

**MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)**

**BOARD of DIRECTORS MEETING**

**Tuesday, June 30, 2015**

**4:00 PM**

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

**SUMMARY MINUTES**

**Members Present**

Maritza Gutierrez, Chair  
Maurice A. Ferré, Vice Chair  
Rick Rodriguez Piña, Treasurer  
Gus Pego, P. E., District VI Secretary  
Jose “Pepe” Cancio  
Alfredo L. Gonzalez, Esq.  
Robert W. Holland, Esq.  
Louis V. Martinez, Esq.  
Arthur J. Meyer  
Shelly Smith Fano  
Javier L. Vázquez, Esq.  
Cliff Walters  
Luz Weinberg

**Members Absent**

**Staff**

Javier Rodriguez, Executive Director  
Carlos Zaldivar, General Counsel  
Marie Schafer, Chief Financial Officer  
Steve Andriuk, Director of toll Operations  
Juan Toledo, P.E., Director of Engineering  
Helen Cordero, Manager of Procurement and Contracts Administration  
Mario Diaz, Public Information Manager  
Francine Steelman, Associate General Counsel  
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 Gutierrez 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 Gutierrez asked Mr. Walters to lead in the Pledge of Allegiance.

### **APPROVAL OF AGENDA**

Ms. Gutierrez recommended addressing item IX. C “Cash Back Dividend Program” and item XI. “Chair’s Comments” after the Treasurer’s report. Mr. Martinez moved to approve the agendas recommended. Mr. Meyer seconded the motion. The motion was unanimously approved

### **DECLARATIONS OF VOTING CONFLICTS**

Mr. Zaldivar asked Members if there were any voting conflicts regarding the items on the Board Agenda.

### **CITIZEN COMMENT**

- Carlos Garcia - Kendall Drive & SW 127<sup>th</sup> Ave. Rollbacktolls.com addressed the Board.

### **APPROVAL OF SUMMARY MINUTES**

- Board Meeting of May 19, 2015
- Mr. Martinez moved to approve the Summary Minutes. Mr. Meyer seconded the motion. The motion was unanimously approved.

### **EXECUTIVE DIRECTOR’S REPORT**

Mr. Rodriguez briefed Members on the following issues of interest.

- June 24, 2015 MPO approval of Transportation Improvement Program (TIP) FY 2016-2020 this includes MDX’s Five Year Work Program - the revenues afforded by the closing of the System in November 2014 afforded MDX the ability to build the following five projects;
  - 83628- widening and improvements on SR 836 between 57<sup>th</sup> Ave and 17 Ave – the projects has been awarded and on schedule ,
  - 83629 - Interchange at 87<sup>th</sup> Ave. , for better truck access into the Doral west cargo area, planned for award in September 2015
  - 92404 - Design Gratigny going west, in procurement and planned to be awarded in November 2015
  - 87410 - extension of 874 out to 128<sup>th</sup> St. out to the airport in Kendall, notice to proceed has been issued and the design portion of the project is well underway
  - 83611 - partnership between with FDOT and MDX for the reconstruction of SR 836 between 17<sup>th</sup> Ave to Biscayne Bay including the I-395 bridge and infrastructure. The Procurement process will begin in September 2015
- Attended ASECAP Conference – European Association of Toll Road Infrastructure Concessionaires. The theme of the conference was Multimodal Smart and Safe European

Transport system and the key role of Highways.

- Participated the GMCC – Critical Issues Panel – Funding South Florida’s Transportation Priorities.
- Attended the GMCC Goals Conference – Transportation and Infrastructure Session.
- Attended the Newly created MPO Transit Solutions Committee
- Met with Editors of the Miami Today and community newspapers
- MDX was recognized for its hard work, financial results and operating efficiencies by Fitch Ratings.
- Working with FDOT and Miami-Dade Transit (MDT) staff on the Dolphin Park and Ride Project.
- The Federal Government passed unanimously a bipartisan proposed Transportation Bill called the “DRIVE Act”, which stands for- Developing a Reliable Innovative Vision for the Economy. Infrastructure investment means economic vitality. The Washington Post reported on multi-year funding programs and how different States are dealing with infrastructure investment. Florida was ranked number one for the best maintained infrastructure in the United States. 90% of all new capacity in the State of Florida has been financed by user paid principals, toll payers, which have allowed the State of Florida to take its Federal and State gasoline tax money and dedicate it to maintaining (and making safer) its infrastructure.

Mr. Rodriguez entertained questions from Members.

### **GENERAL COUNSEL’S REPORT**

Mr. Zaldivar reported on the following activities since the last Board Meeting.

- The ETCC trial begins on September 8, 2015.
- MCM Litigation – MDX waiting for the judge’s written ruling.
- Update regarding the Policy revisions

### **MPO REPRESENTATIVE REPORT**

Mr. Ferré congratulated Ms. Schafer, Mr. Topel and Mr. Rodriguez on the Fitch ratings upgrade.

Mr. Ferré reported on the MPO Executive Director search. Chair Monestime created two new Committees. A Finance Committee and a Transit Committee; Commissioner Moss will chair the Transit Committee that will meet every Wednesday.

### **TREASURER’S REPORT**

Mr. Rodriguez Piña congratulated staff on the Fitch Ratings upgrade. Ms. Schafer reported on the period ended May 31, 2015 overall revenues are on target as forecasted. The System out

performed by approximately 8 million transactions of what were forecasted 321 million transactions from July 1, 2014 – May 31, 2015. Expenses are below the budget by 7%. Interest expense is \$48.5 million compared to the budget of \$54 million, which reflects a savings of \$5.6 million due to the refunding of September 2014.

Ms. Schafer entertained questions from Members.

### **CHAIR'S COMMENTS**

Ms. Gutierrez highlighted the accomplishment of the last year.

- Letting of MDX project 83611 together with FDOT – December groundbreaking
- December 2014 – the Multi Axle Policy was approved. Frequency Discount Program for truckers.
- Initiated funding for safety enhancements on SR 836
- A toll freeze was declared in March 2015 on the entire MDX System.
- Reaffirmed MDX Financing Plan and Policies
- Stood strong during a difficult legislative session
- Think Big Committee
  - New Improvement for customer Service, enhancements to website
  - Directed the Executive Director to negotiate with Miami-Dade County on a new initiative for a new rail system going East-West. This would be funded without toll dollars.
  - Approved an extensive Public Information Campaign to highlight how MDX spends toll dollars
  - Cash Back Dividend Program - a commitment to refund net toll dollars to the qualified customers, for that portion of the tolls not needed to fund the construction program, maintenance and operations, and the debt coverage ratio, in accordance with the Authority's Debt Management Policy and any other applicable policy.

### **REGULAR AGENDA**

C) Cash Back Dividend Program – Endorsed at the 6/18/15 Think Big Committee Meeting

Ms. Schafer presented the Cash Back Dividend Program. She explained Chair Maritza Gutierrez requested the formation of the “Think Big Sub Committee.” The purpose of this subcommittee is to consider opportunities that expand the Authority's mission and its customers. Ms. Schafer further explained that the Authority operates as an Enterprise Fund comparable to the private sector but with a public purpose.

#### **Cash Back Toll Dividend Program**

- Customers would be treated as “investors” in the Authority
    - Financial Stakeholders in the Expressway System
  - Dividends tied to MDX Financial Performance & Governance
  - Direct Financial Benefit (Return on Investment/Tolls)
- Cash Back Toll Dividend Program demonstrates Authority's stable financial results and sound governance.

- Cash Back Toll Dividends to be paid from the Authority's net revenues
- Bondholders interest and lien remains as senior priority
- All required debt obligations will be satisfied first

Program Criteria:

- MDX must exceed financial projections and satisfy Senior Debt Coverage ratio
- Customers must register on an annual basis
- Customers must be SunPass® customers in good standing
- Customers must have paid a minimum of \$100.00 in tolls per fiscal year on MDX Expressways
- Two (2) axle vehicles
- Annual dividends and percent declared by Budget & Finance Committee after financial statements year-end closing
- Cash paid out mid-December each year of the program

The Cash Back Dividend Program demonstrates the Authority's commitment to fiscal responsibility to MDX bondholders and customers and reflects an on-going sense of good governance at the Authority.

The Cash Back Toll Dividend is based upon MDX exceeding its financial projections and Senior Debt Coverage. The Board will declare a Cash Back Toll Dividend amount and distribution percentage. Net revenues calculations will be based upon generally accepted accounting principles and Trust Indenture coverage calculations

Customers will receive an email notification several weeks before checks are mailed out. The Cash Back Toll Dividend checks are expected to be mailed to customers by mid-December each year of the program.

Members thoroughly discussed the program and agreed to extend the registration enrollment period to August 31, 2015.

Ms. Gutierrez passed the gavel to Mr. Ferré.

Ms. Gutierrez moved to approve the Cash Back Toll Dividend Program with the amendment to extend the registration enrollment period to August 31, 2015. Ms. Smith Fano seconded the motion. The motion was unanimously approved.

Mr. Ferré passed the gavel back to Ms. Gutierrez.

**COMMITTEE REPORTS**

- Operations Committee Meeting, 6/18/15
- Inter-Governmental & Public Communications Committee, 6/24/15

The Committee reports were waived.

**CONSENT AGENDA**

Travel Approval:

- July 22 -24, 2015, Trip to St. Augustine, Florida by MDX Board Members and Executive Director Rodriguez to attend the 2015 Transportation Summit FBT / TEAMFL. - FTC Transportation Authority Monitoring and Oversight Meeting (July 23 8:30 a.m.)
- August 27- September 2, 2015, Trip to Dublin, Ireland by MDX Board Members and Executive Director Rodriguez to attend IBTTA Board and Governance Meetings (August

27-29, 2015) and IBTTA 83rd Annual Meeting and Exhibition (August 30 – September 2, 2015)

Mr. Martinez moved to approve the Consent Agenda. Mr. Vázquez seconded the motion. The motion was unanimously approved.

A) MDX Procurement/Contract Number ITB-15-03; MDX Work Program No. 87404.060; Construction Services for Roadway Improvements for SW 104<sup>th</sup> Street/Killian Parkway from East of SW 112<sup>th</sup> Avenue to West of 107<sup>th</sup> Court (Engineer’s Estimate \$951,782.37) ( Endorsed by the Operations Committee on 6/18/15)

- Approval for Staff to enter into negotiations with the sole responsive bidder, Halley Engineering Contractors, Inc. to reduce the submitted bid amount to an amount equals to or lesser than the Engineer’s Estimate, and, if successful, enter into the Contract

Mr. Zaldivar read the agenda item into the record. Mr. Martinez, Chair of the Operations Committee reminded Member this work must be done in the summer months due to the traffic upon the opening of school. The time line for negotiations was agreed upon at five working days from the day of approval.

Mr. Martinez moved to approve the contract award to Halley Engineering Contractors contingent of successful negotiations with a time line of five days. Mr. Rodriguez Piña seconded the motion. The motion was unanimously approved.

B) MDX Work Program No. 87410; SR 874 Ramp Connector to SW 128<sup>th</sup> Street ( Endorsed by the Operations Committee on 6/18/15)

- Approval of Eminent Domain Parcel Resolution No. 15-17

Mr. Zaldivar read the agenda item into the record. Mr. Rodriguez introduced the item and explained it was a continuation of the Right-of-Way Acquisition Program for the 87410 project. This item was thoroughly vetted at the Operations Committee meeting.

Mr. Walters moved to approve Resolution No. 17-17. Mr. Cancio seconded the motion. The motion was unanimously approved.

C) Approval of Revision to MDX Bylaws

Mr. Zaldivar read the agenda item into the record and explained the MDX Board convened for a MDX Policy Review Workshop during which Board Members reviewed all current policies excluding the Procurement Policy, which was reviewed on February 25, 2015. Staff has requested to enhance the MDX Bylaws by adding a section that sets out the procedure for “Shade Meetings” in compliance with Florida law. In addition, the Bylaws were also modified to reflect the Authority’s contractual obligation as it relates to Section 6.7 “Removal of the Executive Director.” The new language mirrors the language contained in the Executive Director’s employment contract.

Mr. Martinez moved to approve revisions to the MDX Bylaws. Mr. Meyer seconded the motion. The motion was unanimously approved.

D) Election of Board Officers

Mr. Zaldivar gave a brief summary of the election process. He confirmed all Members in attendance; and informed Members that the outcome of the elections will take effect on July 1, 2015.

**Chair**

Mr. Zaldivar opened the nominations for the office of Chair.

Ms. Gutierrez moved to nominate Mr. Martinez for the office of Chair. Mr. Ferré seconded the motion. Mr. Martinez accepted the nomination. Mr. Zaldivar closed the nominations. Mr. Martinez was elected Chair by acclamation.

**Vice Chair**

Mr. Zaldivar opened the nominations for the office of Vice Chair. Ms. Gutierrez moved to nominate Ms. Smith Fano for the office of Vice Chair. Mr. Martinez seconded the motion. Ms. Smith Fano accepted the nomination. Mr. Zaldivar closed the nominations. Ms. Smith Fano was elected Vice Chair by acclamation.

**Treasurer**

Mr. Zaldivar opened the nominations for the office of Treasurer. Mr. Ferré moved to nominate Mr. Rodriguez Piña for the office of Treasurer. Ms. Gutierrez seconded the motion. Mr. Rodriguez Piña accepted the nomination. Mr. Zaldivar closed the nominations. Mr. Rodriguez Piña was elected Treasurer by acclamation.

**Secretary**

Ms. Gutierrez nominated Ms. Navia Lobo as Secretary. Ms. Smith Fano seconded the nomination. Ms. Navia Lobo was re-elected Secretary by acclamation.

**Assistant Secretary**

Mr. Ferré nominated Mr. Killiany as Assistant Secretary. Mr. Gonzalez seconded the nomination. Mr. Killiany was elected Assistant Secretary by acclamation.

**INFORMATIONAL ITEMS**

- A) Procurement Report
- B) Communications Report

The Informational items were not addressed.

**ANNOUNCEMENTS:**

- Board Meeting, 8/25/15 at 4:00 p.m., William M. Lehman MDX Building

**ADJOURNMENT**

Chair Gutierrez adjourned the Meeting.

Summary Minutes prepared by Maria Luisa Navia Lobo, Board Secretary