

Tampa-Hillsborough County Expressway Authority
Minutes of August 14, 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 August 14, 2017, at the Authority's Transportation Management Center, 1104 E. Twiggs Street, Tampa, Florida. The following were present:

BOARD:	Vincent Cassidy, Chair Danny Alvarez Mayor Bob Buckhorn FDOT District VII Secretary David Gwynn
STAFF:	Joe Waggoner, Patrick Maguire, David May, Bob Frey, Sue Chrzan, Rafael Hernandez, Max Artman, Man Le, Donna Obuchowski, Sue Chase, Jeff Sweatland, Shari Callahan, Anna Quinones, Judith Villegus
AECOM:	Scott W. Collister
BAML:	Doug Draper, Coleman Cordroll
BROAD & CASSEL, LLP:	David Brickhouse, Joe Stanton
FIRST SOUTHWEST:	Ed Stull
GRANITE CONSTRUCTION:	J.C. Miseroy
GRAY ROBINSON:	Jennifer LaRocco
HNTB:	Jim Drapp, Al Stewart
JP MORGAN:	Nathaniel Johnson, Henry Reyes
KCCS:	Dewey Martin, Kellie Loper, T. Thorn
PLAYBOOK:	Sally Dee, Lindsey Parks
RK&K:	Chris Piazza
RS&H:	Brandi Allegood
SPP:	Karina Nazareth
WSP/PB:	Christina Kopp
OTHER:	Jessica Francois

I. CALL TO ORDER, INVOCATION and PLEDGE OF ALLEGIANCE

Chairman Vincent Cassidy called the meeting to order at 1:32 P.M., followed by General Counsel Maguire leading in the Invocation and recitation of the Pledge of Allegiance.

Chairman Cassidy read into record a letter from Commissioner Miller indicating he will not be in attendance today due to a family matter he is attending to. Mr. Bennet Barrow is out of the country at the current time, but is presently on the phone listening in for informational purposes only.

II. PUBLIC INPUT / PRESENTATIONS

A. Introduction Mr. David Gwynn, FDOT District VIUI Secretary

Chairman Cassidy introduced the newest Board Member, Mr. David Gwynn who was appointed as FDOT District Seven Secretary in July of 2017. It was noted he is a Black Knight from the United States Military Academy in 1983. Mr. Gwynn spent 30 years in the private sector before joining FDOT in 2016. He co-founded TEI Engineers & Planners in 1991. Mr. Gwynn will be providing administrative oversight for the planning, development and operations for all transportation modes within Citrus, Hillsborough, Hernando, Pasco and Pinellas counties. Chairman Cassidy welcomed FDOT Secretary Gwynn.

III. APPROVAL OF MINUTES OF THE JUNE 26, 2017 BOARD MEETING

Mayor Buckhorn moved for approval of the June 26, 2017 Board Meeting Minutes, seconded by Mr. Alvarez. The motion passed unanimously.

IV. INFORMATIONAL / ACTION ITEMS

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

1. Selmon West Extension Design Build Contract Award

Mr. May explained the purpose of this item is to approve the rankings of the Selmon West Extension Technical Review Committee and authorize staff to negotiate the contract with the highest ranked firm. If negotiations cannot be consummated, they shall be terminated and initiated with the next highest ranked firm until the contract has been finalized. The funding source comes from the Capital Budget. The proposed amount is \$230,058,000. Mr. May provided a listing of the rankings and reviewed each individually. Mr. May briefly explained the scoring criteria which encompassed a 100 point scoring system including 20 points for the Letter of Interest, 40 points for the technical review, 20 points for the schedule and 20 points for the price. It was a combined score reflecting the different efforts put forth on all four categories at different stages of the process. It was noted THEA was fortunate to have four very strong teams, any of which could have successfully completed this project. A rendering was provided to the Board of what the proposed number one ranked firm's proposed bridge structure would resemble in the evening with lighting and extrados tendons in the center giving the bridge a very unique signature. Mr. May explained the schedule now reflects the reduction in schedule as proposed by the top ranked firm. This reduction in time does not take into account weather impacts.

Mayor Buckhorn made the following motion, seconded by Mr. Alvarez for approval of the rankings and authorization for the Executive Director to sign the negotiated contract for the Selmon West Extension Project with the top ranked firm.

Chairman Cassidy requested clarification regarding information sent to the Board Members by General Counsel. General Counsel Maguire explained each Board Member was sent correspondence received from Traylor Granite requesting the Board consider the situation regarding the Technical Review Committee's rankings. It was clarified this correspondence was not an official protest. There was nothing contained within this correspondence that would cause General Counsel to recommend to THEA's Board of Directors to take into consideration their request based on accordance with the RFP. The basis of this correspondence was that by removing one member's ranking of the Technical Review Committee (TRC) rankings would have placed this firm in first place. It was noted THEA was in complete compliance with this RFP.

There being no further questions or need for clarification and the motion passed unanimously.

2. HNTB Task Order(s) Selmon REL Pier Uplighting Project – David May, P.E., Staff

Mr. May explained two task work orders for HNTB to assist Tampa Hillsborough Expressway Authority (THEA) staff in the review of plans and the development of an RFP for the REL under lighting. Mr. May reported the initial lighting is no longer technologically appropriate. Proposals for design to be submitted August 17, 2017. The first HNTB Task Order is in the amount of \$50,000 primarily for the procurement process in terms of preparation of the RFP and the RFQ for the CEI. The second HNTB Task Order, in the amount of \$100,000, is for the review of the plans. Both expected to be monetarily ample through the end of the contract.

Mayor Buckhorn made the following motion, seconded by Mr. Alvarez for approval of two Task Work Orders not to exceed \$150,000 in total, for HNTB to assist THEA staff during the design review process and procurement process for selection of a design consultant, a CEI consultant, assist in negotiations, and preparation of bid documents for construction for the Selmon REL Pier Uplighting project.

Chairman Cassidy requested clarification regarding if this is being completed for safety and not simply aesthetics to change colors. Mr. May explained this will be LED lighting with a controller that will enable us to change colors with the controls located in the THEA Traffic Management Center (TMC) office.

There being no further questions or need for clarification the motion passed unanimously.

B. General Counsel – Patrick Maguire, Esq.

1. Adoption of Second Supplemental Revenue Bond Resolution – Patrick Maguire, Esq.

General Counsel Maguire explained the request for adoption of the Second Supplemental Revenue Bond Resolution as well as various other documents, including but not limited to a Preliminary and final Official Statement; a Bond Purchase Agreement; a Paying Agent and Registrar Agreement. General Counsel expressed a great deal of gratitude to First Southwest – Mr. Stull and his team who did an outstanding job keeping THEA on task scheduling with the assistance of Ms. Lettelleir, THEA's CFO, and Attorney Stanton, THEA's Bond Counsel. HNTB, Mr. Drapp and Mr. Stewart on the Engineers Report and Mr. May all did an outstanding job. General Counsel also thanked Mr. Fender, Ms. LaRocco from Gray Robinson Issuer's Counsel, Mr. Giblin and Mr. Harb with Nabors, Giblin Disclosure Counsel as well as Jacobs for the T&R Reports who took everything into consideration needed to generate the kind of enthusiasm that was received from the Bond Rating Agencies in New York. General Counsel went on to thank Mr. Cordell, Mr. Calpin, and the Bank of America Merrill Lynch staff as well as their Underwriter's Counsel, Mr. Draper.

Mr. Alvarez made the following motion, seconded by Mayor Buckhorn for the adoption of the Second Supplemental Revenue Bond Resolution authorizing: (1) the issuance of the Authority's Series 2017 Bonds in one or more Series for the purpose of financing a portion of the Selmon West Extension Project, as further described in the Second Supplemental Resolution, and (2) authorize THEA's Chairman or Executive Director to execute and/or deliver the forms of Preliminary Official Statement, the Bond Purchase Agreement, Disclosure Dissemination Agent Agreement and Paying Agent and Registrar Agreement (all, with such changes to the attached forms of documents as shall be approved and authorized by the Chairman or Executive Director). There being no questions or need for clarification, the motion passed unanimously.

C. Planning Committee – Danny Alvarez, Vice Chair / Bob Frey, Staff

1. Resolution # 656 LAP Agreement – Selmon Greenway Connector Funding (Attachment)

Mr. Frey explained Resolution 656 authorizing the execution of a Local Agency Program (LAP) Agreement between THEA and FDOT for funding of the trail head for the Selmon Greenway east entrance at the southeast corner of 19th street and S.R. 60 (from E of N 17th Street to W of N 19th Street) in the total estimated amount of \$445,882 (Design = \$40,048; Construction = \$377,520; Construction Engineering Inspection = \$28,314). The trail head will be located on THEA property/ROW under the Selmon Expressway, and is planned to accommodate a transit stop, car parking, bicycle parking, and possibly a Coast Bike Share Station. Funding for this project will be provided by FDOT. The initial

phase this year will be \$40,048 for design; in 2020 will move forward with the construction portion.

Mayor Buckhorn made the following motion, seconded by Mr. Alvarez, for the adoption of Resolution 656 and authorization for the Executive Director to execute the LAP Agreement between THEA and FDOT for funding of the Selmon Greenway trail head. The motion passed unanimously.

V. STAFF REPORTS

A. Communications *(Sue Chrzan)*

Ms. Chrzan explained in the packets provided in front of the Board Members today is a listing of recent media which has been broken up into two different sections; the first begin the general expressway and the other is the Connected Vehicle (CV) Pilot.

Ms. Chrzan recognized Commissioner Miller and the Hillsborough County Commission. The Commission issued a Proclamation proclaiming August 14th to August 18th as “*Minority Enterprise Development Week*” and THEA’s own, Mr. Le, is active in the committee and attended the Commission Meeting when the Proclamation was announced. In addition, the Minority Enterprise Development Conference “*Connecting Businesses with Opportunity*” begins tomorrow at the Hilton in St. Petersburg and Mr. Le will be attending that conference as well.

Ms. Chrzan reported on the recruitment phase of the CV Pilot. Ms. Chrzan provided a summary of what is offered and provided a video to summarize this pilot project. It was noted this project will be open to a total of 1,600 individual drivers and 500 plus pedestrian registrants to enable the kind of saturation that is needed for this Pilot. Currently THEA has an email list of over 25,000 SunPass customers who use the REL each day, who use the road more than 3 times a week in the past year. THEA has distributed two emails asking those individuals to register for participation. Currently 170 installation appointments have been made. A Press Release will be sent later this week; television coverage should get our recruitment message out. A 30% rebate is offered to those drivers who participate on the REL.

B. Operations & Maintenance *(Dave May, P.E.)*

Mr. May provided an update on the resurfacing underway on Meridian and Brandon Parkway which will be completed this month. Anticipate the initial meeting later this week with the proposed contractor for the Selmon West Extension to review contract details and detailed schedules.

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

Ms. Lettelleir reported an update on the Bond Financing and Ratings. On August 23, 2017 THEA plans to go to the Bond Market to sell the Series 2017 Bonds at a PAR amount of

\$163,490,000. THEA expects issuance of one term Bond with a 30 year maturity. Market rates were used for an A rated Bond plus 20 basis points to perform an analysis for debt service. The calculated debt service coverage is noted in the presentation slide. Senior Lien Debt Service for both the 2012 and the new 2017 Bonds do maintain coverage for the next ten years at or above 2x. Packages were sent out to the rating agencies on July 3, 2017. Face to face meetings were held on July 12, 2017 and subsequent follow up documentation was sent out including updated analyses to both rating agencies, Standard & Poor's and Moody's. Last Wednesday, August 9, 2017 we received our ratings.

Ms. Lettelleir reported THEA received an upgrade to an "A+" rating for the new Series 2017 Bonds and an upgrade to an "A+" on the outstanding Series 2012 Bonds from Standard & Poor's (S&P). Some of the highlights from the S&P's rationale include: THEA's strong revenue growth, strong liquidity position; strong historical debt service coverage levels that are expected to remain based on THEA's achievable forecast from the T&R study.

Ratings were also received from Moody's, who assigned an "A2" rating with a stable outlook for both the new issue Series 2017 Bonds as well as the outstanding Series 2012 Bonds. The rating was based on the Expressway being an integral part of Tampa's roadwork with strong double-digit transaction growth in both FY 2015 and 2016 in addition to some of the same criteria that S&P's used.

The Financing Timetable was reviewed. On August 23rd THEA will price the Series 2017 Bonds and execute the Bond Purchase Agreement. Currently THEA plans to pre-close the Bonds on September 6, 2017 with a closing on September 7, 2017 which will be in advance of the execution of the Design-Build Contract on September 14, 2017.

Ms. Lettelleir noted the financial information provided in the packets is through May 31, 2017 with actual toll revenue of \$80.3 million. Tracking on budget for both operations and administration and THEA's cash and investment position as evidence of the aforementioned strong liquidity position. Revenues for May 2017 is up 7.2% over May 2016 and a forecasted compounded annual growth rate of 3.7% according to the T&R Report.

Transactions also through May 31st reveal 230 more transactions in May 2017 than in May 2016.

D. Toll Operations *(Rafael Hernandez)*

Mr. Hernandez reviewed toll transaction data for the month of May 2017 reporting a growth on unique SunPass accounts of 8.9% and a decrease on the Toll-By-Plate accounts of -5.3% as a result of promoting free SunPass in order for customers to realize the savings of the SunPass.

Average daily traffic was reviewed for May 2017 reporting growth in the west group of 4.7% and the east group of 2.1%. The REL is showing some decrease in traffic of -2.3%.

During an investigation it appeared there is construction in the Channelside area of downtown that could be a reason for an increase in traffic on the local lanes connecting to the other entry ramps in the downtown area to avoid the construction. Overall there is 1.3% growth in the East Group.

VI. EXECUTIVE REPORTS

A. Executive Director (*Joe Waggoner*)

1. a. Contract Renewals & Expiration Report

Mr. Waggoner reported notice to the Board of intent to advertise for bid for Financial Audit Services contract. This was reported to the Board earlier in the spring.

b. Contract Close-out Report

Mr. Waggoner explained the contract close out report now being presented to the Board. This report was reviewed including the savings highlighted as a result of THEA staff managing the projects and contracts. Total savings amounted to approximately 15%+ of total amount authorized.

c. Other – Additional Thanks to those involved in the SWE Project

Mr. Waggoner added to General Counsel's earlier remarks regarding the Selmon West Extension Project and provided additional thanks to those involved in the SWE Project. Mr. Waggoner commended Mr. Frey for his initial efforts in reinitiating the planning process and completing that with the help of American Engineering and of course the whole process and the reason THEA was more successful this time was the public outreach efforts by Ms. Chrzan and her team of Ms. Dee and Ms. Cruz, and Mr. Josko. They are not finished. This will go for the next 2 ½-3 years. Mr. Waggoner noted it was a good all-around team effort and thanked all those involved.

B. General Counsel (*Patrick Maguire*)

Mr. Maguire had no new report.

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

1. Upcoming Meetings

- **Committees as a Whole Meeting – September 11, 2017 – under consideration to be cancelled. Will communicate once determined.**
- **Board Meeting – September 25, 2017, 1:30 p.m.**
- **CV Pilot Demonstration – November 13, 2017**

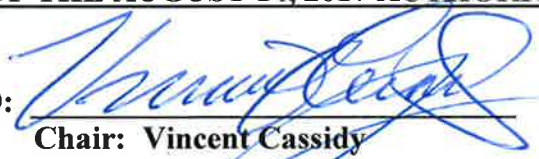
- ***FAV Summit*** – November 14 – 15, 2017

VII. ADJOURNMENT

There being no further business to come before the Board, Chairman Cassidy adjourned the meeting at 2:09 p.m.

MINUTES OF THE AUGUST 14, 2017 AUTHORITY BOARD MEETING

APPROVED:



Chair: Vincent Cassidy

ATTEST:



Secretary: Daniel Alvarez

DATED THIS 25 **DAY OF** September , 2017