

Tampa-Hillsborough County Expressway Authority
Minutes of April 26, 2021 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 April 26, 2021, at the Port of Tampa, 815 Channelside Drive, Cruise Terminal 3, 2nd floor in Tampa Florida. The following were present:

BOARD:

Vincent Cassidy Chairman
Bennett Barrow, Vice Chairman
Daniel Alvarez, Secretary
John Weatherford, Member

FDOT D-7 Secretary David Gwynn, Member
Mayor Jane Castor, Member
Commissioner Ken Hagan, Member

STAFF:

Joe Waggoner
Amy Lettelleir
Sue Chrzan
Rafael Hernandez
Brian Pickard
Jeff Seward

Anna Quinones
Julie Aure
Chaketa Mister
Charlene Ponce
Brian Ramirez
Man Le

OTHERS:

Todd Josko, Ballard Partners
Ralph Yoder, FTC
Sonya Morris, FTC
Stefanie McQueen, HDR
Al Stewart, HNTB
Jim Drapp, HNTB
Floy Graves, Madrid CPWG
Todd Potter, Madrid CPWG

Jose Ramos, Madrid CPWG
Brent Wilder, PFM
Sally Dee, Playbook PR
Kmila Khasanove, Playbook PR
Rick Patterson, Raymond James
Matthew Sansbury, RBC Capital Markets
Tom Carlson, RBC Capital Markets
Phil Eshelman, Stantec

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chairman Vincent Cassidy called the meeting to order at 1:31 p.m., followed by the Pledge of Allegiance.

II. PUBLIC INPUT PRESENTATIONS

There were no public presentations.

Before moving on to the consent agenda, Chair Cassidy introduced John Weatherford, the newest THEA Board member.

III. CONSENT AGENDA

The Chairman continued with the Consent Agenda and approvals.

- A. Approval of the Minutes of the February 22, 2021 Board Meeting**
- B. Upcoming Anticipated Board Member Travel**
- C. Increase in Funding for Railroad Flaggers with CSX Agreement for the Selmon West Extension - \$95,000 (Total payment to CSX expected to be \$1,180,000)**
- D. Increase in Funding for Contract O-00320, Selmon Expressway Aesthetic Lighting to cover the cost of 15 revised structural arms to accommodate height requirements over the shoulders - \$78,000**
- E. Amendment to Asset Management Services Contract No. O-00617 - \$51,000**

The Chairman asked for a motion to approve. Mr. Daniel Alvarez moved approval, seconded by Mr. Bennett Barrow. The motion carried unanimously.

IV. DISCUSSION/ACTIONS ITEMS

- A. PLANNING COMMITTEE – John Weatherford, Chairman**
 - 1. FDOT/Local Agency Future Projects Concept Planning**

Ms. Anna Quinones presented the item.

She reviewed the purpose of the project. The specific task is to improve the THEA properties beneath and adjacent to the Selmon Expressway overpass (limited to ½ mile on either side) at Bay to Bay and MacDill to serve as a potential gateway between communities. THEA will work with property owners and neighborhood associations, in coordination with the City's ongoing development of the Palma Ceia Neighborhood Commercial District Plan. The funding will come from the capital budget and will not exceed \$125,000. The requested action is for Board approval for THEA staff to execute a task order with HDR, in an amount not to exceed \$125,000, for the FDOT/Local Agency Future Projects Concept Planning support.

The Chairman asked for a motion to approve. Mr. Alvarez moved approval, seconded by Mr. Barrow.

Chair Cassidy asked what the community is saying about parking as a result of losing the corner of Bayshore and Bay to Bay. Ms. Chrzan explained that THEA completed the parking on the north side for the community, and THEA is also including parking at the dog park on the south side.

Member Alvarez applauded THEA for being a community partner.

The motion carried unanimously.

B. AUDIT/FINANCE COMMITTEE – Ken Hagan, Chairman

1. Traffic and Revenue Forecast Update

Mr. Jeff Seward introduced the Traffic and Revenue Forecast update and then turned the presentation over to Mr. Phil Eshelman with Stantec, who gave a presentation on the traffic and revenue forecast. Mr. Eshelman discussed:

- Stantec's role as THEA's advisor
- The Selmon Expressway Transaction Recovery, including Average Daily Transactions
- FY2021 Revenue Forecast Performance, including forecasting methodology, performance of employment and work from home forecasts, performance of FY2021 T&R forecast, and performance forecast scenarios
- Emerging factors; and FY2022 Forecasts

Chair Cassidy inquired about the employment data that Stantec used in its assessment. Mr. Eshelman explained that they correlated historically to traffic on the Selmon Expressway. They broke it down by subsector – leisure/hospitality, professional services, financial services – and looked at how those sectors recovered from the Great Recession. They also broke it down by those least impacted and those most impacted by COVID. Least impacted were the professional services and financial services. Leisure and hospitality and some healthcare services had much lower employment levels in March and April. They forecasted for each one of those sectors and then layered on top the work from home component.

The Chair pointed out that he is finding that there seems to be a shortage of workers and asked if this region is different or if this is happening around the country. Mr. Eshelman responded that the Tampa area is recovering faster than most of the Country in terms of employment.

Chair Cassidy asked Mr. Eshelman to speak about toll roads countrywide and how the Tampa Bay area is trending. Mr. Eshelman noted that, nationally, Tampa and the Austin area have the best recovery. He stated that many of Stantec's other clients are not seeing the recovery that THEA is exhibiting, particularly in commuter traffic numbers, and they use THEA's T&R forecast models to show other clients how they compare to a more robust recovery that THEA is seeing.

Mr. Barrow asked if this forecast factors in the cruise line operations, which are not operating at capacity? Mr. Eshelman could not speak specifically to the cruise industry but said they do look at a macro level of a "new normal", noting that that if they have a pre-covid forecast we are slightly below those levels into the future because we know there will be more work from home and a new normal of how people will travel.

Mr. Alvarez inquired about the work from home component and asked if it does not recover as predicted, is there a built-in buffer. Mr. Eshelman responded in the affirmative, noting that there is a buffer built into the forecast. He further explained that THEA is only 6.5% below traffic even without being fully back to work, adding that once that component picks up those employment trips will be added to the mix.

2. Revenue Sufficiency Resolution

Mr. Jeff Seward, Director of Finance, presented Resolution No. 665 – Revenue Sufficiency Resolution. He reported that THEA has received the Revenue Sufficiency Certificate prepared by Stantec, who has determined that net system revenues and gross system revenues will be sufficient to comply with the provisions of the Master Bond Resolution for the fiscal year ending June 30, 2022. The requested board action is for Board approval of Resolution No. 665 making a positive determination about the sufficiency of revenues.

The Chairman asked for a motion to approve. Mr. Alvarez moved approval, seconded by Mr. Barrow. The motion carried unanimously.

Before moving to the next item, Chair Cassidy took a moment to congratulate Mr. Waggoner and the entire team on the opening of the Selmon extension, with special thanks to Ms. Chrzan.

C. GENERAL COUNSEL – Amy Lettelleir, Esq.

1. Insurance Broker Services

Ms. Amy Lettelleir discussed the item and outlined the ranking and selection of the Evaluation Committee.

Rank	Firm	Total Score	Average Score
1	Arthur J. Gallagher Risk Management Services	288	96
2	McGriff Insurance Services	267	88
3	HUB International of Florida	255	85

The requested board action is for the Board to approve the ranking by the evaluation committee, and to authorize and direct staff to negotiate and execute a contract with the highest ranked firm. If negotiations are unsuccessful, staff will negotiate with the next highest ranked firm. The contract is subject to review and approval of THEA General Counsel.

The Chairman asked for a motion to approve. Mr. Alvarez moved approval, seconded by Mr. John Weatherford. The motion carried unanimously.

V. STAFF REPORTS

Operations and Maintenance – Brian Pickard

Mr. Pickard reported on the THEA Headquarters Building Rehab, Selmon West Extension, Miscellaneous Paving, and Pier Uplighting Replacement.

Chair Cassidy asked who will control the lighting on the extension once the project is complete. Mr. Pickard explained that Sue Chrzan's staff will control the lighting through a cloud-based software. The plan is to rotate through eight standard designs. We will also have some specialty designs for holidays and other predetermined special events.

Toll Operations – Rafael Hernandez

Mr. Hernandez presented numbers from March 2020, as well as 2021 compared to 2019 using 2019 as the benchmark. He also showed traffic counts, noting that we are below 20 points comparing March 2021 to March 2019.

Regarding the monthly customer reports, comparing 2021 to 2020, we are now processing more transactions and servicing more accounts – 22.5% more accounts and 15.3 % up on transaction counts. These numbers are skewed due to COVID.

Mr. Hernandez also discussed the average daily traffic (year-to-year comparison), noting we are ahead in both the West Group (+9.7%) and the East Group (+9.3%). We remain down 30% on the REL, and we believe that is due to less traffic going into downtown since some of the buildings remain closed during COVID.

Finally, he reviewed the traffic counts for the recently opened Selmon West Extension. Vice Chair Barrow inquired about who is using the extension the most. Mr. Hernandez noted it is the westbound traffic going from Tampa to St. Petersburg.

Audit and Finance – Jeff Seward

Mr. Seward gave an update on the THEA financials as of February 28, 2021, noting that revenue is up 12% from what was budgeted. Expenditures are about 2.4% lower than budgeted for administration and about 14% lower than budgeted for operations and maintenance. He also reviewed the FY2021 budget to actual revenue comparison, noting our unofficial March numbers will show a greater amount of revenue than anticipated. This coupled with an increase in traffic and the opening of the extension, we will end the year on a high note.

Chair Cassidy asked about the 10K vehicle forecast mentioned earlier in the meeting and what the timeframe associated with that traffic will be. Mr. Eshelman explained that it is the expected average vehicle per day for the year. He believes the actuals will be higher.

Chair Cassidy asked Ms. Lettelleir to brief the board on what the expectation was as projected by the bond issue – actual versus forecast – so we can track it over the next month. Ms. Lettelleir explained that THEA did budget to a lower mid duration than what was used for the financing. Mr. Waggoner noted that we did have a separate schedule on our last bond issue investment grade for the extension project and we can look at that and match up timelines to see how it is faring.

Public Affairs and Communications – Sue Chrzan

Ms. Chrzan noted that over 100 guests attended the Selmon Extension opening. She briefly reviewed the media strategy, noting THEA worked with 10 media outlets and has had 59 mentions so far. Additionally, there was a great deal of social media discussion. She also shared a video of the event.

Finally, she briefly discussed the South Selmon Public hearing, FAV Speaker Series, Connected Vehicle Pilot Program and Mentoring Monday.

VI. EXECUTIVE REPORTS

Executive Director

Mr. Waggoner reported on the following:

- Contract Renewal and Expiration Report – Rail maintenance contract is up for renewal.
- Contract Close-Out Report – South Selmon media safety improvements project is officially closed.
- Continuing Contracts Report – PDE for South Selmon capacity study and South Selmon ramps and miscellaneous paving
- Toll Index Report – With our index toll schedule we will need no further adjustments to our toll rates at this time to meet our current work program needs going forward.
- Legislative Update – The bill did not make it through this session due to time. We have made some changes and will continue working on it through the summer.

General Counsel

No report from General Counsel.

Chairman

1. Upcoming Meetings

THEA Committees of the Whole – May 10, 2021

THEA Board Meeting – May 24, 2021

VII. OLD BUSINESS

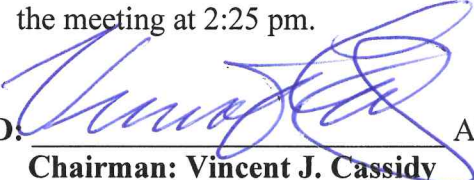

No old business.

VIII. NEW BUSINESS

Mayor Castor mentioned that she received an email and photograph the evening after the grand opening of the Selmon extension from someone on her team whose commute is over an hour. Using the Selmon Extension, they cut 30 minutes off their commute and wanted to personally thank THEA.

IX. ADJOURNMENT

With no further business to come before the Board, Chairman Cassidy adjourned the meeting at 2:25 pm.

APPROVED:  ATTEST: 
Chairman: Vincent J. Cassidy Executive Director, Joe Waggoner

DATED THIS 24th DAY OF MAY, 2021.