

Executive Director Report April, 2017

DASHBOARD

The February Performance Dashboard is attached for your review. The contractor for the SR 408/SR 417 Interchange project is approximately 69 days behind schedule. The completion date is now estimated to be in September, 2017 (instead of July, 2017). In accordance with the contract, CFX has declared the Contractor to be delinquent with regard to maintaining satisfactory progress. This status of delinquency has caused CFX to withhold an additional \$2,917,911.31 in retainage from the Contractor's earned revenue.

TOLL RECIPROCITY AGREEMENT

A 180 day termination notice for the toll reciprocity agreement between the Florida Department of Transportation (FDOT), Miami Dade Expressway Authority (MDX), Osceola County, Lee County and CFX was received from Florida's Turnpike Enterprise on January 12, 2017. I met with Interim FDOT Secretary Rachel Cone on March 20th to discuss our partnerships and toll reciprocity. CFX received a draft toll transaction processing agreement from FDOT on March 30, 2017, which is under review. Discussions with Mayor Dyer, FDOT and CFX staff took place on April 5, 2017. FDOT agreed to extend the termination date to September to give the agencies time to negotiate the agreement. Negotiation meetings between FDOT and CFX are scheduled to begin the week of April 17. The negotiated agreement will be brought to the Board for final approval.

CFX PURCHASE OF LOCAL TOLL ROADS OWNED BY FDOT

Interim FDOT Secretary Rachel Cone acknowledged that Governor Scott had sent her the letter from Mayor Dyer during our visit on March 20th. FDOT is assessing the value of the roads we identified. CFO Lisa Lumbard, Financial Advisor Brent Wilder and I met with Ben Watkins, Executive Director of the Florida Division of Bond Finance on March 20 to discuss the purchase and valuation methodology. Mr. Watkins agreed to review the methodology and discuss with FDOT and CFX. CFX will follow up with Mr. Watkins later this month.

US 27/SR 429 CONNECTOR

A meeting with Commissioner Sean Parks, Orange County Commissioner Betsy Vanderley and CFX staff took place on March 24th to discuss options for connecting US 27 and SR 429. CFX is performing a traffic review of the area and a follow up meeting will be scheduled in May.

COMMUNITY EVENTS/MEETINGS

March 9 – Sweetwater Oaks HOA (Wekiva Parkway)
March 9 – Mt. Plymouth Landowners League (Wekiva Parkway)
March 12 - March 14 – IBTTA Communications & Administration Workshop in Tampa
March 14 – Hamilton ES Engineering Classes, Fourth Grade
March 15 East Central Florida Regional Planning Council
March 15 – I-4 Ultimate Communications Team Meeting
March 17 External advisory board meeting for the UF Transportation Institute
March 23 – East Orlando Chamber Presentation at Lakehouse at Laureate Park
March 20 – Dunwoody Commons HOA (7B) (Wekiva Parkway)
March 21 – Lake County Board of County Commissioners (Wekiva Parkway)
March 21 – Section 8 Public Meeting (Wekiva Parkway)
March 23 – Country Club of Mount Dora (2C, 3A & 3B) (Wekiva Parkway)
March 24 – East Lake-Northwest Orange Elected Officials Committee
March 25 – Kissimmee Kowtown Festival E-PASS Promotion
March 29 – I-4 Ultimate Communications Team Meeting
March 30 – Lyman High School Tour (1B & 2B) (Wekiva Parkway)
March 30 - Florida Department of Environmental Protection Advisory Group Meeting to
review the draft management plan for the Wekiva River Basin State Parks.
April 1 & 2 – Spring Fiesta at Lake Eola
April 3 Orlando Business Journal Mentoring Monday Event
April 4 – UCF College of Engineering Presentation
April 4 – Rock Springs Ridge HOA (Wekiva Parkway)
April 5 – UCF Athletics 10th Annual Wellness Fair
April 5 – Meridian Club of Winter Park Presentation
April 12 – Waterford Lakes HOA Presentation at Discovery Middle
April 13 - Southernaire Mobile Home Park (3B) (Wekiva Parkway)

The Monthly Legislative Update from Southern Strategies and Alcalde and Fay are attached for your information.

PERFORMANCE DASHBOARD FEBRUARY 2017

Fiscal year runs from July 1/June 30

CUSTOMER SERVICE

Activity	Wait Time					
	Actual	6 mo. Avg	Actual	Target		
Service Center: East	9,831	9,639	2:26	<5m		
Service Center: West	3,928	3,058	1:47	<5m		
SERVICE CENTER: MINUTE INTERVALS						
	< 5	5-6	6-7	7-8	8-9	9+
Call Center	71,543	64,362	0:52	<1m		
CALL CENTER: % MINUTE INTERVALS						
	<1	1-2	2-3	3-4	4-5	5+
	71%	11%	9%	5%	2%	1%

AVERAGE SPEED: PEAK DIRECTION

	mph	AM Peak (6-9)		PM Peak (4-7)	
		Avg mph	VAR	Avg mph	VAR
SR 408 W. SR 50 to E. SR 50	55-65	53		51	
SR 417 Int'l Dr. to Seminole Co. Line	55-70	65		62	
SR 528 Sand Lake Rd. to SR 520	70	64		63	
SR 429 Seidel Rd. to SR 414	70	66		66	
SR 451 SR 429 to US 441	65	61		65	
SR 414 US 441 to US 441	65	63		63	

LEGEND: <10 11-20 >21

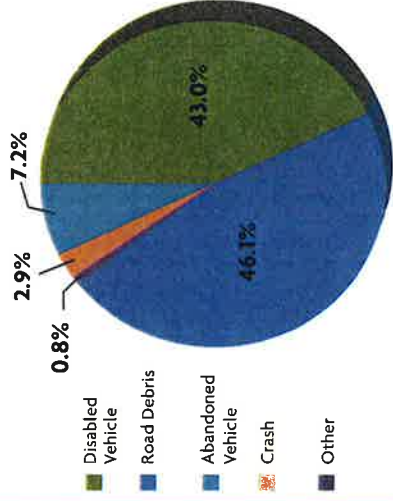
MAJOR CONSTRUCTION PROJECTS

Contract (millions)	Spent	% Spent	% Time	VAR
SR 408/SR 417 Interchange	\$36.3	\$23.5	65%	77%
SR 429 Systems Interchange	\$80.7	\$43.4	54%	57%
SR 429, US 441 to North of Ponkan Rd.	\$56.4	\$45.0	79%	81%
SR 429, North of Ponkan Rd. to North of Kelly Park Rd.	\$46.5	\$42.0	90%	95%
SR 453, Lake County Line to SR 46	\$49.2	\$21.4	44%	50%
SR 528/Innovation Way Interchange	\$61.4	\$31.0	50%	37%
SR 429 Systems Interchange to Mt. Plymouth Rd.	\$38.6	\$11.0	27%	36%

LEGEND: Spent vs. Time <10 11-20 >21

SAFETY

ROAD RANGER: CATEGORY OF ASSISTS ON CFX ROADS



ROAD RANGER: NUMBER OF ASSISTS ON CFX ROADS



2014 FATALITIES

1.07	Nationwide: Arterials, Limited Access, Toll Roads
0.26	FDOT: Urban Toll Roads
0.20	CFX: Toll Roads Urban Only

Per 100 Million Vehicles Miles Traveled
2010-2014 - 5 Year Average

WRONG WAY DRIVING (WWD)

34 Locations	27	24
Vehicles Detected	Documented	Turn Arounds

FINANCIALS

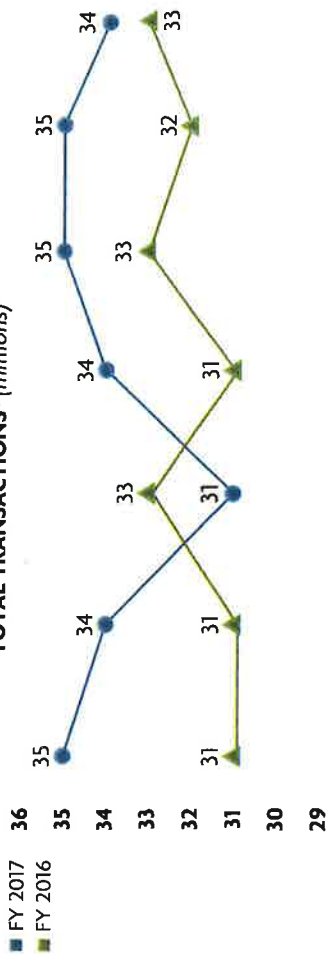
FINANCIALS

FY to Date	Actual	Budget	VAR
Total Revenue	\$281.6	\$261.7	8%
OM&A Expenses	\$41.3	\$45.8	10%
Net Revenue	\$126.0	\$100.8	25%

DEBT SERVICE

Year to Date	Actual	Budget
Senior Lien	2.06	1.96
Subordinate Lien	1.77	1.68

TOTAL TRANSACTIONS* (millions)



*All plazas had tolls suspended in FY17 due to Hurricane Matthew from 10/5/16 until early on 10/10/16.

Southern Strategy - State Legislative Report
April Board Meeting

- The Florida Legislature has passed the halfway point of the 60-day regular legislative session. On April 13th, there will be 22 more days for the Legislature to complete their work and pass a budget before Sine Die on Friday, May 5th.
- The formal budget conference is expected to begin during week 7. The budget conference will negotiate the differences between the House's \$81.2 billion proposal and the Senate's \$83.1 billion proposal. The budget conference must be completed and a budget conference report printed (final budget) no later than Tuesday, May 2nd in order for the Legislature to meet the constitutionally required 72-hour "cooling-off" period before final passage on Friday, May 5th.
- Applications to the Florida Transportation Commission for the FDOT Secretary have been extended until May 1st. At that time, the FTC will review the applications and formally submit names to Governor Rick Scott for a permanent appointment.
- **Designation of the Arnold Palmer Expressway:** The Senate passed the Palmer designation on the second day of session. The House bill, however, remains in the final committee. The Committee chairman let me know this week that all the road designations bills will be integrated into one bill and advanced to the House floor in the next two weeks.
- **Expanding the membership of the Central Florida Expressway Authority:** Senator Debbie Mayfield presented SB 720 to the Senate Ethics and Elections Committee this week. SB 720 adds Brevard County to the Central Florida Expressway Authority (CFX) by:
 - Increasing the number of governing body members from nine to ten;
 - Adding the Brevard County Commission chair to the list of chairs authorized to appoint a member to the CFX;
 - Adding Brevard County to the list of counties the citizens of which may be appointed by the Governor to serve on the authority;
 - Adding the geographical boundary of Brevard County to the area served by the CFX;
 - Increasing the number of members constituting a quorum from five to six; and
 - Adding Brevard County to the list of counties outside the jurisdictional boundaries of which the CFX may undertake the specified activities with the consent of the county within whose jurisdiction the activities occur, to conform to changes made by the act.SB 720 has one more committee stop remaining in the Senate. The House Companion, HB 299 by Rep. Tom Goodson, passed the Florida House during week four by a vote of 112-0.
- **Expressway Authority Revenue:** HB 961 by Speaker Pro-Tempore Jeanette Nunez was presented this week in the House Governmental Accountability Committee. Rep. Bryan Avila offered a clarifying amendment that was approved. The Senate companion, SB 1282 by Senate President Pro-Tempore Anitere Flores was not heard this week. The proposal provides that 20 percent of the toll revenue collected and defined as surplus revenue is transferred to Miami-Dade County for specified transportation projects. The bill requires Miami-Dade County to submit a report to the Legislature after receiving a

transfer of revenue. HB 961 passed the Committee unanimously and next heads to the full House. SB 1282 has two more committee stops in the Senate.

- **Elimination of the Miami-Dade Expressway Authority: (WITHDRAWN)** Elimination of the Miami-Dade Expressway Authority: Senator Frank Artiles has withdrawn SB 308 from consideration during the 2017 regular legislative session. SB 308 would have eliminated the Miami-Dade Expressway Authority and transfer all facilities and operations to the Florida Turnpike Enterprise.
- **Toll Reform Act:** HB 1049, by State Rep. Bryan Avila, which creates the “Toll Reform Act” was presented this week in the House Governmental Accountability Committee. Rep. Avila presented a clarifying amendment to the bill that was approved. The bill provides that MDX, subject to any contractual requirements contained in documents securing indebtedness, may not increase its tolls unless justified by an independent traffic and revenue study. The bill stipulates that MDX may only increase tolls to the extent necessary to adjust for inflation and approve toll increases by a two-thirds vote of the board. The bill also prohibits MDX from using more than 10 percent of its toll revenues for administrative expenses. Additionally, on transportation facilities constructed after July 1, 2017, there must be a distance of at least five miles between toll collection facilities. The bill also requires MDX to place certain documents on its website, including board and committee meeting agendas and minutes, budgets, contracts, and bond covenants. HB 1049 unanimously passed its final House Committee this week. The Senate companion, SB 1562 by Senator Rene Garcia, was not heard during week five.
- **Elimination of High Occupancy Toll and Express Lanes:** State Rep. Matt Willhite presented HB 777 this week to the House Transportation and Infrastructure Committee. The proposal would have eliminated the authority of the FDOT and the FTE to create High Occupancy Toll and Express Lanes. After a spirited debate, the measure failed on a vote of 6-8. The Senate companion, SB 250 by Senator Frank Artiles was not heard during week five. Both bills were opposed by the Department. However, it is likely the issue is dead for the 2017 session.
- **Red Light Cameras:** Legislation has been filed in both chambers to eliminate the state’s red light camera program. In the Senate, SB 178 by Senator Frank Artiles died in Senate Transportation on a 2-2 vote on February 7th. In the House, HB 6007 by State Rep. Bryan Avila overwhelmingly passed the Florida House of Representatives during week three. Neither bill was heard during week five.
- **Dept. of Highway Safety and Motor Vehicles:** HB 545 has been filed by State Rep. Bobby Payne relating to the DHSMV legislation package. SB 784 by Senate Transportation Chairman George Gainer is the companion bill. Neither SB 784 nor the House Companion, HB 545 by State Rep. Bobby Payne, was heard during week five.
- **Dept. of Transportation:** HB 865, by State Rep. Jayer Williamson, and the Senate companion, SB 1118, by Senate Transportation Chairman George Gainer reflect the Department’s legislative priorities. The proposals are a comprehensive package that would do the following: • Increases the allowable weight of natural gas-fueled vehicles on the Interstate Highway System. • Authorizes DOT to request permission from the Federal Highway Administration (FHWA) to conduct bridge inspections at risk-based intervals. • Increases the maximum dollar threshold for rapid response contracts issued

by DOT. • Makes the validation of turnpike revenue bonds optional instead of mandatory. • Provides that amendments to DOT's work program for certain emergency repairs are not subject to Legislative Budget Commission approval. • Repeals the Highway Beautification Council, but retains highway beautification grants within DOT. • Requires DOT approval for certain contracts issued by the South Florida Regional Transportation Authority (SFRTA). • Provides that funds provided to SFRTA by DOT may not be committed without DOT's approval of SFRTA's expenditures. • Prohibits DOT from providing certain funding until SFRTA cancels a specified contract. • Requires DOT to provide a fiscal analysis regarding the re-designation of certain district boundaries and district headquarters. Both HB 865 and SB 1118 have two more committee stops in each chamber and were not heard during week five.

- **All-Aboard Florida Liability:** State Rep. David Santiago has filed HB 695. The bill addresses issues related to the South Florida Regional Transportation Authority (SFRTA) which operates commuter rail service in Palm Beach, Broward, and Miami-Dade Counties. The bill primarily addresses liability regarding the use of a rail corridor. The bill provides SFRTA's ability to indemnify the Florida East Coast Railway (FECR) and All Aboard Florida (AAF) under certain circumstances. The bill provides who is responsible for property damage and injury to certain persons associated with several scenarios involving rail accidents. The bill also provides an allocation of risk between the parties and includes provisions for passengers and other rail corridor invitees. The bill authorizes SFRTA to purchase railroad liability insurance of \$295 million per occurrence, and allows it to adjust the limit in accordance with applicable law. For a frame of reference, the SunRail statute has a \$200 million liability cap. The bill also requires SFRTA to maintain a \$5 million self-insurance retention account. For frame of reference, the SunRail statute authorizes a self-insurance retention fund not to exceed \$10 million. The bill authorizes the Department of Transportation (DOT) to indemnify and insure certain rail services on a DOT-owned rail corridor. The bill also requires that certain state required payments to SFRTA be made quarterly and is not considered state financial assistance subject to various provisions of Ch. 215, F.S. relating to state financial matters, including the Florida Single Audit Act. HB 695 passed its first of three committees this week. Neither HB 695 nor the Senate companion, SB 842 by Senator Frank Artiles, was heard during week five.
- The House Government Accountability Committee has filed a Memorial to Congress and the President requesting that the Congress of the United States establish block grant funding for surface transportation systems that provide States with maximum discretionary authority and responsibility for the construction, operation, and maintenance of the state's surface transportation system.

ALCALDE & FAY

GOVERNMENT & PUBLIC AFFAIRS CONSULTANTS

March 27, 2017

MEMORANDUM

TO: Michelle Maikisch, Chief of Staff, Public Affairs

FROM: Skip Bafalis
Jim Davenport

Subject: Federal Legislative Update

PRESIDENT'S BUDGET REQUEST

On March 16, President Trump released initial details about his Administration's Fiscal Year (FY) 2018 Budget, unveiling a 53-page budget outline (or "skinny" budget) entitled "America First: A Budget Blueprint to Make America Great Again." The pared—down version of the FY 2018 budget highlights the President's priorities, including a \$54 billion increase in defense spending, fully offset by cuts to nondefense discretionary spending. Prior to the blueprint's release, Mick Mulvaney, Director of the Office of Management and Budget (OMB), re-confirmed that the outline released would not include information on mandatory spending, reforms to entitlement programs or tax policies, or the President's \$1 trillion infrastructure plan. Instead, Directory Mulvaney indicated that details on those proposals, would be included in the full budget request due to be released in early May. We also expect detailed budget requests for each agency to be included in the forthcoming release, and will provide additional analysis at that time.

The outline is mostly limited to topline discretionary spending levels for federal agencies and some specific programs and in many cases is incredibly short on specific details about how proposed program or agency reductions will be implemented. For example, the blueprint proposes cutting funding for the Army Corps of Engineers by \$1 billion (from \$6 billion to \$5 billion), but provides no details on how the 16.3 percent reduction would be implemented. In addition to the discretionary spending cuts for specific programs outlined below, the budget outline also includes a list of independent agencies the Administration is seeking to eliminate, including the Corporation for Public Broadcasting; Institute of Museum and Library Services; the National Endowment for the Arts; and the National Endowment for the Humanities. It is important to note that the Administration's proposed recommendations are intended to serve as a guide to funding levels for Congress to enact through the annual appropriations process. Furthermore, several House and Senate Appropriators from both sides of the aisle have pushed back on dramatic cuts to nondefense discretionary spending, with several House Republicans

suggesting that their FY 2018 budget resolution may not directly reflect the President's requested cuts to discretionary spending.

Funding levels and policy provisions generally of interest to local governments have been highlighted below and the full budget outline is available [here](#).

As it pertains to the Department of Transportation, the budget request includes \$16.2 billion for DOT's discretionary budget, a \$2.4 billion (or 13 percent decrease) from the 2017 annualized CR level. As previously noted, the Administration's budget outline does not include details about the President's \$1 trillion infrastructure proposal, but OMB Director Mulvaney has indicated such a proposal would likely be included in the full budget proposal due to be released in early May.

New Starts

- Limits funding for the Federal Transit Administration's (FTA) Capital Investment Program (New Starts) to projects with existing full funding grant agreements only.
- The budget also proposes that in the future, additional investments in any new transit projects would be funded "by the localities that use and benefit from these localized projects."

TIGER Discretionary Program

- Eliminates the TIGER program, saving \$499 million from the 2017 annualized CR level. The budget calls the program duplicative, noting that projects previously receiving funds through this program were already "generally eligible for funding under existing surface transportation programs."

Air Traffic Control

- Initiates a multi-year reauthorization proposal to shift control the air traffic control function of the FAA to an independent, non-governmental organization, which the Administration states will make the system "more efficient and innovative while maintaining safety."

Please contact us with any questions.