

MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)

BOARD OF DIRECTORS MEETING

TUESDAY, SEPTEMBER 29, 2015

4:00 PM

**WILLIAM M. LEHMAN MDX BUILDING
3790 NW 21ST STREET
MIAMI, FLORIDA 33142**

SUMMARY MINUTES

Members Present

Louis V. Martinez, Esq., Chair
Rick Rodriguez Piña, Treasurer
Jose “Pepe” Cancio
Alfredo L. Gonzalez, Esq.
Maritza Gutierrez
Arthur J. Meyer
Javier L. Vázquez, Esq.
Cliff Walters
Luz Weinberg

Members Absent

Shelly Smith Fano, Vice Chair
Gus Pego, P. E., District VI Secretary
Maurice A. Ferré
Robert W. Holland, Esq.

Staff

Javier Rodriguez, P.E., Executive Director
Marie Schafer, Chief Financial Officer
Juan Toledo, P.E., Director of Engineering
Steve Andriuk, Director of toll Operations
Carlos Zaldivar, General Counsel
Helen Cordero, Manager of Procurement and Contracts Administration
Mario Diaz, Public Information Manager
Maria Luisa Navia Lobo, Board Secretary

Consultants

Finance: Randy Topel, First Southwest Co.
Transportation: Albert Sosa, HNTB (GEC-A)
Rick Crooks, EAC Consultants (GEC-B)

CALL TO ORDER & ROLL CALL

Chair Martinez called the meeting to order. Ms. Navia Lobo called the roll and announced a quorum of the MDX Board was present.

PLEDGE OF ALLEGIANCE

Chair Martinez asked Mr. Meyer to lead in the Pledge of Allegiance.

APPROVAL OF AGENDA

The agenda was unanimously approved as presented.

DECLARATIONS OF VOTING CONFLICTS

Mr. Zaldivar asked Members if there were any voting conflicts regarding the items on the Board Agenda. No conflicts were declared.

CITIZEN COMMENT

No comments

APPROVAL OF SUMMARY MINUTES

- Board Meeting of August 25, 2015

Mr. Rodriguez Piña moved to approve the Summary Minutes. Mr. Gonzalez seconded the motion. The motion was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Mr. Rodriguez reported on issues of interest since the last Board meeting.

- 83618 – SR 836 southwest extension. MDX received a letter from the Environmental Coalition that is objecting to the project. The project's Project, Development and Engineering (PD&E) Report will address, mitigate, minimize and avoid the impacts raised by the Environmental Coalition.
- The Strategic Master Plan: MDX has engaged the Traffic and Economic Consultants. The consultants' findings will be brought to the Board for discussion in the next 45 days.
- Chair Martinez and the Executive Director met with Miami-Dade County Commissioners to discuss MDX's plans to move forward with the recommendations proposed by Commissioner Moss' Transportation Committee that wants to develop a project from West Kendall (using SR 874, SR 878 and the Florida's Turnpike) and provide direct access to the Metrorail station and a bus rapid transit system (BRT) utilizing the MDX expressway shoulders. Commissioner Moss wants to develop a rail program throughout Miami-Dade County.
- MDX 83628 Project: this project involves widening and interchange improvements to SR 836 from Red Road to 17th Avenue. The construction groundbreaking took place on September 28th. The project includes hard shoulders on the inside that will be dedicated

to express buses. Out of the \$149 million awarded to the design- build team, over \$50 million will go to Small and Local businesses in Miami-Dade County and will create 1,600 new jobs in Miami-Dade County.

- IBTTA Annual meeting in Dublin, Ireland: 29 countries were represented at the conference. The President's Award was presented to Taiwan for the innovative project of the year. Member, Weinberg was acknowledged and thanked for participated as a moderator at this conference.
- Meeting with U.S. Congressman John Mica regarding national interoperability. There will be a hearing in Washington, DC. on September 30, 2015. Pat Jones, Executive Director of IBTTA will be attending.

Mr. Rodriguez entertained questions from Members.

GENERAL COUNSEL'S REPORT

ETCC litigation: the trial has been going on for three weeks and the last week is scheduled for December 2015. A Shade Meeting will be scheduled for the next Board Meeting on October 27, 2015.

MCM litigation: MCM filed an appeal and brief in response to the Court's ruling dismissing their complaint. The MDX litigation counsel will file a responsive brief and will continue to represent MDX in this matter, if necessary.

MPO REPRESENTATIVE REPORT

In the absence of the MPO representative, Mr. Rodriguez reported on issues of interest at the last MPO Board meeting.

- The reconstruction of Krome Avenue
- Executive Director search: there are three candidates on the shortlist. The MPO Chair will make a recommendation to the MPO Board.

TREASURER'S REPORT

Ms. Schafer reported July and August 2015, the beginning of fiscal year 2016. Year to date revenues are \$35.8 million, which is above the forecast by \$2.3 million. The expenses year to date total operating expended are below the forecast by approximately 1%. Overall net revenues posted \$14.2 million. Mr. Rodriguez Piña stated a very good start for fiscal year 2016.

COMMITTEE REPORTS

- Operations Committee met on 9/22/15
- Budget & Finance Committee met on 9/24/15
- Inter-Governmental & Public Communications Committee met on 9/24/15

The Committee Reports were waived.

REGULAR AGENDA

- A) MDX Procurement/Contract Number MDX Procurement/Contract Number RFQ-12-02; MDX Work Program No. 10019.050; Construction Engineering and Inspection (CE&I) Services for System-wide Implementation of Dynamic Message Signs (DMS) (\$553,833.08) (Endorsed by the Operations Committee on 9/22/15)

- Approval of Supplemental Agreement No. 1

Mr. Zaldivar read the regular agenda item into the record. Mr. Toledo informed Members that due to multiple factors, the Design Build Firm (DBF) is behind schedule on this Project. According to the DBF's latest schedule, the anticipated completion of this Project will be January 26, 2016. Based on this anticipated completion date, the DBF will be assessed 193 calendar days of Liquidated Damages @ \$3,057.00/ per calendar day, which amounts to \$ 590,001.00 in total Liquidated Damages.

The CE&I Contract fees should be increased to cover the staffing required up to and including project final acceptance and the final project closeout, which are estimated to be through January 26, 2016 and February 19, 2016 respectively.

It is recommended that the CE&I Firm's Contract "limiting amount" be increased by the amount of \$553,833.09 and the new limiting amount will be \$1,961,739.28. The additional CE&I costs will be offset by the liquidated damages assessed against the DBF.

Mr. Toledo entertained questions from Members.

Ms. Gutierrez moved to approve Supplemental Agreement No. 1. Mr. Rodriguez Piña seconded the motion. The motion was unanimously approved.

- B) MDX Procurement/Contract Number ITB-15-02: Customer Service Center Personnel (\$3,800,000) (Endorsed by the Operations Committee on 9/22/15)

- Approval of Contract Award

Mr. Zaldivar read the regular agenda item into the record. Ms. Cordero asked Members to include an amendment to the approval of the lowest responsible bidder and enter into contract with Faneuil, Inc.

The term of the contract is five (5) years with an option to renew for up to two (2) additional years. The estimated not-to-exceed contract amount for the five year term is \$3.8 million.

Ms. Gutierrez moved to approve the lowest responsive bidder and enter into contract with Faneuil, Inc. Ms. Weinberg seconded the motion. The motion was unanimously approved.

- C) MDX Work Program No. 83611; SR 836/I-95 Interchange Improvements (Endorsed by the Operations Committee on 9/22/15)

- Approval of Eminent Domain Parcel Resolutions 15-18 through 15-27

Mr. Zaldivar read the regular agenda item into the record. Mr. Toledo informed Members that on December 9, 2014 the MDX Board adopted Resolution No. 14-04, which declared that construction of Project 83611 (SR 836 / I-95 Interchange Improvements) would serve a public purpose by improving operational conditions, correcting safety deficiencies, increasing capacity, and enhancing access to the adjacent local street network. MDX, through its staff and consultants, is currently negotiating with the property owners of the

listed parcels. Should negotiations fail, and in order to ensure the construction of MDX Project 83611 is not delayed, MDX shall begin eminent domain proceedings on those parcels that are not acquired through a negotiated conveyance. The Eminent Domain Parcel Resolution is required as part of the eminent domain process.

Ms. Weinberg moved to approve MDX Resolution 15-18 through 15-27 to acquire multiple parcels. Mr. Gonzalez seconded the motion. The motion was unanimously approved.

D) MDX Work Program No. 87410; SR 874 Ramp Connector to SW 128th Street
(Endorsed by the Operations Committee on 9/22/15)

- Approval of Eminent Domain Parcel Resolution 15-28

Mr. Zaldivar read the regular agenda item into the record. Mr. Toledo informed Members that on December 9, 2014 the MDX Board adopted Resolution No. 14-06, which declared that construction of Project 87410 (SR 874 Ramp Connector to SW 128th Street) would serve a public purpose by providing additional mobility and transportation connectivity options in the southeast corner of West Kendall, an area that endures traffic congestion and limited access to expressways via the existing arterial roadway network. MDX, through its staff and consultants, is currently negotiating with the property owner of the listed parcel. Should negotiations fail, and in order to ensure the construction of MDX Project 87410 is not delayed, MDX shall begin eminent domain proceedings on the listed parcel should it not be acquired through a negotiated conveyance. The Eminent Domain Parcel Resolution is required as part of the eminent domain process.

Mr. Cancio moved to approved MDX Resolution No. 15-28 to acquire parcel 800. Mr. Vazquez seconded the motion. The motion was unanimously approved.

E) MDX Work Program No. 87410; SR 874 Ramp Connector to SW 128th Street
(Endorsed by the Operations Committee on 9/22/15)

- Approval of Purchase of Parcel 114 Resolution 15-29

Mr. Zaldivar read the regular agenda item into the record. Mr. Toledo informed Members that on December 9, 2014 the MDX Board adopted Resolution No. 14-06, which declared that construction of Project 87410 (SR 874 Ramp Connector to SW 128th Street) would serve a public purpose by providing additional mobility and transportation connectivity options in the southeast corner of West Kendall, an area that endures traffic congestion and limited access to expressways via the existing arterial roadway network. The MDX Property Acquisition Policy requires a Board Resolution for the acquisition of parcels with a purchase price of \$500,000 or greater. MDX's initial offer for this parcel was \$539,100.00 (\$16/SF) based on MDX's approved Independent Appraisal. After extensive negotiations, the Property Owner's counteroffer was \$593,000.00 (\$17.59/SF), a \$53,900.00 (10%) increase. Should MDX decide to pursue Eminent Domain to acquire this parcel, the estimated litigation costs are \$170,000.00 and an additional \$116,100.00, for other trial related expenses, for an approximate total of \$825,200.00 (appraiser market price of \$539,100.00 plus additional Eminent Domain expenses). Since the Property Owner's counteroffer was \$53,900.00 more than appraised value, Staff recommends that MDX accept the Property Owner's counteroffer and approve the final purchase price of \$593,000.00.

Mr. Vazquez moved to approve MDX resolution No. 15-29. Mr. Cancio seconded the motion. Ms. Gutierrez opposed the motion. The motion was approved.

F) Approval to Defease State Loans (Endorsed by the Budget & Finance Committee on 9/24/15)

Mr. Zaldivar read the regular agenda item into the record. Ms. Schafer informed Members that this item was discussed at the Budget & Finance Committee in June and September 2015. This is an ongoing effort to manage the Authority's debt based on the Debt Management Plan. The Authority currently has two (2) State Infrastructure Bank (SIB) and four (4) Toll Facility Revolving Trust (TFRT) loans. Once the loans are paid off there are no further obligations to the State of Florida.

Mr. Gonzalez moved to approve to defease State Loans. Ms. Gutierrez seconded the motion. The motion was unanimously approved.

G) MDX Procurement/Contract No. RFP-15-05 – Investment Advisory Services (Endorsed by the Budget & Finance Committee on 9/24/15)

- Approval of Technical Evaluation Committee's recommendation to select the number one ranked Proposer.

Mr. Zaldivar read the regular agenda item into the record. Ms. Cordero informed Members that three (3) Proposals were received on July 30, 2015 from the following firms:

- Chandler Asset Management, Inc.
- First Southwest Asset Management, LLC
- Sawgrass Asset Management, LLC (SAM)

Staff performed compliance/Responsiveness review of all Proposals and found that the Proposal submitted by Sawgrass Asset Management, LLC contained minor irregularities. The Budget & Finance Committee waived minor irregularities and endorsed the Technical Evaluation Committee's recommendation.

The scores provided by the Technical Evaluation Committee (TEC) at its meeting of September 21, 2015, and the Price Proposals were opened and tabulated at the Budget & Finance Committee, the number one ranked Proposer is First Southwest Asset Management, LLC. The term of the contract is for five (5) years with an option to renew for up to two (2) additional years.

Mr. Rodriguez Piña moved to approve the TEC recommendation to select the number one ranked proposer, First Southwest Asset Management, Mr. Meyer seconded the motion. The motion was unanimously approved.

H) Approval of FY 2015 Cash Back Toll Dividend Program (Endorsed by the Budget & Finance Committee on 9/24/15)

Mr. Zaldivar read the regular agenda item into the record. Ms. Schafer presented the item and explained the item was proposed by the Think Big Committee.

On June 30, 2015, the Board approved the Cash Back Toll Dividend Program and to implement this Program for the last six months of FY 15. Since the Program was modified, enrollment was reopened for registration from mid-July 2015 until August 31, 2015. The Program requires members to spend a minimum of \$100 in tolls during the fiscal year.

However, for FY15, since the Program is based on six months, the qualifying minimum was reduced to \$50.

There were 82,825 registered transponders: 37,951 or 46% qualify, 13,000 or 29% paid no tolls to MDX, 31,800 paid less than \$50 in tolls and 37.8% non-qualify paid between \$10 - \$40 in tolls.

The Budget & Finance Committee recommended that for Fiscal Year 2015, the cash back payouts to registered eligible customers be thirty percent (30%) of the tolls paid for the 6-month period of January 1, 2015 through June 30, 2015 in accordance to the terms and conditions of the Program. The cumulative toll dividend is approximately \$2.2 million and will be reflected on the FY 15 Financial Statements. Checks will be mailed out beginning December 2015.

Ms. Gutierrez clarified that the Cash Back Dividend Policy was discussed at the Budget & Finance Committee and will be further discussed at the Policy & Planning Committee.

The item was thoroughly discussed.

Ms. Gutierrez moved to approve the fiscal year 2015 Cash Back Toll Dividend Program. Mr. Rodriguez Piña seconded the motion. The motion was unanimously approved.

INFORMATIONAL ITEMS

- A) Procurement Report
- B) Communications Report

The Informational Items were not addressed.

Mr. Vazquez asked for an update on the MIC property conveyance. Mr. Rodriguez informed Members that MDX met with the Airport Director and Commissioner Bovo. The agreement with the State and MDX is still pending the County's approval.

Mr. Martinez asked for a MIC update at the next Board Meeting.

Mr. Meyer asked for an update on the MDX Strategic Master Plan. Mr. Rodriguez stated his intention to bring this plan back to the Board for discussion at the October Board meeting.

CHAIR'S COMMENTS

Mr. Martinez congratulated staff on the Cash Back Toll Dividend Program.

He thanked all the Members that attended the SR83628 construction groundbreaking event.

ANNOUNCEMENTS

- Board Meeting, 10/27/15 at 4:00 p.m., William M. Lehman MDX Building

ADJOURNMENT

Chair Martinez adjourned the Meeting.

Summary Minutes prepared by Maria Luisa Navia Lobo, Board Secretary