

Tampa-Hillsborough County Expressway Authority
Minutes of May 21, 2018 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 May 21, 2018, at the Authority's Transportation Management Center, 1104 E. Twiggs Street, Tampa, Florida. The following were present:

BOARD:

Vincent Cassidy, Chairman
Bennett Barrow, Vice Chair
Daniel Alvarez
Shaun Oxtal
Mayor Bob Buckhorn

STAFF:

FDOT District VII Secretary David Gwynn
Joe Waggoner, Patrick Maguire, Amy Lettelleir,
Sue Chrzan, David May, Bob Frey, Rafael
Hernandez, Christina Kopp, Man Le, Shari
Callahan, Elizabeth Gray, Max Artman, S. Morgan
Holmes, Brian Ramirez, Carlos Armijo, Donna
Obuchowski

CITI:

Kevin Dempsey

HDR:

Mari Bonbrest

HILLTOP SECURITIES:

Ed Stull

HNTB:

Jim Drapp, Al Stewart

JMT:

Kim DeBosier

J.P. MORGAN:

Henry Reyes

PLAYBOOK:

Sally Dee, Ana Cruz, Todd Josko, Carlos Ramos

QUEST:

Jill Cappadoro

RK&K:

Chris Piazza

STOKES CREATIVE GROUP:

John Melendez

WSP:

Jeff Diemer

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 reported into record that Commissioner Miller will not be in attendance today due to a conflict in his schedule.

II. PUBLIC INPUT/PRESENTATIONS

There were no individuals signed up to publicly address the Board at this meeting of May 21, 2018.

III. APPROVAL OF MINUTES OF THE APRIL 16, 2018 BOARD MEETING

Mayor Bob Buckhorn moved for approval of the April 16, 2018 Board Meeting Minutes, seconded by Mr. Daniel Alvarez. The motion passed unanimously.

IV. INFORMATIONAL / ACTION ITEMS

A. Audit & Finance Committee

1. a. Budget – Fiscal Year 2019 (July 1, 2018 to June 30, 2019) – Amy Lettelleir, Esq., Staff

Ms. Amy Lettelleir addressed the Board noting that although Commissioner Miller is not able to attend, the budget has been reviewed with him both prior to the Workshop on May 7, 2018 and again with updates prior to this Board Meeting. Ms. Lettelleir advised the Board following the last review, Commissioner Miller is recommending adoption of the FY2019 Budget as presented.

Ms. Lettelleir provided a summary of what was presented at the Workshop on May 7, 2018. The proposed Operating Budget for 2019 effectively follows the proportional distribution of the expenses with funding requirements compared to FY 2018 Budget. With increased traffic there is increased costs and more importantly increased revenue. As requested at the Workshop, a FY 2018 projected column as well as the differences between Board approved FY 2018 Budget and Projected FY 2018 year-end were added. Also discussed was Projected FY 2018 versus Proposed FY 2019. While the Administrative Budget Projected from 2018 to the Proposed 2019 Budget appears like a 19.6% increase, the actual request is 14.2% from last years budget to this year's budget which is due to growth and higher-level staff positions both recently filled and planned to be filled in the coming fiscal year. In addition, there are increased costs associated with benefits for those positions. Increased staff also results in increased office expenditures.

Toll Operations Budget 2018 Projected versus 2019 Proposed shows a 32.3% differential. Budget to Budget only reveals a 10.3% increase. This is primarily explained by the delay in the "Go-Live" of the CCSS and the costs and expenses associated with it.

The Maintenance Budget shows an 18.1% differential from 2018 budget to 2018 projected. This is largely due to THEA's ability to capitalize much of the ITS maintenance expenses this year. THEA was able to move some of the consultant expenses that were anticipated in the operating budget to the capital programs. In addition, contingency amounts were maintained in the contracts with maintenance providers to cover change orders that cannot be anticipated.

A summary of the Debt Service Ratio calculation was reviewed noting all the numbers stayed the same showing THEA is above a 2.04x coverage for FY2019 while only required to maintain a 1.3x coverage per the Master Bond Resolution.

Review of the Capital and Renewal & Replacement Project expenses stated for 2019 was discussed. Of the total \$131M budget in FY2019, \$96 M is funded by the 2017 Bond Issues.

Mr. Daniel Alvarez made the following motion, seconded by Mayor Buckhorn for approval of the FY2019 (July 1, 2018 to June 30, 2019) Operating Budget.

Mr. Alvarez thanked Ms. Lettelleir for her time and explanations. Chairman Cassidy noted the 22.6% increase in expenditures is generally not favorable, but there are really good reasons why the spend was not what was projected in FY 2018 therefore creating this large delta that appears THEA is spending more when in reality was just not spent as it was expected. Ms. Lettelleir noted that while her experience is limited to the last year, we tend to see a lot of things get done in the last couple months of the year. It is Chairman Cassidy's understanding that there will not be a 22.6% delta, since a fair number of invoices are anticipated to be received within this last quarter that are not currently in the projected FY18 numbers.

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

b. Work Program – Bob Frey, Staff

Mr. Frey presented the FY2019 Work Program. The total six year (FY19-FY23) committed program will total \$416.3M with FY2019 equaling \$133.5M which includes other monies from the CV Pilot. The Work Program consists of preservation and enhancement projects. The projects are typically broken into four areas: 1) Roadway; 2) ITS; 3) Toll Systems; and 4) Facilities. The Selmon West Extension is playing a large role as well as the other Bond Projects in the FY2019 Work Program. As part of the Work Program, the Preservation Program is \$24.7M with \$10.3 allocated for FY2019. As noted, almost 67% of the \$24.7M is projected for maintenance of the roadway.

The Work Program Enhancement projects include improvements to the system in an effort to add capacity and make significant functional improvements. A total of 74% of enhancement budget is for bonded projects. As previously noted by Ms. Lettelleir, the Selmon West represents 64% by itself. The 6-year FY2018 Work Program as compared to the 6-year FY2019 Work Program reveals an increase of approximately \$83M.

FY2019 Work Program comprises of the following select new enhancement projects: Selmon West Extension, Meridian Improvements-Selmon South Safety project, Meridian Improvements-Twiggs/Nebraska (all bonded projects); Meridian Improvements – Nebraska Improvements Phase 2; THEA HQ renovations; Selmon Greenway Pocket Parks Phase 4; Tolling Vehicle Enforcement Cameras; Upgrade Meridian Lighting; and Resurfacing and Loop Toll Gantries.

FY2019 Work Program contains select new preservation projects: East REL resurfacing; 22nd & 50th eastbound exit ramps; sign lighting; extend fiber to DMS and CMS signs; load centers, and replacement of tolling power generators.

Mr. Bennett Barrow made the following motion, seconded by Mr. Daniel Alvarez for adoption of the FY2019 Work Program.

Chairman Cassidy questioned how much of the \$416.3M FY2019 proposed Work Program is unbonded. Mr. Waggoner confirmed the balance of the program, 26%, will be pay-go. Chairman Cassidy questioned what was included in this difference (\$83M) between FY2018 Six-Year Program and FY2019 Six-Year Program. Mr. Frey explained the Selmon West Extension was an estimated cost in FY2018 and this year is the actual negotiated cost. In addition, the Selmon Safety Projects and Meridian were not part of the FY2018 Work Program. Of note there are now 3-4 environmental impact reports (SEIR) looking into future projects on THEA's system (Selmon South and Selmon East Projects), as well as the capability of looking into other projects that may be out of the county. Mr. Waggoner clarified noting a \$20M increase in the Selmon West Extension, \$25M Safety Project, \$23M for Twiggs/Nebraska combined Phase 1 and Phase 2 for a total estimate of \$68M which is 82% of the \$83M.

Mr. Alvarez questioned the timing of the development evaluation part of the Program for the New Tampa East-West. Mr. Frey noted this project has been in the Work Program for several years and it is now forecasted for 2021-2022, but still within the Work Program. Mr. Alvarez then questioned if THEA was taking into consideration if a stadium were to be in our area, how that may affect the pocket parks. Mr. Frey noted although it is in the very early stages, THEA is keeping in mind the planning and feasibility. Mr. Frey explained to date all the Selmon Greenway investments have been from 12th Street west to Ashley. THEA has not invested out to Adamo until further information has been confirmed.

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

B. Planning Committee

1. Candidate Toll Projects Feasibility Analyses for Up to Three (30 Projects – Bob Frey, Staff

Mr. Frey explained the feasibility analyses on select toll projects in Hillsborough County and adjacent counties to determine whether or not a project is a viable toll project, as determined by THEA's business rules, preliminary feasibility analyses including a preliminary Traffic/Revenue Study, Construction Cost Analysis and potential as a Transit Flex Lane must occur for each candidate project. Based upon the results of the analyses viable projects will be brought to the Board at a future Board Workshop for consideration of inclusion into THEA's work program. Mr. Frey noted total funding from the Capital Project budget not to exceed \$525,000 for up to 3 projects.

Mr. Alvarez made the following motion, seconded by Mr. Barrow for approval of Candidate Toll Projects Feasibility Analyses for up to three candidate projects and authorization for the Executive Director to execute Task Work Orders, in an amount not to exceed \$175,000 per candidate roadway from the pool of THEA available consultants based on the particulars of the candidate toll project provided, subject to available funding and Fiscal Year budget approvals. The motion passed unanimously.

2. On-Demand Traffic & Revenue Support – Bob Frey, Staff

Mr. Frey reported this item is to provide on-demand Traffic & Revenue support to THEA staff for future roadway improvements to the existing Lee Roy Selmon Expressway. Jacobs Engineering, our existing Traffic and Revenue consultant, shall act as an extension of THEA staff to assist in the development of system specific improvement Traffic and Revenue support to determine the potential impact of identified improvements for both the Selmon East and Selmon South improvement projects. Services to be provided by Jacobs Engineering shall include on-demand support for THEA staff for a two-year period. Funding will be from the Capital Project Budget not to exceed \$250,000. Chairman Cassidy requested further clarification. Mr. Frey provided an example referring to the Selmon West Traffic & Revenue Study which revealed a forecasted 17% bump. These studies will give the Board an idea of the cost of the improvement and potential revenue that may offset that cost.

Mr. Oxtal made the following motion, seconded by Mr. Alvarez for approval of a task order with Jacobs Engineering to provide on-demand support to THEA staff for Traffic & Revenue Services for the Selmon East and Selmon South improvement studies in the amount not to exceed \$250,000 for a two-year period.

Mr. Alvarez questioned the cost and amount and asked what the expected amount is since this is a “not to exceed” estimate. Mr. Frey is expecting them both to come in at about \$150K but applied a cushion since the Selmon East includes a combination of different improvements. The Selmon South is more straight forward. The Selmon East could involve several different alternatives and could require additional analyses.

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

3. Meridian Ultimate Funding Pursuit Support – Bob Frey, Staff

Mr. Frey reported this item is to develop a project proposal package to pursue funding and project partnerships for the Meridian Ultimate Connected and Automated Vehicle (C-AV) Concept. The Meridian Ultimate C-AV project will utilize expanded technology (such as more road side units, onboard units, and mobile applications) to develop connected corridors, alongside AV technology and elevated guideway, to improve mobility and safety in the downtown Tampa area, and provide sustainable mobility options for Selmon Expressway users exiting the Expressway. A project proposal and financial pursuit package, alongside a 3D modeled video, will identify and communicate a plan to create connected corridors and infrastructure to support the next steps of C-AV technology deployment, provide Selmon Expressway distribution, and ultimately take the next steps towards a Smart City. The Capital Budget for this is not to exceed \$250,000.

Mr. Oxtal made the following motion, seconded by Mr. Alvarez for approval to authorize task orders to the following firms: a) HNTB: not to exceed \$85,000 for the development of a project proposal and financial package; b) Jacobs Engineering: not to exceed \$50,000 for traffic, parking and revenue forecasts to determine financial viability of project; c) WSP: not to exceed \$115,000 for the development of video productions to detail project concept and interaction with CV technology and infrastructure. Provide existing CV infrastructure visualizations and communication consistency for federal programs, develop materials including brochures, handouts, boards, and communications/messaging. d) All partners will travel to Washington DC for meetings with USDOT to investigate future funding opportunities.

Chairman Cassidy questioned how much of the \$416M in the 6-year Work Program is the Meridian Ultimate. Mr. Waggoner referred Chairman Cassidy to page 28 of the FY2019 Draft Work Project which reveals \$5M. This Action is \$250K to attract funding to help define what we'll spend the budgeted \$5M for. It was asked if THEA's expectation was to receive federal money to offset. Mr. Waggoner clarified this is to determine if it is viable and then to attract additional funding and interest to move the project forward. Mayor Buckhorn questioned if this included the physical construction of a facility along Meridian to accommodate the autonomous vehicles. Mr. Waggoner explained this is laying out the concept and potential to start PD&E and will not include any physical construction.

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

V. STAFF REPORTS

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

Mr. May provided an update on the Selmon West Extension Design-Build Project indicating the project continues to stay on budget with only one item in the form of a claim for the impact of monitoring the eagle that has moved into a nest in the construction area. This claim is being evaluated. It is a minor dollar claim of \$43K. Not certain whether we will be required to pay per contract language.

Chairman Cassidy questioned who would be making the claim. Mr. May reported the contractor (Kiewit/AECOM) made the claim. It is for the cost of monitoring and showing the bird is/or is not there and document the fact when it leaves that it is gone.

The project schedule reflects less than ten or eleven rain days at this point. There has been no additional time granted. Mr. May explained this month they will be pushing to the outside on the north side of the road along Gandy and starting construction of the ramp. Mr. May expects approval of the piers 2-14 substructure and foundation plans in the near future and believes they have resolved almost all issues that have been raised and expects drill shaft

construction to begin by August 1, 2018. No delay in schedule as of yet other than the less than ten or eleven days of weather.

Mr. May announced an Open House this Thursday evening between 5:00 PM – 7:00 PM at the CEI Office which is on Gandy. It is the third building west of Westshore on the north side of the road. This is an opportunity to go over any type of project details that the residents and the community would like to discuss. Staff will be there to answer any questions that they may have. All are welcome to attend. It is a non-structured event.

B. Communications - (Sue Chrzan)

Ms. Chrzan updated the Board noting the packets distributed to the Board contain the media mentions since the last meeting. These listings are broken out by section as follows: The first section is the CV which includes the SAE event held two weeks ago. There was also coverage of the two fatal accidents on the expressway. Coverage of the extension project.

THEA hosted the Society for American Engineers event, with over 300 people in attendance who rode in an autonomous vehicle, to survey public perception. This event was picked up by every local broadcasting station. It was also picked up in other areas to include, but not limited to: Orlando, Houston, Portland, Austin, Cincinnati, and Pittsburg. We were online or print with the Tampa Bay Business Journal, Florida Politics, Tampa Bay Times, and Fox Business Network and online with the Smart Cities Dive and the Connected Car. Coming up is Forbes and Business Insider. Both the Lighting Thunder Bug and Ray's Raymond attended as special guests.

In THEA's continuing support for Gandy businesses, THEA was featured again on FOX Good Day. This was a four-hour long program with several spots each hour highlighting the businesses on Gandy, as well as our program to help the businesses during the construction.

Ms. Chrzan reported THEA is attending the Tampa City Council's Officer of the Month and Firefighter of the Quarter ceremonies providing an opportunity to promote Gandy businesses again. THEA is providing gift cards from area businesses.

Further details were provided on the May 24th Selmon Extension Construction Office Open House which was distributed to 1,900 businesses, neighborhoods associations, and homes along with emails sent to the Selmon Extension Newsletter list along with the THEA newsletter to include over 6,000 email addresses.

C. Financial / Traffic & Revenue (Amy Lettelleir)

Ms. Lettelleir reported through March 2018. Revenue to date is 95.4% of total budget. Expenses are tracking fairly well. Ms. Lettelleir explained total cash and investment noting as of March 31, 2018 before two Selmon West payments, THEA has \$417,685,097 in cash and investments.

THEA toll revenue for March 2018 is \$7,885,119 which is 1.53% over March FY2017. Transactions for March 2018 were 5.43 million which is 5.7% higher than March 2017.

Chairman Cassidy questioned the confidence in the December bar on the Toll Revenue slide. Ms. Lettelleir confirmed her confidence that the December bar is correct. Chairman noted December 2017 shows we brought in less revenue than the same time for the previous year despite more transactions. Ms. Lettelleir explained it as the Southeast Hub roll out and CCSS is still rolling out, the reduction is a result of the delay in the flow of revenue but is then reflected in January's surplus revenue. It was also explained THEA is accounting on a cash basis now and will do the accrual catchup at the end of the year.

D. Toll Operations (*Rafael Hernandez*)

Mr. Hernandez reported an update on the Centralized Customer Service System (CCSS) which is currently scheduled to "go-live" on June 11, 2018. THEA has started with the first phase of coordination which is 30-days prior to the "go-live". There is the cut-over and go live which is 7 days prior to June 11th. During that period there will be some toll outages during the last weekend of June 9-20, 2018. From that point forward the CCSS will be in operational testing phase for 90 days.

The Authority continues seeing increases in account processing and transactions as a result of more people realizing the benefits of the Selmon Expressway. There is a growth in total account processes on the year to year comparison of 9.9% and the transaction process of 7.1%. Average Daily Traffic for March 2018 for the west group reveals an 8.5% increase on a year to year comparison, and on the east group which is a combination of the local lanes and the REL, an 8.1% increase from last year.

VI. EXECUTIVE REPORTS

A. Executive Director (*Joe Waggoner*)

1. Contract Reporting

a) Contract Increases & Changes

Mr. Waggoner reported a change order issued for additional video image processing reflective of the increase in traffic Rafael reported resulting in the need for additional help in the imaging section to work night shift to get caught up and process those images.

B. General Counsel (*Patrick Maguire*)

Mr. Maguire had no new report.

C. Chair (*Vincent Cassidy, Chairman*)

1. Upcoming Meetings

Chairman Cassidy indicated the June 11, 2018 meeting will not be necessary. The next regularly scheduled Board Meeting is on June 25, 2018. Chairman Cassidy questioned the outlook for the Summer meetings need. Mr. Waggoner reported we are currently reviewing and have asked Senior Managers to forecast through September 2018 and will report back at the June 25, 2018 meeting.

Chairman Cassidy questioned the next steps from the last Committees as a Whole Meeting in which Jacobs briefed on possible scenarios. Mr. Waggoner reported options were outlined to explore during that workshop. THEA is currently defining those scenarios and will come back to the Board with a report on recommendations for viable options. This will be planned once the summer schedule is confirmed.

VII. ADJOURNMENT


There being no further business to come before the Board, Chairman Cassidy adjourned the meeting at 2:17 p.m.

MINUTES OF THE MAY 21, 2018 AUTHORITY BOARD MEETING

APPROVED: _____


Chairman: Vincent J. Cassidy

ATTEST: _____


Vice Chair: Bennett Barrow

DATED THIS 25ST DAY OF June, 2018