

Tampa-Hillsborough County Expressway Authority
Minutes of March 27, 2017 Board Meeting
1104 E. Twiggs Street
Tampa, FL 33602

The Tampa-Hillsborough County Expressway Authority held a public meeting at 1:30 p.m. on March 27, 2017, at the Authority's Transportation Management Center, 1104 E. Twiggs Street, Tampa, Florida. The following were present:

BOARD:

Vincent Cassidy, Chair
Daniel Alvarez, Sr., Secretary
Bennett Barrow
Tampa Mayor Bob Buckhorn
Commissioner Lesley "Les" Miller
FDOT District VII Secretary Paul Steinman

STAFF:

Joe Waggoner, Patrick Maguire, Amy Lettelleir,
David May, Susan Chrzan, Rafael Hernandez,
Debbie Northington, Max Artman, Man Le, Donna
Obuchowski, Elizabeth Gray, BJ Lamb

BANK OF AMERICA/MERRILL LYNCH:

Coleman Cordell

FIRST SOUTHWEST:

Ed Stull

GRAY ROBINSON:

Jennifer LaRocco

HNTB:

Jim Drapp, Al Stewart

JP MORGAN:

Nathaniel Johnson

MSR CONSULTING GROUP, LLC:

Sri Meka

PLAYBOOK:

Sally Dee, Patrick Kelly, Ana Cruz

RAYMOND JAMES:

Natalie Sidor

WADE TRIMING, INC.:

John Melendez

WSP/PB:

Christina Kopp

I. CALL TO ORDER, INVOCATION and PLEDGE OF ALLEGIANCE

Chairman Vincent Cassidy called the meeting to order at 1:31 P.M., followed by General Counsel Maguire leading in the Invocation and recitation of the Pledge of Allegiance.

II. PUBLIC INPUT / PRESENTATIONS

A. Lynne Paul – Remembrance

Chairman Cassidy took a moment to reflect on losing a very important person of the THEA Management Team, Ms. Lynne Paul. He mentioned that many of us knew her very well and worked with her closely. Chairman Cassidy noted Ms. Paul was with the organization for thirteen years and not only did she do a great job in getting THEA to a great place, she did a fantastic job in getting THEA setup for the unlikely event that she would not be with us. On behalf of the Board, Chairman Cassidy paid a special note of thanks to those who helped getting through this rough period with special thanks to the Finance Team, Debbie Northington, BJ Lamb, Man Le, and Liz Gray who all pulled together to keep working. He went on to say that a number of individuals did a wonderful job in a celebration of life

ceremony with special recognition to Donna Obuchowski, Sally Fisher, Max Artman, Chaketa Hernandez, Sue Chase, Sue Chrzan as well as Joe Waggoner's wife, Ann Waggoner. Chairman stated "Thank you for taking the time to remember one of our own."

B. Introduction – THEA Interim CFO, Amy Lettelleir

Chairman Cassidy indicated Ms. Paul introduced us to so many in the financial world and because of that we were fortunate enough to have a local individual referred who is profoundly experienced, Ms. Amy Lettelleir, joining us as interim CFO.

There were no individuals signed up to publicly address the Board at this meeting of March 27, 2017.

III. APPROVAL OF MINUTES OF THE FEBRUARY 27, 2017 BOARD MEETING

Mayor Buckhorn moved for approval of the February 27, 2017 Board Meeting Minutes, seconded by Mr. Alvarez. The motion passed unanimously.

IV. INFORMATIONAL / ACTION ITEMS

A. Chairman of the Board – Vincent J. Cassidy

1. Interim Financial Assistance

Mr. Waggoner reported the first action brought before the Board requesting approval of financial resources necessary to assist THEA throughout the recruitment process. A request for the Board to approve an operating budget of \$200,000 for the coming nine month period intended to cover the cost of interim CFO as well as potential costs that may be incurred by Rivero, Gordimer & Associates who have been key and very helpful in the last few weeks assuring all wheels are on the ground and moving forward. These funds would also provide recourse to other financial services from THEA's GEC who also has staff on board who could provide services if needed. Approximately half of the \$200,000 is actually a wash, an amount that would be paid for interim CFO which equates to the salary/benefit costs the Agency would have carried if Ms. Lynne Paul were still here with THEA today.

Mayor Buckhorn made the following motion, seconded by Mr. Alvarez for approval to authorize the Executive Director to secure interim financial services needed during the recruitment transition process for the new Chief Financial Officer not to exceed \$200,000.

There being no questions the motion passed unanimously.

2. Financial Audit Services

Mr. Waggoner explained THEA was literally preparing to publically advertise a request for proposals (RFP) for auditing services for the upcoming three year term. This request brought before the Board is to provide an exception for a one year extension of the existing Rivero, Gordimer & Associates contract in the amount of \$48,000. It is felt Rivero, Gordimer & Associates will be essential in the transition to the newly hired permanent Chief Financial Officer as well as carrying THEA through the audit as done with existing practices for the coming fiscal year.

Mr. Alvarez made the following motion, seconded by FDOT District VII Secretary Steinman authorizing staff to extend the current financial audit services contract between THEA and Rivero, Gordimer and Associates for a period of seven months (July 2017 – January 2018).

There being no questions or comments the motion passed unanimously.

B. General Counsel – Chairman Vincent Cassidy / Patrick Maguire

1. Disclosure Counsel Services RFQ

General Counsel, Patrick Maguire indicated the Evaluation Committee's recommendation for ranking of the following firms for disclosure counsel services relative to the primary debt offering in regards to the Selmon West Extension project is being brought before the Board requesting approval of said ranking. The Evaluation Committee ranked Nabors Giblin & Nickerson as their number one choice. It was noted this firm was THEA's disclosure counsel at the last bond issuance.

Mayor Buckhorn made the following motion, seconded by Mr. Alvarez for:
a) The approval of the Evaluation Committee's recommendation for ranking as follows: 1. Nabors Giblin & Nickerson, 276; 2. Bryant Miller Oliver, 266; 3. Gray Robinson, 258; 4. Holland & Knight, 256; 5. Machena & Graham 251; and b) The Board selects Nabors Giblin & Nickerson, and directs staff to begin contract negotiations. If negotiations are unsuccessful, staff shall negotiate with the second-ranked firm, if necessary. Contract execution is subject to final review and approval of THEA General Counsel.

There being no questions the motion passed unanimously.

2. Issuer Counsel Services RFQ

General Counsel, Patrick Maguire expounded the Evaluation Committee's recommendation for ranking of the following firms for issuer counsel services relative to the primary debt offering in regards to the Selmon West Extension project requesting Board approval of the ranking. The Evaluation Committee ranked Gray Robinson as their number one choice.

Mayor Buckhorn made the following motion, seconded by Mr. Barrow for: a) The approval of the Evaluation Committee's recommendation for ranking as follows: 1. Gray Robinson, 276; 2. Bryant Miller Oliver, 269; 3. Holland & Knight, 254; and b) The Board selects Gray Robinson, and directs staff to begin contract negotiations. If negotiations are unsuccessful, staff shall negotiate with the second-ranked firm, if necessary. Contract execution is subject to final review and approval of THEA General Counsel.

There being no questions the motion passed unanimously.

C. Operations & Maintenance Committee – Bennett Barrow, Chair / David May, P.E., Staff

1. Selmon West Extension (SWE) Mitigation Credits

Mr. May conveyed the purpose of this item is to purchase mitigation credits from the Tampa Bay Mitigation Bank for wetland impacts for the Selmon West Extension project in the amount of \$35,000 from the Capital Project Budget.

Mayor Buckhorn made the following motion, seconded by FDOT District VII Secretary Steinman for the approval of the purchase of the mitigation bank credits in the amount of \$35,000 from the Tampa Bay Mitigation Bank.

There being no questions the motion passed unanimously.

2. Approval of City of Tampa Agreements for the Selmon

Mr. May explained this item involves two City of Tampa agreements both related to the Selmon West Extension project; the first being a local funding agreement, Memorandum of Agreement (MOA) with the City with respect to the Westshore widening project at Gandy. This is incorporated into the Selmon West Extension (SWE) RFP based upon getting the Right of Way (ROW) in time for it to be incorporated into the project. This is an agreement that is basically reimbursement for the costs that are involved with that project. The second item is a Sublease with the City of Tampa for the parks at the east end of the Gandy Bridge, the west end of the SWE project, to enable the contractor to use for staging and parking if desired.

Mr. Alvarez made the following motion, seconded by Commissioner Miller for the approval of a) the Local Funding Agreement and MOA with the City of Tampa for the inclusion of certain specified construction plans of the City of Tampa for improvements at the Intersection of Gandy Boulevard and West Shore Boulevard in the RFP and LOI for the Selmon West Extension Project and delegate to Chairman or Executive Director the authority to execute same; and b) Board approval of the Sublease with the City of Tampa for the subject parcels located at the east end of the Gandy Bridge and delegate to Chairman or Executive Director the authority to execute same.

Chairman Cassidy questioned in the first case if there is a financial impact or is it simply that the Authority would receive money the City would have otherwise spent. Mr. May confirmed and explained the first agreement, Local Funding Agreement, reduces the size of their project from having dual left turns to single left turns because of the diversion of traffic to overhead, thereby reducing the cost of their project. THEA will incorporate this into the SWE Project if the ROW is available in time. Included in the City's project is a waterline which would be best done at the same time. It was felt this was a good use of community money.

Chairman Cassidy then requested clarification regarding the sublease and the possibility of a further expenditure that this Board will need to review once the project is complete. Mr. May explained we are committing the expenditure up front, but feel it will also be saved in the proposal bid. Mr. Waggoner clarified the use is dependent on the contractor deciding to use the property as part of their proposal. If they do not use the property as part of their proposal, there is no commitment by this Agency and the property will remain as is. If however, they do use the City's parcels, THEA is making a commitment of \$1.5 to \$2.0 million to repair and add amenities to the parcels. The amount was derived by estimating what the contractor's benefit would be (i.e. what the savings would be to THEA by providing this property to them at no lease cost). Therefore if it is used it would be a wash in terms of potential cost to the Agency.

AMENDMENT TO ACTION: If the City of Tampa's property is proposed to be used by the selected contracting team, the Board authorizes up to a \$2.0 million commitment.

Mr. Alvarez made the following motion, seconded by FDOT District VII Secretary Steinman for the approval of the amended action to include the expenditure of up to \$2.0 million to repair and add amenities only if selected contracting team uses the proposed property as part of their proposal for the use of staging and parking.

There being no further discussion, questions, or request for clarification, the original motion incorporating the amended motion passed unanimously.

D. Budget & Finance Committee – Commissioner Les Miller, Chair / Amy Lettelleir, Staff

Ms. Lettelleir recounted Ms. Paul's contributions to this Authority and stated her financial management vaulted this Agency into the top tier of issuers. Ms. Lettelleir also noted that the successful completion of the Series 2017 bond issue is Ms. Paul's mission and it will be her legacy.

1. Senior Underwriting Services RFQ

Ms. Lettelleir reported the action item presented today is for approval of the Evaluation Committee's recommendation for Senior Underwriter Services from the

previously Board approved Underwriting Team. The Evaluation Committee ranked the five shortlisted firms as follows: Bank of America first, Citigroup second, Morgan Stanley third, JP Morgan fourth, and Raymond James fifth.

Mayor Buckhorn made the following motion, seconded by Mr. Alvarez for a) Approval of Evaluation Committee recommendation for ranking of the firms as follows: Bank of America, 294.28; Citigroup, 285; Morgan Stanley, 277.5; JPMorgan, 276; and Raymond James, 261.5. b) The Board selects Bank of America and directs staff to begin contract negotiations for Senior Underwriter Services. If negotiations are unsuccessful, staff shall negotiate with the next highest ranked firm, if necessary. Contract execution is subject to final review and approval of THEA General Counsel.

There being no questions, comments or discussion, the motion passed unanimously.

E. Public Outreach & Communications Committee – Vincent Cassidy, Interim Chair / Sue Chrzan, Staff

1. Resolution #654 Honoring John Garcia

Ms. Chrzan presented a Resolution honoring Mr. Garcia who had served on THEA's Board from March 2016 until January 2017, which she read into record then to be approved and executed by THEA's Board. Upon approval this Resolution will be presented to Mr. Garcia at a future meeting in the upcoming months as appropriate.

Commissioner Miller made the following motion, seconded by FDOT District VII Secretary Steinman for adoption of Resolution #654 honoring Mr. John Garcia.

There being no questions the motion passed unanimously.

V. STAFF REPORTS

A. Operations & Maintenance (Dave May, P.E.)

Mr. May provided an update on the MRP results noting for this last session the rating of THEA's facility was 94.2 which is a very good result and THEA will be working diligently on those items needing improvement.

Brandon and Meridian resurfacing update includes completing the structural course in Brandon along with temporarily restriping in anticipation of the friction course expected to be completed following the resurfacing of Meridian which will begin in late April. Prior to resurfacing along Meridian, concrete curb work is underway incorporating the pedestrian recommendations as part of the FDOT pedestrian safety study.

The underside cleaning of the REL is progressing and moving well on its way towards 50th Street currently.

Dog park construction update status currently removing fill material required as part of contract to enable replacement with permeable sand in order to properly percolate through when hosing off to keep the area fresh.

Mr. May reviewed the SWE schedule indicating there is no change to the schedule at this time and it is progressing as predicted. Currently in the middle of two items including the development of the proposals from the design build firms and the traffic and revenue study. The traffic and revenue study draft is due April 21, 2017 from Jacobs Engineering. The design/build technical proposals are due in June. The cost and schedules which will be added to the scoring for the technical proposals will be provided in July. The Board will be receiving the recommendations in the July Board Meeting based upon the assumption there are only two rounds of alternative technical concepts (ATC).

The access control network replacement update involves the software used to operate the gates and the interactions between the gates, cameras and dynamic message signs which are being replaced. THEA is currently preparing to run a parallel system. A mock system has been installed at the east toll plaza which will be tested for a 45 day period without failures prior to implementing into the Traffic Management Center to control the access network. Mr. Waggoner clarified this is specific to the reversible express lanes (REL).

B. Financial / Traffic & Revenue (*Amy Lettelleir*)

Ms. Lettelleir reported the financial information provided in the packets is through January 31, 2017 with toll revenues of just above \$50.0 million to date which is slightly above budget. Ms. Lettelleir stated there is cash and investments sufficient to meet the financial needs of the Authority.

Revenue is running approximately 7½% higher than January 2016 with 4.9 million transactions for January 2017 which is 6% over last year.

C. Communications (*Sue Chrzan*)

Ms. Chrzan noted the media mentions provided in Board Member packets as of March 13, 2017 totaled 16 favorable episodes in the news from last report.

The USF/Selmon Expressway Balsa Wood Bridge Building Competition was held February 18, 2017, with a total of thirty teams competing from sixteen schools consisting of 9 middle schools and 7 high schools. Ms. Chrzan stated Chuck Henson with Bay News 9 was the emcee and did a fantastic job. The winners included Cambridge Christian Middle School, who won efficiency as well as first place middle school and Middleton High won first place for the high schools.

Ms. Chrzan explained a Facebook poll was conducted on the Selmon West Extension Project and provided results from this survey. Over 43,000 people were reached through this media with 232 comments received. Graphs were provided in the presentation as well as detailed descriptions of the comments included in each Directors' packet. A total of 416 individuals engaged in the post via one click response and a total of 476 shares.

D. Toll Operations (*Rafael Hernandez*)

Mr. Hernandez reviewed toll transaction data for the month of January 2017 highlighting a 6% increase in service accounts compared to 2016 and a 6.2% increase in transactions for the same period. It was noted THEA continues servicing the community with approximately 82,000 plus average daily traffic on the west side of the Selmon and over 100,000 average daily traffic on the east side of the Selmon. It was mentioned March and October are typically the busiest months.

VI. EXECUTIVE REPORTS

A. Executive Director (*Joe Waggoner*)

1. 2017 Toll Index Report

Mr. Waggoner reported the 2017 Toll Index Report is prepared by Traffic & Revenue Engineers, Jacobs, and certified by our Financial Advisors. A copy of the report and the letter of certification are included in the packet provided to all Directors. In summary, the coming 2017 toll indexing of the Selmon rates would be adequate to cover current and projected needs.

2. Special Thanks

Mr. Waggoner acknowledged Ms. Amy Lettelleir and provided a special thank you to Ms. BJ Lamb and Ms. Liz Gray and recognized Ms. Lamb has been working nonstop to keep THEA current and has done a wonderful job. Mr. Waggoner again thanked Ms. Lamb and the rest of the team and reiterated his appreciation.

B. General Council (*Patrick Maguire*)

Mr. Maguire had no new report.

C. Chair (*Vincent Cassidy, Vice-Chair*)

1. Upcoming Meetings

- **Committees as a Whole Meeting** – Chairman Cassidy noted there will be no need for the April 10, 2017 Committees as a Whole meeting; and therefore the next meeting will be held on April 24, 2017.
- **Board Meeting** – April 24th, 1:30 p.m.

Mr. Waggoner noted there are plans for a May Committee as a Whole meeting in order to review budget preparations prior to the FY18 budget being presented to the Board for approval at the May 22, 2017 Board Meeting.

VII. ADJOURNMENT

There being no further business to come before the Board, Chairman Cassidy adjourned the meeting at 2:06 p.m.

MINUTES OF THE MARCH 27, 2017 AUTHORITY BOARD MEETING

APPROVED: 
Chair: Vincent Cassidy

ATTEST: 
Bennett Barrow

DATED THIS 22 DAY OF May, 2017