MIAMI-DADE EXPRESSWAY AUTHORITY (MDX)
BUDGET & FINANCE COMMITTEE MEETING

MONDAY, MARCH 12, 2012
11:00 a.m.

WILLIAM M. LEHMAN MDX BUILDING
3790 NW 21 STREET
MIAMI, FLORIDA 33142

SUMMARY MINUTES

Attendees:

Present Committee Members:
Gonzalo Sanabria, Chair
Carlos Fernandez-Guzman
Norman R. Wartman

Absent Committee Members:
Maurice A. Ferre, Vice Chair
Louis V. Martinez, Esq.

Present MDX Board Members
Felix M. Lasarte, Esq., MDX Chair
Shelly Smith Fano, MDX Vice Chair

Staff:
Javier Rodriguez, Executive Director
Pamela S. Leslie, General Counsel
Marie Schafer, Director of Finance/CFO
Alfred Lurigados, Director of Engineering
Helen Cordero, Manager, Contract Administration & Procurement
Maria Luisa Navia Lobo, MDX Board Secretary

Consultants:
Randy Topel, First Southwest Co.
Lakshmi McGrath, First Southwest Co.

CALL TO ORDER

In the absence of Treasurer Sanabria, Mr. Lasarte, MDX Chair called the meeting to order. Ms. Navia Lobo announced that a quorum was not present. Mr. Rodriguez recommended addressing the Discussion Item first

DISCUSSION ITEM

A) Debt Update

Ms. Schafer introduced the item and presented a slide show of the Authority's debt issuance. The Authority has only issued debt for the purpose of funding the Five Year Work Program. She highlighted the outstanding debt year by year, senior debt coverage ratios and principal and interest payments. Ms. Schafer presented an analysis on the current status of Bonds, Swap counter parties and Dexia private placement. Ms. Schafer explained the flow of funds. The option of a local bank was discussed; Ms. Schafer informed member that a local bank needs to be Qualified Depository Public (QDP) Trust Account.

Mr. Topel informed members currently there are two Bond issues that are refundable; Bond Series 2001A and 2002 approximately $121 million. The target savings is based upon the authority's policy which requires a minimum of five percent. The proposed refunding date is sometime between June 2012 to August 2012. He explained the multiple ways to sell the debt, go out the market or private placement. Most governmental agencies go by a competitive sell. A negotiated sell will almost universally provide a better outcome. It also has the ability of having greater underwriter participation. He further explained the advantages of a private placement; quicker and less costly. Another option when refunding, is taking the saving to reduce the basis risk on the two swaps. Mr. Topel highlighted the debt issuance timetable, and expressed the importance of the traffic and toll revenue study.

Mr. Topel and Ms. Schafer entertained questions from Committee Members.

[a copy of the presentation is filed with the Board Secretary]

Mr. Lasarte passed the gavel to Mr. Sanabria and a quorum was announced.

DECLARATION OF CONFLICTS

- Potential Voting Conflict Report

Ms. Leslie asked Board members in attendance if there were any conflicts to declare in regards to the agenda. No conflicts were declared.

ACTION ITEMS

A) Approval of Summary Minutes:
- Budget & Finance Committee of November 29, 2011

Mr. Sanabria referred to summary minutes corresponding to the November 29, 2011 meeting.

Mr. moved to approve the summary minutes. Mr. Lasarte seconded the motion. The motion was unanimously approved**.**

B) MDX Procurement/Contract No.: RFQ 09-02 - Project Finance Initiative Advisory (PFIA) Services

- Endorsement of Renewal of Contracts with:
  - Jeffrey A. Parker & Associates, Inc.
  - Deloitte Canada LLP

Ms. Leslie read the agenda item for the record. Mr. Rodriguez informed Committee members that to date the total amount of services authorized has been $412,635 for Jeffrey Parker and $203,091 for Deloitte. Staff recommends the renewal of both contracts for a period of two years, as allowed in the contract. Jeffrey Parker & Associates, Inc and Deloitte Canada LLP have provided outstanding and outstanding performance. Both consultants have been providing advisory services to MDX on an as needed basis through the issuance of task authorizations. The contracts have a term of three years, expiring in April and May, respectively. The contracts allow for a renewal of two years at MDX's discretion.

Mr. Fernandez-Guzman moved to endorse the renewal of the contracts with Jeffrey Parker & Associates and Deloitte Canada LLP. Mr. Wartman seconded the motion. The motion was unanimously endorsed.

C) MDX Procurement/Contract No.: RFQ-09-03 - Municipal Financial and Swap Advisory Services

- Endorsement of Renewal of Contract with First Southwest Company

Ms. Leslie read the agenda item for the record. Ms. Schafer introduced the item and informed the Committee in 2009 MDX competitively procured for a consultant to provide Municipal Financial and Swap Advisory Services. MDX entered into a contract with First Southwest Company. Since then First Southwest has been providing advisory services to MDX on an as needed basis through the issuance of task authorizations. The contract has a term of three years, expiring in June 2012. The contract allows for a renewal of two years at MDX's discretion. Staff recommends the renewal of the contract with First Southwest for a period of two years, as allowed in the contract. The consultants have provided outstanding performance and have exceeded the small business requirement of 15% by 6% or total of 21%. Mr. Sanabria asked who the small business firm was associated with the contract. Ms. Schafer introduced Mr. Orlando Gomar, an associate at Samson Klein. Ms. Schafer highlighted the goals and achievements completed in the contract term.

Mr. Fernandez-Guzman moved to endorse the renewal of the contract with First Southwest Co. Mr. Lasarte seconded the motion. The motion was unanimously endorsed.

Mr. Sanabria asked Mr. Fernandez-Guzman work with Ms. Schafer researching potential local bank participation.
Mr. Sanabria reported he met with staff regarding collections; a report will be forthcoming.

D) Approval of Treasurer's Report

Ms. Schafer reported year to date overall year to date revenue was approximately one percent below the forecast. Eighty percent revenue comes from SunPass ten percent cash and ten percent toll-by-plate video customers. Investment income is below the forecast due to callable securities which were invested at a lower yield. On the expense side operating expenses are six percent below the forecast. By year-end with adjustments it is expected to reach three percent. Overall net revenue is $1 million above the budget. It is anticipated debt coverage will reach the target of 1.4. Ms. Schafer entertained questions from Committee Members.

Mr. Lasarte moved to accept the Treasurer's report as presented. R. Wartman seconded the motion. The motion was unanimously approved.

Mr. Rodriguez gave an update on the Miami Intermodal Center transfer negotiations and meetings held with FDOT. He reminded member of Committee direction that operations and administration must to be revenue neutral or positive. Mr. Rodriguez and Ms. Leslie entertained questions from Members.

ANNOUNCEMENTS

- Operations Committee Meeting, 3/20/12, 10:00 a.m., William M. Lehman MDX Building
- Executive Committee Meeting, 3/20/12, 11:00 a.m., William M. Lehman MDX Building
- Board Meeting 3/27/12, 4:00 p.m., William M. Lehman MDX Building

ADJOURNMENT

The meeting was adjourned by Treasurer Sanabria. Minutes prepared by Maria Luisa Navia Lobo, Board Secretary.