



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

## 1. Call to Order

## 2. Committee Minutes

-  Oversight Committee Minutes Pg 3

## 3. Committee Agenda

### A. Oversight Committee Agenda

-  Finance & Audit Committee Report Pg 18

-Attachments




### B. Oversight Committee Agenda

-  Overview of FY2016 Amended Operating & Capital Budgets Pg 32

-Attachments




### C. Oversight Committee Agenda

-  Overview of FY2017 Proposed Operating & Capital Budgets Pg 47


-Attachments




### D. Oversight Committee Agenda

-  Discussion Regarding the Negotiation and Execution of a Lease Agreement with East Central Florida Regional Planning Council (ECFRPC) Pg 64

### E. Oversight Committee Agenda

-  Discussion Regarding the Release of a Request for Proposal (RFP) for Real Estate Services Pg 66

### F. Oversight Committee Agenda

-  Discussion Regarding the Negotiation and Execution of an Agreement for Temporary Employment Services Until the Chief Operating Officer Position is Filled Pg 68


-Attachments



### G. Oversight Committee Agenda

-  Discussion Regarding Cancellation of the Request for Proposal (RFP) for Security Guard Services Pg 73

### H. Oversight Committee Agenda

-  Discussion Regarding the Cancellation of the Request for Proposal (RFP) for Pressure Washing of LYNX Central Station (LCS), LYNX Operations Center (LOC), and Transfer Centers Pg 75

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**  
                  **Open Space, 2<sup>nd</sup>. Floor**  
                  **Orlando, FL 32801**

**DATE:**         **July 28, 2016**

**TIME:**         **10:30 AM**

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**Members in Attendance:**

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

**Members Absent:**

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**1. Call to Order/Introduction**

The Chair, Viviana Janer, called the meeting to order at 10:30 AM.

**2. Approval of Prior Meeting Minutes**

The Chair asked for approval of the prior meeting minutes.

**Motion** was made and seconded to approve the Minutes of the May 26, 2016 Oversight Committee. The Motion passed unanimously.

**3. Oversight Agenda Items**

**A. Overview of FY2017 Preliminary Capital Budget**

The Chair recognized Blanche Sherman, Director of Finance, to make the presentation.

Ms. Sherman stated that an update was provided to the Finance & Audit Committee and that she would be providing a brief overview to this Committee. The key capital budget assumptions are as follows:

- Enhance LYNX facilities
- Advanced fare collection – mobile ticketing
- Fleet to support all service modes
- Continue LYMMO expansion activities- LYMMO BRT Lime line
- Passenger Amenities Program improvements
- Continuation of security and surveillance equipment
- Advance communications and technological capabilities

Ms. Sherman stated that the FY2017 preliminary capital budget is decreasing by approximately 16.5% over the FY2016 capital budget and discussed the details as listed below:

#### FY2017 Preliminary Capital Budget by Category

	Amended FY2016	Preliminary FY2017	Variance
BRT Projects	\$ 13,083,894	\$ 4,089,870	\$ (8,994,024)
Facility Improvements	5,622,656	2,312,242	(3,310,414)
Passenger Amenities	9,777,044	12,376,722	2,599,678
Security Equipment	591,600	793,200	201,600
Support Equipment	4,761,187	4,200,094	(561,093)
Technology	5,542,331	5,103,855	(438,476)
Support Vehicles	641,130	564,003	(77,127)
Revenue Vehicles	51,714,463	47,138,019	(4,576,444)
	<b>\$ 91,734,305</b>	<b>\$ 76,578,005</b>	<b>\$ (15,156,300)</b>

Mayor Jacobs asked about the decrease in the technology budget and if upgrades and new software systems were included in the budget. Ms. Sherman responded that the decrease was due to completed projects in FY2016 and that the budget does include upgrades and new software programs for FY2017.

Ms. Sherman then discussed the capital budget contributions and local contributions:

#### FY2017 Preliminary Capital Budget Contributions

<u>Capital Contributions</u>	<u>FY2017 Proposed Budget</u>	<u>FY2016 Amended Budget</u>	<u>Dollar Amount Change</u>
<b>Federal Contributions</b>	\$ 72,312,064	\$ 84,762,480	\$ (12,450,416)
<b>State Contributions</b>	759,433	429,256	330,177
<b>Local Contributions</b>	3,506,508	6,342,569	(2,836,061)
<b>Reserves</b>	-	200,000	(200,000)
	<b>\$ 76,578,005</b>	<b>\$ 91,734,305</b>	<b>\$ (15,156,300)</b>

## FY2017 Preliminary Capital Budget – Local Contributions

Description	FY2017 Preliminary Budget Amount	Source
LYMMO- Parramore	1,046,793	City of Orlando, Orlando Utilities Commission, Other Utilities
Capital Bus Lease	898,151	Local \$2 Capital
Articulated CNG Buses	1,263,967	Local \$2 Capital
Paratransit Vehicles	47,597	Local \$2 Capital
Passenger Amenities	250,000	Orange County
<b>Total</b>	<b>\$ 3,506,508</b>	

Edward Johnson stated that the first articulated CNG bus has been received and will be on display at LYNX Central Station (LCS).

Ms. Sherman commented that the final Board action will be September 22 and the fiscal year will commence on October 1.

The Chair stated that no recommendation to the Board was being requested at this time.

### B. Update on LYNX Reserves

The Chair called on Blanche Sherman, Director of Finance, to make the presentation.

Ms. Sherman discussed details of the LYNX reserves as provided in the following table showing the excess/shortfall of cash reserves at the minimum, midpoint and maximum:

LYNX Reserves	Minimum	Midpoint	Maximum
Operations	\$14,000,000	\$21,000,000	\$28,000,000
Contingency -5%	6,352,272	6,352,272	6,352,272
Capital Bus Lease	1,568,777	1,568,777	1,568,777
Articulated Buses	1,263,966	1,263,966	1,263,966
Replacement Buses	791,694	791,694	791,694
CNG Facility Improvements	2,705,733	2,705,733	2,705,733
Debt Service	797,282	797,282	797,282
Self-Insurance Programs	8,015,971	8,015,971	8,015,971
Fuel Stabilization	1,000,000	1,000,000	1,000,000
<b>Subtotal</b>	<b>\$36,495,695</b>	<b>\$43,495,695</b>	<b>\$50,495,695</b>
FY2015 \$2 Capital Funding	(2,098,684)	(2,098,684)	(2,098,684)
FY2016 \$2 Capital Funding	(2,118,590)	(2,118,590)	(2,118,590)
FY2017 \$2 Capital Funding	(2,112,896)	(2,112,896)	(2,112,896)
Self-Insurance (Long-term)	(2,676,165)	(2,676,165)	(2,676,165)
FY2014 Settlement Payout Budget	(1,200,000)	(1,200,000)	(1,200,000)
SIB Loan – Federally Funded	(797,282)	(797,282)	(797,282)
<b>Reserve Fund Requirement</b>	<b>\$25,492,078</b>	<b>\$32,492,078</b>	<b>\$39,492,078</b>
Unrestricted – Net Position	(43,190,768)	(43,190,768)	(43,190,768)
<b>Net Pension Asset</b>	<b>6,283,485</b>	<b>6,283,485</b>	<b>6,283,485</b>
<b>(Excess) Shortfall Cash Reserves</b>	<b>(\$11,415,205)</b>	<b>(\$4,415,195)</b>	<b>\$2,584,795</b>

Ms. Sherman discussed the building of reserves in accordance with LYNX' Reserve Policy and through the establishment of the agreed upon funding model. Ms. Sherman then discussed the concerns expressed by Orange County and the Finance & Audit Committee about the funding levels and the recommendations to apply \$1,946,397 to reduce the funding levels for FY2017 as included in the table below:

	<b>FY2016 Contribution</b>	<b>Proportion of Local Contribution</b>	<b>Proportion of Adopted FY2016 General Fund</b>	<b>FY2017 LYNX Proposed Contribution</b>	<b>% Increase</b>	<b>FY2017 Revised Proposed Contribution</b>	<b>% Increase</b>	<b>Change from Proposed</b>
<b>Orange</b>	\$ 41,431,799	71%	5.1%	\$ 44,970,453	8.5%	\$ 43,503,389	5.0%	\$ (1,467,064)
<b>Osceola</b>	6,596,953	11%	2.5%	7,327,909	11.1%	7,088,852	7.5%	(239,057)
<b>Seminole</b>	6,389,083	11%	2.6%	7,365,255	15.3%	7,124,979	11.5%	(240,276)
<b>Orlando</b>	4,046,660	7%	N/A	4,542,603	12.3%	4,542,603	12.3%	-
<b>Total</b>	<b>\$ 58,464,495</b>	<b>100%</b>	<b>N/A</b>	<b>\$ 64,206,220</b>	<b>9.8%</b>	<b>\$ 62,259,823</b>	<b>6.5%</b>	<b>\$ (1,946,397)</b>

Ms. Sherman discussed the impact of this recommendation on LYNX' reserves as listed below:

#### LYNX Operating and Contingency Reserve Information

Operating and Contingency Reserves	Minimum	Mid-Point	Maximum	Estimated Reserve Level with Adjustment
General Operations	\$ 14,000,000	\$ 21,000,000	\$ 28,000,000	\$ 26,053,603
Contingency (5% of Budget)	6,352,272	6,352,272	6,352,272	6,352,272
<b>Total</b>	<b>\$ 20,352,272</b>	<b>\$ 27,352,272</b>	<b>\$ 34,352,272</b>	<b>\$ 32,405,875</b>
<b>% of Total Budget</b>	<b>16%</b>	<b>22%</b>	<b>27%</b>	<b>26%</b>

**2016 Adopted LYNX Budget \$ 127,045,444**

Ms. Sherman stated that LYNX staff continues to refine the budget and to secure additional cost reductions and funding as follows:

- ✓ Elimination of the \$.40 adder included in the CNG fuel cost with an estimated reduction in the fuel budget of \$350,000
- ✓ Additional funds of \$500,000 to be awarded from the Florida Department of Transportation (FDOT) for rural paratransit services
- ✓ Another \$250,000 anticipated from rebates on CNG fuel
- ✓ Potential increase of \$1M if customer fares are increased – is an on-going process still in the survey stage

Ms. Sherman spoke about the comparisons of LYNX' Operating and Contingency Reserve requirements to other transit agencies and local funding partners. Ms. Sherman mentioned that LYNX does not have a rate structure designed to cover all costs and is a highly subsidized transit agency without a dedicated funding source like some other transit agencies.

Ms. Sherman stated that efforts to further refine the FY2017 Preliminary Operating Budget will continue up until the budget is submitted for final adoption.

The Chair asked about a recommendation to the Board and asked about when the final budget would be available. Ms. Sherman responded that the final budget would be presented at the next meeting.

Mr. Jim Harrison stated that the recommended action is to apply \$1.9M in reserves. Ms. Sherman added using reserves if needed.

The Chair asked if there were any other questions or discussion.

**Motion** was made and seconded to recommend approval to apply \$1.9M in reserves, if needed, to the Board. The Motion passed unanimously.

#### **F. Discussion on Leasing Space in LYNX Central Station**

Commissioner Henley asked the Chair to have Mr. Johnson report on the status of leasing space at LYNX Central Station. Mr. Johnson stated that Mr. Hugh Harling from the East Central Florida Regional Planning Council (ECFRPC) has visited the property and LYNX has received a fair market value assessment of \$18-\$20/sf for class B office space from First Capital Realtors.

Mr. Johnson also stated that the Council is looking for 3,500sf and LYNX has 4,000sf available with an additional 2,000sf becoming available at the end of the year. The actual lease amount is being negotiated and LYNX will be reducing the lease rate due to the type of parking being offered by other office spaces.

The Chair stated that she is a member of the Council and a special meeting had been called to discuss lease options with the LYNX rate of \$20/sf being too high. The Chair stated that the reduced rate may now be a feasible option for the Council to take.

#### **C. FY2015 Florida Transportation Commission (FTC) Annual Oversight Report**

The Chair called on Blanche Sherman, Director of Finance, to make the presentation. Ms. Sherman mentioned that Secretary Downs was there when Mr. Johnson gave his presentation of the LYNX performance measures to the FTC. Ms. Sherman then briefly discussed the establishment of the report in 2007 through House Bill 985 requiring the FTC to monitor the efficiency, productivity and management of agencies created under Chapters 343, 348, and 349.

Ms. Sherman reviewed the charts in the presentation which includes the following:

1. Summary of Performance Measures – FY2015  
Met six out of 12 objectives
2. Summary of Performance Measures – FY2014  
Met five out of twelve objectives
3. Transit Authority Performance Measure Data Needs
4. Five Year Trend for Transit Authority Performance Measures and Reportable Indicators

Ms. Sherman discussed details of the objectives that were met and the ones that were not met.

The Chair asked about the operating expense per revenue hour being a different amount in other reports and asked if the difference was the fare box revenue. Ms. Sherman stated that the FTC rate did not include customer fares but she would check to see what the other rate included. The Chair asked Ms. Sherman to get back to her about the difference.

Mr. Johnson commented on the maintenance for vehicles located at the Osceola Satellite Facility (OSF) being done at the LYNX Operations Center (LOC) which expands the total miles versus the revenue miles. When LYNX is able to secure an operating base in Osceola County there will be a reduction in the deadhead miles.

Mr. Johnson stated that LYNX will be establishing its own performance matrix which will be brought to the Oversight Committee and the Board after the new year and will be published on the website for transparency on how LYNX is performing as an agency.

Ms. Sherman commented on working with the FTC to update the outdated objectives.

Mr. Johnson commented that he will be meeting with the CEO at Jacksonville Transit Agency to pull together an argument to demonstrate to the FTC that the current objectives are not easily achievable and relate more to an urban system rather than a suburban system.

Mr. Johnson spoke about sending a memo with the charts to all employees for them to see how well LYNX is performing, that the State is reviewing LYNX' performance, and that LYNX has to demonstrate why the objectives are not being met.

Commissioner Henley asked about penalties for not meeting the goals. Mr. Johnson responded that there are no penalties at this time.

Mr. Jim Harrison asked about when the internal objectives will be available. Mr. Johnson responded that the objectives would be available around the first of the new year.

Mr. Harrison commented on the review of LYNX' performance in the National Transit Database (NTD) to similarly sized agencies going well. Ms. Sherman stated that the FTC numbers are based on NTD data.



## **D. FY2016 Federal Transit Administration Triennial Review Report**

The Chair called on Belinda Balleras, Manager of Grants, to make the presentation.

Ms. Balleras provided an overview of the FTA triennial review which is mandated by Congress as an annual review and is the FTA's assessment of LYNX' compliance with federal grants requirements. Ms. Balleras also discussed the types and timing of reviews and the changes in the number of review areas.

Ms. Balleras spoke about the two phases of the triennial review:

1. Desk review
  - a. Review of three year performance including quarterly meetings with FTA and quarterly reports
  - b. Grantee Information Request- 200 composite questions
2. Site Visit
  - a. Scheduled March 7-9
  - b. Six areas cleared prior to the visit

Ms. Balleras spoke about all departments within LYNX being involved in this process which included interviews with top level staff and line staff, and facility visits.

Ms. Balleras discussed the FY2016 triennial review findings including the areas in compliance and areas with deficiencies. For comparison, in 2010, there were five areas of deficiency, three areas in 2013 and Procurement is a repeated area in 2016. Ms. Balleras then discussed the remaining four areas of deficiency as follows:

1. Facilities Maintenance
  - a. Lack of facility/equipment maintenance plans (i.e. LB McLeod facility) and missing elements in existing plans
  - b. Other mission critical and safety items missing
    - i. Maintenance plans have been updated as of June 2016, submitted to the FTA ahead of the deadline, and are waiting for clearance from the FTA
2. American with Disabilities Acts (ADA)
  - a. Improper paratransit eligibility determination
    - i. Using a generic letter
    - ii. Updated the existing denial letters to be more specific
    - iii. Item has been cleared.
  - b. Insufficient no-show policy
    - i. Reviewing the trip pattern and frequency for suspension
    - ii. Formal adoption and implementation of a revised no-show suspension policy
    - iii. Item has been cleared.
3. Procurement
  - a. Not meeting all the criteria for supporting documentation

- b. Lacking cost price analysis - independent cost estimated (ICE)
- c. Suspension/debarment verification
- d. Responsibility determination deficiencies
  - i. Revised procedures have been drafted and are ready for transmittal to the FTA to be cleared before the August deadline

The Chair asked if Procurement was cited for the same items and if so, if those items were not adequately addressed at that time, if there were proper procedures in place and if those procedures were being followed. Mr. Charles Baldwin, Director of Procurement, responded that a cost analysis and ICE was missing for one of the reviewed files due to an oversight by staff. Mr. Baldwin stated that there are procedures and Administrative Rules in place but they were not followed in this case. Mr. Baldwin stated that this would not happen again.

- 4. Drug Free Workplace/Drug & Alcohol Program
  - a. FTA drug & alcohol testing not applied to all safety sensitive positions (i.e. contracted security officers and off duty Orlando police officers)
    - i. Diamond Security has adopted and submitted a policy for contracted security officers to LYNX which has been sent to the FTA as of July 12
    - ii. Draft arrangements for handling the payments for the Orlando Police Department through the City of Orlando rather than paying the officers directly as independent sub-contractors has been sent to FTA for review
    - iii. Pay arrangements with the City of Orlando is a Consent Item in the Board package
  - b. Random testing below required level
    - i. Sampling rate of 25%
    - ii. LYNX met the rate in FY2016, FY2015 and missed by one employee in FY2014.
    - iii. Safety & Security submitted to FTA a procedure to ensure levels are monitored
    - iv. Safety & Security will review the number of employees and number of employees tested on a bi-monthly basis
  - c. Improper post-accident determination
    - i. Safety & Security staff have been engaging transportation supervisors, providing refresher training for supervisors, and have developed a corrective action plan including updating the form and developing a video which has been submitted to FTA

Ms. Balleras concluded her presentation.

Secretary Noranne Downs thanked Ms. Balleras and her staff for the great job they have done as this affects federal funding. Mr. Johnson concurred with Secretary Downs and stated that LYNX did well and most of the deficient items from the final report received in May have already been cleared.

**E. Discussion regarding the Authorization to Negotiate and Execute a Purchase Contract with NoPetro to Purchase the Property Adjacent to NoPetro's Compressed Natural Gas (CNG) Facility and the LYNX Maintenance Facility**

The Chair recognized Mr. Edward Johnson, Chief Executive Officer. Mr. Johnson stated that in speaking with Mr. Christiansen and other LYNX staff about the lease agreement at LB McLeod, the question became would it be more cost effective to purchase and build out facilities for paratransit as well as providing additional employee parking and more space for the longer articulated buses at LOC. Mr. Johnson stated that Mr. Christiansen and staff were asked to look into acquiring additional property adjacent to LOC.

Mr. Johnson introduced Mr. Pat Christiansen, LYNX' General Counsel to continue the presentation of this item.

Mr. Christiansen provided an overview as follows:

1. NoPetro purchased ten acres of property for their CNG facility of which six acres are excess land.
2. LYNX has the right of first refusal to purchase the land.
3. NoPetro has advised LYNX that they will be receiving an offer from a Chicago company for \$1.3M to purchase the property.
4. LYNX has initiated the appraisal process through FTA guidelines.
5. Environmental reports are being done by NoPetro. Phase I and Phase II have been done and will be submitted for review along with the purchase offer.
6. LYNX solicited bids from qualified bidders, received three bids, and selected an appraiser.
7. For the right of first refusal, LYNX has thirty days to make a decision once the contract is received and then close in accordance with the terms of the contract.
8. Asking for authorization with those terms with a not-to-exceed amount of \$1.3M.

The Chair asked if there were any questions or discussion.

Commissioner Henley asked about the availability of funding for the purchase. Mr. Johnson responded that the costs of the LB McLeod lease are \$200,000 per year using federal grant funds. LYNX will be reaching out to the FTA regarding the use of federal funds for the purchase and the build-out.

Mr. Christiansen updated the Committee on the LB McLeod lease which resulted from an urgent need to find a facility for the paratransit operation. The lease includes a renewal option and the ability to get out of the lease any time after September 2016 under certain circumstances. A fair amount of money has been put into the LB McLeod building. Mr. Johnson stated that the property has some HVAC issues which can be expensive.

Secretary Downs asked about the purchase price of the ten acres. Mr. Christiansen responded that the purchase price was \$2.5M for the ten acres and that NoPetro listed the six acres for \$2.3M to recover their costs.

Secretary Downs asked when the land was purchased. Mr. Christiansen responded that the purchase contract was signed in January 2015.

Secretary Downs also asked if the Finance & Audit Committee had reviewed the item. Mr. Ray Walls, Vice Chair of the Finance & Audit Committee, responded that the Committee reviewed the item, determined that funds were available and recommended approval of the purchase based on the appraisal amount coming back at right amount.

Ms. Claudia Korobkoff asked about the current environmental issues. Mr. Christiansen responded that the property is vacant and the Phase I report indicates the property is clean other than a historical use of the property as a laundry facility. Mr. Christiansen stated that if the Phase II report provides for any clean-up that the seller will need to do the clean-up.

The Chair asked about an estimated cost of the build-out and consideration of the willingness to make the investment to use the property. Mr. Johnson responded that the build-out will be minimal with the intent being to pave the property for parking and to use the existing LOC facilities for dispatching and staffing needs. Mr. Johnson stated that he does have a current estimate of the build-out costs.

Secretary Downs asked about permitting and design plans. Mr. Johnson responded that the estimates on the design work and permitting have not yet been started awaiting the results of the environmental reports. Mr. Christiansen discussed the work done by NoPetro on the retention ponds covering the entire ten acres and the platting of the parcels. Mr. Christiansen stated that LYNX will have some due diligence to do including engaging an engineer for the permitting and determination of the adequacy of the ponds.

**Motion** was made and seconded to recommend approval to negotiate and execute a purchase contract with NoPetro to purchase the property adjacent to NoPetro's CNG facility and the LYNX maintenance facility to the Board. The Motion passed unanimously.

**F. Discussion regarding the Authorization to Negotiate and Execute a Purchase Contract with NoPetro to Purchase the Property Adjacent to NoPetro's Compressed Natural Gas (CNG) Facility and the LYNX Maintenance Facility**

The Chair stated that this item had been previously discussed and asked if there were any additional comments.

Mr. Johnson stated that there was a sense of urgency from Mr. Harling during his visit to move in prior to October 1 but that a lease extension had been requested through the end of the calendar year. Mr. Johnson also stated that he is asking to move forward with this process.

Mr. Christiansen discussed the process as follows:

Having a requirement for approval from the FTA who historically had the expectation of LYNX leasing to other transportation groups

Having, over time, non-transportation leases including Congressman Grayson, the Clerk of the Circuit Court and Congresswoman Brown

Including a provision that LYNX can relocate or cancel the lease if LYNX needs the space

Mr. Christiansen stated that a letter has prepared for the FTA and a draft of the lease has been sent to Mr. Johnson for review. Mr. Johnson stated that a copy of the lease has been sent to ECFRPC to review.

Commissioner Henley asked about any adjustments to the space. Mr. Johnson responded that the space is leased “as is”, that ECFRPC will need to put up walls within the space, and there will be no expense to LYNX.

### **G. Update on LYNX Wellness Initiatives**

The Chair called on Cindy Crump, LYNX’ Wellness Coordinator, to make the presentation.

Ms. Crump stated that 52.3% or 758 individuals within the entire Cigna covered population have chronic conditions accounting for 86% of the total medical costs. The chronic conditions include hypertension, metab/immune disorder, obesity, diabetes, and asthma.

Ms. Crump discussed LYNX Wellness slides which included the following:

- Body Mass Index (BMI)
- Blood Pressure
- HDL Cholesterol
- Glucose
- 2016 Goal - Weight Loss which will affect of the above areas

Ms. Crump then discussed the following topics:

- ✓ Wellness Committee’s Vision and Mission
- ✓ Wellness Center Improvements
- ✓ Wellness Center Use
- ✓ Wellness Events
  - Health Coaching
  - New Hire Orientation
  - New Equipment
  - New Hire Fatigue Class

Ms. Crump spoke about the new Humana Vitality program which is tied to the Health Spending Account (HSA) incentive that includes the following requirements:

- Vitality Check
- Health Assessment

- Annual Physical

Secretary Downs asked about the HSA money. Ms. Crump responded that the HSA is the money contributed by LYNX for employees' medical costs in the amounts of \$1,300 for individual and \$2,500 for individual and spouse. Ms. Crump stated that the funds are available once the three requirements are met. Mr. Johnson stated that when LYNX went to the high deductible plan, LYNX elected to provide the employees with money up front to help meet the deductible.

Ms. Crump then spoke about the following:

- LYNX Health Fair and Screenings
- Health Coaching
  - Exercise Regimen
  - Moving from High Risk to Low Risk
  - Improving Eating Habits
  - Increasing Productivity
  - Results- 238 lbs. lost
- Wellness Walks
- LYNX Corporate 5K and Group Classes
- LYNX Step Challenge- 8 weeks
- Participation Numbers
- 2017 Wellness Initiatives
  - Health Coaching Courses
  - Nutrition Workshops
  - Stress Management Workshops
  - Fitness Classes
  - Wellness Center at LCS
  - Humana Engagement
  - Vending Machines
  - Stairwell Project

The Chair asked if there were any questions.

Secretary Downs asked about when the walks and the classes were being held. Ms. Crump responded that the walks were during lunch and the classes were after work.

Mr. Johnson commented on the following points:

Reviewing the vitals with Cigna

Looking at twenty people who are enrolled in the health care plan but are not utilizing the plan

Partnering with the collective bargaining units and having them be a part of the meetings with Cigna

Communicating jointly with the employees on the importance of wellness and health

The Chair commented on looking at the increase in usage of the Wellness Center starting in January.

#### **4. Committee Information Items**

##### **A. Finance and Audit Committee Report**

The Chair recognized Ray Walls, Chair of the Finance and Audit Committee, to make the presentation.

Mr. Walls spoke about items that the Committee reviewed and their recommendations as follows:

- Reviewed and recommended approval of the FY2017 capital budget
- Reviewed the fare revenue study being conducted by Tindale Oliver which is in a draft format and which did not require any action
  - No increase since 2009
  - Farebox recovery going down due to decreased ridership with increasing costs
  - Tindale Oliver's recommendation of an increase from \$2.00 to \$2.25 in the base fare
  - Easier to make changes in fees and fares when the economy is doing well
- Made the same recommendation to use LYNX reserves as the Oversight Committee with an expectation of the number being lower once additional changes are made to the budget
- Discussed the FTA Review & FTC Annual Report
- Reviewed the NoPetro land purchase

The Chair made a recommendation to have the Finance & Audit Committee report before the Oversight agenda items going forward.

#### **5. Review of Board Package**

The Chair recognized Edward Johnson, LYNX' Chief Executive Officer, to provide an overview of items that will come before the Board.

Mr. Johnson stated that Mayor Dyer would not be present at the Board meeting. Mr. Johnson provided a brief review of the items as indicated in the comments below.

The Consent Agenda Items include:

##### **A. Request for Proposal (RFP)**

- i. Authorization to Release a Request for Proposal (RFP) for Mobile Ticketing
- ii. Authorization to Release a Request for Proposal (RFP) Veterans Transportation Resources and Community Services (VTRACS) Customer Information System Development

##### **B. Award Contracts**

- i. Authorization to Award Contract #16-C15 to ETC Institute for System-Wide On-Board Origin and Destination Customer Survey

C. Extension of Contracts

- i. Authorization to Extend Contract #13-A62 with CorVel Corporation for Worker's Compensation, General Liability, Automobile Liability and Subrogation Claims

Mr. Johnson stated that the extension is for ninety days and that an RFP is being resubmitted for these services.

D. Miscellaneous

- i. Authorization to Extend a Joint Participation Agreement (JPA) for Feeder Bus Service with the Florida Department of Transportation (FDOT) for SunRail
- ii. Authorization to Issue a Purchase Order to First Class Coach Sales Under the Florida Department of Transportation's Vehicle Procurement Program (FVPP) State Contract #TRIPS-10-SCLF-FCCS for the Procurement of Twenty-five Paratransit Vehicles
- iii. Authorization to Modify Balfour Beatty Construction Contract #14-C26 for the Parramore BRT Project

Mr. Johnson stated that the modifications for the Parramore BRT project have been discussed regularly.

- iv. Authorization to Execute Resolution #16-007 for the Joint Participation Agreement (JPA) with the Florida Department of Transportation (FDOT) for the SR 436 Transit Corridor Study
- v. Authorization to Modify Contract #13-C16 with Akerman LLP for General Counsel Legal Services

Mr. Johnson stated that this adjustment was for the CEO search, the Parramore construction project and Union negotiations.

- vi. Authorization to Approve the Disadvantaged Business Enterprise Program Participation Goal for FY 2017-2019
- vii. Authorization to Transfer Ten Retired Buses, Eleven Internal Destination Signs and Sell One Retired Bus to the Gainesville Regional Transit System (GRTS)
- viii. Authorization to Auction Obsolete Bus Parts
- ix. Authorization to Extend an Interlocal Agreement (ILA) with the Florida Department of Transportation (FDOT) for the SunRail Ticketing System, Backroom Development and Cost Sharing
- x. Authorization to Amend Contract #13-C15 with Baker Hostetler LLP for Labor/Employment Legal Services

Mr. Johnson stated that the amendment was for Union negotiations as well as for a number of arbitrations during the past year.



- xi. Authorization to Pay for Off-Duty Orlando Police Department Law Enforcement Services
- xii. Authorization to Sell a Retired Revenue Vehicle to Orange County Health Services
- xiii. Authorization to Increase Contract #14-C29 with Hilyard, Bogan & Palmer and Contract #14-C27 with Zimmerman, Kiser & Sutcliffe for General Liability legal Services
- xiv. Confirmation of the Appointment of Albert J. Francis, II as Chief Financial Officer

The Chair asked about for an explanation of the blue sheet item listed below.

- xv. Adoption of Resolution #16-008 to Appoint Albert J. Francis, II to the Board of Trustees for the Amalgamated Transit Union (ATU) Local 1596 Pension Plan (Defined Benefit Plan)

Mr. Johnson stated that Board approval was needed due to the resignation of Ms. Tangee Mobley which created a vacancy on the Pension Board.

The Action Agenda Items include:

- A. Authorization to Implement the August 28, 2016 Proposed Service Changes
- B. FY2016 Federal Transit Administration Triennial Review Final Report

Mr. Johnson stated that this item is more of a briefing and should not have been an Action Item.

- C. Authorization to Negotiate and Execute a Purchase Contract with NoPetro to Purchase the Property Adjacent to NoPetro's Compressed Natural Gas (CNG) Facility and the LYNX Maintenance Facility

Mr. Johnson spoke about an initial discussion to have an Executive Session to discuss Union negotiations which he understands from his briefings with Board members may no longer be needed. Mr. Harrison and Mr. Christiansen stated that there may be no need to have the Executive Session. The Chair commented that Mayor Jacobs would defer this to Mr. Christiansen at the Board meeting.

**The meeting was adjourned at 12:15 PM.**

**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:** Finance & Audit Committee Report

**Date:** 9/22/2016

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A meeting of the Finance and Audit Committee was held on September 14, 2016. The Agenda Items covered were:

- Overview of FY2016 Amended Operating & Capital Budgets
- Overview of the FY2017 Proposed Operating & Capital Budgets
- Election of Officers

Minutes from the previous meeting held on Wednesday, July 20, 2016 are attached.

Future tentative meeting dates for 2016 are as follows:

Wednesday, November 2

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

**PLACE:**        **LYNX Central Station**  
                  **455 N. Garland Avenue**  
                  **Open Space, 2<sup>nd</sup>. Floor**  
                  **Orlando, FL 32801**

**DATE:**         **July 20, 2016**

**TIME:**         **09:00 AM**

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**Members in Attendance:**

Chairperson Chris McCullion, City of Orlando  
Vice Chairperson Ray Walls, Orange County  
Michael Kurek, Osceola County  
Edward Bass, Seminole County  
Jo Santiago, FDOT  
Claudia Korobkoff, City of Orlando

**LYNX Staff in Attendance:**

Edward Johnson, Chief Executive Officer  
Blanche Sherman, Director of Finance  
Pat Christensen, LYNX' General Counsel

**Members Absent:**

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**1. Call to Order/Introduction**

Prior to the meeting being called to order, Chairperson Chris McCullion announced his resignation from the Committee and introduced Claudia Korobkoff, Transportation Planning Manager with the City of Orlando, as his replacement.

Vice Chairperson Ray Walls called the meeting to order at 09:08 AM.

**2. Approval of Prior Meeting Minutes**

Ray Walls asked for approval of the prior meeting minutes. **Motion** was made and seconded to approve the Minutes of the May 18, 2016 Finance & Audit Committee. The Motion passed unanimously.

**3. Finance & Audit Agenda Items**

✓ **Overview of the FY2017 Preliminary Capital Budget**

Ray Walls called on Blanche Sherman, Director of Finance, to provide an overview of the FY2017 Preliminary Capital Budget.

Ms. Sherman provided a brief overview of the FY2017 preliminary capital budget which is decreasing by approximately 16.5% over the FY2016 capital budget. The key capital budget assumptions are as follows:

- Enhance LYNX facilities
- Advanced fare collection – mobile ticketing
- Fleet to support all service modes
- Continue LYMMO expansion activities- LYMMO North Quarter and Lime line
- Passenger Amenities Program improvements
- Continuation of security and surveillance- spending 1% of federal apportionment with an issue for purchasing cameras that meet BuyAmerica standards
- Advance communications and technological capabilities

Ms. Sherman discussed the details of the FY2017 preliminary capital budget listed below:

#### FY2017 Preliminary Capital Budget by Category

	<b>Amended FY2016</b>	<b>Preliminary FY2017</b>	<b>Variance</b>
BRT Projects	\$ 13,083,894	\$ 4,089,870	\$ (8,994,024)
Facility Improvements	5,622,656	2,312,242	(3,310,414)
Passenger Amenities	9,777,044	12,376,722	2,599,678
Security Equipment	591,600	793,200	201,600
Support Equipment	4,761,187	4,200,094	(561,093)
Technology	5,542,331	5,103,855	(438,476)
Support Vehicles	641,130	564,003	(77,127)
Revenue Vehicles	51,714,463	47,138,019	(4,576,444)
	<b>\$ 91,734,305</b>	<b>\$ 76,578,005</b>	<b>\$ (15,156,300)</b>

Ms. Sherman then discussed the capital budget contributions and local contributions:

#### FY2017 Preliminary Capital Budget Contributions

<b>Capital Contributions</b>	<b>FY2017 Proposed Budget</b>	<b>FY2016 Amended Budget</b>	<b>Dollar Amount Change</b>
<b>Federal Contributions</b>	\$ 72,312,064	\$ 84,762,480	\$ (12,450,416)
<b>State Contributions</b>	759,433	429,256	330,177
<b>Local Contributions</b>	3,506,508	6,342,569	(2,836,061)
<b>Reserves</b>	-	200,000	(200,000)
	<b>\$ 76,578,005</b>	<b>\$ 91,734,305</b>	<b>\$ (15,156,300)</b>

## FY2017 Preliminary Capital Budget – Local Contributions

Description	FY2017 Preliminary Budget Amount	Source
LYMMO- Parramore	1,046,793	City of Orlando, Orlando Utilities Commission, Other Utilities
Capital Bus Lease	898,151	Local \$2 Capital
Articulated CNG Buses	1,263,967	Local \$2 Capital
Paratransit Vehicles	47,597	Local \$2 Capital
Passenger Amenities	250,000	Orange County
<b>Total</b>	<b>\$ 3,506,508</b>	

Ms. Sherman commented that the final Board action will be September 22 and the fiscal year will commence on October 1.

Ray Walls asked for any feedback or comments. Hearing none, Mr. Walls called for a motion for a recommendation to move forward with the FY2017 Preliminary Capital Budget.

**Motion** was made and seconded to approve a recommendation to move forward with the FY2017 Preliminary Capital Budget. The Motion passed unanimously.

### ✓ **Update on Comprehensive Fare Review**

Ray Walls called on Blanche Sherman to present an update on the Comprehensive Fare Review. Ms. Sherman introduced Joel Rey, Principal/Vice President and Director of Transportation and Transit Solutions and LaChant Barnett, Senior Project Manager with Tindal Oliver, to provide an overview of the study. Ms. Sherman stated that the study for this meeting does not include the LYMMO information, that a separate meeting will be held with the City of Orlando, and then staff will bring this information back to the Committee.

Mr. Rey commented on the study as something transit systems typically go through at some point in time when fare revenues depending on ridership may be declining on ridership and it is time to revisit the base cash fare and the rest of the fare structure to make sure it is in line with what the economy would bear, what ridership would bear, and what other transit systems are doing.

Mr. Rey discussed historical trends in ridership showing an initial decline from FY2008 to FY2009 of 11% followed by an overall increase from FY2010 to FY2013 of 24% and then a decline since FY2013 of 8%. The fare revenue followed suit with vehicle miles of service remaining static. The distribution of fare media usage had an increase in 30-day pass usage over weekly pass usage from FY2008 to FY2010 but has had very small fluctuations in

distribution of usage since FY2012. Mr. Rey spoke about the fare ridership decline in FY2015 and FY2016 and stated that when gasoline prices drop, people switch to automobiles and rail.

Mr. Rey discussed the growing ridership of SunRail but stated that the increased transfers from SunRail to the LYNX system do not have a significant impact as this represents a small amount of the overall transfers.

Mr. Rey also stated that the trend is different for paratransit ridership which continues to grow in FY2016 with a downturn in FY2015 due to the change in Medicaid.

After a brief discussion, the Committee members agreed to allow time for printing of the presentation for this item which was missing from the package and to continue with the Triennial review item.

### ✓ **FY2017 Federal Transit Administration Triennial Review Report**

Blanche Sherman called on Belinda Balleras, Manager of Grants, to discuss the FY2017 Federal Transit Administration (FTA) Triennial Review Report with the agreement of Mr. Walls. Ms. Balleras stated that the Triennial Review is required by Congress since the 1980s for Federal Transit Administration (FTA) grantees and is a review process of compliance with the management and administration of FTA funded projects.

Ms. Balleras discussed the following items:

- Is a forward looking assessment of risk related to handling of the grant programs
- FY2016 triennial review started last year and is one of several that FTA conducts during the year
- Is a report card of seventeen (17) review areas involving all the departments in the agency and in some cases can give rise to additional reviews
- Consists of a pre-site visit and a review site visit with an assessment of the responses once they are received
- Cleared on six areas prior to the site visit on March 7,8,9
- Out of the eleven (11) remaining areas, no deficiencies were found in seven (7) areas
- Review of findings include areas in compliance and areas with deficiencies
- Deficiencies are addressed with a corrective action plan

Ms. Balleras then discussed specific areas related to deficiencies as follows:

- ✓ **Facilities Maintenance**
  - Needed to update maintenance programs where lacking or add more where maintenance programs were missing, i.e. new leased facility at LB McLeod
  - Draft of the program was submitted in June
  - Deadline is the end of July

- ✓ Americans with Disabilities Act (ADA) Items
  - Eligibility determination
  - No show policy has been signed and submitted
  - Items were submitted in March and have been cleared as of July 6
  
- ✓ Procurement
  - Verification of excluded parties
  - System of Awarded Management (SAM) database verification
  - Independent cost estimate (ICE)
  - Documentation has been a work in process with completion expected before the August 9 deadline
  
- ✓ Drug Free Workplace/Drug and Alcohol Programs
  - Verification of random testing rate
  - Documentation is a work in progress
  - Refining the process for post-accident determination
  - Procedures were cleared on July 7 including drug and alcohol program
  - Have one pending item related to engagement of services of Orlando police officers which may or may not go to the Board in July
  - Letter was submitted to the FTA on July 8

Edward Johnson asked Ms. Balleras to discuss more details on the Orlando police officers.

Ms. Balleras discussed the requirement of grantees to have a drug & alcohol program for its own employees or that those that LYNX works with directly. LYNX engages the services of off duty City of Orlando police officers who are paid as individuals and are not part of LYNX' pool for testing. The City already has a program for these officers. The FTA is currently reviewing to see if the City's program can be grandfathered into LYNX' process. A draft agreement was submitted to FTA and is currently under review prior to taking the item to the Board.

Mr. Johnson stated that if LYNX continues to pay the police officers directly then they will either fall under LYNX' program or LYNX can create a unique program for these officers. If the city is paid directly, LYNX can demonstrate that the City has a program with random testing and the officers can now be viewed as independent contractors to the agency.

Claudia Korobkoff asked if LYNX was looking to enter into an agreement with the City. Mr. Johnson responded that LYNX is fine either way but LYNX does need to demonstrate that it has a bona fide program for the officers and is not in violation of the federal regulations for drug and alcohol enforcement.

Ms. Korobkoff stated that she has received a copy of the agreement and that she would touch base with LYNX' contact at the City, David Arnott to understand the best way to handle this from the City's perspective.

Ray Walls spoke about most of the items being administrative or minor operational changes.

Mr. Johnson spoke about the procurement findings not being the first write-up on this issue and updates to policies and procedures will be done to ensure this does not occur again. Mr. Johnson stated that a copy of the FTA letter would be sent to Committee members.

Mr. Johnson spoke about the consequences of repeated findings. Mr. Johnson has spoken to the Director of Procurement about the missing documents which were a staff oversight.

Mr. Bass asked if this was the only repeated deficiency. Ms. Balleras responded that there was a procurement issue in 2013. Mr. Johnson stated that the deficiency regarding OPD was new.

Mr. Walls asked if there was anything else.

✓ **Update on Comprehensive Fare Review (continued)**

Ray Walls then called on Mr. Rey to continue the presentation on the Comprehensive Fare Review. Mr. Rey discussed the following slides:

- Paratransit Trends  
Fare revenue has continued to increase
  
- Ridership Correlation to Gas Prices and Tri-County Area Average Poverty Rates
  - Relationship between gas prices and poverty rates to decreasing ridership- downward trend shows ridership dropping when gas prices drop and poverty levels drop
- Population Trends
  - Growing at 2.5% year for the tri-county area
  - Poverty levels may be on an upward trend in 2017
- Florida County Median Household Income – American Community Survey (ACS) 2010 – 2014
  - Consider ability of customers to pay
  - Pinellas and Miami-Dade Counties are above \$2.00 and customers are paying them fine
  - Any increase will impact customers are the lower end- all others should be able to accommodate the increase
- LYNX's Previous & Current Fare Structure
  - Comparison of LYNX' fare structure changes
  - Only minor fare structure changes since 2009
  - No fare increases for almost eight (8) years



- Florida and Peer System Transit Fare
  - Six systems have fares of \$2.00
  - Four systems of similar size to LYNX have fares of more than \$2.00
  - All of those four have past fare prices higher than LYNX
  - Broward County starting to look at fare increases
  - Miami- Dade and Charlotte are charging more than \$2.00 and also operate some type of rail
- Status Quo @ \$2.00
  - Hold all things stable at the current levels
  - Projected revenues looking at three trends (positive growth, no growth, and negative growth) with revenues dropping in two of the trends
- Fare Structure Proposals @ \$2.25, \$2.50, and \$3.00
  - Fare elasticity
    - Look at price sensitivity to the rider
    - Inverse relationship with the cost of the fare – for every 10% increase in fares expect a 3.7% decrease in ridership
  - Alternatives with a fare increase to \$2.25
    - One with corresponding increases in other fares while maintaining fare discounts- projected \$1M revenue increase
    - One with base pass increase and higher pass pricing- projected \$1.5M revenue increase
  - Other fare structure changes show similar alternatives with corresponding higher revenue increases
  - Recommending the fare structure @ \$2.25 with higher pass pricing- alternate

Mr. Rey and LaChant Barnett then discussed farebox recovery as follows:

- Farebox recovery target of 25-30% country wide with LYNX trending at 24%
- Previous fare increase resulted in a 32% fare box recovery after two years
- Trend is currently heading downwards
- Review of other systems within Florida with most agencies in the 18-23% range- not a lot of high end transit in Florida
- LYNX reports farebox recovery as part of the TDP as a state requirement which includes providing solutions to get farebox recovery back up for agencies that have decreasing trends
- State does not have a formal benchmark- no set thresholds

The group then discussed the following topics:

- Having detailed and consistent policies and data on each specific route on a regular basis
- FTA performance standards and the steps to take when the standards are not met
- Monitoring performance of different routes for possible elimination
- More direction on standards provided by FTA with MAP21 and FASTACT
- Farebox recovery rate is 15% for Votran, a much smaller system, with a fare of \$1.75
- Downward trend in ridership continuing in FY2018 if nothing is done in FY2017

- Decrease in ridership may stabilize over time
- Estimate of 26% farebox recovery rate with fare increase in FY2017

Mr. Rey continued to discuss the presentation slides as follows:

- NeighborLink
  - Doing well- ridership and revenue have increased since FY2015
  - Projected 4% decrease in ridership for FY2016
- Other Considerations
  - Consideration of impact of a fare increase on SunRail transfers
  - Partnering with UBER and LYFT for the first and last mile of trips- incorporating these services into LYNX' business model
  - UBER and LYFT may be possible competition for transit

Claudia Korobkoff asked about reaching out to SunRail. Ms. Sherman stated that reaching out to SunRail has not been done as per the notification clause in their agreement. Mr. Johnson commented on not moving too fast with a fare increase.

The group then discussed the following:

- Consideration of offsets to future budget issues
- Meeting separately on LYMMO
- Fare increase being an easier sell now with the economy improving
- Increases are being considered every year in budget assumptions and did have a standard of three years
- Possible inclusion of an adjustment in the budget every one or two years for increases rather than waiting over a longer period
- Going through an evaluation process
- Possibility of veterans having free fares (State is considering.)

Mr. Rey continued to discuss the last two slides as follows:

- Public Involvement
  - Public outreach at LYNX Central Station (LCS) and key transfer centers was conducted.
  - Data will continue to be gathered for a final report.
  - Findings from the public outreach on willingness and ability to pay an extra fee are as follows:

LYNX routes	52% Say cannot pay anything more
LYMMO	41% Say cannot pay more

- Next Steps
  - Finance & Audit Committee discussion
  - Determination on whether to move forward with a fare increase

- Seek public input on proposed fare structure
- Final adoption by the Board

The group then discussed the next steps including the following:

- From a budgetary standpoint, additional funding will be available in FY2017 if go ahead with increase
- An increase in FY2018 will be during an election year
- Declines in ridership continuing in FY2018 that will affect funding
- FTA Title VI requirements which include a fare equity analysis
- Completion of the survey by the end of July 2016 for Title VI
- Looking at an increase as a percentage on the cash fare for particular groups with a justification for going ahead with an increase if the percentage for a group exceeds threshold of 10%
- Possible public meetings in August
- Need to keep farebox threshold of 25%, if possible
- Time to balance that equity between subsidies (funding partners) and fares- at a point where LYNX has to do something with the decrease in fares
- Timing of the increase- typically January is the starting point
- Doing a comprehensive review of the layout of the efficiencies of the routes before moving forward with increases to eliminate inefficient routes first
- SunRail looking at a fare increase also
- Looking at poverty level of other systems in or outside of Florida and impact based on public participation
- Looking at the different rider characteristics for fixed route vs rail which is considered a premium service
- Making the system more efficient aligned with where the farebox recovery should be which includes review of fares

Mr. Walls asked about the timeframe. Ms. Sherman stated that the original deadline was September but the approach is changing based on considerations as discussed by Mr. Johnson. Ms. Sherman stated that the data gathering would continue for the final report and mentioned that there is a meeting with the City of Orlando next week to discuss a LYMMO fare review.

Ms. Sherman suggested going to the Oversight Committee in September. Mr. Johnson stated that he wants to come back to the Finance & Audit Committee as the clearing house. Mr. Walls asked that the item be brought back to the Committee once the final report was ready for review and then a recommendation will be made to the Oversight Committee. Mr. Johnson stated that a schedule would be developed.

✓ **Update on LYNX Reserves**

Ray Walls called on Blanche Sherman to present an update on LYNX reserves. Ms. Sherman stated that update being provided is consistent with the reserve policy. Ms. Sherman stated

that matrixes have been provided comparing LYNX to other cities and counties (funding partners) and to other transit agencies.

Ms. Sherman then discussed the following table which summarizes the LYNX reserves:

LYNX Reserves	Minimum	Midpoint	Maximum
Operations	\$14,000,000	\$21,000,000	\$28,000,000
Contingency -5%	6,352,272	6,352,272	6,352,272
Capital Bus Lease	1,568,777	1,568,777	1,568,777
Articulated Buses	1,263,966	1,263,966	1,263,966
Replacement Buses	791,694	791,694	791,694
CNG Facility Improvements	2,705,733	2,705,733	2,705,733
Debt Service	797,282	797,282	797,282
Self-Insurance Programs	8,015,971	8,015,971	8,015,971
Fuel Stabilization	1,000,000	1,000,000	1,000,000
<b>Subtotal</b>	<b>\$36,495,695</b>	<b>\$43,495,695</b>	<b>\$50,495,695</b>
FY2015 \$2 Capital Funding	(2,098,684)	(2,098,684)	(2,098,684)
FY2016 \$2 Capital Funding	(2,118,590)	(2,118,590)	(2,118,590)
FY2017 \$2 Capital Funding	(2,112,896)	(2,112,896)	(2,112,896)
Self-Insurance (Long-term)	(2,676,165)	(2,676,165)	(2,676,165)
FY2014 Settlement Payout Budget	(1,200,000)	(1,200,000)	(1,200,000)
SIB Loan – Federally Funded	(797,282)	(797,282)	(797,282)
<b>Reserve Fund Requirement</b>	<b>\$25,492,078</b>	<b>\$32,492,078</b>	<b>\$39,492,078</b>
Unrestricted – Net Position	(43,190,768)	(43,190,768)	(43,190,768)
<b>Net Pension Asset</b>	<b>6,283,485</b>	<b>6,283,485</b>	<b>6,283,485</b>
<b>(Excess) Shortfall Cash Reserves</b>	<b>(\$11,415,205)</b>	<b>(\$4,415,195)</b>	<b>\$2,584,795</b>

Ms. Sherman mentioned that the one-time use of reserves was discussed with LYNX’ Board Chair with input from Mr. Walls to reduce the increase in FY2017 from 9.21% to 6.03% for local funding requirements. Since the use of reserves was previously discussed, additional revenue and cost savings including the elimination of the Compressed Natural Gas (CNG) adder have resulted and additional grant funds for paratransit services in a reduction in the amount of the reserves being recommended. Details of staff’s recommendation to apply \$1,946,397 for FY2017 are included in the table below:

	FY2016 Contribution	Proportion of Local Contribution	Proportion of Adopted FY2016 General Fund	FY2017 LYNX Proposed Contribution	% Increase	FY2017 Revised Proposed Contribution	% Increase	Change from Proposed
<b>Orange</b>	\$ 41,431,799	71%	5.1%	\$ 44,970,453	8.5%	\$ 43,503,389	5.0%	\$ (1,467,064)
<b>Osceola</b>	6,596,953	11%	2.5%	7,327,909	11.1%	7,088,852	7.5%	(239,057)
<b>Seminole</b>	6,389,083	11%	2.6%	7,365,255	15.3%	7,124,979	11.5%	(240,276)
<b>Orlando</b>	4,046,660	7%	N/A	4,542,603	12.3%	4,542,603	12.3%	-
<b>Total</b>	<b>\$ 58,464,495</b>	<b>100%</b>	<b>N/A</b>	<b>\$ 64,206,220</b>	<b>9.8%</b>	<b>\$ 62,259,823</b>	<b>6.5%</b>	<b>\$ (1,946,397)</b>

Mr. Walls spoke about the \$3.5M increase in local funding as originally proposed being a larger increase than expected for Orange County. In looking at contingency funding, LYNX would still be above the midpoint and would be close to the maximum next year with the use of \$1.9M in reserves. Orange County will provide the money if LYNX has an issue with a government shutdown and LYNX has the support of the Orange County Board.

Ms. Sherman spoke about the conservative level of reserves being higher but LYNX being in line with other transit agencies that also have funds to cover 60-90 days of operations. Ms. Sherman also mentioned that federal operating funds are provided two times a year and that the fares do not cover the costs.

Mr. Walls proposed that the reserves be utilized in amount to offset the increase less any adjustments. Mr. Walls stated that everyone benefits from the smoothing and LYNX still will still be close to the maximum even without a fare increase.

Mr. Walls made a **Motion** to set the proposed contribution rates as shown on the FY2017 revised proposed contribution column on page 168 (see chart above for \$1.9M) pending any adjustments that need to be made and any offsets from additional revenues and utilize reserves if needed.

Motion was seconded. Mr. Walls asked if there was any discussion. Mr. Bass asked about how the general fund was calculated. Mr. Walls responded that the information was taken for the budget book on the website and what the LYNX contribution was. Mr. Walls called for a vote. The Motion passed unanimously.

#### ✓ **FY2015 Florida Transportation Commission (FTC) Annual Oversight Report**

Ray Walls called on Blanche Sherman to discuss the FY2015 Florida Transportation Commission (FTC) Annual Oversight Report. Ms. Sherman mentioned that she and Mr. Johnson went to St. Petersburg where Mr. Johnson presented the LYNX performance measures to the FTC. Ms. Sherman then briefly discussed the establishment of the report in 2007 through House Bill 985.

Mr. Johnson stated that LYNX is measured against a number of agencies but Jacksonville Transportation Authority (JTA) is the primary agency used to measure how well LYNX is doing. Another agency included is Tri-rail system in South Florida.

Ms. Sherman reviewed the charts in the presentation which includes the following:

1. Summary of Performance Measures – FY2015  
Met six out of 12 objectives
2. Summary of Performance Measures – FY2014  
Met five out of twelve objectives
3. Transit Authority Performance Measure Data Needs
4. Five Year Trend for Transit Authority Performance Measures and Reportable Indicators

Ms. Sherman mentioned that the FY2015 objectives where operating expenses were included were not met with one exception due to cost increases. Ms. Sherman stated that staff is working with the FTC Committee to update the objectives and how they are calculated.

Mr. Johnson commented that there has been improvement in some areas even where the objectives were not met.

Ms. Sherman commented on the Customer Service measurement which is now at 10 days rather than 20 days with the improvement due to some system issues and efforts by the Customer service group.

Mr. Johnson commented on the meeting with FTC going well and being brief. Ms. Sherman mentioned that LYNX did not attend last year's meeting.

Mr. Johnson spoke about doing the efficiency studies and understanding LYNX' capital needs and stated that copies of all the slides and the two charts will be sent out to all employees today to understand that LYNX is being measured by the State and how LYNX is doing.

Mr. Bass commented on setting the objectives and if they are reviewed regularly. Ms. Sherman responded that objectives have not been reviewed regularly but are being looked at now. Mr. Johnson commented that the objectives do not take into account the service areas for the agency with LYNX covering three counties and many rural areas.

Mr. Walls stated that the information was appreciated and that no action was required.

✓ **Discussion regarding Authorization to Negotiate and Execute a Purchase Contract with NoPetro to Purchase the Property Adjacent to NoPetro's Compressed Natural Gas (CNG) Facility and the LYNX Maintenance Facility**

Ray Walls called on Blanche Sherman to discuss the purchase of property adjacent to LYNX' maintenance facility. Ms. Sherman mentioned that an action was being requested from the Committee. Ms. Sherman and Mr. Johnson discussed the purchase as follows:

1. NoPetro purchased property for their CNG facility and now have excess land that they want to sell that is adjacent to LYNX' maintenance facility. An offer has been received to purchase the property.
2. LYNX has first right of refusal to purchase the property for which NoPetro has a bona fide offer which has been appraised at \$1.3M.
3. LYNX will hire an appraiser and issue a notice to proceed to do the appraisal.
4. Expenses for the LB McLeod property leasing and repairs for the paratransit operations is approximately \$200K per year.
5. The new property will be used primarily to stage, maintain, and dispatch vehicles on property that LYNX owns with little space needed for office staff.

James Goldsmith, LYNX General Counsel, stated that a Request for Proposal (RFP) is currently being looked at for the paratransit services which would require an extension of the LB McLeod lease and a possible increase in the lease expense.

Mr. Johnson commented on being able to move the staff from LB McLeod and consolidating staff in the existing facility. Plans are being made to merge the two call centers.

Mr. Walls asked about what the \$1.3M would be used for if the land purchase was not made. Ms. Sherman and Ms. Balleras spoke about using the funds for capital including re-aligning funding depending on the timing for bus and bus facility grants. Mr. Johnson commented on additional funds being found for capital improvements on the land and making use of the existing office space for moving staff.

Mr. Walls commented on other uses of the land to benefit the facility including future expansion. Mr. Johnson commented on needing parking for employees and for additional articulated buses.

Ms. Sherman commented that an analysis had been done for leasing versus buying for the LB McLeod facility and would be updated as a requirement for FTA.

The group discussed the time sensitivity of this request, the need to go to the Board this month since the owner has a potential buyer, and that the LYNX Board only meets every other month.

Mr. Walls asked for a motion.

**Motion** was made and seconded to approve this and send this to Oversight. The Motion passed unanimously.

✓ **Other Business**

There was no other business.

**The meeting was adjourned at 11:22 AM.**

Oversight Committee Agenda Item #3.B.

**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 Amended Operating & Capital Budgets

**Date:** 9/22/2016

On April 14, 2016, LYNX staff presented the FY2016 amended Operating and Capital Budgets in the amount of \$127,306,973 and \$91,734,305, respectively for Board approval. Since approval of the FY2016 Amended Operating and Capital Budgets, LYNX has brought several items to the Board requesting approval and corresponding amendment to the operating and capital budgets.

The table below provides detailed information on the items comprising the operating budget amendment request:

FY2016 Operating Budget Amendment					
Revenue	FY2016 Amended Budget	Avalon Park School Connector	State Road 436 Transit Study	Reclassifications	FY2016 Amended Budget Total
Fund Balance	\$ 571,571	\$ -	\$ -	\$ -	\$ 571,571
LYNX-Generated Revenue	37,397,252	32,916	-	-	37,430,168
Federal Revenue	16,226,716	-	-	-	16,226,716
State Revenue	14,192,353	-	175,000	-	14,367,353
Local Revenue	58,919,081	-	1,095,000	-	60,014,081
<b>Total Revenue</b>	<b>\$ 127,306,973</b>	<b>\$ 32,916</b>	<b>\$ 1,270,000</b>	<b>\$ -</b>	<b>\$ 128,609,889</b>
Expense					
Salaries/Wages/Fringes	\$ 73,270,554	\$ 32,916	\$ -	\$ -	\$ 73,303,470
Other Services	10,962,728	-	1,270,000	-	12,232,728
Fuel	13,569,071	-	-	-	13,569,071
Materials & Supplies	8,284,043	-	-	-	8,284,043
Utilities	1,454,571	-	-	-	1,454,571
Casualty & Liability	1,524,850	-	-	(20,000)	1,504,850
Taxes & Tags	434,605	-	-	20,000	454,605
Purchased Transportation	16,494,772	-	-	-	16,494,772
Miscellaneous	826,779	-	-	(124,277)	702,502
Interest & Leases	485,000	-	-	124,277	609,277
<b>Total Operating Expenses</b>	<b>\$ 127,306,973</b>	<b>\$ 32,916</b>	<b>\$ 1,270,000</b>	<b>\$ -</b>	<b>\$ 128,609,889</b>



The Operating budget amendment includes the following:

**Avalon Park School Connector** – At the May 26, 2016 Board Meeting, the Board approved an amendment for LYNX to enter into a Charter School Bus Service Agreement with the Econ River High School – Greater Orlando Campus in a not-to exceed amount of \$175,078 for bus service in East Orange County to serve their campus. The agreement is fully funded by Sunshine Charter School and is for a period of forty-one (41) weeks from commencement through September 30, 2017. The total portion pertaining to FY2016 is \$32,916 for thirty-four (34) school days. LYNX staff will amend the FY2016 Amended Operating Budget accordingly.

**State Road 436 Transit Study** - At the May 26, 2016 Board Meeting, the Board approved authorization to release a Request for Proposal (RFP) for a State Road (SR) 436 Corridor Study in an estimated amount of \$1,270,000 and to amend the Operating Budget, accordingly. The primary focus of the study is a 22 mile segment of SR 436 from the Orlando International Airport in Orange County, FL to SR 434 in Seminole County, FL. The study seeks to evaluate various transportation alternatives to enhance transit services along SR 436. The funding will be provided by jurisdictions as listed in the table below:

<u>Jurisdiction</u>	<u>Amount</u>
City of Orlando	450,000
Orange County	190,000
Seminole County	455,000
FDOT	175,000
	<u><b>1,270,000</b></u>

**Reclassifications** – The following items are being reclassified:

- Interest Expense - \$124,277 is being reclassified from Miscellaneous to Interest & Leases
- Vehicle License & Tags - \$20,000 is being reclassified from Casualty & Liability Insurance to Taxes & Tags

The following table reflects adjustments related to the FY2016 Amended Capital Budget as follows:

FY2016 Capital Budget Amendment									
Revenue	FY2016 Amended Budget	Paratransit Replacement Vehicle	Compressed Natural Gas Facility Improvements	Parramore BRT - OUC JPA	Parramore BRT - Project "C"	East/West BRT Improvement Project	No-Petro Vacant Land Purchase	Road Rangers	FY2016 Amended Budget Total
Federal Revenue	\$ 84,762,480	\$ (96,334)	\$ (2,890,599)	\$ -	\$ -	\$ 83,200	\$ 1,300,000	\$ -	\$ 83,158,747
State Revenue	429,256	48,167	-	-	-	-	-	71,165	548,588
Local Revenue	6,342,569	48,167	2,705,733	8,374	327,912	20,800	-	-	9,453,555
Reserves	200,000	-	-	-	-	-	-	-	200,000
<b>Total Revenue</b>	<b>\$ 91,734,305</b>	<b>\$ -</b>	<b>\$ (184,866)</b>	<b>\$ 8,374</b>	<b>\$ 327,912</b>	<b>\$ 104,000</b>	<b>\$ 1,300,000</b>	<b>\$ 71,165</b>	<b>\$ 93,360,890</b>
Expense									
Revenue Vehicles	\$ 52,355,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ 52,359,593
BRT	13,083,894	-	-	8,374	327,912	104,000	-	-	13,524,180
Facilities	5,622,656	-	(184,866)	-	-	-	1,300,000	-	6,737,790
Passenger Amenities	9,777,044	-	-	-	-	-	-	-	9,777,044
Technology	5,542,331	-	-	-	-	-	-	-	5,542,331
Security	591,600	-	-	-	-	-	-	-	591,600
Support Equipment	4,761,187	-	-	-	-	-	-	67,165	4,828,352
<b>Total Operating Expenses</b>	<b>\$ 91,734,305</b>	<b>\$ -</b>	<b>\$ (184,866)</b>	<b>\$ 8,374</b>	<b>\$ 327,912</b>	<b>\$ 104,000</b>	<b>\$ 1,300,000</b>	<b>\$ 71,165</b>	<b>\$ 93,360,890</b>

The Capital budget amendment includes the following:

**Paratransit Replacement Vehicle** – At the April 14, 2016 Board meeting, the Board authorized a purchase order in the amount of \$481,674 for six (6) paratransit replacement vehicles. In addition, the Board approved an amendment for a 10% local match in the amount of \$48,167 from the \$2 Local Capital Funding and 10% State funding from FDOT. As such, \$93,334 is being transferred from Federal funds to local and state. The funding for these vehicles will be 80% federal, 10% FDOT, and 10% local \$2 capital contributions as follows:

Funding Sources	Funding Amounts
Federal – 80%	\$385,340
State - 10%	48,167
Local \$2 Capital -10%	48,167
<b>Total</b>	<b>\$481,674</b>

**Compressed Natural Gas (CNG) Facility Improvements** – At the May 26, 2016 Board meeting, the Board authorized the use of available \$2 Capital Contribution for the CNG facility improvements in an amount not-to-exceed \$2,625,733 and \$80,000 for engineer oversight. On December 21, 2015, FTA notified LYNX staff that the sale proceeds from the South Street facility could not be used to fund the CNG improvements. As such, LYNX staff amended the FY2016 Amended Capital Budget to reflect the \$2,705,733 change in funding source from Federal to Local.

**LYMMO Lime Line - Orlando Utilities Commission (OUC) Electrical Upgrades** – At the April 14, 2014 Board meeting, the Board authorized an amendment to the Joint Project Agreement with OUC in the amount of \$8,374 to support the change order for electrical upgrades that exceeded the available contingency funding. As such, LYNX staff amended the FY2016 Amended Capital Budget increasing the OUC funding for the LYMMO Lime line BRT from \$1,227,814 to \$1,236,188.

**Parramore BRT – Project “C”** - At the May 26, 2016 Board meeting, the Board approved an amendment for modifications to Balfour Beatty Construction Contract 14-C26 for the Parramore BRT Project, creating Project C – City of Orlando additional scope in the amount of \$327,912. This modification is being funded with local funds from the City of Orlando.

**East/West BRT Project** – At the September 22, 2016 Board meeting, LYNX staff will be seeking authorization from the Board for approval to amend the existing Interlocal agreement between LYNX and the City of Orlando to provide an additional cash match for improvements to two intersections on the Grapefruit Line. The estimated cost of these improvements are \$104,000 with a required local match of \$20,800 and federal funding in the amount of \$83,200.

**No-Petro Vacant Land Purchase** – At the July 28, 2016 Board meeting, the Board approved authorization to enter into a contract with NoPetro to purchase approximately six (6) acres of vacant land adjacent to both NoPetro’s CNG Fueling Facility and the LYNX Maintenance Facility in an amount not-to-exceed of \$1,300,000, contingent upon securing federal funding to support the land acquisition.

**Road Ranger Assistance Program Contract Modification** – At the January 28, 2016 Board meeting, the Board authorized modification of Contract #BDV 03 - Amendment #2 with the Florida Department of Transportation (FDOT) to increase contract funding by \$133,880. LYNX staff is amending the Capital for \$76,165. The remaining \$57,715 was previously factored into the FY2016 Adopted Operating Budget.

Based on the Board’s previous approval of these items and the reductions and reclassification for accurate budgetary management there is a need to amend the FY2016 Operating and Capital Budgets in the amount of \$1,302,916 and \$1,626,585, respectively. Approval of this amendment will formally amend the FY2016 Amended Operating and Capital Budgets to accurately reflect approved revenues and expenses. The Amended FY2016 Operating and Capital Budgets will be in the amount of \$128,609,889 and \$93,360,890, respectively.

LYNX staff will make a full presentation of the revisions supporting the amendment of the Amended FY2016 Operating and Capital Budgets at the Oversight Committee meeting.

# FY2016 Amended Operating & Capital Budgets

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Presented to the  
LYNX Oversight Committee  
by Blanche W. Sherman, CPA  
Director of Finance  
September 22, 2016

# FY2016 Operating Budget Overview



	<b>FY2016 Amended Budget April 2016</b>	<b>FY2016 Amended Budget September 2016</b>	<b>% Change</b>
<b>Operating Revenue</b>	\$ 127,306,973	\$ 128,609,889	1.0%
<b>Operating Expenses</b>	127,306,973	128,609,889	1.0%
<b>Operating Income/(Deficit)</b>	\$ -	\$ -	0.0%

# Key Operating Budget Amendment Basis



- Avalon Park School Connector - an agreement with Sunshine High School for bus service in East Orange County to serve their Campus
- State Road (SR) 436 Corridor Study – evaluation of various transportation alternatives to enhance transit services along SR 436 from the Orlando International Airport in Orange County, FL to SR 434 in Seminole County
- Reclassifications:
  - Interest Expense – reclassification from miscellaneous expense to interest & leases
  - Vehicle License & Tags – reclassification from casualty & liability insurance to taxes & tags

# FY2016 Operating Revenue



	<b>FY2016 Amended Budget April 2016</b>	<b>FY2016 Amended Budget September 2016</b>	<b>% Change</b>
<b>Operating Revenues</b>			
Fund Balance	\$ 571,571	\$ 571,571	0.0%
Customer Fares	29,456,134	29,459,808	0.0%
Contract Services	5,398,265	5,427,507	0.5%
Advertising on Buses	2,050,000	2,050,000	0.0%
Advertising - Trade	30,000	30,000	0.0%
Interest & Other Income	462,853	462,853	0.0%
Federal Revenue	16,226,716	16,226,716	0.0%
State Revenue	14,192,353	14,367,353	1.2%
Local Revenue	58,919,081	60,014,081	1.8%
<b>Total Revenue</b>	<b>\$ 127,306,973</b>	<b>\$ 128,609,889</b>	<b>1.0%</b>

# FY2016 Operating Expenses



	<b>FY2016 Amended Budget April 2016</b>	<b>FY2016 Amended Budget September 2016</b>	<b>% Change</b>
<b>Operating Expenses</b>			
Salaries/Wages/Fringes	\$ 73,270,554	\$ 73,303,470	0.0%
Other Services	10,962,728	12,232,728	10.4%
Fuel	13,569,071	13,569,071	0.0%
Materials & Supplies	8,284,043	8,284,043	0.0%
Utilities	1,454,571	1,454,571	0.0%
Casualty & Liability	1,524,850	1,504,850	-1.3%
Taxes & Tags	434,605	454,605	4.4%
Purchased Transportation	16,494,772	16,494,772	0.0%
Miscellaneous	826,779	702,502	-17.7%
Interest & Leases	485,000	609,277	20.4%
<b>Total Operating Expenses</b>	<b>\$ 127,306,973</b>	<b>\$ 128,609,889</b>	<b>1.0%</b>



# Key Capital Budget Amendment

- Transfer of funds from federal to local and state for Paratransit Replacement Vehicles - 10% local match from \$2 capital funding and 10% state funding from FDOT
- Change of funding source from federal funds to use of \$2 capital contribution for Compressed Natural Gas (CNG) Facility Improvements and Engineer Oversight
- LYMMO Lime line Orlando Utilities Commission electrical upgrade
- Parramore BRT Project “C” modifications to LYMMO Lime line Balfour Beatty Construction Contract with local funding from the City of Orlando

# Key Capital Budget Amendment

- Amendment to the existing Interlocal agreement between LYNX and the City of Orlando East/West BRT project to provide an additional local match (20%) and federal funding (80%) for improvements to two intersections on the Grapefruit Line
- Purchase of approximately six (6) acres of vacant land adjacent to both NoPetro's CNG Fueling Facility and the LYNX Maintenance Facility, contingent upon securing federal funding to support the land acquisition
- Florida Department of Transportation contract modification to increase funding for the Road Ranger Assistance Program

# FY2016 Capital Budget Overview



	FY2016 Amended Budget April 2016	FY2016 Amended Budget September 2016	% Change
<b>Capital Contributions</b>	\$ 91,734,305	\$ 93,360,890	1.8%
<b>Capital Expenditures</b>	91,734,305	93,360,890	1.8%
<b>Capital Gains/(Losses)</b>	\$ -	\$ -	N/A

# FY2016 Capital Budget Contributions



<u>Capital Contributions</u>	FY2016 Amended Budget		FY2016 Amended Budget
	April 2016	Revisions	September 2016
Federal Contributions	\$ 84,762,480	\$ (1,603,733)	\$ 83,158,747
State Contributions	429,256	119,332	548,588
Local Contributions	6,342,569	3,110,986	9,453,555
Reserves	200,000	-	200,000
<b>Total</b>	<b>\$ 91,734,305</b>	<b>\$ 1,626,585</b>	<b>\$ 93,360,890</b>

# FY2016 Capital Expenditures



<u>Capital Expenditures</u>	FY2016		FY2016 Amended
	Amended Budget		Budget
	April 2016	Revisions	September 2016
Revenue Vehicles	\$ 52,355,593	\$ 4,000	\$ 52,359,593
BRT	13,083,894	440,286	13,524,180
Facilities	5,622,656	1,115,134	6,737,790
Passenger Amenities	9,777,044	-	9,777,044
Technology	5,542,331	-	5,542,331
Security	591,600	-	591,600
Support Equipment	4,761,187	67,165	4,828,352
<b>Total</b>	<b>\$ 91,734,305</b>	<b>\$ 1,626,585</b>	<b>\$ 93,360,890</b>

# Board Action Requested



LYNX staff is asking for approval of the amended FY2016 operating and capital budgets.

	<b>FY2016 Amended Budget April 2016</b>	<b>FY2016 Amended Budget September 2016</b>	<b>% Change</b>
Operating	\$ 127,306,973	\$ 128,609,889	1.0%
Capital	91,734,305	93,360,890	1.8%
<b>Total</b>	<b>\$ 219,041,278</b>	<b>\$ 221,970,779</b>	<b>1.3%</b>

**Oversight Committee Agenda Item #3.C.**

**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 FY2017 Proposed Operating & Capital Budgets

**Date:** 9/22/2016

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The key assumptions used by the LYNX budget team in preparation of the FY2017 Operating Budget were presented at the January 28, 2016 Oversight Committee meeting and the Preliminary Operating Budget was presented at the April 14, 2016 Board meeting. The FY2017 Preliminary Capital Budget assumptions were presented at the July 28, 2016 Oversight Committee meeting. The Preliminary FY2017 Operating Budget totaled \$129,927,962 and the Preliminary Capital Budget totaled \$76,578,005. The FY2017 Operating Budget has been presented to the funding partners.

Since the presentations of the preliminary budgets, LYNX staff continued communications with the funding partners and review of operating and capital needs for FY2017 to provide the best estimate of budgetary needs.

The FY2017 Operating and Capital Budgets are being presented to the Board of Directors for final consideration and approval at the September 22, 2016 Board meeting.

LYNX staff will make a presentation to the Oversight Committee of the FY2017 Proposed Operating and Capital Budgets in the amount of \$129,700,062 and \$76,448,943, respectively.

# FY2017 Proposed Operating & Capital Budgets

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Presented to the  
LYNX Oversight Committee  
by Blanche W. Sherman, CPA  
Director of Finance  
September 22, 2016



# Key Budget Assumptions - Overall

- FY2017 Funding based on the adopted LYNX Funding Model
- Maximize current service levels through efficiencies
- Apply additional Flex (NeighborLink) services, where appropriate

# Key Budget Assumptions - Revenue

- Maintain current Preventative Maintenance funding Level, as approved by LYNX' Board
- Maximize use of Anticipated Advertising Revenue

# Key Budget Assumptions - Expenses

- Salary increases consistent with Funding Partners
- Anticipated impact of a new Union contract
- Continuation of Fuel Hedging Program, as appropriate
- Impact of conversion to Compressed Natural Gas (CNG)
- Impacts of converting to Self-Insured Health Insurance Program
- Continued application of reductions based on LYNX ownership of Paratransit vehicles
- Continuation of Bio-diesel Program, as appropriate

# Pending Items

- Implementation of Funding Partner approved COA Recommendations
- Impacts of SunRail Phase 2 (South & North) expansion



# FY2017 Operating Budget Overview

	<b>FY2016 Amended Budget</b>	<b>FY2017 Proposed Budget</b>	<b>% Change</b>
<b>Operating Revenue</b>	\$ 128,609,889	\$ 129,700,062	0.8%
<b>Operating Expenses</b>	128,609,889	129,700,062	0.8%
<b>Operating Income/(Deficit)</b>	\$ -	\$ -	N/A

# FY2017 Operating Revenue



	<b>FY2017 Proposed Budget</b>	<b>FY2016 Amended Budget</b>	<b>Dollar Change Amount</b>	<b>% Change</b>
<b>Operating Revenues</b>				
Fund Balance	\$ 1,023,348	\$ 571,571	\$ 451,777	79.0%
Customer Fares	26,167,535	29,459,808	(3,292,273)	-11.2%
Contract Services	5,742,153	5,427,507	314,646	5.8%
Advertising on Buses	2,332,134	2,050,000	282,134	13.8%
Advertising - Trade	30,000	30,000	-	0.0%
Interest & Other Income	681,206	462,853	218,353	47.2%
Federal Revenue	17,098,651	16,226,716	871,935	5.4%
State Revenue	13,704,285	14,367,353	(663,068)	-4.6%
Local Revenue	62,920,750	60,014,081	2,906,669	4.8%
<b>Total Revenue</b>	<b>\$ 129,700,062</b>	<b>\$ 128,609,889</b>	<b>\$ 1,090,173</b>	<b>0.8%</b>

# FY2017 Operating Expenses



	<b>FY2017 Proposed Budget</b>	<b>FY2016 Amended Budget</b>	<b>Dollar Change Amount</b>	<b>% Change</b>
<b>Operating Expenses</b>				
Salaries/Wages/Fringes	\$ 75,960,271	\$ 73,303,470	\$ 2,656,801	3.6%
Other Services	13,251,111	12,232,728	1,018,383	8.3%
Fuel	9,329,958	13,569,071	(4,239,113)	-31.2%
Materials & Supplies	7,973,395	8,284,043	(310,648)	-3.7%
Utilities	1,475,080	1,454,571	20,509	1.4%
Casualty & Liability	1,583,631	1,504,850	78,781	5.2%
Taxes & Tags	436,843	454,605	(17,762)	-3.9%
Purchased Transportation	18,251,224	16,494,772	1,756,452	10.6%
Miscellaneous	854,476	702,502	151,974	21.6%
Interest & Leases	584,073	609,277	(25,204)	-4.1%
<b>Total Operating Expenses</b>	<b>\$ 129,700,062</b>	<b>\$ 128,609,889</b>	<b>\$ 1,090,173</b>	<b>0.8%</b>



# FY2017 Local Revenue by Jurisdiction

FY2017 Preliminary Local Funding					
	Amended Local Funding FY2016	Preliminary Regional Model Need for FY2017 **	Dollar Change	Percentage Change	
Orange County	\$ 39,920,495 *	\$ 41,805,229 **	\$ 1,884,734	4.72%	
Osceola County	6,393,683 *	6,889,938 **	496,255	7.76%	
Seminole County	6,630,067	7,004,157 **	374,090	5.64%	
City of Orlando	4,496,660 *	4,542,603 **	45,943	1.02%	
City of Orlando - LYMMO	2,305,411	2,200,910	(104,501)	-4.53%	
Subtotal	\$ 59,746,316	\$ 62,442,837	\$ 2,696,521	4.51%	
St. Cloud	\$ -	\$ -	\$ -	0.00%	
Altamonte Springs	120,900	120,900	-	0.00%	
Sanford	93,000	93,000	-	0.00%	
Lake County	259,990	264,013	4,023	1.55%	
Subtotal	\$ 473,890	\$ 477,913	\$ 4,023	0.85%	
Capital Contributions:					
Orange County	\$ 1,701,304	\$ 1,698,160	\$ (3,144)	-0.18%	
Osceola County	203,270	198,914	(4,356)	-2.14%	
Seminole County	214,016	215,822	1,806	0.84%	
Subtotal	\$ 2,118,590	\$ 2,112,896	\$ (5,694)	-0.27%	
Total Local Funds	\$ 62,338,796	\$ 65,033,646	\$ 2,694,850	4.32%	

\* Includes prepaid funding from Osceola County, City of Orlando, and Orange County for new Service Development

\*\* The FY2017 Funding Model included the use of reserves, additional revenues, and cost savings to reduce the local funding requirements by \$1,946,397, plus the funding for SR 436 Transit Corridor Study.



# Key Capital Budget Assumptions

- Enhance LYNX facilities
- 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

# FY2017 Capital Budget Overview

	FY2016 Amended Budget	FY2017 Proposed Budget	% Change
<b>Capital Contributions</b>	\$ 93,360,890	\$ 76,448,943	-18.1%
<b>Capital Expenditures</b>	93,360,890	76,448,943	-18.1%
<b>Capital Gains/(Losses)</b>	\$ -	\$ -	N/A



# FY2017 Capital Budget Contributions

<u>Capital Contributions</u>	<u>FY2017 Proposed Budget</u>	<u>FY2016 Amended Budget</u>	<u>Dollar Amount Change</u>	<u>% Change</u>
Federal Contributions	\$ 72,285,020	\$ 83,158,747	\$ (10,873,727)	-13.1%
State Contributions	807,945	548,588	259,357	47.3%
Local Contributions	3,355,978	9,453,555	(6,097,577)	-64.5%
Reserves	-	200,000	(200,000)	-100.0%
<b>Total</b>	<b>\$ 76,448,943</b>	<b>\$ 93,360,890</b>	<b>\$ (16,911,947)</b>	<b>-18.1%</b>

# FY2017 Proposed Capital Budget – Local Contributions



Description	FY2017 Preliminary Budget Amount	Source
LYMMO- Parramore	827,296	City of Orlando, Orlando Utilities Commission, Other Utilities
LYMMO - East/West	20,800	City of Orlando
Capital Bus Lease	898,151	Local \$2 Capital
Articulated CNG Buses	1,263,967	Local \$2 Capital
Paratransit Vehicles	95,764	Local \$2 Capital
Passenger Amenities	250,000	Orange County
<b>Total</b>	<b>\$ 3,355,978</b>	

# FY2017 Budget Summary



	<b>FY2016 Amended Budget</b>	<b>FY2017 Proposed budget</b>	<b>Change</b>
<b>Operating Revenue</b>	\$ 128,609,889	\$ 129,700,062	0.8%
<b>Operating Expenses</b>	128,609,889	129,700,062	0.8%
<b>Operating Income/(Deficit)</b>	\$ -	\$ -	N/A
<b>Capital Funding</b>	\$ 93,360,890	\$ 76,448,943	-18.1%
<b>Capital Expenditures</b>	93,360,890	76,448,943	-18.1%
<b>Capital Income/(Deficit)</b>	\$ -	\$ -	N/A
<b>Total Sources of Funding</b>	\$ 221,970,779	\$ 206,149,005	-7.1%
<b>Total Uses of Funding</b>	221,970,779	206,149,005	-7.1%
<b>Net Financial Position</b>	\$ -	\$ -	N/A
<b>Staffing Count</b>	1117	1121	4

# Future Items



- Maintain planned stability and financial benefits of converting to a self-insured Health Insurance Program
- Continue to review the type of fixed route vehicles used in future operations
- Ongoing efforts to secure funding for service expansion, satellite facilities and BRT to support service demands
- Continue to seek State grant funding opportunities for capital projects

# Operating Budget Calendar



Final Board Action

September 22

Budget Year 16– 17 Commences

October 1

**Oversight Committee Agenda Item #3.D.**

**To:** LYNX Board of Directors

**From:** Edward Johnson  
CHIEF EXECUTIVE OFFICER  
Edward Johnson  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6017

**Item Name:** Discussion Regarding the Negotiation and Execution of a Lease Agreement with East Central Florida Regional Planning Council (ECFRPC)

**Date:** 9/22/2016

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**OVERVIEW:**

The East Central Florida Regional Planning Council (ECFRPC) contacted LYNX recently with an interest in leasing office space at LYNX Central Station (LCS) to be used for its operations. Following the initial discussions and tour of the LCS, it was concluded that the space currently occupied by Congresswoman Corrine Brown would become available at the beginning of the new year (or possibly sooner). LYNX executed a Lease with the Congresswoman in May, 2012, and its term would generally run concurrent with the term of the Congresswoman. The Congresswoman's space was initially 1,900 square feet, but has increased over time and currently measures 4,596 square feet. That space is "built out" and would not require any substantial improvements either by LYNX or the ECFRPC.

The terms of the lease proposed between LYNX and ECFRPC is for an initial term of five (5) years plus options. The rental rate would be \$15 per square foot for an initial two years with a three percent (3%) increase each year thereafter. The lease also includes three parking spaces in the Florida Department of Transportation (FDOT) vacant lot across from the LYNX Central Station (LCS). An additional ten (10) spaces will be subleased to the tenant in the CentroPlex Parking Garage managed by the City of Orlando at a cost to ECFRPC equal to what LYNX pays the City of Orlando for spaces in that Parking Garage. The lease calls for the commencement of the first rent payment to begin no sooner than the eighth month following tenant move in. This allowance was acceptable to help offset the additional expenses the tenant will incur for parking outside of the FDOT parking facility. LYNX would have the right to cancel the lease on twelve (12) months' notice if LYNX needed the space for its operations. Similarly, ECFRPC has the right to cancel the lease on twelve (12) months' notice if it would lose its funding, go out of existence or otherwise encounter circumstances under which it would no longer be feasible to operate.



## LYNX Board Agenda

The ECFRPC also has agreed to accept the space in its “as is” condition. Therefore, LYNX will not incur any expenses for tenant improvements. In addition, there is no real estate commission due in this transaction.

Staff reviewed this matter with Mr. Chuck Mitchell a leasing consultant in order to consider the current market for leasing space in Downtown Orlando and in the LCS. Mr. Mitchell indicated taking into account lack of sufficient parking, no tenant improvements on the part of LYNX, no brokerage commission, and other matters, that this Lease arrangement is a transaction that LYNX should pursue.

The Lease with Congresswoman Brown expires by its terms in early January, and LYNX has had discussions with representatives of the Congresswoman to recapture that space before then. The Congresswoman is only maintaining a skeleton staff in the space. If the Congresswoman’s space could not be recaptured early, LYNX would permit ECFRPC to occupy other vacant space on the fourth floor until the Congresswoman’s space became available.

Staff has submitted its request to the Federal Transit Administration (FTA) to seek authorization to move forward with the lease.

Oversight Committee Agenda Item #3.E.

**To:** LYNX Board of Directors

**From:** Edward Johnson  
CHIEF EXECUTIVE OFFICER  
Edward Johnson  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6017

**Item Name:** Discussion Regarding the Release of a Request for Proposal (RFP) for Real Estate Services

**Date:** 9/22/2016

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**OVERVIEW:**

Over the years, LYNX has piggy-backed off the City of Orlando's contract with First Capital Property Group to provide real estate consultancy services. These services has primarily been focused on leasing space in the LYNX Central Station (LCS) or facilities to support operations, to include paratransit operations. LYNX has now determined that the role should be expanded to include the purchase of real property for the expansion of support and service delivery. This increase in scope increases costs and should be competitively procured in accordance with LYNX' procurement standards.

As mentioned earlier, LYNX has leased space in the LCS over the past ten years. As staff continues to make efficiency improvements with space allocation it is envisioned that at least two floors could be available for lease.

Staff has determined that the LYNX Operations Center (LOC) located off John Young Parkway has limited staff parking making conditions for employees coming to work difficult to park. Additionally, LYNX is leasing a facility on LB McLeod for its paratransit contractor. Staff has identified vacant land adjacent to Building B at the LOC facility that would be more suitable for parking and dispatching the paratransit vehicles and provide additional parking for staff at the LOC.

LYNX is currently leasing commercial/industrial space from the City of Kissimmee Public Works Department for the housing of forty (40) transit coaches and office space for over one hundred (100) vehicle operators. This was supposed to be a temporary solution, but has been in place for more than six years. The conditions at this facility are not conducive for the operations or employees. Staff desires to locate land that could be used for current operations and plans for expansion of service needs.

## LYNX Board Agenda

Based on LYNX' vision for service expansion and cost saving measures, in the future LYNX will have a need for the construction of a northern operations base. Land acquisition for such a project should be considered over the next couple of years to safeguard increasing costs and ensuring adequate land is available in industrial and commercial environments.

**Oversight Committee Agenda Item #3.F.**

**To:** LYNX Board of Directors

**From:** Edward Johnson  
CHIEF EXECUTIVE OFFICER  
Edward Johnson  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6017

**Item Name:** Discussion Regarding the Negotiation and Execution of an Agreement for Temporary Employment Services Until the Chief Operating Officer Position is Filled

**Date:** 9/22/2016

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**OVERVIEW:**

Early July 2016 the Chief Executive Officer (CEO) informed the Board of Directors of his plan to restructure the executive management positions. The executive management team would include the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Planning and Engineering Officer and Chief External Affairs Officer. These newly created positions would realign their departments to place the agency in a better position to take on high capacity transit related projects and securing sufficient and dependable funding for the continuation and expansion of transit services.

As the effort to fill these critical positions has progressed it has been determined a nation-wide search is necessary to attract the desired talent for the Chief Operating Officer and Chief Planning and Engineering Officer positions. Krauthamer and Associates have been selected to lead the search for the two aforementioned positions.

Until the Chief Operating Officer's position is filled staff is proposing to select Mr. Frank Martin to serve as the interim Chief Operating Officer. Mr. Martin is a transit industry leader having served in senior management positions to include Chief Operating Officer and Chief Executive Officer with several transit agencies throughout the United States. Most recently Mr. Martin served as a consultant with Atkins (formerly PBS&J). He has recently opened a boutique consultancy firm and providing consultation to transit agencies throughout the United States.

Mr. Martin will be available beginning October 1, 2016 and is not interested in the full time position. Mr. Martin's resume is attached.

## Frank T. Martin, President

Frank T. Martin Consult, LLC

Email [FTMartin@gmail.com](mailto:FTMartin@gmail.com)

Phone 850-321-3948

Mr. Martin has extensive experience in business development and sales, urban and regional planning, including over 30 years of experience in managing and directing transportation projects focusing on multidisciplinary and complex planning, administration, and operations and maintenance; analyzing program systems and processes; and developing business plans and strategies to optimize operating efficiency. He has served as a general manager and chief operating officer for several of the nation's top transit systems and has served in an oversight capacity for the implementation of programs from South Florida (South Florida Regional Transportation Authority, formerly Tri-Rail) to Northern California (ACE, Caltrain, and Capital Corridor) while working as the chief operating officer for the Santa Clara Valley Transportation Authority (VTA).

After spending more than three decades in the private and public sectors in senior management (Senior Vice President - Atkins and Vice President – First Transit formally ATE Management and Service Company, Inc. respectively) for two global transportation and engineering companies and as Chief Executive Officer and Chief Operating Officer for several of the nations' top transit organizations, Frank has opened his own Firm. He has established a consultancy to serve the government (local, state and federal) and transportation markets. As a public servant, Frank developed the reputation as a **skilled and accomplished public transportation management executive** solving some of the most complex issues facing the public transit industry. He carried the same skills into the private sector for over the past ten years becoming a trusted advisor, as well as emerging as one of the **industry's preeminent business development and sales strategist**.

**FRANK T. MARTIN CONSULT, LLC** – April 2014 to Present

Provides professional consultant services in the following areas:

- Strategic business development and sales strategy
- Small and disadvantaged business teaming and partnering
- Organization and management reviews
- Executive coaching, mentoring and recruiting
- Special purpose referendum consultation and fundraising
- Government and client relations
- Strategic planning

**ATKINS NORTH AMERICA'S TRANSPORTATION GROUP COMPANY (FORMERLY PBS&J) Senior Vice President, Transportation - Sales and Strategy / Business Sector Manager Transit-Rail** - February 2004 to December 2013

Responsible for transit and rail business development as well as supporting activities across all business sectors i.e., aviation, highway and bridges, ITS, tolls and construction management within the transportation group company.

Mr. Martin was promoted to division manager within three months of joining Atkins to revamp and right size the fledging and unknown Transit and Rail Practice. During his tenure he branded the company nationally from a regional highway planning and engineering company to become one of the top emerging transit and engineering firms focusing on medium and large scale program management consultant and general engineering consultant contracts. Sector revenues increased 400 percent while staffing grew over 300 percent. As a trusted advisor, he is often sought out by industry peers for advice and counsel.

Additionally, as national business sector manager and division manager for transit and rail, Mr. Martin served closely with project teams throughout North America that were involved in various stages of large transit programs—from planning to design to construction—and as a corporate officer authorized to execute contracts, task authorizations, and supplemental agreements as needed. He also brings diversified transit operations and corporate management experience to each project, along with significant experience as a senior management executive for various transit authorities. Mr. Martin is extremely knowledgeable of Federal Transportation Administration (FTA) procedures and programs and is active on several key technical and managerial panels for Transportation Research Board (TRB), Conference of Minority Transportation Officials (COMTO), and the American Public Transportation Association (APTA). His experience includes operations planning, safety and security, business and project development-implementation, and operations and maintenance of bus, paratransit, automated people mover systems, heavy, light, and commuter rail systems.

## PROJECTS INCLUDED:

- **NORFOLK LIGHT RAIL TRANSIT PROGRAM MANAGEMENT/CONSTRUCTION MANAGEMENT, Hampton Roads, Virginia.** Mr. Martin secured and served as **principal-in-charge** of this \$330-million project. Atkins was the prime consultant leading a multi-discipline team providing program management and construction management (PM/CM) services for the 7.4-mile light rail transit (LRT) starter line for Hampton Roads Transit (HRT), in Norfolk, Virginia. This initial segment will provide LRT service from its western terminal near the Eastern Virginia Medical Center, then travel east in a dedicated right-of-way through downtown Norfolk to Norfolk State University. The alignment will then follow the existing Norfolk Southern Railroad right-of-way, paralleling I-264, from Park Avenue, and west of Brambleton Avenue to an eastern terminal station at Newtown Road, just south of I-264.
- **PROGRAM MANAGEMENT CONSULTING SERVICES, Peoples Transportation Plan, Miami, Florida.** Mr. Martin secured and served as Atkins' **principal-in-charge** of this seven year \$84 million dollar contract. Atkins was a member of the multi-firm program management consultant (PMC) team that supported Miami-Dade Transit (MDT) in its execution of the People's Transportation Plan. The PMC was selected in 2005 to serve as the consultant to oversee the implementation programs comprising the People's Transportation Plan. In this capacity, the PMC serves as a staff extension for the agency and accomplishes specific task assignments. The team also oversees and coordinates the work of corridor consultants performing planning and preliminary design assignments. Additionally, the PMC provides expert support to the agency on financial planning, funding strategies, systems analyses, fare card systems, and other similar tasks.
- **METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY, General Engineering Consultant, Atlanta, Georgia.** Mr. Martin secured and served as Atkins' **principal-in-charge and joint venture board member** of this ten year project. Atkins is one of the JV members of the Metropolitan Atlanta Transit Consultants (MATC) team selected by the Metropolitan Atlanta Rapid Transit Authority (MARTA) in 2007 to provide general engineering consultant (GEC) services and assist the agency in meeting the operational needs of its bus and heavy rail system. The system serves Fulton and DeKalb Counties and the City of Atlanta in maintaining the system in good repair. This includes developing improvements and additions to meet future goals, a top priority for MARTA. MATC serves as an extension of the agency's staff providing MARTA with tested expertise and innovative solutions.
- **CENTRAL PHOENIX / EAST VALLEY LIGHT RAIL TRANSIT CONSTRUCTION MANAGEMENT, Phoenix, Arizona.** Mr. Martin served as **transit advisor** to the construction management team of this project. Atkins provided construction administration and management services for the \$1.37-billion project consisting of a 20.3-mile starter line through the cities of Phoenix, Mesa, and Tempe in Arizona in a joint venture with PGH Wong. This project included bridges, roads, rail, lighting, traffic signals, water, storm drainage, and appurtenances. Specific services included construction management, constructability reviews, quality assurance program, contractor progress monitoring, construction cost estimates, contractor schedule analysis, contractor claims analysis, resident engineering, preconstruction surveys, construction surveys, materials testing services, inspection services, owner furnished materials management, rail system integration and testing services, rail activation services, and maintenance and operation assistance. Atkins right-of-way group was tasked with clearing of cost-to-care improvements located on 600 parcels in Phoenix, Arizona.
- **A STUDY OF THE SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY (SEPTA).** On December 14, 2005, the Pennsylvania House of Representatives passed Resolution No. 538. Resolution 538 directed the House Transportation Committee (PHTC) to, "...conduct an investigation of the Southeastern Pennsylvania Transportation Authority" (SEPTA). The Resolution more specifically, "...directed the Transportation Committee to conduct an overall and inclusive investigation of the operations, administration, management, and financial operations of SEPTA." Mr. Martin secured and served as **project manager** of this study leading the Atkins review team analyzing past financial studies and audits, and made recommendations on issues needing deeper study and analysis. The final report included specific recommendations in the following areas: financial review analysis, operations, labor, major capital improvement projects, fare collection system and technology, procurement, human resources, marketing and community relations, and performance standards. This report laid the foundation for a statewide discussion of the increased funding to support public transportation by the governor and the state legislature.

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA), San Jose, California – Chief Operating Officer (COO)** May 1999 to January 2004

The Santa Clara Valley Transportation Authority (VTA) is an independent special district with responsibility for countywide transportation planning and programming, public transportation, traffic congestion, specific highway improvement projects, and land-use integration. As COO, Mr. Martin managed all aspects of the \$280 million operations and maintenance function of the public transportation (bus, light rail, and paratransit operations with 2900 operating employees) division of this multi-purpose agency. He oversaw four deputy directors (in transportation, maintenance, service planning, scheduling, and technical transportation training and rail activation) and two managers (in protective services and policy administration). He initiated and assisted in a programmatic review of the Authority's FY 2002 budget to reduce the budget to match operating resources; developed and implemented a three-phase improvement program for the Americans with Disabilities Act (ADA) transportation service to reduce operating cost by 20 percent; downsized by identifying overlaps, redistributing workloads, automating functions, and implementing a new attendance tracking system; implemented strategies to address service reliability and on-time performance; and negotiated and implemented a new attendance program of the operating personnel to improve service reliability and operational efficiency.

**MAIMI-DADE TRANSIT (MDT), Miami, Florida.** May 1987 to May 1999

Assistant Director of Rail Services – 10 years

Deputy Director of Transit Operations – 2 years

The MDT is a countywide transit agency responsible for providing public transportation services (bus, rail, people mover, and paratransit operations) to citizens of Miami-Dade County. Mr. Martin managed and controlled a budget in excess of \$45 million and 450 employees; developed and implemented a performance indicator program to monitor and track key operational indicators and expenditures; conceptualized and initiated a comprehensive employee training program for all skilled and non-skilled classifications in the operating divisions; supervised operations, vehicle maintenance, track and guideway maintenance, facilities maintenance, security and system safety departments; and coordinated a multidisciplinary team to oversee the operational issues regarding the design and construction of the extension of the downtown people mover. Mr. Martin also served as the transportation liaison to Tri-Rail for the Miami-Dade Board of County Commissioners during the initial development of the commuter rail services in South Florida.

**FIRST TRANSIT (FORMERLY RYDER/ATE MANAGEMENT AND SERVICE COMPANY).** Vice President – Contract Management - January 1978 to May 1987

Oversaw daily operations and maintenance for three of the company's highest revenue generating management contracts.

**NEW ORLEANS REGIONAL TRANSIT AUTHORITY (RTA), New Orleans, Louisiana.** November 1984 to May 1987

General Manager – October 1984 to May 1987

Assistant General Manager – April 1984 to October 1984

Provided management oversight for the day-to-day operations and the transition of the transit agency from a private utility to a public service agency.

**BIRMINGHAM-JEFFERSON COUNTY TRANSIT AUTHORITY (BJCTA), Birmingham, Alabama.** May 1981 to April 1984

General Manager/Chief Executive Officer – May 1981 to April 1984

Assistant General Manager – July 1980 to May 1981

Directed and managed the restoration of transit service after a three-month shutdown of transit operations due to funding issues and a lack of community support for public transportation.

**GREATER RICHMOND TRANSIT COMPANY (GRTC), Richmond, Virginia.** Director of Operations Planning - January 1978 to June 1980

Directed the transit company's planning and grants management program.

**NORTH CENTRAL FLORIDA REGIONAL PLANNING COUNCIL (NCFRPC), Gainesville, Florida - Local Assistance & Mass Transit Planner - July 1974 to December 1977**

Provided technical assistance to local member governments of the Regional Planning Council. Also, supervised the first transit development program for Gainesville/Alachua County and the eleven county Elderly and Handicapped Transportation Plan for the Regional Planning Council service area.

**Education**

FISK UNIVERSITY, MURP, Master's Degree in Urban & Regional Planning 1974  
TENNESSEE STATE UNIVERSITY, BS, Business Administration 1973

**Professional Affiliations**

Transportation Research Board's Transportation Cooperative Research Program J-7 Panel Chair (2001-2008)  
Member (2001 -2013)  
American Public Transportation Association (APTA) Board of Directors (2005-2009), Regional Director  
Conference of Minority Transportation Officials (COMTO) Board of Directors, (2008-2012), Member; Executive  
Board member Secretary/Treasurer (2012-2014)  
APTA Business Members Board of Governors, (2009-2013), Member

**Community Affiliations**

State of Florida- State University System (SUS) Board of Governors (FLBOG) (2006 -2012), Member, Chair of  
Strategic Planning Committee (2009-2012)  
Florida Polytechnic University, Board of Trustees (2012-2015), Vice Chair of Board of Trustees, Chair of the  
Finance and Facilities Committee and Member of the Governance and Housing Committees



**Oversight Committee Agenda Item #3.G.**

**To:** LYNX Board of Directors

**From:** David Dees  
DIRECTOR OF RISK MANAGEMENT  
David Dees  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6127

**Item Name:** Discussion Regarding Cancellation of the Request for Proposal (RFP) for Security Guard Services

**Date:** 9/22/2016

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Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to cancel Request for Proposal (RFP) released on June 5, 2016 for security guard services, release a new RFP, and to extend Contract #11-C18 with Diamond Investigations & Security, Incorporated or issue temporary contracts with the security agencies under contract with the City of Orlando or Orange County for a period not to exceed six (6) months and in an amount not-to-exceed \$536,826.

**BACKGROUND:**

LYNX currently has a contract with Diamond Investigation & Security, Inc. for security guard services. The original term of contract #11-C18 was from July 1, 2011 through September 30, 2013, with two (2) one-year options. Both options were exercised and the current contract expired on September 30, 2015. On July 23, 2015 the Board of Directors further extended the contract for one (1) year, expiring September 30, 2016.

At the March 15, 2015 LYNX Board of Directors' meeting, staff received authorization to release a Request for Proposal (RFP) for security services, which was released on June 05, 2016. Proposals were due to LYNX by 2:00 PM EST on August 09, 2016.

Eleven (11) responses were received from the following firms:

- Mason Evans d/b/a Diamond Investigation Security
- First Coast Security
- Vista Security Services
- All Pro Security Services
- American Guard Services, Inc.
- Excelsior Defense, Inc.

## LYNX Board Agenda

- Weiser Security Services, Inc. (Not responsive)
- G4S Secure Solutions (USA), Inc.
- Allied Barton Security Services
- FPI Security Services
- Dynamic Security

Although we did receive several responses, the pricing from the top two (2) proposers was significantly higher than the independent cost estimates. After review of the proposals, the Source Evaluation Committee (SEC) recommendation in conjunction with the budget for these services, LYNX staff is recommending, with the Oversight Committee's concurrence to re-issue the RFP. It is the intent of staff to take this opportunity to re-evaluate the security services needed and ensure that such needs are clearly defined in the scope of work issued in the new release.

LYNX staff will provide an overview of the contract and the RFP at the September 22, 2016 Oversight Committee meeting.

**Oversight Committee Agenda Item #3.H.**

**To:** LYNX Board of Directors

**From:** Juan Battle  
DIR OF TRANSPORTATION & MAINT  
**STEPHEN BERRY**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6161

**Item Name:** Discussion Regarding the Cancellation of the Request for Proposal (RFP) for Pressure Washing of LYNX Central Station (LCS), LYNX Operations Center (LOC), and Transfer Centers

**Date:** 9/22/2016

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**ACTION REQUESTED:**

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to cancel the Request for Proposal (RFP) released on May 26, 2016 for pressure washing of LYNX Central Station (LCS), LYNX Operations Center (LOC), and transfer centers, release a new RFP, and to extend Contract #14-C01 with TJ's Quality Construction Clean-Up, LLC for a period not-to-exceed six (6) months and in an amount not-to exceed amount \$40,000.

**BACKGROUND:**

LYNX currently has a contract with TJ's Quality Construction Clean-Up, LLC for pressure washing of LYNX Central Station (LCS), LYNX Operations Center (LOC), and transfer centers. The original term of Contract #14-C01 was from October 1, 2013 through October 1, 2014 with two (2) one-year options. Both options were exercised and the current contract expires on September 30, 2016.

At the May 26, 2016, Board of Directors meeting, staff received authorization to release a Request for Proposal (RFP) for the pressure washing of LYNX facilities. Four (4) responses were received from the following firms:

- American Janitorial, Inc.
- D & A Building Services
- Fleetwash, Inc.
- Scrubzoni

Although we did receive several responses, the pricing from the proposers was significantly higher than the independent cost estimates. After review of the proposals, the Source Evaluation

## LYNX Board Agenda

Committee (SEC) recommendation in conjunction with the budget for these services, LYNX staff is recommending, with the Oversight Committee's concurrence to re-issue the RFP. It is the intent of staff to take this opportunity to re-evaluate the pressure washing services needed and ensure that such needs are clearly defined in the scope of work issued in the new release.