

**MINUTES
MID-BAY BRIDGE AUTHORITY
THURSDAY, MAY 16, 2019**

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

I. OPENING

Members present: Gordon E. Fornell
 Victoria S. Harker
 Parker Destin (arrived after Treasurer's Report)
 T. Patterson Maney
 Bryant Paulk FDOT Ex officio, non-voting

Member absent: James D. Neilson, Jr.

Also present: Van Fuller Executive Director
 Michelle Anchors Legal Counsel
 Cathy Demoreski Administrative Assistant

II. PUBLIC HEARING

A. Fiscal Year 2020 Budget - Resolution 2019-04

Mr. Fornell opened the advertised Public Hearing and presented the proposed Fiscal Year 2020 annual budget comprised of operating revenues and operating expenses. There were no comments from any Authority members. Mr. Fornell further explained that if the FY2020 budget is adopted, he will present the budget to the Board of County Commissioners of Okaloosa County on Tuesday, May 21, 2019 as required by the Authority's Enacting Legislation. After discussion and there being no public comment, Mr. Fornell closed the Public Hearing at 9:05 a.m. and recommended approval of the FY2020 Budget.

A motion was made by Mr. Maney to approve the Fiscal Year 2020 Budget by adopting Resolution 2019-04 and presenting the Budget to the Board of County Commissioners of Okaloosa County on Tuesday, May 21, 2019 with a second by Ms. Harker and a 3-0 vote taken for adoption and approval.

III. INTRODUCTION OF VISITORS & PUBLIC COMMENTS

Mr. Fornell welcomed all visitors and members of the press. In attendance were John Slingerland and Brandon Crosby, Carr, Riggs, Ingram; and Mike Griffith, The Bay Beacon.

IV. APPROVAL OF MINUTES

A. Regular Meeting – April 18, 2019

A motion to approve the April 18, 2019 Regular Meeting Minutes was made by Mr. Maney with a second by Ms. Harker and a 3-0 vote was taken for approval.

V. TREASURER'S REPORT

Ms. Harker presented the Treasurer's Report for April 2019. Account balances were:

FNBT	\$ 167,342.17
Regions	\$39,890,571.04

Ms. Harker made a motion to accept the Treasurer's Report for April 2019 with a second by Mr. Maney and a 3-0 vote was taken for approval.

VI. EXECUTIVE DIRECTOR

On behalf of the Authority Mr. Fuller wished a Happy Anniversary to Mr. Maney on 48 years of marriage.

A. Operations. Mr. Fuller reported that he sent the FY2020 budget to the Okaloosa County Commissioners and the County Administrator via e-mail and only received one response. He was assured by the Assistant County Administrator there were no questions raised by the commissioners. However, he will reach out again to the Commissioners who had not responded in advance of the May 21, 2018 County Commission meeting. During the Commission meeting the Authority Chairman will introduce the Budget and the Executive Director will present it for discussion. The most notable difference between FY2019 and FY2020 is that the Administrative budget decreased by \$10K and the Debt Service increased by \$300K. Mr. Fuller reminded the Authority that the Commissioners have discretion but are limited in approval process according to the Authority's Enacting Legislation.

Mr. Fuller reported that the tendon repairs on the Mid-Bay Bridge are proceeding ahead of schedule. The contractor has completed the repair on three tendons to date and is scheduled to de-tension two and re-tension four tendons during May, bringing the total number of scheduled closures to 11 of 16. The contract period of performance is through September 2019, but as the contractor becomes more efficient it may be completed earlier.

For the second time in recent memory the Brooks Bridge was closed for approximately 6 ½ hours this month after being hit by a barge. This caused significant traffic delays on Hwy. 98 and many dissatisfied motorists leaving unpleasant messages on the Authority's voicemail regarding collecting tolls during the closure. In accordance with the Authority's Bond Indenture, the Authority does not have the power to grant free-use of its facilities. The Governor and the Florida Department of Transportation (FDOT) are authorized to suspend toll collection on the System for emergencies. It was noted that the Mid-Bay Bridge has also been hit over the years however the fender system in place has operated as designed and protected the Bridge from structural damage.

Mr. Fuller reported a contract was executed with Ferrovial Services for closure of the North Lakeshore Drive south bound ramps from noon to 6:00 p.m. every Saturday from Memorial Day to Labor Day. In an effort to reduce traffic congestion on White Point Road during tourist season this is the second year the Authority has coordinated with Okaloosa County who will be responsible for law enforcement and public information.

Work has started on the effort to make the Authority's website Americans with Disabilities Act (ADA) compliant. The effort will cost the Authority approximately \$5,000.

Mr. Fuller reported that although no reconciled traffic and revenue reports for FY2019 have been received from the Florida Turnpike Enterprise (FTE) to date, the daily information received from the Bridge plaza and Parkway gantry indicate that traffic is down compared to FY2018. The decrease is most likely due to the January 2019 Bridge closure, motorist's loss of confidence in Bridge availability with the intermittent nighttime closures to conduct repairs, and the multi-axle load restriction as a result of the deteriorated reinforcing tendons. The FY2018 Financial Statement will report a subsequent event of ~\$1.5-\$2M loss of revenue. Additionally, the Authority's \$1M Long-Term Debt due to the FDOT was expected to be

retired at FY2019 year-end but will now be extended another year and increased by an additional \$3-\$5M for tendon repair costs.

Mr. Fuller explained that in 2018 the Authority petitioned the Okaloosa-Walton Transportation Planning Organization (OWTPO) for voting membership on the Transportation Planning Organization (TPO) in order to join in more effective discussions and be full partners to address and improve regional transportation needs. No official response other than membership is limited had been provided; however, Mr. Paulk reported that recent Federal action increased the number of allowed members. Mr. Fuller will follow up again with TPO leadership.

Finally, Mr. Fuller notified the Board that as of June 1, 2019 there will be a new advertiser on the north facing toll booths. The Pepsi toll plaza wrap will come down and will be replaced by Coca-Cola.

- B. FY2018 Audited Financial Statement.** Mr. Fuller thanked both Warren Averett, the Authority's Accounting Consultant and Carr, Riggs and Ingram (CRI), who performs the annual audit. He then introduced Mr. John Slingerland with CRI. Mr. Slingerland thanked the Authority on behalf of CRI for the opportunity to present the FY2018 Financial Statement. He explained that late information from the Florida Retirement System required to comply with GASB 68 reporting and FY2018 traffic and revenue data from the FDOT/FTE were the causes for the delay. Also, as a result of the delayed billing for Toll-by-Plate caused by FDOT/FTE CCSS upgrade, it was necessary to estimate uncollected tolls for accrual purposes. Historically, the percentage of uncollected tolls has held steady at ~20%; however, this year is expected to be a bit higher. He explained that the audit was conducted in accordance with Generally Accepted Accounting Principles and Government Auditing Standards requirements and that there were no difficulties or disagreements with management or accountants. The Independent Auditor Report was unmodified, and a clean opinion issued on management disclosure, analysis of the year in review, financial statement, and notes along with supplemental information requirements. There were no findings on internal controls and the Authority is in compliance with Florida Statutes with no occurrences of non-compliance found. Finally, Mr. Slingerland thanked the Warren Averett team for their assistance.

VII. LEGAL COUNSEL

Ms. Anchors reported having two items of interest to the Authority. The first being good tidings of money as part of a Class Action Lawsuit with CitiBank and the LIBOR rate affecting many businesses. The options are to opt-in and accept an approximate payment of \$39,000 or to opt-out and pursue litigation which is likely to cost well in excess of the \$39K. Ms. Anchors recommended the Authority consider a motion to opt-in to the Class Action Lawsuit and authorize the Executive Director the authority to execute the necessary documents.

A motion was made by Mr. Maney to Opt-In to the CitiBank LIBOR Rate Class Action Lawsuit and authorize the Executive Director the authority to execute all necessary documents with a second by Ms. Harker and a 4-0 vote taken for approval.

The second item is a recommendation that a Mid-Bay Bridge Authority website accessibility policy statement be adopted and posted on the website regarding efforts underway to comply with ADA accessibility guidelines set forth by the U.S. Department of Justice.

A motion was made by Mr. Maney to adopt a Website Accessibility Policy statement in accordance with the U.S. Department of Justice guidelines to comply with ADA accessibility requirements for website access for all, with a second by Mr. Destin and a 4-0 vote taken for approval.

VIII. BOARD MEMBER COMMENTS

None


IX. GENERAL DISCUSSION

The next regular meeting of the Authority will be held on **Thursday, June 20, 2019** at 9:00 a.m. in the Destin City Hall Board Room, Destin, Florida.

X. ADJOURNMENT

The meeting adjourned at approximately 9:36 a.m.

Approved this 20th day of June 2019



Gordon E. Fornell, Chair