

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Executive Director Report March, 2017

The January Performance Dashboard is attached for your review. The contractor for the SR 408/SR 417 Interchange project is approximately 100 days behind schedule. The contractor has been granted 5 days. Over \$2 million in delinquency retainage has been assessed to date and will continue to accumulate in future estimates until the contractor is 95% complete.

The contractor for the SR 429 project from the Centerpiece Interchange to Mt. Plymouth Rd. experienced a delay in securing embankment material, which adversely affected their initial progress. In early January the contractor was able to secure two sources of embankment/fill material and has been aggressively hauling, placing and compacting embankment, progressing toward the final profile of the project alignment. Steady progress on the bridge structures and retaining walls has also been observed. Staff fully expects these efforts will bring the progress of the project in line within the next few months.

A 180 day termination notice for the interoperability 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. FTE has declined invitations to meet to discuss proposed terms of the agreement. Draft terms of a new interoperability agreement with FDOT, THEA, MDX, Osceola County and Lee County are being developed by staff and will be discussed at this month's Board meeting.

I've been requested to serve on the University of Florida Transportation Institute External Advisory Board. The Institute was created in 2013 as an umbrella organization housing several transportation-related centers within the University of Florida, including the Transportation Research Center, McTrans, (the largest transportation dissemination center in the world), the Florida Transportation Technology Transfer Center, and the Southeastern Transportation Research, Innovation, Development and Education Center, (one of ten Regional University Transportation Centers funded by the US Department of Transportation). The Institute's goal is to conduct and foster impactful, cross-cutting, multimodal transportation research and educate the next generation of transportation leaders.

Moore Stephens Lovelace completed a transparency review for CFX. CFX staff concur with the recommendations of the report and are taking the following actions:

1. CFX will add past Five Year Work Plans in addition to the current 5 Year Work Plan on the CFX website. Up to five years of history will be maintained.
2. CFX will add its Annual Inspection Report to the website beginning in FY 2017/2018.

3. CFX will add past CFX Budgets to the CFX website in addition to the current budget. Up to five years of history will be maintained.
4. CFX will continue to post all CFX policies to the website.
5. CFX will post past Traffic and Earnings Reports in addition to its current Traffic and Earnings Report. Up to five years of history will be maintained.
6. CFX's website includes a page for Investor Relations, which provides a listing of its paying agents, contact numbers, and debt-related policies. CFX will also provide links to its latest bond rating reports for Fitch, Moody's and Standard & Poor's ratings services.
7. CFX will add links to its Bond Official Statements on the website.

The Center for Urban Transportation Research was asked to present the Central Florida Expressway Authority Multimodal Investment Assessment report to the Florida Transportation Commission on March 6, 2017 in Tallahassee.

Staff took Lake County Commissioner Josh Blake on a tour of the Wekiva Parkway on February 28, 2017.

COMMUNITY EVENTS/MEETINGS

- February 11 – Collegiate E-PASS Outreach at UCF Basketball Game
- February 15 – I-4 Ultimate Communications Team Meeting
- February 16 – SR 408 Extension PD&E Public Meeting
- February 16 – Dr. Phillips Kiwanis Club Presentation
- February 16 – Easter Seals Camp Challenge (Wekiva Parkway)
- February 21 – Mount Dora City Council (3A, 3B) (Wekiva Parkway)
- February 22 – Central Florida Communications Group bi-annual meeting
- February 26 – Collegiate E-PASS Outreach at UCF Basketball Game
- February 27 – Section 7B Design Team Intro to Seminole County Commissioner Carey (Wekiva Parkway)
- February 27 – Carriage Homes of Dunwoody Commons (Wekiva Parkway)
- February 28 - Seminole County Board of County Commissioners (Wekiva Parkway)
- February 28 – Small Business Meet & Greet
- March 1 – I-4 Ultimate Communications Team Meeting
- March 4 – Collegiate E-PASS Outreach at FSU Basketball Game
- March 4 – E-PASS Outreach at Fiddler's 5K
- March 7 – Veranda Apartment Complex (Wekiva Parkway)

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

PERFORMANCE DASHBOARD

JANUARY 2017

Fiscal year runs from July 1-June 30

CUSTOMER SERVICE

Activity	Wait Time		Actual	Target
	Actual	6 mo. Avg		
Service Center: East	10,443	9,723	1:31	<5m
Service Center: West	4,077	2,981	2:22	<5m
SERVICE CENTER: MINUTE INTERVALS				
	<5	5-6	6-7	7-8
	8-9	9+		
Call Center	77,937	66,449	0:37	<1m
CALL CENTER: % MINUTE INTERVALS				
	<1	1-2	2-3	3-4
	4-5	5+		
	81%	9%	4%	2%
			2%	2%

AVERAGE SPEED: PEAK DIRECTION

AVERAGE SPEED: PEAK DIRECTION			AM Peak (6-9)	PM Peak (4-7)
		mph	Avg mph	Avg mph
SR 408	W. SR 50 to E. SR 50	55-65	53 <div></div>	52 <div></div>
SR 417	Int'l Dr. to Seminole Co. Line	55-70	65 <div></div>	63 <div></div>
SR 528	Sand Lake Rd. to SR 520	70	64 <div></div>	64 <div></div>
SR 429	Seidel Rd. to SR 414	70	67 <div></div>	66 <div></div>
SR 451	SR 429 to US 441	65	61 <div></div>	65 <div></div>
SR 414	US 441 to US 441	65	64 <div></div>	63 <div></div>

LEGEND: <10 11-20 >= 21

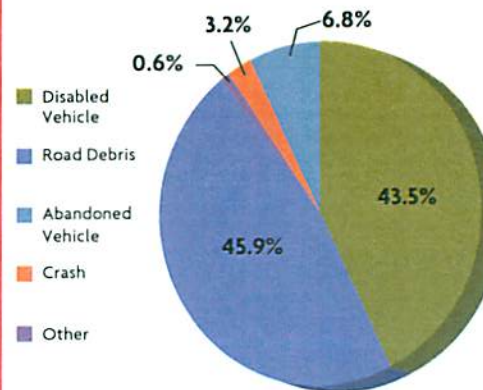
MAJOR CONSTRUCTION PROJECTS

	Contract (millions)	Spent	% Spent	% Time	VAR
SR 408/SR 417 Interchange	\$36.0	\$21.2	59%	72%	
SR 429 Systems Interchange	\$80.7	\$39.0	48%	53%	
SR 429, US 441 to North of Ponkan Rd.	\$56.4	\$42.8	76%	85%	
SR 429, North of Ponkan Rd. to North of Kelly Park Rd.	\$46.6	\$40.9	88%	90%	
SR 453, Lake County Line to SR 46	\$49.2	\$20.1	41%	45%	
SR 528/Innovation Way Interchange	\$61.3	\$25.4	41%	32%	
SR 429 Systems Interchange to Mt. Plymouth Rd.	\$38.6	\$7.4	19%	31%	

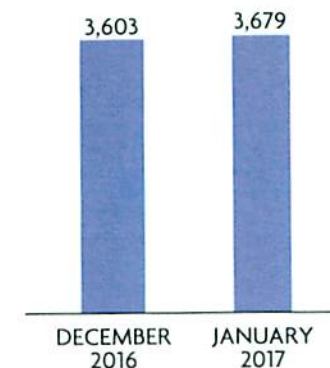
LEGEND: Spent vs. Time <10 11-20 >= 21

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)

	Vehicles Detected	Documented Turn Arounds
32 Locations	27	21

FINANCIALS

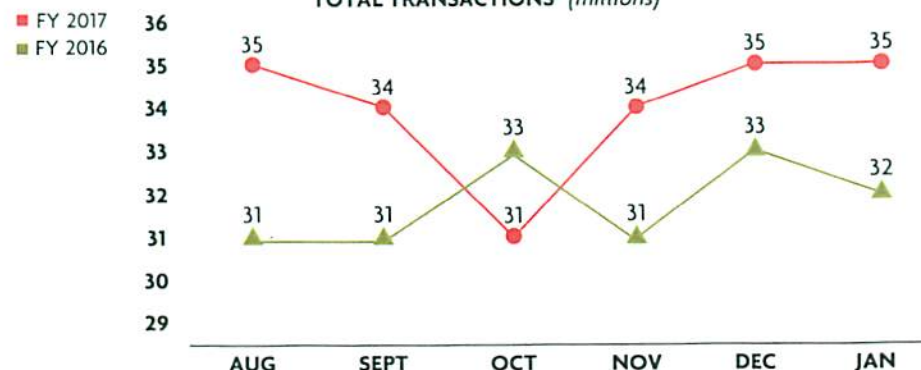
FINANCIALS

FY to Date	Actual	Budget	VAR
Total Revenue	\$245.6	\$228.0	8%
OM&A Expenses	\$34.5	\$38.6	11%
Net Revenue	\$111.2	\$88.6	26%

DEBT SERVICE

Year to Date	Actual	Budget
Senior Lien	2.05	1.96
Subordinate Lien	1.76	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.

ALCALDE & FAY

GOVERNMENT & PUBLIC AFFAIRS CONSULTANTS

March 1, 2017

MEMORANDUM

TO: Michelle Maikisch, Chief of Staff, Public Affairs

FROM: Skip Bafalis
Jim Davenport

Subject: Federal Legislative Update

FISCAL YEAR 2017 APPROPRIATIONS

Recently, House leadership has given the House Appropriations Committee the go-ahead to begin negotiations with the Senate Appropriations Committee over fiscal year (FY) 2017 appropriations. The plan would be to finish up the 11 remaining appropriations bills before the expiration of the current continuing resolution (CR), which expires on April 28. One question will be whether the bills are packaged together in smaller mini-buses or into a larger omnibus package.

Moreover, it is not expected that the Trump Administration will be asking for significant changes to the current FY 2017 bills, and Appropriations Committee members and staff have inferred that they are not planning to make significant changes to the bills approved by the Committees last year. Instead, the Trump Administration has signaled that its recommendations and proposed changes to federal funding will come in the form of the President's FY 2018 Budget Request, which Press Secretary Sean Spicer yesterday said should be released sometime during the week of March 13th; however, recent reports indicate that the request will likely come in the form of an outline (or "skinny budget") that would highlight the President's priorities and perhaps provide some top-line spending levels. Similar budget summaries released by past Presidents have been followed by a full, detailed budget usually released by May.

As Congress finishes its work on the FY 2017 appropriations bills and begins the process for FY 2018, there have been renewed calls within the House Republican Conference to lift or modify the current moratorium on congressionally directed spending in appropriations bills, commonly referred to as earmarks. Following up on Speaker Paul Ryan's promise late last year to hold committee hearings and a floor vote on relevant proposals in 2017, House Rules Committee Chairman Pete Sessions (R-TX) recently announced that his committee would be holding public hearings on the issue in the coming months. Furthermore, Chairman Sessions confirmed that

these hearings would be followed by a recommendation report submitted to the full GOP conference before the Fourth of July recess period. While the report's later, albeit informal, deadline more than likely means that a return to earmarking funds would not be incorporated in the remaining 11 appropriations bills for FY 2017, if Congress were to vote quickly on ending or modifying the moratorium then inclusion in the upcoming FY 2018 appropriations bills is a possibility. It should be noted, however, that the Senate leadership has yet to indicate whether they would push for consideration in their chamber of any proposal to return to earmarking funds, even if it were to pass the House.

INFRASTRUCTURE PROPOSALS

Congressional Republicans are waiting for the Administration to provide details on the President's plan to spend \$1 trillion on infrastructure over 10 years. Republicans have been reluctant to begin work on legislation until receiving input from the White House. The main plank in the President's proposal is to encourage companies to invest in infrastructure and in return receive an 82 percent tax break (or \$167 billion in tax credits), which would generate approximately \$1 trillion in capital over 10 years.

Some of the business profits eyed for investment are held abroad, and thus Congress is looking at ways to repatriate the money and use it on infrastructure. The House Republican tax plan calls for repatriation to be used to fill revenue gaps left by lowering tax rates. Senator Mark Warner (D-VA), a member of the Senate Finance Committee, has a proposal to establish an infrastructure bank that would be a vehicle to oversee repatriated funds and allow for issuing infrastructure bonds.

But while the private sector already invest heavily into sectors such as energy and broadband, transportation infrastructure relies much more on government funding. Representative Richard Neal (D-MA), Ranking Member of the House Ways and Means Committee, is calling for repatriated money to be injected directly into the Highway Trust Fund (HTF), which has received less revenue from gas taxes that the government has spent, leading to transfers to the HTF from the General Fund.

Both Senator Warner's and Rep. Neal's proposals would involve the Federal government in the decision-making process. Democrats, and members representing rural states, argue that President Trump's preference to rely on the private sector would favor projects that are profit-driven, ignoring projects in rural areas that are too small to support toll roads. And Republicans remain in a holding pattern waiting for the Administration's proposal and to possibly couple infrastructure spending with tax reform.

Please contact us with any questions.

Southern Strategy - State Legislative Report

Michelle, there are two new bills which I highlighted ***(NEW)** from our report from February 20th. Let me know if you want me to add anything.

This is the final week before the official start of the 2017 regular legislative, which is scheduled to start on Tuesday, March 7th. As we prepare for the 60-day legislative session, here are the priority issues we will be watching for the Central Florida Expressway Authority:

- **Designation of the Arnold Palmer Expressway:** Bills are moving in both chambers to designate a portion of SR 408 the Arnold Palmer Expressway. In the Senate, SB 480 has passed its one and only committee of reference and is ready for full action by the Florida Senate. In the House, HB 225 has unanimously passed two House Committees and has one more stop before being sent to the House Calendar for final action.
- **Expanding the membership of the Central Florida Expressway Authority:** State Rep. Tom Goodson has filed HB 299 to expand the board membership of the CFX by one member to include a Brevard County Commissioner. HB 299 passed the House Transportation Committee and has one more committee stop. Senator Debbie Mayfield has filed the companion bill, SB 720.
- ***(NEW) Expressway Authority Revenue:** Senate President Pro-Tem Anitere Flores and Speaker Pro-Tem Jeanette Nunez have filed SB 1282 and HB 961 which would apply only to the Miami-Dade Expressway Authority and would 1) automatically rebate 3 percent of the toll for users with an electronic collection transponder/sticker and 2) require that 20% of the toll revenue collected above the operating costs and debt obligations shall be distributed to Miami-Dade county for exclusive use on public transportation, transit, intermodal and multimodal facilities.
- **Elimination of the Miami-Dade Expressway Authority:** Senator Frank Artiles has filed SB 308 to eliminate the Miami-Dade Expressway Authority and transfer all facilities and operations to the Florida Turnpike Enterprise. No House companion has yet been filed.
- ***(NEW) Toll Reform Act:** State Rep. Bryan Avila has filed HB 1049 which is titled the "Toll Reform Act." HB 1049 applies only to Part I of chapter 348, Florida Statutes which is the authorization for the Miami-Dade Expressway Authority. HB 1049 places five restrictions on the ability of MDX to raise tolls: 1) MDX must hire an independent third-party to conduct a traffic and revenue analysis to justify a toll increase; 2) tolls can only be raised to adjust for the cost of inflation as provided in statute; 3) the toll increase must be approved by a two-thirds vote of the MDX Board; 4) the Authority may not use more than 10 percent of its toll revenues for administrative costs, as defined in the bill; and 5) on transportation facilities constructed after July 1, 2017, there must be a distance of at least 5 miles between toll collection facilities. HB 1049 further requires the MDX

to place specific information on their website and available to the public, including contracts, expenditure data, audited financial statements, budgets, bond covenants, and board meeting minutes and meeting packet. No Senate companion has yet been filed.

- **Elimination of High Occupancy Toll and Express Lanes:** Senator Frank Artiles has filed SB 250 to eliminate the authority of the FDOT to create High Occupancy Toll and Express Lanes. The bill provides that any existing lanes be eliminated upon the satisfaction of the bonds issued to pay for them. In the House, State Rep. Matt Willhite has filed the companion bill HB 777. NOTE: This does not impact FTE.
- **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 has passed all committees of reference and is now on the House calendar for final action.
- **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.
- **Dept. of Transportation:** HB 865 has been filed by State Rep. Jayer Williamson relating to the FDOT legislative package. The Senate companion, SB 1118, has been filed by Senate Transportation Chairman George Gainer.
- 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.

Chris Dudley
Southern Strategy Group