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**FINANCE & PERFORMANCE MANAGEMENT
COMMITTEE MEETING MINUTES
AUGUST 16, 2017**

Committee Chair Barkley called the August 16, 2017 Finance & Performance Management Committee meeting to order at 9:00 AM. Members present: Joe Barkley, Brian Scott, Dave Eggers, Bill Jonson, Josh Shulman, and Richard Bennett. Also present were: Brad Miller, CEO; PSTA staff members; and members of the public.

PUBLIC COMMENT

There were no public comments.

ACTION ITEMS

July 19, 2017 Meeting Minutes – Mr. Scott made a motion, seconded by Mr. Jonson, to approve the minutes. Motion passed unanimously.

Financial Policies Annual Updates – Debbie Leous, Chief Financial Officer, outlined the policies that are brought to the Board annually. She indicated that there is only one change from the previous year which is on the Reserve Policy; the description for the Health Insurance Liability Reserve has been revised to acknowledge that it has been established.

[Mr. Eggers entered the meeting at 9:02 AM.]

Mr. Jonson asked a question about the Debt Reserve, which Ms. Leous replied. Mr. Scott made a motion, seconded by Mr. Jonson, to recommend approval of the financial policies with the recommended change to the Health Insurance Liability Reserve. There were no public comments. Motion passed unanimously.

Looper Trolley Agreement – Ms. Leous reported that the current agreement with the Looper Group expires September 30, 2017. She explained that PSTA has provided an annual contribution of \$140,000 to the Looper since 2004, and that they are requesting the

same amount for FY 2018. This amount represents 18% of their revenue. Mr. Shulman made a motion, seconded by Mr. Jonson, to recommend approval of the Looper Trolley service agreement for FY 2018 with the Looper Group not to exceed \$140,000. There were no public comments. Motion passed unanimously.

Annual Florida Department of Transportation (FDOT) Funding Agreements – Ms. Leous provided information on each of the five funding agreements and noted that the amount will be \$5,834,978 for FY 2018. Mr. Scott made a motion, seconded by Mr. Jonson, to recommend approval of the agreements with FDOT and recommend adoption of Resolutions, #17-06, 17-07, 17-08, 17-09, and 17-10. There were no public comments. Motion passed unanimously.

Clearwater Beach Transit Center – Al Burns, Director of Procurement, explained that in March 2017, PSTA and the City of Clearwater approved an Interlocal Agreement to construct a transit center on Clearwater Beach. He indicated that in June 2017, PSTA issued a two-step Invitation for Bid (IFB) and four unpriced technical proposals were received; one was considered non-responsive. Mr. Burns stated that on August 3rd, three priced bids were received and Bandes Construction, Inc. was the lowest responsive bidder. Therefore, staff is recommending approval of a contract with Bandes Construction for construction of the Clearwater Beach Transit Center for a total amount not to exceed \$778,330, of which \$250,000 will be funded by the City of Clearwater.

Mr. Jonson asked about the original project cost of \$500,000 and Mr. Burns explained that the \$778,330 includes an option item to extend the canopy to a parking lot that will be utilized for the future Clearwater Beach to Tampa International Airport (TIA) Express Bus service. Committee Chair Barkley asked about the vendor evaluation process and the ability of the contractor to deliver. Mr. Burns explained the evaluation process and reported that both PSTA and the Hillsborough Area Regional Transit Authority (HART) have contracted with Bandes Construction on many projects in the past. Mr. Bennett asked about the timing of the project and Mr. Burns responded. Mr. Jonson made a motion, seconded by Mr. Bennett, to recommend approval of a contract with Bandes Construction for the Clearwater Beach Transit Center for a total amount not to exceed \$778,330. There were no public comments. Motion passed unanimously.

Easement to Duke Energy – Henry Lukasik, Director of Maintenance, reported that Duke Energy has asked for two easement agreements; an aerial easement which involves overhead lines, and a facility easement to replace an existing electrical pole. He said that both easement agreements have been reviewed and approved by PSTA's legal counsel and have no fiscal impact. Mr. Shulman made a motion, seconded by Mr. Scott, to

recommend approval of the easement agreements with Duke Energy. There were no public comments. Motion passed unanimously.

REPORTS

Monthly Financial Statement - The financial statements were included in the packet. Ms. Leous gave a brief summary of the reports for the month ending June 30, 2017.

Quarterly Reports - The Committee received the quarterly reports in their agenda packet. Michael Hanson, Director of Finance, briefly outlined the investments and reserves. Ms. Leous spoke about the fuel report and the quarterly capital/planning project list.

Ridership/Performance - The report was handed out at the meeting. Mr. Miller stated that ridership decreased in the month of July, largely due to the Jolley Trolley service to the Clearwater Marine Aquarium. Mr. Miller pointed out the increase in the miles per road call as well as the increase in Demand Response (DART) and Transportation Disadvantaged (TD) ridership.

FUTURE MEETING SUBJECTS

The Committee was provided with a list of upcoming meeting subjects.

OTHER BUSINESS

Mr. Miller noted that there will be a ribbon cutting ceremony for the Grand Central Station Police Resource Center on August 22nd at 2:30 PM.

PRESENTATION

FY2018 Draft Budget and Capital Improvement Plan (CIP) – Ms. Leous delivered a presentation on the draft budget. She said the budget is made up of two components, Operating and Capital, and together are financially sustainable until 2021. She showed a chart highlighting five-years of operating expenses totaling \$407.5 million. Ms. Leous indicated that the continued focus will be on fiscal sustainability. She said the goal is to work towards operating revenues equaling operating expenses, and the use of reserves for capital as much as possible. Ms. Leous provided a comparison on the current bus technology and operating costs and the fiscal impacts of various bus types. She also presented information on recurring revenue sources as well as PSTA's use of Federal Transit Administration (FTA) Grant Formula Funds. The Committee had many

questions relating to fuel costs, operating costs, and cost analysis, which Ms. Leous and Mr. Lukasik answered.

ADJOURNMENT

The meeting was adjourned at 10:34 AM. The next Finance & Performance Management Committee meeting will be held on September 20th at 9:00 AM.