Highway 331 Expansion Project

Be Informed

*Please note: The information contained within is subject to ongoing change. It is obtained from various sources and its accuracy is dependent upon those sources

Information compiled by
Kitty Whitney
President/CEO
Walton Area Chamber of Commerce
# HIGHWAY 331: CURRENT PROPOSAL

*Current Proposal: Completion of Four Lane Highway & Bridge from I-10 to Hwy 98 by 2017*

<table>
<thead>
<tr>
<th>Description</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bridge, Shore to Shore</td>
<td>DOT Contribution: $102M</td>
</tr>
<tr>
<td>2. Highway, from 98 to Interstate 10</td>
<td>DOT Contribution for this segment: Value to be determined</td>
</tr>
<tr>
<td>3. Matched Dollars</td>
<td>Contribution from Walton County: $75M</td>
</tr>
</tbody>
</table>

- Walton County contribution remains $75 Million despite DOT’s additional contribution
- The contribution offered by DOT is a combination of State and Federal dollars
- Once completed, the highway and bridge will be maintained by DOT
March 13, 2012

The Honorable Scott Brannon, Chairman
County Commissioner, District 1
Walton County Board of County Commissioners
415 Highway 20
Freeport, Florida 32439

Subject: S.R. 83 (U.S. 331) from S.R. 30 (U.S, 98) to S.R. 8 (I-10)

Dear Chairman Brannon:

The Florida Department of Transportation appreciates the opportunity to partner with Walton County in efforts to provide transportation investments to the U.S. 331 corridor from U.S. 98 to I-10. The Department continues to seek funding opportunities whenever they arise.

Since 2006, the Florida Department of Transportation Work Program has experienced a decrease of $11.7 billion due to reductions in revenues utilized for funding transportation projects. This reduction is compounded by the lack of availability of federal transportation funding. These types of impacts create major funding shortfalls for transportation needs in our area. Funding a $177 million bridge project is a challenging task in the current economic environments. Notwithstanding that fact, FOOT has committed $102 million to this very important project. In order to address the funding shortfall of $75 million for a new bridge across Choctawhatchee Bay, the Department identified tolls as a viable option and completed a preliminary Toll Feasibility Study in September 2011. Based on the current traffic projections, if a toll was implemented on the new bridge only (one way), the study revealed that a $2 toll would be required for a 30-year period in order to pay off the outstanding debt. Once the debt has been retired, the tolls would be removed. Additionally, the Department has begun the development of a more detailed Toll and Revenue Study. This study will evaluate traffic composition and develop toll options. Elements of the study will include tolling in one direction, and toll rate scenarios that could provide potential discounts for local residents. The study will include the impact of indexing tolls, which is mandated under F.S. 338.165(3). The Department anticipates having preliminary results of the study by July 2012.

In concept, tolls would be collected electronically by overhead gantry systems at the approaches to the bridge. For those without electronic transponders, photos of the vehicles' license plates would be captured, as it currently done in other parts of the State of Florida, and processed electronically. Periodic statements would be mailed to the users for payment. This system would allow for uninterrupted traffic flow and require no additional right-of-way.

The Department feels that reconsideration of a toll bridge will provide opportunities to complete the construction of the entire corridor from the bridge to interstate 10. In recognition of its continued commitment to this important transportation corridor, FOOT is willing to commit additional funding to widen the corridor north of the bridge and complete construction by 2017.

We certainly appreciate your interest in this regionally significant transportation project, and look forward to working with you and your staff as we further develop the project and make the necessary decisions for the U.S. 331 corridor. Should you have questions or wish to further discuss, please do not hesitate to contact me.

Sincerely,

Is! James T. Barfield

James T. Barfield, P.E.
District Three Secretary
Florida Department of Transportation
Phone: (850) 415-9200
Fax: (850) 415-9761
Email: tommy.barfield@fdot.state.fl.us
Highway 331: The Data Collection

Economic Development
Safety and Evacuation
Financial Information
1. Kate McEnroe, President & CEO, Kate McEnroe Consulting reports, “Although I-10 provides very strong east-west transportation through Northwest Florida, current and future businesses in the Walton County and throughout this part of the region are at a competitive disadvantage due to the lack of a major north-south artery allowing for strong connectivity to markets to the north. An important step in pursuing an eventual strategy of interstate level four-lane access north to the Alabama state line would be to four-lane Route 331 at least as far as I-10, which requires the bridge widening project to go forward.”

2. Don Kirkman, president of Florida’s Great Northwest, report, “Business attraction is fiercely competitive, with countries, states, regions, counties and cities competing for a diminishing number of economic development projects. That is why site location consultants frequently describe site selection as a process of elimination. While every project is unique and has different drivers that influence the final location decision, transportation infrastructure is often a key discriminator, particularly for manufacturing and distribution companies. Companies often stipulate as a minimum criterion 4-lane access to an Interstate highway. While central Walton County is very well served by I-10, southern Walton County lacks a 4-lane connector to the Interstate, which could adversely impact projects that might otherwise consider southern Walton County.”
3. From the “Recent Examples of Economic Benefits from Investing in Infrastructure”, Executive office of the President, November 2011, President’s Council of Economic Advisors, the National Economic Council, the Department of Transportation and the Department of Treasury. “In order to meet the needs of a growing economy, there is an ongoing need for new investments to maintain, upgrade and expand the nation’s stock of infrastructure. Moreover, the value of making such investments is especially great at a time when the economy continues to have substantial underutilized construction workers seeking employment.

4. Dennis Slater, President of the Association of the Equipment Manufacturers, in an article entitled, “Industry Voices: Infrastructure Jobs Can Help Rebuild Economy” writes, “Infrastructure investment is a proven economic engine with staying power—not only does it drive growth, it creates lasting benefits. According to the U.S. Department of Transportation, 30,000 jobs are created for every $1 billion spent on infrastructure.”

5. From Strategies to Diversify the Economy, Walton County, prepared by “TIP STRATEGIES” (as requested by Jeb Bush administration) describes the new economic direction geared towards, “Improving the distribution and commuter networks by expanding Highway 331”. It also advises Walton County to “continue to partner on transportation planning...with neighboring counties for completed expansion of Hwy 20 and Hwy 331. These two routes are critical to Walton County’s successful economic diversification. They both serve as the primary networks for business and commuters, as well as hurricane evacuation.
Safety and Evacuation

The sole bridge is two-lane, north/south bound traffic.

**Evacuation Routes**

- Traffic will travel northward on U.S. Highway 331 - the only north-south route in Walton County, FL. Traffic originating along the beaches will converge onto U.S. Highway 331 from U.S. Highway 98 and cross over the Clyde B. Wells Bridge (also called the Choctawhatchee Bay Bridge.) This bridge will close when sustained winds reach 40 mph.
- Other routes available include: Bay and Okaloosa counties which close their bridges at Phillips Inlet (to our east) and at the Destin East Pass (to our west) at the same wind speed.
- Another option: Contraflow, opens both lanes of U.S. 331 to northbound traffic only, requires extensive law enforcement personnel to implement.

**Shelters**

When evacuation is ordered, a shelter will be opened at: *(Please note: all north of bridge)*

- Freeport High School on U.S. 331 (north of Freeport).
- Northwest Florida State College, Highway 90 West, DeFuniak Springs. Opens when the Freeport Shelter is filled to capacity.
- Special Needs shelter will be opened as necessary at Walton Middle School.

**Effects of widening**

- Florida Department of Transportation (FDOT) measured trip count of 770 vehicles per hour in 2005.
- The overabundance of vehicles on U.S. 331 poses a daily threat to each commuter (statistics included in this report)
- Evacuation route out of south Walton during hurricanes has an estimated 30 hour evacuation time in its current configuration
- From the FDOT, Level of Service Handbook:
  - **Current:** 620 Vehicles/hour at an adopted level of service C
  - **Proposed four lane to I-10:** 1730 vehicles/hour at same level
Effects of loss of bridge

- Commuter (workforce, school students, etc) passage limited or inhibited
- Commuter (workforce, school students, etc) time elongated

From School District:
The possibility exists that the bridge being incapacitated for any reason prohibits or delays the delivery of school children to and from school and home.
### US 331 Safety Study - US 98 to I-10

<table>
<thead>
<tr>
<th>Year</th>
<th>US 331 US 98 to 0.3 miles north (included in segment)</th>
<th>US 331 US 98 to South End of Bridge</th>
<th>US 331 Bridge</th>
<th>US 331 N End Bridge to SR 20 (mp 9.55 to 9.81, included in segments)</th>
<th>US 331 @ SR 20 (mp 9.55 to 9.81, included in segments)</th>
<th>US 331 @ US 98 to 0.3 miles north (included in segment)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Fatal</td>
<td>Injury</td>
<td>Total</td>
<td>Fatal</td>
<td>Injury</td>
</tr>
<tr>
<td>2002</td>
<td>0</td>
<td>*</td>
<td>*</td>
<td>1</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>2003</td>
<td>4</td>
<td>0</td>
<td>5</td>
<td>8</td>
<td>0</td>
<td>12</td>
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<tr>
<td>2004</td>
<td>9</td>
<td>0</td>
<td>26</td>
<td>11</td>
<td>0</td>
<td>30</td>
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<tr>
<td>2005</td>
<td>8</td>
<td>0</td>
<td>9</td>
<td>13</td>
<td>0</td>
<td>20</td>
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<tr>
<td>2006</td>
<td>17</td>
<td>0</td>
<td>8</td>
<td>21</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>2007</td>
<td>7</td>
<td>0</td>
<td>16</td>
<td>11</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>2008</td>
<td>10</td>
<td>0</td>
<td>10</td>
<td>13</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>2009</td>
<td>18</td>
<td>0</td>
<td>16</td>
<td>21</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>2010</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>2011</td>
<td>10</td>
<td>0</td>
<td>4</td>
<td>10</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Totals</td>
<td>85</td>
<td>0</td>
<td>95</td>
<td>112</td>
<td>0</td>
<td>131</td>
</tr>
</tbody>
</table>

* NOTE: Information Not Available
*2 NOTE: Road segment built in 2008
* Note: Old US 331 alignment
Financial Impact: Tax vs Toll

Funding Options:

TAX: Board of County Commissioners has approved a referendum for a half cent sales TAX. Special election scheduled for May 8, 2012.

TOLL: Board of County Commissioners has rescinded a previous motion which removed the TOLL as an option to the BCC. If the TAX is voted down, the commission now maintains the ability to vote to implement a TOLL.
Tax:

• Collected by Walton County (not the State)
• Referendum to be written to strictly sunset when debt and interest paid in full
• Applies to items currently taxed (merchandise, not groceries)
• Becomes the designated revenue stream to offset bond or loan

Current sales tax info:
  o 57% paid by tourist, 43% paid by residents
  o Run rate for past 5 years equates to 6mi per year on ¼ cent
  o Increases in sales revenue aids in paying back debt sooner
  o Increase in tourism influx aids in decreasing percentage of tax paid by residents
  o All Walton County resident are affected until debt paid off
  o 1/2 cent sales tax is applied only to first $5000 of merchandise (just like the garbage tax)
  o To calculate how you are affected, multiple amt of money spent on taxable goods last year x 0.05
    (if $20,000. spent x 0.05 = $100/year. This will be difference)
  o Current taxes across counties:

<table>
<thead>
<tr>
<th>County</th>
<th>Okaloosa</th>
<th>Walton</th>
<th>Bay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax</td>
<td>6%</td>
<td>7% (7.5 w/this tax)</td>
<td>6.5%</td>
</tr>
<tr>
<td>Bed Tax</td>
<td>5%</td>
<td>4.5%</td>
<td>5%</td>
</tr>
<tr>
<td>Garbage pickup</td>
<td>paid by individual citizens</td>
<td>included</td>
<td>paid by individual citizens</td>
</tr>
<tr>
<td>Garbage estimates</td>
<td>$80/ qtr. $320/yr</td>
<td>included</td>
<td>$80/ qtr. $320/yr</td>
</tr>
</tbody>
</table>

The total sales tax rate in Florala, AL is 8 % and in Dothan, AL it is 9%. AL municipalities can impose sales taxes which can be up to an additional 4 cents. In Alabama, groceries are taxed.

Florida Tax Watch (Kurt Wenner, Vice President of Tax Research) reports on “discretionary spending” these points:
• No standard accepted formula to measure how tax affects discretionary spending
• Generally the impact of spending is higher when per capita personal income is lower
• A 1% sales tax increase would likely “not have a significant impact” on tourist spending
• Higher sales taxes increases the incentive to shop elsewhere, either internet or lower tax jurisdictions
ILLUSTRATIVE FINANCING OPTIONS ½ CENT SALES TAX (*)

BANK LENDING

<table>
<thead>
<tr>
<th>Borrow</th>
<th>$75,000,000 (1)</th>
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<tbody>
<tr>
<td>Term</td>
<td>25 years</td>
</tr>
<tr>
<td>Approx. Rate</td>
<td>4.0%</td>
</tr>
<tr>
<td>Est. Paid off</td>
<td>18th year</td>
</tr>
<tr>
<td>Est. Total Interest</td>
<td>$33.6 million</td>
</tr>
<tr>
<td>Debt Service Fund</td>
<td>-$0-</td>
</tr>
<tr>
<td>Issuance costs</td>
<td>-$0-</td>
</tr>
</tbody>
</table>

(1) Depending on rates at time of financing, required debt service ratios may be insufficient to support 25 yrs.

25 YEAR BOND ISSUE

<table>
<thead>
<tr>
<th>Borrow</th>
<th>$80,529,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term</td>
<td>25 years/ call after 10 yrs.</td>
</tr>
<tr>
<td>Approx. Rate</td>
<td>3.5%</td>
</tr>
<tr>
<td>Est. Paid off</td>
<td>18 years</td>
</tr>
<tr>
<td>Est. Total Interest</td>
<td>$37.5 million</td>
</tr>
<tr>
<td>Debt Service Fund</td>
<td>$4.845 million</td>
</tr>
<tr>
<td>Issue/Underwriter</td>
<td>$670,000</td>
</tr>
<tr>
<td>Insurance (optional)</td>
<td>$1 million</td>
</tr>
</tbody>
</table>

20 YEAR BOND ISSUE

<table>
<thead>
<tr>
<th>Borrow</th>
<th>$76,419,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term</td>
<td>20 years/call after 5 yrs.</td>
</tr>
<tr>
<td>Approx. Rate</td>
<td>3.5%</td>
</tr>
<tr>
<td>Est. Paid off</td>
<td>17 years</td>
</tr>
<tr>
<td>Est. Total Interest</td>
<td>$35.3 million</td>
</tr>
<tr>
<td>Debt Service Fund</td>
<td>-$0-</td>
</tr>
<tr>
<td>Issue/Underwriter</td>
<td>$786,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>$432,000</td>
</tr>
<tr>
<td>Surety Bond</td>
<td>$199,000</td>
</tr>
</tbody>
</table>

(*) These figures are based upon financing options available in February 2012. They are for illustrative purposes only, and they may be higher, lower, or the same if, and when, any financing agreements are entered into.
### Nontaxable Medical Items and General Grocery List

**Chemical Compounds and Test Kits**

- Chemical compounds and test kits used for the diagnosis or treatment of diseases, illness, or injury, dispensed according to an individual prescription or prescriptions written by a licensed practitioner authorized by Florida law to prescribe medicinal drugs are EXEMPT. In addition, the following chemical compounds and test kits (including replacement parts) for HUMAN USE are EXEMPT, with or without a prescription.

- **Allergy test kits that use human blood to test for the most common allergens**
- **Anemia, malaria, and test kits**
- **Antibiotics to Hepatitis C test kits**
- **Blood collection tubes, lancets, capillaries, test strips, tubes containing chemical compounds, and test kits to test human blood for levels of alkaline phosphatase, cholesterol, HDL, LDL, triglycerides, glucose, ketones, or other detections of illness, disease, or injury**
- **Blood sugar (glucose) test kits, reagent strips, test tapes, and other test kit reffils**
- **Blood pressure monitors, kits, and parts**
- **Breast self-exam kits**
- **Fecal occult blood tests (focoral tests)**
- **Hemoglobin test kits**
- **Human Immunodeficiency Virus (HIV) test kits and systems**
- **Influenza A/B test kits**
- **Middle ear adenoidectomy**
- **Prostate Specific Antigen (PSA) test kits**
- **Prolactin test (diluting factor) test kits**
- **Thermometers, for human use**
- **Thyroid Stimulating Hormone (TSH) test kits**

**Urinalysis test kits, reagent strips, tablets, and test tapes to test levels, such as albumin, blood, glucose, leukocytes, nitrite, pH, or protein levels, in human urine as detectors of illness, disease, or injury**

**Urinary tract infection test kits**

**Vaginal acidity (pH) test kits**

**Chemical compounds and test kits used for the diagnosis or treatment of animals’ diseases, illness, or injury are TAXABLE.**

### Chemical Compounds and Test Kits

#### Common Household Remedies

**Common Household Remedies - continued**

- Foot problems (bunion pads, medical callosity pads and removers, corn pads or plasters, ingrown toenail preparations, and athlete’s foot treatments)
- Gargles, intended for medical use
- Gelatin
- Glucose for treatment or diagnosis of diabetes
- Glucosamine, intended for medical use
- Hazen hay fever aids
- Headache relief aid products
- Hot or cold disposable packs for medical purposes
- Hydrogen peroxide
- Insect bite and sting preparations
- Isopropyl
- Iodine and rash relievers, including fenugreek anti-itch cream
- Irritants and cathartics
- Lip treatments (pseudococids), including shampoos, combs, and sprays
- Lint removers
- Lip balm, cream, and salves
- Lotions, medicated
- Menstrual cramp relievers
- Mercurochrome
- Milk of Magnesia
- Mineral oil
- Micronized for hair regrowth
- Motion sickness remedies
- Nasal drops and sprays
- Nicotine replacement therapies, including nicotine patches, gums, and lozenges
- Dentiments, medicated
- Pain relievers, oral or topical
- Perilamine jelly and gaze
- Poison ivy and oak relief preparations
- Rectal preparations (hemorrhoid and rectal)
- Skin relaxers
- Sitz bath solutions
- Skin medications
- Sleep aids (inducers)
- Styptic pencils
- Surfactants, except surfactants
- Tethering lotions and powders
- Thrush lozenges
- Toothache relievers
- Wart removers
- Witch hazel
- Worming treatments (anthelmintics), for human use

### Cosmetics and Toiletry Articles

**Cosmetics and toiletry articles are TAXABLE, even when the cosmetic or toiletry article contains medicinal ingredients**. Examples of cosmetics are cold cream, cream lotions, makeup, body lotion, soap, toothpaste, hair spray, shaving products, cologne, perfume, shampoo, deodorant, and mouthwash. Cosmetics and toilet articles are EXEMPT only when dispensed according to an individual prescription or prescriptions written by a licensed practitioner authorized by Florida law to prescribe medicinal drugs.

### Prosthetic Appliances or Orthopedic Appliances

**Prosthetic or orthopedic appliances dispensed according to an individual prescription written by a licensed practitioner (a physician, osteopathic physician, chiropractic physician, podiatric physician, or dentist duly licensed under Florida law) are EXEMPT.**

In addition, the following prosthetic and orthopedic appliances are specifically EXEMPT under Florida law or have been certified by the Department of Health as exempt without a prescription.

- **Abdominal belts**
- **Arch, foot, and heel supports, gels, insoles, and orthotics, excluding shoe inserts and pads**
- **Artificial eyelids**
- **Artificial noses and ears**
- **Back braces**
- **Bandages, for use in prosthetic and orthopedic appliances**
- **Braces and supports worn on the body to correct and maintain a physical incapacity or injury**
- **Canales**
- **Crutch tips and pads**
- **Dentures, dental repair kits, and parts**
- **Dialysis machines and artificial kidney machines, parts, and accessories**
- **Fluidic breathing apparatuses, portable resuscitators**
- **Hearing aids (repair parts, batteries, wires, condensers)**
- **Heart stimulators and external defibrillators**
- **Mastectomy pads**
- **Ostomy pouch and accessories**
- **Patient safety vests**
- **Rubber bands**

### Prescription Goods

**Prescription eyeglasses, lenses, and contact lenses, including items that become a part thereof, are EXEMPT. Standard or stock eyeglasses and other parts sold without a prescription are TAXABLE.**

### General Groceries

The following general classifications of grocery products are EXEMPT from tax. However, food products prepared and sold for immediate consumption (except food products prepared off the seller’s premises and sold in the original container or sliced into smaller portions), sold as part of a prepared meal (whether hot or cold), or sold for immediate consumption within a place where the entrance is subject to an admission charge are TAXABLE. Sandwiches sold ready for immediate consumption are TAXABLE.

**Baked goods and baking mixes**

Baking and cooking items advertised and normally sold for use in cooking or baking, such as chocolate-milk, flavored frostings, glazed and candied fruits, marshmallows, powder sugar, or food items intended for decorating baked goods

**Bread or flour products**

Breakfast bars, cereal bars, granola bars, and other nutritional food bars, including those that are candy-coated or chocolate-coated butter

**Canned foods**

Cereal and cereal products

**Cheese and cheese products**

Cheese and cream spreads

**Coffee and coffee substitutes**

Condiments and relishes, including seasoning sauces and spreads, such as mayonnaise, ketchup, or mustard

**Cookies, including chocolate-coated or cream-filled**

Crackers

**Dairy products**

Dairy substitutes

**Dietary substitutes (including herbal supplements)**

Drinking water, including water enhanced by the addition of mineral (except when carbonation or flavorings have been added to the water in the manufacturing process)
### General Groceries - continued

- Eggs and egg products
- Fish, shellfish, and other fish products
- Food coloring
- Food supplements
- Frozen foods
- Fruit (including fruit sliced, chunked, or otherwise cut by the retailer)
- Fruit snacks, fruit roll-ups, and dried fruit, including those sweetened with sugar or other sweeteners
- Gelatin, puddings, and fillings, including flavored gelatin desserts, puddings, custards, parfait, pie fillings, and gelatin base salads
- Grain products and pastas, including macaroni and noodle products, rice and rice dishes
- Honey
- Ice cream, frozen yogurt, sherbet, and similar frozen dairy or non-dairy products sold in units larger than one pint (ice cream, frozen yogurt, and similar frozen dairy or non-dairy products in cones, small cups, or pints, and popsicles, frozen fruit bars, or other novelty items, whether sold separately or in multiple units are TAXABLE)
- Jams, jellies, and preserves
- Margarine
- Marshmallows
- Meat replacement powders and drinks, including liquid food supplements
- Meat and meat products
- Meat substitutes
- Milk and milk products, including products intended to be mixed with milk
- Natural fruit juices containing 100 percent fruit juices (fruit drinks labeled asades, beverages, cocktails, drink or fruit or vegetable flavor, flavored, or flavorings are TAXABLE)
- Peanut butter
- Poultry and poultry products
- Salad dressings and dressing mixes
- Salt, salt tablets, pepper, spices, seeds, herbs, seasonings, blends, extracts, and flavorings, whether natural or artificial
- Sandwich spreads
- Sauces and gravies
- Seafood and seafood products

### General Groceries - continued

- Snack foods, including chips, corn chips, potato chips, cheese puffs and curls, cereal bars, cracker jacks, granola bars, nuts and edible seeds, pork rinds, and pretzels, including those that are chocolate-coated, honey-coated, or candy-coated (candy and like items regarded and advertised as candy, as indicated on the label, are TAXABLE)
- Spreads, except those cooked or prepared on the seller's premises
- Sugar, sugar products, and substitutes
- Tea (including herbal tea), unless sold in liquid form
- Vegetables and vegetable products, including natural vegetable products that include natural vegetable juices
- Vegetable juices, natural (except those labeled as ades, beverages, cocktails, drink, or fruit or vegetable flavor, flavored, or flavorings)
- Vegetable oils, lard, olive oil, shortenings, and oleomargarine
- Vegetable sallets, fresh (except those sold cooked with eating utensils)
- Vitamins and minerals

### Exempt Infant Supplies

- Baby food
- Baby formulas, liquid or powder
- Baby teething lotion
- Baby teething powder
- Oral electrolyte solutions for infants and children

### Exempt Miscellaneous Items

- Bibles, hymn books, and prayer books
- Flags, United States or official state flag of Florida

### Seeds and Fertilizers

- Fertilizers, including peat, topsoil, and manure
- Seeds, including field, garden, and flower (no exemption certificate required)
- Fungicides
- Herbicides
- Insecticides
- Pesticides
- Seedings, cuttings, plants, and fruit or nut trees used to produce food for humans
- Weed killers

1. Exempt if used for application on or in cultivation of crops, groves, and home vegetable gardens or by commercial nurseries.
2. The purchaser must furnish the seller a certificate stating that the item is used exclusively for exempt purposes.
Toll:

TOLL:
- Collected by State Turnpike Enterprise (not the County)
- DOT performing preliminary, “mini”, studies now to determine if discounts can be extended to “locals”
- DOT reports the possible use of:
  - SunPass
  - All-electronic readers
- If we proceed with toll, DOT will then perform an Investment Grade Study which determines toll rate and terms more specifically
- DOT has committed to sunset toll when the debt paid (see DOT letter)
- TOLL stats:
  - An estimated $2 toll is described in the DOT letter. However, this is only an estimate and the toll rates may still vary widely over the commuter group
  - To calculate how you are affected by the toll, multiply number of one way passages x various toll rates:
    - $1/toll x 5 days/wk x 50 weeks/yr = $250/yr
    - $2/toll x 5 days/wk x 50 weeks/yr = $500/yr
  - Increases in traffic produce increased revenue
  - Increase in tourism influx aids in increasing traffic
  - Only those using bridge pay for bridge
  - Toll will be collected on the NEW bridge only (one direction)
  - AADT shows average of 11,000 passages daily on bridge (5500 Northbound, 5500 Southbound)

Annual average daily traffic, abbreviated AADT, is a measure used primarily in transportation planning and transportation engineering. It is the total volume of vehicle traffic of a highway or road for a year divided by 365 days.
Florida Department of Transportation  
Transportation Statistics Office  
2010 Historical AADT Report  
County: 60 - WALTON  
Site: 0123 - SR 83 (US 331) 300' SOUTH OF CHOCTAWHATCHE BRIDGE

<table>
<thead>
<tr>
<th>Year</th>
<th>AADT</th>
<th>Direction 1</th>
<th>Direction 2</th>
<th>K Factor</th>
<th>D Factor</th>
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AADT Flags: C = Computed; E = Manual Estimate; F = First Year Estimate  
S = Second Year Estimate; T = Third Year Estimate; X = Unknown
**Side by Side**

**TAX:**
Collected by Walton County (not the State)
Referendum to be written to strictly sunset when debt and interest paid in full
Applies only to items currently taxed (merchandise, not groceries)
Walton County obtains loan or bond. Tax is designated stream to offset bond or loan

**TOLL:**
Collected by State Turnpike Enterprise (not the County)
DOT has committed to sunset toll when the debt paid (see DOT letter)
To be collected on the NEW bridge only (one direction)
State obtains funds needed and collects revenue from toll

**TAX STATS AND INFO:**
57% paid by tourist, 43% paid by residents
Run rate for past 5 years equates to 6mi per year on ½ cent sales tax
Increases in sales revenue aids in paying back debt
Increase in tourism influx aids in decreasing percentage of tax paid by residents
All Walton County residents are affected until debt is paid
Walton County residents will vote on the tax passage on May 8, 2012

To calculate how you are affected, multiple amount spent on taxable goods last year x 0.05
If $20,000 spent x 0.05 = $100/year. This will be increase in tax paid
If $40,000 spent x 0.05 = $200/year. This will be increase in tax paid

Projection for paying off debt = 17-25 yrs depending on loan or bond secured

**TOLL STATS AND INFO:**
DOT performing preliminary study now to determine if discounts can be extended to “locals” (which is determined by the make-up of the commuter group; locals vs tourists)
AADT 11,000 passages per day: 5500 northbound, 5500 Southbound
Increases in traffic produce increased toll revenue
Increase in tourism influx aids in increasing traffic
Only those using bridge pay for bridge
An estimated $2 toll is described in the DOT letter.
However, this is an estimate and the toll rates may still vary over the commuter group

To calculate how affected by toll, multiply number of one way passages x various toll rates:
$1/toll x 5 days/wk x 50 weeks/yr = $250/yr
$2/toll x 5 days/wk x 50 weeks/yr = $500/

DOT reports the possible use of sunpass and the use of all electronic passage (camera takes photo of license and mails bill to driver)
If proceeding with toll, DOT will perform an Investment Grade Study to determine rate & terms
DOT estimates $2 toll per passage (may vary in commuter group) for 30 years (see DOT letter)

**Walton County compares to neighboring counties**

<table>
<thead>
<tr>
<th>County</th>
<th>OKAL</th>
<th>WALT</th>
<th>BAY</th>
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</thead>
<tbody>
<tr>
<td>Population, approx</td>
<td>194K</td>
<td>55K</td>
<td>168K</td>
</tr>
<tr>
<td>Sales tax (current)</td>
<td>6.0%</td>
<td>7.0%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Bed tax</td>
<td>5.0%</td>
<td>4.5%</td>
<td>5.0%</td>
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<tr>
<td>Garbage pay</td>
<td>included</td>
<td>pay</td>
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</table>

*OKA & BAY residents pay garbage at approx $340/yr. WAL included in tax
**This 1/2 cent tax applies to first $5000 ONLY (like garbage tax)
GENERAL FACTORS about Walton County’s Potential Growth

The Northwest Florida Bed Tax actual Collections chart is attached, demonstrating trend in dollars collected from occupancy.

Increases in tourism may result in:
- Increased spending (increased sales revenue)
- Increased traffic count (increased toll revenue)
## Northwest Florida Bed Taxes

*Actual Collections (§)*

<table>
<thead>
<tr>
<th></th>
<th>Escambia (4%)</th>
<th>Santa Rosa (4%)</th>
<th>Okaloosa (5%)</th>
<th>Walton (4.5%)</th>
<th>Bay (5%)</th>
<th>Northwest Florida</th>
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<tr>
<td>Jun-09</td>
<td>$798,223</td>
<td>$159,354</td>
<td>$2,091,522</td>
<td>$2,218,860</td>
<td>$2,012,867</td>
<td>$7,280,826</td>
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<tr>
<td>Jul-09</td>
<td>$952,160</td>
<td>$183,075</td>
<td>$2,245,536</td>
<td>$2,169,268</td>
<td>$2,377,834</td>
<td>$7,927,873</td>
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<tr>
<td>Aug-09</td>
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<td>$92,709</td>
<td>$1,169,783</td>
<td>$1,082,302</td>
<td>$979,447</td>
<td>$3,867,474</td>
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<tr>
<td>Sep-09</td>
<td>$366,536</td>
<td>$59,977</td>
<td>$800,410</td>
<td>$843,419</td>
<td>$816,407</td>
<td>$2,886,749</td>
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<td>Oct-09</td>
<td>$317,897</td>
<td>$45,378</td>
<td>$522,443</td>
<td>$478,634</td>
<td>$467,458</td>
<td>$1,831,810</td>
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<tr>
<td>Nov-09</td>
<td>$285,966</td>
<td>$31,427</td>
<td>$210,705</td>
<td>$310,556</td>
<td>$291,680</td>
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<td>Dec-09</td>
<td>$219,667</td>
<td>$33,823</td>
<td>$235,158</td>
<td>$281,812</td>
<td>$241,001</td>
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<td>$229,180</td>
<td>$28,805</td>
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<td>$290,607</td>
<td>$329,797</td>
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<td>$393,995</td>
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<td>$440,348</td>
<td>$64,277</td>
<td>$727,272</td>
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<td>Apr-10</td>
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<td>$779,028</td>
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<td>$955,032</td>
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<td>$521,660</td>
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<td>$256,775</td>
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<td>$360,949</td>
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Bay County collected at 4% in March 09 and will increase to 5% in April 09 and beyond.
Escambia and Okaloosa Counties collect at 4% rate.
Santa Rosa began 4% collections in June 2006.
Okaloosa began 5% collections in January 2008.
Walton began 4.5% collections in October 2009.
Source: County Bed Tax Collectors
References:

UWF Office of Economic Development and Engagement
US Census Bureau
Bay, Walton and Okaloosa Econ Development Councils/Alliances
FDOT
Kate McEnroe Consulting
Florida’s Great Northwest
Article from President’s Council of Economic Advisors, the National Economic Council, Department of Transportation and the Department of Treasury
Association of Equipment Manufacturers
TIP Strategies, Strategies to Diversify the Economy, Walton County
Highway 331, Safety Study
Florida Tax Watch
Department of Revenue, Non Taxable Items
FDOT, Transportation Statistics Office, 2010 Historical AADT report
FDOT, Level of Service Handbook