




As a courtesy to others, please silence all electronic devices during the meeting.

1. Call to Order


2. Committee Minutes

-  Minutes from the May 13, 2015 Oversight Committee Meeting Pg 2

3. Committee Agenda

A. Oversight Committee Agenda

-  Overview of FY2016 Capital Budget Pg 9

-Attachments 

4. Committee Information Items

A. Oversight Committee Information

-  Finance and Audit Committee Report Pg 18

-Attachments 

B. Oversight Committee Information

-  Risk Management Committee Report Pg 23

-Attachments 

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board, agency, or commission with respect to any matter considered at a meeting or hearing, he will need a record of the proceedings, and that, for such purposes, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans With Disabilities Act of 1990, persons needing a special accommodation at this meeting because of a disability or physical impairment should contact Benjamin Gonzalez at 455 N. Garland Ave, Orlando, FL 32801 (407) 254-6038, not later than three business days prior to the meeting. If hearing impaired, contact LYNX at (407) 423-0787(TDD).

LYNX
Central Florida Regional Transportation Authority
Oversight Committee Meeting Minutes

PLACE: **LYNX Central Station**
 455 N. Garland Avenue
 Conference Room, 2nd Floor
 Orlando, FL 32801

DATE: **May 13, 2015**

TIME: **1:30 p.m.**

Members in Attendance:

Seminole County Commissioner, Carlton Henley, Chairman
Osceola County Commissioner, Viviana Janer
FDOT District 5 Secretary, Noranne Downs
Orange County, Assistant County Administrator, Jim Harrison
City of Orlando, Transportation Project Manager, Claudia Korobkoff

Members Absent:

1. Call to Order

The Chairman, Commissioner Carlton Henley, called the meeting to order at 1:32 p.m.

2. Approval of Minutes

The Chairman asked the Committee if there were any additions or deletions to the March 26, 2015 Minutes as presented.

Motion was made and seconded to approve the Minutes of the March 26, 2015 Oversight Committee meeting. The motion passed unanimously.

3. Oversight Agenda Items

A. Mobile Ticketing Presentation

The Chairman recognized Blanche Sherman, LYNX' Director of Finance, who introduced Shyam Dunna, Prinncipal with nMomentum Corporation, LYNX' technical advisor, to make the presentation.

Mr. Lewis noted that LYNX received an unsolicited proposal suggesting that LYNX enter into a pilot program to show the capabilities of mobile ticketing. Mobile ticketing and use of mobile technology is not new but an opportunity for LYNX to provide high levels of customer service. As LYNX evaluates the potential for the project, the presentation will provide committee members with an overview of benefits and attributes of mobile ticketing.

Mr. Dunna stated that nMomentum specializes in intelligent transportation solutions and technologies. He provided the company has worked with various agencies with automated fare collection systems (AFCS) and mobile ticketing.

- Current AFCS at LYNX
 - GFI Back Office
 - GFI Fareboxes
 - All magnetic and cash system
 - Numerous Manual processes
 - Limited options for self-service customers
 - Limited security on magnetic cards
 - Card replenishment, inventory procurement and management necessary

- ACS/Xerox Project
 - Brought about as a need to implement transfers to/from SunRail
 - Smartcard based Fare Collection System
 - Card or Limited Use Media (LUM) linked to an account in the back office
 - Requires validator and communications equipment on buses to communicate with back office
 - Fare products are not on the card but in Central Data Collection and Information System (CDCIS) database
 - Card replenishment, inventory procurement and management necessary

 - ✓ Initial Procurement
 - Central Data Collection and Information System (CDCIS)
 - Back Office *procured by SunRail
 - Full Service Ticket Vending Machines (2)
 - Bus On-board validators and Communications (300)
 - Retail Point-of-sale machines (5)
 - Fare Media – Standard use Smart Cards
 - Fare Media – Limited use Smart Cards
 - ✓ Future (Options)
 - Point-of-sale machines (200)
 - Fare Media – Standard use Smart Cards
 - Fare Media – Limited use Smart Cards

- Project Update / Issues
 - ACS/Xerox has not met published schedules for LYNX
 - Bus Pilot failures. Inadequate testing

- TVM pilot failures. Inadequate testing
 - Majority of the system is still under development
 - Adequate reporting not yet available
 - Has not been designed to be a regional system per discussions with Xerox
 - Not a user friendly system & contains numerous bugs
 - Access to test back office still in works for LYNX
 - Other contractual obligation issues
 - Change orders
- Mobile Payment Systems
- Latest Generation of AFCS Technologies
 - Utilizes Fare Payment app on smartphone with administrative back office
 - Provides 24X7X365 convenient self-service for riders
 - Can be integrated with other smartphone apps like real-time scheduling, events and alerts, Trip Planning, etc.
 - Easier for customers to use than Ticket Vending Machines
 - Can link credit/debit cards, checking/savings and paypal accounts for auto replenishments
- Mobile Devices Overview
- 7% of the U.S. households have mobile phones (Nov. 2014) Average household owns 5.2 connected devices.
 - Smartphones accounted for 66% of total phone market in 2014. Estimated to increase to 9 out of 10 phones by 2018.
 - Mobile App use up 76% in 2014
 - Enhanced services information, superior customer service, significant operational cost reductions and attracting millennial riders are major drivers for LYNX.
- Mobile Payment Systems Benefits
- Can be implemented with or without on-board bus validators
 - Eliminates needs for purchase of expensive TVMs
 - Eliminates need for retailer distribution and retail point of sale devices
 - Flexible to program and make changes since it is application driven
 - Provides new fare option, e.g., bundle event tickets, loyalty programs, coupons, family passes, etc.
 - Very popular among riders
 - Reduce cash collection costs, cost of purchasing card media and inventory management.
 - Allow for additional revenue opportunities from various programs that Mobile Payments can offer.
 - Has faster implementation time frame because of simpler fare structure.
 - Different Options for Mobile Payment
 - Using NFC chips in Smartphones for fare payment
 - Using Bluetooth technology for fare payment
 - Using bar codes for fare payment

- Mobile Payment Systems Industry Outlook
 - Numerous Transit Agencies in U.S. have implemented Mobile Payment Systems, e.g., UTA-Salt Lake City, Trimet-Portland, MBTA-Houston, OCTA-CA, DART-Dallas, Capital Metro-Austin, NJ Transit, etc.
 - In process at MARTA-Atlanta, WMATA-Washington DC, CTA-Chicago, VIA Transit-San Antonio & Others
 - 100% positive press received on all agency implementations from riders and the media
 - Agencies have also incorporated Trip Planning and System Alert information into the Mobile App

The Committee questioned Mr. Dunna as to the adoption rate. Mr. Dunna replied that 30% of entire ridership on bus side convert within the first six months and as high as 80% in two years.

The Committee questioned Mr. Dunna as to the integration of the system with other systems – having one application for each – real time, trip planning, fare payment, etc. Mr. Dunna stated that riders want one application and the system can allow for different vendors being integrated under one app.

Mr. Lewis stated that LYNX has an opportunity to evaluate a pilot project and prove the technology works.

B. Review and Recommend to the Board of Directors Proposed Amendments to Administrative Rules 6.4.1.B, 6.4.2.B, 6.5.3, 6.5.4, and 6.6, and Delete the Current Rules 6.5.1 and 6.5.2

The Chairman recognized Susan Black, LYNX’ General Manager, to make the presentation.

Ms. Black noted that staff is requesting the Committee make a recommendation to the Board of Directors to amend Dispute Resolution Administrative Rule 6. She provided that staff has worked with LYNX’ General Counsel and Risk Committee on four recommended changes.

1. Procurement Dispute Appeal Process (6.4.1.B & 6.4.2.B)

Recommended Amendment: Together with LYNX’ General Counsel, Staff recommends provisions be added to the existing rule (recommended language appearing in the attached “red-lined’ and “clean” versions of the proposed Administrative Rule 6) that will address instances in which LYNX does not have a General Manager.

2. LYNX-Administered Dispute Appeal Process (6.5.1 – 6.5.2)

Recommended Amendment: Together with LYNX’ General Counsel, Staff recommends these subsections be deleted.

3. Delegation of Settlement Authority: Contract Disputes (current 6.5.3 – 6.5.4)

Recommended Amendment: Together with LYNX’ General Counsel, Staff recommends provisions be added to the existing rule (recommended language appearing in the

attached “red-lined” and “clean” versions of the proposed Administrative Rule 6) permitting the CEO to delegate his/her authority to settle contract disputes (subject to existing monetary limitations) to any “Senior Officer.”

4. Delegation of Settlement Authority: Tort and Workers’ Compensation Claims (6.6)

Recommended Amendment: Together with LYNX’ General Counsel, and after obtaining input and feedback from the LYNX Board’s Risk Management Committee, Staff recommends the following modifications to the current procedure for settling tort and workers’ compensation claims. Recommended language appears in the attached “red-lined” and “clean” versions of the proposed Administrative Rule 6.

- i. The CEO may settle disputes up to \$200,000 per person and \$300,000 per incident (which is equal to the limits of the limited waiver of sovereign immunity contained in Section 768.28) (the “settlement cap”); provided that the settlement is within the budget line item for settlements or covered by insurance. To the extent that 768.28, Fla. Stat., is amended to increase or decrease the limited waiver of sovereign immunity, the settlement cap will be adjusted accordingly. Should LYNX obtain commercial, third-party insurance with coverages in excess of the \$200,000/300,000 limits, the CEO will have the authority to settle disputes up to the limits of such coverages.
- ii. The CEO may delegate limited settlement authority to certain permitted delegates as follows:
 - 1. General Manager: up to \$100,000
 - 2. Director of Risk Management: up to \$50,000
 - 3. Third-party Administrator: up to \$3,000
- iii. The CEO will continue to be able to settle disputes in excess of the settlement cap and without insurance if consented to by the Board Chair as currently permitted under Rule 6.

Discussion ensued regarding the definition of “Senior Officers” and the necessity for the contract appeal process involving third party dispute resolution contained in LYNX’ contracts.

Without objection, the Committee’s recommendation to the Board will be to approve the amendment of Administrative Rules 6.4.1.B, 6.4.2.B, 6.5.3, 6.5.4, and 6.6 and delete the current rules 6.5.1 and 6.5.2.

4. Committee Information Items

A. Risk Management Committee Report

The Chairman recognized John Petrelli, Chairman of the Risk Management Committee, to make the presentation.

Mr. Petrelli provided that the Committee received a review of LYNX' insurance program by Gallagher & Associates. The Committee recommended moving out renewal dates. The Committee also recommended combining the current liability policies into a common excess liability policy.

He noted the Committee received a presentation by Corvel, the current Third party Administrator. They are currently moving forward with handling the liability claims. Part of the process has been a conversion of data into a public system which will assist with the data integrity. The data conversion is scheduled to be completed by the end of April. The Committee discussed any financial impacts on resolving older claims and received information that the majority are small property damage claims and should not impact reserves.

The Committee also received a presentation by Melanie Herman, LYNX' consultant, working with the Corvel on the reporting process.

Lastly, he noted the Committee reviewed and made recommendations as to Administrative Rule 6.

B. Finance and Audit Committee Report

The Chairman recognized Chris McCullion, Chairman of the Finance and Audit Committee, to make the presentation.

Mr. McCullion provided that the Committee met and discussed two items: 1) budget funding model, and 2) the master agreement regarding the funding model between the funding partners.

Staff provided detail on how the funding model works. The Committee discussed the inputs that go into the model including the process of establishing service levels among all the jurisdictions. Additionally, the Committee discussed the process that LYNX communicates with the partners and incorporating comments from the partners.

The Committee reviewed the master funding agreement. In general, the Committee the master agreement was a positive tool to establish among the funding partners providing a common understanding of how the model works.

The Committee did not have any action items or recommendations.

5. Review of Board Package

The Chairman recognized John Lewis, Chief Executive Officer, to provide an overview of items that will come before the Board.

Mr. Lewis stated that staff may be recommending a change to the LYNX Board of Directors' meeting Agenda.

Mr. Lewis stated that the Oversight Committee has an outstanding seat in the Committee structure. A Vice-Chairman has not yet been elected.

Motion was made a seconded to elect Commissioner Viviana Janer as Vice-Chairman. The Motion passed unanimously.

The Chairman requested that the next Committee Agenda include election of Officers.

The Chairman recognized Commissioner Janer.

Commissioner Janer requested the Committee's recommendation to remove Board Agenda item 7.A., Authorization to Submit Grant Application for the Fiscal Year 2015 United States Department of Transportation (USDOT) TIGER VII Program. The Commissioner noted that the application was for projects in Osceola County on 192 and the Kissimmee circulator. Osceola has been requested not to submit the application in order that SunRail Phase 2 would have a better opportunity to receive the funding. In the spirit of being a good regional partner, Osceola County does not want to impede on the process.

The Chairman noted that Seminole County Board of County Commissioners took the position to endorse the SunRail Phase 2 application.

Secretary Downs thanked Commissioner Janer for making the recommendation in the spirit of regionalism and the letters of endorsement the project has received.

Without objection, the Committee's recommendation to the Board will be to remove Board Agenda item 7.A, Authorization to Submit Grant Application for the Fiscal Year 2015 United States Department of Transportation (USDOT) TIGER VII Program.

Mr. Lewis asked Secretary Downs if LYNX can provide assistance to further SunRail Phase 2 in obtaining the TIGER VII grant. Mr. Lewis suggested a letter of endorsement from LYNX' CEO on behalf of the Board.

The meeting adjourned at 2:40 p.m.

Oversight Committee Agenda Item #3.A.

To: LYNX Board of Directors

From: Blanche Sherman
DIRECTOR OF FINANCE
Julie Caple
(Technical Contact)

Phone: 407.841.2279 ext: 6100

Item Name: Overview of FY2016 Capital Budget

Date: 7/23/2015

BACKGROUND:

At the March 26, 2015 Board meeting, staff presented the FY2015 Amended Capital Budget in the total amount of \$89,429,628. Since then, staff discussed capital priorities for FY2016 and the corresponding funding sources available. The FY2016 Preliminary Capital Budget has been developed for Board review and input.

LYNX staff will present the FY2016 Capital Budget in the amount of \$93,730,654.

The FY2016 Operating and Capital Budgets, will be presented to the Board of Directors for final consideration and approval at the September 24, 2015 Board meeting.

OVERVIEW:

The proposed Capital Budget for FY2016 is \$93,730,654, which is an increase of \$4,301,026 or approximately 4.8% more than the FY2015 Amended Capital Budget. The increase in the capital budget from the FY2015 Amended Capital Budget results from the planned construction modifications to the CNG bus facility, CNG replacement buses and the upgrade to mobile ticketing.

The capital budget is funded from a combination of federal, state and local sources, and includes items such as the planned purchase of replacement buses and vans, bus shelters, and the use of technology to assist in service delivery and improvements. The majority of the capital budget, 92.24% is funded through federal grants, 0.46% is funded through state grants, and the remaining 7.3% through local funds. The local contribution from the funding partners covers the capital bus lease and LYMMO BRT expansion projects. In addition, funding through LYNX negotiated agreements will contribute to passenger shelter costs.

Specifically, this budget includes funds from the following areas:

Federal	\$86,460,205
State	429,256
Local	6,641,193
Reserves	200,000
Total	<u>\$93,730,654</u>

The table below identifies capital expenditures by program:

Capital Program		FY2016 Requests
1)	Vehicles	\$ 52,058,319
2)	BRT	14,478,987
3)	Facilities	5,722,519
4)	Passenger Amenities / Related Enhancements	10,219,534
5)	Technology	5,655,890
6)	Security	665,044
7)	Support Equipment	4,930,361
	Total	<u>\$93,730,654</u>

Notes:

- 1) Vehicles include expansion and replacement vehicles for fixed-route, vanpool, and paratransit services and support vehicles.
- 2) BRT includes the Orange, Lime, and Grapefruit LYMMO line capital activities, as well as, the FlexBus project.
- 3) Facilities include funds for LCS, LOC, Osceola, LB McLeod improvements and CNG facility modifications.
- 4) Passenger amenities include shelters, transfer centers, solar power, benches, and trash receptacles.
- 5) Technology includes items to improve communication and information delivery such as network improvements, servers, software upgrades and real time information.
- 6) Security includes equipment to enhance security and surveillance.
- 7) Support equipment includes items such as mobile ticketing, fare payment on board validators, copiers, printers, shop tools, furniture, and storage cabinets.

FY2016 Overview of Preliminary Capital Budget

**Presented to the
LYNX Oversight Committee**

July 23, 2015

Key Capital Budget Assumptions

- Enhance LYNX facilities
- Construction Modification to CNG Bus Facility
- Advanced Fare Collection – Mobile Ticketing
- Fleet to support all service modes
- Continue LYMMO expansion activities
- Passenger Amenities Program improvements
- Continuation of security and surveillance
- Advance communications and technological capabilities

FY2016 Preliminary Capital Budget



Overview

	FY2015	FY2016	
	Amended	Preliminary	% Change
Capital Contributions	\$ 89,429,628	\$ 93,730,654	4.81%
Capital Expenditures	89,429,628	93,730,654	4.81%
Capital Gains/(Losses)	\$ -	\$ -	N/A

FY2016 Preliminary Capital Budget by Category



	Preliminary FY2016	Amended FY2015	Variance
ARRA Projects	\$ -	\$ 1,804,076	\$ (1,804,076)
BRT Project	14,478,987	15,674,570	(1,195,583)
Facility Improvements	5,722,519	2,922,475	2,800,044
Passenger Amenities	10,219,534	12,987,746	(2,768,212)
Security Equipment	665,044	1,010,244	(345,200)
Support Equipment	4,930,361	2,054,206	2,876,155
Technology	5,655,890	3,823,241	1,832,649
Support Vehicles	791,790	1,038,487	(246,697)
Revenue Vehicles	51,266,529	48,114,583	3,151,946
	\$ 93,730,654	\$ 89,429,628	\$ 4,301,026

FY2016 Preliminary Capital Budget Contributions



	FY2015	FY2016	
Capital Contributions	Amended	Preliminary	% Change
Federal Contributions	\$ 82,150,813	\$ 86,460,205	5.2%
State Contributions	411,879	429,256	4.2%
Local Contributions	6,666,936	6,641,193	-0.4%
Reserves	200,000	200,000	0.0%
Total	\$ 89,429,628	\$ 93,730,654	4.8%

FY2016 Preliminary Capital Budget



– Local Contributions

Description	FY2016 Preliminary Budget Amount	Source
*LYMMO- East/West	\$ 182,047	City of Orlando
LYMMO- Parramore	3,637,206	City of Orlando, Orlando Utilities Commission, Other Utilities
Capital Bus Lease	1,000,000	Local \$2 Capital
Articulated CNG Buses	1,481,600	Local \$2 Capital
Passenger Amenities	340,340	Wal-Mart/Mills District/Pine Hill
Total	\$ 6,641,193	

***This amount has already been paid by the City of Orlando.**

FY2016 Budget Calendar



Final Board Action

September 24

Budget Year 15 – 16 Commences

October 1

Oversight Committee Information Item #4.A.

To: LYNX Board of Directors

From: **Blanche Sherman**
DIRECTOR OF FINANCE
Julie Caple
(Technical Contact)

Phone: 407.841.2279 ext: 6100

Item Name: Finance and Audit Committee Report

Date: 7/23/2015

A meeting of the Finance and Audit Committee was held on Wednesday, July 15, 2015. The Agenda Items covered were:

- Overview of FY2016 Preliminary Capital Budget
- Recommendation to Award Contract to Cherry Bekaert LLP for Auditing Services
- Overview of Health Insurance Cost Containment Status
- Review of LYNX' Unsolicited Proposals (UP) Policy (Admin Rule 4.18) and Clarification Policy Supplemental

Minutes from the previous meeting held on Tuesday, May 5, 2015 are attached.

Tentative future meeting dates include:

Thursday, August 27, 2015
Friday, September 11, 2015

LYNX
Central Florida Regional Transportation Authority
Finance & Audit Committee Meeting Minutes

PLACE: **LYNX Central Station**
455 N. Garland Avenue
Conference Room, 2nd. Floor
Orlando, FL 32801

DATE: **May 5, 2015**

TIME: **09:01 AM**

Members in Attendance:

Chairperson Chris McCullion, City of Orlando
Vice Chairperson Ray Walls, Orange County
Michael Kurek, Osceola County
Edward Bass, Seminole County
Lisa Buscher, FDOT

LYNX Staff in Attendance:

John Lewis, Chief Executive Officer
Blanche Sherman, Director of Finance
Jim Goldsmith, LYNX' General Counsel

Members Absent:

1. Call to Order/Introduction

Chairperson Chris McCullion called the meeting to order at 09:01 AM.

2. Approval of Prior Meeting Minutes

Chris McCullion asked for approval of the prior meeting minutes. **Motion** was made and seconded to approve the Minutes of the March 18, 2015 Finance & Audit Committee. The Motion passed unanimously.

3. Audit Agenda Items

✓ **Discussion of FY2016 Preliminary Budget Funding Model**

Chris McCullion called on Blanche Sherman, Director of Finance, to discuss the FY2016 Preliminary Budget Funding Model. Ms. Sherman stated that the preliminary FY2016 budget presented to the Committee in March remains the same at \$126.5 million with a .5% increase in the local funding based on the model. Ms. Sherman discussed the methodology and how costs were determined for each section of the Regional Model Calculation, a copy of which is included on the page that follows.

LYNX				
FY2016 Preliminary Budget Development				
Regional Model Calculation				
4/28/2015 13:33				
		FY2016		
Total Operating Expenses:		\$ 126,493,478		
Minus: Paratransit Costs		(17,680,647)		
Minus: NL Services		(2,115,136)		
Minus: Estimated Federal, State and Other Revenue		(25,241,489)		
Minus: Estimated Lymmo		(1,420,137)		
Minus: Estimated Lymmo E/W and Parromore		(885,274)		
Minus: Estimated Road Rangers		(1,336,804)		
Minus: Mears - Link 208		(290,241)	Reserves	Express Bus Pilot
Minus: AA SR50		(75,205)	Reserves	AA State Road 50
Minus: Private, Federal, and State Funded Services		(4,637,109)		
Net Total Cost		\$ 72,811,435		
Base Service Hours		1,059,295		
Systemwide Hourly Rate:				
<i>Divide the net total operating costs by the total number of service hours</i>		68.74		
Assess Maintenance & Replacement Capital Cost \$2 per hour		70.74		
FY2016 Hourly Rate times the number of service hours:				
County Fixed Route Hours				
		Orange	Osceola	Seminole
		Region		
Fixed Route Hours		850,652	101,635	107,008
% of Hours		80.30%	9.59%	10.10%
Hours		850,652	101,635	107,008
Hourly Rate		70.74	70.74	70.74
Total Fixed Route Cost		\$ 60,170,619	\$ 7,189,660	\$ 7,569,746
		\$ 74,930,025		
Estimated County Farebox Revenue		\$ (21,924,159)	\$ (2,619,475)	\$ (2,757,954)
		\$ (27,301,588)		
Net County Fixed Route Costs		\$ 38,246,461	\$ 4,570,185	\$ 4,811,792
		\$ 47,628,438		
County American With Disabilities Act (ADA) Costs:				
		Orange	Osceola	Seminole
		Region		
ADA Costs		\$ 5,188,198	\$ 893,474	\$ 1,296,312
Trips		229,145	39,462	57,254
% of Local Contribution		70.32%	12.11%	17.57%
Total Operating and Capital:				
	Recap:	Orange	Osceola	Seminole
		Region		
Net County Fixed Route Costs		\$ 38,246,461	\$ 4,570,185	\$ 4,811,792
ADA Costs		5,188,198	893,474	1,296,312
		7,377,984		
Total Regional Model - FY2016		\$ 43,434,659	\$ 5,463,659	\$ 6,108,104
		\$ 55,006,422		
Plus: Special Local Medicaid Request		-	-	-
Plus: Special Local TD Request		1,114,697	267,217	266,558
		1,648,473		
Grand Total Funding Request		\$ 44,549,357	\$ 5,730,875	\$ 6,374,662
		\$ 56,654,894		
Less: Cities - Status Quo		\$ (3,873,006)	\$ (161,999)	\$ (213,900)
		\$ (4,248,905)		
Plus: NL Services		454,580	346,474	271,714
Plus: Local Match_Federal and State Funded Services		315,277	219,141	-
		534,419		
Total County Specific Request		\$ 41,446,208	\$ 6,134,491	\$ 6,432,476
		\$ 54,013,175		
County Specific Operating Request		\$ 39,744,904	\$ 5,931,221	\$ 6,218,460
		\$ 51,894,585		
County Specific Capital Request		\$ 1,701,304	\$ 203,270	\$ 214,016
		\$ 2,118,590		

Ms. Sherman and the Committee members discussed the following topics related to the budget funding model:

- Meeting with departments to determine expenses
- Projected trip levels
- Direct and net fixed route charges
- New service funding
- Funding by private partners
- LYMMO and service development routes
- Contingency funds
- Medicaid funding cut-back factored into paratransit costs
- Base service hours based on the December bid with a projection into FY2016
- Fixed route hours
- Estimated fare box revenues based on trends
- Inclusion of \$2 capital hourly rate
- ADA cost allocation based on trips and programs (ADA, Medicaid, and TD)
- Funding partners covering twelve (12) months of trips
- Local match for NeighborLink service components
- Use, monitoring, and replenishment of reserves
- No changes proposed in the methodology used to calculate the budget funding model

The Committee discussed the funding model in detail and discussed the recommendation to the Oversight Committee in regards to the format of the model. **Motion** was made and seconded to recommend acceptance of the FY2016 Preliminary Funding Model as presented. The Motion passed unanimously.

✓ **Overview of “Agreement Regarding Funding of LYNX Pursuant to Funding Formula” (Master Agreement)**

Chris McCullion called on Blanche Sherman to present the second agenda item.

Ms. Sherman discussed the process over the last year with Pat Christiansen, LYNX’ General Counsel, to have a Master Agreement to include the funding model as formally adopted by the LYNX Board.

Mr. Goldsmith discussed that the funding partners are agreeing that the funding model is going to be used which creates a contractual obligation for allocation based on the funding model but no funding payment is obligated until a separate agreement is signed by each funding partner. Specific funding issues can be negotiated separately with LYNX.

Mr. Goldsmith mentioned that the agreement is a basic template that will be the same amongst all the funding partners with an additional exhibit to provide information specific to each partner.

Comments from the group included how the agreement lays out a process, provides an established procedure, and provides clear expectations between all the funding partners and LYNX.

The Committee discussed the recommendation to the Oversight Committee. **Motion** was made and seconded to recommend acceptance of the Master Agreement. The Motion passed unanimously.

✓ **Other Business**

Chris McCullion asked if there was any other business.

The following items were briefly discussed:

- Establishment of by-laws to use as a guideline for items to be reviewed by the Committee
- Healthcare update possibly in July
- Preparing a debt management policy
- Having a signed lease with Bank of America and compressed natural gas (CNG) buses scheduled for delivery in October

Mr. McCullion then discussed the possible need for a meeting to be held before the next tentatively scheduled meeting on August 27. Ms. Sherman is to find out the status of information on healthcare and will be presenting the capital budget to the Committee. Ms. Sherman will get back to the Committee to schedule a meeting after the fourth of July.

The meeting was adjourned at 9:37 AM.

Oversight Committee Information Item #4.B.

To: LYNX Board of Directors

From: Susan Black
GENERAL MANAGER
BRENDA HERNANDEZ
(Technical Contact)

Phone: 407.841.2279 ext: 6058

Item Name: Risk Management Committee Report

Date: 7/23/2015

A meeting of the Risk Management Committee was held on Wednesday, June 24, 2015. The Agenda Items were Department Status Update, Claims Status Update and Insurance Overview.

The approved minutes for the April 22, 2015 Risk Management Committee meeting are attached.

LYNX Board of Directors Risk Management Committee has scheduled future meetings on the following dates:

Wednesday, August 19, 2015
Wednesday, October 7, 2015
Wednesday, December 16, 2015

LYNX
Central Florida Regional Transportation Authority
Monthly Risk Management Committee Meeting Minutes

PLACE: LYNX Central Station
455 N. Garland Avenue
Room 215
Orlando, FL 32801

DATE: April 22, 2015

TIME: 10:01 a.m.

Members in Attendance:

John Petrelli, Risk Manager, Orange County

Ray Scullian, Risk Manager, City of Orlando

Denise Lipscomb, Financial Services Manager, FDOT

Reginald Davis, Senior Manager for Risk Management, Osceola County

Members not in Attendance:

James Carnicella, Human Resources Director, Seminole County

1. Call to Order

The Chairman, John Petrelli, called the meeting to order at 10:01 a.m.

2. Approval of Minutes

The Chairman asked the Committee if there were any additions or deletions to the February 4, 2014 Minutes as presented.

3. Agenda Items

The Chairman asked if there were any comments or questions about previous meeting. Committee had no questions or comments.

Chris Connelly, Risk Management Insurance Broker for LYNX addressed committee. Chris gave the committee an overview of LYNX's casualty insurance coverage. Committee recommended that an updated property appraisal be done.

Melanie Herman, Risk Management Consultant with LYNX, addressed the committee. Melanie provided the Committee with an update on her work with the Risk Management Team. CorVel will be handling the claims per Board of Director's approval. Melanie presented options to the Committee on preferred method of reporting.

Debbie Popovich, CorVel representative addressed the committee. Debbie provided the Committee with an overview of the role of CorVel in regards to LYNX and claims management. John Lewis, LYNX Chief Executive Officer, addresses the committee and provided the Committee with an overview of the Lime Alert incident system.

Susan Black, LYNX' General Manager addressed the committee. Susan informed the committee of the notice and publication of settlements which will be submitted to the Board of Directors. Susan asked Committee to decide when and how they would like to be notified of pending litigations.

4. Action Items

Jim Goldsmith, LYNX' General Counsel addressed the committee. Jim provided the Committee with an overview of the Administrative Rule 6 and the recommended changes being presented to the Board of Directors.

Discussion ensued. Suggestions will be noted in edits submitted to the Board of Directors.

Motion was made and seconded to approve changes to Administrative Rule 6 with the changes that have been suggested.

5. Discussion

Discussion of future agenda items.

Meeting adjourned at 12:05 p.m.