



MIAMI-DADE EXPRESSWAY AUTHORITY
AN AGENCY OF THE STATE OF FLORIDA

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April 23, 2008

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MESSAGE FROM EXECUTIVE DIRECTOR

Action Related to MDX's Auction Rate Securities

On a national basis, municipal auction rate securities have been negatively impacted by the "sub-prime" mortgage crisis. These securities, which are generally insured by municipal bond insurers, have seen marked interest rate increases (and in certain cases, failed auctions), due to the credit rating deterioration of certain bond insurers that had overly extended themselves in the mortgage-backed bond markets.

MDX has two bond issues of auction rate securities that were so affected: its \$68,200,000 Toll System Refunding Revenue Bonds, Series 2004A and its \$241,400,000 Toll System Revenue Bonds, Series 2005A-E (ARS). Both bond transactions have underlying interest rate swap agreements hedging MDX's variable rate exposure. Given the current interest rate differential between the rate paid to MDX under the swap agreements and the rate paid by MDX to bondholders of the auction rate securities, the MDX Board has authorized actions in order to enable MDX to decrease its overall interest costs. Staff and MDX's financial and legal team have examined and presented corrective options to the Board, and continues to evaluate such options, including converting to fixed rate debt, securing letters of credit to support variable rate demand obligations, repurchasing a portion of the auction rate bonds, put bonds, hybrids of various options and private placement.

Sincerely,



Javier Rodriguez, PE
Executive Director