

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MINUTES CENTRAL FLORIDA EXPRESSWAY AUTHORITY BOARD MEETING December 14, 2017

**Location: Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, FL 32807  
Board Room**

### Board Members Present:

Mayor Buddy Dyer, City of Orlando (Chairman)  
Commissioner Fred Hawkins, Jr., Osceola County (Vice Chairman)  
Jay Madara, Gubernatorial Appointment (Treasurer)  
Commissioner Jim Barfield, Brevard County  
Commissioner Brenda Carey, Seminole County  
Mayor Teresa Jacobs, Orange County  
Andria Herr, Gubernatorial Appointment  
Commissioner Sean Parks, Lake County  
S. Michael Scheeringa, Gubernatorial Appointment  
Commissioner Jennifer Thompson, 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  
Mimi Lamaute, Recording Secretary

## **A. CALL TO ORDER**

The meeting was called to order at 9:30 a.m. by Chairman Buddy Dyer.

## **B. PUBLIC COMMENT**

- 1) Ms. Crissy Fogleson with ETC commented on the Beachline purchase and its benefit to the community.
- 2) Mayor Joe Kilsheimer, Mayor City of Apopka, commented on the Weivka Parkway interchange proposal.

- 3) Commissioner Leslie Campione, Lake County Commissioner, commented on the Wekiva Parkway interchange proposal. She provided the Board with an East Lake County Area Transportation Plan map (attached as Exhibit A).

**Commissioner Sean Parks arrived at this time 9:39 a.m.**

- 4) Ms. Nancy Prine, Friends of Wekiva River, commented on the Wekiva Parkway interchange proposal.
- 5) Mr. Charles Lee, Director of Advocacy with the Audubon Florida, commented on the Wekiva Parkway interchange proposal and the Osceola Parkway Extension.

The following persons commented on the Osceola Parkway Extension:

- 6.) Ms. Sandra Webb with Kissimmee Valley Audubon Pine Lily Chapter FNPS
- 7.) Ms. Eleanor Foerste with Eleanor Foerste Adventures, LLC
- 8.) Ms. Nicole Paddock with Friends of Split Oak
- 9.) Ms. Sharon McBreen with Friends of Split Oak
- 10.) Mr. Michael Jones with the Orange Audubon Society commented on the Wekiva Parkway and the Osceola Parkway Extension.
- 11.) Mr. David A. Wegman, Founder of the Friends of Split Oak
- 12.) Ms. Gretchen Robinson with Friends of Split Oak
- 13.) Ms. Suzanne Arnold, Lake Mary Jane Alliance

**PUBLIC COMMENTS CONTINUED**

- 14.) Mr. David Bottomley commented on the Alafaya streetlights.
- 15.) Commissioner Lee Constantine, Seminole County Commissioner, commented on the legislation of the Wekiva Parkway and Protection Act and the Wekiva Parkway Interchange proposal.

**C. APPROVAL OF MINUTES**

**A motion was made by Commissioner Hawkins and seconded by Mr. Madara to approve the November 9, 2017 Board Meeting Minutes as presented. The motion carried unanimously with ten (10) members present voting AYE by voice vote.**

**D. APPROVAL OF CONSENT AGENDA**

The Consent Agenda was presented for approval.

COMMUNICATIONS AND PUBLIC OUTREACH

1. Approval of Contract Award for Public Outreach Education and Communications Consultant Services to Day Communications, Inc., Contract No. 001299 (Agreement Value: \$3,138,000.00)

CONSTRUCTION

2. Authorization to Advertise for Letter of Interest for Systemwide Construction Engineering and Inspection (CEI) Services, Contract No. 001368
3. Approval of Construction Contract Modifications on the following projects:

a. Project 800-909	Traffic Control Devices, Inc.	(\$ 8,143.54)
b. Project 528-131	SEMA Construction, Inc.	\$0
c. Project 429-202	Prince Contracting, LLC	(\$1,205,716.83)
d. Project 429-203	Superior Construction Co., SE, LLC	(\$ 457,255.20)
e. Project 429-204	Southland Construction, Inc.	\$ 98,520.95
f. Project 429-205	Superior Construction Co., SE, LLC	\$ 88,139.95
g. Project 429-206	GLF Construction Corporation	\$ 202,591.35
h. Project 528-405	Southland Construction, Inc.	\$ 99,475.24
i. Project 429-739	The Lane Construction Corp.	\$0
j. Project 253F	The Lane Construction Corp.	\$ 3,306.20
k. Project 253G	SEMA Construction, Inc.	\$1,031,000.00
l. Project 528-313	The Lane Construction Corp.	\$0
m. Project 408-127	The Lane Construction Corp.	\$ 674,861.30

ENGINEERING

4. Authorization to Enter Into an Option and Sales Agreement with Holland Properties, Inc. d/b/a TM-Econ Mitigation Bank, Project No. 417-134, Contract No. 001153 (Agreement Value: \$75,600.00)
5. Approval of Contract Award for Concept, Feasibility and Mobility Studies of the Northeast Connector Expressway Extension to Volkert, Inc., Project No. 599-215, Contract No. 001209 (Agreement Value Not-to-Exceed: \$1,605,000.00)
6. Approval of Contract Award for S.R. 408 Milling & Resurfacing from Ortman Drive to Westmoreland Drive to Preferred Materials, Inc., Project No. 408-742B, Contract No. 001356 (Agreement Value: \$3,787,806.15)
7. Authorization to Advertise for Construction Bids Miscellaneous Signage Improvements, Project No. 599-630, Contract No. 001370

## FINANCE

8. Ratification of Action Taken to Approve the 22<sup>nd</sup> Supplemental Revenue Bond Resolution

## INTERNAL AUDIT

9. Acceptance of Internal Audit Reports:
  - a. Prior Audit Recommendations Follow-up
  - b. Information Security Risk Assessment Phase II

## MAINTENANCE

10. Approval of Supplement Agreement No. 1 and Paff Tree Service, LLC as Subconsultant to Jorgensen Contract Services, LLC for Roadway Maintenance Services on S.R. 408, S.R. 417 and S.R. 528, Contract No. 001151 (Agreement Value: \$300,000.00)
11. Approval of Supplemental Agreement No. 2 and Advantage Hedging and Topping, Inc. as Subconsultant to HDR/ICA for Roadway and Bridge Maintenance on S.R. 414, S.R. 429 and S.R. 451, Contract No. 001152 (Agreement Value: \$115,000.00)
12. Authorization to Advertise for Bids for Landscape Improvements for S.R. 453, Project No. 429-825, Contract No. 001365
13. Authorization to Execute Cooperative Purchase (Piggyback) Agreement with Traffic Control Devices, Inc., for Sign Replacements, Contract No. 001366 (Agreement Value Not-to-Exceed: \$475,000.00)

## TOLL OPERATIONS/TECHNOLOGY

14. Approval of Circuitronics, LLC as Subconsultant for the Maintenance of ITS Infrastructure Contract with Kapsch TrafficCom N.A., Inc., Contract No. 001283
15. Authorization to Advertise an Invitation to Bid for the Procurement of Field Ethernet Switch Equipment, Project 599-542, Contract No. 001367

**A motion was made by Commissioner Carey and seconded by Mr. Madara to approve the Consent Agenda as presented. The motion carried unanimously with ten (10) members present voting AYE by voice vote.**

## E. REPORTS

### 1. CHAIRMAN'S REPORT

Mayor Dyer asked everyone to keep safety in mind this Holiday season. As road construction continues across Central Florida, be mindful of lane closures or shifts. Your safety is our number one priority.

## 2. TREASURER'S REPORT

Mr. Madara reported that toll revenues for September were \$38.2 million which is 9% above projections and 25% above the prior year. The larger year-over-year increase was driven by the fact that tolls were suspended for approximately 5 days due to Hurricane Matthew in the prior year.

Total operating expenses were \$7.4 million for the month and \$18.6 million year-to-date, which is 12% under budget.

The projected year end senior lien debt service ratio is 2.20, which is slightly below the budgeted ratio of 2.23.

Following up from last month's commentary regarding being behind budget during the 4 months ending in October, due to Hurricane Irma, Ms. Lumbard worked through an analysis trending out current run rates through the end of the fiscal year and CFX is on the right path to overcome the Irma impact and exceed budget for the year. Based on the current run rates, CFX should catch up in the March or April time frame.

Moody's and S&P upgraded CFX's debt ratings. Moody's updated CFX to A1 and S&P updated CFX from A to A+.

Ms. Kelley requested that Lisa Lumbard, CFO, report on the advanced refunding due to the proposed federal tax reforms. Ms. Lumbard reported an 11% savings due to the refunding.

## 3. EXECUTIVE DIRECTOR'S REPORT

Ms. Kelley provided the Executive Director's Report in written form.

In addition, Ms. Kelley discussed the following:

- The meeting with environmentalists regarding Split Oak on November 30<sup>th</sup> and the December 8<sup>th</sup> tour of Split Oak; and
- The CFX partnership with Orlando International Airport for a rental car pilot program.

## F. REGULAR AGENDA ITEMS

### 1. THE SYSTEM TRANSFER

Mayor Dyer provided an update on the system purchase. The issue involves the valuation of the pieces to be purchased by CFX from FDOT. Those involved are working on a price that benefits both agencies. He mentioned an editorial in the Orlando Sentinel by Paul Owens (attached as Exhibit B) which details CFX's position.

(This item was for informational purposes. No action was taken.)

## **2. HISTORY OF THE WEKIVA PARKWAY AND PROTECTION ACT**

Glenn Pressimone, Director of Engineering, provided an overview of events leading up to the approval and ultimate construction of the Wekiva Parkway Project. His presentation was not a comprehensive history of all the events that took place over the many years of the project development. In contrast, it can be viewed as a brief overview of the history specifically relative to the approved interchange locations for the Wekiva Parkway Project.

(This item was for informational purposes. No action was taken.)

## **3. OSCEOLA PARKWAY EXTENSION**

Glenn Pressimone, Director of Engineering, presented the current status of the Concept, Feasibility and Mobility Study of the Osceola County Extension which is one of the potential expansion projects outlined in the 2040 Master Plan. The purpose of the studies is to investigate alternative alignments to those previously considered as part of the PD&E study to identify a potential alignment that meets CFX's viability test for potential expansion projects.

The current policy adopted through the 2040 Master Plan permits consideration of a proposed expansion project if 50% of its project cost can be covered through a combination of partnership contributions and revenue generated by the project.

A significant portion of the overall cost estimate for expansion projects such as this are attributed to costs for right-of-way acquisition. Two of the major land owners in the area have advised that they are prepared to discuss potential partnership opportunities relative to project right-of-way needs.

In order to fully consider the impact of these potential partnerships in the viability calculations, staff is seeking Board approval to engage in such discussions with these property owners.

Mr. Pressimone explained the requested motion. Commissioner Hawkins suggested a modification to the motion to include all of the Concept, Feasibility & Mobility Studies.

**A motion was made by Commissioner Hawkins and seconded by Commissioner Carey to approve authorization to engage in discussions and consider potential right-of-way offers in the viability calculations for all of the Osceola County Concept, Feasibility and Mobility Studies in process. The motion carried unanimously with ten (10) members voting AYE by voice vote.**

**4. FDOT'S I-4 ULTIMATE PROJECTS PROPOSAL TO TEMPORARILY CLOSE S.R. 408 ORANGE AVENUE OFF-RAMP**

FDOT Construction Program Manager Loreen C. Bobo requested approval of the First Amendment to the Interlocal Agreement. The Amendment will allow an alternative design to the S.R. 408 Eastbound Ramp to Orange Avenue at Lake Lucerne (Exit 10C). The alternative design retains the alignment of Exit 10C and requires a temporary full closure of the ramp to reconstruct the approach. The temporary closure will be 140 calendar days starting between August 2018 and August 2019. A minimum of 60 days notice of the closure date will be provided.

**A motion was made by Commissioner Carey and seconded by Commissioner Parks to approve the First Amendment to the Interlocal Agreement between the Central Florida Expressway Authority and the Florida Department of Transportation for the Local Funding Contribution to the Interchange at Interstate Highway 4 and S. R. 408. The motion carried unanimously with ten (10) members voting AYE by voice vote.**

**5. PAYTOLLO PILOT – LEADING TO NEW OPPORTUNITIES**

Ms. Kelley introduced Ryan Lausman from Sirius XM and Abenezer Yohalashet from PayTollo. CFX has been working with PayTollo for over a year on a pilot program. PayTollo has now partnered with Sirius XM to use a cell phone app for toll purposes. This program will provide an option for non-residents to experience the same level of tolling that someone with a transponder would have.

(This item was for informational purposes. No action was taken.)

**G. BOARD MEMBER COMMENT**

- Mr. Scheeringa applauded Ms. Kelley and her staff for her innovation in leading CFX. Also, Mr. Scheeringa referenced a letter Ms. Kelley disseminated to Board members from the Executive Director of Florida's Turnpike Enterprise ("Turnpike"), Diane Gutierrez-Scaccetti, attached as Exhibit C.
  - Mayor Dyer will send a letter to the Turnpike Executive Director.
- Commissioner Parks commented that he appreciated Mr. Scheeringa's remarks.

## H. ADJOURNMENT

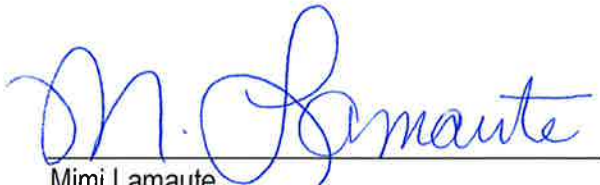
Chairman Dyer adjourned the meeting at 11:52 a.m.

### Exhibits:

- A. Map of Commissioner Campione, Lake County Commissioner
- B. Orlando Sentinel Editorial
- C. Letter from Turnpike Executive Director Diane Gutierrez-Scaccetti



Buddy Dyer  
Chairman  
Central Florida Expressway Authority



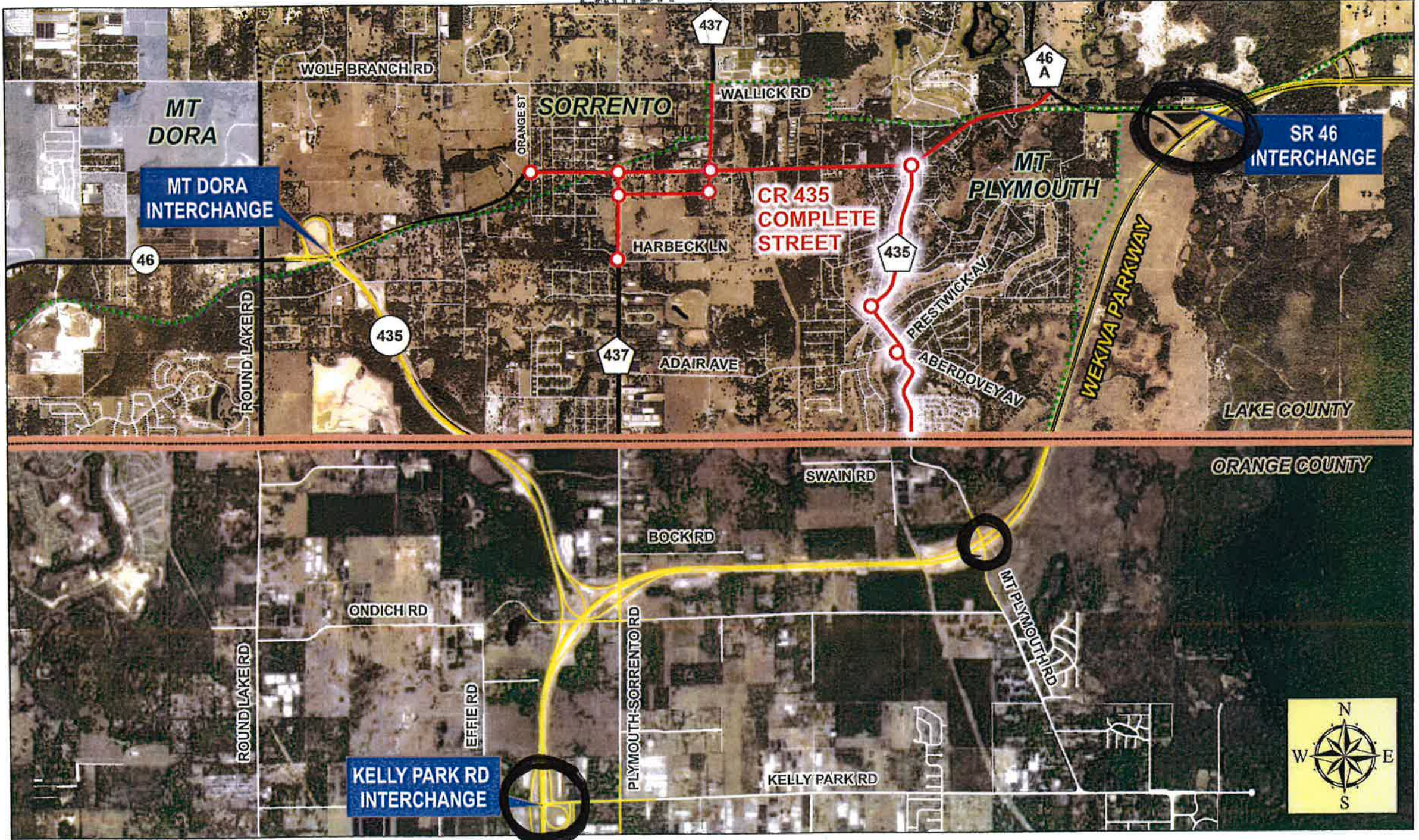
Mimi Lamaute  
Recording Secretary  
Central Florida Expressway Authority

Minutes approved on Jan. 11, 2018.

*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)*



EXHIBIT "A"



East Lake County Area Transportation Plan

Legend

- Roundabout
- ▬ Wekiva Parkway
- - - Trail - Proposed
- County Boundary
- ▬ Complete Streets
- - - Road - Proposed



ORLANDO SENTINEL

**Editorial: Unify control over Metro Orlando's expressways**

By: Orlando Sentinel Editorial Board

Posted: December 1, 2017

Florida lawmakers demonstrated wisdom, foresight and fiscal responsibility in 2014 when they combined county expressway authorities in Central Florida into a single, regional agency. Roads don't stop at county lines, and it's inefficient and expensive to maintain multiple bureaucracies to control separate stretches of pavement. It's also a problem when neighboring toll-road agencies have conflicting policies and plans for the future.

Yet the rationale behind that 2014 law hasn't been completely realized yet. It's time for lawmakers to step in again.

**Dueling road agencies**

The Central Florida Expressway Authority now owns and operates 118 miles of toll roads in Metro Orlando. But a unit in the state Department of Transportation, Florida's Turnpike Enterprise, also owns and operates portions of CFX toll roads adding up to 83 miles. Highways under alternating regional and state control are State Roads 528, 417, 429 and the Wekiva Parkway, which is now under construction.

CFX is run by a 10-member board that includes seven elected county officials and three gubernatorial appointees from the region. The elected officials give the board an element of direct accountability to voters in the region for the decisions it makes on toll rates, highway routes and other policies. And the tolls CFX collects for the portions of the roads it runs are reinvested regionally in operations, maintenance and construction within its system.

FTE, by contrast, is run by unelected state employees, so it's not directly accountable to voters. FTE's toll revenue can be spent on operations, maintenance and construction on any of its toll roads throughout the state. What it collects in Central Florida doesn't necessarily stay in Central Florida.

If you think tolls are too high, or you object to the details of a plan to expand an expressway, who do you think is more likely to listen to your complaint: an agency whose board includes officeholders worried about your vote in the next election, or an appointed state official?

**A lousy way to welcome visitors**

The problems of divided ownership and operation between CFX and FTE aren't just hypothetical. On a section of the Beachline that FTE controls between Interstate 4 and Orlando International Airport, the state agency is now adding express travel lanes for motorists who will pay additional tolls. But motorists who take the lanes won't be able to use the two exits offering the most direct access to the International Drive tourism corridor and Orange County Convention Center.

Given the millions of tourists who come to Orlando every year, many of those motorists cut off from Exit 1 to International Drive and Exit 2 to Universal Boulevard on the Beachline will be unpleasantly surprised. This is a lousy way for a region whose economy is built on tourism to welcome visitors.

**EXHIBIT "B"**

FTE did not seek public comments when planning these lanes. I-Drive leaders formally complained to FTE after the access problem became apparent, but haven't persuaded the agency to alter its plans. It's hard to imagine an agency like the CFX, whose board members include the mayors of Orlando and Orange County, making the same mistake. It's also worth noting that CFX's board, unlike FTE, has no plans to add tolled express lanes — tolls on top of tolls — on the highways it runs.

Unifying this region's shared highways under CFX control would have other benefits. It would ensure consistency in other key policies, including toll rates, discounts and penalties for violators. County commissions in Orange, Seminole, Osceola and Lake counties have passed resolutions supporting the move. So has Orlando's City Council, the Greater Orlando Aviation Authority, and several regional business organizations.

### **The price is wrong**

Orlando Mayor Buddy Dyer, the current CFX chairman, met with Gov. Rick Scott in February to seek his support for the authority purchasing the sections of the region's highways now under state control. Scott agreed if CFX paid "fair market value."

But there's a huge gap between CFX's offer of \$602 million and FTE's asking price of \$5 billion. The CFX number is based on the projected cash flow from tolls, costs for operations and maintenance, and outstanding debt from the 83 miles of highway in question over 30 years, which is a standard time period for valuing these kinds of assets. The FTE number is based on the same factors, but over 75 years. The state's figure is so inflated, we'd call it highway robbery.

The FTE's unconventional and unjustified approach to valuing its highways also departs from the precedent the state set in 1996, when the Department of Transportation transferred control over 43 miles of toll roads in Miami Dade County to that county's expressway authority for the cost of paying off the debt for them — \$80 million. The outstanding debt on the state's portions of toll roads in Central Florida is \$364 million — about 7 percent of the state's asking price.

### **How lawmakers can help**

CFX could use a hand from state lawmakers. It needs them to pass a bill that would clear the way for the purchase of the FTE highway sections by CFX. But it also needs lawmakers — especially members from Central Florida — to use their influence with Scott to bring down the state's unreasonable asking price.

There's plenty in this deal for lawmakers who don't represent Central Florida. The money paid by CFX could be used by FTE for multiple purposes, including retiring some of its debt, speeding up other highway projects outside of Central Florida and investing in new projects.

Putting one agency in charge of expressways in Central Florida will benefit both the region and the state — if lawmakers will pave the way, and Scott will make sure the price is right.

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## *Florida Department of Transportation*

**RICK SCOTT**  
GOVERNOR

Florida's Turnpike Enterprise  
P.O. Box 613069, Ocoee, FL 34761  
407-532-3999

**MIKE DEW**  
SECRETARY

November 27, 2017

Laura Kelley  
Executive Director  
Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, Florida 32807

Re: Interoperable Transaction Processing

Dear Ms. Kelley:

The Central Florida Expressway Authority recently announced that it is joining the E-ZPass Group, a consortium of toll roads and bridges across many eastern United States toll agencies. From what has been published to date in the media, it appears that CFX will begin accepting E-ZPass for payment of tolls on CFX toll facilities in early spring 2018. Given the existing interoperability between the Florida Department of Transportation hosted SunPass electronic payment system and the CFX E-PASS electronic payment system, which also provides CFX interoperability with different systems in other states, the Department and its partner agencies, the Miami-Dade County Expressway Authority and the Tampa-Hillsborough County Expressway Authority, are of course highly interested in the announcement.

The Department's goal continues to be maintenance of consistent interoperability within Florida, both for electronic payment customers of the several systems owned and operated by Florida toll agencies and out-of-state electronic payment system customers. Current out-of-state interoperability agreements established by the Department are inclusive of all Florida branded toll agencies. Lack of consistent interoperability throughout the State of Florida would be an obvious potential issue for out-of-state travelers who may wish to use their home state electronic toll payment system in Florida. As you are aware, visitors from North Carolina and Georgia can use their homestate transponders on all Florida toll facilities. If only one of the various electronic toll collection systems in Florida reads and accepts an out-of-state electronic transponder or tag, out-of-state travelers may be confused and even receive unexpected violation notices.

The Department's SunPass system is not currently interoperable with E-ZPass. To the best of the Department's knowledge, the Lee County owned and operated LeeWay system also is not interoperable with E-ZPass. One of the significant subjects in our recent discussions that culminated in the August 2017, Interoperability and Payment Processing Agreement was the opportunity for each agency to make its system interoperable with an out-of-state system when

the other agency establishes interoperability. The Department would like to evaluate the opportunity to make its electronic payment collection system interoperable with the E-ZPass system, as provided in the Agreement.

Please provide the Department with a copy of any and all agreements (executed or in draft form) that exist or are contemplated between CFX and the E-ZPass Group. The Department would also greatly appreciate receiving answers to the following questions to assist the Department in evaluating the opportunity:

- What is CFX's schedule to become interoperable with E-ZPass?
- What is the schedule for establishing the 28 interfaces to the other E-ZPASS agencies?
- What is the test plan schedule?
- What lane system changes are planned by CFX (AVI reader, lane controller, other)?
- What host system changes are planned by CFX?
- Will E-ZPass transponders be read in the lane in Florida?
- Will E-Pass transponders be read in the lane in E-ZPass states?

Thank you.

Sincerely,



Diane Gutierrez-Scaccetti  
Executive Director  
Florida's Turnpike Enterprise

cc: Mike Dew  
Joe Waggoner  
Javier Rodriguez  
Buddy Dyer  
Fred Hawkins Jr.  
Jay Madara  
Jim Barfield  
Brenda Carey  
Andria Herr  
Teresa Jacobs  
Sean Parks  
S. Michael Scheeringa  
Jennifer Thompson

**EXHIBIT "C"**

Craig Shuey  
Thomas Boyle  
Stanley Ozalis  
Victor R. Buono  
Gerry DiNicola Owens  
Charles Stracciolini  
Patricia Griffey  
Greg Bedalov  
Nicolas Barr  
Megan McLain  
Stephen Collins  
Deborah Sharpless  
Richard Somerville  
Mildred Chua-Ulger  
Kenneth Bieger  
John Corcoran  
Joseph W. Mrozek  
Robert Russo  
Eric Christensen  
Beau Memory  
Dave Miller  
Mark Muriello  
Buddy Croft  
Joel T. Falk  
Fernando Redondo  
John Lawson  
Greg Barr

EXHIBIT "C"



E-ZPass Group – 750 Shipyard Drive, Suite 310, Wilmington, DE 19801  
Phone: 302-577-1333 FAX: 302-356-3860

November 30, 2017

Diane Gutierrez-Scaccetti  
Executive Director  
Florida's Turnpike Enterprise  
P.O. Box 613069  
Ocoee, FL 34761

Re: Interoperability Between E-ZPass and CFX

Dear Ms. Gutierrez-Scaccetti:

I write to you today in response to your November 27, 2017 letter addressed to Laura Kelly, Executive Director, Central Florida Expressway Authority (CFX) regarding a recent announcement of CFX's joining the E-ZPass Group. While I was not copied on your letter, many of my Board members were, and they have asked me to respond to those questions that can be spoken to by the E-ZPass Group. This response in no way intends to speak for or on behalf of CFX.

E-ZPass, a system of 38 tolling agencies in 16 states, is today the nation's largest, most successful toll interoperability program, with more than 35 million active toll transponders in distribution. Our 20 million customer accounts are spread throughout each of the 50 states, many of them in your home state of Florida. In short, E-ZPass is about interoperability. It is our sole purpose for being, and as such, we are continually striving to expand interoperability with other toll agencies and systems. The recently announced CFX membership is one such initiative.

It's no secret that the highly mobile travelers along the I-95 corridor have been wanting interoperability between E-ZPass and the Florida toll agencies for many years. In fact, E-ZPass, North Carolina and FTE initiated a serious effort to achieve interoperability in 2011, eventually resulting in North Carolina being interoperable with E-ZPass and Florida. Unfortunately, FTE and the E-ZPass Group were not able to reach the same arrangement for interoperability at that time. Now, given the passage of time, and the inability of the toll industry to achieve national interoperability as of yet, it's time to evaluate other, less difficult opportunities. One such opportunity presented itself recently with discussions between CFX and the E-ZPass Group.

CFX and the E-ZPass Group entered into discussions to determine how our respective customers might benefit from an interoperable arrangement between the parties. As CFX's

EXHIBIT "C"



home area in the greater Orlando area receives about 68 million visitors on an annual basis, many coming from the northeast, it made sense to find a path to interoperability. Those discussions culminated with CFX joining the E-ZPass Group as a member, with our intent to establish interoperability in the spring of 2018. We believe this is a huge step forward for the customers of our respective systems.

We are cognizant of the difficulties such an interoperability arrangement may have, given that not all Florida toll agencies are prepared to move forward at the same time. The CFX/E-ZPass team is determined to work diligently to resolve all outstanding issues in a way that provides for a seamless travel experience for our collective customers, while at the same time minimizing any impact this may have on the remaining Florida toll agencies. We believe it is imperative that we engage FTE and others during this process as to minimize any potential disruption or confusion. To that end, if there are specific members of your team that we should be engaging with going forward, please let us know who they are, and we will reach out to them. We would appreciate and welcome such coordination.

Your letter also states that "The Department would like to evaluate the opportunity to make its electronic payment collection system interoperable with the E-ZPass system", and we certainly welcome that initiative. The documents/agreements governing E-ZPass membership can be found at our website at [www.e-zpassag.com](http://www.e-zpassag.com), under the interoperability tab, although the Operating Agreement is undergoing an amendment process at the moment and will be updated once executed. I will provide you with that document once it is finalized.

The agreement between E-ZPass and CFX will culminate with greater interoperability for customers traveling the I-95 corridor. The 35 million E-ZPass tags will be accepted for payment of tolls in all CFX electronic toll collection lanes. CFX will also make available transponders that will work in Florida and the E-ZPass region, for their customers that desire one. This same arrangement could be put into place for the remaining Florida toll agencies if they so choose. Under our current rules, the remaining agencies could either join as members of E-ZPass, with all rights and obligations of membership, or could choose to simply become interoperable with E-ZPass through the CFX membership, as facilities on their system. I am happy to discuss either or both of these options with you.

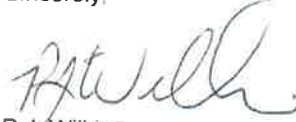
While I will leave the answering of your specific questions on this project to CFX to address, I would like to point out that there may be some confusion regarding the "establishing the 28 interfaces with the other E-ZPass agencies". This is certainly not a requirement for interoperability with the E-ZPass group. There are 18 E-ZPass customer service centers that will send and receive the appropriate files on a regular basis. The interface is the same for each, greatly reducing the burden of programming these interfaces. If you wish, I can have our technical team reach out to your staff to clarify any misunderstanding.



Diane Gutierrez-Scaccetti  
November 30, 2017  
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Once again, I welcome the opportunity to discuss specifics of not only the CFX interoperability initiative, but how Florida's toll agencies may avail themselves of greatly enhanced interoperability for the traveling public throughout our corridor. I look forward to those discussions. Please feel free to call me directly, at 302-416-0987 should you have any questions.

Sincerely,



P. J. Wilkins  
Executive Director  
The E-ZPass Group

cc: Mike Dew  
Joe Waggoner  
Javier Rodriguez  
Buddy Dyer  
Fred Hawkins Jr.  
Jay Madara  
Jim Barfield  
Brenda Carey  
Andria Herr  
Teresa Jacobs  
Sean Parks  
S. Michael Scheeringa  
Jennifer Thompson  
Laura Kelly  
E-ZPass Executive Management Committee

EXHIBIT "C"