

**MINUTES
MID-BAY BRIDGE AUTHORITY
THURSDAY, SEPTEMBER 21, 2017**

**NICEVILLE CITY HALL COUNCIL CHAMBERS
208 NORTH PARTIN DRIVE
NICEVILLE, FLORIDA**

I. OPENING

Mr. Neilson opened the regular meeting of the Mid-Bay Bridge Authority at approximately 9:00 a.m. with the Invocation which was followed by the Pledge of Allegiance.

Members present were: James D. Neilson, Jr.
 Gordon E. Fornell
 Virginia A. Asthana
 Bryant Paulk FDOT Ex officio, non-voting

Members absent were: Robert Griggs
 Parker Destin

Also present: Van Fuller Executive Director
 Dawn Stuntz Legal Counsel
 Cathy Demoreski Administrative Assistant

II. INTRODUCTION OF VISITORS

Mr. Neilson welcomed all visitors. In attendance were Brad Collins, HDR; Bobbie Fornell and Jim Asthana, Residents.

III. APPROVAL OF MINUTES

A. Regular Meeting – July 20, 2017

There was no meeting on August 17, 2017 due to lack of Quorum

A motion to approve the July 20, 2017 Regular Meeting Minutes was made by Mr. Fornell with a second by Ms. Asthana and a 3-0 vote was taken for approval.

IV. TREASURER'S REPORT

Ms. Asthana presented the Treasurer's Report for July and August 2017. Account balances were:

	<u>July 2017</u>		<u>August 2017</u>
FNBT.com	\$ 307,309.08	FNBT.com	\$ 301,335.11
Regions	\$43,346,359.98	Regions	\$45,398,683.05

Ms. Asthana made a motion to accept the Treasurer's Reports for July and August 2017 with a second by Mr. Fornell and a 3-0 vote was taken for approval.

V. EXECUTIVE DIRECTOR REPORT

A. Consent Agenda-Resolution 2017-12. Request payment by Regions Bank to:

1. HDR Engineering, Inc. in accordance with the contract for Eng. Services associated with:

A. CEI Miscellaneous Enhancements (Task 26), payment #6

Invoice 1200069098 for services through 08/23/17, in the amount of: \$4,440.00

(From 2015 A, B, C Construction Fund-Regions Account #1080026699)

- B. CEI Miscellaneous Enhancements (Task 26), payment #7
Invoice 1200073563 for services through 09/02/17, in the amount of: **\$2,400.00**
(From 2015 A, B, C Construction Fund-Regions Account #1080026699)
- 2. Emerald Coast Striping, LLC in accordance with the contract for Misc. Enhancements:
 - A. Signage - Pay App #3
Invoice #4289 for services through 06/30/17, in the amount of: **\$28,080.00**
(From 2015 A, B, C Construction Fund-Regions Account #1080026699)
 - B. Signage - Pay App #4
Invoice #4313 for services through 07/24/2017, in the amount of: **\$21,610.00**
(From 2015 A, B, C Construction Fund-Regions Account #1080026699)
 - C. Signage - Pay App #5
Invoice #4314 for services through 07/24/2017, in the amount of: **\$12,480.00**
(From 2015 A, B, C Construction Fund-Regions Account #1080026699)
- 3. Loyola Univ. in accordance with the Aug. 17, 2009 Research Agreement as Amended on May 27, 2014 associated with:
 - A. MBBC - Phase 2 & 3 Okaloosa Darter Monitoring from 09/30/2014-09/30/2018
4th of 4 Annual Payments: **\$34,000.00 - FINAL**
(From 2015 A, B, C Construction Fund-Regions Account #1080026699)

A motion was made by Mr. Fornell to adopt Resolution 2017-12 requesting payment of the Consent Agenda items by the Trustee with a second by Ms. Asthana and a 3-0 vote was taken for adoption.

- B. **Traffic Operations.** Mr. Fuller reported that the Traffic and Revenue for the month of July 2017 continues to be favorable and within the margin of error of the Traffic Engineer's projections.
- C. **Traffic Analysis Contract Approval Ratification – Jacobs Engineering.** Mr. Fuller explained that due to the lack of quorum in August it was necessary for him to exercise the authority given to him by the Authority annually to execute agreements in order to keep the Mid-Bay Bridge Authority's projects moving forward. He requested the Authority's ratification today of Jacobs Engineering Traffic Analysis Work Task #5 in the amount of \$72,433.60 for analysis of data previously collected in order to improve the efficiency of the Toll Plaza during the peak season traffic on Saturdays. This study is being conducted at the request of and in coordination with the Okaloosa County Board of Commissioners during the Authority's Annual Budget presentation to the Commission in May 2017 and was discussed at the County held Town Hall meeting in August 2017.

A motion was made by Mr. Fornell with a second by Ms. Asthana to ratify the approval of Jacobs Engineering Work Task #5 dated August 8, 2017 in the amount of \$72,433.60 for the analysis of traffic data collected in order to improve the efficiency of the Mid-Bay Bridge Toll Plaza during the peak season traffic on Saturdays and a 3-0 vote was taken for approval.

- D. **SR85 Landscaping-Resolution 2017-13.** Mr. Fuller explained that Resolution 2017-13 provides the Executive Director the authority to enter into an Agreement with the Florida Department of Transportation (FDOT), the City of Niceville and the USAF, Eglin, AFB for landscaping in the area of the drainage pond on the northwest side of the SR85 interchange. The planting will be done by EAFB at their cost and maintenance will be provided by the City of Niceville at their cost. HDR, the engineering of record for SR293 has reviewed

the plans and has determined that this effort will have no effect on any future extension of SR293 in the area described in the Agreement.

A motion was made by Mr. Fornell with a second by Ms. Asthana to adopt Resolution 2017-13 which authorizes the Executive Director to enter into the Landscape Installation and Maintenance Agreement in support of the 2017 National Public Lands Day landscape improvements and maintenance project on the northwest side of SR85 connecting to SR293. A 3-0 vote was taken for adoption.

Mr. Fuller reported that he briefed the Authority's report at the annual Florida Transportation Commission (FTC) oversight meeting on September 20 in Tallahassee. The FTC is responsible for the oversight of State transportation performance measures and since 2014 Legislation the Mid-Bay Bridge Authority has been included in oversight. The Authority doesn't meet the FTC performance measures for maintenance, signage, striping and lighting. Although the Authority is in compliance according to the FDOT performance measure for maintenance, it does not meet the FTC measure which is higher. Mr. Fuller has been in coordination with Mr. Paulk, FDOT, District 3 to implement FTC compliance in its asset maintenance contract.

The final draft of the Authority's Transportation Asset Management Plan (TAMP) will be released in Oct/Nov for review and comment.

Tolls were officially reinstated at 12:01 a.m. on Thursday, September 21 on all toll roads in Florida with the exception of Homestead. The Authority will meet its 2017 debt service payments but will fall short of its budget to fund sustainment of the system and retire its long-term debt with the FDOT. The rough order of magnitude for lost revenue is currently estimated at \$1M.

Discussion included that FEMA does not reimburse for lost toll revenue nor does the Authority's business interruption insurance as a result of a weather related toll suspension.

VI. APPRECIATION TO OUTGOING MEMBER

A. Resolution 2017-14-Ms. Virginia A. Asthana. Mr. Fuller read Resolution 2017-14, a Resolution expressing appreciation to Ms. Asthana for her service to the Authority since August 2006.

Mr. Fornell made a motion to adopt Resolution 2017-14 with a second by Mr. Neilson and a 3-0 vote taken for adoption.

Ms. Asthana expressed her thanks and appreciation to all for the opportunity to be part of the Authority and working with the many professionals who provide consultation to the Authority for the betterment of the community.

Mr. Fornell made a motion to appoint Mr. Parker Destin to replace Ms. Asthana as Secretary-Treasurer with a second by Ms. Asthana and a 3-0 vote taken for approval.

Due to a lack of quorum and no meeting in August 2017 Mr. Fuller presented an Annual Consultant's Report to be made part of the permanent minutes for September 21, 2017.

VII. LEGAL COUNSEL REPORT

None

VIII. BOARD MEMBER COMMENTS

None

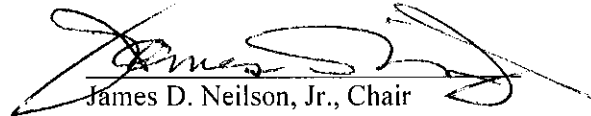
IX. GENERAL DISCUSSION

The next regular meeting of the Authority will held on Thursday, October 19, 2017 at 9:00 a.m. in the Destin City Hall Board Room, Destin, Florida

X. ADJOURNMENT

The meeting adjourned at approximately 9:25 a.m.

Approved this 19th day of October 2017


James D. Neilson, Jr., Chair

**ANNUAL CONSULTANT'S REPORT
MID-BAY BRIDGE AUTHORITY
THURSDAY, AUGUST 17, 2017**

**DESTIN CITY HALL BOARD ROOM
4200 INDIAN BAYOU TRAIL
DESTIN, FLORIDA**

- 1. Bond Counsel – Bryant Miller Olive (George Smith).** Mr. Smith reported that there is nothing new on the Bond Market. However, President Trump will be implementing changes in the tax codes relating to municipal bond disclosures which will be monitored and reported appropriately.
- 2. Trustee – Regions Bank (Frank Caley).** Mr. Caley reported that the Authority is in compliance with its bond documents and all accounts are fully funded and accounted for. He further explained that Regions is in the process of implementing a new system effective October 1, 2017. No major changes are expected.
- 3. Accountant – Warren Averett (Kevin Bowyer).** Warren Averett reviews and prepares all the necessary accounting information required to prepare the Authority's annual financial statement. As in FY2016 no significant changes are expected in accounting standards or principles for FY2017 reporting requirements. Mr. Bowyer also mentioned their support for the Authority's conversion from Sage/Peachtree accounting software to a Cloud based QuickBooks system. The conversion should be in place by fiscal year end.
- 4. Traffic and Revenue Engineer – Jacobs (Phil Eshelman/Neal Cohen).** Mr. Eshelman explained that work continues on traffic data analysis of the approach roads north of the Toll Plaza as well as traffic and revenue monitoring. He introduced Mr. Neal Cohen who presented the preliminary toll revenue and traffic review for FY2017 year-to-date. Mr. Cohen reported that System revenue is up 2.2% and traffic up 3% over FY2016 YTD. Revenue YTD is up 4% versus forecast and 8% above the Series 2015 Official Statement forecast. He further explained that the January 2017 Frequent Customer threshold decrease from 41-or-more to 32-or-more transactions per month resulted in 36% more discounted transactions. The number of accounts eligible for the discount increased by nearly 50% on the Bridge and over 100% on the Parkway with the System over 8% of the Series 2015 Official Statement forecast. Toll revenues for FY2017 are on target and will be sufficient to produce toll revenue to fulfill the requirements of the Authority's Toll Policy. Jacobs will continue to closely monitor the monthly and annual traffic and revenue results of the Authority's System.
- 5. Asset Management – HDR (Bob Kellner).** Mr. Kellner explained that the Authority is on the cutting edge of infrastructure management with the implementation of its Transportation Asset Management Plan (TAMP). This is something that is evolving nationally and is usually done on systems statewide and not on single assets. In effect, an inventory and condition assessment is completed and costs are estimated to operate, maintain, perform life-cycle repairs, and manage risks while then overlaying those investments over the life of the Authority's debt. Discussions have been on-going and will continue with the Authority's Executive Director, Financial Advisors, and FDOT as the plan is updated and finalized.
- 6. Financial Advisor – Stiffel (Reid Cavnar).** Mr. Cavnar reported that the Authority's Debt Service Reserve investments will mature in August 2018. Stifel will continue watching the

market and make recommendations for possible investment options in the future. The principal and interest accounts which are currently invested in Money Market accounts are doing well. Now is not the time to lock in any long term rates. Stifel will continue analysis of the debt defeasance structure.

7. **Legislative Update – Southern Strategy Group (Chris Dudley).** Mr. Dudley reported that 2017 was a busy session for the Florida Department of Transportation (FDOT) and Miami-Dade Expressway Authority (MDX); however, 2018 is not expected to be as busy. Mr. Mike Dew, former Chief of Staff for the Florida Department of Transportation, was appointed new FDOT Secretary. Rachael Cone, who was the interim/acting FDOT Secretary returned to her position as Assistant Secretary of Administration and Finance. There have also been changes at the Florida Transportation Commission and a new Senate Budget Chairman, Rob Bradley from Orange Park. Pre-Session Committee meetings will be held from September to December 2017 with an early legislative session beginning on January 9, 2018.