

MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)

BOARD MEETING
TUESDAY, MARCH 19, 2013
4:00 PM

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

Members Present:

Maurice A. Ferré, Chair
Shelly Smith Fano, Vice Chair
Gonzalo Sanabria, Treasurer
Gus Pego, P. E., District VI Secretary
Carlos R. Fernandez-Guzman
Alfredo L. Gonzalez
Maritza Gutierrez
Jose M. Hevia
Robert W. Holland, Esq. – in attendance via phone
Felix Lasarte, Esq.
Louis V. Martinez, Esq.
Rick Rodriguez Piña
Norman Wartman

Members Absent:

Staff:

Javier Rodriguez, Executive Director
Pamela Leslie, General Counsel
Marie Schafer, Chief Financial Officer
Alfred Lurigados, Director of Engineering
Steve Andriuk, Director of Toll Operations
Helen Cordero, Manager of Procurement and Contracts Administration
Cindy Polo, Communications Manager
MariaLuisa Navia Lobo, Board Secretary

Consultants:

Transportation: John Becker, HNTB (GEC-A)
 Chis Bucknor, EAC Consultants (GEC-B)
 Tere Garcia, Bermello Ajamil (GEC-A)
Finance: Randy Topel, First Southwest Co.

CALL TO ORDER

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

DECLARATIONS OF VOTING CONFLICTS

As customary, Ms. Leslie asked if Members present had any voting conflicts to declare in regards to the agenda. No conflicts were declared.

APPROVAL OF SUMMARY MINUTES

- Board Meeting of February 26, 2013

The Chair referred to the summary minutes corresponding to the February 26th meeting. Mr. Martinez moved to approve the summary minutes. Mr. Wartman seconded the motion. The motion was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Mr. Rodriguez also offered his welcome to the new Board Members and reported on issues of interest since the last board meeting.

- Status of the Centralized Customer Service Center (CCSC), the four major toll agencies in Florida are working together to develop a CCSC. There will be an Industry Workshop in Tampa next month. The goal is to award a contract in the beginning of 2014.
- MAP 21, Federal Highway Bill calls for National Interoperability by 2016. All of the tolling agencies around the country are working towards National Interoperability. The release of a progress report to Congress is upcoming.
- Mr. Andriuk attended a Sunshine meeting with Commissioners Heyman and Edmonson on the SunPass® conversion of the Venetian Causeway. MDX provided technical assistance.
- Projects:
 - SR 874 widening between Kendall Drive and the Palmetto continues on budget and on schedule with completion scheduled for November 2013.
 - Central Blvd. is scheduled for completion in October 2013. MDX will be coordinating with the new Airport Director.
 - US-1 Busway project - two community meetings are schedule this week on March 20 & 21, 2013.

Mr. Ferre informed Members that he has concluded meetings with all thirteen Miami-Dade County Commissioners, the Mayor, Governor Scott and there is a pending meeting with the president of FIU.

GENERAL COUNSEL'S REPORT

Ms. Leslie advised that in the interest of time with the scheduled Public Hearing, she had nothing to report.

MPO REPRESENTATIVE REPORT

Ms. Gutierrez reported the next meeting is scheduled for April 18th.

TREASURER'S REPORT

Ms. Schafer summarized the Treasurer's Report for the seven-month period.

Mr. Andriuk reported for the past three months the collection of traffic citations payable to the courts have increased on a monthly basis. This brings everything current.

COMMITTEE REPORT

- Policy & Planning Committee, 3/7/13
- Budget & Finance Committee, 3/7/13
- Executive Committee, 3/7/13

Committee Reports were waived.

REGULAR AGENDA

- A) Approval of First Amendment to the Swap Agreement between MDX and Citibank N.A. amending the Credit Support Annex – Endorsed by the Budget & Finance Committee on 3/7/13

Ms. Schafer introduced the item. She explained that at the direction of the Treasurer, staff negotiated with Citibank N.A. to amend the terms of the Credit Support Annex related to the trigger for posting of collateral. Citibank agreed that in order to achieve a termination event, a downgrade of the Authority's credit rating to Baa2, two tiers below current rating, would be required. In addition, no collateral posting was necessary. Citibank acted in good faith in negotiating this amendment and received no consideration.

Mr. Sanabria moved to approve the first Swap Amendment between MDX and Citibank. Mr. Fernandez-Guzman seconded the motion. The motion was unanimously approved.

PUBLIC HEARING ITEMS

Mr. Ferre' informed Members and the public in attendance of the Public Hearing process and procedures.

Mr. Rodriguez welcomed Members and public in attendance. He expressed his view that it was an important day for Infrastructure in Miami-Dade County; MDX will be considering the final phase to full conversion to Open Road Tolling. The final phase will afford MDX the ability to complete the improvements on the System. The System that connects the economic engines of the city by connecting the Airport, Seaport, Miami-Dade College, Florida International University and the Civic Center. He informed Members that in 2007 MDX developed a Master Plan with three principles; 1) Connectivity – Connect the facilities; 2) Technology- use the highest level of technology on the facilities; and 3) Transit – Consider transit accommodation on all facilities even though MDX is not a transit operator.

Mr. Rodriguez introduced Ms. Schafer, MDX's Chief Financial Officer, who made a presentation as discussed at the Policy & Planning and Budget & Finance Committees.

Ms. Schafer presented a PowerPoint on the recap of the ORT initiative; the process for establishing

toll rates; proposed base toll rates on SR 112 and SR 836; the proposed toll policy; the purpose of the additional funding; as well as the rationale of ORT and a

Recap of System Conversion to ORT.

- MDX Board Approved ORT Master Plan in 2006
- Conversion to ORT SR872/878/924 Summer of 2010
- Conversion of ORT SR112 and SR 836 Summer of 2014

Process for Establishing Toll Rates SR 874/878 and SR924

- Approval of toll rates October 2009
- Advertised Public Review meetings in April 2010
- Three year educational effort on ORT

Process for Establishing Toll Rates SR 112 and SR 836

- Board Workshop – October 2012
- Briefing of elected officials
- Advertised Public Reviews

Proposed Toll Policy – Policy & Planning and Budget & Finance Committees

- Adjustments to Toll-By-Plate (TBP) rates - twice the SunPass® rate
- Application of Consumer Price Index (CPI) – Effective 2017
- Pilot Frequency Discount Program

How Projects are Financed and Projects to be funded

Mr. Rodriguez expressed the goal of the Authority has always been to resolve operational deficiencies, maximize new technology and develop strategies to get an interconnected expressway System in Miami-Dade County in partnership with FDOT; and re-purpose the System to accommodate an express bus service. MDX has partnered with Miami-Dade Transit to provide the infrastructure necessary so the options are available.

The Authority has been very careful in the expenditure of its dollars. Five percent (5%) of the dollars goes to administration; 100% of the dollars stay in Miami-Dade County.

[The presentation is filed with the Board Secretary]

Mr. Ferré recommended taking a five minute break.

Mr. Ferré re-convened the meeting and asked Ms. Leslie to read Resolution 13-04; approval of Toll Policy and Resolution 13-05; approval of Toll Rates on SR112 and SR 836 into the record.

Mr. Ferré opened the public meeting and called on Members of the public wishing to speak. The following individuals addressed the Board:

1. Mayor McDougal – Mayor of Cutler Bay
2. Gustavo Cruz – Representative from Commissioner Zapata's office
3. Pat Milone

4. Jose Garcia
5. Michael Smith
6. Carlos Gimeno
7. David Shillings
8. Moraima Lugo Morales
9. Mamie Attar
10. Jane Walker
11. Miller Myers
12. Angel Gonzalez
13. Carolann Baldiga
14. Carlos Garcia
15. Barry J. White
16. Doug Kostowsky
17. Carlos Valdez
18. Laura Reynolds
19. Celeste De Palma
20. Pamela Grey
21. Brett Warner
22. Tina Mincey

[Speaker cards are filed with the Board Secretary]

Mr. Ferré thanked the speakers for their presentation and asked for a motion to close the Public Hearing. Ms. Smith Fano moved to close the Public Hearing. Mr. Fernandez-Guzman seconded the motion. The motion was unanimously approved.

Mr. Rodriguez clarified that the CPI adjustment will be applied to system-wide toll rates on July 1, 2017. The CPI will be applied annually thereafter, unless two-thirds (2/3) of the MDX Board votes not to implement the CPI for the current fiscal year and determines to defer application of the CPI to the subsequent fiscal year. However, toll rate adjustments for inflation under this subsection will be made effective no less frequently than once every 3 years.

Mr. Andriuk briefed Members on the rental car company agreements.

Mr. Lurigados briefed Members on the Landscaping costs on SR 874. He explained that since the beginning of the PD&E in 2003, MDX made commitments to the community to landscape the corridor. Two percent of the project cost was dedicated to landscaping. The other two commitments were noise walls and other engineering related issues. Mr. Martinez reminded Members there was a significant financial difference between the winner of the landscaping contract and the second place bidder. Mr. Lurigados stated the difference was approximately 30% difference.

Members thoroughly discussed all the questions raised by the public.

Mr. Ferre recommended taking a five minute break. Mr. Ferré reconvened the meeting.

Mr. Fernandez-Guzman thanked Members of the public for attending the meeting. He explained the principal of transparency. Mr. Rodriguez added that the annual external audits are posted online.

Mr. Fernandez-Guzman explained the bonding process and the level of scrutiny made by the underwriter and the investors in the bonds.

B) Resolution No. 13-04 Approval of Toll Policy – Co-endorsed by the Policy & Planning and Budget & Finance Committees on 3/7/13

Mr. Fernandez-Guzman moved to approve resolution No. 13-04; approval of Toll Policy. Mr. Wartman seconded the motion. Mr. Lasarte expressed concern with the CPI impact automatic adjustment. Mr. Ferré asked Secretary Pego if Florida’s Turnpike applies a CPI to their rates. Secretary Pego replied that it was authorized by the legislature. Members thoroughly discussed the CPI. Mr. Ferré asked for a roll call. Ms. Navia Lobo called the roll.

Fernandez-Guzman, Carlos R.	-aye	Sanabria, Gonzalo	-aye
Gonzalez, Alfredo L.	-aye	Rodriguez Piña, Rick J.	-aye
Gutierrez, Maritza	-aye	Wartman, Norman R.	-aye
Hevia, Jose	-aye	Secretary Pego, Gus	-aye
Holland, Robert W.	-aye	Vice-Chair, Smith Fano, Shelly	-nay
Lasarte, Felix M.	-nay	Chair, Ferré, Maurice A.	-aye
Martinez, Louis V.	-nay		

The motion was approved

C) Resolution No. 13-05 – Approval of Proposed Open Road Tolling (ORT) Rates for SR 112 and SR 836 – *Endorsed by the Budget & Finance Committee on 3/7/13*

Mr. Ferré asked for a motion on Resolution No. 13-05 for discussion. Mr. Wartman moved to approved Resolution 13-05. Mr. Hevia seconded the motion. Ms. Gutierrez stated that the actual rates be re-distributed, that each gantry be sixty cents. This would be revenue neutral eastbound. She further stated the westbound tolls be sixty cents as well. Ms. Schafer clarified that the bonding capacity for the recommendation would be \$360 million. The seventy cents proposal would have a bonding capacity of \$479 million.

Mr. Ferré recommended addressing the recommendation from the Budget & Finance committee. Ms. Gutierrez asked for a friendly amendment to the committee recommendation. Mr. Ferré reminded Members that the recommendation from the committee is what before the board for a vote.

Mr. Martinez expressed concern that the net worth for every individual in the County has been affected.

Ms. Smith Fano stated that when the Policy & Planning and Budget & Finance Committees she had not heard the public's comment.

Mr. Ferré asked for a roll call. Ms. Navia Lobo called the roll.

Fernandez-Guzman, Carlos R.	-aye	Sanabria, Gonzalo	-aye
Gonzalez, Alfredo L.	-aye	Rodriguez Piña, Rick J.	-nay
Gutierrez, Maritza	-nay	Wartman, Norman R.	-aye
Hevia, Jose	-aye	Secretary Pego, Gus	-nay
Holland, Robert W.	-aye	Vice-Chair, Smith Fano, Shelly	-nay
Lasarte, Felix M.	-nay	Chair, Ferré, Maurice A.	-aye
Martinez, Louis V.	-nay		

The motion was approved.

Mr. Fernandez-Guzman recommended revisiting the item once Members have received empirical data as to what the impact will be of the proposed recommendation of sixty cents. Impacts to the Work Program must be analyzed before a decision can be made.

Mr. Ferré directed staff to bring back to the Budget & Finance Committee the proposed sixty cent proposal.

INFORMATIONAL ITEM

A) Procurement Report

The Informational item was not addressed.

ANNOUNCEMENTS

- Operations Committee Meeting, 4/8/13, 12:00 p.m., William M. Lehman MDX Building
- Board of Directors Meeting 4/30/13, 4:00 p.m., William M. Lehman MDX Building

ADJOURNMENT

The meeting was adjourned by Chair Ferré. Summary Minutes prepared by Maria Luisa Navia Lobo, Board Secretary.