




Board Date: 9/24/2009  
Time: 10:30 A.M.








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

## 1. Call to Order

## 2. Approval of Minutes

-  Minutes from the July 23, 2009 Audit Committee Meeting Pg. 2

## 3. Audit Agenda Items

- A.  Update on FY2010 Proposed Operating and Capital Budgets Pg. 17
- B.  Presentation on Proposed Funding Agreements with Funding Partners Pg. 18
- C.  Presentation on LYNX' Proposed Investment Policy Pg. 36
- D.  Presentation on Diesel Fuel Hedging Pg. 49
- E.  Update on the Amalgamated Transit Union Local 1596 Pension Plan Trustees' and the Authority to Bind LYNX to Financial Obligations Pg. 50
- F.  Update on the ATU 1596 and ATU 1749 Collective Bargaining Unit Agreements Pg. 51
- G.  Update on LYNX' Unified Shelter Program Pg. 52

## 5. Information Items

(For Review Purposes Only - No action required)

- I.  LYNX 12 Month Rolling Calendar Pg. 53

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

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

**DATE:** July 23, 2009

**TIME:** 10:35 a.m.

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**Members in Attendance:**

Seminole County Commissioner, Carlton Henley, Chair  
Osceola County Commissioner, Brandon Arrington  
Orange County, Jim Harrison, Director of Growth Management  
City of Orlando, Roger Neiswender, Director of Transportation

**Members Absent:**

FDOT District 5 Secretary, Noranne Downs, Secretary

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**1. Call to Order**

The Chairman, Commissioner Carlton Henley, called the meeting to order at 10:35 a.m.

**2. Approval of Minutes**

**Motion** was made and seconded to approve the Minutes of the May 28, 2009 Audit Committee meeting. The motion passed unanimously.

**3. Audit Agenda Items**

The Chairman announced a “Blue Sheet” Agenda item will be added to the Agenda and taken up immediately following Agenda Item 7.E.

**A. Update on Funding Partner Presentation and Proposed Funding Agreements with the Funding Partners**

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

Mr. Francis noted that staff presented the FY2010 budget request to the Orange County Board of County Commissioners on July 22<sup>nd</sup>. The Osceola County presentation is scheduled for July 29<sup>th</sup> and the presentation to Seminole County is scheduled for August 5<sup>th</sup>.

The Board directed staff to present an identical Funding Agreement to each funding partner. Each partner has received a draft Agreement for FY2010. Specific partners' requests which deviate from the standardized document will be addressed as an Addendum to the Agreement.

A new clause has been added to the Agreement which was unanimously approved by all partners. The addition addresses the ability for LYNX to continue receiving funding at the same level through the end of the fiscal year until an Agreement is executed and a new funding level is established.

The goal is to receive comments from the funding partners, resolve any concerns and bring the Agreements back to the Board at its September 24<sup>th</sup> meeting.

## **B. Update on LYNX' Investment Policy**

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

The Audit Committee discussed the Investment Policy at its May 28<sup>th</sup> meeting. Following the meeting, staff together with Burgess Chambers, LYNX investment advisor, reviewed the current policy and drafted a revised policy.

In the past, LYNX has invested a large portion of Authority funds in the State Board of Administration (SBA) fund. The SBA is included in the draft policy.

Staff and the investment advisor discussed introducing an investment program option that allows for the purchase of future fuel contracts which provides a hedge against fuel volatility. Linwood Capital has provided an unsolicited proposal for providing this type of investment program. Linwood is currently providing this program to Southwest Ohio Regional Transit Agency and they are in discussion with the City of Palm Bay and others in Brevard County regarding the pooling of purchasing requirements and investing in a similar program.

The program is a "price swap" mechanism and financial product. It would require the establishment of a brokerage account. The product settles at the close of the market each day. The long term goal is to smooth pricing volatility.

Mr. Francis asked if the Committee would like to hear a presentation from Linwood Capital on the investment program. The Committee agreed to hear a presentation and asked Mr. Francis to invite Linwood to the September 24<sup>th</sup> meeting. The Committee requested material on the program in advance of the meeting for review. Mr. Francis noted that he has information from Linwood that he will provide to each member prior to the September 24<sup>th</sup> meeting.

### **C. Update on Federal Transit Administration (FTA) Procurement System Review**

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

In January 2009, staff provided the Board of Directors the results of the FTA Procurement System Review and the corrective actions taken by LYNX. Staff continued working with the FTA through June 1<sup>st</sup> to resolve the balance of their comments.

On June 22-23, 2009, Calyptus Consulting Group conducted a technical assistance visit on behalf of FTA. As a result of their visit, additional internal controls were put into place such as, the signature authority for Buyers and Contract Administrators being reduced from \$5,000 to \$2,500; the CFO will review each contract file prior to award of the contract by the CEO; the Manager of Procurement and Contracts will review the procurement file prior to issuing a bid for proposal and award of a contract.

On July 14, 2009, the FTA issued a letter stating the changes LYNX has made have satisfactorily resolved their findings and their report was closed.

### **D. Update on Fuel Situation with JH Williams Oil Company, Inc.**

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

Mr. Christiansen noted that he provided an update to the Audit Committee and at its meeting May 28<sup>th</sup>, the Board of Directors authorized staff and the Chairman to negotiate a possible settlement with Williams and, with the concurrence and approval of the Board Chairman, for the CEO to then execute a settlement agreement with Williams.

In August 2008, LYNX purchased fuel futures contracts from J.H. Williams (“Williams”) Oil Company for the months of October 2008 through March 2009. These contracts were executed and the fuel delivered and paid for by LYNX.

Williams has asserted that in October 2008, LYNX agreed to purchase six contracts each month for the months of April through September 2009 (a total of 36 contracts). LYNX asserts that fuel was not ordered from Williams during oral communication in October 2008. Further, there is neither written documentation nor a purchase order to purchase the fuel.

Inasmuch as LYNX staff, along with the Board Chairman, met with the Williams representatives and attempted to resolve this matter, a settlement has not been reached.

Approximately 2 weeks ago, Williams filed a lawsuit against LYNX asserting a contract obligates LYNX to purchase the fuel contracts. LYNX’ response to the suit is due next week.

Discussion ensued regarding the assertions, negotiations and the potential for executive session at the next meeting of the Board.

**E. Review of LYNX' Revised Transit Station License Agreement for the Shelter/Amenities Program**

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

LYNX provides shelters throughout the service area. In order to ensure the shelters are accessible, maintained and guarantee the maximum useful life of the shelters, LYNX executes Transit Station License Agreements that allows LYNX access and use of the private or public property for the provision of transit service. When LYNX utilizes private property for a transit shelter, a written Agreement is needed.

In 2005, the Board of Directors approved a template for a Transit License Agreement. Based on discussions with Staff, minor modifications and updates have been made to the Agreement.

The form of Agreement provides for: a ten year term although this may vary depending on negotiation with a particular property owner; LYNX, at its expense, will construct a transit shelter on the property; LYNX does not provide indemnification; LYNX generally does not pay any monies for obtaining the license other than perhaps a minimum amount; LYNX will maintain the transit shelter.

Staff will be requesting approval from the Board of the general form of Agreement and for staff, with modifications approved by legal counsel, to further modify the agreement from time to time if required, but further providing that LYNX does not pay to any property owner more than a nominal amount to obtain the license. In such cases, LYNX staff would be authorized to proceed with the Agreement without further Board approval.

The Committee requested that after Agreements have been entered into, staff provide an update as to the Agreements executed.

**F. Discussion on System-wide Bus Shelters**

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

Mr. Johnson reported that staff is proposing a unified, regional approach to administering the shelter program throughout the service area.

LYNX utilizes its annual appropriation of Federal Transit Administration (FTA) funds to build and maintain transit shelters. In addition, LYNX' funding partners also have various shelter programs.

## Overview of Funding Partners' Shelter Programs:

- Orange County
  - LYNX administers the shelter program through a third-party contractor, Signal Outdoor
  - LYNX' has a 10 year contract with Signal Outdoor and the has been in place for more than seven years
  - LYNX receives from Signal Outdoor \$25 per month/per shelter or 10% of the net revenue they receive from advertising sales, whichever is greater
    - \$25 per month/per shelter generates \$300 per month with an estimated 230 shelters within unincorporated area for potential revenue of \$70,000 per year
  
- Seminole County
  - Signal Outdoor has an agreement with the City of Altamonte Springs and unincorporated Seminole County
    - LYNX is not aware of the terms of the agreements.
    - Seminole County staff has expressed an interest in LYNX administering their shelter program.
  
- Osceola County
  - 20/20 Media has an agreement for the placement of advertised benches and/or shelters throughout the jurisdiction
    - Osceola County staff has expressed an interest in LYNX administering their shelter program.
  
- City of Orlando
  - The City approached LYNX in 2005 to install more shelters throughout the jurisdiction
  - The City projected installing 200 shelters within two years - LYNX did not have the financial resources to invest in the installation within the City's time frame
  - The City and LYNX entered into an Interlocal Agreement to administer a shelter program
    - Allowed LYNX to secure a third-party contractor to install and maintain shelters within the City
    - Contractor would sell advertisement – LYNX would retain 10% from gross revenue as administrative fee with the remaining revenue utilized by the City to expand its compensated services or capital purchases
  - LYNX released a Request for Proposal (RFP) to secure a third-party contractor
    - Three proposals were received – one contractor met the requirements, Signal Outdoor Advertising

- American Recovery and Reinvestment Act (ARRA)
  - In March 2009, LYNX was notified it would receive \$31,500,000 in ARRA funding
  - LYNX programmed \$7,600,000 for the capital investment of 300 shelters
    - LYNX internal allocation of 150 City of Orlando
    - LYNX internal allocation of 150 System-wide (50 per county)
  - Shelter program meets the intent of ARRA
    - Create or retain jobs
    - Capital investment that is “shovel ready”
  - Additional benefits
    - Investment has a significant life span
    - Project has a financial return over the life of the investment
  - Provides Regional approach for shelter program

Mr. Johnson reviewed the findings of staff’s Shelter Program Revenue Analysis comparing revenue and expenses for outsourcing the program versus retaining the program in-house based on 300 shelters. Additionally, he noted that the analysis was based on a conservative approach to advertising sales. The analysis showed projected net revenue after LYNX’ administrative fee would be \$172,408 if the program was outsourced and \$486,450 if the program was retained in-house.

- Staff Recommendations
  - Consider further review of establishing a unified/regional approach to administering the shelter program
    - Continue working with Osceola and Seminole County to allow LYNX to administer their shelter program
  - Buy-out Signal exclusive contract for the Orange County Shelter Program to establish the unified approach

The Committee asked the approximate cost to buy-out Signal’s exclusive contract for the Orange County Shelter Program. Mr. Johnson responded the approximate cost would be \$500,000 and that ARRA funding could be utilized to cover the buy-out cost. Additionally, he noted that if LYNX did not buy-out Signal’s contract, the alternative would be to wait until the contract expired in two years.

The Committee asked if Signal was paying the \$25 per month/per shelter or the 10% of the net revenue from advertising sales. LYNX’ Finance Manager, Blanche Sherman, responded the net revenue from advertising sales is generally greater; therefore, the amount projected to be collected this year will be \$78,000.

Mr. Johnson continued with staff recommendations:

- Develop an equitable revenue distribution policy should we take on the in-house administration of the program
  - Either return funds generated from Federally funded shelters to LYNX’ general fund to reduce costs for the system or certain percentage of revenue is shared with funding partners
- Conduct further analysis of third-party advertising sales to determine the potential to gain more revenue for the system

LYNX CEO, Linda Watson, noted that direction from the Board is needed to either complete the RFP process by awarding a contract or to utilize the ARRA funds to buy-out the Signal's contract and establish the unified approach to the shelter program.

Discussion ensued regarding establishing a unified approach to the shelter program as outlined by staff.

Mr. Johnson reported that staff would like to bring a policy to the Board of Directors for their consideration in September 2009.

#### **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.

##### Consent Agenda:

1. Item 5.B.ii Staff will request authorization to award a two year contract to Kemco Industries for the fabrication of bus shelters. The total cost not to exceed for the manufacturing is \$1,521,904 allowing for the fabrication of 300 shelters. This contract will be in addition to the current contract with Spencer.
2. Item 5.B.iii Staff will request authorization to award a three year contract to Magnetic Ticket & Label for printing and encoding fare cards.
3. Item 5.D.ii Staff will request approval of the FY2009-2010 Disadvantaged Business Enterprise (DBE) goal of 9%. The goal has been decreased due to the U.S. Department of Transportation's modification to its standards for acceptable certification procedures which resulted in lower participant eligibility. Additionally, LYNX is experiencing less major construction related activities; therefore, there are fewer large dollar DBE contracts. LYNX will continue to exercise diligence to ensure fair and equitable contracting opportunities for small businesses.
4. Item 5.D.iv Staff will be requesting authorization to transfer a retired revenue vehicle to the City of Winter Springs Police Department. The City has expressed an interest in using the vehicle as a Mobile Command Vehicle. The net book value of the vehicle is \$0.
5. Item 5.D.v Staff will be requesting authorization to write-off tangible fixed assets as of June 30, 2008.
6. Item 5.D.vi Staff will be requesting authorization to issue an Invitation for Bid (IFB) to make repairs to the LYMMO roadway. LYNX receives FTA Fixed Guideway Modernization Grant Fund that can only be used for the LYMMO to make improvements and maintain the system.
7. Item 5.D. ix Staff will be requesting authorization to initiate the public participation process for consideration of the proposed service efficiency changes for December 6, 2009. There are some new service and service



efficiencies involving routes servicing Walt Disney World. As you will recall WDW was required to pay mitigation funds for some development. The mitigation funds are supporting these enhancements.

The City of Orlando asked that LYNX staff work City staff on any adjustments within its jurisdiction.

8. Item 5.D.x Staff will be requesting the Board of Director's adoption of LYNX Environmental Policy Statement. LYNX received a FTA EMS training and technical assistance grant. The purpose of the training was to assist in the establishment of sound business management practices that include concerns for the environment. The training and technical assistance will position LYNX for future federal funding for programs that are environmentally friendly or "green". The first step in a quality Environmental Management System is the Policy Statement.
9. Item 5.D.xi Staff will be requesting authorization to increase the contract amount by \$3,700 with Data Transfer Solutions (DTS) Consultant Team Program. The Rural Intelligent Transportation System (ITS) Project was a FTA funded grant that LYNX entered into with Polk County Transit. The project was expected to be completed by December 2008; however, due to delays in the review of deliverables, the project timeline expanded by 6 months. The additional time caused an increase in expenses for the use of consultants to complete the project management and evaluation

Action Agenda:

1. Item 6.A Staff will be requesting authorization to implement the proposed fixed route service changes for August 16, 2009. The service changes improve efficiency and effectiveness.

The Committee asked about the public input on the elimination of Link 444. Mr. Johnson explained that the service began in July 2008. Universal Studios agreed to provide local share funding with LYNX matching funds from the Job Access Reverse Commute (JARC) grant. The ridership began with 1,700 passengers per month and is currently at 4 per day. Universal established a program for their international employees and the service was designed for the apartment complexes housing those employees. Universal has since eliminated the program and discontinued the local share funding.

The Committee asked Ms. Watson for an update on LYNX' application for the TIGER grant. Ms. Watson responded the Transportation Investment Generating Economic Recovery (TIGER) grant application is due September 15th. The total amount of grant funds available under the American Recovery & Reinvestment Act (ARRA) is \$1,500,000,000. The grant program promotes greater mobility, a cleaner environment and more livable communities. Staff is finalizing an analysis of a satellite operating base in the southern part of LYNX' service area. Once the analysis is complete, if it indicates a total overall cost savings by reducing deadhead miles, LYNX will submit a grant application for funding the facility.

Ms. Watson reported that a new monthly report will be included in the Board report beginning with the September 24<sup>th</sup> meeting to provide a status on the ARRA projects. Additionally, Ms. Watson reported that of the \$30,000,000 in ARRA funding, 30% of the project funds are out for bid and by the end of the month, 52% of the project funds should be out for bid.

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

**The meeting adjourned at 12:00 p.m.**

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Creating Value  
Through  
Energy Price Risk Management

**LINWOOD CAPITAL, LLC**

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## Energy Price Risk Management

### **Can Energy Costs Be Controlled?**

- ☒ Yes, Through Forward Pricing: Establishing the Price Today for Energy That Will Be Consumed later.

### **What is the Result of Forward Pricing?**

- ☒ Reducing or Eliminating the Range of Probable Energy Costs Over a Future Time Period.

### **How Should Hedging be Approached?**

- ☒ How Much Risk is There?
- ☒ What Percentage of Projected Consumption Should be Hedged?
- ☒ How Far Forward Should Costs be “Locked In”
- ☒ What Instruments Should Be Used?
- ☒ What About a Strategy and a Policy?



## Energy Price Risk Management

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### **What do the Energy Markets Tell Us?**

- ▣ Today's Price – Current Cost
- ▣ Expected Prices – Cost Expectations
- ▣ Expected Range of Expected Prices – Level of Uncertainty Associated with Expected Prices
- ▣ How Much Risk the Market Has



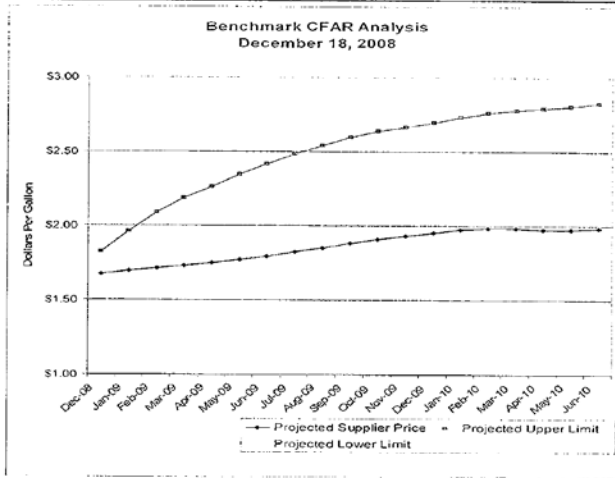
## Energy Price Risk Management

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### **Why is this Information Useful?**

- ▣ Planning
- ▣ Budgeting
- ▣ Forecasting
- ▣ Quantifying Risk Exposure – Is There More Cost Uncertainty than is Tolerable?
- ▣ If “Yes”, then forward pricing is needed to control risk

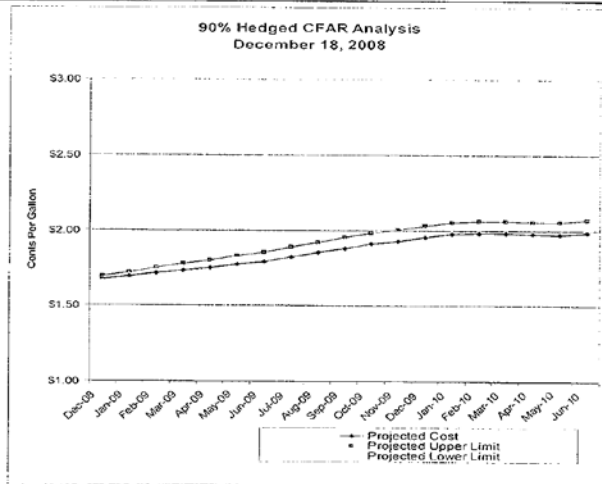
# Energy Price Risk Management



No Hedging  
Wide Range of Expected Cost  
Maximum Risk Exposure  
High Budget Risk

Forecasted prices assume heating oil futures prices and heating oil implied option volatility on 12/18/08  
Forecasted prices assume that costs will be equivalent to HO futures + 30.18 cents per gallon  
Upper and lower limits represent plus and minus one standard deviation of expected price movement as implied by heating oil options pricing

# Energy Price Risk Management



Hedging  
Narrower Range of Expected Cost  
Managed Risk Exposure  
More Certain Future Costs

Forecasted prices assume heating oil futures prices and heating oil implied option volatility on 12/18/08  
Forecasted prices assume that costs will be equivalent to HO futures - 30.18 cents per gallon  
Upper and lower limits represent plus and minus one standard deviation of expected price movement as implied by heating oil options pricing

# Energy Price Risk Management

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## Results & Benefits of Forward Pricing

- ▣ The Consumption of Energy is no Longer Simultaneous with the Pricing of the Energy.
- ▣ Risk Reduction
  - Lower Budget Risk
  - Higher Certainty of Future Energy Costs
- ▣ Organizational Benefits
  - Enhanced Ability to Forecast, Plan & Budget
  - Organizational Stress Caused by Going Over Budget is Reduced or Eliminated
- ▣ No longer at the Mercy of Volatile Energy Market Prices

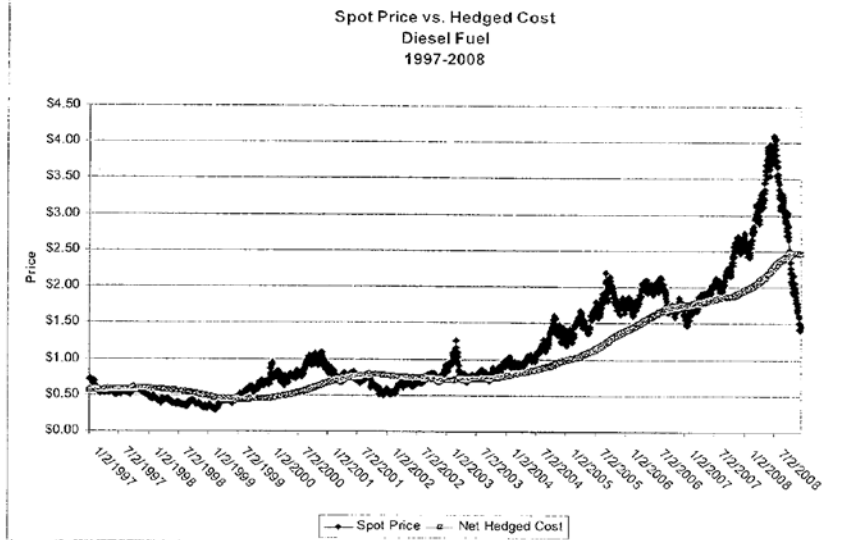
# Energy Price Risk Management

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## General Risk Management Philosophy

- ▣ Continuous Process is Superior to “Static” Process
  - Time diversification – Reduce transaction timing risk
  - Manage risk in light of market environment
    - ▣ Manage Risk as the market present it
    - ▣ Capture Opportunity as the Market Presents it
    - ▣ Tactically time market transactions seeking lowest overall cost
- ▣ Eliminate only the risk that cannot be tolerated
  - More forward pricing near-term
  - Less forward pricing further forward
- ▣ Use time as an advantage
  - Forward pricing window long enough to create desired cost certainty
  - Forward pricing window long enough to allow adjustments during market fluctuations

## Example Forward Pricing Performance



Assuming 24 month forward pricing window and 100% hedged

## Forward Pricing Example – Price Decrease

### Forward Pricing Example

Budget = \$2.60 per gallon

Actual Fuel Cost From Supplier

\$2.00 per gallon x 300,000 gals for one month. \$600,000.00

Forward Pricing:

6 Forward Pricing Contracts (84% hedged)  
(6x42,000 gallons = 252,000 gallons)

Contract buy price =	\$2.50 per gallon
Average Contract sell price =	\$2.00 per gallon
Realized Loss =	\$0.50 per gallon

Realized Loss (positive fuel cost)

= \$0.50 per gallon x 252,000 gals. \$126,000.00

Net Fuel Cost = \$2.42 per gallon

\$726,000.00

## Forward Pricing Example – Price Increase

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### Forward Pricing Example

Budget = \$2.60 per gallon

Actual Fuel Cost From Supplier

\$3.00 per gallon x 300,000 gals for one month. \$900,000.00

Forward Pricing:

6 Forward Pricing Contracts (84% hedged)  
(6x42,000 gallons = 252,000 gallons)

Contract buy price = \$2.50 per gallon

Average Contract sell price = \$3.00 per gallon

Realized Gain = \$0.50 per gallon

Realized Gain (negative fuel cost)

= \$0.50 per gallon x 252,000 gals. (\$126,000.00)

Net Fuel Cost = \$2.58 per gallon

\$774,000.00

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## Summary

Factors beyond our control cause energy prices to be volatile and uncertain

Public entities do not benefit from energy market exposure

Forward Pricing is avoiding energy market exposure

Forward Pricing is deciding today what tomorrow's cost will be

This is accomplished through using financial instruments or fixed price supply contracts designed for this purpose

Having a policy and strategy is important in meeting goals and expectations



### **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:** Update on FY2010 Proposed Operating and Capital Budgets

**Date:** 9/24/2009

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At the April 22, 2009 Board meeting, staff presented the preliminary FY2010 Operating Budget to the Board of Directors. The proposed Operating Budget is \$112,943,113. On May 22, staff discussed the status of the Capital Budget for FY2010. The proposed Capital Budget is \$51,344,520.

Staff will make a presentation of the final proposed Operating and Capital Budgets for FY2010 at the Audit Committee meeting.

### Audit Committee Agenda Item #3.B

**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 Proposed Funding Agreements with Funding Partners

**Date:** 9/24/2009

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LYNX staff in coordination with our attorney, Pat Christiansen, has been working to develop a generic funding agreement with each of the funding partners for FY2010. Several weeks ago, a “draft” was forwarded to the funding partners for their review. As a result of input received from each of the funding partners, staff has drafted a proposed funding agreement for consideration by the Board.

In the past, LYNX would enter into a separate form of funding agreement with each funding partner; now, LYNX after discussion with the Board, proposes to have a standard form of funding agreement and to the extent there are any changes with any individual funding partner, those changes will be reflected in an addendum to the funding agreement.

Once the form of this standard funding agreement has been approved by the LYNX Board, then LYNX staff could enter into a funding agreement with each funding partner, without coming back later to the Board for further approval. This would permit the funding agreements to be executed more quickly after the beginning of LYNX’ fiscal year. Changes would be permitted to the funding agreement by way of an addendum provided that said changes were not materially adverse to LYNX.

Bert Francis and Pat Christensen will discuss the proposed funding agreements.

NOTE: This is the generic base for the Funding Agreement to be used by LYNX with its County Funding Partners for the fiscal year beginning October 1, 2009. Any changes will be contained in the Exhibits and Addendum to this Agreement.

PTC-1  
9-14-09

**SERVICE FUNDING AGREEMENT**  
by and between  
\_\_\_\_\_ COUNTY, FLORIDA  
and  
**LYNX**

**THIS SERVICE FUNDING AGREEMENT** ("**Agreement**") is made and entered into by and between \_\_\_\_\_ COUNTY, FLORIDA, a charter county and political subdivision of the State of Florida, whose principal address is \_\_\_\_\_, Florida \_\_\_\_\_ (hereinafter the "**Funding Partner**" or "**County**"), and the **CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY**, a body politic and corporate created pursuant to Part II, Chapter 343, Florida Statutes, whose principal address is 455 North Garland Avenue, Orlando, Florida 32801 (hereinafter "**LYNX**").

**WITNESSETH**

**WHEREAS**, Part II, Chapter 163, Florida Statutes (the "**Local Government Comprehensive Planning and Land Development Regulation Act**"), provides, *inter alia*, that specific public facilities and services must be available concurrently with the impacts of development; and

**WHEREAS**, the Funding Partner recognizes the need to provide Public Transportation (as hereinafter defined) in an efficient manner and acknowledges the benefits of increased ridership on the regional transportation system; and

**WHEREAS**, increasing traffic congestion and continued population growth require mass transit service improvements; and

**WHEREAS**, reliable and convenient mass transit service offers a viable alternative to private automobile travel; and

**WHEREAS**, the Funding Partner recognizes the need to maintain and improve transit services; and

**WHEREAS**, pursuant to Section 343.64, Florida Statutes, LYNX has the authority to own, operate, maintain, and manage a Public Transportation system in the area of Orange, Seminole and Osceola Counties; and

**WHEREAS**, LYNX currently provides mass transit services within the geographical limits of the Funding Partner; and

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WHEREAS, pursuant to Section 343.64, Florida Statutes, LYNX has the right to contract with other governmental entities, including the Funding Partner, and has the right to accept funds from such other governmental entities; and

WHEREAS, the Funding Partner and LYNX entered into an Interlocal Agreement for Public Transit Services dated as of \_\_\_\_\_, 20\_\_ (the "**Prior Fiscal Year Funding Agreement**") pursuant to which the Funding Partner agreed to appropriate funds to LYNX for fiscal year from October 1, 2008 to September 30, 2009 to support LYNX Public Transportation services within the Service Area (as hereinafter defined); and

WHEREAS, the term of the Prior Fiscal Year Funding Agreement ended on September 30, 2009; and

WHEREAS, the Funding Partner has budgeted funds for the fiscal year beginning on October 1, 2009 and ending on September 30, 2010 ("**Fiscal Year**") to support LYNX's Public Transportation services for such fiscal year; and

WHEREAS, at present, LYNX and the Funding Partner acknowledge that the funds provided by the Funding Partner to LYNX are used as the Funding Partner's support of the regional Public Transportation System only within the Service Area (as hereinafter defined).

NOW, THEREFORE, in and for consideration of the mutual covenants and agreements hereinafter contained and other good and valuable consideration, the Funding Partner and LYNX agree as follows:

1. **Recitals.** The Funding Partner and LYNX hereby declare that the Recitals set forth above are true and correct and are incorporated herein and made a part of this Agreement.
2. **Definitions.** The following capitalized terms shall have the following meanings:

**[Bert, do we need this definition in the standard agreement?]**

"**Access LYNX**" means LYNX's van transit service for medically-qualified, physically challenged transit customers.

"**ADA**" means the Americans with Disabilities Act of 1990.

"**Agreement**" means this Service Funding Agreement and its Exhibits.

"**Appropriated Amount**" means the amount to be paid to LYNX by the Funding Partner for the Current Fiscal Year in consideration of the Public Transportation to be provided by LYNX hereunder, as set forth in paragraph 3 hereof.

"**Deadhead Hours**" means the vehicle hours of operation incurred in non-Revenue Service in support of Revenue Service (i.e., hours from the garage to the beginning of a route).

“**Deadhead Miles**” means the vehicle miles incurred in non-Revenue Service in support of Revenue Service (i.e., miles from the garage to the beginning of a route).

“**Fiscal Year**” or “**Current Fiscal Year**” means the twelve (12) month period commencing October 1, 2009 and ending the following September 30, 2010.

“**Fixed-Route Service**” means service provided on a repetitive, fixed-schedule basis along a specific route with vehicles stopping to pick up and deliver passengers to specific locations. Unlike demand response service, Fixed-Route Service services the same origins and destinations. Fixed-Route Service include route deviation service, where revenue vehicles deviate from fixed-routes on a discretionary basis.

“**FDOT**” means the Florida Department of Transportation.

“**FTA**” means the Federal Transit Association.

“**New Appropriated Amount**” means the amount that is approved or appropriated by the Funding Partner for the Next Fiscal Year in consideration of the Public Transportation to be provided by LYNX hereunder for the Next Fiscal Year, as set forth in paragraph 3 below.

“**Next Fiscal Year**” means the twelve (12) month period immediately following the Current Fiscal Year, and is the period commencing October 1, 2010 and ending the following September 30, 2011.

“**Operating Expenses**” mean the expenses associated with the operations of LYNX, and which are classified by function or activity.

“**Passenger Fares**” means the revenue earned from carrying passengers in regularly scheduled service. Passenger Fares include the base fare, distance premiums, express service premiums, transfers and quantity purchased discount fares (i.e., daily, seven-day, thirty-day, student, senior, etc. tickets and passes).

“**Passenger Trips**” means the number of fare-paying individuals who ride LYNX’s buses in any given period with each individual being counted once per boarding.

“**Public Transportation**” means transportation by a conveyance (e.g., by bus or van) that provides regular and continuing general or special transportation to the public, but does not include light rail. “Special transportation” includes transportation services being provided to the public pursuant to the ADA.

“**Revenue Hours**” means the hours a vehicle travels while in Revenue Service, which excludes Deadhead Hours.

“**Revenue Miles**” means the miles a vehicle travels while in Revenue Service, which excludes Deadhead Miles.

“**Revenue Service**” means the portion of the trip and/or period of time when a vehicle is available to board and alight fare-paying transit passengers.

“Service Area” means generally the geographic area or the Fixed-Route Service, as the case may be, described and set forth in Exhibit "A" attached hereto.

3. **Funding Partner Obligations.**

(a) **Current Fiscal Year.**

(i) The Funding Partner agrees to appropriate the amount specified on Exhibit "B" attached hereto (the “Appropriated Amount”) to LYNX for the Fiscal Year for the provision of Public Transportation within the Service Area.

(ii) The Appropriated Amount shall be paid by the Funding Partner to LYNX in twelve (12) equal monthly installments, with each installment being due on the first day of each month. The first installment payment shall be due upon the later of (x) October 1, 2009 or (y) thirty (30) days after the execution date of this Agreement; and any other installment payments which would be due prior to the execution date of this Agreement shall also be paid within thirty (30) days after the execution date of this Agreement.

(b) **Next Fiscal Year.**

(i) If, prior to the termination date of this Agreement (as set forth in Paragraph 20 below), the Funding Partner and LYNX have not reached a written agreement setting forth an appropriation to LYNX for the Next Fiscal Year, then, notwithstanding the expiration of this Agreement at the end of the Current Fiscal Year and in order to continue the Public Transportation after said expiration, the Funding Partner shall continue to pay LYNX for the Next Fiscal Year the amount set forth below.

(ii) The amount to be paid under clause (i) shall be the New Appropriated Amount provided that the Boards of both the Funding Partner and LYNX have so approved that Amount. This New Appropriated Amount shall be paid as set forth in clause (v) below.

(iii) In the event the New Appropriated Amount actually approved by the Board of the Funding Partner at its budget adoption is less than what had been scheduled by the Funding Partner prior to said adoption hearing, then, in that event, LYNX may immediately or as soon as practicable for the Next Fiscal Year reduce the scope of service to be provided hereunder so as to be in line with the New Appropriated Amount.

(iv) In the event the Funding Partner has not by the end of the Current Fiscal Year, adopted a New Appropriated Amount, then the amount to be paid will be equal to the Appropriated Amount for the Current Fiscal Year. This Amount will be paid as set forth in clause (v) below. At such time thereafter as the Funding Partner has adopted a New Appropriated Amount, then, in that event, the parties will adjust and reconcile between themselves any adjustment to the payments that would have been made to LYNX by the Funding Partner for the

Current Fiscal Year and the service to be provided hereunder will be adjusted to be in line with the New Appropriated Amount.

(v) The amount to be paid under this subparagraph (b) above (whether the New Appropriated Amount under clauses (ii) or (iii) or the Appropriated Amount under clause (iv)), shall be paid in equal monthly installments (the "Post-Termination Payment") due on the first day of each month commencing October 1, 2010 until the earliest to occur of the following: (i) LYNX and the Funding Partner reach a written agreement setting forth a different appropriation for the Next Fiscal Year; (ii) one hundred twenty (120) days following that date that the Funding Partner, through action taken by its governing board, notifies LYNX in writing that it wishes to terminate this Agreement and no longer receive from LYNX the Public Transportation services provided herein; or (iii) the date that LYNX actually discontinues the Public Transportation services to the Funding Partner.

(c) The procedure set forth in this subparagraph (b) will continue until such time as the Funding Partner and LYNX have executed a new form of funding agreement for the Current Fiscal Year, at which time this Agreement and specifically the provisions of this subparagraph 3(b) will no longer be applicable. If LYNX and the Funding Partner fail to reach and execute such a new funding agreement setting forth an appropriation for the Next Fiscal Year by December 31, 2009, then LYNX may, within its discretion, reduce, eliminate or discontinue the provision of Public Transportation services to the Funding Partner immediately upon providing the Funding Partner with written notice of same. If, as a result of subparagraph 3(b), the Funding Partner makes any payments to LYNX for the Next Fiscal Year, then, in that event, the parties will reconcile the difference between the amount that was paid and the amount that has been agreed to be appropriated for the Next Fiscal Year in the first month following the execution of the written agreement setting forth an appropriation for the Next Fiscal Year.

(d) Notwithstanding anything to the contrary set forth herein, the payment of all amounts due to LYNX hereunder shall be made in compliance with the Florida Prompt Payment Act, codified at Sections 218.70 to 218.80, Florida Statutes.

4. **LYNX Obligations.**

(a) **Service.** LYNX agrees to provide Public Transportation within the Service Area during the Fiscal Year. LYNX shall request written approval from the Funding Partner prior to implementing any of the following changes which may result in a greater than two percent (2%) increase or decrease of Fixed-Route Service hours within the Service Area (as computed on an annual basis), which written approval shall not be unreasonably withheld or delayed:

- (i) Addition of route(s)
- (ii) Elimination of route(s)

- (iii) Combination of routes
- (iv) Changes to service span
- (v) Change to service frequency
- (vi) Changes in days of operation

To the extent that there is any increase or decrease of Fixed-Route Service hours greater than two percent (2%) (which would require approval of the Funding Partner), then, in that case, there will be a corresponding increase or decrease in the Appropriated Amount to be paid to LYNX by the Funding Partner from and after said increase or decrease is put into effect.

(b) **Quarterly Reporting.** For the purposes of operations and management analysis, LYNX agrees to provide the Funding Partner quarterly written performance reports reflecting the LYNX operations of the prior quarter. The quarterly reporting periods shall end on December 31, March 31, June 30 and September 30 and said reports shall be submitted to the Funding Partner's Office of Management and Budget and Growth Management Departments within forty-five (45) days after the end of each quarter. Each quarterly report will include the following items:

- (i) Maps and schedules for each route operating in the Service Area.
- (ii) Official LYNX monthly ridership reports showing a breakdown of actual aggregate ridership by mode (i.e., Fixed-Route Service, LYMMO, Access LYNX, Van Plan and special shuttles).
- (iii) An operational service characteristics report for current services provided, which would include (1) revenue hours, (2) revenue miles, and (3) unlinked passenger trips.
- (iv) A comparison of actual revenue and expenditures to budgeted revenues and expenditures with explanations for variances that exceed \$50,000.
- (v) A route performance report, which reports and ranks each route which is located in the County for the Funding Partner, monthly based on the following:
  - (A) Subsidy per Passenger Trip
  - (B) Passengers per trip
  - (C) Passengers per Revenue Hour
  - (D) Passengers per Revenue Mile
  - (E) Percent farebox return (i.e., percent of Operating Expenses recovered through farebox).



(vi) Current and contemporaneous versions of the LYNX regional model, which is the model used by LYNX to apportion total Operating Expenses, less adjustments, to the Funding Partners based on Fixed-Route Service hours, ADA client trips, and flex-service hours in their service area.

(A) A comparison of scheduled versus actual Revenue Miles.

(B) A comparison of scheduled versus actual Revenue Hours.

(C) A schedule of unanticipated extraordinary expenses for the prior quarter.

(D) A list of changes to authorized staffing.

(E) A schedule of total training and travel expenditures for each LYNX board member and employee for the immediately preceding quarter. This schedule should specify the training event name, attendee name(s), date(s) of travel and/or training, event location, and total expenses of each trip.

(vii) Any other information the Funding Partner reasonably requests.

(c) **Additional Reporting.** On an annual basis, within thirty (30) days of receipt, LYNX shall provide the Funding Partner with a copy of all external audits, a copy of the Comprehensive Annual Financial Report, which shall include the Report on Internal Controls, Report on Compliance with Laws and Regulations, and a copy of the management letter.

5. **Independent Contractor.** LYNX expressly acknowledges that it is acting as an independent contractor, and nothing in this Agreement is intended or shall be construed to establish an agency, partnership or joint venture relationship between the parties, their employees, agents, subcontractors, or assigns, during or after performance of this Agreement. Each party hereto agrees that it shall be solely responsible for the wrongful acts of its employees, contractors and agents. Nothing contained herein shall constitute a waiver of sovereign immunity or the provisions of Section 768.28, Florida Statutes. The foregoing shall not constitute an agreement by either party to assume any liability for the acts, omissions and/or negligence of the other party.

6. **Amendments.** This Agreement may be amended only through a written document approved by both the Funding Partner's Board of Commissioners and the LYNX Governing Board, and executed by all parties hereto.

7. **Termination of Agreement.**

(a) **For Cause.** If LYNX or the Funding Partner (the "**Breaching Party**") fails to fulfill any material covenant, term or condition of this Agreement, the other party (the "**Non-Breaching Party**") shall give the Breaching Party written notice of such failure or violation. If such failure or violation is not cured within thirty (30) days from

the date on which the Breaching Party receives such notice, the Non-Breaching Party may terminate this Agreement, which shall be effective upon thirty (30) days following the Breaching Party's receipt of a written notice from the Non-Breaching Party to that effect or such later date as specified in the notice. In the event the Funding Partner is the Breaching Party, the Funding Partner will nonetheless continue to pay to LYNX for any fixed route service furnished by LYNX up to the actual date that LYNX terminates said fixed route service, taking into account the policies and procedures to be followed by LYNX to terminate bus service generally.

(b) **For Convenience.** Either LYNX or the Funding Partner may terminate this Agreement at any time upon giving notice to that effect. Such termination shall be effective upon one hundred twenty (120) days receipt of written notice of termination from the party desiring to terminate this Agreement or such later date as specified in the notice.

The provisions of this paragraph 7 are further subject to the provisions of paragraph 3(c) above as to the rights of the parties to terminate this Agreement after the end of any fiscal year as provided in said Paragraph 3(c).

8. **Audit.** The Funding Partner (or its lawfully designated designee), shall have the right to audit LYNX's books and records on an annual basis to determine compliance with the terms, conditions and obligations imposed by this Agreement. The Funding Partner shall have full access to all records, documents and information, whether on paper or electronic or other media as is necessary or convenient to perform the audit.

9. **Public Records Act.** In accordance with Chapter 119 of the Florida Statutes (Public Records Law), any "public record" created or received by the Funding Partner, including reports, specifications, drawings, maps, and tables, must be made available to the public for inspection, and upon request and payment, copying, unless such public record falls within an exception or exemption to the Public Records Act and each page is clearly and conspicuously marked as such.

10. **Record Keeping Procedure.** LYNX shall keep and maintain accurate records of all services rendered in the performance of this Agreement and shall keep such records open to inspection by the Funding Partner at reasonable hours during the entire term of this Agreement, plus three (3) years after expiration or termination of this Agreement. If any litigation, claim or audit is commenced prior to the expiration of the three (3) year period and extends beyond such period, the records shall be maintained until all litigation, including appeals, claims or audits have been concluded or resolved. Any person authorized by the Funding Partner shall have access to and the right to examine any of the records.

11. **Compliance with FTA/FDOT Requirements.** The provisions of this Agreement, and the Public Transportation to be provided by LYNX hereunder, is subject at all times to the applicable statutes and rules and regulations of all applicable governmental authorities, including those of the FTA and FDOT. In the event any such statutes or rules or regulations would require a substantial and material change to this Agreement, then the parties

will immediately meet to review and make acceptable adjustments to this Contract so as to comply with such statutes and rules and regulations.

12. **Litigation and Venue.** In the event any party deems it necessary to take legal action to enforce any provision of this Agreement, the venue shall be in the Circuit Court of the Ninth Judicial Circuit, in Orange County, Florida or the United States District Court for the Middle District of Florida, Orlando Division.

13. **Remedies.** No remedy herein conferred upon any part is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any rights, power, or remedy hereunder shall preclude any other or further exercise thereof.

14. **Severability.** In the event that any section, paragraph, sentence, clause or provision hereof be held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement which remaining portions shall remain in full force and effect.

15. **Waiver.** Performance of this Agreement by any party, after notice of default of any of the terms, covenants or conditions, shall not be deemed a waiver of any right to terminate this Agreement for any subsequent default, and no waiver of such default shall be construed or act as a waiver of any subsequent default.

16. **Governing Law.** This Agreement shall be governed by and construed in accordance with the law of the State of Florida. The parties to this Agreement agree to comply with all applicable federal, state, and local laws, ordinances, rules and regulations pertaining to the actions contemplated by this Agreement.

17. **Construction.** Captions and section headings in this Agreement are for convenience and reference only, and shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

18. **Notices.** All notices, consents, approvals, waivers, and deletions which any party shall be required or shall desire to make or give under and in accordance with this Agreement shall be in writing and must be sent by certified United States mail with return receipt required, or by personal delivery with receipt required to the following addresses:

As to Funding Partner: \_\_\_\_\_ County  
\_\_\_\_\_  
\_\_\_\_\_, Florida 32 \_\_\_\_  
Attn: \_\_\_\_\_

With copy to:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

As to I.YNX: Central Florida Regional Transportation Authority  
455 North Garland Avenue  
Orlando, Florida 32801-1518  
Attn: Linda S. Watson, Chief Executive Officer

With copy to: Central Florida Regional Transportation Authority  
455 North Garland Avenue  
Orlando, Florida 32801-1518  
Attn: Albert J. Francis, II, Chief Financial Officer

With a copy to: Akerman Senterfitt  
420 South Orange Avenue, Suite 1200  
Orlando, Florida 32801  
Attn: Patrick T. Christiansen, Esq.

19. **Binding Agreement.** This Agreement is binding upon the parties and shall inure to their successors or assigns.

20. **Effective Date.** The effective date of this Agreement shall be the date of its execution by the last party to execute this Agreement. Unless terminated earlier in accordance with Paragraph 7 of this Agreement, this Agreement will terminate on September 30, 2010, except for the provisions of this Agreement which by their terms survive the termination of this Agreement and is effective.

21. **Negotiations.** The parties to this Agreement acknowledge that all terms of this Agreement were negotiated at arms-length and that this Agreement and all documents executed in connection herewith were prepared and executed without undue influence exerted by any party or on any party. Further, all parties drafted this Agreement jointly, and no parties are entitled to the benefit of any rules of construction with respect to the interpretation of any terms, conditions, or provisions of this Agreement in favor of or against any person or party who drafted this Agreement.

22. **No Third-Party Beneficiaries.** This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person or entity other than the parties in this Agreement.

23. **Entirety of the Agreement.** This Agreement constitutes the entire Agreement between the parties with respect to the specific matters contained herein and shall supersede all previous discussions, understandings, and agreements.

24. **Addendum.** There is attached hereto a certain Addendum consisting of one (1) page. To the extent there is a conflict between the terms of this Agreement and the terms of the Addendum, the terms of the Addendum will govern.

**IN WITNESS WHEREOF**, the Funding Partner and LYNX have duly and lawfully approved this Agreement and have authorized its execution and delivery by their respective officers, who have set their hands and their respective seals affixed below, all as of the date first written hereinabove.

[Signatures appear on following page]

SIGNATURE PAGE FOR FUNDING PARTNER

ATTEST:

By: \_\_\_\_\_

Clerk to the Board of County  
Commissioners of \_\_\_\_\_ County,  
Florida

For the use and reliance of \_\_\_\_\_  
County only.

Approved as to form and legal sufficiency.

\_\_\_\_\_  
County Attorney

FUNDING PARTNER:

**BOARD OF COUNTY COMMISSIONERS  
OF \_\_\_\_\_ COUNTY, FLORIDA**

By: \_\_\_\_\_

Date: \_\_\_\_\_

As authorized for execution by the Board of  
County Commissioners at their \_\_\_\_\_,  
20\_\_ regular meeting.

SIGNATURE PAGE FOR LYNX

**CENTRAL FLORIDA REGIONAL  
TRANSPORTATION AUTHORITY**

This Agreement is approved as to form  
for reliance only by LYNX and for no  
other person and for no other purpose.

**AKERMAN SENTERFITT,**  
Counsel for LYNX

By: \_\_\_\_\_  
Patrick T. Christiansen, Esq.

By: \_\_\_\_\_  
Linda S. Watson, Chief Executive Officer

Date: \_\_\_\_\_

Exhibit "A"

DESCRIPTION OF SERVICE AREA

;01454359;1;

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Exhibit "B"

DESCRIPTION OF APPROPRIATED AMOUNT

October through September	\$ _____
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<b>FY2010 Billing Schedule:</b>	
October 2009	\$
November 2009	
December 2009	
January 2010	
February 2010	
March 2010	
April 2010	
May 2010	
June 2010	
July 2010	
August 2010	
September 2010	
<b>Annual Funding Request from County</b>	<b>\$</b>

Exhibit "C"

DESCRIPTION OF SERVICES

{01454359:1}

ADDENDUM TO AGREEMENT

{01454359:1}

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### **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 LYNX' Proposed Investment Policy

**Date:** 9/24/2009

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Staff has been working with our investment advisor, Burgess Chambers, to create an investment policy for LYNX' surplus cash and investments. Bert Francis will present the proposed policy for discussion and review.

## Draft of the Proposed Investment Policy

<b>ADMINISTRATIVE POLICY/PROCEDURE</b>		No. ADM-008
<b>OFFICE OF PRIMARY RESPONSIBILITY:</b>  Finance Division	<b>EFFECTIVE DATE: 1/26/04</b>  Rev                      Rev Date	<b>Page 1 of 11</b>
<b>SUBJECT:</b> Investment Policy		

**OBJECTIVE:**

To document the investment policy which applies to the investment and reporting of all financial assets, ("LYNX Funds") of the Central Florida Regional Transportation Authority ("LYNX" or "Authority"), except for LYNX's retirement funds. The assets may be in the form of operating funds or bond proceeds funds. However, bond proceeds may be further limited or expanded as to their permitted investments by their respective bond resolutions or covenants.

**SCOPE:**

Finance Division

**AUTHORITY:**

Board of Directors and Section 218.415 Florida Statute

**RULE:**

**5.1 Definitions**

In addition to the other terms defined in this Rule, the following terms are provided.

- 5.1.1. Bank Trust Receipts: Advance deposits to cover a prospective liability for services to be rendered and/or disbursements to be made; and composite amounts consisting of trust and business monies.
- 5.1.2. Book Entry Form: A chronological record of a specialist's inventory of securities and orders that other exchange members have placed with the specialist.
- 5.1.3. Closed-End Management Company: A closed-end investment company issues a fixed number of shares to the public in an initial public offering, after which time shares in the fund are bought and sold on a stock exchange, and they are not obligated to issue new shares or redeem outstanding shares as open-end funds are.
- 5.1.4. Commercial Paper: An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory. Maturities typically range from 2 to 270 days

- 5.1.5. Derivative: A financial instrument whose characteristics and value depends upon the characteristics and value of an underlying security; typically a commodity, bond, equity or currency. Examples of derivatives include futures and options. Advanced investors sometimes purchase or sell derivatives to manage the risk associated with the underlying security, to protect against fluctuations in value, or to profit from periods of inactivity or decline. These techniques can be quite complicated and quite risky.
- 5.1.6. Fair Market Value: The price that an interested but not desperate buyer would be willing to pay and an interested but not desperate seller would be willing to accept on the open market assuming a reasonable period of time for an agreement to arise.
- 5.1.7. Federal Deposit Insurance Corporation: A federal agency that insures deposits in member banks and thrifts currently up to \$250,000 per deposit.
- 5.1.8. Federal Farm Credit Bank (FFCB): The Federal Farm Credit Banks Funding Corporation issues debt securities as fiscal agent for the Farm Credit System, which is a nationwide network of borrower-owned lending institutions and service organizations specializing in agricultural and rural America. The mission of this government-sponsored enterprise is to ensure the availability of sound, dependable funding for agricultural producers, cooperatives and certain farm related business.
- 5.1.9. Federal Home Loan Bank (FHLB): Government sponsored wholesale banks that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLB is to liquefy the housing related assets of its members who must purchase stock in their district Bank.
- 5.1.10. Federal Home Loan Mortgage Corporation (FHLMC): FHLMC, commonly referred to as Freddie Mac, is a government sponsored enterprise that provides liquidity to the mortgage markets, much like FNMA and FHLB.
- 5.1.11. Federal National Mortgage Association (FNMA): FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The Corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.
- 5.1.12. Internal Controls: Policies and procedures designed to provide reasonable assurance that specific entity objectives will be achieved. It consists of: the control environment, risk assessment, control activities, information and communications, and monitoring.

- 5.1.13. Liquidity: the ability of an asset to be converted into cash quickly and without any selling of the asset below its normal price.
- 5.1.14. Market Value: The price at which a security is trading and could presumably be purchased or sold.
- 5.1.15. Open-End Management Company: An investment company that sells mutual funds to the public, issuing and redeeming shares on demand.
- 5.1.16. Qualified Public Depository: Any bank, savings bank, or savings association that is organized under the laws of the United States or the State of Florida; has its principal place of business or a branch office to receive deposits in Florida; has deposit insurance under the provisions of the Federal Deposit Insurance Act; meets the requirements of Chapter 280, Florida Statutes (Florida Security for Public Deposits Act); and has been designated by the Chief Financial Officer of the State of Florida as a qualified public depository.
- 5.1.17. Repurchase Agreement: A contract in which the seller of securities, such as Treasury Bills, agrees to buy them back at a specified time and price. Also known as repo or buyback.
- 5.1.18. Return on Investment (ROI): measures how effectively the portfolio's principal is invested to generate profit. The higher the ROI, the better.
- 5.1.19. Risk: The quantifiable likelihood of loss or less-than-expected returns. There are many different types of risk e.g., inflation risk (decrease in purchasing power); currency risk (devaluation of currency to the American dollar or visa versa); market risk (decline of the asset's value due to economic changes which effect the entire market) or unsystematic risk (price change in relation to a specific security).
- 5.1.20. Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the banks' vaults for protection.
- 5.1.21. Securities Investors Protection Corporation: A non-profit membership corporation established by Congress which insures securities and cash in customer accounts up to \$500,000 (up to \$100,000 on cash) in the event of brokerage bankruptcy. The SIPC is funded by all of its member securities broker/dealers. While it insures the account in the event that a brokerage runs out of funds to cover its claims, it does not insure against investment losses.
- 5.1.22. Specialist: A stock exchange member who makes a market for certain exchange-traded securities, maintaining an inventory of those securities and standing ready to buy and sell shares as necessary to maintain an orderly market for those shares. This can be an individual, partnership, corporation or group of firms.
- 5.1.23. Yield: The rate of annual income return on an investment, expressed as a percentage. (1) Income yield is obtained by dividing the current dollar income by

the current market price for the security. (2) Net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

## **5.2 Investment Objectives**

Preservation of principal and safety - An important objective of this investment program is the preservation of the principal of those funds within the portfolio. Investment transactions shall be consistent with the other investment objectives, and seek to ensure that capital losses are minimized, whether they be from securities defaults or erosion of market value.

Liquidity - The portfolio shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner.

Return on investment - All investments will be made striving to maximize portfolio return, consistent with the quality, safety and liquidity restrictions. Yield shall be the primary source of investment returns. The pursuit of this goal will be continuous, but may not do so at the expense of assuming avoidable investment risk. The optimization of investment returns shall be secondary to the requirements for quality, safety and liquidity.

## **5.3 Risk and Diversification**

Adequate diversification of LYNX's portfolio will be necessary to minimize market volatility risk, liquidity risk and default risk. Diversification will come in the form of investing in different security types, and in different financial institutions. It is the policy of LYNX to diversify its investment portfolios so as to protect against issuer defaults, market price changes, technical complications leading to temporary lack of liquidity, or other risks resulting from an over concentration of assets in a specific maturity, a specific issuer, a specific geographical distribution, or a specific class of securities. The following strategies, as determined by the Chief Executive Officer, will be reviewed periodically by the Board or any committee so established by the Board.

Maintenance of public trust - All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might reasonably impair public confidence in the ability of LYNX to effectively implement the investment program.

Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism worthy of the public trust.

Asset liability management - To the extent consistent with the investment objectives and restrictions and the Authority's debt management policies, all herein adopted, LYNX will strive to maintain an investment/asset portfolio duration approximately equal to its debt/liability "portfolio". Equilibrium with respect to the duration of assets and liabilities



may help LYNX earn interest on aggregate investments at its overall cost of capital or better.

#### **5.4 Prudence**

Prudence standard applied to the portfolio - the standard of prudence shall be applied in the context of managing the portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Prudent expert standard - While the standard of prudence to be used by investment officials who are officers or employees is the prudent person standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of prudent expert. The standard shall be that in investing and reinvesting monies and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence and diligence under the circumstances then prevailing, which persons of prudence, discretion and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds so as to minimize the risk of material losses, unless under the circumstances it is clearly prudent not to do so, and not in regard to speculation but in regard to the permanent disposition of similar funds, considering the probable income as well as the probable safety of their capital.

#### **5.5 Ethics and Conflicts of Interest**

Employees under the direction of the Chief Executive Officer - Officers and employees involved in the investment process shall not engage in personal business activities (e.g. directing business to favored broker/dealers) that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Officers and employees (including members of any committee established by the Board) shall immediately disclose to the Chief Executive Officer any material interest in any financial institution that conducts business with LYNX. For purposes of this paragraph, "material interest" shall have the same meaning as in section 112.312(15), Florida Statutes (1995).

#### **5.6 Delegation of Authority**

The Authority to manage the investment program is granted to the Chief Financial Officer.

## **5.7 Internal Controls**

System of Controls - The Chief Executive Officer directs or otherwise recommends that the Chief Financial Officer establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees or by those individuals and/or entities under contract to LYNX. The controls shall provide that all transactions are confirmed in writing. In the development of the system of internal controls, consideration shall be given to documentation of strategies and transactions, techniques for avoiding collusion, separation of functions, delegation of authority and limitations of action, custodial safekeeping, and avoidance of bearer-form securities.

## **5.8 Independent Audit**

The independent public accounting firm retained to conduct the annual audit of LYNX is directed to evaluate the system of controls relating to the investment of assets. Procedures should be performed by the accountants to provide reasonable assurance that investment officials have acted in accordance with the Investment Policy. The audit procedures shall include, but not be limited to, surprise audits of custodial and safekeeping systems. To the extent allowed by professional standards, the auditor may rely on work performed by other independent public accountants or internal auditors.

## **5.9 Reporting**

The Chief Executive Officer may periodically, direct or otherwise recommend that the Chief Financial Officer obtain a written report from the custodian, including but not limited to: (i) a summary of recent market conditions; (ii) economic developments and anticipated investment conditions; (iii) a summary of investment strategies employed; (iv) a description of the portfolio (listing securities by type or class, maturity, risk class, book value, income earned and market value by report date) and a report of the period total investment return. Actual returns should be compared against planned figures. Any areas of concern should be addressed and portfolio changes made as warranted.

## **5.10 Performance Benchmarks**

Investment performance benchmarks should be consistent with the quality, safety and liquidity restrictions and utilized to evaluate portfolio performance. These benchmarks will allow LYNX to compare returns to other investors in the same markets.

Based on the investment and maturity parameters for each portfolio, LYNX shall establish specific performance benchmarks. When establishing a performance benchmark for a portfolio, there are three main factors which will be considered:

1. it is independently compiled,

2. it represents true total return,
3. it is representative of the types of securities in the appropriate maturity range.

The quarterly report will show performance on both a book value and market value return basis and will compare the results to the established benchmarks.

### **5.11 Instruments**

Policy restrictions - In addition to the statutory restriction on common stock, no monies may be invested in an investment company portfolio containing common stock in real estate, in options and futures, and in precious metals.

Use of derivative products - LYNX has established herein clearly defined procedures with respect to the analysis, documentation and management of derivative products. The Authority's staff will manage all agreements on an ongoing basis. LYNX has developed procedures to ensure that all agreements and periodic payments are monitored, that counter-party credit and documentation requirements are maintained, and that the portfolio is continually evaluated to determine each agreement's value, to identify restructuring opportunities and to assess trading potential.

### **5.12 Investments**

Investment alternatives, other than securities, must have an established market. Investments should be made subject to the cash flow needs of LYNX. Such cash flows are subject to revisions as market conditions and agency needs change. It is the intent of the Chief Financial Officer to avoid assets that require a significant time to liquidate.

The following is a list of authorized investments for LYNX for operating and surplus funds in which the Chief Financial Officer may invest at the prevailing market rates and at an appropriate amount thereof. Bond proceeds may be further limited or expanded as to their permitted investments by their respective bond resolutions or covenants.

1. The Local Government Surplus Funds Trust Fund, as created by Section 218.405, Florida Statutes and administered by the State Board of Administration (SBA);
2. United States Treasury and Agency securities whereby all principal and interest payments are guaranteed by the full faith and credit of the United States government. Agency securities backed by the U.S. must have at least two AAA, Aaa, AAA long-term credit ratings from Standard & Poor's, Moody's or Fitch, respectively. Maturities may not exceed 12 months;
3. Interest-bearing time deposits or savings accounts in Qualified Public Depositories (QDP) as defined in Section 280.02 Florida Statutes;

4. Obligations of the Federal Farm Credit Banks; the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates; or the Federal Home Loan Bank or its district banks or obligations guaranteed by the Government National Mortgage Association. Collateralized mortgage obligations (CMOs) can be used if appropriate procedures are utilized to evaluate.
5. Deposits, federal funds or bankers acceptance of any domestic bank, including a branch office of a foreign bank which branch office is located in the United States, provided legal opinions are received to the effect that full and timely payment of such deposits or similar obligation is enforceable against the principal office or any branch of such bank, which:
  - a) has an unsecured, uninsured and unguaranteed obligation rated in either of the two highest letter rating categories by a Rating Agency, and
  - b) is the lead bank of a parent bank holding company with an unsecured, uninsured and unguaranteed obligation meeting the rating requirements in (a) above;
6. Prime commercial paper of a United States corporation, finance company or banking institution if such commercial paper is rated at least "P-1" by Moody's or at least "A-1+" by S&P and if such commercial paper is stated to mature in not more than 270 days.
7. Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to United States Government obligations and to repurchase agreements fully collateralized by such United States Government obligations or its agencies and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.
8. Repurchase agreements collateralized by Direct Obligations with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank, if such broker/dealer or bank has an uninsured, unsecured and un-guaranteed obligation rated in either of the two highest letter rating categories by a Rating Agency, provided:
  - a) a master repurchase agreement or specific written repurchase agreement governs the transaction, and
  - b) the securities are held, free and clear of any lien, by the trustee of the fund the monies of which were invested in such agreements, the Authority, or an independent third party acting solely as agent for such trustee or the Authority, and such third party is

- i) a Federal Reserve Bank,
  - ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$25 million, or
  - iii) a bank approved in writing for such purpose by the Bond Credit Facility provider, if any, and the trustee or the Authority shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the trustee or the Authority, and
- c) a perfected first security interest under the Uniform Commercial Code, or book entry procedures described at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of the Authority, and
  - d) the repurchase agreement has a term of thirty days or less, or the Authority will value collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the collateral percentage required pursuant to subparagraph (f) below is not restored within two business days of such valuation, and the repurchase agreement matures at least one day (or other appropriate liquidation period) prior to the date on which it is anticipated that the funds invested therein will be expended, and
  - e) the fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest is equal to at least 102%.
- 9. Shares in a common law trust established as a separate public agency under Section 163.01, Florida Statutes which invests exclusively in investments permitted by Florida Statute.
  - 10. Other Investments authorized by law or ordinance for a county or municipality.
  - 11. Other investments authorized by law or ordinance for a school or a special district.

### **5.13 Selection of Qualified Institutions**

The Chief Executive Officer directs or otherwise recommends that the Chief Financial Officer maintain a formalized written procedure for the selection of depositories in money market instruments and broker dealers in the execution of securities transactions. Such procedures should describe the competitive selection process and rationale for selection. All brokers/dealers and depositories deemed to be "qualified institutions" shall be provided with current copies of this Policy.

## 5.14 Competitive Selection of Investment Instruments

After the Investment Advisor or the Chief Financial Officer has determined the approximate maturity date based on cash flow needs and market conditions, not to exceed one (1) year for operating funds, and has analyzed and selected one or more optimal types of investments, a minimum of three (3) reputable, qualified, and financially sound institutions and/or dealers must be contacted and asked to provide bids on securities of interest. Bids will be held in confidence until the highest bid is determined and awarded.

However, on an exception basis, securities may be purchased utilizing the comparison to current market price method. Acceptable current market price providers include, but are not limited to:

1. The Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing,
2. Daily market pricing provided by the Authority's custody agents or their correspondent institutions.
3. Interactive Data Corporation (IDC)
4. Various third party sources currently utilized by the Investment Advisor

The Investment Advisor or the Chief Financial Officer shall utilize the competitive bid process to select the securities to be purchased or sold. Selection by comparison to a current market price, as indicated above, shall only be utilized when, in the judgment of the Investment Advisor or the Chief Financial Officer, competitive bidding would inhibit the selection process.

Examples of when this method may be used include;

1. When time constraints due to unusual circumstances preclude the use of the competitive bidding process.
2. When no active market exists for the issue being traded due to the age or depth of the issue.
3. When a security is unique to a single dealer, for example, a private placement.
4. When the transaction involves new issues or issues in the "when issued" market.

Overnight sweep repurchase agreements will not be bid, but may be placed with the depository bank relating to the demand account for which the repurchase agreement was purchased.

## **5.15 Safekeeping and Collateralization**

All cash, assets, and investment securities purchased by LYNX or held as collateral on investments shall be delivered versus the payment of funds and held in safekeeping by a qualified bank, or some other financial institution designated as custodian. The custodian will be selected by LYNX. All securities held as collateral will be held free and clear of any lien, and also shall be held by a third party custodian.

All securities purchased by LYNX will be held by a third party custodian and no withdrawal of such securities may be made by anyone except the Chief Financial Officer or the Chief Financial Officer's designated employees.

The Chief Executive Officer or designee will execute all third party custodial agreements with LYNX's banks and public depositories. Such an agreement will include letters of authority from the Chief Financial Officer as to the responsibilities of each party, notification of security purchases, sale, delivery, safekeeping and transaction agreements and wire transfers, safekeeping and transaction costs, and - procedures in the event of wire failure.

Any funds invested in a certificate of deposit from a qualified public depository may be collateralized by any of the securities listed in Sections 280.13 and 280.14 of the Florida Statutes. The list of qualified depositories, agreeing to the provisions in Chapter 136 of the Florida Statutes, is available upon request from the Department of Insurance and Treasurer of the State of Florida.

## **5.16 Security Disposition**

Every security purchased must be properly earmarked and:

1. registered with the issuer and maintained in a safe place.
2. if held in book entry form, held for the credit of LYNX by a depository chartered by the Federal Government, the state or any other state or territory in the US as described in s 658.12, or by national organization existing under the laws of the U.S. Securities must be held in a depository in a separate account from assets of the financial institution.
3. if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault.
4. LYNX may also receive bank trust receipts in return for investment of surplus funds in securities. All trust receipts received must list the various securities held with the specific number of securities held in accordance with 2) above.

This section does not apply to the Local Government Surplus Funds Trust Fund.

### **5.17 Sale of Security**

When the invested funds are needed in part or in whole for the purpose originally intended or for more optimal investments, LYNX may sell such investments at the then prevailing market rate and place proceeds into the proper account or fund.

### **5.18 Preemption**

Any provision of any special act, municipal or other law which prohibits or restricts a local government entity from complying with Florida Statue 218.415 or any rules adopted under this section is void to the extent of the conflict.

### **5.19 Continuing Education**

The CFO and staff responsible for making investment decisions shall obtain 8 hours of continuing education related to investment practices and products.

### **5.20 Transfer of Funds**

Authorized personnel who can transfer funds: Chief Executive Officer, Chief Financial Officer or Manager of Finance.



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

**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 Diesel Fuel Hedging

**Date:** 9/24/2009

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At the last Audit Committee Meeting, staff was given the approval to present at the next meeting information regarding hedging the purchase of diesel fuel. Jeffrey LeMunyon of Linwood Capital, LLC will give a presentation on energy price risk management. Information regarding this presentation was sent electronically to the Board under separate cover.

**Audit Committee Agenda Item #3.E**

**To:** LYNX Board of Directors

**From:** Edward Johnson  
CHIEF ADMINISTRATIVE OFFICER  
Sherry Zielonka  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Update on the Amalgamated Transit Union Local 1596 Pension Plan Trustees' and the Authority to Bind LYNX to Financial Obligations

**Date:** 9/24/2009

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Edward L. Johnson, Chief Administrative Officer will introduce Nadine Schaal, Attorney with Akerman Senterfitt, who will discuss issues regarding the ATU 1596 Pension Plan Trustees' autonomy with the Plan.

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

**To:** LYNX Board of Directors

**From:** Edward Johnson  
CHIEF ADMINISTRATIVE OFFICER  
Mike May  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Update on the ATU 1596 and ATU 1749 Collective Bargaining Unit Agreements

**Date:** 9/24/2009

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Mr. James Seegers, Legal Counsel with Baker and Hostetler, will brief the Audit Committee on the status of the current negotiations with the Amalgamated Transit Union (ATU) Local No. 1596. Mr. Seegers serves as the lead negotiator for the proposed new contract period October 2009 through September 2012.

Additionally, Edward L. Johnson, Chief Administrative Officer (CAO) will provide a brief update to the Audit Committee on the status of the ATU Local No. 1749 current contract.

### Audit Committee Agenda Item #3.G

**To:** LYNX Board of Directors

**From:** Edward Johnson  
CHIEF ADMINISTRATIVE OFFICER  
Tony Walter  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Update on LYNX' Unified Shelter Program

**Date:** 9/24/2009

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During the time that LYNX was assessing the bid responses for the advertising shelter contract, two circumstances came to the forefront. First, LYNX was made aware that we would be the recipient of a large amount of stimulus money under the American Recovery & Reinvestment Act. LYNX now has the ability to install shelters for the City of Orlando program rather than utilize an outside vendor.

LYNX staff then prepared a preliminary analysis of the difference in funds available to LYNX if shelter advertising is outsourced or if LYNX manages the program in-house. The analysis assumed that there would be 300 advertising shelters with 600 ad facings available system wide. 10 percent or 60 facings are deducted from the total for public service messages. A conservative sales rate of 50 percent of the remaining facings is assumed with estimated monthly revenue of \$275.00 each. The outsource contract estimated net revenue is approximately \$172,408. If the shelter advertising program is brought in-house, the estimated net revenue returned to LYNX would be approximately \$486,450.

Subsequently, LYNX staff has been meeting with its major partners that have a vested interest in shelters and/or shelter advertising. The purpose of these meetings is to develop a unified shelter program throughout the entire service area. One aspect of a unified shelter program is for LYNX to ultimately assume control of the fragmented shelter advertising contracts that currently exist.

Edward Johnson, Chief Administrative Officer, will provide the Audit Committee with a status update on the discussions with the funding partners.

## 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:** 9/24/2009

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### October 2009

- No activity

### November 2009

- No activity

### December 2009

- Adoption of the LYNX Investment Policy
- Authorization to ratify the contract award for the LYNX Operations Center Emergency Generators
- Authorization to ratify contract award for the Bus Surveillance System Upgrade in Transit Revenue Buses
- Authorization to ratify contract award for Energy Efficiency Enhancements for Lighting Upgrades
- Authorization to Release an RFP for the Vanpool Program
- Contract #07-001 Authorization to exercise the second year option with the Barracuda Building Corporation for the Installation of Passenger Shelters & Amenities.

### January 2010

- No activity

### February 2010

- Adoption of LYNX' FY2010 legislative priorities

### March 2010

- Authorization to accept year-end financial audit

### April 2010

- Preliminary review of FY2011 proposed budget
- Authorization to submit FDOT service development grant(s) application(s)
- Contract 07-006 Authorization to exercise first year option with Goodyear for leasing of bus tires
- Contract 07-022 Authorization to exercise first year option with Pride Enterprises for the printing of public time tables

#### May 2010

- Work session on Transit Development Plan (TDP)

#### June 2010

- 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

#### August 2010

- No activity