

# LYNX Audit C mmittee Agenda

Central Florida Regional Transportation Authority

455 N. Garland Ave.

2nd Floor Board Room

Orlando, FL 32801


Board Date: 12/6/2007

Time: 9:30 AM






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

## 1. Call to Order

## 2. Approval of Minutes

-  Minutes from the October 25, 2007 Board Audit Committee meeting (Pg 2-6)

## 3. Audit Agenda Items


- A.  Update on Proposed Fare Adjustment and Public Involvement Process (Pg 7)
- B.  Update on the Elimination of Link 33 Service (Pg 8)
- C.  Presentation on First Amendment Constraints on Advertising on LYNX Buses and Facilities (Pg 9-15)
- D.  LYNX Operations Center Project Update (Pg 16)
- E.  Review of the Florida Transportation Commission Performance Measures (Pg 17-19)

## 4. Review of Board Package: 12/6/2007

- A. Review and discussion of Consent Agenda Items
- B. Review and discussion of Action Agenda Items

## 5. Information Items

(For Review Purposes Only - No action required)

- I.  LYNX Board of Directors' 12-month rolling calendar agenda items (Pg 20-21)

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

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

**DATE:** October 25, 2007

**TIME:** 9:30 a.m.

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**Members in Attendance:**

Seminole County Chair, Carlton Henley, Chair  
FDOT District 5 Secretary, Noranne Downs (arrived at approximately 10:40 a.m.)  
Orange County, Jim Harrison, Director of Growth Management  
Osceola County, Commissioner Bill Lane  
City of Orlando, Roger Neiswender

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**Absent:**

**1. Call to Order**

Chairman Carlton called the meeting to order at approximately 9:45 a.m.

**2. Approval of Minutes**

Commissioner Lane moved to approve the revised minutes of the September 27, 2007 Audit Committee meeting. Mr. Harrison seconded the motion. The motion passed unanimously.

**3. Audit Agenda Items**

**a. Overview of the Chief Executive Officer Performance Review and Contract Extension**

The Board members recently completed a performance evaluation for the CEO which was much more detailed than the previous. The scoring was on a scale of from 1-5, with 5 being best. Ms. Watson scored in the 4-5 range in almost all categories.

Ms. Watson did not receive a performance review, contract extension or pay increase in October 2006. Accordingly, based on the recent performance evaluation it is recommend that she receive a 4% increase in base pay beginning in 10/2006 and 4% beginning 10/2007; and an extension in her employment agreement to 10/2009. It is recommended that her car allowance remain the same with one slight change, she is allowed to receive compensation for driving her car for meetings outside the LYNX service area.

There was general discussion about this proposal with recognition that her salary is not competitive with other transit officials in the State in similar systems. Accordingly, it was recommended LYNX include the position in the compensation study. All agreed.

**b. Update on the Model Orlando Regionally Efficient Traveler Management Coordination Center (MORE-TMCC)**

Lisa Darnall, Chief Operating Officer (COO), provided an update on CAD/AVL and MORE-TMCC. Ms. Darnall explained some of the issues that could occur if the CAD/AVL project is delayed and how it may affect the MORE-TMCC.

Ms. Darnall provided an overview of the AVL portion of the project.

You may recall after years of trying we received authorization from the Board to move forward with the purchase of CAD/AVL for fixed route services.

We issued an RFP and selected Mentor Engineering who also was selected and completed installation of CAD/AVL for Paratransit.

With a \$1M grant from FDOT that expires March 1, and a local match of \$828,458 from Orange County that we received during FY07, we were pleased that the bid from Mentor came in at \$1.5M.

Since all of this happened, we had to face significant budget reductions from Orange County, which caused us to reevaluate our budget needs. To lessen the impact of budget cuts in FY08 the CAD/AVL funds from FY07 were rolled over to the current year's operating budget.

In an effort to try to salvage some aspect of CAD/AVL and prevent a significant impact on the MORE-TMCC grant awarded to LYNX earlier this year, we have a recommendation that could satisfy both needs, address a component of our Threat and Vulnerability Assessment, utilize a portion of the State grant money, and have a lesser impact on our budget.

As a reminder, LYNX received \$400,000 for MORE-TMCC to develop a plan to meet the transportation coordination effort required by a Presidential Executive Order requiring coordination among Human Service Transportation providers.

In applying for the MORE-TMCC grant, LYNX needed a non-Federal \$200,000 soft match in order to receive the Federal funds. Instead of pledging "cash" as a local match, LYNX leveraged \$200,000 of local funds from the CAD/AVL project as the soft match. Although we have since secured the \$200,000 soft match from another source, we believe that without the movement of some aspect of CAD/AVL, the MORE-TMCC project could be in jeopardy.

There are many reasons to try to salvage both projects. With limited funds we need to be creative in our attempts to move LYNX forward in the right direction. As part

of today's presentation, I will briefly review the benefits of both projects and present a recommendation for consideration.

LYNX was one of eight organizations selected from a group of 35 applicants. The grant covers Phase I, which develops a plan that will coordinate transportation among multiple transportation providers, thus eliminating duplication of services and reducing costs for numerous organizations, including LYNX, not to mention our ability to be recognized in the transit industry. Phase II grant money will be awarded to only one or two of the eight grantees from Phase I and this funding will be for developing and implementing the plan developed in Phase I. The competition for these funds was very aggressive and a huge deal among the States around the country and this will be a federal mandate down the road. LYNX has a fabulous chance of being one of two selected early next year to advance this program further, particularly if we are able to move forward with some aspect of CAD/AVL.

LYNX staff and our consultants firmly believe that LYNX will lose credibility with the FTA if we pull out of the MORE-TMCC project. As an agency, we are already two to three steps ahead of some of the organizations selected in terms of coordination with private agencies. The State of Florida's effort for transportation coordination is already recognized around the country. We are on the cutting edge of doing things that no one else has done before. As Board members, you are leading an agency that could be the role model for the rest of the country. If we have the opportunity and capability we should move forward with this project.

Also, this type of coordination between transit agencies and social service agencies will become a mandate in the future and with grant dollars we can do so without additional costs to an already constrained budget.

By taking the lead in MORE-TMCC, LYNX' is ahead of the curve, using Federal funds to achieve coordination sooner rather than later. The issue at hand is that we need to secure a local match of \$200,000 for some aspect of the CAD/AVL project. The AVL portion will meet this need. With a State match of \$200,000 from the \$1M grant, LYNX would have \$400,000 to move forward with the AVL portion of the project and would satisfy what is needed for us to be in a better position to be selected for Phase II of the MORE-TMCC project, which by the way will bring an additional \$3M of Federal funds for the project in Phase II.

While the implementation of CAD/AVL was one of many of the benefits over other agencies that competed for the MORE-TMCC funding and project, we are already ahead of them in terms of coordination. We firmly believe that LYNX should not give up on the MORE-TMCC project, but also believe that having at least a portion of the CAD/AVL project will put us in the best possible position to be selected for Phase II.

Since we need \$200,000 as a local match for the CAD/AVL project, and with the use of an additional \$200,000 from the \$1M FDOT State grant we could implement the AVL portion of CAD/AVL. Thus, giving LYNX the opportunity to continue with both projects at a cost of only \$200,000.

We are proposing to use \$200,000 from reserves or proceeds from a SIB loan as a match for the AVL portion of the project. This would allow us to continue with a partial implementation of this project, avoid losing all of the FDOT matching dollars for the project, continue with the MORE-TMCC Phase one grant and be considered for MORE-TMCC Phase two funding.

FDOT funds are “use it or lose it”, with an expiration date of March 1, 2008. Time is of the essence and we have an opportunity to fund this Capital project at 50 cents on the dollar.

By moving forward with the AVL portion, LYNX will have the ability to know where every one of our buses are at all times and as I mentioned earlier a key recommendation from the LYNX Threat and Vulnerability Assessment conducted last year.

Note: Matching requirement for MORE-TMCC is coming from our Ontira Advanced Traveler Information System currently underway.

Mr. Harrison asked what this does to the reserves. Mr. Francis responded that LYNX’ policy is to build the reserves. Another alternative is to utilize the SIB loans and proceeds. We had earmarked \$300,000 from previous SIB loans for IT items which we reprogrammed for the LOC. We have about \$4.5 million SIB loan funds we can apply.

Ms. Watson asked Mr. Francis how much unaudited operating funds we might be under budget at this point for last year, which may be carried over into reserves. Mr. Francis responded right now the statements are showing between \$6 and \$7 million, but I don’t think it will be that in the end, maybe closer to \$3.5 - \$4 million.

Discussion ensued. It was determined that the audit committee would go forward with the staff’s recommendation to use SIB funds and reserves as a fall back position.

### **c. Medicaid Funding Status**

Lisa Darnall, COO, explained that the Agency for Health Care administration (AHCA) administers the program.

Ms. Darnall provided a history of the Medicaid funding program.

Medicaid funding will be one of LYNX’ legislative priorities.

Although the proposed funding level reduction is estimated at 32% for the last six months of the State’s fiscal year (January 2008 – June 2008), based on our budgeted trip levels we believe we will be able to continue providing this level of service with the proposed reduction at least through June 2008.

The numbers are based on the number of eligible people transferring to HMO’s effective September 1, 2007. We believe only a small number will move to HMO’s

and they are reducing the funding too much. Regardless, we will be closely monitoring trip activity to ensure that we can continue to provide this service.

We have looked at several scenarios multiple times over multiple years of not providing Medicaid transportation services, and each time we have determined that it is in LYNX' best interest to continue providing this service even with the reductions because of those trips and miles draw down formula funds and TD funds and could potentially be transitioned to ADA trips if we were not the "gate keeper".

In coordination with the Florida Commission for the Transportation Disadvantaged (CTD), the Florida Association of Coordinated Transportation Systems (FACTS), and our local legislative delegation, we will work to restructure Florida Statute 427, requiring AHCA and/or the Medicaid HMOs to fully fund and purchase all NET services through the coordinated transportation system.

In the event our estimates are incorrect through June 2008, and the funding is reduced as proposed, it could have an adverse affect for our customers.

Staff will be seeking authorization from the Board to amend funding allocation for the program at the December Board meeting.

#### **4. Review of Board Package**

Ms. Watson, Chief Executive Officer, explained each of the Consent Agenda items.

The Audit Committee meeting concluded at 10:20 a.m.

# LYNX Board Audit Committee Agenda

## Audit Committee Agenda Item #2.A

**To:** LYNX Board of Directors

**From:** **Bert Francis**  
CHIEF FINANCIAL OFFICER  
**Blanche Sherman**  
(Technical Contact)  
**Jennifer Stults**  
(Technical Contact)  
**Timothy May**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6047

**Item Name:** Update on Proposed Fare Adjustment and Public Involvement Process

**Date:** 12/6/2007

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LYNX staff will provide an update on the proposed fare adjustments and the comments received during the public involvement process. All comments will be provided to Board Members via compact disc (CD).

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# LYNX Board Audit Committee Agenda

## Audit Committee Agenda Item #2.B

**To:** LYNX Board of Directors

**From:** **Lisa Darnall**  
CHIEF OPERATING OFFICER  
**Jennifer Stults**  
(Technical Contact)  
**Doug Jamison**  
(Technical Contact)  
**Timothy May**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6036

**Item Name:** Update on the Elimination of Link 33 Service

**Date:** 12/6/2007

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Staff will provide an update on the proposed elimination of Link 33.

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# LYNX Board Audit Committee Agenda

## Audit Committee Agenda Item #2.C

**To:** LYNX Board of Directors

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

**Presented By:** Pat Christiansen, Legal Counsel, Akerman and Senterfitt

**Phone:** 407.841.2279 ext: 6017

**Item Name:** Presentation on First Amendment Constraints on Advertising on LYNX Buses and Facilities

**Date:** 12/6/2007

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The purpose of this presentation is to provide you with an overview of the First Amendment jurisprudence that pertains to LYNX' advertising policies, to determine what types of advertising LYNX may properly prohibit, and how best to proceed with the drafting of any new advertising policies.

**A. Why Does the First Amendment Even Apply to LYNX' Advertising Policies?**

- Polices that restrict the time, place, or manner in which public property may used for expressive First Amendment activity are known as "time, place, and manner" restrictions.
- Because the advertising space in which LYNX permits advertisers to place advertisements is considered "public property," and commercial advertising is protected First Amendment activity, any policy that restricts access to LYNX' advertising space is subject to the Supreme Court's time, place, and manner restrictions.

## **B. How Do Courts Assess Whether a Particular Advertising Policy Runs Afoul of the First Amendment's "Time, Place, and Manner" Restrictions?**

- Under the Supreme Court's "time, place, and manner" jurisprudence, lower courts must employ a two-step analysis in determining whether a particular advertising policy violates the First Amendment:
  - (1) first, the courts look to the nature of the forum (or medium) in which the prohibited speech or conduct is to take place, and then consign the forum to one of three categories: "public," "limited public" or "nonpublic;" and
  - (2) second, if the forum falls into the first two categories (i.e., "public" or "limited public"), the courts analyze the particular policy under the strict scrutiny standard of review; however, if the forum is "nonpublic," the courts assess the policy under only a reasonableness standard of review.<sup>i</sup>
- The purpose of this two-step analysis is to strike a proper balance between, on the one hand, a State's right to use its property as it sees fit, while ensuring, on the other, that citizens still have the right to speak or conduct themselves freely in certain places which have traditionally been held open to the public for free expression.

## **C. How Does the Type of Forum and its Accompanying Standard Review Affect Whether a Particular Policy Is Upheld or Struck Down?**

- If the forum is public or limited public, strict scrutiny will apply. Under strict scrutiny analysis, policies affecting public or limited public fora must be: 1) content neutral (i.e., subject matter neutral and viewpoint neutral); 2) narrowly tailored to serve a "significant" government interest; and 3) leave open alternative channels of communication.<sup>ii</sup>
- Almost invariably, policies subject to strict scrutiny review have been struck down by the Court.<sup>iii</sup>
- Conversely, if the forum is nonpublic, only reasonableness will apply. Under reasonableness review, policies affecting nonpublic fora need only be: 1) viewpoint neutral (i.e., if the government permits speech on a given issue, it cannot limit speech to only one view); and 2) reasonably related to a "legitimate government purpose."<sup>iv</sup>
- Unlike policies subject to strict scrutiny, policies subject only to reasonableness review are almost always upheld.

## D. Does LYNX' Advertising Space Constitute a Public, Limited Public, or Nonpublic Forum?

- The Supreme Court has found that the advertising space on a city transit system, and more particularly, the advertising space on city buses themselves, constitute nonpublic fora.<sup>v</sup>
- Similarly, the Eleventh Circuit Court of Appeals has recently found that city-owned bus benches constitute nonpublic fora.<sup>vi</sup>
- Accordingly, **LYNX' advertising space** – i.e., on the exterior and interior of its buses, its bus benches, and its bus stands – **is probably nonpublic fora.**<sup>vii</sup>

## E. Assuming that LYNX' Advertising Space is Nonpublic Fora, What Sorts of Advertisements Can LYNX Prohibit?

- As a general matter, control over access to a nonpublic forum can be based on speaker identity or subject matter so long as the distinctions drawn are reasonable in light of the purpose served by the forum and the distinctions are viewpoint neutral.<sup>viii</sup>
- Reasonable does not mean "most reasonable" or the "only reasonable" alternative, but in the words of the Court, just "*reasonable*"<sup>ix</sup> in light of "common sense."<sup>x</sup>
- Since the purpose of LYNX' advertising space is to maximize its advertising revenue, LYNX may act in its proprietary capacity as the manager of a commercial venture to limit any advertisements which threaten its revenue stream.<sup>xi</sup> Just as a newspaper, periodical, radio or television station need not accept all the advertisements it receives, LYNX has discretion to develop and make reasonable choices concerning the types of ads it wishes to accept and display.
- More specifically, under existing Supreme Court and Eleventh Circuit precedent, LYNX can clearly prohibit political advertising,<sup>xii</sup> as well as advertising for liquor, tobacco, X-rated movies, adult book stores, massage parlors, pawn shops, tattoo parlors and check cashing companies;<sup>xiii</sup>
- Similarly, LYNX may also prohibit attorney advertising, advertising for strip clubs, and gambling – essentially, any advertisement whose content would threaten the overall revenue LYNX is attempting to generate from its advertising space.

## F. What Limitations Exist? Are There Sorts of Advertisements That LYNX Cannot Prohibit?

- Although restrictions on speech in nonpublic fora are not subject to strict scrutiny, the State or local government, even when acting in its proprietary capacity, does not enjoy absolute freedom from First Amendment constraints.
- As previously noted, restrictions must still be reasonable. Furthermore, restrictions must not be an effort to suppress a speaker or advertiser's activity due to disagreement with the advertiser's point of view, i.e., LYNX cannot arbitrarily decide to reject ads on a non-neutral, viewpoint basis.
- For instance, were LYNX to accept an advertisement from Gay Days, Inc. (which ushered in "Gay Day" at Disney World beginning in 1991) encouraging individuals to attend "Gay Days" at Disney World, it could not then prohibit an advertisement from a religious organization, e.g., Stop Gay Days at Disney, Inc., encouraging individuals to boycott Disney World during "Gay Days."
- However, LYNX could properly prohibit *both* "Gay Days" advertisements – it simply cannot pick and choose only one side of a particular issue.

## G. So, Where Exactly Should LYNX Draw The Line? How Should LYNX Proceed with the Drafting of Its Advertising Policies?

- Because the courts have already upheld specific bus advertising policies with respect to certain types of advertisements, assuming LYNX would also like to prohibit such advertisements, LYNX would do well to adopt policies which contain detailed and specific prohibitions on these types of advertisements.
- Assuming, for instance, that LYNX would like to continue to prohibit political advertising, as well as prohibit advertising for liquor, tobacco, X-rated movies, adult book stores, massage parlors, pawn shops, tattoo parlors and check cashing companies, LYNX should adopt a policy specifically prohibiting all advertisements that fall into these categories.
- Although there are no controlling legal precedents with respect to prohibitions on attorney advertising, advertising for strip clubs, and gambling, LYNX should similarly adopt policies specifically prohibiting these advertisements (assuming, again, that LYNX would like to prohibit such advertisements).

## LYNX Board Audit Committee Agenda

- As for those advertisements which fall into "grey areas" (e.g., advertisements that are not quite political but nevertheless touch upon underlying moral or political issues, such as the "Gay Days" example above), LYNX would do well to adopt a broad "catch-all" policy that affords LYNX the discretion to reject or accept any advertisement that threatens or has the potential to threaten its revenue stream.
- Provided any "catch-all" policy is tied directly to the issue of maximizing LYNX' advertising revenue, LYNX should be afforded the same discretion as television stations, newspapers, and radio stations, in accepting or rejecting advertisements which it reasonably believes could or would adversely affect its advertising revenue.

### H. Why Does LYNX Need A Written Advertising Policy?

- In the absence of a written policy, LYNX runs the risk of losing control over the types of advertisements which are displayed in its advertising space.
- In conducting their fora analysis, courts typically look first to the historical record, making the following sorts of inquires:
  - How has the forum been used in the past?
  - Has prior access to the forum been restricted by policy?
  - What types of advertisements have been prohibited?
  - What types of advertisements have been permitted?<sup>xiv</sup>
- Without a written policy in place that helps address these questions, a court would be forced to rely solely on the evidentiary record before it, which is a product of the lawsuit itself – not the result of deliberate guidelines which were conceived well in advance of, and not specially crafted in response to, any particular lawsuit.
- More specifically, courts will look to the presence or absence of a written policy in determining whether LYNX has evidenced its intent to raise the most revenue possible from its advertising space, or, whether it intended to open its advertising space up to all advertisers. If the latter, a court could be compelled to find a limited public forum – rather than a nonpublic forum – and apply strict scrutiny, severely limiting the types of advertisements LYNX could prohibit in the future.<sup>xv</sup>
- Consequently, to ensure that LYNX maintains control over its advertising space, LYNX needs to adopt written advertising policies.

<sup>i</sup> See, e.g., *Lamb's Chapel v. Ctr. Moriches Union Free Sch. Dist.*, 508 U.S. 384 (1993); *Int'l Soc. of Krishna Consciousness v. Lee*, 505 U.S. 672 (1992); *Lee v. Int'l Soc. of Krishna Consciousness*, 505 U.S. 830 (1992); *U.S. v. Kokinda*, 497 U.S. 720 (1990); *Frisby v. Schultz*, 487 U.S. 474 (1988); *Widmar v. Vincent*, 454 U.S. 263 (1981); *Lehman v. Shaker Heights*, 418 U.S. 298 (1974).

<sup>ii</sup> See, e.g., *Watchtower Bible and Tract Soc. of New York, Inc. v. Village of Stratton*, 536 U.S. 150 (2002); *Hill v. Colorado*, 530 U.S. 703 (2000); *Ward v. Rock Against Racism*, 491 U.S. 781 (1989); *Boos v. Barry*, 485 U.S. 312 (1988); *Chicago Police Dep't v. Mosley*, 408 U.S. 92 (1972).

<sup>iii</sup> Under public fora/strict scrutiny analysis, the Supreme Court has upheld only a handful of content-based restrictions in public fora: e.g., a ban on abortion counseling within 100 feet of a healthcare facility, a ban on political campaigning within 100 feet of a polling place on election day, and a focused ban on picketing at a single residence. *Hill v. Colorado*, 530 U.S. 703 (2000); *Burson v. Freeman*, 504 U.S. 191 (1992); *Frisby v. Schultz*, 487 U.S. 474 (1988), respectively.

<sup>iv</sup> *Lee*, 505 U.S. 830 (1992); *Kokinda*, 497 U.S. 720 (1990); *U.S. v. Albertini*, 472 U.S. 675 (1985); *Lehman*, 418 U.S. 298 (1974).

<sup>v</sup> *Lehman*, 418 U.S. 298 (1974).

<sup>vi</sup> *Uptown Pawn & Jewelry, Inc. v. City of Hollywood*, 337 F.3d 1275 (11th Cir. 2003).

<sup>vii</sup> *Contra New York Magazine v. Metropolitan Transportation Auth.*, 136 F.3d 123 (2d Cir. 1998) (finding advertising space on New York City buses to be limited public fora and applying strict scrutiny). This case, however, is distinguishable from LYNX' present situation inasmuch as the Metropolitan Transportation Authority (MTA) had consistently accepted both political and commercial advertisements in the past and was thus using its advertising space not as means to maximize its revenue but as a forum for general expression. *Id.* at 130 ("Allowing political speech...evidences a general intent to open a space for discourse, and a deliberate acceptance of the possibility of clashes of opinion and controversy that the Court in *Lehman* recognized as inconsistent with sound commercial practice. The district court thus correctly found that the advertising space on the outside of MTA buses is a [limited] public forum, because the MTA accepts both political and commercial advertising.") (citations omitted). Because LYNX has not permitted political advertising in the past, it has not opened up a limited public forum in its advertising space.

<sup>viii</sup> *Kokinda*, 497 U.S. 720, 730 (1990).

<sup>ix</sup> *Id.* (emphasis in original).

<sup>x</sup> *Id.* at 734-35.

<sup>xi</sup> *Uptown Pawn & Jewelry, Inc.*, 337 F.3d at 1281 (11th Cir. 2003) (a city may be justified in not allowing certain types of business to advertise on bus benches because the revenue a city earns is based upon advertising rates, which in turn are based upon the perceived class and consumer friendliness of the businesses advertising on the benches, i.e., if advertisers perceive bus benches as a medium for advertising lower caliber businesses, then advertising rates and revenue would decline).

<sup>xii</sup> *Supra*, note 4.

<sup>xiii</sup> *Supra*, note 5.

# LYNX Board Audit Committee Agenda

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<sup>xiv</sup> See, e.g., *Int'l Soc. of Krishna Consciousness v. Lee*, 505 U.S. 672, at 679-83 (1992); *Cornelius v. NAACP Legal Def. & Educ. Fund*, 473 U.S. 788, 800-04 (1985); *Uptown Pawn & Jewelry, Inc.*, 337 F.3d at 1278-79 (11th Cir. 2003); *New York Magazine*, 136 F.3d at 129-31 (2d Cir. 1998).

<sup>xv</sup> E.g., *New York Magazine*, 136 F.3d at 130 (2d Cir. 1998).

# LYNX Board Audit Committee Agenda

## Audit Committee Agenda Item #2.D

**To:** LYNX Board of Directors

**From:** Bert Francis  
CHIEF FINANCIAL OFFICER

**Presented By:** Bert Francis

**Phone:** 407.841.2279 ext: 6047

**Item Name:** LYNX Operations Center Project Update

**Date:** 12/6/2007

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Staff will provide an update on the LYNX Operations Center (LOC).

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# LYNX Board Audit Committee Agenda

## Audit Committee Agenda Item #2.E

**To:** LYNX Board of Directors

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

**Presented By:** Edward L. Johnson, Chief of Staff

**Phone:** 407.841.2279 ext: 6017

**Item Name:** Review of the Florida Transportation Commission Performance Measures

**Date:** 12/6/2007

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### **BACKGROUND:**

The Florida Transportation Commission (FTC) was formed in 1987 by the State Legislature to review major transportation policy initiatives; recommend major transportation policies to the Governor and Legislature; and, serve as an oversight body for the Florida Department of Transportation and authorities created under Chapters 343 and 348 of the Florida Statutes.

July of this year, Governor Charlie Crist signed Transportation Bill HB985. This legislation delineated the requirements of providing oversight of transportation agencies created under Chapters 343 and 348 (nine agencies total). More specifically, the bill required the Florida Transportation Commission (FTC) to monitor transportation authorities within the State of Florida through established performance measures and conduct periodic reviews of each agency. As such, the FTC has conducted several rounds of interviews with public transit agencies and expressway authorities to establish performance measures that could be quantified and monitored on an annual basis. These measurements will also include performance objectives/goals for the upcoming reporting year. Additionally, the Commission is focusing on legislative governance requirements to ensure applicability and adherence to regulations.

After several conference calls and public meetings negotiating the relevancy of performance measures that would be most predictive of the quality of service provided by an agency, the FTC governing body adopted at least twelve measurements it believes would satisfy requirements of HB985. Additionally, those items that were deemed to be important to the governing board, but were not truly a performance measurement was determined to be a reportable item and would be reported on an annual basis for simple review. Reportable indicators are items that include metrics that are not controllable by the reporting agency, i.e., population, or, the item is a metric

# LYNX Board Audit Committee Agenda

that is established based upon a pre-determined output that does not reflect the quality of service, i.e., total revenue miles and hours.

Below are performance measurements and reportable indicators that were selected for establishing objectives for review on an annual basis:

## Performance Measures

- Average headway
- Operating expense per revenue mile
- Operating expense per revenue hour
- Operating revenue per operating expense
- Operating expense per passenger mile
- Revenue miles between major incidents
- Revenue miles between failures
- Revenue miles versus vehicle miles
- Average time from complaint to response
- No. of complaints per passenger boardings
- On-time performance

## Reportable Indicators

- Operating expense per capita
- Farebox recovery
- Operating revenue
- Total annual revenue miles
- Total revenue vehicles
- Peak vehicles
- Ratio of revenue vehicles to peak vehicles (spare ratio)
- Annual passenger trip
- Week span of service (hours)
- Average fare
- Service area population
- Service area population density
- Operating expense
- Passenger trips per revenue mile
- Passenger trips per revenue hour
- Passenger trips per capita
- Average age of fleet in years
- Unrestricted cash balance
- Weekday Ridership
- Capital commitment to system preservation and system expansion
- Intermodal connectivity

## Governance Review

• Ethics	• Open Meetings
• Conflicts of Interest	• Procurement
• Audit	• Consultant Contracts
• Public Records	• Compliance with Bond Covenants

This is an initial list of performance measurements and reportable indicators. The above referenced lists may be modified later in the year or after the first review period to better meet the objectives of HB985. For instance, staff argued that average headways should not be a

## LYNX Board Audit Committee Agenda

performance measurement, but rather a reportable indicator. While it is understandable that we should have a goal to improve our headways to better meet the needs of the community, we do not believe it is indicative of how well we are or are not performing since this is based on funding availability and pre-determined by the local jurisdictions.

Staff is excited about the relationship LYNX is establishing with the FTC and do not believe that the reporting of this information will have a significant impact on the agency since most of this data is collected and reported to the Federal Transit Administration (FTA) on an annual basis. With the requirement of establishing annual objectives for the next fiscal (reportable) year will assist LYNX in better understanding the impact on efficiency and effectiveness when modifying service levels, purchasing or the lack of purchasing revenue/service equipment, location of maintenance facilities in relation to the service area, etc.

# LYNX Board Audit Committee Agenda

## Audit Committee Information Item #.I

**To:** LYNX Board Of Directors

**From:** **Linda Watson**  
CHIEF EXECUTIVE OFFICER  
**Edward Johnson**  
(Technical Contact)  
**Mark Forsyth**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6047

**Item Name:** LYNX Board of Directors' 12-month rolling calendar agenda items

**Date:** 12/6/2007

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In an effort to provide the LYNX Board of Directors with advanced notice of items that require Board action, staff will provide a 12-month rolling calendar listing critical items that will be on future Audit Committee and Board of Director agendas. The purpose of this document is to make the best forecast; however, periodically staff may be required to adjust the dates by which items will be presented to the board of Directors.

### **LYNX Board of Directors 12-month Rolling Calendar of Agenda Items**

#### January 2008

- Authorization to execute 6-month option for gasoline contract
- Authorization to execute 6-month option for diesel fuel contract
- Authorization to execute option year for artistic painting of LYNX revenue vehicles
- Authorization to execute option year for general liability legal services
- Information Item – Final Transit Development Plan (TDP) for FY07-11
- Authorization to award contract for moving services to the LOC

#### February 2008

- Authorization to exercise option year for pressure cleaning services
- Authorization to award contract for tire services
- Authorization to award contract for vending machine services
- Authorization to execute option year for workers compensation and tort insurance
- Osceola Superstop award (IFB)

# LYNX Board Audit Committee Agenda

## March 2008

- Authorization to award contract for shelter manufacturer

## April 2008

- Preliminary approval of the annual operating and capital budget for submission to the funding partners
- Authorization to submit FDOT Service Development Grant Applications
- Authorization to exercise final option year for security guard services

## May 2008

- Authorization to award contract for background checks
- Work Session on Transit Development Plan (TDP) Major Update for FY08-12
- Authorization to exercise option year for occupational health services

## June 2008

- Authorization to dispose of fixed assets
- Adoption of TDP Major Update for FY08-12
- Authorization to execute option year for property liability insurance

## July 2008

- Authorization to execute 6-month option for gasoline contract
- Authorization to execute 6-month option for diesel fuel contract

## August 2008

- Authorization to provide coin telephone services at LYNX operating and administrative facilities
- Adoption of the annual operating and capital budget

## September 2008

- Authorization to execute local funding agreements
- Annual Board of Directors' selection of officers
- Adoption of Title VI Program

## October 2008

- Acceptance of the Chief Executive Officer (CEO) annual appraisal
- Authorization to award contract for office supplies

## November 2008

## December 2008