

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: May 26, 2010

TIME: 1:00 p.m.

Members in Attendance:

Seminole County Commissioner, Carlton Henley, Chairman
Osceola County Commissioner, Brandon Arrington
Orange County, Jim Harrison, Director of Growth Management
City of Orlando, Christine Kefauver, Transportation Policy Advisor

Members Absent: FDOT District 5 Secretary, Noranne Downs, Secretary

1. Call to Order

The Chairman, Commissioner Carlton Henley, called the meeting to order at 1:00 p.m.

2. Approval of Minutes

Motion was made and seconded to approve the Minutes of the March 25, 2010 Audit Committee meeting. The motion passed unanimously.

3. Audit Agenda Items

A. Update on Administrative Rules

The Chairman recognized Pat Christiansen, LYNX General Counsel, for presentation.

Mr. Christiansen noted that this item is not on the Board agenda for its action at today's meeting. He said that he would provide an overview of changes being proposed. Mr. Christiansen provided a Memorandum that he prepared summarizing the material changes.

Rule 1

Definitions that are in other Rules have been moved to Rule 1.

Rule 2

Interpreted as the By-Laws of the Board, its composition, how Members are designated, etc. The proposed changes will clarify how LYNX is governed.

2.3.6 Language added provides the Chairman the ability to be more active in regard to LYNX' operation to exercise oversight functions, etc.

2.4 Language removed which permitted Members to attend the Governing Board by telephone.

2.4.5 Language added to permit blue sheet items to be presented at the actual meeting without being on the agenda.

2.6 Language added to permit the Chief Executive Officer (CEO) to adopt internal LYNX administrative policies and procedures. The policies and procedure cannot conflict with Board directive and will be furnished to the Board for information.

2.9 Language added which clarifies that all Senior Staff hiring, compensation and conditions of employment must be approved by the Board.

2.9.1 Language substantially re-written regarding the powers of the Chief Executive Officer (CEO).

2.9.1(a) Language added that provides the CEO with general management and control over the affairs of the Authority.

2.9.1(b) Language added that authorizes the CEO to take whatever action may be necessary in order to carry out the actions of the Board.

2.9.1(c) Language added that authorizes the CEO after speaking with and obtaining the approval of the Chairman of the Board, to take action in a financially exigent situation.

2.12 Language added to permit the Board to establish committees, renames the Audit Committee to "Oversight and Audit Committee" and codifies how the Committee is currently operating.

Rule 4

Provides for the procurement process. Language removed that provided for dispute resolution is moved to Rule 6.

4.4.2 Language added that after the Board approves a contract, the CEO and other Senior Officers can carry out the matter. Language clarified that provides for the Chairman to sign contracts.

4.4.5 Language added that permits the CEO to delegate the authority to execute contracts of \$150,000 or less.

4.4.9 A material re-write with regard to fuel contracts. The CEO will execute fuel future contracts and Senior Staff will bring to the matter to the Board fuel pricing increases that affect LYNX meeting its budget.

4.6.2 With prior approval of the Chairman, the CEO may release an RFP of \$150,000 or less.

4.6.3 Clarifies the conditions of a SEC Committee.

4.6.8 Provides the Governing Board the ability to change the procurement process on a case by case basis.

Rule 6

A new Rule and moves the procurement dispute process from Rule 4.

6.4 Sets forth the procurement dispute process.

6.5 Applies to disputes involving contracts.

6.6 Involves the settlement of lawsuits involving tort claims and workers compensation claims. Provides the ability for Senior Staff to settle claims for \$50,000 or less.

Rule 10

Provides for activities at LYNX facilities.

Rule 11

A new Rule relating to the ability of LYNX to apply for a grant, authorizes the CEO to execute applications \$150,000 or less and in the interest of time, with approval of the Chairman, may execute applications that exceeds that amount.

Discussion ensued regarding Rule 2.6 and the delineation of internal administrative policies.

The Committee discussed Rule 2.9.1 and the recommendation to return to a monthly meeting schedule.

Discussion ensued regarding the summarized language of Rule 4.6.3.

The Committee requested Staff provide administrative policies and procedures to the Board.

The Committee discussed the restriction of Rule 10 on tenants of LYNX' facilities.

B. Update on the Draft Fiscal Years 2011-2020 Transit Development Plan (TDP) Submittal

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

Mr. Johnson noted that the Transit Development Plan (TDP) is a ten year plan with major updates every five years and annual updates in the interim. The

TDP is required by the Florida Department of Transportation (FDOT) and is a prerequisite for approximately \$8.3 million in annual block grant funding.

Staff will be requesting the Board of Directors' authorization to submit the draft FY2011-2020 TDP to FDOT by July 1, 2010. The final FY2011-2020 TDP will come before the Board at its July 22, 2010 meeting for ratification.

C. Briefing on the U.S. Department of Transportation (USDOT) and the Federal Transit Administration (FTA) Funding Applications for Tiger II, Tigger II and State of Good Repair Grants

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

Mr. Johnson briefed the Committee on grant applications available through the U.S. Department of Transportation (USDOT) and the Federal Transit Administration (FTA) for transportation funding. He noted that the focus of the grant opportunities is to have a regional impact, support Transit Oriented Design and encourage the continued efforts to develop livable, sustainable communities.

Mr. Johnson reported that LYNX staff has met with its funding partners and other regional agencies to discuss potential partnerships for regionally significant and supported projects to submit for these grants.

- TIGER II Discretionary Grants (Transportation Investment Generating Economic Recovery)
 - \$600M Capital Investment (80 federal/20 local hard match)
 - Pre-application due Friday, July 16, 2010
 - Potential Projects
 - Premium Corridor Planning studies to include alternative analysis, environmental studies, engineering and design for SR50, SR436, US 441 or US 192, four of the 14 LYNX premium corridors.

- TIGGER II (Transit Investment for Greenhouse Gas and Energy Reduction)
 - \$75M Capital Investment (90 federal/10 local potential toll revenue credits)
 - Application due Wednesday, August 11, 2010
 - Potential Projects
 - Mini-Hybrid cooling systems that reduce fuel consumption and improve the performance of the buses.

- 2010 Clean Fuels Grant Program and Bus, Bus Facilities Program
 - \$81.2M Capital Investment (ranges 80-90 federal/20-10 local potential toll revenue credits)
 - Application due Monday, June 14, 2010
 - Potential Projects
 - Traffic signal prioritization and bi-pass lanes in high traffic congestion areas with marginal air quality.

- Discretionary Bus and Bus Facilities Program (State of Good Repair)
 - \$775 M (80 federal/20local potential toll revenue credits)
 - Application due Friday, June 18, 2010
 - Potential Projects
 - Southern Operations Facility relocation can improve the efficiency of service by reducing the non-revenue vehicle miles and fuel consumption.

D. Update on the Commuter Assistance Program

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

Mr. Johnson noted that approximately one year ago, Florida Department of Transportation (FDOT) made the determination to transfer the marketing and communications in-house for the Commuter Assistance Program (CAP). This change will occur July 1, 2010.

As their team visits companies that show an interest in van and car pool services, LYNX will become involved and instruct our provider, VPSI, to begin service.

LYNX received annual grant funding of approximately \$200,000 from this \$400,000 grant funded program. However, with LYNX providing the van and car pool services through our provider, LYNX will receive funding through the Federal Transit Administration, National Transit Database, for the miles delivered for the services.

E. Presentation on the Release of a Request for Proposal (RFP) for Paratransit Services

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

Ms. Darnall provided an update on a Request for Proposal (RFP) that will come before the Board of Directors for paratransit services.

She noted that the current contract with MV Transportation (MV) will expire September, 2011. Due to the scope of the contract, staff is seeking the authorization of the Board to begin the RFP process to ensure the timeliness of the contract award.

MV Transportation was initially awarded a contract in 2002 and again in 2006. The services are provided under the umbrella of the ACCESS LYNX program which includes ADA, Medicaid and TD trips. Currently, MV is providing approximately 2,100 trips per day and maintaining an on-time performance of 92%.

Many of the parameters of the previous contract will be included in the 2011 contract. Staff will bring the request to authorize the award of the contract to the Board next year.

Without objection, the Audit Committee will recommend the authorization for release of RFP for paratransit services to the Board.

F. Presentation on the Release of an Information for Bid (IFB) for LYNX Operations Center Improvements and the Purchase/Installation of a Paint Booth and Emergency Generators

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

Ms. Darnall provided an overview of the proposed (IFB) that will come before the Board of Directors for LYNX Operations Center improvements.

She noted that the funds for the purchase/installation of a paint booth and two emergency generators will be a combination of capital funds and funds that were made available through the American Recovery and Reinvestment Act (ARRA).

Without objection, the Audit Committee will recommend the authorization for release of the IFB for the LYNX Operations Center improvements and the purchase/installation of a paint booth and emergency generators to the Board.

G. Health Care Plan Review

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

Mr. Johnson provided an overview of the proposed changes to LYNX' healthcare plan beginning January, 2011. He noted that LYNX' healthcare plan is administered by the Orange County Commission which is self insured. The

proposed changes will include converting from HMO/POS plans to a Health Savings Account (HDP), modifications to the deductible, co-pay and maximum out of pocket expenses.

He reported that Orange County staff has recommended a medical account contribution for their employees of \$750 for an individual and \$1,250 for a family plan due to a dramatic change in deductibles and co-pays.

Mr. Johnson reported the following changes for 2011 compared to the HMO plan offered in 2010:

Type of Plan	HMO 2010	Health Savings Account HDP 2011	
Medical Account Contribution	N/A	\$750 Self Only \$1,250 Family	
DEDUCTIBLE		In Network	Out of Network
Individual/Family	None	\$1500/\$3000	\$3000/\$6000
OUT OF POCKET MAXIMUM			
Individual/Family	N/A	\$3000 per person + deductible not to exceed \$6000 per family	\$6000 per person + deductible not to exceed \$12000 per family
Coinsurance	None	20% after CYD	40% after CYD
PHYSICIAN OFFICE VISITS			
Preventive Care	\$0 copay	\$0 copay	\$0 copay
Primary Care	\$15 copay	20% after CYD	40% after CYD
Specialist	\$25 copay	20% after CYD	40% after CYD
PHARMACY			
		After CYD	No Coverage
Generic	\$10	\$10	
Brand Preferred	\$30	\$30 + 10%	
Brand Non-Preferred	\$50	\$50 + 10%	

Mr. Harrison noted that the Orange County Commission held a workshop regarding the healthcare plan proposal and that it can be viewed on the Orange TV website.

Mr. Johnson reported that LYNX staff asked its consultant, Robinson Bush, to provide rate information if LYNX were to separate its healthcare plan from Orange County. The information provided from Robinson Busch indicated that LYNX' premiums would increase 52%. Additionally, Mr. Johnson noted that LYNX had discussed with the staff of City of Orlando, Osceola County and Seminole County, the structure of their healthcare plans.

4. Review of Board Package

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

1. Staff will be seeking authorization to Release a Proposal (RFP) for Paratransit Services.
2. Ms. Watson noted that the Board approved staff to move forward with the Community Art Shelter Program at its April 22, 2009 meeting. Staff will be adding a "Blue Sheet" Agenda item seeking authorization to award a contract to Walt Geiger Studio, LLC for community art shelters.

The meeting adjourned at 2:05 pm.