

**MINUTES
MID-BAY BRIDGE AUTHORITY
THURSDAY, JULY 18, 2019**

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

I. OPENING

Members present: Gordon E. Fornell
 James D. Neilson, Jr.
 Victoria S. Harker
 Parker Destin
 T. Patterson Maney
 Bryant Paulk FDOT Ex officio, non-voting

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

II. INTRODUCTION OF VISITORS & PUBLIC COMMENTS

Mr. Fornell welcomed all visitors and members of the press. In attendance were Ellis Bullock, E.W. Bullock; Jade Rung, FIGG and Mike Griffith, The Bay Beacon.

III. APPROVAL OF MINUTES

A. Regular Meeting – June 20, 2019

A motion to approve the June 20, 2019 Regular Meeting Minutes was made by Mr. Neilson with a second by Mr. Maney and a 5-0 vote was taken for approval.

IV. TREASURER’S REPORT

Ms. Harker presented the Treasurer’s Report for June 2019. Account balances were:

FNBT	\$ 195,019.56
Regions	\$44,359,215.33

Ms. Harker made a motion to accept the Treasurer’s Report for June 2019 with a second by Mr. Destin and a 5-0 vote was taken for approval.

V. EXECUTIVE DIRECTOR

Mr. Fuller explained that there would be a slight deviation in the order in which the items under this portion of the agenda are presented with Mr. Bullock making his presentation last.

- A. Operations.** Mr. Fuller reported that Bridge operations are almost completely back to normal with the Florida Department of Transportation (FDOT) contractor completing the tendon repairs ahead of schedule. Current restrictions on the Mid-Bay Bridge are for permitted loads. Traffic data over the July 4th holiday will be included in the Travel Time Study currently being conducted by Jacobs at the request of the Authority in response to comments at a recent Board of County Commissioners meeting.

Discussion included the impact, if any, as a result of the FDOT Secretary's announcement not to renew its Centralized Customer Support System (CCSS) contract with Conduit in 2022. The upgrade went live in June 2018 and was intended to provide consolidation and support of back office toll operations for FDOT and transportation and expressways authorities across the state. Unfortunately, what was supposed to be a 5-day process is still affecting our ability to provide timely traffic and revenue reports for FY2019. The former FDOT Secretary apologized to the citizens of Florida and the travelling public for the botched process, initiated an Inspector General investigation, and waived the Toll-By-Plate (TBP) \$2.50 administrative fee and any resulting late fees incurred until May 2019. In response to a question regarding the Mid-Bay Bridge Authority's involvement in the contractor selection process, Mr. Fuller explained that in accordance with the Authority's Lease-Purchase Agreement (LPA) with the FDOT the Authority pays the FTE for Operations & Maintenance (O&M) to include toll collections on its behalf, the Authority was in no way involved in the contractor selection process and the Authority does not pay the toll collection contractor directly. Mr. Maney suggested the Okaloosa County Commissioners be made aware of the LPA and reinforce to them that the Authority has no control over these matters. In response to whether toll billing and collections are now caught up, Mr. Fuller explained that no TBP invoices between June – December 2018 were mailed until January 2019. This has delayed receipt of the associated revenues. Fortunately, we collected sufficient revenues last year to meet debt service and bond covenant requirements. This year's revenue will be impacted by the October 2018 toll suspension for Hurricane Michael, the January 2019 week-long closure of the Mid-Bay Bridge, and subsequent weight restrictions until late June 2019 when the contract to replace the 8 deteriorated tendons were completed.

- B. FY2018 Traffic Engineers Annual Report.** Mr. Fuller presented the FY2018 Traffic Engineers' Annual Report which could not be completed until the FY2018 Financial Statements were completed. A conservative look indicates we are right on the edge of where we need to be with toll revenues.
- C. 2019-2020 Traffic and Revenue Consultant Agreement – Jacobs Engineering.** Mr. Fuller presented the FY2020 Traffic and Revenue Retainer Scope of Services in the amount of \$50,955.38 and recommended approval.

A motion was made by Mr. Neilson with a second by Mr. Destin to approve the 2019-2020 Jacobs Engineering Traffic and Revenue Scope of Services and a 5-0 vote taken for approval.

D. Advertising – Ellis Bullock. Mr. Fuller explained that while presenting the Authority's FY2020 Budget to the Board of Okaloosa County Commissioners in May 2019, questions were raised regarding the Authority's outdoor advertising budget. In response, Mr. Fuller requested Mr. Bullock prepare a presentation for the Authority to outline the strategy behind the Authority's advertising program. Mr. Fuller opened by explaining that the Authority had more outdoor advertising in the past and has reduced the amount over the years with the current design implemented in 2016 after coordination with Ed Schroeder, the Director of the Okaloosa County Tourist Development Council. Both the message and image were totally new, replacing the picture of the bridge with an image of the beach to Destin, with all costs covered by the Authority. The intent was to highlight the beautiful beaches in Okaloosa County while also helping travelers choose to take the Mid-Bay way to Destin. Mr. Fuller then introduced Mr. Ellis Bullock, the Authority's Public Relations/Advertising Consultant.

Mr. Bullock explained to the Authority that since 1992 a media marketing plan has been in place to promote Mid-Bay Bridge. Mr. Gene Figg the then owner and CEO of FIGG Bridge, the designer of the Mid-Bay Bridge, was a proactive champion of marketing the Bridge and its opening in order to build awareness. At the time approximately \$300K was budgeted for television, regional publication, billboards and print ads. Outdoor (billboard) advertising is considered one of the most cost-efficient media choices available as it more effectively reaches inbound motorists than other media options. The primary objective of outdoor advertising was and is to build awareness of the Bridge as the quickest route to Destin's beaches as well as provide directions to the Bridge and highlight the beauty of the Emerald Coast. Mr. Bullock confirmed what Mr. Fuller mentioned earlier that initially there were a total of ten billboards on primary routes into the Destin area from Alabama, Georgia and states to the west. Currently there are four and it is recommended that these be maintained for the foreseeable future since Hwy 331 could become more of a competitive threat to the Bridge as a route to the coast. Research indicates a significant number of travelers (at least 35%) are first time visitors to the region. Examples of the current billboard images were provided in the package distributed by Mr. Bullock as well as a new design to be considered for use when replacing the vinyl which is typically required due to fading after two to three years. The current cost for the outdoor advertising is approximately \$46,851/year with a budgeted amount of \$52,000. By way of example Mr. Bullock pointed out that the Garcon Point Bridge on the Escambia Bay in Santa Rosa County did not spend a dime on marketing. After failing to bring in enough revenue to cover its debt service, it has been in default for the past ten years. Another example is the Beach Express in Baldwin County, Alabama which, prior to being purchased by American Roads (private ownership), cancelled several outdoor billboards. Within a short time, the volume of traffic utilizing the Beach Express began to decline and American Roads responded by implementing a new advertising program that included outdoor billboards with year-to-date traffic up 8%.

Mr. Bullock noted that he's not suggesting the lack of outdoor advertising is the sole reason for impacts on other organizations, but it certainly is a factor. Discussion included recommendations by Mr. Maney and Mr. Fornell that Mr. Bullock reach out to Ms. Jennifer Adams, current Director of the Okaloosa County Tourist Development Department and Mr. Christopher Saul with the Okaloosa County Public Affairs Office for coordination of marketing efforts as well as cost sharing. Mr. Bullock assured the Authority that EW Bullock continually monitors marketing and advertising trends, including a new geo-fencing initiative, to promote use of the facility and gage the effectiveness of the current marketing campaign. Also discussed was that last year Mr. Fuller coordinated with the FDOT to obtain approval for toll plaza wrap advertising as a source of revenue for the Authority and worked closely with EW Bullock to bid for advertisers. Mr. Bullock further explained that he has had several discussions with Lamar Outdoor regarding another possible revenue opportunity from digital outdoor advertising on land currently owned by the Authority. The Board expressed their thanks and appreciation to Mr. Bullock for his efforts and timing in providing this information.

VI. LEGAL COUNSEL

None

VII. BOARD MEMBER COMMENTS

Mr. Fornell noted that Mr. Maney had been an effective guest speaker during the recent Niceville-Valparaiso Area Chamber of Commerce Civic Hall of Fame luncheon.

VIII. GENERAL DISCUSSION

The next regular meeting of the Authority will be held on **Thursday, August 15, 2019** at 9:00 a.m. in the Destin City Hall Board Room, Destin, Florida.

IX. ADJOURNMENT

The meeting adjourned at approximately 9:37 a.m.

Approved this 15th day of August 2019



Gordon E. Fornell, Chair