

Tampa-Hillsborough County Expressway Authority
Minutes of September 27, 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 September 27, 2021, at THEA Headquarters, 1104 E. Twiggs Street in Tampa Florida. The following were present:

BOARD:

Vincent Cassidy Chairman
Bennett Barrow, Vice Chairman

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

STAFF:

Joe Waggoner
Amy Lettelleir
Sue Chrzan
Bob Frey
Brian Pickard
Rafael Hernandez
Max Artman
Julie Aure
Shari Callahan

Chaketa Mister
Lisa Pessina
Charlene Ponce
Anna Quinones
Brian Ramirez
Judith Villegas
Trisha Floyd
Krystina Steffen

OTHERS:

Rick Patterson, Raymond James
Stephen Reich, TPC
Tom Knuckey, Atkins
Todd Josko, Ballard Partners
Heather Hubbard, HDR
Nathaniel Johnson, Bank of America
Doug Draper, Bank of America
Kevin Lo, Tierra
Sarah Lesch, Playbook PR
Kym Graves, Duke Energy
Robert McGowan
Brian Brantley, Scalar Consulting
Michael Dorweiler, Scalar Consulting
Drew Miller, AECOM
John Criss, Scalar Consulting
Carl Aidrick, Scalar Consulting
Randall Mentry, Atkins
Bill Adams, Consor Engineers
Randy Locicero, Atkins
Edgardo Marrero-Colon, Atkins

Barry Schultz Sr, Atkins
Al Steward, HTNB
Sally Dee, Playbook PR
Xiaoyun Li, PFM
Robert Gates, Atkins
Caleb Eiler, Kiewit
Russell Dingman, Kiewit
Jeff Featherston, Kiewit
Matthew Kappler, Atkins
Skyler Pursifull – Photographer
Stephanie McQueen, HDR
Rawn Williams, Jefferies
Tamaa Petterson, Jefferies
Melissa McColley, 24-7 Consulting
Jay Winter, Scalar
Carlos Ramos, Ballard Partners
Jeff Blazowski, AECOM
Bob Anderson AECOM
Hope Scarpinato, PFM
Jonathan Tursky, Trans Core

Tampa-Hillsborough County Expressway Authority
Minutes of the September 27, 2021, at 1:30 P.M.
Page 2 of 17

Matthew Sansbury RBC Capital Markets
Tom Delaney, Atkins
Nick DeVito, DRMP
Talley Roberts, HDR
Steve Schnen, HDR
Steve Ferrell, HDR
Conrad Gognon, HDR

John Generalli, Wells Fargo
Phil Eschelman, Stantec
Marshall Hampton, City of St. Petersburg
Marty Stone, ME
Claude Ambroise, H2R Corp
Floy Graves, Madrid CPWG
Steve Williams, Transcore

I. Call to Order and Pledge of Allegiance

Chairman Vincent Cassidy called the meeting to order at 1:32 p.m., followed by the Pledge of Allegiance and invocation.

II. Public Input/ Public Presentations

A. Presentation – Selmon Expressway West Extension Appreciation

Sue Chrzan discussed the Selmon West Extension and the amount of coordination necessary to make the project a reality. In recognition of the contributions made by consultants, partners, and others to see the project through to completion, she, Rafael Hernandez, and Brian Pickard presented commemorative Selmon Extension paper weights to the following individuals:

Toll Operations

Representing Atkins:

- Tom Knuckey
- Nicole Villegas
- Representing TransCore
- Johnathan Tursky
- Orlando Plaza

Design and Construction

Representing AECOM and KIEWIT

- Russel Dingman
- Caleb Eiler
- Cody Jensen
- Jeff Featherston
- Ben Lozner
- Ben Carnzzo
- Drew Mill
- Jeff Blazowski
- Carlos Garcia
- Marshal Hampton

CEI – Brian

Representing Atkins

- Randy Lociero
- Bob Gates
- Randall Mentry
- Edgar Marrero-Colon
- Barry Shultz
- Cindy Linscott
- Tom Delaney
- Michael Ryan

Representing Lochner

- Don Green
- Steve Blount

Representing H2R

- Claude Ambroise
- David Rancam

Representing Keystone

- Tien Pham
- Ronald Kersey

- Kevin Lo
Representing Consor
- Bill Adams
- Larry Moore

- Matthew Kappler
- John Criss
- Bob McGowan

Communications

PIO – Representing 24/7 PR

- Mellisa McColley
- Kym Graves

Representing Communications
Team/Playbook PR

- Sally Dee
- Sarah Leach
- Carlos Ramos
- Todd Josko

Ms. Chrzan introduced Krystina Steffen, the newest member of THEA's Communications Team and the author of THEA's recent award entries.

Mr. Joe Waggoner recognized Mr. Martin Stone for his contribution to the success of the project and presented him with a paperweight.

Ms. Chrzan then announced recent industry awards received by THEA.

Finally, she reviewed the list of upcoming events and asked board members to let her know if they are interested in attending any.

The Chairman thanked everyone for their hard work and congratulated them on the success of an incredible project.

III. Consent Agenda

- A. Approval of the Minutes from the August 16, 2021, Executive Recruitment Committee and the August 23, 2021, Board of Directors Meeting**
- B. Approval of the 2022 THEA Board Meeting Schedule**
- C. Board Member Travel**

The Chairman asked for a motion to approve the consent items.

Mr. Bennett Barrow moved approval, seconded by Secretary Gwynn.

With no further discussion the motion carried unanimously.

IV. Discussion/Action Items

- A. Planning & Innovation – John Weatherford, Chairman – Bob Frey, Staff**

1. Approval of South Selmon Project Environmental Impact Report (PEIR) Evaluation Document

Mr. Frey described the South Selmon Environmental Impact Report, pointing out that the Tampa Hillsborough Expressway Authority has completed the Project Environmental Impact Report (PEIR) for the South Selmon Capacity Improvements Project and that the PEIR's purpose is to:

- Outline corridor characteristics
- Evaluate impacts
- Inform of proposed mitigation strategies identified
- Confirm no disproportionate impacts

He reviewed the preferred alternative that was presented to the board last year, noting that it will:

- Relieve congestion in the short-term
- Require additional lanes in the future to pace growth
- Build to the outside first
- Provide noise reduction walls the full length of project limit
- Contain construction noise/debris
- Leave median open at most bridge locations, and
- Require minimal reconstruction for Meridian Ultimate at future date

Mr. Frey noted that there is no funding required at this time and the requested action is for board approval of the PEIR for South Selmon Capacity Improvements.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

Chair Cassidy asked about the 2033 amount and whether that estimate was in today's dollars. Mr. Waggoner confirmed that estimate is in today's dollars.

The Chairman also requested Mr. Frey reiterate his comments on the community involvement relative to the bridges. Mr. Frey explained that the way the bridges are formed right now, the space between the directional spans allows sunlight to go between the two lanes. When the project ultimate alignment is constructed, there will be eight lanes that will completely cross the corridor and not allow sunlight through. He noted the homeowner's associations wanted THEA to preserve the current configuration for as long as possible because they like the light coming

through. Based on the future analysis, that element can be pushed back as far as possible to accommodate that request.

Mr. Gwynn asked if it has been decided yet whether this would be a Design/Build.

Mr. Waggoner stated that the project is in the work program as a Design/Build contract, not a Design-Bid-Build contract.

Mr. Frey also confirmed that the work program does accommodate inflation (referring to the Chairman's question about cost) and that will be considered for future planning.

Mr. Barrow thanked Ms. Chrzan and her team for their outreach to the homeowner's associations.

With no further discussion the motion carried unanimously.

2. Approval of Resolution 667 Approving route map and corridor modifications identified in the South Selmon PEIR

Mr. Frey presented Resolution 667, which is required by legislation. The resolution accepts the capacity improvements route map and corridor modifications of the Expressway System.

The requested board action is adoption of Resolution 667 for the preferred South Selmon Capacity Improvements Project route and proposed modifications.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

3. CV Inter-State Agency Testing Collaboration

Mr. Frey reported that the CV Inter-State Agency Testing work order will allow THEA to begin several connected technology testing plans with UDOT, the City of Madison and the University of Arizona to ensure that regulatory and technology changes will not impact the reliability of CV applications. Findings will be shared with USDOT, ITS-America and the collaborating agencies.

He pointed out the funding source is the capital budget, and the requested action is for the board to approve and authorize staff to execute task work orders for Real Time Safety Application Interference Testing with UDOT– Not to exceed \$200,000. THEA staff will execute task works orders with the following firms:

- HNTB - \$150,000
- Playbook -\$5,000
- University of South Florida-CUTR - \$45,000

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

C. Operations & Maintenance – Bennett Barrow, Chairman – Brian Pickard, Staff

1. General Information Technology (IT) Services

Mr. Pickard summarized the request to approve selection of the Evaluation Committee for general IT services to the highest ranked firm and authorize and direct staff to negotiate and execute a contract with the highest ranked firm. If negotiations are unsuccessful, staff shall negotiate with the next highest ranked firm. Contract is subject to review and approval of THEA General Counsel.

| Rank | Firms | Total Score | Average Score |
|------|------------------------------|-------------|---------------|
| 1 | Infotect Design Solutions | 275 | 91.67 |
| 2 | Lucayan Technology Solutions | 252 | 84.00 |
| 3 | Tech Army | 236 | 78.67 |
| 4 | Cogent Infotech Corporation | 231 | 76.83 |
| 5 | United Data Tech | 227 | 75.67 |

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

Chairman Cassidy asked what services are included in the contract. Mr. Pickard noted it is for the Helpdesk, as well as assistance with the maintenance and operations of hardware and software throughout THEA Headquarters. It also includes assistance with firewall implementation and monitoring threats.

The Chairman asked for confirmation that the contract is for the building and not the roadway. Mr. Pickard replied in the affirmative.

With no further discussion the motion carried unanimously.

2. FY22 Selmon Bridge Pavement Striping

Mr. Pickard then presented an item to provide all the labor, materials, equipment, and incidentals necessary to remove and replace existing concrete pavement markings and raised pavement markers for select areas of the Selmon Expressway Mainline REL.

The requested action is for the board to approve the selection of AKCA LLC in the amount of \$949,910 for the FY22 Selmon Bridge Pavement Striping, and to authorize and direct staff to negotiate and execute a contract with the lowest responsible bid firm. If negotiations are unsuccessful, staff shall negotiate with the next lowest bid firm. Contract is subject to review and approval of THEA General Counsel.

| Firms | Amount |
|------------------------|-------------|
| AKCA LLC | \$ 949,910 |
| TRP Construction Group | \$1,048,724 |

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

The Chairman asked if THEA has worked with this company before. Mr. Pickard advised that THEA has worked with this firm in the past and they have done a good job.

With no further discussion the motion carried unanimously.

3. Construction, Engineering, and Inspection (CEI) Consultant for FY22 Selmon Bridge Pavement Striping

Next Mr. Pickard presented a request to procure the services of a CEI Consultant to perform field engineering and testing for the replacement of poorly performing bridge striping. Negotiations were conducted and finalized with Consor Engineers, LLC selected previously (August 26, 2019, Board Meeting) for push-button contracts for minor design and CEI projects.

The requested action is for the board to approve and authorize the Executive Director to execute a Purchase Order with Consor Engineers for \$160,500 from the capital budget to provide CEI services for the FY22 Selmon Bridge Pavement Striping.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

4. FY22 Selmon Ramps Mainline Resurfacing

Mr. Pickard continued with an item to provide all the labor, materials, equipment, and incidentals necessary to resurface select areas of the Selmon Expressway.

The requested action is for the Board to approve selection of the lowest bid from Hubbard Construction in the amount of \$817,714 for the Selmon Ramps Mainline Resurfacing and to authorize and to direct staff to negotiate and execute a contract with the lowest bid firm. If negotiations are unsuccessful, staff shall negotiate with the next lowest bid firm. Contract is subject to review and approval of THEA General Counsel.

| Firms | Amount |
|----------------------|-------------|
| Hubbard Construction | \$ 817,714 |
| Preferred Materials | \$ 914,819 |
| Ajax Paving | \$1,195,500 |

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

5. Construction, Engineering, and Inspection (CEI) Consultant for FY22 Selmon Ramp Miscellaneous Resurfacing

Mr. Pickard discussed a request to procure the services of a CEI Consultant to perform field engineering and testing for the replacement of failing asphalt on the expressway mainline and ramps. Negotiations were conducted and finalized with Consor Engineers, LLC selected previously (August 26, 2019, Board Meeting) for push-button contracts for Minor Design and CEI projects.

The requested action is for the board to authorize the Executive Director to execute a Purchase Order with Consor Engineers for \$199,600 from the capital budget to provide CEI services for the FY22 Ramp and Miscellaneous Resurfacing at select locations between Euclid and Falkenburg.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

6. South Selmon Capacity Geotechnical Investigation – Through General Engineering Consultant Contract (GEC)

Mr. Pickard presented the South Selmon Capacity Geotechnical Investigation, the purpose of which is to undertake preliminary geotechnical investigations to support development of the future South Selmon Capacity RFP. THEA will utilize GEC (HNTB) and their sub, Tierra.

He noted that the funding of \$764,250 is from the Capital Budget, and the requested action is for the board to authorize the Executive Director to execute a Task Order with HNTB for preliminary soils investigation in preparation for developing an RFP for the South Selmon Capacity Project.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

7. Greenway DB Support – Through GEC Contract

The next item is a request to utilize GEC (HNTB) in assisting staff with developing the RFP, procure the Design/Build Contractor, procure the CEI Team, and oversee their work during design and construction of the Greenway from Florida to Jefferson.

Funding of \$250,000 will come from the Capital Budget, and the requested action is for the Board to authorize the Executive Director to execute a Task Order with HNTB for assistance in procuring a Contractor and CEI and to assist in overseeing the design and construction of the Greenway, from Florida to Jefferson.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

8. Downtown GIS and Title Search Support – Through GEC Contract

Mr. Pickard presented an item to utilize GEC (HNTB) and their subs to undertake over 150 Title Searches, to have Surveyors review the title searches to identify impacts to THEA right-of-way, and to import into

THEA GIS databases for ROW all this information from the Hillsborough River to 19th Street through the downtown areas.

He requested the Board to authorize the Executive Director to execute a purchase order with HNTB, in the amount of \$250,000 for Downtown Right-of-way Title Searches, Survey, and Update of THEA's GIS database.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

9. West Extension ITS – Through GEC Contract

Mr. Pickard presented the next agenda item and requested the Board authorize the Executive Director to execute a purchase order with HNTB to help procure a Contractor and CEI and to assist THEA staff in overseeing the design and construction of the ITS Network for the West Extension.

He further explained that, originally, this was going to be an FDOT owned and maintained facility so the cameras and DMS were not included. After the approval to make this a THEA run facility, it was decided that THEA move forward with the installation of the cameras and DMS to allow us to see the full facility to ensure THEA staff and travelers can be made aware of any issues that may exist.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

10. Fiber Installation from THEA Headquarters to Florida Avenue – Change order No. 1

Mr. Pickard presented a change order request to provide additional funding to Precision Contracting Services (PCS) for the installation of THEA owned conduit to house the 144 Pair Fiber from THEA Headquarters to existing Cabinet at Bayshore Boulevard. The 144 pair fiber was approved at the June 28, 2021, Board Meeting. Since that time, a major break in the conduit was discovered at Florida Avenue. Several options were presented, this being the lowest cost option.

The original contract amount was \$62,160, the change order is for \$74,735, and the new updated total contract amount is \$136,895.

Mr. Pickard noted the funding will come from the Capital Budget and requested the Board to authorize and direct staff to negotiate and execute a Change Order with PCS in the amount of \$74,735 to extend new fiber to bypass Florida Avenue.

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

Chairman Cassidy asked about the cost. Mr. Pickard noted that original contract went out to competitive bid. For the added work, he did an engineer's estimate using the statewide averages and this is a reasonable number. The Chairman asked for clarification on what we are getting for this price. Mr. Pickard noted that this extends both fiber and conduit such that it bypasses the break at Florida and goes to Bayshore. Mr. Waggoner asked how big 144 pair fiber is. Mr. Pickard stated it is about 3/8".

With no further discussion the motion carried unanimously.

C. General Counsel – Amy Lettelleir

1. Investment Banking Underwriting Services RFP

Ms. Lettelleir introduced the next agenda item, noting that THEA had 19 respondents to its RFP for Investment Banking Underwriting Services.

She explained the purpose of the RFP was to obtain Investment Banking Underwriting Services to assist the Authority in the structuring, marketing, and sale of negotiated bond sales to meet the financing requirements of the Authority.

The requested action is for the Board to approve the Evaluation Committee rankings and selection of seven firms, and one top ranked SBE firm, to serve on the team of underwriters for future bond issues.

| Rank | Firms | Total Score | Average Score |
|------|---------------------------------------|-------------|---------------|
| 1 | Bank of America | 289 | 96.33 |
| 2 | Raymond James & Associates | 285 | 95.00 |
| 3 | RBC Capital | 284 | 94.67 |
| 4 | Wells Fargo Bank | 284 | 94.67 |
| 5 | Citigroup Global Markets | 282 | 94.00 |
| 6 | J.P. Morgan Securities | 277 | 92.33 |
| 7 | Jefferies LLC | 267 | 89.00 |
| 12 | Samuel A. Ramirez & Associates (SBE)* | 249 | 83.00 |

The Chairman asked for a motion to approve. **Bennett Barrow moved approval, seconded by David Gwynn.**

With no further discussion the motion carried unanimously.

D. Chairman – Vincent Cassidy

1. Executive Director Recruitment Timeline Update – Jeff Seward, Staff

Chairman Cassidy provided an update to the board on the Executive Director Recruitment process, noting that since the last meeting an executive recruiter has been hired. The job posting went live September 21 and will close November 19. The same committee will be used to conduct the interviews, which will occur in early December. The hope is that at the January board meeting we will put forth to the board a recommendation to approve the selected candidate and begin contract negotiations.

V. Staff Reports

A. Planning and Innovation – Bob Frey

Mr. Frey gave an update on THEA Connected Vehicle (CV) innovation. He reported that the CV Pilot findings indicate the CV technology does work, and can enhance mobility. Additionally, according to a user survey, approximately two thirds of the CV participants were satisfied with their participation in the program; approximately 66% felt the technology made their trip safer, approximately 56% believe it reduces congestion; and about 54% found the technology made for a less stressful commute.

He then reviewed the timeline for technology evolution and proposed future projects, as well as next steps, noting that THEA will continue to investigate new technologies and federal funding to provide increased mobility options to our users.

The Chairman asked if the lower stress levels were part of the goal of the project. Mr. Frey explained that stress levels were not a goal; however, it's a positive outcome. The Chairman recommended somehow communicating that message to the community.

Chairman Cassidy mentioned he had read that 2030 could be the last year auto manufacturers will produce gasoline powered vehicles and he discussed the technology that allows the road surface to take part in car charging. He asked Mr. Frey where THEA is in terms of the ability to charge vehicles. Mr. Frey noted that the technology does indeed exist for induction-type charging. THEA is looking into it, but it's very expensive and the ROI is not favorable. He added that things change quickly, and we are keeping up and continue to collaborate.

B. Operations & Maintenance – *Brian Pickard*

Mr. Pickard gave an update on the wrong-way driver (WWD) initiative, noting that THEA has been working with FDOT to take advantage of their efforts in creating our own program.

He reviewed the FDOT District 7 Countermeasure Program and their standard ramp design; signing and pavement marking; median separators; and crosswalk and pedestrian signals. He noted the importance of the field review, considering line of sight issues and possible areas of confusion.

Mr. Pickard noted the two main factors contributing to wrong way driving, which are driving while under the influence and the proliferation of lights and confusion at night. He then reviewed the WWD layout used by FDOT District 7, pointing out the 3-zone alert system. The first is a warning to the driver. The second gives the driver an opportunity to self-correct, and the third notifies the Traffic Management Center (TMC) that there is a WWD vehicle coming up on the facility that is hazardous to other traffic.

Mr. Pickard added that THEA has a verbal agreement with District 7 where they are willing to take the call at the FDOT District 7 TMC, so they notify the Highway Patrol. They will also take advantage of our DMS to notify drivers of the potential wrong-way-driver. He mentioned that negotiations with District 7 are ongoing, and that CFX has a similar agreement with District 5.

Mr. Pickard then reviewed some of the hardware used for wrong-way detection and explained that THEA has chosen thermal detection because it helps reduce the errors due to shadows and glare, it's reliable, accurate, and low maintenance. He reviewed THEAs in-pavement lighting at 39th Street which will be part of our system. Finally, he reviewed the program timeline, schedule, and budget.

C. Finance Update – *Joe Waggoner*

Mr. Waggoner gave a rundown of the THEA financial information for July 1, 2021, to July 31, 2021. He noted that revenues are coming in above forecast by about 8.5% and all expenditures are in line with the forecast. Data is in for August at THEA is about 7.5% above forecast. He pointed out the increase is due in part to receiving more transactions than anticipated, in addition to continuing to get a higher use by three-axle vehicles. Toll revenue collections continue to outperform past experience, and the Selmon Extension continues to perform above initial forecasts.

Traffic & Revenue Forecast - Mr. Waggoner then introduced Mr. Phil Eshelman from Stantec to provide a Traffic & Revenue Forecast update.

Mr. Eshelman reviewed the Average Daily Transactions, pointing out a slow and steady recovery back to pre-COVID numbers. Stantec conducted an Investment Grade T&R Study in the summer of 2020 to support the bond refunding effort. They focused on an employment-based model and a work-from-home based model of that employment to understand how traffic may return over time. He also discussed performance of employment forecasts, noting that employment is back to 2019 levels, which is consistent with THEA's transaction levels.

Next, he reviewed performance of FY2021 T&R forecast compared to actuals. For 2022 THEA is about 7% above forecast.

Chairman Cassidy asked, based on employment and recovery, how the Selmon Expressway compares to other parts of the country.

Mr. Eshelman explained that it is comparable to Texas and other parts of Florida and much better than the rest of the country.

Sensitivity Analysis - Mr. Waggoner noted that the board had previously requested a sensitivity analysis. PFM, THEA's financial advisor, has run such a scenario and is here to provide an overview. He introduced Hope Scarpinato with PFM, who provided an update on the THEA Financial Planning Model Update.

Ms. Scarpinato first reviewed the financial planning assumptions/inputs and the ratios and metrics they look for to look for success within the model. She also reviewed the debt service coverage planning targets.

The output shows the FY2022 budget and FY2022 Work Program are fully fundable while maintaining coverage and cash balance targets. They project two new debt issues to fund the Work Program.

Chairman Cassidy asked for confirmation that the senior debt does not include FDOT. Ms. Scarpinato replied in the affirmative. The Chair asked how that affects future cash flow ratio.

Ms. Scarpinato explained that we have 2.5x coverage of senior lien debt only and once we layer in the subordinate it averages to 2.15 – so there will still be sufficient coverage.

She then reviewed the sensitivity analysis. The test case scenario shows that if revenues drop as far as they could for THEA to hit the 1.3 it would be 27% decrease under the FY2022 budgeted revenue figure.

It would take two years to recover from a 27% decrease and then revert to the growth rates within the current T&R forecast.

She compared the test case scenario to the actual COVID impact, noting that the test case is more extreme than the actual.

Ms. Scarpinato pointed out that in this test case scenario \$50M of the Work Program would need to be deferred beyond FY2026 to maintain the debt service coverage and cash balance targets.

Chairman Cassidy asked for clarification on being able to maintain our 1.3 with a 27% decrease but that we would have to cut \$50M from the Work Program. Ms. Scarpinato explained that the \$50M cut is to get THEA to the 1.6.

The Chairman asked about the test case scenario where THEA would see a reduction in traffic but would continue with expansion plans. Ms. Scarpinato explained that is just in the first year because there is growth in the years moving forward. There was additional discussion about recovery. Looking at the ten-year horizon THEA would need to delay some projects for one year and then could afford those projects in FY2029 and FY2030.

Mr. Waggoner further explained that if THEA took this kind of hit, any project initiated this year or next year can carry through and still meet covenant requirements. The work program is a live document so if we see something coming, delaying the projects a year will allow cash to build back up. There are other options, but this analysis shows that THEA is in a very strong financial position today. He also pointed out that the test case scenario is more severe impact than what we just went through.

Chairman Cassidy requested staff to advise the board on what our goals should be for our next ratings increase and what it will take to get there.

Mr. Waggoner noted that each of the 19 firms who submitted an RFP for the Investment Banking Underwriting Services contract spoke to exactly that – it was one of the questions we put out there, so the Board will be getting feedback on that within the next four to six months.

D. Toll Operations – *Rafael Hernandez*

Mr. Hernandez reported on the toll transaction counts for August 2021 (FY2022), compared to FY2019, as well as totals for the month. He noted that August counts are down 3% compared to FY2019. When the SWE toll plaza transactions are included, counts are up 6% increase.

He reported a 5.3% increase in total accounts year to year and a 39.9% increase in toll transactions year to year (comparing FY2021 to FY2020). Average daily traffic comparisons are also up with a 16.3% increase in the West Group and a 19.9% increase in the East Group + REL.

Finally, Mr. Hernandez reviewed the traffic counts for Selmon West Extension, reporting on the estimated counts versus the actual, which continue to exceed expectations.

VI. Executive Reports

A. Executive Director – Joe Waggoner

1. **Contract Renewal & Expiration Report** – Mr. Waggoner reported on one contract renewal – a second-year renewal with Neology for hardware and software licenses and related services for automated vehicle classification.
2. **Report of Extra Work- replacing signal arms** – Mr. Waggoner also reported on extra work for the Selmon West Extension by CSX for \$80,979.

B. General Counsel – Amy Lettelleir, Esq.

1. No Report

VII. Chairman – Vincent Cassidy

1. Upcoming Meetings

- No Meetings in October
- THEA Board Meeting – November 15, 2021
- THEA Board Meeting – December 13, 2021
 - Committees of the Whole – January 17, 2022

The Chair noted that the board may hold a workshop in January to discuss Whiting Street and the South Selmon Expansion. He also asked board members to begin thinking about the THEA land along Meridian and the highest and best use for that property.

- Committees of the Whole – February 7, 2022


VIII. Old Business – No old business.

IX. New Business – No new business.

X. Adjournment

With no further business, the meeting adjourned at 2:55 pm.

Tampa-Hillsborough County Expressway Authority
Minutes of the September 27, 2021, at 1:30 P.M.
Page 17 of 17

APPROVED:  ATTEST: 
Chairman: Vincent J. Cassidy Vice-Chair: Bennett Barrow

DATED THIS 15th DAY OF NOVEOMBER 2021.

