

**MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)
BOARD OF DIRECTORS MEETING**

**TUESDAY, MAY 29, 2018
4:00 PM**

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

**AGENDA
SUMMARY MINUTES**

Members Present

Shelly Smith Fano, Chair
Leonard Boord, Treasurer
James Wolfe, P. E., District VI Secretary
Carlos A. Gimenez
Maritza Gutiérrez
Louis V. Martinez, Esq.

Members Absent

Audrey M. Edmonson, Vice Chair
Arthur J. Meyer
Cliff Walters

Staff

Javier Rodriguez, P.E., Executive Director
Marie T. Schafer, Director of Finance/CFO
Steve Andriuk, Director of Toll Operations
Juan Toledo, Director of Engineering
Carlos Zaldivar, General Counsel
Francine Steelman, Associate General Counsel
Helen Cordero, Manager of Procurement and Contracts Administration
Maria Luisa Navia Lobo, Board Secretary

Consultants

Albert Sosa, HNTB (GEC-A)
Rick Crooks, EAC Consultants (GEC-B)
Tere Garcia, Ajamil & Partners, Inc. (GEC-A)
Randy Topel, First Southwest Co.
David Aron, CDM Smith

CALL TO ORDER

Chair Smith Fano called the meeting to order at 4:05 p.m.

PLEDGE OF ALLEGIANCE

Chair Smith Fano asked Ms. Gutierrez to lead in the Pledge of Allegiance.

ROLL CALL

Ms. Navia Lobo called the roll and announced that a quorum of the MDX Board was present.

APPROVAL OF AGENDA

Mr. Rodriguez informed Members of the addition of a travel approval to attend the IBTTA Board of Directors meeting in Harrisburg, PA on June 21-23, 2018. Ms. Smith Fano informed Members that the Shade Meeting will be conducted at the end of the agenda. Mr. Martinez moved to approve the agenda as amended. Ms. Gutierrez seconded the motion. The agenda was unanimously approved.

DECLARATIONS OF VOTING CONFLICTS

No conflicts were declared

APPROVAL OF SUMMARY MINUTES

- Board Meeting of April 24, 2018

Mr. Martinez moved to approve the April 24, 2018 Summary Minutes. Ms. Gutierrez seconded the motion

EXECUTIVE DIRECTOR'S REPORT & TPO REPRESENTATIVE REPORT

Mr. Rodriguez briefed Members on the following matters:

- MDX Project 83611 & Signature Bridge project update
- Kendall Parkway: there will be a follow-up meeting with the neighbors along 167 Ave to show them the new alignment that is further west away from 167 Ave. On June 20th the Board of County Commissioners will consider an amendment to the Comprehensive Development Master Plan (“CDMP”).
- Staff briefed Senator Annette Taddeo on the Kendall Parkway.
- Staff briefed Congressman Carlos Curbelo’s staff on the Kendall Parkway.
- On May 15th Mr. Rodriguez participated on a panel discussion with Secretary Wolfe, Alice Bravo, and Eileen Boucle at a Latin Builders meeting regarding the status of the SMART Plan.
- Mr. Rodriguez thanked Mayor Gimenez and Board Member Meyer for their participation at the May 4th TEAMFL meeting held in Miami.
- June 11th has been confirmed by the Turnpike Enterprise as the “go live” date for the new back office for the centralized customer service center for SunPass billing transactions.
- Mr. Rodriguez is working with Transportation Planning Organization (“TPO”) staff on program priorities. In working with the TPO, MDX will identify the programs in which it will participate. There will also be a TPO document that will show the East/West Corridor and its extension into the Kendall Parkway is being done by MDX. This document will also provide information regarding the monies invested by MDX in the past for these projects; and that MDX has included these projects its five year work program. The process will occur for the Dolphin Park and Ride and the SR 878 with ramps to the Dadeland garage,

which supports the express bus service on SR 874 and the Turnpike. MDX has made a commitment of over \$50 Million towards the SMART Plan, which will be documented in the MDX Work Program.

- Mr. Rodriguez informed Members that enclosed in the folder package was a copy of a letter is enclosed from Rep. Bryan Avila to the Board taking exception that MDX had not implemented the law that passed in 2017, HB 1049 asking for immediate reduction of toll rates and other considerations.

Ms. Gutierrez asked what is the delay is addressing the discount. She recommended 5% discount on off-peak hours Monday through Friday and weekends. This is what MDX can offer and afford. Ms. Gutierrez moved to implement a toll reduction of 5% on the off-peak hours Monday – Friday and weekends on the entire MDX System. Mr. Martinez seconded the motion for discussion.

Mr. Boord stated that without the proper documentation to understand the implications and the cost of implementing the discount and the consequences it might have to the budget, he suggested the decision be made after proper discussion and reviewing the numbers.

Ms. Smith Fano stated there previously had been a healthy discussion on the different scenarios at previous meetings. Ms. Gutierrez recommended this reduction be a pilot program for the 5% discount on off-peak hours Monday through Friday and weekends on the entire MDX System. Secretary Wolfe asked if lowering, the tolls pursuant to the proposed pilot program, would comply with the Florida Statute. He further stated the CPI would have to also be included to be compliant with the Statute.

Ms. Gutierrez stated the Pilot Program will not hurt the work program and existing contracts. Ms. Smith Fano welcomed Mayor Gimenez to the meeting.

Mayor Gimenez asked about the State legislation and wanted to know exactly what actions the MDX Board is required to take in accordance with the legislation; and what are the consequences for the Board if they do not comply.

Mr. Zaldivar explained that he deemed MDX compliant with the 2017 legislative, which was conditioned on MDX's bond requirements. The 2018 requires a 5% toll reduction; it also includes a penalty for non-compliance, which is the removal of all Board Members if the toll reduction is not implemented by the Board.

Ms. Smith Fano stated there was a motion on the floor to reduce toll rates 5% off-peak hours Monday through Friday and weekends. Mayor Gimenez recommended an amendment to the motion, which is to impose a system wide 5% reduction 24hrs for SunPass and non-SunPass customers. Ms. Gutierrez accepted the amendment to her motion.

Ms. Schafer informed Members that the effect of a system wide 5% toll reduction would be a negative revenue impact of \$15.7 million.

Mr. Topel informed Members that the bond-financing effect of reducing the tolls by 5% would result in a negative fiscal impact of \$140 million. MDX would lose additional amount on pay as you go and would have to fund an additional \$127.3 million debt converges, which would then drop to approximately 1.4 (assuming we keep the same ratings); and MDX would have to

sell \$182.66 million more in bonds to complete the existing program. The 1.4 coverage will have an impact immediately with the rating agencies.

Mayor Gimenez asked if the customer rebate program be affected. Mr. Topel stated the rebate program is not part of the finance plan; it's only there if there is a surplus at the end of the year. Mr. Boord asked how many increases would have to occur to cover the loss. Mr. Topel stated it would take approximately three CPI adjustments to help offset the reduction.

Mr. Boord also asked if 5% discount was implemented would MDX able to obtain a qualified opinion from bond counsel to get the financing needed to "cover the [financial] hole." Mr. Zaldivar stated that the MDX's outside Bond Counsel has opined that the issue is not imposing a discount but rather the Board's autonomy to set toll rates.

Member Martinez asked for clarification regarding the 2018 legislation. He asked if the 2018 legislation required the Board to impose a CPI, which if not done would allow the Governor and legislature to remove the Board Members. Mr. Zaldivar stated that the 2018 legislation does not require the Board to impose a CPI.

Secretary Wolf requested confirmation that the motion to reduce the tolls by 5% complies with the 2018 legislation. Mr. Zaldivar stated that the motion as amended by Mayor Gimenez to reduce the tolls by 5% system wide would comply with the 2018 legislation.

Ms. Smith Fano asked Mr. Zaldivar to read the motion on the floor with the amendment.

The motion is as follows: To implementation of a 5% reduction in toll rates on MDX roadways effective July 1, 2018. Ms. Navia Lobo called the roll:

C. Gimenez	-aye
M. Gutierrez	-aye
L. Martinez	-aye
L. Boord	-nay
J. Wolfe	-aye
S. Smith Fano	-aye

The motion passed.

Ms. Gutierrez stated that it is important that "the item" be added to the next committee to address the other statute [2017] and how the Board will address it. She also stated that as the maker of the motion, with a friendly amendment, "we have done this independently to conform because we do believe in giving a discount."

GENERAL COUNSEL'S REPORT

- Attorney Client Privileged Meeting
Shade Meeting – Regarding ETCC Litigation

Mr. Zaldivar reported the following items:

- Next steps in legislation
- MDX annual election procedures will be emailed to Members prior to the next Board meeting in June.

TREASURER'S REPORT

Mr. Boord reported that at the last committee meeting the FY 2018 annual budget was endorsed but after the 5% toll rate reduction the budget needs to be amended.

The Treasurer's report for April 30, 2018; the variances are all positive, more revenue than expected and spending less than expected.

The item was thoroughly discussed and Ms. Schafer and Mr. Boord entertained questions from Members.

Mayor Gimenez requested a comprehensive look at a separate budget.

CONSENT AGENDA

- June 21-23, 2018 Travel to Harrisburg, PA by Executive Director Rodriguez to attend the IBTTA Board of Directors meeting.

Ms. Gutierrez moved to approve the Consent agenda. Mr. Martinez seconded the motion. The motion was unanimously approved.

REGULAR AGENDA

- A) Approval of the Fiscal Year 2019 Annual Budget and Funding Requirements (Endorsed by the Joint FPP& OECI Committee on 5/22/18)

Mr. Martinez moved to table the FY 2019 annual budget to provide staff the opportunity to provide a revised budget with \$15.4 million reductions due to the 5% toll rate reduction. Mr. Boord seconded the motion. The budget was tabled.

Ms. Schafer informed Members that it is required to submit the annual budget to the Trustee by June 20, 2018. Members recommended scheduling a Special Board Meeting before June 20, 2018 to approve the revised budget.

- B) MDX Procurement/Contract Number ITB-17-04; MDX Work Program No. N/A System-wide Maintenance of Traffic (MOT) Services (\$500,000) (Endorsed by the Joint FPP& OECI Committee on 5/22/18)

- Approval of Supplemental Agreement No. 2.

Mr. Wolfe moved to approve supplemental agreement No. 2. Mr. Martinez seconded the motion. The motion was unanimously approved.

- C) MDX Procurement/Contract Number RFQ-18-02; MDX Work Program No. 30056.051; Construction Engineering and Inspection (CEI) Services for the Civil Infrastructure Modifications for Toll Zones on SR 874, SR 878 and SR924 (\$599,734.87) (Endorsed by the Joint FPP& OECI Committee on 5/22/18)

- Approval of negotiated Contract Amount

Ms. Gutierrez moved to approve the negotiated contract. Mr. Boord seconded the motion. The motion was unanimously approved.

D) MDX Procurement/Contract Number MDX-14-03-B; MDX Project/Service Title; Toll Image Processing System Maintenance Services (Not-to-Exceed \$3,121,581) (Endorsed by the Joint FPP& OECI Committee on 5/22/18)

- Approval of Supplemental Agreement No. 1

Ms. Gutierrez moved to approve supplemental agreement No. 1. Mr. Wolfe seconded the motion. The motion was unanimously approved.

E) MDX Procurement/Contract Number MDX-18-05, MDX Project/Service Title: Security Guard Services for the Dolphin Park & Ride Facility (\$1,000,000.00) (Endorsed by the Joint FPP& OECI Committee on 5/22/18)

- Approval of Cooperative Purchasing Agreement

Mr. Martinez moved to approve the Cooperative Purchasing agreement. Mr. Boord seconded the motion. The motion was unanimously approved.

F) Transfer of Portions of MDX Parcels 83605-117, 83605-118, 83605-119 and 83605-120 (Endorsed by the Joint FPP& OECI Committee on 5/22/18)

- Approval of ROW Transfer to Beacon Lakes Community Development District

Ms. Gutierrez moved to approve of ROW transfer. Mr. Wolfe seconded the motion. The motion was unanimously approved.

INFORMATIONAL ITEMS

A) Procurement Report

B) Communications Report

The Informational Items were not addressed

Ms. Smith Fano read the following statement to the public prior to the Shade Meeting:

“The time is now 5:09 p.m. We are about to have an attorney/client session in accordance with Florida Statute 286.011 regarding the litigation styled Electronic Transaction Consultants Corporation v. Miami-Dade Expressway Authority, Case No. 12-46272 CA 40, in the 11th Judicial Circuit, In and For Miami-Dade County, Florida. The session is estimated to last 30-45 Minutes and the following people will be in attendance at this meeting:

Myself and Board Members [those present]:

- Member Leonard Boord
- Member James A. Wolfe
- Member Carlos A. Gimenez
- Member Martiza Gutierrez
- Member Louis V. Martinez
- MDX Attorneys
- Joseph H. Serota
- Michael Ehrenstein
- Eric Hockman

- Rodolfo Sorondo, Jr.
- Javier Rodriguez, MDX Executive Director
- Carlos M. Zaldivar, General Counsel
- Francine Steelman, MDX Associate General Counsel

These proceedings will be recorded by a certified court reporter and, at the conclusion of all litigation discussed; the transcript will be made part of the Public Record.

All those individuals who I have not named should leave this room and reconvene in the conference room adjoining these chambers”

Ms. Smith Fano temporarily suspended the Board meeting to proceed with the Shade Meeting.

Ms. Smith Fano reconvened the Board Meeting at 6:15 p.m.

Mr. Martinez made a motion to approve the MDX agreed settlement for attorney’s fees and cost regarding the ETCC litigation. Mayor Gimenez seconded the motion. The motion was unanimously approved.

ANNOUNCEMENTS

- Board Meeting & Board Elections, 6/26/18, 4:00 PM, William M. Lehman MDX Building – Board Room

ADJOURNMENT

Chair Smith Fano adjourned the Board Meeting at 5:16 p.m.

Summary Minutes prepared by Maria Luisa Navia Lobo, Board Secretary.