave
- Total Period Statistics include all travel days. Suspension of Tolls During Hurricane Irene Impacted revenue for all or a portion of five travel days (8/25/11 – 8/29/11) and comparable calendar days in 2010.

Total Peak Season Traffic and Revenue

Summary:

- Total Weekday Traffic and Revenue for the period was very close to the SDG forecast.
- Total Expressway Revenue for the Peak Season was \$5.93 million, an increase of \$2.49 million or 72% over 2010.
- 92% of the additional revenue, or \$2.29 million, was generated on Saturdays and Sundays.
- Total Expressway Revenue for the Peak Season exceeded the Steer Davies Gleave forecast by \$1.19 million, or 25%
- Nearly all of the variance from the SDG forecast can be attributed to higher-than-forecast Expressway traffic on Saturdays and Sundays.

- Since March 1st, 384 new discount program accounts were opened and 122 closed for a net increase of 262 new discount program members.
- Motorcycle Traffic and Revenue Peak Season
2010: 11,512 / \$5,756.00 2011: 7,244 / \$5,433.00

- Based on 2010 daily data for the fourth week of August and the overall trends for 2011, the suspension of tolls during Hurricane Irene is estimated to have resulted in approximately \$320,000 of lost revenue, reducing total revenue for the Peak Season by approximately 5.3%.

Peak Season Traffic and Revenue Statistics - Weekdays

| Daily Averages: | Traffic | | | | Revenue | |
|---------------------------------|---------------------|-----------------------|--------------------|------------------|-----------------|--------------------------|
| | Total Daily Traffic | % E-Z Pass | % Discount Program | 3+ Axle Vehicles | Daily Revenue | Average Toll per Vehicle |
| 2011 Peak Season Results | 11,337 | 61.36% | 39.96% | 523 | \$24,032 | \$2.12 |
| 2010 Peak Season Results | 14,083 | 56.16% | 37.11% | 514 | \$20,986 | \$1.49 |
| 2011 Results vs. 2010 | (2,746) | 5.20% | 2.85% | 9 | \$3,046 | \$0.63 |
| % Change from 2010 | (19.50)% | 9.26% | 7.68% | 1.64% | 14.51% | 42.25% |
| 2011 Forecast | 11,675 | <i>Not forecasted</i> | | | \$22,833 | \$1.96 |
| Variance from Forecast | (339) | | | | \$1,199 | \$0.16 |
| % Variance from Forecast | (2.90)% | | | | 5.25% | 8.40% |

- Period of Analysis if 5/19/11 (Thursday) through 9/11/11 (Sunday) and 5/20/10 (Thursday) through 9/12/10 (Sunday)
- 2011 and 2010 Peak Season Results compiled by BB&T Capital Markets from data provided by the City of Chesapeake
- 2011 Forecast data provided by Steer Davies Gleave
- All Daily Average Statistics have been adjusted to exclude travel days impact by suspension of tolls during Hurricane Irene (8/25/11 – 8/29/11) and comparable calendar days in 2010.

Peak Season Traffic and Revenue Statistics - Weekdays

Highlights:

- Average Weekday Traffic for the period was 339 vehicles lower than the Steer Davies Gleave forecast (-2.9%)
- Average Weekday Traffic on the Expressway in 2011 declined by 2,746 vehicles per day versus the same period in 2010, a decline of 19.5%.
- Average Weekday Traffic on Battlefield Boulevard in 2011 – forecasted traffic was 16,482 vpd versus actual traffic of 15,700 vpd.
- 2011 Average Weekday Revenue was 14.51% higher than for the same period in 2010.
- Although average daily traffic was slightly lower than forecast for weekdays, daily weekday revenue was 5.25% higher than forecast.

Peak Season Traffic and Revenue Statistics - Saturdays

Saturday Peak Season Traffic & Revenue

| Daily Averages: | Traffic | | | | Revenue | |
|---------------------------------|---------------------|-----------------------|--------------------|------------------|------------------|--------------------------|
| | Total Daily Traffic | % E-Z Pass | % Discount Program | 3+ Axle Vehicles | Daily Revenue | Average Toll per Vehicle |
| 2011 Peak Season Results | 27,951 | 43.23% | 8.40% | 741 | \$154,523 | \$5.53 |
| 2010 Peak Season Results | 31,807 | 39.14% | 8.89% | 871 | \$60,050 | \$1.89 |
| 2011 Results vs. 2010 | (3,856) | 4.09% | (0.50)% | (130) | \$94,473 | \$3.64 |
| % Change from 2010 | (12.12)% | 10.46% | (5.60)% | (14.95)% | 157.32% | 192.82% |
| 2011 Forecast | 21,350 | <i>Not forecasted</i> | | | \$110,146 | \$5.16 |
| Variance from Forecast | 6,602 | | | | \$44,377 | \$0.37 |
| % Variance from Forecast | 30.92% | | | | 40.29% | 7.16% |

- Period of Analysis if 5/19/11 (Thursday) through 9/11/11 (Sunday) and 5/20/10 (Thursday) through 9/12/10 (Sunday)
- 2011 and 2010 Peak Season Results compiled by BB&T Capital Markets from data provided by the City of Chesapeake
- 2011 Forecast data provided by Steer Davies Gleave
- All Daily Average Statistics have been adjusted to exclude travel days impact by suspension of tolls during Hurricane Irene (8/25/11 – 8/29/11) and comparable calendar days in 2010.

Peak Season Traffic and Revenue Statistics - Saturdays

Highlights:

- Average Saturday Traffic for the period was 6,602 vehicles greater than the Steer Davies Gleave forecast.
- Average Saturday Traffic on the Expressway in 2011 declined by 3,856 vehicles per day versus the same period in 2010, or 12.12%.
- Average Saturday Traffic on Battlefield Boulevard in 2011 – forecasted traffic was 22,640 vpd versus actual traffic of approximately 16,000.
- Average Revenue was \$154,523 per Saturday, an increase of 157% versus the prior year and 40% more than forecast by Steer Davies Gleave.

Peak Season Traffic and Revenue Statistics - Sundays

| Sunday Peak Season Traffic & Revenue | | | | | | |
|--------------------------------------|---------------------|-----------------------|--------------------|------------------|-----------------|--------------------------|
| Daily Averages: | Traffic | | | | Revenue | |
| | Total Daily Traffic | % E-Z Pass | % Discount Program | 3+ Axle Vehicles | Daily Revenue | Average Toll per Vehicle |
| 2011 Peak Season Results | 18,542 | 45.65% | 12.04% | 434 | \$96,599 | \$5.21 |
| 2010 Peak Season Results | 22,096 | 40.55% | 11.42% | 547 | \$40,866 | \$1.85 |
| 2011 Results vs. 2010 | (3,554) | 5.10% | 0.62% | (113) | \$55,733 | \$3.36 |
| % Change from 2010 | (16.08)% | 12.58% | 5.43% | (20.55)% | 136.38% | 181.68% |
| 2011 Forecast | 12,396 | <i>Not forecasted</i> | | | \$58,861 | \$4.75 |
| Variance from Forecast | 6,146 | | | | \$37,737 | \$0.46 |
| % Variance from Forecast | 49.58% | | | | 64.11% | 9.71% |

- Period of Analysis if 5/19/11 (Thursday) through 9/11/11 (Sunday) and 5/20/10 (Thursday) through 9/12/10 (Sunday)
- 2011 and 2010 Peak Season Results compiled by BB&T Capital Markets from data provided by the City of Chesapeake
- 2011 Forecast data provided by Steer Davies Gleave
- All Daily Average Statistics have been adjusted to exclude travel days impact by suspension of tolls during Hurricane Irene (8/25/11 – 8/29/11) and comparable calendar days in 2010.

Peak Season Traffic and Revenue Statistics - Sundays

Highlights:

- Average Sunday Traffic for the period was 6,146 vehicles greater than the Steer Davies Gleave forecast.
- Average Sunday Traffic on the Expressway in 2011 declined by 3,554 vehicles per day versus the same period in 2010, or 16.08%.
- Average Revenue was \$96,599 per Sunday, an increase of 136% versus the prior year and 64% more than forecast by Steer Davies Gleave.

Revenue Usage

➤ **FY11 Expressway Operations & Maintenance Budget** \$3,589,000

➤ **Major Renewal and Replacement projects underway or planned this fiscal year:**

| | |
|--------------------------------------|------------------------|
| ➤ Paving – Hanbury to Hillcrest | \$ 1,700,000 |
| ➤ Toll Hardware / Software Upgrades | \$ 526,000 |
| ➤ Snow Removal Equipment | \$ 328,000 |
| ➤ Variable Message Board Replacement | \$ 500,000 |
| ➤ 2011 Annual R & R Work | <u>\$ 500,000</u> est. |
| Total | \$3,554,000 |



Repayment of Expressway Debt Obligations:

➤ The following July 15 payments were made as scheduled on the Toll Revenue Bonds

➤ Principal: \$480,000 ➤ Interest: \$561,094

➤ July 15 payments were also made towards the repayment of the Expressway's TFRA Loan (\$1,134,101) and City Contribution (\$226,889) from funds accumulated in May and June.

➤ From July 1 through September 30 an additional \$2.4 million had been set aside for TFRA and City Contribution payments to be made in the current fiscal year.

Next Steps

- Continue monitoring traffic and revenue over remainder of fiscal year
- Review traffic and revenue with Transportation Toll Facility Advisory Committee quarterly
- Continue renewal and replacement projects as identified in the independent Engineer's annual Renewal and Replacement Report
- Continue to encourage participation in the discount program including trucking companies
- Provide fiscal year end report with focus on a complete year of peak and non-peak traffic and revenue