

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MINUTES CENTRAL FLORIDA EXPRESSWAY AUTHORITY BOARD MEETING April 14, 2016

Location: Central Florida Expressway Authority  
Boardroom

### Board Members Present:

Commissioner Welton G. Cadwell, Lake County (Chairman)  
Commissioner S. Scott Boyd, Orange County (Vice Chairman)  
Commissioner Brenda Carey, Seminole County (Treasurer)  
Mayor Buddy Dyer, City of Orlando  
Commissioner Fred Hawkins, Jr., Osceola County  
Andria Herr, Gubernatorial Appointment  
Jay Madara, Gubernatorial Appointment  
S. Michael Scheeringa, Gubernatorial Appointment

### Board Member Not Present:

Mayor Teresa Jacobs, Orange County

### Non-Voting Advisor Not Present:

Diane Gutierrez-Scaccetti, Florida's Turnpike Enterprise

### Staff Present at Dais:

Laura Kelley, Executive Director  
Joseph L. Passiatore, General Counsel  
Darleen Mazzillo, Assistant Secretary/Executive Assistant

## **A. CALL TO ORDER**

The meeting was called to order at 9:00 a.m. by Chairman Welton Cadwell.

## **B. PUBLIC COMMENT**

President of TEAMFL Bob Hartnett invited everyone to the TEAMFL meeting in Tampa on April 28 & 29.

## **C. APPROVAL OF MINUTES**

A motion was made by Commissioner Hawkins and seconded by Commissioner Carey to approve the minutes of the March 10, 2016 Board Meeting and March 10, 2016 Board Workshop as

presented. The motion carried with eight (8) members present and voting AYE by voice vote; Mayor Jacobs was not present.

**D. APPROVAL OF CONSENT AGENDA**

The Consent Agenda was presented for approval (Exhibit A).

**ACCOUNTING/FINANCE**

1. Authorization to advertise a Request for Proposals for Bond Counsel Services – Contract No. 001195

**CONSTRUCTION**

2. Authorization to enter into an agreement with Duke Energy for construction of electrical infrastructure to serve the Back-Up Data Center – Project No. 599-132 (Not-to-Exceed \$80,049.10)
3. Authorization to Advertise for Construction Bids for S.R. 417 / Narcoossee Road Interchange Improvements; Project 417-135, Contract No. 001196
4. Authorization to Advertise for Construction Bids for CFX Headquarters Parking Lot Lighting & Resurfacing; Project 599-411, Contract No. 001197
5. Approval of Railroad Agreement in Support of S.R. 453 (Wekiva Parkway) from Orange/Lake County Line to SR 46; Project 429-206, Contract No. 001198
6. Authorization to advertise for Letters of Interest for Construction Engineering and Inspection (CEI) Services for S.R. 408 widening from S.R. 417 to Alafaya Trail; Project 408-128, Contract No. 001194
7. Approval of contract award to Elipsis Engineering & Consulting LLC., for Construction Engineering and Inspection (CEI) Services for S.R. 528/Innovation Way Interchange; Project 528-313, Contract No. 001019 (Contract amount \$4,300,000.00)

**ENGINEERING**

8. Approval of Utility Adjustment Agreement in Support of S.R. 528 / Innovation Way Interchange; Project 528-313, Contract No. 001099 (Estimated Contract amount payable to CFX \$2,007,793.00)
9. Approval of extension of third contract renewal and increase in renewal amount with Atkins North America, Inc., for General Engineering Consultant Services; Contract 000820 (Increase Amount \$3,136,500.00)

### LEGAL

10. Approval of settlement of fees and costs in the amount of \$450,000 with Korus Orchid Corporation on Parcel 120 (Parts A & B), Wekiva Parkway Project 429-202
11. Approval of proposed mediated settlement in the amount of \$195,765.86 with Mary Michelle Ashburn Ballings for Parcel 285, Wekiva Parkway Project 429-205
12. Approval of proposed mediated settlement in the amount of \$771,893.79 with Vernice L. Smith, Trustee of the Smith Family Revocable Living Trust for Parcel 280, Wekiva Parkway Project 429-204

### MAINTENANCE

13. Authorization to advertise a Request for Proposals for Roadway and Bridge Maintenance Services on SR 417, SR 528 and Goldenrod Road Extension – Contract No. 001151
14. Authorization to advertise a Request for Proposals for Roadway and Bridge Maintenance Services on SR 408, SR 429, SR 414 and SR 451 – Contract No. 001152
15. Approval of contract award to Infrastructure Corporation of America for Facilities Maintenance Services; Contract 001150 (Contract Amount \$9,363,000.00)

### PUBLIC INFORMATION

16. Approval of Supplemental Agreement No. 1 with Day Communications for Communications and Marketing Consultant Services – Contract No. 001002 (Contract Amount: \$987,625.00)

### TOLL OPERATIONS

17. Approval of Interlocal Agreement with Osceola County for customer service and support for Poinciana Parkway – Contract No. 001200
18. Approval of Supplemental Agreement No. 1 with EGIS Projects, Inc. to increase staffing and expand Scope of Services – Contract No. 001105 (Contract Amount: Not-to-Exceed \$12,566,794.52)
19. Approval of First Amendment to Agreement with PayTollo, Inc. for toll collection services for users without transponders via wireless application

### TRAFFIC OPERATIONS

20. Approval of contract award to Traffic Control Devices, Inc. for Installation of

Single Line Dynamic Message Sign (DMS) Upgrades; Contract No. 001159; Project No. 599-525  
(Contract Amount \$4,555,555.55)

A motion was made by Commissioner Carey and seconded by Ms. Herr to approve the Consent Agenda as presented. The motion carried with eight (8) members present and voting AYE by voice vote; Mayor Jacobs was not present.

## **E. REPORTS**

### **1. CHAIRMAN'S REPORT**

- Chairman Cadwell congratulated Commissioner Carey on receiving the Orlando Business Journal's Publisher Award.
- At the Chairman's request, Commissioner Carey reported that the Florida Turnpike Enterprise has suspended the SR 417 Express Lanes Project in Seminole County.

### **2. TREASURER'S REPORT**

Commissioner Carey reported that toll revenues for February were \$31,255,250 which is 14% above projections and 14% above prior year. CFX's total revenues were \$34 million for the month.

Total OM&A expenses were \$5.2 million for the month and \$37.4 million year-to-date, which is 12% under budget.

After debt service the total net revenue available for projects was \$17 million for February and \$126.8 million year-to-date.

### **3. EXECUTIVE DIRECTOR'S REPORT**

- Laura Kelley provided the Executive Director's Report in written form (Exhibit "B").
- At Ms. Kelley's request, CFO Lisa Lumbarb reported on the refunding of the 2007A Bonds. Standard & Poor's has upgraded our credit rating outlook from "stable" to "positive." On March 29 we sold the bonds via competitive sale. The winning bidder was Bank of America/Merrill Lynch with an all-in true interest cost of 3.306%. Our goal was to realize a 3% net present value savings. We actually realized a 17.5% net present value savings, which translates into approximately \$27.2 million of net present value savings over the life of the bonds.
- Ms. Kelley gave the Board an update on the express lanes that the Turnpike is building on SR 528 (Beachline Expressway).
- As requested by FDOT, we have just completed installing the SunPass logo on our signs throughout the system.

- We continue to pursue the buy/swap of portions of the SR 417 and SR 429. Ms. Kelley is speaking weekly with the Division of Bond Finance to talk about the valuation methodology. We hope to bring this analysis to a conclusion this month.
- Chairman Cadwell mentioned the Lyman High School engineering student classroom session. He encouraged CFX to pursue opportunities for similar student programs in other schools.

## **F. REGULAR AGENDA ITEMS**

### **1. CENTRALIZED CUSTOMER SERVICE SYSTEM (CCSS)**

Executive Director Laura Kelley reported that at the beginning of April we received a letter from Secretary Boxold giving CFX a deadline of April 30 to sign the Master Agreement. Miami-Dade Expressway and Tampa-Hillsborough Expressway Authority have signed the Master Agreement.

Ms. Kelley explained that the Turnpike Enterprise wholly owns the CCSS back office, however, the participating agencies are being asked to contribute significant capital costs without ownership. The estimation of CFX costs is \$10 to \$15 million. In addition, the participating agencies are being asked to work through a Turnpike representative and, therefore, are not working directly with the vendor, Xerox.

Because of those reasons, and the fact that we have a Memorandum of Understanding signed by all the agencies that gives us more rights than the proposed Master Agreement provides, Ms. Kelley recommends that we have a wait-and-see approach in order to pursue the possibility of future opportunities to negotiate a more interactive relationship for a CCSS back office. Ms. Kelley explained that we still have active interoperability agreements with these agencies, so waiting will not stop the pursuit of statewide and potential nationwide interoperability.

The Board members made comments and asked questions, which were answered by staff.

**A motion was made by Commissioner Boyd and seconded by Mayor Dyer to authorize the Executive Director to contact Florida's Turnpike Enterprise to inform them that CFX will not be participating in the Centralized Customer Service System. The motion carried with eight (8) members present and voting AYE by voice vote; Mayor Jacobs was not in attendance.**

**2. OVERVIEW AND HISTORY OF EXPRESSWAY PROJECTS**

Chief of Infrastructure Joseph Berenis gave an overview and history of expressway projects, including SR 528, SR 408, SR 417, SR 429, SR 414 and the Wekiva Parkway.

(This item was presented for information only. No Board action was taken.)

**3. ACCEPTANCE OF 2016 POTENTIAL CONFLICT DISCLOSURE FORM AND DISCUSSION REGARDING LOBBYIST REGISTRATION**

General Counsel Joseph Passiatore reported that legal staff has revised the 2016 Potential Conflict Disclosure Form (Exhibit "C") to comply with the Ethics Compliance Audit that was conducted last year. Among the changes to the form are sign-off boxes for ethics training. Also included are instructions for consultants and promulgated desktop procedures as recommended in the audit.

In addition, the audit recommended that the Board determine whether the current definition of "lobbyist" should be revised to better address the objectives of CFX's enabling statute. Mr. Passiatore explained three options available to the Board:

1. Continue to use the lobbyist lists maintained by the City of Orlando, Lake and Orange County. Legal staff recommends this option.
2. Utilize the lists of State of Florida registered lobbyists.
3. Have CFX create its own list via a registration policy.

A motion was made by Commissioner Boyd and seconded by Commissioner Carey to accept the 2016 Potential Conflict Disclosure Form as presented. The motion carried with seven (7) members present and voting AYE by voice vote; Mayor Jacobs was not in attendance; Mayor Dyer was not present for the vote.

By consensus, the Board directed staff to continue to utilize the lobbying lists provided by the City of Orlando, Lake and Orange County.

**4. APPROVAL OF AMENDMENTS TO CFX COMMITTEE CHARTERS PROVIDING THAT EACH GOVERNOR APPOINTED MEMBER MAY NOMINATE A CITIZEN REPRESENTATIVE TO THE AUDIT, FINANCE, OPERATIONS AND RIGHT OF WAY COMMITTEES AND APPROVAL OF NOMINATIONS AND BOARD CONFIRMATION OF APPOINTMENTS TO THE AUDIT, FINANCE, OPERATIONS AND RIGHT OF WAY COMMITTEES**

As requested at last month's meeting, General Counsel Joseph Passiatore presented amended Charters for the Audit, Finance, Operations and Right of Way Committees (Exhibit "D"). The changes allow each gubernatorial Board appointee to nominate a citizen representative to each of the committees.

A motion was made by Commissioner Hawkins and seconded by Mr. Madara to approve the amendments to the Audit, Finance, Operations and Right of Way Committee Charters as presented. The motion carried with seven (7) members present and voting AYE by voice vote; Mayor Jacobs was not in attendance; Commissioner Carey was not present for the vote.

The following nominations were made by the gubernatorial Board appointees:

Finance Committee

Jason Bates – nominee submitted by Jay Madara

Operations Committee

Mark Meyer - nominee submitted by Jay Madara

Rob Panepinto - nominee submitted by Andria Herr

Right of Way Committee

Brendon Dedekind - nominee submitted by Michael Scheeringa

Christopher Murvin – nominee submitted by Jay Madara

A motion was made by Commissioner Hawkins and seconded by Ms. Herr to approve the nominations and appointments to the CFX committees as presented. The motion carried with eight (8) members present and voting AYE by voice vote; Mayor Jacobs was not in attendance.

**5. ADOPTION OF STRATEGIC PLAN/VISIBILITY AND CUSTOMER OUTREACH PLAN**

Chief of Staff/Public Affairs Officer Michelle Maikisch presented a Three-Year Strategic Plan resulting from the Vision, Mission and Core Values that were adopted by the Board in September 2015.

Ms. Maikisch talked about proposed strategies and tools used to build a customer-driven organization.

Proposed discount programs:

Current Discount Program	Volume Discount	Beltway Discount	Total Discount
20-39 CFX Beltway Tolls		5%	5%
40-79 CFX Beltway Tolls	10%	5%	15%
80+ CFX Beltway Tolls	15%	5%	20%

A motion was made by Mayor Dyer and seconded by Commissioner Boyd to adopt the Strategic Plan and Visibility Outreach Plan and initiatives as presented, including

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authorization to discontinue current volume discounts and implement new E-PASS Loyalty Discount Program; and authorization for Executive Director to enter into retail and promotion agreements. The motion carried with eight (8) members present and voting AYE by voice vote; Mayor Jacobs was not in attendance.

6. **PRESENTATION OF DRAFT FY 2017 OPERATIONS, MAINTENANCE & ADMINISTRATION BUDGET AND DRAFT FY 2017 - FY 2021 WORK PLAN**

Director of Engineering Glenn Pressimone presented the Draft FY 2017 – FY 2021 Work Plan, which totals 1.3 Billion. He listed the major projects in the FY 2017 Work Plan. The Work Plan is fully fundable. It will require additional debt of approximately \$627 million. The debt coverage ratios meet our 1.60 planning target.

CFO Lisa Lumbard presented the Draft FY 2017 Operations, Maintenance & Administration Budget:

	FY 2016 Budget	FY 2017 Budget	Change	%
Operations Budget	\$44,464,857	\$53,392,557	\$8,927,699	20.1%
Maintenance Budget	\$16,436,083	\$17,131,201	\$695,118	4.2%
Administration Budget	\$6,641,121	\$7,636,620	\$995,499	15.0%

The Board members were asked to review the proposed budget and work plan over the next month and submit their comments to CFX staff. The final budget and final work plan will be presented for approval at the May Board meeting.

The Board members provided verbal comments regarding the draft budget.

(This item was presented for information only. No Board action was taken.)

7. **INTERLOCAL AGREEMENT WITH OSCEOLA COUNTY**

Executive Director Laura Kelley reported that the CFX enabling legislation provides that Osceola County's projects transfer to CFX after year 2018. As our engineers looked at this process, they came to her with concerns that waiting two years could delay project development. We began discussions with Osceola County officials, as well as Commissioner Hawkins, to look at concept feasibility studies of Osceola County's Master Plan. We hope to be able to bring back an Interlocal agreement to present for the Board's consideration at the May Board meeting.

Commissioner Hawkins reported that the Osceola County Commission last week approved the draft term sheet by a 5 – 0 vote.



By consensus, Ms. Kelley was directed to continue negotiations with Osceola County with a goal of bringing an Interlocal agreement for CFX's consideration at the May Board meeting.

8. **APPROVAL OF CONTRACT AWARD TO THE LANE CONSTRUCTION CORPORATION FOR S.R. 528/INNOVATION WAY INTERCHANGE; PROJECT NO. 528-313**

Director of Construction Ben Dreiling gave an update on the construction at the SR 528/Innovation Way Interchange (Project 528-313). He requested Board approval to award Project 528-313 to The Lane Construction Corporation in the amount of \$62,452,032.01.

A motion was made by Commissioner Boyd and seconded by Commissioner Hawkins to award Project 528-313 to The Lane Construction Corporation in the amount of \$62,452,032.01. The motion carried with eight (8) members present and voting AYE by voice vote; Mayor Jacobs was not in attendance.

G. **BOARD MEMBER COMMENT**

1. Chairman Cadwell mentioned that we are contemplating canceling the June Board meeting, due to Board member conflicts.
2. As Chairman of Metroplan Orlando, Commissioner Boyd asked if there is anything that he should take back to Metroplan regarding the suspension of the SR 417 express lanes project in Seminole County and the future direction of SR 417. Commissioner Carey suggested that agencies involved in transportation write a letter of support to the Governor to keep the momentum going.
3. Commissioner Boyd thanked CFX staff for helping him in the town hall meeting.
4. Commissioner Boyd requested data about traffic to/from Seminole County. CFX staff will provide him the information for SR 417 and SR 408.
5. Mr. Scheeringa reminded the Board members to provide their comments on the Draft 2040 Master Plan. Commissioner Carey suggested that the Draft 2040 Master Plan be put on the CFX website for public comment.

H. **ADJOURNMENT**

Chairman Cadwell adjourned the meeting at 11:05 a.m.

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Commissioner Welton G. Cadwell  
Chairman  
Central Florida Expressway Authority

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Darleen Mazzillo  
Recording Secretary/Executive Assistant  
Central Florida Expressway Authority

Minutes approved on \_\_\_\_\_, 2016.

*Pursuant to the Florida Public Records Law and CFX Records Management Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Records Management Liaison Officer at [publicrecords@CFXWay.com](mailto:publicrecords@CFXWay.com) or 4974 ORL Tower Road, Orlando, FL 32807. Additionally, video tapes of Board meetings commencing July 25, 2012 are available at the CFX website, [www.expresswayauthority.com](http://www.expresswayauthority.com)*