Memorandum

MIAMI-DADE COUNTY

Date: February 6, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 12(B)2

From: George M. Burgess
County Manager

Subject: Annual Update to the People's Transportation Plan (PTP) Pro Forma
December 2006

Attached is the annual update to the People's Transportation Plan (PTP) Pro Forma accompanied by a summary chart comparing the December 2005 Pro Forma and the December 2006 Pro Forma.

The Pro Forma is a thirty-year financial plan requiring various assumptions with respect to revenue growth, grant receipts and project cost estimates. While only one set of assumptions is reflected in the document before you, a variety of scenarios with alternate assumptions were reviewed by staff as a part of this exercise. These risk scenarios are recommended by Miami-Dade Transit's (MDT) financial advisor, Public Financial Management (PFM), are required as part of the Federal review process when applying for grant funding and are useful in identifying the potential risks to the successful implementation of the plan as currently presented. These scenarios are described in greater detail below.

In preparing this annual update, MDT and PFM have worked with the Citizens' Independent Transportation Trust (CITT), its advisor, Infrastructure Management Group (IMG), and the Office of the Citizens' Transportation Trust (OCITT) staff to review the Pro Forma.

As illustrated in the attached matrix comparing the December 2005 Pro Forma and December 2006 Pro Forma, please note the following significant changes from the December 2005 Pro Forma:

- Rail Corridors:

  Earlington Heights/ Miami Intermodal Center (EH/MIC) Connector continues to be programmed to open in 2010. The cost estimate has increased from $340 million in the December 2005 Pro Forma to $523 million in the December 2006 Pro Forma. This increased cost of $183 million is due primarily to increases in construction and right-of-way costs for guideway and track elements, support facilities, site work and special conditions, systems and professional services. Funding continues to be $100 million from the State of Florida with the balance from the Surtax. It should be noted that, at my direction, a draft conceptual study is being prepared that contemplates alternatives for taking Metrorail directly into the Airport; however, funding for these alternatives is not included in this document.

  The North Corridor is scheduled to open a year later (2014) than reflected in the December 2005 Pro Forma. Thirty percent of project design was completed in August, 2006. Right-of-way acquisition activities will commence in March, 2007. In February, 2006 this project received a "Medium" rating from the Federal Transit Administration

(FTA), a crucial step toward securing a funding commitment from the federal government. Our most recent New Starts application projects included a 59% federal share participation. Additionally, we received a commitment from the Florida Department of Transportation (FDOT) to fund up to 25 percent of the project. Currently the state participation is reflected in the Pro Forma at 20.5%. The cost of this project had been increased in the August transmittal to the FTA for the New Starts package from $914.5 million in the December 2005 Pro Forma to $1.372 billion total estimated cost. However, the 2006 Pro Forma has been updated to reflect an estimated cost of $1.45 billion. This $542 million increase is due primarily to increases in construction and right-of-way costs for guideway and track elements, support facilities, site work and special conditions, systems, professional services and an increase in the number of vehicles from 16 to 36. Local funding continues at 20.5%.

The East West Corridor is scheduled to open a year later (2016) than reflected in the December 2005 Pro Forma. The delay in the completion is primarily due to the need to further analyze alignment options, project cost effectiveness, and the competitiveness/contractor availability in the market with more than one major transit project being bid out and built at the same time. The cost estimate has increased from $1.38 billion to $2.28 billion. This $906 million increase is due primarily to increases in construction and right-of-way cost estimates.

It should be noted that assessment of capital cost estimates associated with each corridor project is ongoing. This effort is outlined in the attached report (which was also distributed under separate cover last week) prepared by Carlos Bonzon, Ph.D., P.E., at my request. The costs used for the Orange Line in this Pro Forma are an average of the contracted consultants' estimates. Adjustments to costs will require adjustments to the Pro-Forma.

Other corridors outlined in Exhibit 1 of the PTP have been or are being studied by the Metropolitan Planning Organization (MPO). It is important to note that funding is not programmed in the December 2006 Pro Forma for further activities, including construction.

- Public Works Projects: Projects are still scheduled to be completed by 2013 as was the case in the December 2005 Pro Forma. Collectively, project cost estimates have increased from $513 million to $774 million. This $261 million increase is due primarily to the inclusion of six locations identified by the MPO for grade separation ($112 million); three new corridors included for reversible flow lanes ($36 million) and updated construction estimates for projects which are under design ($87.6 million) and for new right-of-way estimates ($7.8 million).

- Fare increases: The December 2005 Pro Forma included two fare increases of $.60 in FY 2010, and $.50 in 2014. The fare increases in the 2006 Pro Forma are assumed to be $.50 in FY 2009, 2011, 2013 and $.25 every two years starting in 2015 until 2025 (inclusive). Fare increases are a critical operating assumption within the Pro Forma and are required to maintain the integrity of the operating system amid the rising costs of operations and maintenance and the increasing costs of the capital projects. While it is recognized that future year fare adjustments cannot be committed now, these fare increase assumptions balance the Pro Forma without further impacting the Surtax, adjusting service or the scope or scheduling of capital projects. No fare increases are contemplated after 2025. It is important to note that the Pro Forma assumes that the

Special Transportation Services (STS) fares will also increase as the base fare increases, with STS fares always reflected at double the amount of the base fare (STS fares are limited to double the transit properties' base fare). As has been stated in previous Pro Forma reports, fare increases beyond what has been reported to the Board in the past are required in order to sustain projected services as contemplated in this pro forma.

- Operations and Maintenance Expenses: The 2005 Pro Forma projected long-term Operations and Maintenance Expenses (O&M) at 4.1% average over the 30 years. In order to be more conservative, MDT separated the percentage of the total O&M that were due to increases in labor costs. Labor costs were found to comprise approximately 73% of the total O&M budget; the remaining 27% is comprised of "other" costs such as contracted expenditures, parts and equipment. For purposes of the 2006 Pro Forma, labor costs are projected to increase at an annual rate of 5.50%, while "other" costs increase at 2.75%. The weighted average increase in annual O&M costs is now projected at approximately 4.76%.

- Elimination of Duplicative Service with Opening of New Rail Corridors: The 2006 Pro Forma makes certain assumptions regarding the elimination of duplicative bus service in corridors that will be served by heavy rail. It is assumed that approximately 900,000 miles of bus service will be eliminated once all three corridors are open. More specifically, bus service is gradually reduced in these corridors beginning in 2010 with the opening of the Earlington Heights – Miami Intermodal Center, through 2016 with the opening of the East-West Corridor.

- Special Transportation Services (STS): The December 2005 Pro Forma had STS costs growing at 2% after the current contract ended in FY 2009. We have increased this cost growth to 7% in 2010, 5.25% in 2011, 3.5% in 2012 and 2.75% from 2013 forward. Although STS has experienced a growth in ridership of approximately 11% in recent years, MDT believes that with the effects of the new recertification effort (for screening of current rider eligibility based on Americans with Disabilities Act (ADA) criteria for paratransit service) and the future STS functional assessment Request for Proposals (RFP), STS ridership growth rates will slow relative to current growth rates (the RFP is currently being finalized and is projected for solicitation at the beginning of the year). MDT is also considering alternatives to contain STS costs such as substituting taxis for trips under five miles. MDT will continue to evaluate STS ridership growth rates to assess the feasibility of the current goal of 7% growth in cost in 2010. It must be noted that if current growth rates continue or escalate, service adjustments will need to be considered across all service modes unless additional funding sources or savings are identified. Federal regulations require transit properties to provide comparable, complementary paratransit service (Title 49, Section 37.121, 37.123, 37.131):

  > "Each public entity operating a fixed route system shall provide paratransit or other special service to individuals with disabilities that is comparable to the level of service provided to individuals without disabilities who use the fixed route system...The entity shall provide...service to origins and destinations within corridors with a width of three-fourths of a mile on each side of each fixed route. The corridor shall include an area with a three-fourths of a mile radius at the ends of each fixed route...The...service shall be available throughout the same hours and days as the entity's fixed route service."

- Existing services loan: The December 2006 Pro Forma assumes $127,921 million from the loan and the borrowing is carried through until FY 2010. The December 2005 Pro Forma included the loan amount to $133,438 to be drawn upon until 2009.

- Ridership in the December 2005 Pro Forma reflected a 4.5% annual increase across the board on all fare types, including the golden passport and patriot passport riders. The December 2006 Pro Forma reflects ridership increases based on historical information for each individual fare type and excludes Golden and Patriot passport riders from this line item, which are accounted for separately. The average annual ridership growth for fare paying customers is now reflected at 2.8%.

- Transit System Surtax Revenues: Surtax Revenues reached $189.5 million in 2006, an increase of 11.53% over 2005. Because of the dramatic growth in 2006, the growth rate for future surtax revenues was reduced to 5.50%. In comparison, the December 2005 Pro Forma assumed a 5.75% growth rate through 2011, 5.50% through 2024, and 5.25% thereafter. The table below shows the history of the Transit System Surtax since 2004 as well as the Public Health Trust Surtax since 1995. Based on the historical trend, MDT is comfortable projecting future growth at 5.50%. Further, the strong credit rating given to the 2006 Transit System Surtax Revenue Bonds indicates the credit agencies' positive review of the County's economic base.

Miami-Dade County Surtax History - 1995 to Present

	Year End	Dollars	Growth	Moving Average
PHT Surtax	1995	103,827,720		
	1996	111,055,653	6.96%	
	1997	112,826,579	1.59%	4.28%
	1998	120,563,433	6.86%	5.14%
	1999	128,463,242	6.55%	5.49%
	2000	140,254,014	9.18%	6.23%
	2001	147,283,914	5.01%	6.03%
	2002	146,528,984	-0.51%	5.09%
	2003	146,268,119	-0.18%	4.43%
Transit Surtax	2004	161,307,471	10.28%	5.08%
	2005	169,932,719	5.35%	5.11%
	2006	189,517,618	11.53%	5.69%

Time Frame Evaluated	Average Growth (Straight Line)	Compounded Average Annual Growth Rate
1995 - 2006 (11 years):	5.69%	5.62%
1997 - 2006 (most recent 10 years):	6.01%	5.93%

- Additional Scenarios: Sensitivity scenarios applied to the base Pro Forma assumptions are performed by MDT on an ongoing basis. These scenarios are required for the Federal Funding process, credit agency review, and overall structuring of the PTP Pro Forma. The sensitivity scenarios described herein are those with the most significant impact to the successful implementation of the PTP. MDT has the ability to quickly evaluate several scenarios and will perform any additional scenarios at the request of the Board. The alternate scenarios are detailed below, along with a description of the impact to the base Pro Forma. It should be noted that the County would have options to correct most funding deficits arising from potential negative events. These corrective measures including service adjustments and modifications to the scope or scheduling of capital projects are not included in these analyses and would also include any item subject to the Board's approval such as a additional recommended fare increase.

    - Scenario 1: Reduced Sales Tax Growth Rate: For purposes of this scenario, the long-term surtax growth rate was reduced to 5.00% (compared to 5.50% in the "Base Case"). In this case the Pro Forma initially goes into deficit in 2017, reaches a minimum balance of negative $200 million in 2028 and does not recover within the projection period.
    - Scenario 2: Increased Annual O&M Growth Rate: For purposes of this scenario, the long-term Operations and Maintenance growth rate was increased to 5.19% (compared to 4.76% in the "Base Case"). While the increases to the O&M costs were assumed to remain in the same proportion (73% Labor / 27% Other), Labor costs were assumed to escalate at 6.00%, while Other costs increased at 3.00% (compared to 5.50% and 2.75% in the Base Case, respectively). In this case the Pro Forma initially goes into deficit in 2017 and does not recover within the projection period of the Pro Forma.
    - Scenario 3: Increased Capital Costs: For purposes of this scenario, the capital costs of the three rail corridors are assumed to be 10% greater in the years 2007 through 2017. In this case the Pro Forma goes into deficit in 2019, reaches a minimum balance of negative $59 million in 2022, and recovers to positive levels in 2026.
    - Scenario 4: Different Fare Increases Structure: For purposes of this scenario, the fare increases are scheduled to be $.25 every two years starting in 2009. In this scenario, the Pro Forma goes into deficit in 2013, does not recover within the projected period with an ending balance of negative $900 million.
    - Scenario 5: Reduction of O&M Bus Costs: For purposes of this scenario, the O&M costs related to bus labor have been reduced by 5% in FY 2008. The fare increases have been curtailed to $.50 in 2009, $.50 in 2011, and $.25 in 2013, 2015, 2017, 2019, 2021, 2023. This results in the Pro Forma not going into deficit and ending with a balance of $221 million.

The assumptions used to prepare a thirty-year financial projection will undoubtedly require further refinement, and adjustments will continue to be presented to the Board on an annual basis. As I have stated in the past, it is both a near term and long term priority to ensure that we provide an efficient and effective level of quality public transportation services. MDT will continue to ensure that public transportation is a viable option to congested roads, but will do so within available resources.

Assistant County Manager

1/11/07
Date

2005 Pro Forma Overview	**2006 Pro Forma** Overview	**Variation** Overview
• 38 million Bus revenue miles	• 38 million Bus revenue miles	• None. Miles constant until new fare collection equipment is installed
• Rail revenue miles 9.3 million	• Rail revenue miles 9.3 million	• None
• Mover revenue miles 935 thousand	• Mover revenue miles 935 thousand	• None
• STS 1.4 million trips	• STS 1.6 million trips	• **Increased by 200,000 trips**
• Ridership increases based on 4.5% ridership growth across the board on all fare types	• Ridership increases based on a historical ridership growth of approximately 2.8% by fare type	• **1.7% decrease.** The ridership projection in the 05 Pro Forma used the total growth inclusive of golden pass; The 06 Pro Forma growth rates are based on historical growth on each particular fare category but it discounts the growth in golden pass (ridership is free)
• Operating revenues total $10.7 billion over 30-yr period	• Operating revenues total $12.3 billion over 30-yr period	• Operating revenues **increased by $1.6 billion** primarily to additional fare increases including STS
• Operating and Maintenance (O&M) expenses total $27.3 billion over 30-yr period based on yearly growth rates: Rail, Bus, Mover at 3.0% thru 2015; after 2016 at 4.5% Paratransit Service at 2.00% after 2009	• O&M expenses total $30.8 billion over 30-yr period based on yearly growth rates: Rail, Bus, Mover at 4.76% Paratransit Service at 5.42% in 2007, 9.50% in 2008, 13.55% in 2009, 7% in 2010, 5.25% in 2011, 3.5% in 2012 and 2.75% from 2013 on	• O&M **Increased $3.5 billion** due to long-term growth rates increase primarily for increased personnel costs, other costs and STS costs • Paratransit **O&M growth rates increased at different rates depending on the year; %** cost containments are being put in place such as taxis for trips under 5 miles in length and a recertification effort for screening of current rider eligibility based on American's with Disabilities Act
• Rail Corridors Projected Opening Dates: Earlington Heights/Miami Intermodal Center (EH/MIC) 2010 North Corridor 2013 East-West 2015	• Rail Corridors Projected Opening Dates: Earlington Heights/Miami Intermodal Center (EH/MIC) 2010 North Corridor 2014 East-West 2016	• EH/MIC – No change • North –**one year later** • East-West –**one year later**
• Public Works Projects completed in 2013	• Public Works Projects completed in 2013	• None
Surtax Revenues and Fare Increases	Surtax Revenues and Fare Increases	Surtax Revenues and Fare Increases
• Surtax revenue projected to total $13.1 billion over 30-yr period • Growth rate of 5.75 percent through 2011; 5.5 percent from FY 2012 to FY 2024, and 5.25 percent from FY 2025 to FY 2035 • Initially two (2) Fare increases of $.60 in FY 2010, and $.50 in 2014	• Surtax revenue projected to total $14.5 billion over 30-yr period • Growth rate of 5.50 percent through FY 2035. the 2006 surtax increased 11.53 percent from the previous year • Fare increases of $.50 in FY 2009, $.50 in 2011 and $.50 in 2013 and.$.25 every two years after that until 2025 (STS fares always double the base fare).No more fare increases after 2025.	• Total Surtax Revenue **increased $1.4 billion** • Average surtax growth rate over thirty-year perio remains 5.50% (5.76% compounded average growth rate from 2005-2036). • Additional fare increases to sustain increased operating and maintenance costs and to start building the balance for next corridors to be constructed. .

2005 Pro Forma

Capital Costs (Year of Expenditure)

- EH/MIC $340 million; North $914.5 million; East-West $1.38 billion
- Mid life Metrorail Vehicles Rehab $344 million
- Metromover Vehicle Replacement $33 million

- Public Works projects at $513 million

Rail Capital Funding [1]

- EH/MIC: 71% Local, 29% State ($100M)
- North: 56% Federal, 25% Local, 19% State
- EW: 54% Federal, 25% State, 21% Local

Other

- General Fund support at 3.5% and Local Option Gas Tax (LOGT) at 1.5%

2006 Pro Forma

Capital Costs (Year of Expenditure)

- EH/MIC: $523 million; North: $1.45 billion; East-West: $2.28 billion
- Mid life Metrorail Vehicles Rehab $344 million
- Metromover Vehicle Replacement $33 million

- Public Works projects at $774 million

Rail Capital Funding [1]

- EH/MIC: 81% Local, 19% State ($100M)
- North: 59% Federal, 20.5% State, 20.5% Local
- EW: 59% Federal, 20.5% State, 20.5% Local

Other

- General Fund support at 3.5% and Local Option Gas Tax (LOGT) at 1.5%

Variation

Capital Costs

- Rail corridor capital cost increases: **EH/MIC: $183 million increase** (53%) primarily due to increases in construction and right-of-way cost for guideway and track elements, support facilities, site work and special conditions, systems and professional services; **North: $542 million increase** (59%) in addition to the above delineated elements of increase, this project also had an increase in the number of vehicles from 16 to 36; **East-West: $906 millic increase** (65%) is due primarily to increases in construction and right-of-way costs

- **Public Works capital cost increased $261 million increase** (51%) is due to adding grade separators/reversible flow lanes, new construction estimates, new right of way estimates

Rail Capital Funding

- EH/MIC – **local funding increased 10%** or $183 million[2]
- North Corridor – **Federal Share increased by 3%** or $347 million of total cost [2]
- East-West –**Federal Share increased by 5%**, $600 million of total cost [2]

Other

- None

2005 Pro Forma Results	**2006 Pro Forma Results**	**Variation Results**
• Thirty-year Average Farebox Recovery Ratio: Bus: 39% Rail: 24%	• Thirty-year Average Farebox Recovery Ratio: Bus: 44% Rail: 27%	• Thirty-year Average Farebox Recovery Ratio: **Bus increased 5%** **Rail increased 3%**
• Minimum Fund Balance: $4.7 million in 2013	• Minimum Fund Balance: $50 million in 2020	• Minimum Fund Balance **increased $35.3 million**
• Fund Balance at conclusion of 30-yr period (FY 2035) is $1.3 billion	• Fund Balance at conclusion of 30-yr period (FY 2036) is $460 million	• Fund Balance at conclusion of 30-yr period **decreased by approximately $840 million**
Exiting services loan was estimated at $133.438 to be borrowed until 2009	• Existing services loan is estimated at $127,921 to be borrowed until 2010	• Existing services loan **decreased by approximately $5.5 million** due primarily to the impact of the fare increases

(1) Federal percentage share of capital cost represents the percentage requested in the New Starts application. Actual percentage share is greater due to the additional match provided for the EH/MIC corridor which is funded using no Federal dollars.
(2) Percentage change reflected is only the change to the actual New Starts application requested amount. Actual dollar amount change is reflective of both the percentage requested and the increased cost.

Date: JAN 1 1 2007

Memorandum

MIAMI-DADE COUNTY

To: Honorable Carlos Alvarez, Mayor
Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Update on Rail Transit Corridors ad Revised Capital Cost Estimates

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Attached is a report I asked Carlos F. Bonzon, Ph.D., P.E., Assistant County Manager, to prepare before he retired from County service. As you are well aware, capital cost estimates for the Orange Line projects have increased significantly for several valid reasons. While no one wants to jeopardize the County's chances to secure Federal funding for the Orange Line, we must make absolutely certain current capital cost estimates are as accurate as possible and reflect current market realities, and we must continually scrutinize consultant project cost estimate submittals. I will keep you apprised as we continue to review these estimates.

Attachment

c: Carlos F. Bonzon, Ph.D., P.E.
Alex Muñoz, Assistant County Manager
Roosevelt Bradley, Director, Miami-Dade Transit
Esther Calas, Director, Public Works
Lourdes Gomez, Assistant to the County Manager

Memorandum

MIAMI-DADE COUNTY

Date: December 1, 2006

To: George M. Burgess
County Manager

From: Carlos F. Bonzon, Ph.D., P.E.
Assistant County Manager

Subject: Update on Rail Transit Corridors and Revised Capital Cost Estimates

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The purpose of this memorandum is to summarize the status of the People's Transportation Plan (PTP) transit corridors and to provide you with updates on the capital cost estimates for the three corridors that constitute the Orange Line. It also briefly addresses other important potential transit projects such as the Southwest CSX Corridor Diesel Multiple Unit (DMU) project and Bus Rapid Transit (BRT).

As you are aware, during the past few months, I have held numerous meetings and discussions with Miami-Dade Transit (MDT) staff about the importance of demanding accurate and realistic capital cost estimates for our transit projects, encouraging the careful scrutiny of every capital cost estimate received from contracted consultants and the rejection of those that do not meet the required standard of professional care. I have also met individually with each of the principal consulting firms performing work on the Orange Line transit corridors and clearly expressed the County's expectation for accurate and complete capital cost estimates prepared by professional cost estimators. As a result, I am happy to report that a "bottoms-up" cost estimating procedure similar to what contractors use in preparing their own bids, has recently been instituted which raises our level of confidence and should produce more realistic capital cost estimates.

Nevertheless, I remain very concerned that there are still areas that may be underestimated. While the Federal Transit Administration (FTA) New Starts process encourages the identification of efficiencies within a project in order to meet the "cost-effectiveness" threshold, it also introduces pressures that may result in Consultants submitting low capital cost estimates based on unrealistic assumptions and cost data. In my view, the only acceptable way to reduce capital costs is to reduce scope in a way that makes sense. The unrealistic reduction of unit prices, inflation factors, contingency levels, or ignoring life-cycle costs by assuming the use of products of inferior quality are all unacceptable cost reduction strategies.

While the competitive nature of the FTA process requires that agencies present their New Starts submissions in a favorable light, the financial consequences of inaccurate cost estimates are considerable. As you may be aware, recent FTA policy dictates that the cost estimate contained within the Full Funding Grant Agreement is binding. This means that any subsequent cost overruns, with few exceptions, become the responsibility of the grantee. With recent increases in construction costs throughout the industry exceeding the 30% level, a $1 billion corridor commitment could easily escalate to untenable levels over the course of build-out. Cost increases of this magnitude would have significant impacts on the health of the current pro forma and the fiscal health of MDT, the balanced operation of which we have worked so hard to achieve in recent years. This prospect warrants cautious movement as we advance through the FTA New Starts process.

In order to increase the County's comfort level with current transit corridor estimates, I requested that MDT require the Engineer of Record (EOR) for each transit corridor project to prepare a complete Engineer's Estimate. Any estimate for a particular project component provided to a corridor Architect and Engineering (A/E) Team by MDT and/or the Program Management Consultant (PMC), e.g. capital cost estimate for fare collection equipment, must be validated before acceptance by the A/E team, with the respective team assuming responsibility for it as part of their official complete capital estimate. It is essential that we hold one entity responsible and accountable for such an important item.

In addition, I requested that these estimates be validated through the use of the Program Management Consultant (PMC) to force the uniformity and consistency of unit prices across the Orange Line project. I expect such actions will translate to an enhanced sense of ownership for each Corridor A/E Team's estimate. I also tasked MDT professional staff with the responsibility of reviewing the subject estimates to ensure that they are sound and that all assumptions are valid before they are accepted by MDT, and have encouraged them to reject submittals that fall short. This process should result in more consistent costing methods for the three corridors that make up the Orange Line as well as any other future transit project. The results of the comparative analysis for each of the Orange Line projects are outlined below, along with a status on all efforts associated with each of the corridors. It is imperative that these updated Orange Line costs be incorporated into the upcoming pro forma report to be submitted to the Board later this year which, given all the cost increases delineated below, will be quite a challenge to balance.

In general, the Orange Line construction costs have increased significantly, as have right of way costs and costs due to additional FTA design requirements. Materials cost, labor shortages, and reduced competition due to excess available work in the construction sector have been the primary drivers to increased capital cost estimates. I have instructed MDT to request their various A/E Teams to continue to reconcile their costs with the PMC estimates and reduce project scope, if necessary, in a realistic and appropriate manner. Another important component that will surface is unanticipated cost escalation for these projects as construction schedules are adjusted to be more realistic. As you are aware, the pro forma assumed an ambitious construction schedule for the Orange line corridors. While I fully support aggressive implementation schedules, we need to be extremely careful not to raise unrealistic expectations in the public's mind.

Another variable that I have scrutinized in the past few weeks is right of way acquisition and relocation costs. I held individual meetings with MDT and the lead consultants for the Orange Line corridors. I also asked Assistant County Attorney Tom Goldstein to participate in all meetings. As I clearly explained at each of the meetings, I want to make absolutely sure that the right of way capital cost estimates for each of the proposed transit corridors reflect a land value consistent with today's market, that the methodology used to reach that value is reviewed and accepted by the County Attorney's Office and, of equal importance, if not more, that the business damages and potential attorneys' fees be properly accounted for based on recent court cases and on-going mediation. In most cases, the FTA will not pay for either business damages or attorneys' fees. I also made it clear to all participants that it behooves us to modify, alter, shift and optimize the transit line alignment, whenever possible, to minimize right of way acquisition. As agreed at the subject meetings, I expect comprehensive briefings and reviews to be held with the County Attorney's Office before we finalize right of way acquisition capital cost estimates for each of the transit corridors.

As a side note, I have also instructed staff to include in the upcoming pro forma update report full cost estimates for the Public Works Department (PWD) portion of the PTP. Past pro forma reports had capped the PWD expenditures at $476 million in accordance with estimates contained in Exhibit I of the PTP Ordinance. Full scope and costs for all PWD projects were not developed prior to inclusion in the PTP. Therefore, I have requested the PWD staff to provide updated, realistic cost estimates for these critical PWD projects, including grade separation of intersections and viable reverse flow lanes.

- **Earlington Heights/Miami Intermodal Center (EH/MIC) Connector**

This project is currently at approximately the 60% Final Design completion stage. Final design is scheduled to be completed in April 2007. The currently scheduled construction completion date and the start of revenue service is the end of 2010, almost five years ahead of the time anticipated prior to the Surtax election. **The last pro-forma submitted to the Board in January of 2006 included a Year-of-Expenditure (YOE) capital cost estimate for the project of $340 million. However, recent estimates provided by the designer of record, URS, based on 30% final design completion have brought YOE costs to $540 million.** These increases are primarily due to extending the corridor south of N.W. 25 Street into the MIC, inflation, material price increases, labor market conditions and code and criteria changes. Cost increases for this project are also partly attributable to increased responsibility for right of way costs. Originally, it was anticipated that MDX would acquire a higher number of parcels than is now programmed, aggravating corridor costs. I have held preliminary discussions with the Florida Department of Transportation (FDOT) regarding their financial participation in the funding of the capital cost increase. The updated costs were also reviewed by the PMC. **The PMC's independent estimates resulted in a YOE cost of $ 504 million.** As design progresses towards completion these discrepancies will be reconciled leading to an official Engineer's Estimate prior to bidding any construction contracts.

- **North Corridor**

This project has reached the 30% Preliminary Engineering stage (equivalent to approximately 30% Final Design). Additionally, the FTA has recently granted authorization to continue Preliminary Engineering to a higher percentage completion in order to continue to refine project scope and capital cost estimates. The Final Environmental Impact Statement (FEIS) was submitted to the (FTA) on August 15, 2006. MDT anticipates the completion of the planning effort this year and that the North Corridor will receive a Record of Decision (ROD) from the FTA in early 2007. Assuming we are successful in obtaining a Full Funding Grant Agreement from the FTA, the current schedule update for this project reflects a completion date of mid-2014, ahead of the schedule anticipated at the time of the Surtax election.

The estimated cost of this project in the January 2006 pro forma was $915 million in YOE dollars. The updated YOE estimate based on the 30% Preliminary Engineering (PE) Design completed by the Parson Transportation Group (PTG) is $1.3 billion. The PMC reviewed the subject cost estimate and provided an independent YOE estimate of $1.52 billion. I remain very concerned that these estimates are low given the complexity of the project and today's construction environment.

- **East-West Corridor**

This project is still in the planning stage. On-going work by the firm of HNTB will lead to the preparation of a Supplemental Environmental Impact Statement (SEIS). The current schedule calls for a recommendation to the Metropolitan Planning Organization (MPO) of a Locally Preferred Alternative (LPA) in December of this year with the subsequent transmittal of the FTA New Starts application and request to initiate Preliminary Engineering. Assuming we are eventually successful in obtaining a Full Funding Grant Agreement from the FTA, the current projected completion date for this project is mid-2016. The original schedule prepared prior to the Surtax election anticipated the East/West line from Florida International University (FIU) to downtown to be built in one phase rather than two phases as currently contemplated, with planning and design activities beginning in 2011 and the line being completed for revenue service in 2023.

The estimated cost of the East-West Corridor project was $1.38 billion in YOE dollars in the January 2006 pro forma. Recent estimates submitted by HNTB have updated the cost to $2.16 billion. The PMC's independent YOE estimated cost for the project is $2.28 billion.

In examining in detail the above estimates for the three corridors, I am still concerned about the inconsistencies in the estimates for certain elements that are or should be substantially the same in all corridors. Hopefully, those will be satisfactorily addressed as final design progresses towards completion.

- **DMU on CSX Tracks**

As you are aware, Chairman Martinez has been spearheading the implementation of a project which in my opinion has tremendous potential and which will essentially expand Tri-Rail service into southwestern Miami-Dade County using existing CSX freight transportation tracks. We are currently working with the FDOT and CSX in conducting an appraisal of the subject corridor which runs from the existing Tri-Rail airport station to a terminal at the Metro Zoo. Additionally, DMUs along the subject CSX tracks is one of the options being analyzed as part of the Kendall Transit Corridor Alternatives Analysis (AA) study. It is anticipated that a LPA will be recommended to the MPO in early 2007.

- **Bus Rapid Transit (BRT)**

As you know, I have repeatedly stated in the past that in my professional opinion BRT is one of the most cost effective transit solutions and thus I have always been a strong supporter of BRT systems as the preferred solution. A BRT Opportunities Study conducted by the MPO identified eleven (11) potential corridors on which BRT could be implemented. Three of those eleven were recommended and endorsed by the MPO Board to conduct pilot projects. The three corridors are Biscayne Boulevard, Flagler Street and Kendall Drive. The Biscayne Blvd. corridor would have 33 station stops spaced an average of 2/3 miles. The Flagler corridor would have 39 station stops also spaced an average of 2/3 of a mile and a park and ride lot at S.W. 127 Ave/SW 8 St. We are currently working on the implementation of the third corridor, Kendall Drive, which would have 27 station stops with a 3/4 mile average spacing, one park and ride lot at SW 97 Ave and a bus turn-around at SW 167 Avenue. In order to implement this pilot program certain basic elements need to be in place such as traffic signal priority capability, new 60-ft BRT buses, enhanced bus stops with real time bus arrival information, service branding and roadway modifications. It is estimated that it would cost from $15 to $25 million to implement each one of the three corridors. FDOT funding is being sought in addition to the use of PTP funds. At this time, I do not anticipate full implementation of the Kendall Corridor BRT until the end of next year to be followed by the Flagler and Biscayne BRT projects a year later.

- **South Dade Corridor**

The MPO Board adopted at their June 22, 2006 meeting a recommendation regarding the LPA: Alternate 6 Modified-Enhanced BRT and a proposed LPA phasing plan that would extend Metrorail to 104th Street, construct 8-10 busway grade separations, upgrade stations and re-orient bus routes. A provision for a long-range Metrorail extension beyond SW 104th Street as demand warrants was included in the LPA. It is essential that MDT initiate project development activities to implement LPA policies.

- **Kendall Corridor**

An amendment to the original Professional Services Agreement (PSA) was negotiated to provide additional scope of work services related to the integration of the DMU Southwest Corridor with the Kendall Corridor as one of the options to be considered and evaluated. The PSA Amendment was approved by the MPO Board on June 22, 2006. The evaluation of the "Tier I" Alternatives will be presented to the MPO in October 2006 as part of the project screening process, which will eliminate alternatives to be considered during "Tier 2". Evaluation of the remaining alternatives will continue through January 2007.

- **Bay Link (Light Rail to Miami Beach)**

A Supplemental Draft Environmental Impact Statement (DEIS) was approved on October 15, 2002. A LPA consisting of a light rail/street-car system operating from Downtown Miami to South Miami Beach, was approved by the MPO on September 25, 2003. Subsequently, a PE request package for the FTA was completed, but was not submitted due to funding limitations within the 2005-2009 Transportation Improvement Program (TIP) and the MDT Pro Forma. Work on the corridor is on hold. The corridor will be re-evaluated for development with possible funding available commencing after completion of the Orange line projects.

- **Northeast Corridor - South Florida East Coast (SFEC) Corridor**

FDOT District 4 issued a Notice-to-Proceed for the two-phase, 24-month study to Gannett-Fleming on September 26, 2005. Alternatives were identified for the 82 -mile corridor serving Miami-Dade/Broward/Palm Beach counties. The Origin/Destination Study of the Travel Market Assessment has been completed. Several Steering Committee Meetings were held to present study findings. Public Involvement Workshops have been held in the three counties to present the alternatives developed. A conceptual evaluation of Phase I alternatives was conducted including preliminary travel demand forecasting. The project team will prepare a Programmatic Environmental Impact Statement (PEIS) for a tiered ROD by the FTA in early 2007.

c: Roosevelt Bradley, MDT Director
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Jose Luis Mesa, MPO Director
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Projected Sales Tax Revenue Growth:	5.50% Prior 2025	5.50% Prior 2037	Min Balance: $ 50,321,314	Year 2020

Exhibit 1
Capital & Operating Cashflow Analysis
Combined Revenue Sources & Uses: 2007 - 2036

REVENUES	2007	2008	$.50 Fare Increase 2009	Rail Corridor Open 2010	$.50 Fare Increase 2011	2012	$.50 Fare Increase 2013	Rail Corridor Open 2014	$.25 Fare Increase 2015	Rail Corridor Open 2016	$.25 Fare Increase 2017	2018	$.25 Fare Increase 2019	2020	$.25 Fare Increase 2021	2022	$.25 Fare Increase 2023	2024
Direct Operating Revenue																		
MDT Direct Operating Revenue - Existing Service	90,765,746	97,254,384	133,261,125	138,039,340	171,591,806	177,211,650	212,849,176	220,882,199	241,321,603	247,092,554	268,165,025	273,072,029	293,542,430	298,926,946	320,152,949	326,038,250	347,810,897	354,221,263
MDT Incremental Bus Revenue - New Service	11,201,000	13,549,441	19,249,998	19,143,749	28,158,351	33,167,861	40,155,670	43,628,546	47,659,391	51,231,988	58,546,878	59,671,864	64,438,552	65,678,042	70,598,022	71,957,372	77,035,899	78,520,677
MDT Incremental Rail Revenue - New Service	1,548,000	3,055,913	4,267,611	5,732,981	7,534,433	7,699,443	9,279,566	14,173,010	25,475,329	28,582,365	40,158,071	40,372,240	43,121,077	43,357,280	46,099,163	46,358,319	49,094,789	49,377,840
Grant Funds & Subsidy Revenue																		
Federal 5309 Grant Funds - Rail Capital	-	-	140,560,927	142,761,178	125,315,664	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	78,016,696	-		-	-	-	-	-
Federal 5309 Grant Funds - Rail Mod Funds	15,167,426	15,849,960	16,563,208	18,055,330	19,211,322	20,426,204	21,345,383	23,253,696	24,300,112	25,393,617	29,774,024	31,113,855	32,513,979	40,387,792	48,744,142	50,937,628	53,229,821	55,625,163
Federal 5309 Grant Funds - CP Reimbursement	-	-	-	-	-	-	-	-		-	21,983,304	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Federal 5309 Grant Funds - Bus Capital	3,507,000	4,673,000	12,557,000	6,988,675	35,148,439	37,280,022	-	45,098,414	42,126,019	47,612,932	44,919,555	59,864,203	6,104,092	9,649,161	30,734,991	9,677,804	48,672,988	51,624,769
Federal 5307 Urban Formula Funds	43,500,000	45,457,500	47,503,088	49,640,726	51,874,559	54,208,914	56,648,315	59,197,490	61,861,377	64,645,139	67,554,170	70,594,107	73,770,842	77,090,530	80,559,604	84,184,786	87,973,102	91,931,891
Federal 5307 Urban Formula Funds - Bus Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
State Grant & Other - Rail Capital	22,475,664	36,956,962	68,469,472	85,998,384	94,690,782	116,612,019	118,421,960	112,905,192	90,005,701	55,165,716	25,689,316	-	-	-	-	-	-	-
State Grant - Bus Capital	5,330,000	8,200,000	7,591,337	1,765,000	1,791,000	3,721,722	2,741,862	5,620,818	5,009,860	6,846,808	4,430,099	5,889,619	5,898,611	944,699	3,001,782	942,899	5,747,959	5,005,303
State Block Grant	16,525,000	16,990,000	17,131,600	17,772,000	17,872,000	18,211,568	18,557,588	18,910,182	19,269,475	19,635,595	20,008,672	20,388,837	20,776,224	21,170,973	21,573,221	21,983,112	22,400,792	22,826,407
State Trans. Disad. & Corridor Enhancement	8,447,000	8,615,940	8,788,259	8,964,024	9,143,304	9,326,171	9,512,694	9,702,948	9,897,007	10,094,947	10,296,846	10,502,783	10,712,838	10,927,095	11,145,637	11,368,550	11,595,921	11,827,839
MDT General Fund Subsidy	131,985,000	136,604,475	141,385,632	146,334,129	151,455,823	156,756,777	162,243,264	167,921,778	173,799,041	179,882,007	186,177,877	192,694,103	199,438,397	206,418,741	213,643,397	221,120,915	228,860,147	236,870,253
General Fund Support for Tri-Rail and SFRTA	6,829,000	6,954,000	6,999,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000
MDT LOGT	17,321,173	17,580,991	17,844,705	18,112,376	18,384,062	18,659,823	18,939,720	19,223,816	19,512,173	19,804,855	20,101,928	20,403,457	20,709,509	21,020,152	21,335,454	21,655,486	21,980,318	22,310,023
FDOT Reimbursement for PWD Projects	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	22,000,000	14,500,000	13,500,000										
Dedicated Tax Revenue																		
Sales Tax Revenue	199,941,087	210,937,846	222,539,428	234,779,096	247,691,947	261,315,004	275,687,329	290,850,132	306,846,889	323,723,468	341,528,259	360,312,313	380,129,490	401,036,612	423,093,626	446,363,775	470,913,783	496,814,041
Financing Proceeds																		
Sales Tax Revenue Bonds - Rail/PWD/MDT Projects	286,569,963	443,133,999	394,936,945	244,628,530	243,797,094	248,078,415	208,071,377	116,821,192	101,982,701	65,683,716	25,689,316	-	-	-	-	-	-	-
Bus Financing Proceeds	36,858,181	3,527,000	22,889,302	3,953,007	33,758,285	26,780,114	21,995,113	41,592,128	37,026,801	51,554,454	32,322,265	46,271,070	50,880,158	12,116,593	25,861,051	6,975,305	43,480,113	37,233,145
Commercial Paper Proceeds - Rail	-	-	-	105,864,533	135,084,229	258,868,271	264,520,882	246,418,031	174,472,015	67,534,510	-	-	-	-	-	-	-	-
Sunshine State Proceeds	91,700,353	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue																		
Interest Income	6,250,941	6,898,740	6,823,285	6,898,942	5,765,592	5,447,339	5,576,717	6,282,014	6,786,975	6,310,831	5,325,135	4,416,069	3,160,066	2,474,909	2,012,853	2,517,817	2,933,019	4,122,946
TOTAL REVENUE	997,922,534	1,078,240,149	1,291,361,921	1,264,561,001	1,407,397,690	1,582,900,315	1,568,175,617	1,563,110,586	1,494,481,469	1,377,924,505	1,287,816,436	1,302,695,549	1,312,325,266	1,318,328,527	1,425,684,891	1,429,211,019	1,578,858,549	1,625,440,559

EXPENSES	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Capital Expenses																		
New Bus Acquisition	23,455,458	16,400,000	11,795,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bus Renewal & Replacement	22,239,724	-	31,241,939	12,706,682	70,697,724	67,781,858	24,736,976	92,311,360	84,162,679	106,014,195	81,671,919	112,024,891	62,882,861	22,710,454	59,597,824	17,596,008	97,901,061	93,863,217
New Rail Capital Expansion	115,897,064	191,574,394	352,012,054	441,011,844	485,052,067	592,092,309	601,364,803	572,228,415	454,483,418	277,865,943	129,395,328	-	-	-	-	-	-	-
Rail Rehabilitation and Other MDT Projects	131,835,716	121,570,700	105,700,289	76,445,781	68,819,701	39,064,396	40,365,417	3,916,000	11,977,000	10,518,000	-	-		-	-	-	-	-
Rail Modification	2,645,000	2,777,250	2,916,113	3,061,918	3,215,014	3,375,765	3,544,553	3,721,781	3,907,870	4,103,263	4,308,426	4,523,848	4,750,040	4,987,542	5,236,919	5,498,765	5,773,703	6,062,388
Public Works Projects	153,773,200	167,730,866	147,715,000	63,275,000	46,866,000	94,382,000	50,870,000	-	-	-	-	-	-	-	-	-	-	-
Municipal Contribution (20% of Sales Tax)	39,988,217	42,187,569	44,507,886	46,955,819	49,538,389	52,263,001	55,137,466	58,170,026	61,369,378	64,744,694	68,305,652	72,062,463	76,025,898	80,207,322	84,618,725	89,272,755	94,182,757	99,362,808
MDT Operating Capital Expenditure (non-system)	4,550,000	5,000,000	5,500,000	6,000,000	6,500,000	7,000,000	7,350,000	7,717,500	8,103,375	8,508,544	8,933,971	9,380,669	9,849,703	10,342,188	10,859,298	11,402,262	11,972,376	12,570,994
Operating & Maintenance Expenses																		
Existing Operations (Includes STS & Mover)	344,125,374	358,846,392	377,663,560	414,833,015	434,840,331	454,797,882	475,228,751	496,598,451	518,950,732	542,331,405	566,788,433	592,372,033	619,134,785	647,131,743	676,420,551	707,061,566	739,117,986	772,655,983
Support for increased STS costs	10,198,000	14,300,000	17,226,633	-	-		-		-	-	-	-	-	-	-	-	-	-
Expanded Bus Operations	75,101,000	78,673,930	82,416,842	83,316,955	87,280,760	91,433,142	95,783,073	94,009,886	98,482,406	103,085,677	107,989,979	113,127,602	118,509,647	124,147,744	130,054,073	136,241,395	142,723,080	149,513,130
Expanded Rail Operations	16,180,260	16,950,036	17,756,434	24,362,944	26,624,954	27,784,018	28,994,728	45,213,452	77,900,659	90,046,765	122,028,481	126,382,641	130,896,782	135,576,981	140,429,556	145,461,073	150,678,359	156,088,509
Additional Operating Costs (Tri-Rail & RTA)	6,829,000	6,954,000	6,999,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000
CITT Staff @ 3% growth	2,534,000	2,610,020	2,688,321	2,768,970	2,852,039	2,937,601	3,025,729	3,116,500	3,209,995	3,306,295	3,405,484	3,507,649	3,612,878	3,721,264	3,832,902	3,947,889	4,066,326	4,188,316
Debt Service																		
Sales Tax Revenue Bond Debt Service	10,491,939	28,357,477	56,720,134	81,827,236	96,295,524	110,453,957	124,800,748	136,464,766	142,094,138	147,067,903	150,306,420	151,596,898	151,597,632	151,600,144	151,599,684	151,601,438	151,600,169	151,600,604
Sunshine State Debt Service	9,639,000	9,635,900	9,635,600	9,646,850	9,636,300	9,634,100	9,636,750	9,636,100	9,639,300	8,671,950	5,776,100	5,776,150	4,332,900	-	-		-	-
GE Lease Payments	2,494,582	2,494,582	2,494,582	2,494,582	2,494,582	2,494,582	2,494,582	2,494,582	2,494,582	2,494,582	-	-		-	-	-	-	-
Bus Lease Payments	556,330	4,896,644	5,316,783	7,921,941	8,378,895	12,209,645	15,252,853	17,758,760	22,480,533	26,678,686	32,520,580	36,211,781	40,732,066	42,325,559	43,282,251	43,618,810	43,965,568	45,067,779
Commercial Paper Paydown	-	-	-	-	-	-	-	-		-	21,983,304	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Existing Debt Service	9,193,712	9,166,749	9,163,633	9,136,209	9,132,730	4,832,625	4,827,750	-	-		-	-	-	-	-	-	-	-
Existing CITT Loan Repayment	-	-		-	-		-		-	-		-	-	-		-	-	-
TOTAL EXPENSES	981,727,576	1,080,126,509	1,289,470,502	1,292,894,748	1,415,354,010	1,579,665,879	1,550,543,177	1,550,486,578	1,506,385,065	1,402,566,903	1,310,543,077	1,334,095,625	1,329,454,193	1,329,879,942	1,413,060,784	1,418,830,962	1,549,110,383	1,598,102,730
Reserve & Fare Stabilization Fund																		
Beginning Balance	156,273,535	172,468,493	170,582,132	172,473,551	144,139,804	136,183,484	139,417,920	157,050,359	169,674,368	157,770,772	133,128,373	110,401,732	79,001,656	61,872,729	50,321,314	62,945,422	73,325,479	103,073,644
Ending Balance	172,468,493	170,582,132	172,473,551	144,139,804	136,183,484	139,417,920	157,050,359	169,674,368	157,770,772	133,128,373	110,401,732	79,001,656	61,872,729	50,321,314	62,945,422	73,325,479	103,073,644	130,411,474

Projected Sales Tax Revenue Growth:

REVENUES	$.25 Fare Increase 2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Direct Operating Revenue													
MDT Direct Operating Revenue - Existing Service	376,681,313	383,764,150	390,873,228	398,133,912	405,549,574	413,123,667	420,987,898	428,889,538	436,960,467	445,204,481	453,625,465	462,198,986	9,228,192,054
MDT Incremental Bus Revenue - New Service	83,763,190	85,379,183	87,027,497	88,708,776	90,423,681	92,172,885	93,957,072	95,776,943	97,633,212	99,526,606	101,457,868	103,436,296	1,972,856,508
MDT Incremental Rail Revenue - New Service	52,110,450	52,418,357	52,732,548	53,053,091	53,380,062	53,713,533	54,053,583	54,400,290	54,753,735	55,114,000	55,481,171	55,869,539	1,112,367,788
Grant Funds & Subsidy Revenue													
Federal 5309 Grant Funds - Rail Capital	-	-	-	-	-	-	-	-	-	-	-	-	986,654,466
Federal 5309 Grant Funds - Rail Mod Funds	58,128,296	60,744,069	63,477,552	66,334,042	69,319,074	72,438,432	75,698,161	79,104,579	82,664,285	86,384,178	90,271,466	94,333,682	1,440,790,475
Federal 5309 Grant Funds - CP Reimbursement	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	1,921,983,304
Federal 5309 Grant Funds - Bus Capital	-	62,451,552	58,335,427	65,933,616	62,203,872	82,898,977	8,452,848	13,362,002	42,561,317	13,401,666	67,401,564	71,489,143	1,044,731,048
Federal 5307 Urban Formula Funds	96,068,826	100,391,924	104,909,560	109,630,490	114,563,862	119,719,236	125,106,602	130,736,399	136,619,537	142,767,416	149,191,950	155,905,587	2,653,807,530
Federal 5307 Urban Formula Funds - Bus Capital	-		-	-	-	-	-	-	-	-	-		-
State Grant & Other - Rail Capital	-	-		-	-	-	-	-	-	-			827,391,168
State Grant - Bus Capital	3,687,500	7,559,375	6,737,704	9,208,196	5,957,990	7,920,883	7,932,976	1,270,516	4,037,063	1,268,094	7,730,366	6,731,575	150,521,616
State Block Grant	23,260,108	23,702,050	24,152,389	24,611,285	25,078,899	25,555,398	26,040,951	26,535,729	27,039,908	27,553,666	28,077,186	28,610,652	662,221,466
State Trans. Disad. & Corridor Enhancement	12,064,396	12,305,684	12,551,798	12,802,834	13,058,890	13,320,068	13,586,469	13,858,199	14,135,363	14,418,070	14,706,431	15,000,560	342,678,565
MDT General Fund Subsidy	245,160,711	253,741,336	262,622,283	271,814,063	281,327,555	291,174,020	301,365,110	311,912,889	322,829,840	334,128,885	345,823,396	357,927,215	6,813,419,060
General Fund Support for Tri-Rail and SFRTA	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	213,265,000
MDT LOGT	22,644,673	22,984,343	23,329,108	23,679,045	24,034,231	24,394,744	24,760,665	25,132,075	25,509,057	25,891,692	26,280,068	26,674,269	650,213,991
FDOT Reimbursement for PWD Projects													60,000,000
Dedicated Tax Revenue													
Sales Tax Revenue	524,138,813	552,966,448	583,379,603	615,465,481	649,316,082	685,028,467	722,705,033	762,453,809	804,388,769	848,630,151	895,304,810	944,546,574	14,482,828,168
Financing Proceeds													
Sales Tax Revenue Bonds - Rail/PWD/MDT Projects	-	-	-	-	-	-	-	-	-	-	-	-	2,379,393,247
Bus Financing Proceeds	30,567,862	57,820,346	51,473,981	71,664,925	44,936,086	64,310,393	70,693,342	16,816,551	35,931,720	9,696,906	60,439,870	51,759,541	1,101,185,607
Commercial Paper Proceeds - Rail	-	-	-	-	-	-	-	-	-	-	-	-	1,252,762,471
Sunshine State Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	91,700,353
Other Revenue													
Interest Income	5,216,459	7,081,133	8,882,593	10,569,444	12,135,282	13,539,135	14,798,240	15,876,492	16,742,507	17,444,148	17,938,954	18,239,664	248,468,242
TOTAL REVENUE	1,640,621,599	1,790,438,952	1,837,614,271	1,928,738,200	1,958,414,142	2,066,438,837	2,067,267,952	2,083,255,011	2,208,935,778	2,228,558,959	2,420,859,563	2,499,852,283	49,637,432,128

EXPENSES	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Capital Expenses													
New Bus Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	51,651,158
Bus Renewal & Replacement	34,255,363	127,831,273	116,547,112	146,806,737	113,097,948	155,130,252	87,079,166	31,449,068	82,530,100	24,366,666	135,571,800	129,980,260	2,244,787,114
New Rail Capital Expansion	-	-	-	-	-	-	-	-	-	-	-	-	4,212,977,639
Rail Rehabilitation and Other MDT Projects	-	-	-	-	-	-	-	-	-	-	-	-	610,213,000
Rail Modification	6,365,508	6,683,783	7,017,972	7,368,871	7,737,315	8,124,180	8,530,389	8,956,909	9,404,754	9,874,992	10,368,742	10,887,179	175,730,752
Public Works Projects	-	-	-	-	-	-	-	-	-	-	-	-	724,612,066
Municipal Contribution (20% of Sales Tax)	104,827,763	110,593,290	116,675,921	123,093,096	129,863,216	137,005,693	144,541,007	152,490,762	160,877,754	169,726,030	179,060,962	188,909,315	2,896,565,634
MDT Operating Capital Expenditure (non-system)	13,199,544	13,859,521	14,552,497	15,280,122	16,044,128	16,846,335	17,688,651	18,573,084	19,501,738	20,476,825	21,500,666	22,575,700	361,639,692
Operating & Maintenance Expenses													
Existing Operations (Includes STS & Mover)	807,744,849	844,457,136	882,868,814	923,059,436	965,112,301	1,009,114,634	1,055,157,774	1,103,337,365	1,153,753,563	1,206,511,247	1,261,720,243	1,316,478,902	22,268,215,238
Support for increased STS costs	-	-	-	-	-	-	-	-	-	-	-	-	41,724,633
Expanded Bus Operations	156,626,217	164,077,710	171,883,707	180,061,074	188,627,480	197,601,432	207,002,320	216,850,456	227,167,116	237,974,591	249,296,233	260,514,563	4,369,573,220
Expanded Rail Operations	161,698,900	167,517,201	173,551,385	179,809,744	186,300,898	193,033,811	200,017,806	207,262,578	214,778,210	222,575,190	230,664,425	238,466,069	3,855,032,850
Additional Operating Costs (Tri-Rail & RTA)	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	7,129,000	213,265,000
CITT Staff @ 3% growth	4,313,965	4,443,384	4,576,686	4,713,986	4,855,406	5,001,068	5,151,100	5,305,633	5,464,802	5,628,746	5,797,609	5,971,537	120,556,103
Debt Service													
Sales Tax Revenue Bond Debt Service	151,601,997	151,598,415	151,598,838	151,598,813	151,598,950	151,597,557	151,597,209	151,600,007	151,597,632	151,601,662	151,597,831	151,597,831	3,965,263,555
Sunshine State Debt Service	-	-	-	-	-	-	-	-		-	-	-	111,297,000
GE Lease Payments	-	-	-	-	-	-	-	-	-	-	-	-	24,945,820
Bus Lease Payments	46,241,630	47,211,755	49,041,063	50,671,370	52,951,164	54,377,248	56,417,246	58,649,778	59,190,063	60,323,865	60,634,305	62,551,173	1,107,436,120
Commercial Paper Paydown	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	1,921,983,304
Existing Debt Service	-	-	-	-	-	-		-	-	-	-	-	55,453,408
Existing CITT Loan Repayment	-	-	-	-	-	-	-	-	-	-	-		-
TOTAL EXPENSES	1,594,004,736	1,745,402,468	1,795,442,996	1,889,592,250	1,923,317,806	2,034,961,210	2,040,311,668	2,061,604,640	2,191,394,732	2,216,188,814	2,413,341,816	2,495,061,527	49,332,923,306
Reserve & Fare Stabilization Fund													
Beginning Balance	130,411,474	177,028,336	222,064,820	264,236,096	303,382,045	338,478,381	369,956,009	396,912,292	418,562,663	436,103,710	448,473,854	455,991,601	
Ending Balance	177,028,336	222,064,820	264,236,096	303,382,045	338,478,381	369,956,009	396,912,292	418,562,663	436,103,710	448,473,854	455,991,601	460,782,357	