Executive Director Report
October, 2016

PERFORMANCE DASHBOARD
The August Performance Dashboard is attached for your review. The two construction projects that are slightly behind schedule have shown improvement since last month.

SR 417 Resurfacing I-Drive to Moss Park Road
The SR 417 resurfacing project from I-Drive to Moss Park Road is catching up to their original schedule. The Contractor (Ranger Construction) has been making consistent progress on the resurfacing despite the rainy weather. Contract time for this project expires in February of 2017. Given Ranger’s progress to date, past performance and expressed plan for project completion, staff is expecting this project to be completed within the contract time.

SR 408 / SR 417 Interchange
The SR 408/SR 417 Interchange project is also making progress on its schedule. This project had challenging subsurface conditions when they began constructing the deep bridge foundations.

A CFX presentation on Successes through Innovation in Customer Service, Management and Technology was shared at the 84th Annual International Bridge, Tunnel and Tumpike Association (IBTTA) in September.

The Central Florida Expressway Authority received an IBTTA Toll Excellence Award for our Wrong-Way Driving Program at their annual meeting.

The Wekiva Parkway project was once again highlighted in this month’s Engineering News Record.

Moore Stephens Lovelace will complete their audit of the FY 2015/2016 Financial Statements this month. The audit will be presented to the Audit Committee in November and the Board in January.

Three firms have responded to the General Engineering Consultant request for proposals. Atkins, CH2M and Dewberry. The scoring and recommended selection will be brought to the Board for approval in November.

The background and history of the SR 408 Extension project is attached for your review.

The letter sent to Secretary Boxold to pay all of long term debt owed under the Lease Purchase agreement is attached.

The call center renovations are currently underway and will be complete by mid-November.
2016B Refunding Revenue Bonds were sold via negotiated sale on September 22, 2016 with Bank of America Merrill Lynch, JP Morgan and Wells Fargo as Co-Senior Managers and Bank of America Merrill Lynch as the book runner. We advanced refunded portions of the 2007A, 2010A 2010B and 2010C Bonds totaling $627 million. We also renegotiated our 2010C Bonds which were issued in the form of a bank loan with SunTrust. Our total gross savings from the refunding and renegotiation is over $103 million or $74.4 million on a net present value basis, which is a little over 10% of the refunded and renegotiated par amount. During this process Moody’s rating agency improved our outlook to positive from stable.

Hurricane Matthew tested our preparedness skills this past month. All staff and contractors did an outstanding job of keeping our customers safe.

COMMUNITY EVENTS/MEETINGS
- CFX staff participated in the following events/meetings:
  - Lake Buena Vista Rotary, Presentation, 9/15
  - Kissimmee West Rotary, Presentation, 9/16
  - Winter Park Meridian Club, Presentation, 9/21
  - South Apopka Safe Neighborhood (Wekiva Parkway Presentation) - 9/22
  - West Orange Chamber Economic & Governmental Advocacy Committee, Presentation, 9/23
  - International Road Federation CFX ITS Tour, 9/27
  - Oviedo-Winter Springs Chamber of Commerce, Presentation, 9/28
  - I-4 Ultimate Communications Team Meeting, 9/28
  - Sen. Alan Hayes (Wekiva Parkway Tour), 9/28
  - Orange County Tax Collectors / DMV offices, E-Pass Promotion, 10/3
  - Mount Dora Police Dept. National Night Out (Wekiva Parkway), 10/4
SR 408 Extension Project
Background Information

Below provides a chronology of the SR 408 Eastern Extension project as well as the purpose, need and the intended goal of the project thus far proposed by CFX.

This seven-mile study between Challenger Parkway and SR 520 within the SR 50 corridor, proposes co-located adjacent independent highway systems utilizing their own rights of way. SR 50 would continue to serve as a state arterial highway serving local trips and the extension of SR 408 would serve as a limited access standard toll facility serving regional trips. The SR 408 Extension would occupy its own right of way, with CFX purchasing the appropriate right of way from both State and private holdings in sufficient proportion to accommodate the SR 408 Extension and SR 50. The final configuration of both roadways would then define ownership of the independent right of ways to be recorded as belonging to either CFX or FDOT.

The recommended solution currently identified in CFX's PD&E Study avoids significant commercial and residential impacts and minimizes direct impacts to the recently widened SR 50 from 4 to 6 lanes between Challenger Parkway and Avalon Park Blvd. A shared corridor with independent ownership provides environmental stewardship by reducing impacts to the Econolockhatchee River eco-system.

Project History

In 2006, OOCEA, the predecessor to the Central Florida Expressway Authority (CFX), adopted a 2030 Expressway Masterplan. The Plan identified the SR 408 Extension as one of five potential system expansion projects. The limits were defined as beginning at the existing terminus of SR 408 at SR 50 and extending the limited access toll facility eastward on a new corridor across Orange County to a terminal connection along I-95 in north Brevard County. A planning level Concept Development and Evaluation Study began that consisted of planning, engineering and environmental analysis coupled with agency coordination and public involvement activities.

A Project Advisory Group (PAG) was formed consisting of representatives from local and state governmental agencies, including representatives from FDOT District 5. An Environmental Advisory Group (EAG) was also formed consisting of representatives from FDOT District 5, local, regional and state environmental agencies and regulatory agencies. Both committees had members representing advocacy groups and various stakeholders. The purpose and need of the SR 408 Extension project was to provide additional east-west regional mobility, accommodate additional emergency evacuation service, to improve transportation connectivity and to support future transit options. The study area for this corridor evaluation was 25 miles east-west and 9 miles north-south.

In 2008, the results of the Concept and Feasibility Study indicated that “Corridor 3B” (along SR 50) met the transportation need west of SR 520 by providing the greatest relief of the existing and projected future traffic congestion along SR 50 from Alafaya Trail/SR 434 to SR 520. This alternative diverts the greatest number of trips to SR 408, has the lowest estimated cost, and has the fewest potential impacts to environmental and community resources of any of the viable corridors identified in the study. This corridor also provides a potential future extension of the proposed limited access facility southeast along either SR 520 or SR 50 corridors, affording system linkage between east Orange County and Brevard County.

In 2013, Governor Rick Scott commissioned the East Central Florida Corridor Task Force (ECFCTF) by Executive order 13-319. The Governor charged the ECFCTF to develop consensus recommendations in a report to the Florida Department of Economic Opportunity (FDEO) for future transportation corridor planning in portions of
Orange, Brevard and Osceola counties. The report states the increasing integration of a fifteen-county area from Tampa Bay through Orlando to the Atlantic Coast into a single “super region” that ranks among the 10 largest economies in the United States was a major motive behind this effort. Only three highways connect Orange and Osceola to northern Brevard County (SR 50, SR 520, and SR 528) with SR 528 being the only limited access, high speed, and high capacity corridor. These limited east-west options raise concern about the region’s ability to achieve economic opportunities and support the planned development of new population centers.

In 2014, the ECFCTF’s final recommendation included specific reference of support for preserving and enhancing the SR 50 and SR 520 Corridors that stem from the planned SR 408 Extension Corridor 3B as being consistent with their findings. All other recommended new east-west corridors to the FDEO were identified south of SR 528. CFX adopted the ECFCTF’s final recommendations in their 2040 Master Plan.

In May 2015, CFX began the Project Development and Environment (PD&E) Study. The PAG and EAG were reformed with many of the same members from the 2008 Concept Development and Evaluation Study. This helped provide insight and continuity to valuable past project information. The PD&E Study began with a re-evaluation to verify the validity of the previous 2008 study results using updated socioeconomic, environmental and traffic forecast information and confirmed that Corridor 3B (along SR 50) remains the superior option. The PD&E Alternatives Selection Process evaluated concepts configured as elevated, at-grade and in various location arrangements proximate to SR 50.

Results of the public involvement effort as well as the engineering and environmental evaluation identified a recommended alternative in the spring of 2016, which is a combination of an elevated and at-grade alignment that shares the SR 50 corridor as a standard tolled expressway, between Challenger Parkway and SR 520. The SR 408 Extension project would occupy its own right of way and would require CFX to pay appropriate compensation for right of way from both State and private holdings to accommodate the SR 408 Extension.

At a project meeting in June of 2016, Florida’s Turnpike Executive Director, Diane Scaccetti and FDOT District 5 Secretary Noranne Downs indicated that FDOT would not likely support the CFX project. FDOT Secretary Boxold followed up with a letter to Orange County on August 10, 2016 that indicated that the preferred alignment of the SR 408 Extension project was not workable from FDOT’s perspective.

In response, on August 10, 2016, the CFX Board asked staff to extend the SR 408 Extension PD&E Study to determine if another alternative alignment would be feasible. If a workable alternative solution is found and approved by the CFX Board at the conclusion of the extended PD&E, CFX could conclude design and begin construction in early 2018.

Letters were exchanged over the course of discussions between Orange County and the Florida Department of Transportation between August 10 and September 16, 2016 (see Board package backup).
October 11, 2016

Secretary James Boxold
Florida Department of Transportation
605 Suwannee Street
Tallahassee, FL 32399

Re: Prepayment in Whole of Long Term Debt Obligations under the Lease Purchase Agreement between the Central Florida Expressway Authority and the Florida Department of Transportation

Dear Secretary Boxold:

I am writing to notify you that the governing board of the Central Florida Expressway Authority (the "Authority") has determined to exercise the Authority's right to prepay its accumulated long term debt to the Florida Department of Transportation (the "Department") in accordance with Section 3 of the Interlocal Agreement dated June 11, 2014, between the Department and the Authority for Construction and Operation of Wekiva Parkway (the "Wekiva Interlocal"), the relevant excerpt of which is set forth below:

OOCEA shall have the right to prepay its accumulated long term debt to FDOT, in whole or in part, with any partial prepayments to be counted against the next scheduled annual payment. In addition, OOCEA may provide for the prepayment of future long term debt owing to FDOT by establishing an irrevocable escrow account to prepay on an annual basis any amounts paid by FDOT to OOCEA for costs of operation and maintenance of portions of the OOCEA System under the LPA. Under such escrow arrangement, OOCEA shall annually deposit into escrow on or before June 15 of each year the amount, if any, included by FDOT in its then current budget request for operations and/or maintenance of OOCEA's system. Upon payment by FDOT of such amount (or portions of such amount), the amount paid by FDOT to OOCEA shall be released from escrow on or before five business days of such payment in order to reimburse FDOT for such payment.

The Authority will prepay its obligation to the Department in whole by taking the following actions provided in the Wekiva Interlocal:

• For long term debt that has accumulated to date, but is unpaid in the amount of $150,870,101.89, the Authority will initiate a wire transfer of funds in such amount to the Department.
For future operation and maintenance payment obligations due by the Department under the LPA, the Authority will establish an escrow deposit agreement with a financial institution serving as escrow agent and will annually deposit into escrow on or before June 15 of each fiscal year the amount, if any, included by the Department in its then current budget for operations and maintenance of the Authority's System.

Upon taking the actions set forth immediately above, it is the Authority's understanding that, in accordance with Section 3 of the Wekiva Interlocal, such repayments will be applied by the Department to provide partial funding for the Department's sections of the Wekiva Parkway. The Authority is happy to work cooperatively with the Department to explore opportunities to advance the Wekiva Parkway as a result of this prepayment. It is also the Authority's understanding that in accordance with Sections 4 and 6 of the Wekiva Interlocal, the Authority's obligation to satisfy the covenants set forth in Section 4 of the Wekiva Interlocal shall terminate.

Please contact me if you have any questions or follow up regarding this matter. We will process the wire transfer promptly and notify the Department of the contact information for the escrow agent retained by the Authority to provide annual reimbursements to the Department from funds irrevocably deposited in escrow.

With kind regards,

Laura Kelley, Executive Director

cc: CFX Board Members
    Joseph Passiatore, General Counsel
    Lisa Lombard, Chief Financial Officer
    Joseph Stanton, CFX Bond Counsel