



Board Date: 3/25/2010
Time: 10:30 A.M.

Central Florida Regional Transportation Authority
455 N. Garland Ave.
2nd Floor Conference Room
Orlando, FL 32801





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

1. Call to Order

2. Approval of Minutes

-  Minutes from the January 7, 2010 Audit Committee Meeting Pg. 2

3. Audit Agenda Items

- A.  FY2011 Proposed Budget Development Assumptions Pg. 10
 - *Presentation* 
- B.  Update on the Altamonte Springs FlexBus Project Pg. 19
- C.  Presentation on the Annual Financial Audit and Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending September 30, 2009 Pg. 35

5. Information Items

(For Review Purposes Only - No action required)

- I.  LYNX 12 Month Rolling Calendar Pg. 36

LYNX
Central Florida Regional Transportation Authority
Audit Committee Meeting Minutes

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

DATE: **January 7, 2010**

TIME: **1:02 p.m.**

Members in Attendance:

Seminole County Commissioner, Carlton Henley, Chairman
Osceola County Commissioner, Brandon Arrington
FDOT District 5 Secretary, Noranne Downs, Secretary
Orange County, Jim Harrison, Director of Growth Management
City of Orlando, Roger Neiswender, Director of Transportation

Members Absent:

1. Call to Order

The Chairman, Commissioner Carlton Henley, called the meeting to order at 1:02 p.m.

2. Approval of Minutes

Mr. Neiswender asked to clarify discussion item recorded in the Minutes of the September 24, 2009 Audit Committee meeting, Agenda Item 3.B., Presentation on Proposed Funding Agreements with Funding Partners as recorded on Page 3.

Mr. Neiswender noted that under discussion, the Committee discussed the disposition of assets if a funding partner elects to withdraw. He asked that the minutes be amended for clarity as follows:

Discussion ensued regarding the process that could be followed if a funding partner elects to withdraw. It was noted that all partners are party to a variety of long-term commitments that could redistribute the balance of financial commitments among the remaining partners in the event a partner withdraws. Mr. Neiswender noted that any discussion of redistribution of assets must also address the assumption of liabilities such as agency debt or federal grant obligations by the leaving entity. In conclusion, the

Members agreed that this issue should be separate from the Funding Agreement and will need further policy input.

Motion was made and seconded to approve the Minutes as amended of the September 24, 2009 Audit Committee meeting. The motion passed unanimously.

3. Audit Agenda Items

A. Update on Funding Agreements

The Chairman recognized Bert Francis, Chief Financial Officer, for presentation.

Mr. Francis provided an update on the following:

Funding Partner	Approval Date By Respective Governing Board	Executed Contract Received LYNX	Payments Received
Orange County	11/17/09	11/24/09	Yes/1 st Qtr
Orange County/The Club	12/01/09	12/01/09	No
Seminole County	12/08/09	-	No
Osceola County	11/02/09	11/13/09	No
Lake County	11/03/09	12/04/09	No
City of Orlando	10/19/09	11/02/09	Yes/1 st Qtr
City of Altamonte Springs	1/17/09	11/24/09	Yes/1 st Qtr
City of Sanford	08/24/09	11/24/09	Yes/1 st Qtr
City of St. Cloud	12/10/09	-	No

Orange County/The Club: The contract was approved and awaiting the executed copy. The invoice has been submitted and payment is anticipated soon.

Seminole County: The contract was approved and the payment is ready for pick up.

Osceola County: The payment has been received.

Lake County: The payment has been received.

City of St. Cloud: The contract has been approved and the 1st quarter payment has been received.

B. Update on Proposed Investment Policy

The Chairman recognized Bert Francis, Chief Financial Officer, for presentation.

At the September 24, 2009 meeting, staff presented a proposed investment policy and the Committee heard a presentation on fuel hedging, the forward pricing of diesel fuel.

Staff is presenting today, an investment policy that includes the ability to participate in a fuel hedging program. Any participation in the program will require the Board's prior approval. Language has been incorporated in the proposed policy in Section 11.9, Reporting, and Section 11.12, Investments, Sub-Section 12 defines Energy Forward Pricing Mechanisms (EFPMS).

After discussion, the Committee recommended the policy be amended to include the term Energy Forward Pricing Mechanisms (EFPMs) in Section 11.1, Definitions.

Without objection, the Audit Committee will recommend adoption of the Investment Policy as amended.

C. Update on Cummins Engine Warranty Status

The Chairman recognized Lisa Darnall, Chief Operating Officer, for presentation.

Ms. Darnall noted that the Environmental Protection Agency (EPA) regulations over the years have made challenging for engine manufacturers. The 2007 Urban Bus EPA Standards required significant engine modifications that involved the fuel injectors, the turbos and the addition of a regenerative diesel particulate filter.

An article appeared in the October, 9, 2009 “Orlando Sentinel” about LYNX’ buses blowing black smoke.

Prior to the 2007 regulations, several manufacturers manufactured transit engines; however, after implementation, manufacturers stopped manufacturing transit engines. Today, Cummins is the only transit engine manufacturer the meets the 2007 regulations.

The particulate matter is the visible “black smoke.” The EPA regulations required that be reduced by approximately 80% between 2004 and 2007.

In the fall of 2007, LYNX began receiving its first group of buses with the 2007 technology. LYNX acquired 118 buses between 2007-2009.

Cummins builds approximately 200,000 truck engines and 5,000 transit engines annually. It is believed that Cummins underestimated the transit application in the design as the issues are not apparent in truck engines. In transit, the engine must get hot enough to burn off the particulate matter. Due to the idol application, the particulate matter was not being burned off.

The issue of the particulate matter did not surface until 2008 and Cummins has been working since to address the issue which was not done in the design phase. However, in August 2009, LYNX had 61 of the 118 bus engines at or near the end of the base warranty period and the issue had not been resolved.

LYNX has met with local and corporate Cummins representatives to address the issues. Cummins developed some campaigns to reprogram the engine module, data updates, and made a commitment to replace all engine turbos. The campaign work will address all 118 bus engines. Cummins also agreed to extend the base warranty on the 61 bus engines an additional one year. Cummins believes the additional one year will provide them time to complete their commitment.

Over the past couple of months, Cummins has completed the electronic control module reprogramming for all 118 engines and updated and replaced the turbo in 80 of the 118 engines. Cummins campaigns are in addition to the warranty work that is being done. Under warranty, 51 of the filters have been replaced, 18 oil pan leaks have been repaired and 44 engines have had fuel injectors replaced.

Significant progress has been made. All 118 buses are tested weekly to ensure they do not blow black smoke. LYNX will continue to provide buses each week to Cummins, meet with Cummins weekly, track work progress and closely monitor the 2010 new engine technology changes. The 2010 EPA regulations are not requiring an additional decrease in the particulate matter.

The Committee asked if the work by Cummins was impacting service. Ms. Darnall responded that prior to Cummins addressing the issue; there was an average of 10-12 buses down daily and that average has been reduced to three – five.

The Committee inquired if Cummins is the only engine provider. Ms. Darnall responded that Cummins is the only “transit” engine manufacturer meeting the EPA standards in the United States. Ms. Watson reminded the Committee that LYNX has to comply with “buy American” provisions in federal funding agreements.

D. Update on Transit Planning Agreement with METROPLAN ORLANDO for FY 2009/2010

The Chairman recognized Edward Johnson, Chief Administrative Officer, for presentation.

Mr. Johnson reported that the Federal Transit Administration (FTA) and Florida Commission for the Transportation Disadvantaged appropriate planning funds annually to METROPLAN ORLANDO. METROPLAN receives FTA funds under a program grant (Section 5303) and are passed through to LYNX for planning activities which are identified as part of the Unified Planning Work Program (UPWP). State planning funds for transportation disadvantaged are also included in a grant from FDOT annually to METROPLAN and passed through to LYNX.

LYNX has received planning funds in the total amount of \$405,000 which includes \$122,729 of carry-forward funds, \$238,419 for reimbursement of FTA 5303 grant funds and \$43,857 of Transportation Disadvantaged funds.

The FY 2009/2010 LYNX planning activities include:

- Transit System Monitoring
- Short-Range Transit Development Program Update
- Long-Range Transit Planning Process
- Safety and Security in Transportation Planning Process
- Transit Quality Level of Service Assessment
- Paratransit Services Planning
- Transportation Disadvantaged Services

Mr. Johnson noted that METROPLAN ORLANDO provided the funding agreement to LYNX in October, 2009 and it was executed by LYNX CEO, Linda Watson. Staff will be seeking the Board's authorization to ratify the Agreement.

The Committee asked if the safety and security planning activities will include terrorism prevention. Mr. Johnson responded that LYNX' Director of Safety and Security has been successful in receiving numerous grants for awareness, training and prevention campaigns. Ms. Watson noted that the Transportation Security Administration (TSA) has held numerous exercises at LYNX' facilities and the Department of Homeland Security (DHS) has conducted extensive training. Ms. Watson suggested that staff can provide a more extensive update on the security projects at a Committee meeting in the near future.

The Committee asked, with the success of the PickUp Line service, if staff is looking at changes to service with a focus on utilizing smaller buses. Mr. Johnson responded that LYNX is currently in the process of creating a Long Range Strategic Plan. The process will include an examination of how service is shaped over the next 30 years and identify what level of service should be provided in certain areas. Ms. Watson reported that staff will make a presentation at an upcoming meeting that will provide detailed information on current and potential ridership, taxi service, late night service in some areas and transformational service concepts. She also noted that LYNX has accomplished significant service restructuring over the past couple of years but more will be done in the future which will increase efficiency and provide a higher level of service.

Mr. Johnson further provided that LYNX is also developing a 5 year financial plan which will incorporate the cost of services. Information contained within the plan can be utilized by LYNX' funding partners to assist with their budgetary process.

E. Update on the Proposed Unified Shelter Program

The Chairman recognized Edward Johnson, Chief Administrative Officer, for presentation.

Mr. Johnson reported that representatives of Orange, Osceola and Seminole Counties and the City of Orlando have met to discuss the establishment of a unified shelter program. The group has agreed that they prefer LYNX to manage the shelter program on behalf of each jurisdiction (whether managed in-house or outsourced); have reached agreement on the type of shelter design for the respective jurisdictions; minimum standards for maintaining the shelters and surrounding areas; and had a preliminary review of the draft interlocal agreement giving LYNX the authority to manage the shelter program within their areas.

At a meeting of the representatives on January 6th, it was determined to expand the program from a shelter program to an amenities program which would include shelters as well as other amenities that are in place which support the transit experience.

The group continues to discuss the use of the net revenue. LYNX staff has proposed to use the net revenue as a credit to capital purchases or to meet other non-operational obligations for the jurisdiction that relate to services rendered by LYNX. Unless otherwise agreed upon, LYNX would not use net revenue to supplant existing transit services funding.

Discussion ensued as to the funding partners' current contracts for shelters. Mr. Johnson reported that Seminole County has a contract with Signal Outdoor that will expire in 2013 and that Osceola County has a contract with a provider that will expire in 2011. Commissioner Arrington noted that Osceola County and City of Kissimmee have not received payment from their contractor for some time.

Chairman Henley asked staff for data on the number of shelters that have been provided under the existing contracts and the start date to show the annual performance level. Mr. Johnson responded the information would be provided.

Commissioner Arrington asked if the implementation of the amenities program would interfere with the American Reinvestment and Recovery Act (ARRA) funds being spent on shelters. Mr. Johnson responded that ARRA funds have been utilized for the order of 26 shelters in Osceola. He also noted that once shelters are constructed, they must be maintained for which revenue will be needed for covering the operating expenses.

Mr. Johnson reported that staff anticipates that the draft interlocal agreement can be presented to the LYNX Board at its next scheduled meeting.

F. Update on LYNX Feeder Bus Service for Commuter Rail

The Chairman recognized Edward Johnson, Chief Administrative Officer, for presentation.

Mr. Johnson reported that members of LYNX' and Florida Department of Transportation's (FDOT) staff have met to discuss LYNX' role in providing feeder bus service for SunRail. Mr. Johnson recognized Tawny Olore, Central Florida Commuter Rail Project Manager, FDOT, and noted that she will provide additional information.

In 2007 an Agreement was entered into between LYNX and FDOT to provide feeder services for commuter rail. A provision of the Agreement was to modify at least five routes and implement three additional routes. As a part of LYNX' recent service improvements, two of the three new routes are in place. The third route will be an express route from Kissimmee to the Sand Lake Road station until the second phase of Commuter Rail is in place. The Agreement includes a provision for funding 16 vehicles utilizing SIB Loans and trip funding.

LYNX and FDOT staffs are meeting to discuss FDOT's funding of new and modified service routes, fare collection utilizing compatible ticket vending machines, potential participation in a joint Request For Proposal and fare policies.

Discussion ensued regarding the provision for utilization of trip funds within the Commuter Rail legislation. Staff was urged to work with State lobbyists to monitor legislation which affects trip funding.

Ms. Watson reported that she has received inquiries as to whether LYNX will have the funding to provide feeder service. LYNX is meeting regularly with FDOT to ensure the availability of service.

Mr. Johnson asked Ms. Olore to provide an update. Ms. Olore reported that 17 additional right-of-way parcels are needed for Phase I. The first station is Altamonte Springs and it is clear. For stations in 11 mainline parcels, there are some encroachments. The full funding grant agreement is anticipated by summer. A critical path schedule has been developed for the environmental documentation for an evaluation due to the change in vehicle type, i.e, a diesel multiple unit to a push-pull. Immediately following the clearance which is expected in March 2010, right-of-way parcels can be purchased for Phase II.

Ms. Olore noted that the legislation allowed for the closing of the corridor in escrow within a couple of months. Once the full funding grant agreement is obtained, the closing will be perfected and FDOT will then be responsible for maintenance.

FDOT staff will be meeting with LYNX and Votran staff regarding ticket vending machines to ensure compatibility and a seamless transition for passengers on all modes of transit. A fare policy agreement will be developed for execution by FDOT, LYNX and Votran.

G. Overview of LYNX' Proposed Minority Women Business (MWBE) Program

The Chairman recognized Edward Johnson, Chief Administrative Officer, for presentation.

The MWBE program will provide certified and recognized MWBE firms in any state or local municipalities the opportunity to compete for business with LYNX which will increase the competitiveness for such contracts. This is not a set aside or quota program.

It is LYNX' policy to provide small and local minority businesses with equal opportunity to participate in the Authority's non-federally funded procurements and contracting services.

Without objection, the Audit Committee will recommend adoption of the Investment Policy as amended.

H. BLUE SHEET ITEM: Authorization to Amend Contract #08-C14, General Counsel Services with Akerman Senterfitt

The Chairman recognized Edward Johnson, Chief Administrative Officer, for presentation.

Mr. Johnson reported that effective May 1, 2008, a contract was entered into with Akerman-Senterfitt for general counsel services and its subcontractor Baker-Hostetler for employment/labor law. The initial term of the agreement was for three years ending April 30, 2011 with an option to extend the agreement for two one-year terms. Additionally, the initial three year term included a maximum contract amount not to exceed \$750,000 with each contract year being capped at \$250,000.

Ms. Watson explained that LYNX has experienced unexpected activities that required staff to engage legal counsel to either represent or provide additional legal counsel which has resulted in additional costs.

Staff is recommending the following:

- 1) Separation of the contract into two agreements. One agreement for general counsel services and one for employment/labor counsel services. The separation would provide for better tracking and monitoring. Currently, both firms invoice LYNX directly for their services.
- 2) Amend the agreement to be consistent with a fiscal year with the term beginning October 1 rather than May 1.
- 3) Increase the third year of the general counsel contract by an additional \$50,000 per year increasing the maximum amount to \$300,000.

Without objection, the Audit Committee will recommend amending Contract #08-C14 with Akerman Senterfitt.

Motion was made and seconded to adjourn. The Motion passed.

The meeting adjourned at 2:10 p.m.

Audit Committee Agenda Item #3.A

To: LYNX Board of Directors

From: Bert Francis
CHIEF FINANCIAL OFFICER
Blanche Sherman
(Technical Contact)

Phone: 407.841.2279 ext: 6047

Item Name: FY2011 Proposed Budget Development Assumptions

Date: 3/25/2010

Staff is in the process of developing the FY2011 Operating and Capital Budgets. The key assumptions that LYNX' budget team will use in the preparation of these budgets will be presented. This item gives the Audit Committee an opportunity to provide direction and feedback to management at the beginning of the budget development process. Staff will also present the budget calendar for the FY2011 budget.

FY 2011 Budget Development Assumptions

Presented to the LYNX Audit Committee

March 25, 2010



Key Budget Assumptions

- Orange County decreasing LYNX funding by 7% from FY10 amount
- Apply 7% reduction to all local funding partners to create equity
- Maintain same level of service throughout the system
- No additional Fare Increase in FY11
- Reduce cost utilizing Flex services

Key Budget Assumptions - Revenue

- Use ARRA funding for operating expenses – preventative maintenance and capital cost of contracting
- Maintain current level of Federal Preventative Maintenance Funding (currently \$8,794,752)
- No plan to utilize Operating Reserves
- No Fare Increase in FY11
- Advertising Revenue program status quo

Key Budget Assumptions - Expenses

- Maintain current staffing levels
- No pay increases
- Hiring freeze for all but the most crucial positions
- 3% increase in healthcare cost from Orange County along with a change in the plan design
- Impact of Union negotiations
- Decrease retirement contribution rate to FRS levels and health benefits

Key Budget Assumptions - Expenses

- 10% increase in fuel cost
- Continue OPIS pricing for fuel purchases
- Potential fuel savings for bio-diesel
- Benefit full year of service efficiencies made in FY09 and FY10

Pending Items Not Currently in Budget

- Review type of fixed route vehicles used in future operations
- Closure of South Street and related Southern Operating Facility
- Reduced deadhead cost due to change in operating facility
- Increased efficiency of additional interlining with Southern Operating Base
- Savings based on LYNX ownership of paratransit vehicles

Pending Items Not Currently in Budget

- Providing paratransit service outside of the $\frac{3}{4}$ -mile minimum
- Potential decrease in utilities due to LEED investments
- Additional part-time positions in operations
- Additional impact of Federal Jobs Bill

Budget Calendar

Key Budget Assumptions Presentation to Audit Committee	March 25
Present to LYNX Board	March 25
Funding Request Letters Submitted to Funding Partners	April 26
Budget Presentation Osceola & Orange Counties	June/July
Budget Presentation Seminole County	August
Final Board Action	September 23
Budget Year 10 – 11 Commences	October 1

Audit Committee Agenda Item #3.B

To: LYNX Board of Directors

From: **Edward Johnson**
CHIEF ADMINISTRATIVE OFFICER
Rudolph Walter
(Technical Contact)
Doug Jamison
(Technical Contact)

Phone: 407.841.2279 ext: 6058

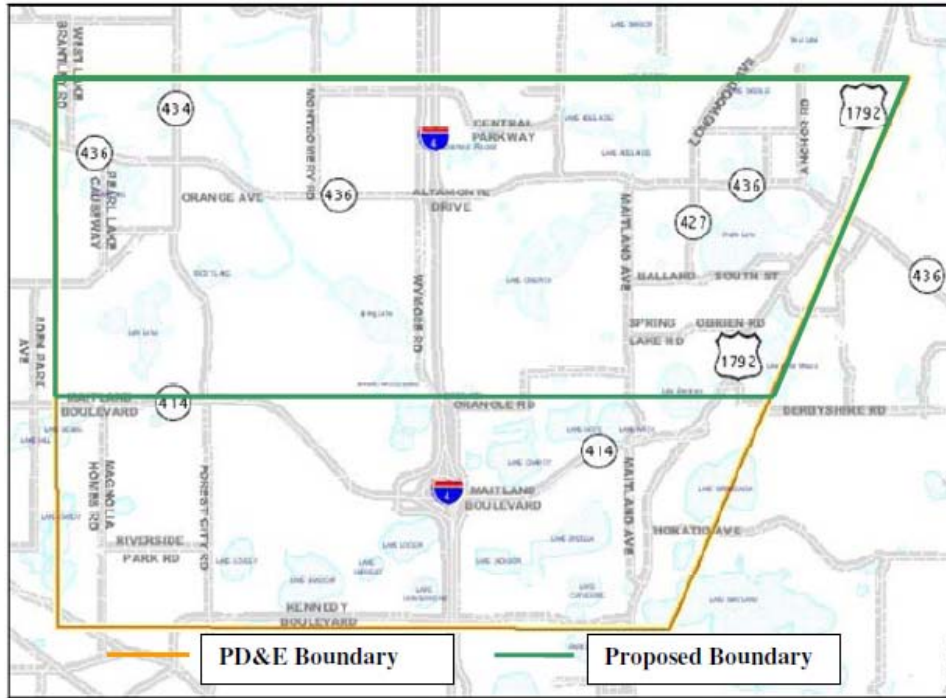
Item Name: Update on the Altamonte Springs FlexBus Project

Date: 3/25/2010

LYNX, in partnership with Altamonte Springs, Florida Department of Transportation, District V (FDOT), Federal Transit Administration (FTA), Orange and Seminole counties, concluded the design and engineering for the implementation of FlexBus in April 2007. FlexBus is designed to operate as a special transit circulation system in the Altamonte Springs service area that includes both Bus Rapid Transit (BRT) and Intelligent Transportation Systems (ITS) elements. The service uses ITS to accept customer reservations and dispatch a vehicle within less than twelve (12) minutes. Vehicles do not operate a fixed route but provide service between approximately thirty (30) stations according to customer trip demands.

FDOT provided the project management for this phase of the design, which resulted in the final plans for the procurement of the capital needs, Intelligent Transportation Systems (ITS); definition of the operating needs and business plan; and a comprehensive startup and implementation plan. Design was also completed for seven (7) roadway improvements, resulting in signed and sealed drawings for each. These improvements include six (6) turn lane extensions and one (1) short roadway extension, all of which will reduce traffic congestion in the area, allowing more efficient operation of FlexBus.

The FlexBus service area as designed is generally bound by SR 434 to the west, Central Parkway to the north, US 17/92 to the east and the City of Altamonte Springs border to the south, near Maitland Boulevard. Ultimately, service may expand to also cover Casselberry's 17/92 Community Redevelopment Area (CRA), Eatonville, Maitland, and Winter Park. The concept is designed to be replicable in other service areas, not only within the LYNX system but also in other national markets.



Proposed FlexBus Service Area

BACKGROUND:

Prior to November 1999: The City of Altamonte Springs partnered with the City of Maitland to obtain a \$750,000 grant as part of the Transportation Equity Act of the 21st Century (TEA-21) for the evaluation of a circulator system in north Orange County and south Seminole County using ITS.

November 1999: A grant application was filed with FDOT for 10% “Fast Track” funding for the design, right-of-way acquisition and construction of the first phase of the North Orange/South Seminole ITS Circulator (later named FlexBRT and then FlexBus) from the City of Altamonte Springs. The project was proposed to be funded at \$16 million (78.2%) federal, \$2.15 million (10.51%) state and \$2.31 million (11.29%) local for a total of \$20.46 million.

January 2000: Feasibility study for the project was started. This study cost \$810,000 and was funded by a TEA-21 grant for \$750,000 obtained by Altamonte Springs and matched by \$60,000 local funds consisting of \$15,000 contributions each from Orange County, Seminole County, the City of Altamonte Springs, and the City of Maitland.

February 2001: Feasibility study completed showing the project had merit to move to design.

June 2002: LYNX and FDOT entered into a public transportation Joint Participation Agreement (JPA) for FDOT to participate in the funding of the design of the FlexBus hardware and software, the stations, and the vehicles. The JPA also covered the identification and purchase of needed right-of-way. The City of Altamonte Springs and the City of Maitland also participated in the funding of this phase of the design.

November 2002: Preliminary Design and Engineering (PD&E) started for FlexBus.

December 2002: The JPA was modified by a Transportation Outreach Program Supplemental (TOPS) Agreement to allow FDOT to provide additional funding for the planning, PD&E, and implementation of the project.

June 2003: The Interlocal Funding Agreement and the JPA were amended as FDOT assumed responsibility for the management and oversight of the final design of FlexBus. A project manager at FDOT was assigned for the design and the right-of-way phases of the project.

October 2003: LYNX received a \$1.5 million earmark for FlexBus for the design of the project.

January 2004: LYNX and FDOT executed a supplement to the TOPS agreement to restate the funding for the Phase I PD&E and the Phase II Design and Implementation.

August 2004: PD&E completed and the Categorical Exclusion (CATEX) approved.

October 2004: LYNX received \$2.071 million Federal Highway Administration (FHWA) Section 115 Omnibus Appropriations Act earmark.

August 2005: LYNX and FDOT executed a Second Amendment to the JPA to restate the funding and the fund match and funding sources.

September 2005: LYNX and the City of Altamonte Springs executed an Interlocal Funding Agreement in support of the design of FlexBus. LYNX issued the Notice to Proceed for the Final Design of the project.

October 2005: LYNX received an ITS earmark of \$500K for FlexBus.

May 2006: JPA was amended to add legislative required Single Audit Act language in accordance with Section 215.97 of the Florida Statutes.

September 2006: Boundary Survey and parcel sketches with descriptions of the right-of-way parcels are provided by the consultant to the City of Altamonte Springs for the roadway improvements to begin the acquisition of the right-of-way.

January 2007: 100% design plans for Douglas Avenue at Central Parkway, Central Parkway at Douglas Parkway and Center Point Drive at Central Parkway provided by the consultant to LYNX, FDOT and the City of Altamonte Springs for approval with an accelerated schedule.

February 2007: Signed and sealed plans, engineer's estimate, utility schedule and no conflict letters, geotechnical reports, and responses to 100% comments sent from the consultant to LYNX, FDOT, and the City of Altamonte Springs for Douglas Avenue at Central Parkway, Central Parkway at Douglas Parkway, Center Point Drive at Central Parkway, Boston Avenue at State Road 436, Essex Avenue at State Road 436 and Westmont Drive at State Road 436. (Utility information will require update once the right-of-way is acquired by the City of Altamonte Springs.)

April 2007: JPA amended between LYNX and FDOT to extend the project timeline for the completion of planning, engineering, design and right-of-way acquisition and implementation of FlexBus. The timeline was extended to June 2007 at which time FDOT funds would no longer be available due to expiration of the TOPS funds. LYNX was required to bill FDOT no later than May 2007 to meet this deadline.

May 2007: LYNX met with FDOT and the City of Altamonte Springs to develop an action plan to keep the FlexBus project moving forward toward implementation. FDOT agreed that the expiring funds could be "rolled forward." The JPA was amended to extend the timeline to May 2008 with TOPS funds limited to use for "turn lane construction and for the cost of acquisition for ROW associated with such turn lanes."

June 2007: The First Amendment to the Interlocal Funding Agreement was prepared by LYNX and forwarded to Altamonte Springs to establish LYNX as the project manager and establish Altamonte Springs as the contracting agency for construction. It also established the remaining funding for the construction phase and eligibility of costs while extending the expiration date to May 2008. The Interlocal Funding Agreement was not executed.

February 2008: LYNX sent a letter to the City of Altamonte Springs as a follow-up to the First Amendment of the Interlocal Funding Agreement. The letter addressed the FDOT extension of the TOPS funding and their expiration in June 2008 with final billing due no later than May of 2008.

March 2008: LYNX received a letter from the City of Altamonte Springs stating that they could not proceed with the FlexBus project at that time

April 2008: LYNX directed the consultant to finish and cease all work by the end of the month and submit final invoices. Final design documents were provided to LYNX, FDOT, and the City of Altamonte Springs. The Memorandum of Understanding was not completed and negotiations with property owners to allow the installation of FlexBus shelters and stops ended without execution of documents.

December 2009: LYNX issued a Purchase Order to Jacobs Engineering to review the final design and develop a smaller scale demonstration project of FlexBus. This demonstration project would create a circulator in part of the area considered in the FlexBus design, allow for implementation of some of the core technologies for the full FlexBus system and allow LYNX to seek approval to utilize the existing earmarks prior to their expiration.

NEXT STEPS:

The final design for the FlexBus project was completed in April 2007. Continuation of the project from that date to beginning of operations thirty-two (32) months later was defined in the start-up plan, with activities extending out forty-four (44) months to the completion of the implementation project. The following general timeline was established in the design:

- Confirm start-up service features and requirements – Month 1 to Month 3
- Establish the operational structure – Month 1 to Month 8
- Acquisition of funding – Month 1 to Month 10
- Property agreement for stations and vehicle staging – Month 1 to Month 4
- Procurement of vehicles, ITS, and operating contractor – Month 2 to Month 22
- ITS implementation – Month 16 to Month 31
- Physical improvements to stations and roadways – Month 11 to Month 28
- Marketing and promotion – Month 9 to Month 32
- Operations and maintenance preparation for start-up – Month 15 to Month 29
- Operations testing – Month 28 to Month 36
- Open service to the public – Month 32
- Evaluation and assessment – Month 28 to Month 44

The First Amendment to the Interlocal Funding Agreement was prepared by LYNX and forwarded to Altamonte Springs in June of 2007 to establish LYNX as the project manager and establish Altamonte Springs as the contracting agency for construction. This agreement was not executed by Altamonte Springs. An agreement to the designation of the project manager and the

contracting agency for construction will therefore need to be reached and formalized. Funding for operations and maintenance will need to be identified and committed to the project and final design documents reviewed and updated due to the time that has passed since their completion. Once these items have been completed, the above timeline can be updated and implemented to advance the project to implementation.

Update on the Altamonte Springs FlexBus Project



**LYNX Audit Committee Meeting
March 25, 2010**

Edward L. Johnson, CAO

FlexBus Concept

FlexBus is designed to:

Operate as a transit circulation system in the City of Altamonte Springs

Utilize Intelligent Transportation Systems (ITS) to accept customer reservations and dispatch vehicles

Respond to customer trip requests in “real-time”

Provide connection to and from the Sunrail Station to key activity centers in the City of Altamonte Springs

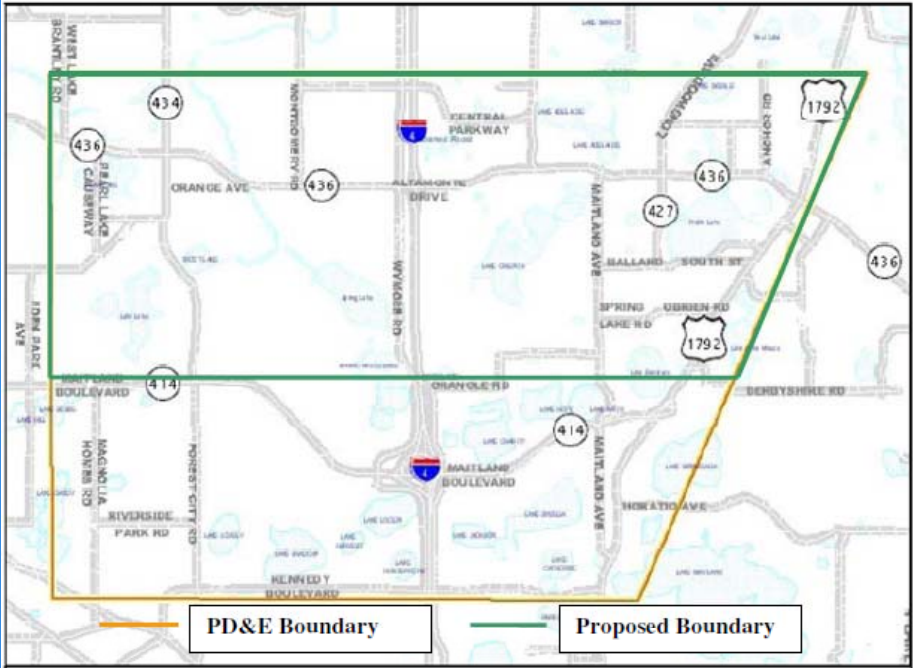
Alleviate traffic congestion

FlexBus

Public Transportation on Demand

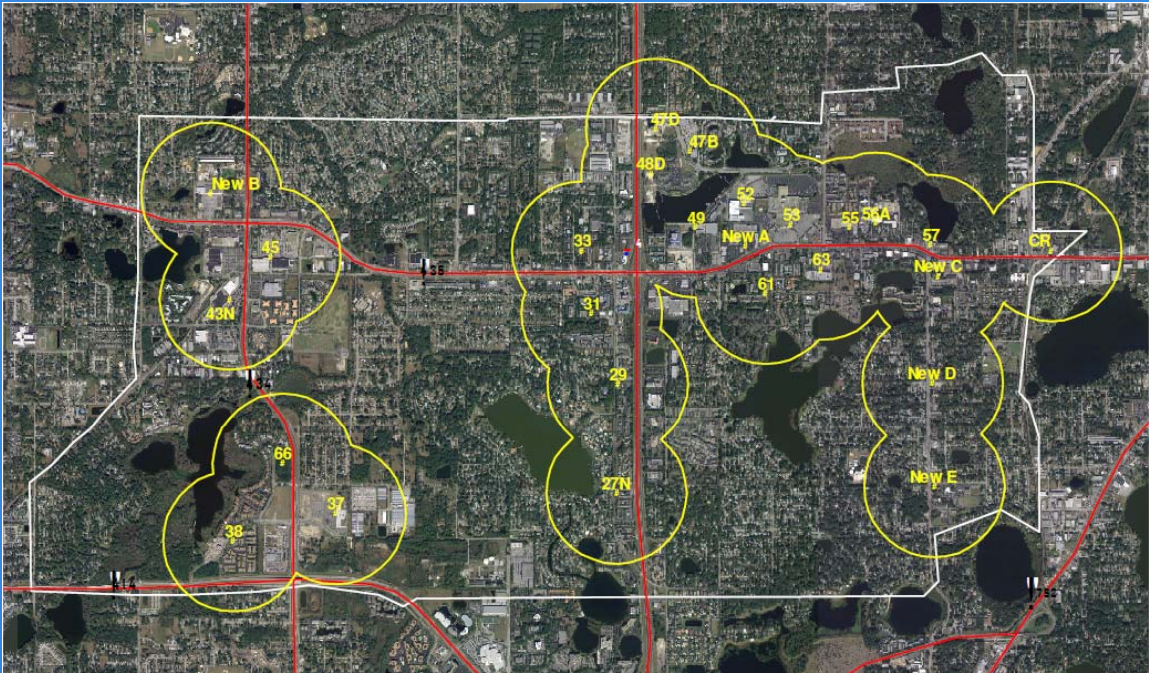


FlexBus Location



- North: near Central Florida Parkway
- West: near State Road 436
- East: near US Highways 17-92
- South: near Maitland Boulevard

FlexBus Location

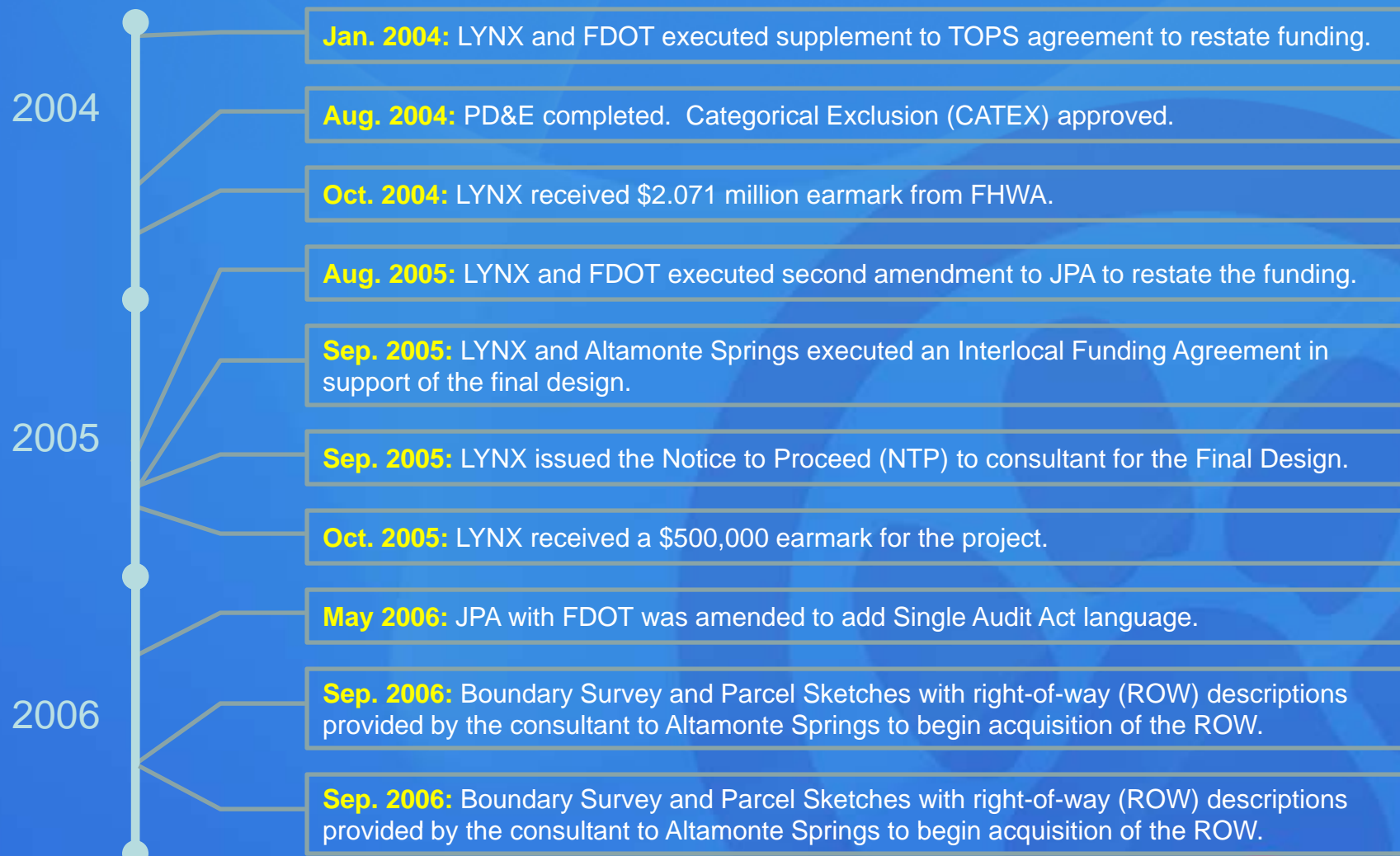


Stations, and surrounding walking area, cover approximately 85% of the identified trip needs in the City of Altamonte Springs.

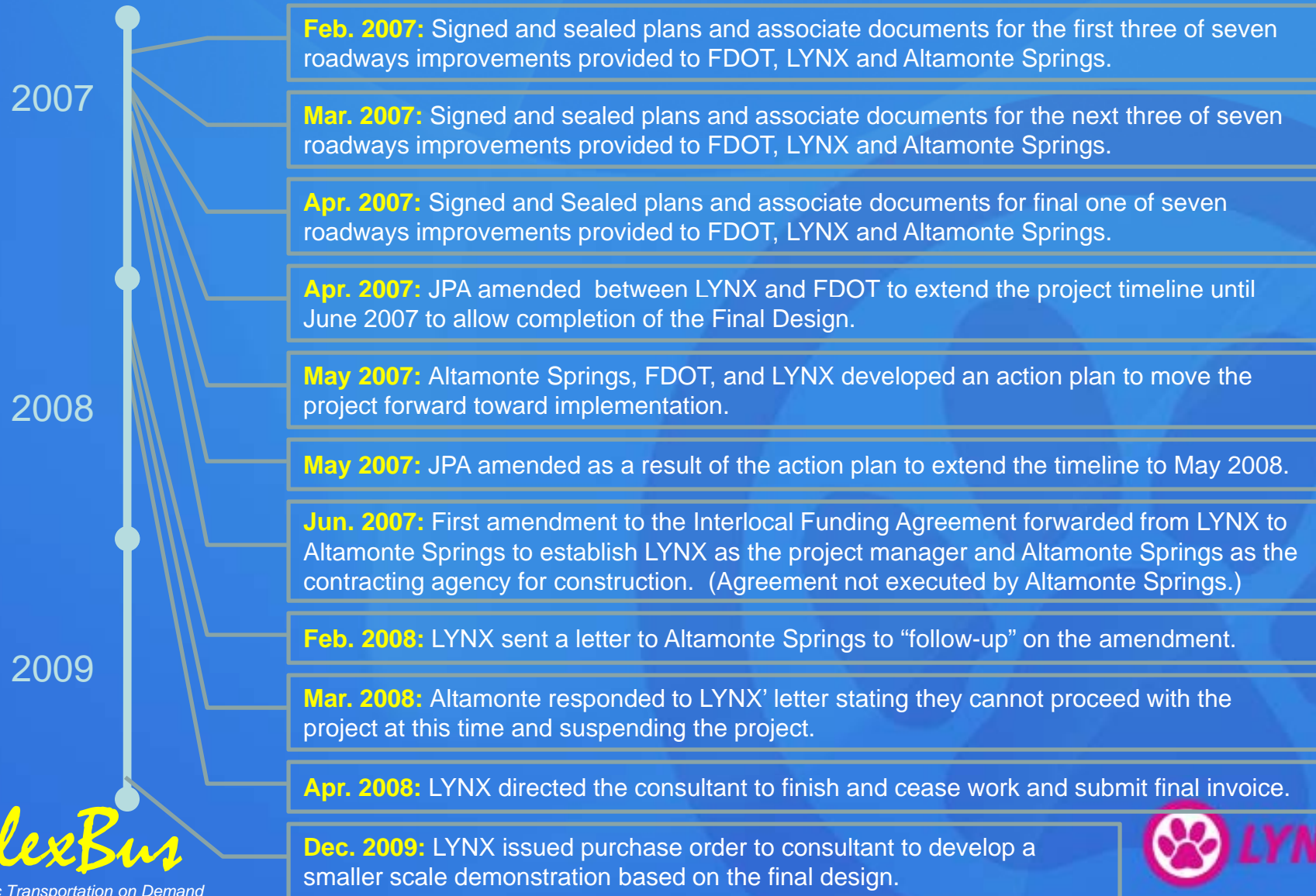
History



History



History



Next Steps

Formalize an agreement as to the designation of the project manager for deployment and the contracting agency for construction.

Identification of and commitment of operations and maintenance funding.

Review and update the final design documents due to passage of time since their completion.

FlexBus

Public Transportation on Demand



Next Steps

Confirm start-up service features and requirements	Month 1 to Month 3
Establish the operating structure	Month 1 to Month 8
Acquisition of funding	Month 1 to Month 10
Property agreement for stations and vehicle staging	Month 1 to Month 4
Procurement of vehicles, ITS, and operating contractor	Month 2 to Month 22
ITS Implementation	Month 16 to Month 31
Physical improvements to stations and roadways	Month 11 to Month 28
Marketing and promotion	Month 9 to Month 32
Operations and maintenance preparation for start-up	Month 15 to Month 29
Operations testing	Month 28 to Month 36
Open service to the public	Month 32
Evaluation and assessment	Month 28 to Month 44

Next Steps

Capital	Year 1	Year 3	Year 2	Year 4	Year 5	Year 6	Year 7	Total*
Vehicles	\$4,685,059	\$ -	\$ -	\$ 626,333	\$ -	\$ 677,441	\$ -	\$ 5,798,674
LYNX Facilities	\$ -	\$ -	\$ 60,833	\$ -	\$ -	\$ -	\$ -	\$ 56,243
Roadway Improvements	\$1,285,302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,285,302
Stations and Staging	\$ -	\$ -	\$ 275,937	\$ -	\$ -	\$ -	\$ -	\$ 255,119
ITS Improvements	\$ -	\$4,953,985	\$ -	\$ 249,135	\$ -	\$ 269,463	\$ -	\$ 5,206,407
Marketing (Capital)	\$ -	\$ -	\$ 127,749	\$ -	\$ -	\$ -	\$ -	\$ 118,111
Subtotal - Capital	\$5,970,361	\$4,953,985	\$ 464,518	\$ 875,468	\$ -	\$ 946,905	\$ -	\$12,719,856
Operating	Year 1	Year 3	Year 2	Year 4	Year 5	Year 6	Year 7	
Evaluation Study	\$ -	\$ -	\$ 243,331	\$ -	\$ -	\$ -	\$ -	\$ 224,973
Marketing (Operating)	\$ -	\$ -	\$ 79,082	\$ -	\$ -	\$ -	\$ -	\$ 73,116
LYNX Costs	\$ 35,746	\$ 36,011	\$ 210,620	\$1,939,953	\$2,441,124	\$2,533,998	\$3,049,701	\$ 6,400,180
Operator Costs	\$ -	\$ 63,061	\$ 455,864	\$2,381,419	\$2,363,543	\$2,473,124	\$2,590,708	6,857,021
Fare Collection Contract	\$ -	\$ -	\$ 1,870	\$ 23,329	\$ 24,262	\$ 25,232	\$ 26,242	\$ 66,020
ITS O&M Contract	\$ -	\$ -	\$ 23,273	\$ 290,447	\$ 302,064	\$ 314,148	\$ 326,713	\$ 821,956
Subtotal – Operating	\$ 35,746	\$ 99,072	\$1,014,039	\$4,635,147	\$5,130,993	\$5,346,501	\$5,993,364	\$14,443,266
Total Costs	\$6,006,107	\$5,053,058	\$1,478,557	\$5,510,615	\$5,130,993	\$6,293,406	\$5,993,364	\$27,163,122

* Totals are estimated in 2010\$, not total of columns (indexed by 4%)

Questions?

Audit Committee Agenda Item #3.C

To: LYNX Board of Directors

From: Bert Francis
CHIEF FINANCIAL OFFICER
Blanche Sherman
(Technical Contact)

Phone: 407.841.2279 ext: 6047

Item Name: Presentation on the Annual Financial Audit and Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending September 30, 2009

Date: 3/25/2010

Mr. Ronald Conrad, Partner with the firm of Cherry, Bakeart & Holland, L.L.P. will present results of the annual financial audit and Comprehensive Annual Financial Report (CAFR) for the fiscal year ending September 30, 2009.

Audit Committee Information Item #.I

To: LYNX Board of Directors

From: Bert Francis
CHIEF FINANCIAL OFFICER
Rich Bannon
(Technical Contact)

Phone: 407.841.2279 ext: 6047

Item Name: LYNX 12 Month Rolling Calendar

Date: 3/25/2010

May 2010

- Work session on Transit Development Plan (TDP)
- Contract #08-C04 Authorization to exercise the second year option with JEJ & Associates for State Consulting Services
- Contract #08-C06 Authorization to exercise the second year option with Gray Robinson for State Consulting Services

July 2010

- Contract 07-043 Authorization to exercise first year option with Tuff Cut, Inc. for landscaping services

September 2010

- Authorization to issue a Request for Proposal for A&E Services

November 2010

- Contact #07-051 Authorization to exercise the first option year with Grovsenor Building Services for Janitorial Services