

**MINUTES
MID-BAY BRIDGE AUTHORITY
THURSDAY, MARCH 17, 2022**

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

I. OPENING

Members present: James D. Neilson, Jr.
 Gordon E. Fornell
 Kim Wintner
 James T. Wood, Jr.

Member absent: Parker Destin

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

Absent: Bryant Paulk FDOT Ex officio, non-voting

II. INTRODUCTION OF VISITORS & PUBLIC COMMENTS

Mr. Neilson welcomed visitors, Adam Nelson, Warren Averett and Michael Kinsey and John Slingerland, Carr, Riggs, & Ingram.

III. APPROVAL OF MINUTES

A. Regular Meeting – February 17, 2022

A motion to approve the February 17, 2022, Regular Meeting Minutes was made by Mr. Fornell with a second by Mr. Wintner and a 4-0 vote was taken for approval.

IV. TREASURER’S REPORT

In Mr. Destin’s absence Mr. Neilson presented the Treasurer’s Report for February 2022. Account balances were:

FNB Bank	\$	176,633.44
Regions		\$51,701,365.60

Mr. Fornell made a motion to accept the Treasurer’s Reports for February 2022 with a second by Mr. Wood and a 4-0 vote was taken for approval.

V. EXECUTIVE DIRECTOR

Mr. Fuller reviewed the details of the Authority's flow of funds at year-end. He then reviewed the annual Debt Service schedule, with a single Debt Service Principal payment made each October 1st (from revenues collected the prior October 1st – September 30th) and Debt Service Interest payments made each April 1st and October 1st (from revenues collected the previous 6 months). The Series 2015 Bond Issuance totaled \$285,040,000 with a 10/01/2040 maturity date. The Authority's outstanding Bond Debt as of October 1, 2021, is \$254,395,000. The following list provides principal balance by Bond Series.

- Series 2015A: \$227,040,000 1st Sr Lien reduced by \$2,280,000, balance \$224,760,000
- Series 2015B: \$24,500,000 Taxable Bonds paid in full and Retired
- Series 2015C: \$33,500,000 2nd Sr Lien reduced by \$3,865,000, balance \$29,635,000

The earliest call date for the Series 2015 Bonds is the year 2025 at which time additional principal payments can begin being made without penalty. Also, depending on interest rates at that time, refinancing options can be considered with a potential for savings and toll rate reductions.

A. Operations. Mr. Fuller reported that traffic and revenue for the month of January 2022 was as expected. Although revenue on the Parkway is down from last year due to impacts from the Pandemic staffing issues, it is beginning to rebound as delayed billing/collections improves.

In response to recent questions regarding the new Brooks Bridge in Fort Walton Beach, we have asked Mr. Bryant Paulk, our FDOT board representative, to provide an update at the April 21, 2022 meeting.

Mr. Fuller explained that recently the Merchants Walk Property Owners Association (MWPOA) had a change in management. As a result of this change there have been some administrative issues identified that need to be addressed. One of the actions is to have owners to sign a Submission of Property to Covenants, Conditions, Restrictions and Easement. Mr. Fuller, who is on the MWPOA board, requested and recommended Board approval for his execution of this document. Legal counsel concurred.

A motion was made by Mr. Fornell with a second by Mr. Wintner to authorize Mr. Fuller's execution of the Submission of Property to Covenants, Conditions, Restrictions and Easement for Merchants' Walk agreement with a 4-0 vote taken for approval.

Discussion included the landscaping on Danny Wuerffel Way, which Mr. Fuller confirmed was completed by a firm on contract with Okaloosa County. Mr. Wintner pointed out that the newly planted palm trees have been down for several weeks. It is unclear whether the trees were downed by an automobile accident, vandalism, or weather but it is not a good look for visitors coming into the area for Spring Break. According to Okaloosa County the contractor has been notified and replanting/replacement should be underway near term.

Mr. Fornell requested that semi-annually issues such as the Authority's bond debt, MWPOA activities, Danny Wuerffel landscaping, etc. be placed on the meeting agenda for update and discussion.

B. Ferrovial Services Contract-2022 Tourist Season North Lakeshore Drive Ramp Closure. Mr. Fuller presented for the Authority's consideration the costs to support the seasonal closure of the Lakeshore Drive interchange to southbound traffic to redirect traffic off White Point Road to SR293 via SR20 on Saturday's between approximately 12:00 a.m.-6:00 p.m. from Memorial Day to Labor Day at the discretion of the Okaloosa County Sheriff's office in coordination with Ferrovial for set-up. The contract in the amount of \$44,947.28 is a bit higher than last year due to inflation.

A motion was made by Mr. Wintner with a second by Mr. Fornell to approve the Ferrovial Service Contract in the amount of \$45,000 in support of the North Lakeshore Drive southbound entry/exit ramps closures and signage during the 2022 summer tourist season from approximately Memorial Day through Labor Day and a 4-0 vote was taken for approval.

C. FY2023 Draft Budget. Mr. Fuller presented the FY2023 Draft Budget for the Board's review prior to the Public Hearing scheduled for the April 21, 2022, Authority meeting. He explained that the FY2023 Budget shows an approximate \$40K reduction from the current FY2022 budget and remarked that is a good thing in the inflationary environment we currently find ourselves in. Mr. Fuller offered to answer any questions or meet individually with any of the Members at their convenience prior to the public hearing.

D. FY2021 Audited Financial Statement – Carr, Riggs, & Ingram and Warren Averett. Mr. Fuller explained that this year's audit proved to be more streamlined and efficient than in previous years. He invited Mr. John Slingerland with Carr, Riggs & Ingram, the Authority's Auditor, to present the FY2021 Financial Statement.

Mr. Slingerland thanked the Authority for the opportunity to perform their annual audit. He attributed the smooth process to the efforts of Warren Averett and Authority staff. Mr. Slingerland reported that the financial statements fairly presented the financial position of the Mid-Bay Bridge Authority in all material respects, documented the changes to its financial position and cash flows in accordance with generally accepted account principles, found no material weaknesses, and rendered an unmodified opinion. The revenues were up from recent drops due to hurricanes, bridge repairs and the Pandemic. Discussion included whether the need for cash flow to be reconciled should be a cause for concern. Mr. Slingerland explained it is simply a confirmation that the underlying documentation supports the accrual-based audit. Also, Mr. Wood asked whether the Authority compares its financials to other authorities in the state to which Mr. Fuller responded yes as part of the Florida Transportation Commission (FTC) annual review of transportation authorities.

He went on to explain that all tolling organizations are different, and it is difficult to compare the Mid-Bay Bridge Authority System to the Central Florida Expressway Authority (CFX) or the Florida Turnpike Enterprise (FTE) for example. However, Mr. Fuller offered to review the FTC performance measures and reporting requirement to the Board at a future meeting.

A motion was mad by Mr. Wood with a second by Mr. Fornell to accept the FY2021 audited Financial Statement with a 4-0 vote taken for approval.

VI. LEGAL COUNSEL

None

VII. BOARD MEMBER COMMENTS

Mr. Fornell noted that the Authority should take pride in once again having a clean audit. He thanked the team for their continued attention to detail.

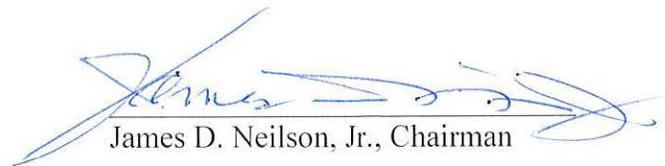
VIII. GENERAL DISCUSSION

The next regular meeting of the Authority will be held on **Thursday, April 21, 2022**, at 9:00 a.m. in the Destin City Hall Board Room, Destin, Florida.

IX. ADJOURNMENT

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

Approved this 21st day of April 2022.


James D. Neilson, Jr., Chairman