

MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)

**BOARD OF DIRECTORS MEETING
TUESDAY, MARCH 28, 2017
4:00 PM**

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

SUMMARY MINUTES

Members Present

Louis V. Martinez, Esq., Chair
Shelly Smith Fano, Vice Chair
James Wolfe, P. E., District VI Secretary
Leonard Boord –in attendance via phone
Audrey M. Edmonson
Carlos A. Gimenez
Maritza Gutierrez
Arthur J. Meyer
Javier L. Vázquez, Esq.
Cliff Walters
Luz Weinberg

Members Absent

Staff

Javier Rodriguez, P.E., Executive Director
Marie Schafer, Chief Financial Officer
Juan Toledo, P.E., Director of Engineering
Carlos M. Zaldivar, Esq., General Counsel
Francine Steelman, Esq., Associate General Counsel
Helen Cordero, Manager of Procurement and Contracts Administration
Maria Luisa Navia Lobo, Board Secretary

Consultants

Finance: Randy Topel, First Southwest Co.
Transportation: Albert Sosa, HNTB (GEC-A)
Rick Crooks, EAC Consultants (GEC-B)
Tere Garcia, Ajamil & Partners, Inc. (GEC-A)
Traffic & Revenue: Edward Regan, CDM Smith

CALL TO ORDER & ROLL CALL

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

PLEDGE OF ALLEGIANCE

Chair Martinez asked Commissioner Edmonson to lead in the Pledge of Allegiance.

APPROVAL OF AGENDA

Mr. Martinez requested Regular Agenda item IX B be added to the agenda as approval of the Executive Director's Performance Evaluation. An Executive Committee was held prior to the Board Meeting during which the Executive Director was evaluated and endorsed a recommendation to the Board Meeting. Ms. Gutierrez moved to approve the agenda as amended. Ms. Weinberg seconded the motion. The motion was unanimously approved.

DECLARATIONS OF VOTING CONFLICTS

Mr. Zaldivar asked Members if there were any voting conflicts regarding the items on the Board Agenda. No conflicts were declared.

PLAQUE PRESENTATION

Recognition Plaques were presented to the following former Board Members for their service to the MDX board:

- Vincent Brown, Esq.
- Maurice A. Ferré
- Javier L. Vazquez, Esq.
- Luz Weinberg

CITIZEN COMMENT

Representative Joseph Geller with the law firm Greenspoon Marder, P.A., addressed the Board regarding the Regular Agenda item IX. A - RFQ 17- 04 Legal Service Support; and requested that the firm's submitted proposal be distributed to Members.
[a copy of the proposal is filed with the Board Secretary]

APPROVAL OF SUMMARY MINUTES

- Board Meeting of February 28, 2017

Ms. Gutierrez moved to approve the Summary Minutes. Mr. Meyer seconded the motion. The motion was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Mr. Rodriguez asked Mr. Toledo to present the PowerPoint "The Future of Transportation"
[a copy of the presentation is filed with the Board Secretary]

GENERAL COUNSEL'S REPORT

- Attorney Client Privileged Meeting (Shade Meeting) regarding K & B Investment Corporation

Mr. Zaldivar informed Members that the Shade Meeting would take place after the regular agenda.

TPO REPRESENTATIVE REPORT

Mr. Rodriguez reported that the TPO held their 40th year celebration at the last meeting.

TREASURER'S REPORT

Mr. Boord informed Members that he met with staff and asked to try to remediate losses of revenue with potential internal reductions of operation expenses. He asked Ms. Schafer to present the findings.

Ms. Schafer presented the Treasurer's report in a PowerPoint presentation; she reported overall toll revenues for the eight month period February 2017 are \$4.5 million below the forecast; overall revenue is down approximately \$4.6 million, expenses are \$1.8 above the forecast. Net revenues are approximately \$2.8 million, 2% below the anticipated forecast.

Ms. Schafer highlighted the FY 2017 year end forecast.

- Toll Revenue – \$146,894,880 (SunPass \$120 toll-by-plate \$23)
- Toll Revenue reflects negative variance of \$4,579,048 or 3% below budget
- Year End Forecast Expected to Trend Above the Budget
 - Toll Revenue \$4.5 million negative variance will be reduced to negative \$1.7 million
 - Negative \$1.7 million forecast Toll Revenue will be positively impacted by:
 - Expense Reductions/Savings of \$2.5 million
 - Investment Income of \$1.5 million above the budget
 - Fees Income of \$1.67 million above the budget (Late Fees for toll-by-plate customer)

Budget Reductions/Savings

Operating Expenses – Budget Reduction

- Toll Operation \$1.1 million - the vendor had a late start for this FY
- General Administration \$45,000
- Professional Services \$85,000
- IT Support \$200,000
- Contingency \$850,000 (set at \$1million for litigation, initiatives for Public Communication and IT)

Ms. Schafer stated the FY 17 budget was flat compared to the last FY 2016, so it was not easy task coming up with \$2.5 million.

The FY year end forecast was highlighted and overall it is expected the net revenues will be \$1.59 million over the approved budget. The debt coverage ratio forecast will be at 1.9.

Mr. Andriuk reported on the toll-by-plate process, it is expected by fiscal year end, all transactions will be completed.

Ms. Schafer entertained questions from Members. Mayor Gimenez asked for a sheet with debt structure and assumptions on revenue. Chair Martinez requested all Members received the sheet.

[The Treasurer's Report presentation is filed with the Board Secretary]

COMMITTEE REPORTS

- Operations Committee, 3/17/17
- Inter-Governmental & Public Communications Committee, 3/17/17
- Policy & Planning Committee, 3/22/17
- Executive Committee, 3/28/17

Committee Reports were waived.

CONSENT AGENDA

A) Travel Approval:

- May 4-5, 2017, Trip to Orlando, FL by MDX Board Members and Executive Director Rodriguez to attend the TEAMFL Quarterly Meeting
- April 21-22, 2017, Trip to Jersey City, NJ by Executive Director Rodriguez to attend the IBTTA Board of Directors Meetings

Ms. Gutierrez moved to approve the Consent Agenda. Mayor Gimenez seconded the motion. The motion was unanimously approved.

REGULAR AGENDA

A) MDX Procurement/Contract No. RFQ 17- 04 Legal Service Support

- Approval of the recommendation from the Technical Evaluation Committee to select the number one ranked Proposer for each of the Areas of Expertise.

Mr. Zaldivar asked Ms. Steelman to introduce the item since he was a member on the Technical Evaluation Committee for the procurement.

Ms. Steelman read the agenda item into the record. Ms. Smith Fano moved the item for discussion. Mr. Meyer seconded the motion.

Ms. Cordero summarized the item and explained MDX released a Request for Qualifications (RFQ) seeking Proposals from qualified firms to provide Legal Services Support in the following Areas of Expertise: Eminent Domain, Public Procurement/Contracts, Bond/Disclosure and Financial. Firms were limited to submit a Proposal for only one Area of Expertise for which they wished to be considered.

On January 13, 2017, nine (9) Proposals were received as follows:

Eminent Domain:

Broad and Cassel LLP
Weiss Serota Helfman Cole and Bierman, P.L.

Public Procurement/Contracts:

Arnstein & Lehr LLP
De Leon & De Leon, P.A.
Greenspoon Marder, P.A.
Shutts & Bowen LLP

Bond/Disclosure & Financial:

Bryant Miller Olive, P.A.
Greenberg Traurig, P.A. / Edwards & Feanny, P.A.
Squire Patton Boggs (US) LLP / D. Seaton and Associates, P.A.

Ms. Cordero informed Members that several of the proposals contained minor irregularities that were cured pursuant to MDX Procurement Policy. The Proposal submitted by Shutts & Bowen LLP for Public Procurement/Contracts, in addition to containing minor irregularities, it was also non-responsive to the requirements of the RFQ because that firm represents various plaintiffs against MDX. The Policy & Planning Committee approved staff's recommendation to deem the Proposal submitted by Shutts & Bowen LLP non-responsive to the requirements of the RFQ.

The Technical Evaluation Committee met on March 22nd and submitted the scores with the recommendation that the number one ranked Proposer for each area of expertise be selected and awarded the contract as follows:

Eminent Domain:

Weiss Serota Helfman Cole and Bierman, P.L.

Public Procurement/Contracts:

De Leon & De Leon, P.A.

Bond/Disclosure & Financial:

Squire Patton Boggs (US) LLP / D. Seaton and Associates, P.A.

The contract term will be for three (3) years with the option to renew for an additional two (2) years term, subject to the Consultants receiving no less than "Excellent" on the annual Contract Performance Evaluations during the last two (2) years of the original term.

MDX will negotiate the hourly rates with each selected firm in accordance with industry standards. However, the hourly rates for shareholders and associates are capped at \$375.00 and \$300.00, respectively. Each contract will include an upper limiting amount for the original three year term as follows:

Eminent Domain:	\$1,500,000
Public Procurement/Contracts:	\$500,000
Bond/Disclosure and Financial:	\$2,000,000

Firms will be assigned Task Authorizations “on an as needed” basis pursuant to their relevant expertise and contingent to properly budgeted funds.

Ms. Cordero entertained questions from Members. The item was unanimously approved.

B) Executive Director’s Performance Evaluation.

Ms. Smith Fano moved the item for discussion. Ms. Weinberg seconded the motion. Mr. Martinez introduced the item and explained the Executive Committee met prior to the Board Meeting to evaluate the Executive Director and General Counsel. He asked Ms. Lang to present the recommendation of the Committee.

Ms. Lang informed Members the Executive Committee rated the Executive Director’s performance at 100%. The Executive Director’s employment contract states that the annual pay increase must be no less than 2.5% and no higher than 6.5%. Based on a salary of \$275,000, the increase would range from \$6,875 to \$17,875. The Executive Committee recommended awarding the maximum allowable in a lump sum payment.

Mr. Martinez informed Members the small business participation for the year was in excess of 30%.

Ms. Smith Fano moved to approve the Executive Director’s evaluation and lump sum payment. Ms. Weinberg seconded the motion. Mayor Gimenez opposed the motion. The motion was approved.

INFORMATIONAL ITEMS

- A) Procurement Report
- B) Communications Report

The Informational items were not addressed.

CHAIR’S COMMENTS

Ms. Weinberg gave her farewell and thanked all Members and staff she worked with while on the MDX Board.

Mr. Martinez thanked Ms. Weinberg for her passion and service to MDX.

SHADE MEETING

Mr. Martinez read the following statement to the public prior to the Shade Meeting:

“The time is now 5:20 p.m. p.m. we are about to have an attorney/client session in accordance with Florida Statute 286.011 regarding MDX v. K & B INVESTMENT CORPORATION CASE No. 16-028799CA 24 pending in the 11th Judicial Circuit, Miami-Dade County, Florida.

The session is estimated to last 30-45 minutes and the following people will be in attendance at the meeting:

MDX Board of Directors in attendance
Javier Rodriguez, Executive Director
Carlos Zaldivar, MDX General Counsel
Francine Steelman, MDX Associate General Counsel
Mitchell J. Burnstein, Legal Counsel

The meeting will be recorded by a certified court reporter and, at the conclusion of all litigation; the transcript will be made part of the public record.”

Mr. Martinez temporarily recessed the meeting in order for the Shade Meeting to proceed.

Mr. Martinez reconvened the Board Meeting at 6:30 p.m. and moved to adjourn

ANNOUNCEMENTS

- Board of Directors Meeting, 4/25/17 at 4:00 p.m., William M. Lehman MDX Building, MDX Board Room

ADJOURNMENT

Chair Martinez adjourned the Board Meeting. Summary Minutes prepared by Maria Luisa Navia Lobo, Board Secretary.