

MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)

BOARD MEETING
Tuesday, April 29, 2014
4:00 P.M.

WILLIAM M. LEHMAN MDX BUILDING
3790 NW 21ST STREET
MIAMI, FLORIDA 33142

Members Present:

Maurice A. Ferré, Chair
Maritza Gutierrez, Vice Chair
Carlos R. Fernandez-Guzman, Treasurer
Gus Pego, P. E., District VI Secretary
Alfredo L. Gonzalez, Esq.
Jose M. Hevia - via phone, not present for Action Items
Louis V. Martinez, Esq.
Rick Rodriguez Piña
Shelly Smith Fano
Javier L. Vazquez, Esq.
Luz Weinberg

Members Absent:

Robert W. Holland, Esq.

Staff:

Javier Rodriguez, Executive Director
Juan Toledo, P.E., Director of Engineering
Marie Schafer, Chief Financial Officer
Helen Cordero, Manager of Procurement and Contracts Administration
Ivan Del Campo, Chief Information Officer/Manager of ITS
Francine Steelman, Associate General Counsel and Ethics Officer
Mario Diaz, Public Information Manager
Maria Luisa Navia Lobo, Board Secretary

Consultants:

Legal: Richard Weiss, WSH
Matthew Pearl, WSH
Transportation: Albert Sosa, HNTB (GEC-A)
Reynaldo Cortez, EAC Consultants (GEC-B)
Tere Garcia, Bermello Ajamil (GEC-A)
Finance: Randy Topel, First Southwest Co.

CALL TO ORDER & ROLL CALL

Chair Ferré called the meeting to order. Ms. Navia Lobo called the roll and announced a quorum of the MDX Board was present.

PLEDGE OF ALLEGIANCE

Chair Ferré asked Mr. Vazquez to lead in the Pledge of Allegiance.

DECLARATIONS OF VOTING CONFLICTS

Mr. Weiss asked Members if there were any voting conflicts regarding any of the items on the Board Agenda for this meeting. No conflicts were declared.

CITIZEN COMMENT

Mr. Ferré asked if there are any Citizen Comments to address the Board.

Mr. Daniel Halley addressed the Board regarding MDX Project 14-02. Mr. Rodriguez informed Members that the Operations Committee will further discuss this item.

Mr. Ferré welcomed newly appointed Board Member Javier Vazquez to the MDX Board.

APPROVAL OF SUMMARY MINUTES

- Board Meeting of February 25, 2014

Mr. Ferré referred to the February 25 summary minutes

Ms. Gutierrez moved to approve the Summary Minutes for the February 25th meeting. Mr. Martinez seconded the motion. The motion was unanimously approved.

Ms. Gutierrez informed Members that during the Executive Committee meeting, which was held prior to the Board meeting, the Executive Director's performance evaluation was conducted. Mr. Fernandez-Guzman recommended adding the Executive Committee's recommendation regarding the Executive Director's evaluation to the Board's agenda. Ms. Gutierrez seconded the motion. The agenda was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Mr. Rodriguez reported on the following items of interest since the last Board Meeting:

- Status of Legislation on HB 353 and SB 772
- Grateful to Richard Weiss and his firm for filling in while an in-house general counsel is hired. He recommended engaging an executive search firm and re-advertises the position; he further recommended, forming an ad-hoc committee consisting of Board Members to help in the selection of the in-house General Counsel. Mr. Ferré recommended the following Members serve on the hiring ad-hoc committee:
 - L. Martinez, Chair
 - R. Holland
 - A. Gonzalez
 - J. Vazquez
 - S. Smith Fano
- Bond Series 2014A
- Budget Process for FY 2015 - Budget Workshop is scheduled for Monday, May 12.
- MIC Update – recommended a Special Board meeting to discuss the MIC Agreement on May 12th after the Budget & Finance Committee meeting.

Mr. Rodriguez entertained questions from Members.

GENERAL COUNSEL'S REPORT

No report

MPO REPRESENTATIVE REPORT

Mr. Ferré announced that the next MPO Board meeting is scheduled May 21, 2014

TREASURER'S REPORT

Ms. Schafer reported year to date through March 2014 revenues are \$96.4 million compared to the budget of \$96.1million. Included is a \$6.5million accrual related to the transition. It is anticipated that the accrual will be caught up by the end of June 2014. Expenses are \$75.2 million compared to a budget of \$77 million a favorable variance of \$1.8 million mainly due to the transition of toll-by-plate vendors. Net revenues posted at \$22.8 million, which is 12% below the budget projections.

Ms. Schafer informed Members that the approval of the bond documents and Public Hearing was held at the February 25, 2014 Board Meeting.

Ms. Schafer reported on the Bond Series 2014A timeline; and that bond pricing is scheduled for late May early June 2014.

The Fitch Report was distributed at the meeting. Fitch rated MDX with an "A-" and a stable rating outlook.

COMMITTEE REPORTS

- Inter-Governmental and Public Communications, 3/28/14
- Operations Committee, 4/15 /14

Committee reports were waived.

CONSENT AGENDA

Travel Approval

- May 8-9, 2014, travel to Bonita Springs, Florida by Board Member Weinberg and Executive Director Rodriguez to attend the TEAMFL Quarterly Meeting

Ms. Gutierrez moved to approve the Consent Agenda. Mr. Pego seconded the motion. The motion was unanimously approved.

REGULAR AGENDA

- A) MDX Procurement/Contract Number MDX-14-13, Electronic Vehicle Charging Community Information Network (Endorsed by the Operations Committee 2/18/14)
- Approval of Agreement with Allvision for the Non-Toll Revenue Generating Project of Electronic Vehicle Charging Community Information Network

Mr. Weiss read the agenda item for the record. Mr. Rodriguez reported the item was presented at the February 18, 2014 Operations Committee meeting during which the Committee reviewed and thoroughly discussed the Plan.

The Plan consists of developing three (3) EV charging sites proposed to be located on SR 112 and SR 836 ("Sites"). In addition to the electronic charging service, the Sites will include electronic

billboards that may be used for revenue producing advertisement as well as traffic updates and public announcements. The Committee endorsed the Plan and directed staff to draft an agreement outlining the terms and conditions. The Committee directed staff to define the costs associated with the implementation of the Plan so that it's clear what MDX's out of pocket cost and projected revenues will be. The Committee also asked that the scope and compensation be separated into two-phases so that the approval of the individual phases is contingent on the success of the other phase.

Mr. Rodriguez summarized the proposed agreement as follows:

General Terms:

- MDX keeps 75% of the net revenue;
- Each Site must generate an annual minimum (gross) revenue of \$400,000 for the first year, and \$500,000 every year thereafter ("Minimum Revenue")
- Allvision's commission is capped at 25% of the net revenue

Phase 1 – Permit Approval Process:

- A maximum period of 18 months for Allvision to obtain all required permits
- MDX will contribute a maximum of \$150,000 for ancillary, non-capital costs associated with obtaining the permits
- If permits not obtained within 18 months, the agreement expires with no liability/risk to MDX

Phase 2 – Development and Implementation:

- This phase becomes effective only if Allvision obtains the required permits (Phase 1)
- MDX will pay the initial capital cost up to \$3 million
- MDX will recoup paid capital cost plus 5% in a 5 year amortization period after the Sites are operational

Phase 3 – Operations

- This phase becomes effective only after completion of Phases 1 and 2
- The term of this Phase is seven (7) years after the first sponsorship has been secured
- Agreement term may be automatically renewed for additional 2 terms of seven (7) years each, so long as the Sites are operational and generating the Minimum Revenue
- The following expenses will be deducted from the gross revenue generated:
 - No more than 25% advertising commission to third parties – a higher commission requires justification and MDX's Board approval
 - Operating expenses to third parties - not to exceed 7.5%

Phase 4 – Management

- This phase becomes effective as each Site becomes operational
- The term of this Phase is for seven (7) years, with an option to renew at MDX's discretion
- From the gross revenue generated, MDX will pay Allvision a fixed annual management fee of \$100,000/Site
- The management fee will be paid after all expenses have been covered
- Should MDX opt to renew the term of this Phase, an adjustment to the management fee will be considered pursuant to the then current consumer price index (CPI)

Staff recommends approval of this agreement in substantial form and to allow staff to finalize the necessary details for final execution.

Ms. Weinberg asked why seven years? Mr. Rodriguez explained that the original proposal was for thirty years; and after much discussion with Allvision seven years was agreed upon.

Mr. Hevia clarified that there are two components; a management component and an operational component. The operational component is for seven years with two seven year automatic renewals. The management component is for seven years with an option to renew at MDX's discretion.

Mr. Hevia expressed concern in the event Allvision decides to sell the income stream, he asked if there's incentive provision for MDX to approve or disapprove. Mr. Weiss stated that the contract states the consultant is prohibited from assigning the agreement without the prior written consent of MDX.

Ms. Gutierrez expressed concern with the automatic renewals; it should be tied to the performance measures of the contract. She further expressed concern with the management side; receiving \$100,000 per site plus 25% of the net revenue. Mr. Rodriguez and Mr. Weiss entertained questions from Members.

Mr. Fernandez-Guzman recommended the item be discussed at the next Budget & Finance Committee meeting.

Mr. Rodriguez Piña expressed concern that there is a moratorium related to billboards in Miami-Dade County. He further stated a land-lease would be a simpler approach.

The item was thoroughly discussed and Members recommended that this item be taken back to the Operations and Budget & Finance Committees for further discussion.

Ms. Smith Fano moved to defer the item for further discussion at a Joint Operations and Budget & Finance Committee meeting. Mr. Martinez seconded the motion. The motion was unanimously approved.

- B) MDX Procurement/Contract Number RFQ-10-05; MDX Work Program No. 11211.050; Construction Engineering and Inspection (CE&I) Services for Central Boulevard Reconstruction (\$458,381.91) (Endorsed by the Operations Committee 3/19/14)**
- Approval of Second Amendment

Mr. Weiss read the agenda item for the record. Mr. Toledo informed Members that the amendment is to increase the CEI's contract limiting amount to \$458,381.91 to allow for the CEI to continue oversight of the project through completion. The project is behind schedule and the contractor is being charged liquidated damages, which will be used to off-set the additional fee being requested. Ms. Gutierrez moved to approve the second amendment to the CEI contract. Mr. Hevia seconded the motion. The motion was unanimously approved.

- C) MDX Procurement/Contract Number ITB-11-02 Underground Utility Locating Services for the Intelligent Transportation System (ITS) (Endorsed by the Operations Committee 4/15/14)**
- Approval to Renew Contract with High Tech Engineering Inc. for Underground Utility Locating Services.

Mr. Weiss read the agenda item for the record. Mr. Del Campo informed Members that the renewal of this contract based on the outstanding services provided by the vendor during the initial term of

the contract. He further stated that MDX, as a utility owner, is required to comply with the Underground Facility Damage Prevention and Safety Act, Chapter 556, Florida Statutes, which requires MDX to contract utility location services.

Ms. Gutierrez moved to approve the contract renewal with High Tech Engineering. Mr. Martinez seconded the motion. The motion was unanimously approved.

D) Approval of Miami Intermodal Center Conveyance & Assignment Agreement (Pending Agreement with FDOT)

Mr. Ferré recommended that a Committee “of the whole” be scheduled to address the MIC Agreement. Mr. Rodriguez recommended holding a Special Board Meeting after the Budget Workshop on May 12th. Mr. Martinez moved to defer the item to a Special Board Meeting on May 12th, which was seconded by Ms. Gutierrez. The motion was unanimously approved.

E) Executive Director’s Performance Evaluation.

Ms. Gutierrez informed Members that the Executive Committee met prior to the Board Meeting and agreed on the following regarding the Executive Director:

- 4.5% merit raise as stated in the contract – paid in a lump sum
- 1% COLA – paid in a lump sum
- Payout of eighty hours – paid in a lump sum

Mr. Hevia moved to approve the Executive Committee recommendation as related to the Executive Director’s evaluation. Ms. Gutierrez seconded the motion. The motion was unanimously approved.

INFORMATIONAL ITEMS

- Procurement Report

CHAIR’S COMMENTS

Mr. Pego informed Members the opening reception for the Port Miami Tunnel on May 19, 2014

ANNOUNCEMENTS

- Budget Workshop, 5/12/14, 3:00 p.m. William M. Lehman MDX Building, Board Room
- Budget & Finance Committee Meeting, 5/12/14, 4:00 p.m. William M. Lehman MDX Building, Board Room
- Board of Directors Meeting, 5/27/14, 4:00 p.m., William M. Lehman MDX Building, Board Room

ADJOURNMENT

Mr. Ferré adjourned the meeting.

Summary Minutes prepared by Maria Luisa Navia Lobo, Board Secretary