

**MINUTES
MID-BAY BRIDGE AUTHORITY
THURSDAY, NOVEMBER 19, 2020**

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

A scheduling conflict by the City of Niceville for the Niceville City Hall Council Chambers resulted in meeting being moved to the Niceville Public Library meeting room.

A note was placed on the Council Chambers door to notify the public.

I. OPENING

Members present: Gordon E. Fornell
 James D. Neilson, Jr.
 Victoria S. Harker
 Parker Destin
 T. Patterson Maney

Member absent: 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 was Mike Griffith, The Bay Beacon

III. APPROVAL OF MINUTES

A. Regular Meeting – October 15, 2020

A motion to approve the October 15, 2020 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 October 2020. Account balances were:

FNBT	\$ 108,987.90
Regions	\$40,978,733.55

Ms. Harker made a motion to accept the Treasurer’s Reports for October 2020 with a second by Mr. Destin and a 5-0 vote was taken for approval.

V. EXECUTIVE DIRECTOR

Mr. Fuller reported that the annual distribution of revenue funds at fiscal year-end was made in November 2020. The distribution included three months O&M due to the Department which was held back due to the COVID-19 Pandemic, as well as half of the

the funds in the revenue fund as of 1 Oct in accordance with the Authority's indenture. Mr. Fuller noted that as the Authority's debt service increases there may be less funds to share annually with the Department. He also shared that the Long-Term Debt (LTD) with the Department is a result of the Mid-Bay Bridge repair costs and a very small portion attributed to the generator replacement at the Toll Plaza Administration Building.

A. Operations. Mr. Fuller reported that the fiscal year end traffic and revenue looks good and in-line with the updated COVID-19 Pandemic projections. We expect by the 2021 tourist season traffic and revenue will be back to normal. At fiscal year-end 2020, revenue on the Bridge was below original projections by 20.6% and 17.5% on the Parkway because of the Pandemic. The Authority's bond rating has not been affected; however, its outlook was downgraded from stable to negative which is basically being on a watch list. Mr. Fuller explained that once the financial statements have been completed, he and Mr. Greg Carey with Goldman Sachs, the Authority's Underwriter, will schedule meetings with the rating agencies to keep those lines of communication open with respect to any questions. Although not expected to happen, should the Authority not meet its debt service requirements, the Indenture would require a series of events/analysis to evaluate any corrective measures to address a shortage of revenues. Recent annual events (bridge repairs, toll suspensions, pandemic) continue to eat away at any possible toll relief for customers using the Authority's System. Discussion included that the FY2020 annual financial statement process is underway. Mr. Fornell expressed his pleasure with the team from Warren Averett (accounting) and Carr, Riggs, Ingram (auditors) and he recommended members stop by the office to meet them.

VI. LEGAL COUNSEL

Ms. Anchors explained that occasionally the Authority receives a Notice of Claims advising of possible litigation and how to file a claim against a financial institution who is being sued for their handling of LIBOR investments and anti-trust practices. These claims are not always a class action, sometimes they are what is called a Multi-District Litigation (MDL). In an abundance of caution and with the assistance and input from the Authority's Financial Advisor, Stifel, the Mid-Bay Bridge Authority files in the hope of recouping any losses and has in fact been paid in the past. Ms. Anchors reported that she will be filing another on behalf of the Authority in the coming days.

Additionally, congratulations were extended to Ms. Anchors on her reappointment to the Ethics Commission. Discussion included the possibility of improving annual ethics training resources. Ms. Anchors will see what she can come up with for next year. Also, a Certificate of Completion form will be distributed to the Board Members for their use and return to the Authority office.

VII. BOARD MEMBER COMMENTS

Mr. Fornell wished everyone a Happy Thanksgiving and reminded everyone to be responsible and safe during the upcoming holiday season as the number of cases of COVID-19 in Okaloosa County are growing, as predicted, this fall. Mr. Fornell also

reported that he and Mr. Fuller met with the new 96th Civil Engineer Group Commander from Eglin, Col. Kevin Osborne, who is very thoughtful, aggressive, young, and energetic. They took him on a tour of the Mid-Bay Bridge Authority's system, explaining its history and pointing out pertinent sites, including orphaned Eglin land parcels to the south of SR293 which could provide for potential growth in the county. The Enhanced Use Lease (EUL) process used by the Authority to construct the Spence Parkway on Eglin property was discussed at length with Col. Osborne. The Authority paid fair market value of \$30M, in kind, for the easement. The EUL in-kind funds remained in Okaloosa County and were used by Eglin for improvements on the base unencumbered by federal acquisition rules.

Mr. Maney reported that he is awaiting a response from General Council as to whether he can continue to serve on the Mid-Bay Bridge Authority after being elected as Florida House Representative on November 3, 2020.

Ms. Harker confirmed that her las meeting will be on December 10, 2020 as she and her husband are retiring to South Florida.

Mr. Neilson congratulated Mr. Maney on his election win and wish Ms. Harker much happiness with her move. He also wished everyone a Happy Thanksgiving.

Mr. Destin echoed Mr. Neilson's sentiments.

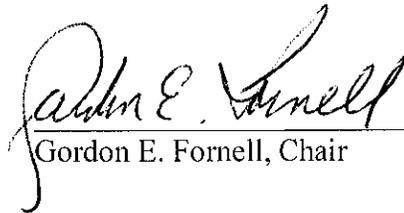
VIII. GENERAL DISCUSSION

The next regular meeting of the Authority will be held a week earlier than usual on **Thursday, December 10, 2020** at 9:00 a.m. in the Destin City Hall Board Room, Destin, Florida.

IX. ADJOURNMENT

The meeting adjourned at approximately 9:32 a.m.

Approved this 10th day of December 2020.



Gordon E. Fornell, Chair