

**MINUTES
MID-BAY BRIDGE AUTHORITY
THURSDAY, AUGUST 17, 2023**

**CITY OF DESTIN BOARD ROOM
4200 INDIAN BAYOU TRAIL
DESTIN, FLORIDA**

I. OPENING

Members present: Gordon E. Fornell
 James D. Neilson, Jr.
 Parker Destin
 James T. Wood, Jr.
 Kim Wintner

Also present: Van Fuller Executive Director
 Michelle Anchors Legal Counsel
 Bryant Paulk FDOT Ex officio, non-voting
 Cathy Demoreski Administrative Assistant

II. INTRODUCTION OF VISITORS & PUBLIC COMMENTS

Mr. Fornell welcomed the Authority’s Consultants: Greg Carey, Goldman Sachs; Reid Cavnar, Trey Monroe, and Kevin Laurie, Stifel; Chris Burns, Jacobs; Randy Clements and Will Milford, Bryant, Miller, Olive; Hudson Holcomb, Regions Bank; Kevin Bowyer, Warren Averett; John Slingerland, Carr, Riggs, Ingram and Chris Dudley, The Southern Group. There were no members of the public in attendance.

III. APPROVAL OF MINUTES

A. Regular Meeting – July 17, 2023

A motion to approve the July 17, 2023, Regular Meeting Minutes was made by Mr. Neilson with a second by Mr. Wood and a 5-0 vote was taken for approval.

IV. TREASURER’S REPORT

Mr. Wood presented the Treasurer’s Report for July 2023. Account balances were:

FNBT Bank	\$	326,638.51
Regions		\$61,498,294.81

Mr. Wood made a motion to accept the Treasurer’s Report for July 2023 with a second by Mr. Neilson and a 5-0 vote was taken for approval.

V. EXECUTIVE DIRECTOR

Mr. Fuller thanked all the Consultants for attending the annual meeting, which was held on Wednesday, August 16, 2023, at the Authority office. He introduced the following consultants to address the Board.

A. Annual Consultants Review.

1. **Goldman Sachs – Greg Carey.** Mr. Carey will continue to explore available financing options while working directly with Stifel to coordinate investment options for consideration by the Authority.
2. **Stifel – Reid Cavnar, Kevin Laurie, Trey Monroe.** Mr. Cavnar explained Stifel will continue to search for opportunities for the Authority to capitalize on the current higher interest rate environment for its investments. On behalf of Stifel, Mr. Laurie reviewed the strategy to invest in short-term US Treasury's backed by the US Government.
3. **Jacobs – Chris Burns.** Mr. Fuller pointed out that the FY2023 Preliminary Traffic & Revenue Review shows that the projections were right on target. Mr. Burns reported that toll revenues for FY2023 to date are 3.1% higher and traffic is 4% higher than for the same period in FY2022 which is likely because of the State Toll Relief Program. He also noted the toll revenues are up 16.4% and traffic is up 13.2% in FY2023 over FY2019, the most comparable year historically and pre-COVID. Mr. Fornell encouraged all Board members to read the Traffic & Revenue Forecast Study completed by Jacobs and included in the meeting package.
4. **Bryant, Miller & Olive – Randy Clement and Will Milford.** Mr. Fuller introduced Mr. Randy Clement, who expressed appreciation for the opportunity to have served as the Authority's Bond Counsel since its inception.
5. **Regions Bank – Hudson Holcomb.** Mr. Fuller introduced Mr. Holcomb, who is working with Stifel to execute an investment plan for the funds being held by Regions Corporate Trust on behalf of the Authority. Currently those funds are invested in Fidelity Treasury Money Market Funds which always earn the highest rate Regions has to offer, currently 4.93%. Mr. Holcomb confirmed that the Authority is in a good place and that all funds held by Regions are in compliance with the Bond Indenture.
6. **The Southern Group – Chris Dudley.** Mr. Dudley explained that this past year saw two Special Legislative Sessions. The first was in December 2022 which addressed Property Insurance issues and the \$500M Toll Relief Program to reimburse toll agencies for the 35-transaction threshold 50% discount per transponder per month which was implemented on January 1, 2023, and ends on December 31, 2023. The second session was in February 2023 to address Special Districts. The regular session which started in early March 2023 saw Representative Maney introduce a Bill to change the Authority's enabling legislation from dependent to independent of Okaloosa County. The Governor signed the bill into law on June 21, 2023.
7. **Recommendations – Mr. Fuller.** Mr. Fuller will execute the investment strategy recommended by Stifel. He will also develop goals in coordination

with the Authority's financial consultants to address actions after reaching the bond call date of October 1, 2025.

B. Operations. Mr. Fuller reported that traffic and revenue are in line with projections and are currently better year over year compared to FY2022 and may be the best year in our history.

Mr. Fuller presented the respective letters of Engagement and Compliance listed below and recommended approval.

- C. Bond Year 2023 Arbitrage Letter of Engagement – Warren Averett
- D. FY2023 Compilation Letter of Engagement – Warren Averett
- E. FY2023 Audit Letter of Engagement – Carr, Riggs, Ingram
- F. FY2023 Compliance Letter – Carr, Riggs, Ingram

A motion was made by Mr. Neilson with a second by Mr. Wood to approve the Bond Year 2023 Arbitrage Letter of Engagement, the FY2023 Compilation Letter of Engagement, the FY2023 Audit Letter of Engagement and the FY2023 Compliance Letter with a 5-0 vote taken for approval.

VI. LEGAL COUNSEL

None

VII. BOARD MEMBER COMMENTS

Mr. Paulk reported that the Brooks Bridge project is on schedule with utility relocation currently being most of the activity. Coast Guard permitting is having the most impact on moving the project forward. A PD&E Study for the Marler Bridge replacement has been approved for construction to begin after the Brooks Bridge Project has been completed. There is also currently a PD&E Study in the works to look at Stahlman Avenue traffic as widening Hwy 98 is not feasible.

VIII. GENERAL DISCUSSION

The next regular meeting of the Authority will be held on **Thursday, September 21, 2023,** at 9:00 a.m. in the Niceville City Hall Council Chambers, Niceville Florida.

IX. ADJOURNMENT

The meeting adjourned at approximately 9:58 a.m.

Approved this 21st day of September 2023.


Gordon E. Fornell, Chairman