State board taking control of Miami-Dade toll expressways after MDX loses court fight

The Miami-Dade Expressway Authority agreed Friday to surrender control of five of the county's busiest toll roads after losing multiple court fights against a <u>state law creating a replacement agency</u>.

While some legal avenues remain, the chairman of the county-controlled board on Friday sent an email instructing employees of the Miami-Dade Expressway Authority (MDX) to begin taking orders from administrators of the new state board, the Greater Miami Expressway Agency (GMX).

"I am saddened to report that our fight for local control of MDX has taken a bad turn," Jose "Pepe" Diaz, a former Miami-Dade commissioner who served as MDX's chairman said in in the evening email. "This requires me to advise you that the legislative created agency, GMX, formed to take over MDX by the legislature, should now be allowed to access MDX's facilities and control over its affairs."

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The email announced the end of a protracted fight for control of the Dolphin Expressway and four other commuting routes. The battle, mostly played out in court motions and hearings, pitted Miami-Dade's government against the administration of Gov. Ron DeSantis and the Republican-controlled Legislature.

Drivers on the former MDX expressways — Airport, Dolphin, Don Shula, Gratigny and Snapper Creek — shouldn't notice a difference beside changes in signage. The MDX was part of Florida's expressway system, with tolls paid

electronically through SunPass or the state's toll-by-plate readers. MDX toll rates have been the same since 2018, according to its most recent financial report, and the state law creating GMX <u>imposes restrictions</u> on toll increases through 2029.

In a statement, GMX's executive director, Torey Alston, said the transition will be smooth.

"The Greater Miami Expressway Agency (GMX) is committed to a seamless transition of operations that ensures the traveling public of South Florida continuity of services and sound financial accountability, including the continued payment of wages to current staff and to vendors," Alston said.

The big changes in the switch from MDX to GMX come from who controls the boards and the more than \$230 million in toll revenue they produce each year. County commissioners appointed a majority of the members to the MDX board. Diaz, now Sweetwater mayor, was one of three former Miami-Dade commissioners on the board. Under state law, the governor appoints a majority of the GMX seats.

The legislature also kept power over the new GMX panel in Tallahassee by giving the Legislative Budget Commission veto power over the board's borrowing plans. That's a key function of toll boards, which borrow against toll revenue to pay for upgrades and expansions. MDX lists \$1.5 billion dollars in debt on its balance sheet, most of it bonds sold on Wall Street tied to yearly toll receipts.

The new GMX board is made up of Miami-Dade residents, including Miami lawyer Marili Cancio as chair. The board has meet over the last year in state offices, and recently passed motions suspending MDX's top management. Alston is a former chief of staff at the state Transportation Department and a current DeSantis appointee on the Broward School Board.

With state lawmakers having authority over GMX borrowing, that will give

Tallahassee a potentially central role in the future of an MDX signature project. The agency planned to spend more than \$1 billion extending the Dolphin — also known as State Road 836 — into West Kendall. That project has been stalled during control fight, which limited MDX's ability to borrow money from Wall Street given uncertainty over its future.

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Florida once owned the expressways that have been under MDX control since the 1990s, when the state struck a deal with Miami-Dade to create an independent toll board to run the roads and spend the money they generate. In recent years, MDX board members experienced friction over toll decisions with Republican members of the Legislature from Miami-Dade, including a future lieutenant governor, Jeanette Nuñez.

Florida lawmakers first authorized the GMX takeover in 2019, but Miami-Dade and MDX fought off that law with court challenges. A primary defense was the "home rule" status Florida's Constitution grants Miami-Dade, the most populous county in the state. That provision generally prevents Tallahassee from enacting laws that only target Miami-Dade.

The Legislature defused that defense this year by tweaking the law to give GMX authority beyond Miami-Dade, to a corner of Monroe County that currently has one gravel road running through the federal Big Cypress Swamp preserve.

"It's a joke," said Gene Stearns, the longtime lawyer for MDX who called the state's actions an "extraordinary attack" on home rule. "There's never going to be an expressway through the Big Cypress Swamp."

The new legislative language went into effect July 1 and led to a string of recent court wins for GMX.

On Aug. 7, a Leon County judge ordered Bank of America to turn over MDX's operating accounts to GMX. On Wednesday, a Miami-Dade judge also rejected the Home Rule defense. On Friday, the Third District Court of Appeal rejected a county request to intervene. That was MDX's last chance to fend off the GMX takeover, and Diaz sent his email after the ruling became public.

While appeals continue, Diaz said MDX was abandoning its defiance of the state law and acknowledging GMX had the legal authority to take over expressway operations.

"This is a sad day for many reasons but we have not gone down without a fight," Diaz wrote in the email that went out at 6:55 p.m. and provided to the Miami Herald through a records request. "While I hope the County will find a way to restore local control of MDX, unless it does and unless the appellate court rules in our favor, you must come to work as usual, do your jobs as usual and accept the new leadership that has been thrust upon this agency by the legislature."

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