

**MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)  
JOINT BUDGET & FINANCE AND OPERATIONS COMMITTEE MEETING  
TUESDAY, MARCH 22, 2016  
10:00 AM  
WILLIAM M. LEHMAN MDX BUILDING  
3790 NW 21<sup>ST</sup> STREET  
MIAMI, FLORIDA 33142**

**SUMMARY MINUTES**

**Attendees:**

**Present Operations Committee Members:**

Maritza Gutierrez, Chair  
Gus Pego, P.E., Vice Chair  
Arthur J. Meyer  
Rick Rodriguez Piña  
Javier L. Vazquez, Esq.

**Absent Members:**

Alfredo I. Gonzalez, Esq.

**Budget & Finance Committee Members:**

Rick Rodriguez Piña, Treasurer  
Gus Pego, P.E.  
Cliff Walters  
Luz Weinberg

**Present MDX Board Members**

Louis V. Martinez, Esq., MDX Chair  
Shelly Smith Fano Vice Chair

**Staff:**

Javier Rodriguez, P.E., Executive Director  
Carlos M. Zaldivar, Esq., General Counsel  
Marie T. Schafer, CPA, Director of Finance/CFO  
Juan Toledo, P.E., Director of Engineering  
Steve Andriuk, Director of Toll Operations – via phone  
Helen Cordero, Manager of Procurement and Contract Administration  
Francine Steelman, Associate General Counsel/Ethics Officer  
Maria Luisa Navia Lobo, MDX Board Secretary

**Consultants:**

Albert Sosa, HNTB (GEC-A)  
Randy Topel, First Southwest Company (Financial Advisor)  
Reynaldo Cortez, EAC Consulting, (GEC-B)

### **CALL TO ORDER**

Ms. Gutierrez, Chair of the Operations Committee called the meeting to order. Ms. Navia Lobo called the roll and announced a quorum was present.

### **DECLARATIONS OF VOTING CONFLICTS**

Mr. Zaldivar asked if Committee Members in attendance had any voting conflicts of interest to declare in regards to the agenda. No conflicts were declared.

### **PUBLIC COMMENT**

- Mauricio Gonzalez, Director of Construction, Odebrecht USA, 201 Alhambra Circle, Coral Gables, Fl.

### **TREASURER'S REPORT**

Mr. Rodriguez Pina introduced the item and asked Ms. Schafer to present the report.

Ms. Schafer reported overall year to date for the eight month period revenues \$152.5 million compared to the budget of \$136.8 million with a positive variance of \$15.7 million, the positive variance is due to the toll and fee revenues which have outperformed the fee budget of \$3.3 million, thus far \$6.7 million has been collected. The collection rate has performed better than anticipated. Traffic and Revenue consultants predicted a higher diversion of traffic on the System that did not occur, from a comparison of traffic perspective, we are 4% above what was expected. Mr. Rodriguez Pina informed members that these numbers are not to be expected every month.

### **OPERATIONS ACTION ITEMS**

A) Approval of Summary Minutes:

- Budget & Finance Committee Meeting of November 17, 2015
- Operations Committee Meeting of February 18, 2016

Mr. Martinez moved to approve the summary minutes. Mr. Rodriguez Pina seconded the motion. The motion was unanimously approved.

B) MDX FY 2017-2021 Five Year Work Program – Transportation Improvement, Capital Improvement and Renewal & Replacement Programs ( Total Project Cost \$1.41 Billion)

- Endorsement to Board of FY 2017-2021 Work Program

Mr. Zaldivar read the agenda item into the record. Mr. Sosa presents a PowerPoint with the FY 2017- 2021 Five Year Work Program. Mr. Sosa informed members of the development process; Cost estimates, project schedules, program contingency and updating O&M Projections.

He highlighted changes to existing projects:

- **Project 83628** – SR 836 Operational/Capacity/Interchange Improvements.
  - Implementation of buses on the inside shoulders (\$3.1 million)
  - Refined right-of-way needs (\$6.9 million)

- **Project 83629** – SR 836 Interchange Modifications at 87<sup>th</sup> Avenue
  - Implementation of buses on the inside shoulders (\$1 million)
  - Offset by savings in other areas (-\$800,000)
- **Project 87410** – SR 874 Ramp Connector to SW 128<sup>th</sup> Street
  - Re-construction of SW 127 Ave/SW 124 St. Funded 100% by M-D County (\$850,000 approximately)
  - Additional lane on SR 874 northbound at Killian Parkway (\$1.2 million)
  - Offset by savings in the Design-Build contract (-\$8.6 million)
- **Project 40045** – Wrong Way Safety Program
  - Additional locations with complete systems (\$3 million)

New projects (4 projects)

- **Project 50001** – Dolphin Station Park & Ride (\$10 million)
  - 100% Funded by FDOT/MDT
  - MDX fast-tracking the construction and advancing funds interest free
  - Includes parking spaces, bus bays, a transit hub building, landscaping, signage, fencing and lighting
- **Project 30048** – Systemwide Pavement Markings Rehabilitation (Phase IV) (\$2.0 million)
  - Rehabilitation of pavement markings, RPM and contrast pavement markings, audible pavement markings and high-performance tape for all mainline and ramps as programmed in the Long-Range R&R Plan
- **Project 30049** – Systemwide Lighting Upgrades (FY 2019) (\$903,000)
  - Retrofitting of lighting system to LED for operations cost savings as programmed in the Long-Range R&R Plan
- **Project 40047** – Statewide Centralized Customer Service System (CCSS) (\$9.6 million)
  - Capital costs for the establishment of a single centralized customer service system for administration of ETC activities
- **Project 83634** – SR 836 New HEFT Ramps with a total project cost of \$28.7 million.
  - Provides additional traffic movements within the SR 836/HEFT interchange
  - Opening year FY 2022
  - CPI in FY 2019
  - Traffic growth after construction of SR 836 SW Extension
  - No new toll gantry, existing at 137 Ave
- **Project 87413** – SR 874/SW 72 Street Interchange (\$10.3 million)
  - Provides access to SR 874 and SR 826
  - Reduces congestion at key intersections along SW 72nd Street
  - Opening year FY 2018
  - No CPI
  - growth 2-5%
  - No new tolling point

Mr. Sosa stated the proposed Five-Year Work Program covers the five year period from Fiscal Year 2017 through Fiscal Year 2021 and includes thirty six (36) projects with a combined total

estimated cost of approximately \$661.8 million including contingency reserve. The projects contained in the Five-Year Work Program have been grouped into three categories which include fourteen (14) projects in the Transportation Improvement Program, eight (8) projects in the Capital Improvement Program and fourteen (14) projects in the Renewal and Replacement Program.

Mr. Topel presented the Financing Plan for FY 2017-2027 Work Program.

- Traffic & Revenue projections FY 17 and FY 18 were updated by the T&R consultant, thereafter assumes a 2% traffic growth
- No toll or consumer price index were included into the financing plan
- Only additional revenue was from Project 87413 which generates additional revenue from increased traffic volume
- OM&A expenses were updated for FY 17 & FY 18, thereafter an escalation factor was applied
- Bond Proceeds from Series 2014A balance projected for July 1, 2016 approximately \$182 million. Remaining program assumes:
  - Cash funded
  - No additional bond financing
  - Commercial Paper \$60 million repayment in FY 21-22
- Financing Plan does not include any of the projects resulting from the Strategic Plan presented in the February 16 Meeting
- Senior Debt Coverage of no less 1.80 (except FY 21) in order to generate the net funding for the program

The total estimated cost of all funded projects within the proposed FY 2017-2021 Work Program is \$1.3 billion. It is anticipated that \$650 million will be spent through FY 2016, with the remaining funding expected from Bond Series 2014A, cash on hand and commercial paper financing in FY 2019-20. All net revenues are committed to fund the Five-Year Work Program. The financing plan does not include unfunded or strategic planning projects.

Ms. Gutierrez expressed concern with the 83634 Project as it relates to the requirements of the MDX Toll policy and how it is applied. Mr. Sosa informed members that advancing the MDX ramps under the 83634 Projects allows MDX to work with FTE on a unified interchange project that will yield significant efficiencies and eliminates future throwaway costs. He added that the project offers benefits and merits that the Board must consider being flexible in terms of the Toll policy. The project is compliant with the Toll policy requirement that in the fifth year after opening, the principal and interest and O&M costs are covered by new revenue.

The two projects provide significant operational and capacity improvements to surface streets in the western areas of the county. They provide new links that will relieve congestion on local roads currently being used to access the highway system. Taken together, they do not create an undue financial burden on the agency and increase revenue streams in the future with reasonable short term pay as you go funding requirements.

Mr. Toledo clarified that the new Projects 83634 and 87413 do not have new tolling points, the revenue will be captured through the existing gantries at 137<sup>th</sup> Avenue on SR 836 and the tolling point on SR 874 north of 87<sup>th</sup> Avenue.

Mr. Martinez asked if the Work Program that is being proposed can be funded in a conservative manner to ensure if the Board decides against an increase in tolls for 2019. Ms. Schafer clarified

the Work Program is not funded, it should be considered financially feasible. Ms. Schafer and Mr. Topel entertained questions from members.

Project 83634 -SR 836 New HEFT Ramp Connections was thoroughly discussed and the committee agreed to remove the project temporarily from the FY 2017-2021 Work Program for further review and analysis. The item will be brought back to committee for further discussion and approval.

Mr. Rodriguez recommended the new Project #83634 would be removed and the FY 2017-2021 Work Program will be adjusted for Board approval. The memo from HNTB will be updated for Board approval.

Ms. Smith Fano moved to amend and endorse the FY 2017-2021 Work Program excluding the proposed new project #83634 – SR 836 New HEFT Ramps with a total project cost of \$28.7 million. Mr. Vazquez seconded the motion. The motion was unanimously approved as amended.

C) MDX Procurement/Contract Number MDX-13-02; System-wide Intelligent Transportation Systems Maintenance, Diagnostics, Repairs and Installation Services

- Endorsement of Contract Renewal

Mr. Zaldivar read the agenda item into the record. Mr. Toledo informed members that during the initial term of the agreement, Transcore had been issued work orders in the total amount of \$363,300.62 and has earned an Outstanding Performance Evaluation.

Mr. Pego moved to endorse the contract renewal for one year with TransCore, ITS, LLC. Mr. Martinez seconded the motion. The motion was unanimously endorsed.

D) Joint Participation Agreement with FDOT for the Dolphin Station Park and Ride/Terminal Facility Project

- Endorsement of Supplemental Joint Participation Agreement Number Two between FDOT and MDX for the Deferred Reimbursement of Funding by FDOT of 50% of the Construction Costs for the Dolphin Station Park and Ride/Terminal Facility Project.

Mr. Zaldivar read the agenda item into the record. Mr. Toledo informed members that staff is requesting Committee endorsement of the Supplemental Joint Participation Agreement No. 2 for an additional \$5,000,000 from FDOT to fund 50% of the construction of the Dolphin Park and Ride/Terminal Facility Project. The Joint Participation Agreement No. 2 presented is in final form.

Mr. Pego moved to endorse the supplemental Joint Participation Agreement No. 2. Ms. Smith Fano seconded the motion. The motion was unanimously endorsed.

E) MDX Procurement/Contract Number RFP-16-05; Design-Build Project for the Dolphin Station Park and Ride Transit Terminal Facility Project (\$13,850,000)

- Approval to Advertise

Mr. Zaldivar read the agenda item into the record. Mr. Toledo informed members that Miami-Dade County and the Department of Transportation (FDOT) have agreed to design, develop and construct the proposed Dolphin Station Park and Ride Facility in the vicinity of the Homestead Extension of Florida's Turnpike (HEFT) and NW 12<sup>th</sup> Street interchange. The County desires to expedite the development, design, and construction phases of this Project and has determined that MDX has demonstrated the ability to efficiently deliver projects on an accelerated schedule. Consequently, MDX entered into an Interlocal Agreement with the County, outlining the County's

desire and authorization for MDX to develop, procure, and manage the required services to complete the Project as well as to establish the reimbursement to MDX for all related costs.

Staff recommends the Contract be awarded using a competitive process inclusive of technical qualification and price. To accomplish this, a one-step selection process is recommended. MDX will require proposers to submit a Technical Proposal and a Price Proposal in response to a Request for Proposal (RFP). Ms. Gutierrez appointed Ms. Weinberg as the TEC oversight member.

Mr. Walters moved to approve the advertisement and TEC Composition. Ms. Smith Fano seconded the motion. The motion was unanimously approved.

Agenda item IV. F & G were taken together

F) MDX Work Program No. 87410; SR 874 Ramp Connector to 128<sup>th</sup> Street

- Endorsement of Eminent Domain Parcel Resolution 15-28R

G) MDX Work Program No. 83611; SR 836 / I-95 Interchange Improvements

- Endorsement of Eminent Domain Parcel Resolutions 16-02R, 16-05R and 16-20

Mr. Zaldivar read the agenda item into the record. Mr. Toledo informed members that the Eminent Domain Parcel Resolutions are required as part of the eminent domain process. It should be noted that the MDX Board previously approved two of these Resolutions and revisions are now required to reflect updates to the associated exhibits produced during the right of way acquisition process.

Mr. Martinez moved to endorse Parcel Resolution 15-28R. Mr. Pego seconded the motion. The motion was unanimously approved.

Mr. Martinez moved to approve the Parcel resolutions 16-02R, 16-05R and 216-20. Mr. Pego seconded the motion, the motion was unanimously approved.

Agenda item IV. H and IV.I were taken together.

H) MDX Procurement/Contract Number MDX-16-04; Manual Image Review Processing Services (\$756,000)

- Endorsement of Contract Award with Prison Rehabilitative Industries and Diversified Enterprises, Inc.

I) MDX Procurement/Contract Number MDX-14-03; Enhanced Image Processing (EIP) System (\$1,957,661.)

- Endorsement of Amendment No. 4 to exercise renewal of contract term and modify the Scope of Services

Mr. Zaldivar read the agenda item into the record. Mr. Andriuk informed members that as part of the transition from ETCC, MDX entered into a contract with Q-Free America, Inc. to provide the software system and required labor to process all video images from the toll lanes. Part of the scope of this contract includes the manual image review of video images that were not matched by the EIP System with either a SunPass or Toll-by-Plate account, or other form of automated recognition. As the contract with Q-Free is about to expire, MDX evaluated the needs for the services and best alternatives moving forward.

Staff recommends entering into contract with the PRIDE to provide the labor for the manual image review services. PRIDE is the service provider for the Turnpike and is well versed with the process and the related business rules. PRIDE has the ability to increase and decrease its labor resources to meet fluctuations in the system's performance. Having the ability to quickly provide needed resources during these fluctuations provides MDX with efficient use of labor as well as enables MDX to meet the business requirement of timely invoicing our customers.

PRIDE is a not-for-profit corporation that provides work and training to inmates in the State of Florida as authorized by Florida Statutes to, among other things, reduce the cost of state government by operating enterprises primarily with inmate labor.

Mr. Pego moved to endorse the agreement with PRIDE. Mr. Martinez seconded the motion. The motion was unanimously approved.

Mr. Pego moved to endorse the fourth amendment with Q-Free America, Inc. extending the term of the Agreement (2 additional years) and reducing the scope of Services. Mr. Martinez seconded the motion. The motion was unanimously endorsed.

### **INFORMATIONAL ITEMS:**

- A) MDX Work Program Monthly Status Report – February 2016
- B) HNTB SBE/LB Utilization Report
- C) EAC SBE/LB Utilization Report
- D) MDX Contingency Release History Report
- E) Procurement Report

The Informational items were not addressed.

### **ANNOUNCEMENTS**

- Policy & Planning Committee Meeting 3/22/16, 9:30 AM, William M. Lehman MDX Building
- Inter-Governmental and Public Communications Committee Meeting 3/22/16, 11:30 AM, William M. Lehman MDX Building
- Executive Committee Meeting 3/29/16, 2:30 PM, William M. Lehman MDX Building
- Board Meeting 3/29/16, 4:00 PM, William M. Lehman MDX Building

### **ADJOURNMENT**

The meeting was adjourned by Ms. Gutierrez and Mr. Rodriguez Pina

Minutes prepared by Maria Luisa Navia Lobo, Board Secretary.