



**BOARD OF DIRECTORS MEETING
 AGENDA – MARCH 25, 2015; 9:00 AM
 PSTA BOARD ROOM**

			<u>TIME</u>	<u>PAGE #</u>
1.	CALL TO ORDER & PLEDGE OF ALLEGIANCE		9:00	
2.	PUBLIC COMMENT		9:05	
3.	NON-BOARD COMMITTEES		9:15	
	A. Metropolitan Planning Organization	5 min	JULIE BUJALSKI	4
	B. MPO’s Local Coordinating Board	5 min	PATRICIA JOHNSON	5
4.	CONSENT AGENDA		9:25	
	A. Board Meeting Minutes			6
	B. Bus Shelter Contract			19
5.	ACTION ITEMS		9:30	
	A. FY2014 Audit	15 min	DEBBIE LEOUS	22
	B. Rules & Regulations	15min	BRAD MILLER	29
6.	INFORMATION ITEMS		10:00	
	A. Service Redesign Work Plan	20 min	BILL JONSON/ BRAD MILLER	34
	B. Budget Assumptions/Forecast	20 min	DEBBIE LEOUS	39
	C. Route Performance Monitoring System	20 min	CHRIS COCHRAN	60
	a. Transit Riders Advisory Committee	5 min	ELAINE MANN	67
7.	REPORTS/CORRESPONDENCE		11:05	
	A. PSTA Performance Report/Updates		BRAD MILLER	68
	B. Capital Projects		BRAD MILLER	73
8.	FUTURE MEETING SUBJECTS		11:10	
9.	OTHER BUSINESS		11:10	
10.	BOARD MEMBER COMMENTS		11:15	
11.	ADJOURNMENT		11:30	

THE NEXT MEETING IS APRIL 22, 2015 AT 9:00 AM

MEETING NOTICE

The regular monthly meeting of the Pinellas Suncoast Transit Authority (PSTA) Board of Directors will be held on **Wednesday, March 25, 2015, at 9:00 AM**, in the Board Room at PSTA Headquarters, 3201 Scherer Drive, St. Petersburg. Any last minute postponement of the meeting will result in another scheduled meeting to be held at least two days after the postponed meeting. A full Board Report package is available for public viewing at PSTA Headquarters and on PSTA's website. Materials printed in large type for the visually impaired can be made available by calling 727-540-1800 at least two days prior to the Board Meeting. Special listening devices are available for the hearing impaired and can be reserved by calling 727-540-1800. An interpreter for the hearing impaired can be scheduled with one week advance notice.

Public Comment - Items Not on the Agenda: The Public Comment agenda item presents an opportunity for individuals to provide input on items that do not appear on the agenda. Each speaker will be asked to complete a green comment card, which will be given to the Chairperson by staff. Speakers will be recognized in the order in which cards are received.

Public Comment - Items on the Agenda: After staff presentations on agenda items pertaining to Action Items, the Chairperson will ask for public comment, to be followed by Board comments/action. The public will be allowed to speak on any consent agenda item, other than ceremonial and ministerial items, such as the approval of the Board's minutes, during the Public Comment section of the agenda. Comments on Action Items and Consent Agenda Items must be limited to the specific agenda items. Each speaker will be asked to complete a green comment card, which will be given to the Chairperson by staff. Speakers will be recognized in the order in which cards are received.

Public Comment - Time Limits: Public comment is limited to three minutes per individual speaker, unless the Board grants additional time. A group can designate a spokesperson by completing the appropriate form and presenting it to staff. The spokesperson can then speak on behalf of the group, addressing the Board for three minutes for each member of the group present in the audience who waives his/her right to speak, up to a maximum of ten minutes.

Public Comment - Guidelines: Upon recognition by the Chairperson, individuals addressing the Board shall approach the podium and give his/her name in an audible tone of voice. Each speaker shall not comment more than once on the same agenda item, at the same meeting, unless the Board grants an exception. All remarks should be addressed to the Board as a body, and not to any member thereof. No person other than members of the Board and the person having the floor shall be permitted to enter into any discussion. Questions shall not be asked to individual Board members except through the Chairperson. Any person making personal, impertinent, or slanderous remarks, or who shall become boisterous while addressing the Board, may be requested to leave the meeting and may be barred from further attendance at that meeting.

If any person decides to appeal any decision made by the Board of Directors with respect to any matter considered at this meeting, he/she will need a record of the proceedings, and that, for such purposes, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

PUBLIC COMMENT



2: Public Comment

Action: Information Item

Resource: Bill Jonson, Chairperson

-
- The Public Comment agenda item presents an opportunity for individuals to provide input on items that do not appear on the agenda.
 - The public will also be allowed to speak on any Consent Agenda item, other than ceremonial and ministerial items, such as the approval of the Board's minutes, during the Public Comment section of the agenda.
 - Each speaker will be asked to complete a green comment card, which will be given to the Chairperson by staff. Speakers will be recognized in the order in which cards are received. Public comment is limited to three minutes per individual speaker, unless the Board grants additional time.
 - A group can designate a spokesperson by completing the appropriate form and presenting it to staff. The spokesperson can then speak on behalf of the group, addressing the PSTA Board for three minutes for each member of the group present in the audience who waives his/her right to speak, up to a maximum of ten minutes.

NON-BOARD COMMITTEES



3A: Metropolitan Planning Organization

Action: Information Item

Staff Resource: Brad Miller, CEO
Julie Bujalski, PSTA's Rep.



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- Ms. Bujalski will give an update on the recent meeting of the Metropolitan Planning Organization (MPO).
-

Attachments: None

NON-BOARD COMMITTEES



3B: MPO's Local Coordinating Board

Action: Information Item

Staff Resource: Brad Miller, CEO
Patricia Johnson, PSTA's Rep.



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- Ms. Johnson will give an update on the recent meeting of the Metropolitan Planning Organization (MPO) Local Coordinating Board (LCB).
-

Attachments: None

CONSENT AGENDA



4A: Board Meeting Minutes

Action: Approve Board Meeting Minutes

Staff Resource: Clarissa Keresztes, Administrative Assistant

- Staff recommends approval of the minutes of the February 18, 2015 Board Workshop and February 25th Board meeting minutes.
-

Attachments:

1. Minutes



PINELLAS SUNCOAST TRANSIT AUTHORITY
3201 SCHERER DRIVE, ST. PETERSBURG, FL 33716
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**BOARD OF DIRECTORS WORKSESSION
MINUTES – FEBRUARY 18, 2015**

The Pinellas Suncoast Transit Authority (PSTA) Board of Directors held a workshop at the EpiCenter Tropic Lab at 9:00 AM on this date. The following members were present:

Bill Jonson, Chairperson
Julie Bujalski, Vice-Chairperson
Janet Long, Secretary/Treasurer
Joseph Barkley
Doug Bevis
Mark Deighton
Ben Diamond
Dave Eggers
Pat Gerard
Curtis Holmes
Patricia Johnson
Wengay "Newt" Newton
Darden Rice
Brian Scott
Ken Welch

Also Present:

Brad Miller, CEO
Alan Zimmet, PSTA General Counsel
PSTA Staff Members
Members of the Public

CALL TO ORDER

Mr. Miller opened the workshop session at 9:29 AM.

INTRODUCTION

Mr. Miller spoke about the process leading up to the workshop and introduced John Streitmatter, facilitator from the Leadership Research Institute.

SYNTHESIS OF PRE-MEETING INTERVIEW RESULTS

Mr. Streitmatter described the process which included interviews with each Board member to explore what was important to them and to get their perspective on key topics.

[Chairperson Jonson entered the workshop at 9:46 AM.]

Mr. Streitmatter presented a synthesis of the pre-workshop interview results:

- Desire to discuss lessons learned
- Desire to focus on the bus components of the transportation plan
- PSTA should continue to lead the Pinellas transportation conversation
- Desire to rebuild the credibility of PSTA, especially in the area of efficient operations and fiscal management
- PSTA Board should develop a greater understanding of its customers by listening and more in-depth research
- PSTA Board should set policy direction, with input from the staff and other informed sources, and the staff should execute
- Addressing the fiscal cliff is the most important issue, but it must be integrated with a consensus on goals, objectives, and principles

[Mr. Bevis entered the workshop at 9:57 AM.]

There was Board discussion on each of the key topics.

DISCUSSION ON LESSONS LEARNED FROM BALLOT INITIATIVE

Mr. Streitmatter led a discussion of lessons learned from the ballot initiative and presented five topics on the whiteboard:

- PSTA's role in the transportation conversation
- Communicating PSTA's message clearly and to the right people
- Citizens' perception of PSTA and the services
- Citizens' reaction to new tax revenue
- Citizens' reaction to new modes such as rail and Bus Rapid Transit (BRT)

[Mr. Eggers entered the workshop at 10:07 AM.]

The Board was allowed 15 minutes to write their thoughts on each subject in the form of “Based on what we now know about (topic), going forward we should be sure to (lesson learned).” Mr. Streitmatter reviewed each comment and received feedback from the Board. He then consolidated the answers into the following key areas:

Focus on core purpose (transit agency)

- Participate, as appropriate, in broader transportation conversation

Communicating

- Great service is the best communication value
- Record ridership versus empty bus perception
- Different people have different needs – need to match them well
- Credibility is required to be able to communicate
 - Clean audits
- Want versus need

[Ten minute break at 11:10 AM]Reactions to revenue

- Get very well-grounded and clear in the current situation
 - Financial standing – existing resources
 - Route situation
 - Any incremental service must have very clear and compelling value, including funding source

[Lunch break 12:10 PM – 1:00 PM]**[Mr. Bevis left the workshop during the lunch break and did not return.]****DISCUSSION OF PSTA’S CORE PURPOSE**

Mr. Streitmatter presented a vision statement continuum arrow with public service on one end and economic driver on the other end. He asked each Board member to put an “x” along the arrow which reflected their views about PSTA’s core purpose, and there was much discussion among the Board on public service versus economic drivers.

CLARIFY AND “LEVEL SET” THE VARIOUS OPTIONS/SCENARIOS FOR THE FUTURE

Maps of the various scenarios were posted on the whiteboards: No New Revenue Scenario (Core and Coverage), and Service Realignment Option 1. Mr. Miller spoke of incremental improvements, enhanced transit options, and ways to maintain service. The Board was given 15 minutes to examine the maps of each scenario and ask staff questions.

[Mr. Holmes left the workshop at 1:57 PM and did not return.]

Mr. Streitmatter asked what additional information the Board needed after reviewing the different scenarios and charted their responses:

- Political ramifications
- Street numbers
- Additions/takeaways
- Financial assumptions
 - Potential new revenue options
 - Existing revenue options
 - Deficit overall
 - Line item detail (assumption and inputs)
- Ridership intensity
- Walking distance implications
- Articulated and agreed criteria for a successful route
 - What were criteria for Community Bus Plan?
 - What are the criteria we believe should be used?
- Reserves
 - Current status
 - Any drawdowns/transactions
- Legal/regulatory constraints, e.g. w/Core scenario
 - Grant implications
- Input from consumers regarding any changes
- Relevant benchmark data (funding, administration costs, fares)
- If enhancements are considered, what is the full list of potential enhancements so that it can be prioritized.
- Desire for multiple options
 - Combination of levers, e.g., Transportation Disadvantaged (TD) impact
 - Impact to partners, e.g., University of South Florida (USF), others

There was discussion among the Board about the need for another facilitated workshop and some next steps were discussed:

- Policy workshop(s)
 - Route policy
 - Alternative scenarios
- Policy time in Board meetings

ADJOURNMENT

Chairperson Jonson adjourned the workshop at 3:10 PM.



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**BOARD OF DIRECTORS MEETING
 MINUTES – FEBRUARY 25, 2015**

The Pinellas Suncoast Transit Authority (PSTA) Board of Directors met in regular session in the Board Room at PSTA Headquarters at 9:00 AM on this date with the following members present:

Bill Jonson, Chairperson
 Julie Bujalski, Vice-Chairperson
 Joseph Barkley
 Doug Bevis
 Mark Deighton
 Ben Diamond
 Dave Eggers
 Pat Gerard
 Curtis Holmes
 Patricia Johnson
 Wengay "Newt" Newton
 Darden Rice
 Brian Scott
 Kenneth Welch

Absent:

Janet Long, Secretary/Treasurer

Also Present:

Brad Miller, CEO
 Alan Zimmet, PSTA General Counsel
 PSTA Staff Members
 Members of the Public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chairperson Jonson called the meeting to order at 9:01 AM and the Board was led in a moment of silence and the Pledge of Allegiance.

[Ms. Gerard entered the meeting at 9:03.]

AWARDS AND RECOGNITION

Federal Department of Homeland Security (DHS) Gold Standard Award – Jim Egbert, Safety, Security & Training Supervisor, introduced Sonya Proctor, Director of the Transportation Security Administration (TSA) Surface Transportation, and Lee Kair, Federal Security Director, who presented the Gold Standard Award to PSTA.

[Ms. Rice and Mr. Newton entered the meeting at 9:07.]

PUBLIC COMMENT

Mitchel McNeally, St. Petersburg resident, spoke about a recent accident on U.S. 19 and believes there should be better communication between law enforcement and PSTA when emergencies arise. James Bradford, Chief Operating Officer, indicated that he and Mr. McNeally had already spoken about this matter.

Vivian Peters, Largo resident, expressed her concern that the 300X bus stop at the Ulmerton Road Park & Ride is no longer there, and believes it needs to be replaced. Chairperson Jonson indicated that staff will address this issue.

Joseph Bess, St. Petersburg resident, spoke on behalf of Bus Operators and mechanics who are concerned about equality, fair treatment, and pay. He also mentioned that some employees believe that union and non-union members are not treated equally. In response to a question from Mr. Newton, Mr. Zimmet spoke briefly about the bargaining unit and the union contract.

NON-BOARD COMMITTEES

Transit Riders Advisory Committee (TRAC) – Elaine Mann, Committee Chair, reported on the February 17th TRAC meeting. She informed the Board that the Committee recognized departing member, Susan Dargusch, for her service on TRAC, received a financial forecast from Mr. Miller, and heard a presentation from Scott Pringle, Jacobs Engineering, on the Tampa Bay Express plan. Ms. Mann said the next TRAC meeting is scheduled for March 17th.

Metropolitan Planning Organization (MPO) – Ms. Bujalski reported on the February 11th meeting. She explained that the MPO Board conducted an Executive Director search and two finalists will be interviewed in March. The MPO received a

presentation on the Florida Department of Transportation's (FDOT) new Complete Streets Policy, which is a statewide initiative to improve pedestrian and bicyclist safety. Ms. Bujalski reported that this Complete Streets philosophy will be followed for the U.S. 19 Access to Transit study in North County.

MPO's Local Coordinating Board (LCB) – Ms. Johnson reported on the February 17th meeting in which the Board received a presentation on the enforcement of the county ordinances and rules which govern the provision of wheelchair, reclining wheelchair, and stretcher transportation in Pinellas County. She explained that the LCB was told there was a slight increase in the official federal poverty rate. Ms. Johnson reported that Ross Silvers, Mobility Manager, informed the LCB that all concerns which resulted from the Annual Community Transportation Coordinator (CTC) review of PSTA had been addressed and brought into compliance.

CONSENT AGENDA

Mr. Bevis made a motion, seconded by Mr. Barkley to approve the Consent Agenda. There were no public comments. The Board unanimously approved the Consent Agenda, which included the approval of the January 28, 2015 Board meeting minutes, the TRAC By-Laws, the TRAC members, the Resolution for 5310 grant application, and the General Service Consultant selection.

ACTION ITEMS

2015 State Legislative Agenda – Ms. Rice reported that the Legislative Committee met on February 4th and had a lengthy discussion about what PSTA's 2015 Legislative priorities should be, and voted unanimously to recommend the priorities. Mr. Miller presented the priorities which are the St. Petersburg Central Avenue Bus Rapid Transit (BRT) pilot project and the regional priority, the Tampa Bay Regional Transit Fare Collection. He also spoke of eight 2015 PSTA supported/positions: bus replacement funds (\$8 million), increased "Urban Corridor Funds", express lanes extended to Downtown St. Petersburg or shoulders for buses, statewide regulations to encourage Uber/Lyft-type transportation options, permit community college student fees for transportation, multi-modal Howard Frankland Bridge/SR60 interchange funding, increased funding for CTC's, and increase the State Transit Block Grant funding.

After a lengthy discussion, Mr. Newton made a motion, seconded by Ms. Gerard to approve the priority list as presented. Mr. Welch requested that the Board be provided the details and numbers to operate the BRT as soon as possible.

Mr. Scott made a motion, seconded by Ms. Johnson to amend the priorities to read “to encourage connectivity to Uber/Lyft-type and all private sector transportation options specifically to transfer and intermodal facilities.”

In response to Chairperson Jonson’s call for public comment, Ms. Peters voiced her concern about PSTA becoming involved and lobbying for the regulation of private entities such as Uber/Lyft. Ms. Rice explained that PSTA is not lobbying for these entities; rather the agency is lobbying for a law to make the entities compliant with the law. There were no further comments, and Chairperson Jonson called for a vote on the amendment of the original motion. Motion passed unanimously. Chairperson Jonson asked if there were further comments on the priorities as amended, and hearing none, called for a vote. The motion passed 13:1 with Mr. Eggers dissenting.

[A break was taken from 10:36 AM until 10:42 AM.]

[Mr. Holmes did not return to the meeting after the break.]

Surface Transportation Program (STP) Funding Request to Pinellas MPO – Cassandra Borchers, Chief Development Officer, provided a presentation on the STP program. She said staff would like to send a letter to the MPO asking that they add bus replacements to the priority project list for STP funding. Ms. Borchers highlighted some background information regarding bus fleet replacements, the lifecycle of PSTA’s aging fleet, and reported that the agency is facing an \$8 million annual shortfall in bus replacement capital. She explained that the STP program provides flexible funding that is prioritized by the MPO, and Pinellas County receives an annual average of \$14 million.

Ms. Bujalski stated her belief that it is important to let the MPO Board members know that even if PSTA receives funding from other sources, the agency will still need STP funding. She also believes it is important for the MPO Director to explain to the MPO Board how STP funds work. Mr. Welch asked what dollar amount is reasonable and the time frame for receiving funds. He also asked if the Operating and Maintenance (O&M) budget is being supplemented by capital grant funds. Mr. Miller responded that \$5 million is being used. Chairperson Jonson asked for clarification on the process. Mr. Diamond commented that he is not sure how helpful the letter is going to be for the MPO without knowing what PSTA’s capital needs are going to be and suggested tabling the letter until the next month.

[Ms. Johnson left the meeting at 11:17 AM and did not return.]

Mr. Scott said he supports sending the letter but with two changes: 1) delete the \$8 million for the annual capital shortfall amount, and 2) add to the last paragraph “We respectfully request MPO’s consideration and we look forward to working with you to use the resources allocated to improving transportation in our County with a comprehensive and thoughtful approach.” Mr. Miller responded that PSTA has learned that this subject is going to be on MPO’s April agenda, instead of March. With that, Mr. Bevis made a motion, seconded by Mr. Welch to continue this at the March meeting. There were no public comments. Motion passed 10:2 with Ms. Bujalski and Mr. Newton dissenting.

Resolution Amending Rules & Regulations – Chairperson Jonson said this Resolution was reviewed and recommended by the Executive Committee. Ms. Bujalski made a motion, seconded by Ms. Gerard to approve the Resolution. Mr. Miller explained the amendments and Mr. Deighton requested that the changes be underlined in the Resolution. Ms. Bujalski withdrew her original motion and made a motion, seconded by Mr. Bevis to continue the approval of the Resolution at the next meeting. Ms. Bujalski asked for a summary page outlining the changes. There were no public comments. Motion passed unanimously.

INFORMATION ITEMS

Follow-up from 2/18 PSTA Workshop – Mr. Miller presented updated information since the workshop and addressed some of the requests coming out of the workshop. He indicated the Board will be provided a calendar of decisions next month and will also be presented with the forecasts and assumptions for the FY2016 budget preparation along with the route performance monitoring system.

Mr. Miller addressed two questions from the workshop: 1) “Why do we need \$8 million from STP funds?”, and 2) “Has our conversion of federal capital funds to operating assistance reduced our bus funding and boosted our reserves?” Mr. Miller addressed each question at length and there was much discussion among the Board.

[Mr. Barkley left the meeting at 12:33 PM and did not return.]

[Ms. Gerard left the meeting at 12:34 and did not return.]

REPORTS/CORRESPONDENCE

PSTA Performance Report/Updates – The report was included in the Board packet. Chairperson Jonson reported that the Executive Committee revised the format, and Mr. Miller explained that the new format focuses on data. He said the month of January

was highly successful in terms of ridership. He also mentioned that this meeting was the first trial for live streaming on the web.

FUTURE MEETING SUBJECTS

The Board received a schedule of future meeting subjects.

OTHER BUSINESS

No other business.

BOARD MEMBER COMMENTS

Mr. Diamond thanked Mr. Miller for his presentation on the bus replacement issue and the reserves.

Mr. Scott indicated that the LCB created a Committee to discuss the Transportation Disadvantaged fare situation and he is one of the members.

Mr. Newton spoke about Mr. Miller's presentation and cautioned that PSTA will still need to implement service cuts. He expressed his unhappiness at the new format for the reports which eliminated the employee commendations and requested the list of names be emailed to him.

Ms. Bujalski commented that she hopes Mr. Miller will work with either the Executive Committee or the Planning Committee in developing the calendar of decisions before it goes to the Board. She also remarked that there may be a need for some more workshops.

Mr. Bevis thanked Mr. Miller for the information and the MPO letter.

Mr. Welch said it was a very productive meeting and looks forward to spending time with the assumptions and the financial forecast next month.

Chairperson Jonson gave an update on the letter that was sent to the District Secretary relative to the express bus lanes, who in turn requested a meeting with Mr. Miller and Chairperson Jonson which is scheduled for February 27th. He remarked that the Board meeting was very productive and an extension of the good discussions in the workshop, and he is looking forward to the financial projections.

ADJOURNMENT

There being no further business, Chairperson Jonson adjourned the meeting at 12:46 PM. The next meeting is scheduled for March 25th at 9:00 AM.

Chairperson



4B: Bus Shelter Contract

Action: Recommend Approval for a Three-Year Contract with Two One-Year Renewals with Brasco International Inc. for an Amount not to Exceed \$1,148,650

Staff Resource: Henry Lukasik, Director of Maintenance

**FINANCE & PERFORMANCE
MANAGEMENT**

Background:

- PSTA currently has 5,108 bus stops throughout Pinellas County, of which 629 have bus shelters. The last purchase order issued for 10 new shelters was in January 2009.
- In January 2015, PSTA issued a Request for Proposal (RFP) #15-004P, soliciting competitive proposals from experienced, qualified manufactures for “Bus Shelters and Amenities,” meeting PSTA’s specifications, to replace an estimated 20 new shelters per year for the next five years. This represents replacing only 3% of our existing shelters per year. PSTA received three responsive proposals.
- This solicitation included four different types of shelters.
 1. Shelter (a) 4’ x 8’
 2. Shelter (b) 4’ x 12’
 3. Shelter (c) 2’ x 12’
 4. Shelter (d) 8’ x 12’
- The accessories include map holders, photovoltaic lighting, vagrant resistant benches, and trash cans.
- Unit prices were provided for all of the items listed above.
- A five-person staff evaluation team evaluated the proposals submitted by each Proposer. Each proposal was reviewed based on the following criteria:
 - A. Quality of Response
 - B. Shelter Design
 - C. Firm and Staff Experience
 - D. Reasonableness and Cost Effectiveness.
- Once the evaluation process was completed, the Evaluation Committee found that Brasco International, Inc. was the highest ranked proposer with a score of 4.85.

Fiscal Impact:

- Not to exceed a five-year total of \$1,148,650, which will be 100% federally funded by the Federal Transit Administration (FTA) funds within PSTA's adopted Capital Improvement Program.

Recommendation:

- The Finance Committee reviewed this item and is recommending approval.
-

Attachments:

1. Bid Tabulation
2. RFP#15-004 ([CLICK TO VIEW/PRINT](#))



Company		Brasco	Duo Guard	Tolar
	Points			
A. Quality of Response	25	1.20	0.71	0.91
B. Shelter Design	25	1.20	0.56	0.85
C. Firm and Staff Experience	25	1.20	0.91	1.11
D. Reasonableness and Cost Effectiveness of price proposal	25	1.25	0.97	0.95
TOTAL SCORE		4.85	3.16	3.82

Date Evaluated: Wednesday, February 4, 2015 at 1:00 PM

Board Approval - March 25th, 2015

Tabulation Sheet Prepared By: Ana Owen, Purchasing Manager

ACTION ITEM



5A: FY2014 Audit Report

Action: Accept FY2014 Audit Report

Staff Resource: Deborah Leous, CFO
Michael Hanson, Director of Finance

FINANCE & PERFORMANCE
MANAGEMENT

Background:


- The PSTA Independent Auditors, Mayer Hoffman McCann, P.C., have completed the September 30, 2014 annual audit.
- PSTA received an unmodified opinion that states the financial statements were fairly presented.
- There was an audit finding for the Schedule of Expenditures of Federal Awards and State Financial Assistance indicating that through the Department of Homeland Security (DHS) review, it was noted that purchased advertisements with DHS funds were not used in the manner in which PSTA expressly described in the Fiscal Year 2011 Transit Security Grant Program Guidance and Application Kit.
- PSTA will be submitting the FY 2014 Comprehensive Annual Finance Report (CAFR) to the Government Finance Officers Association (GFOA) for consideration of the GFOA's Certificate of Achievement for Excellence in Financial Reporting Program.

Recommendation:

- The Finance Committee reviewed this item and is recommending acceptance.

Attachments:




1. PowerPoint
2. Draft FY2014 Comprehensive Annual Financial Report ([CLICK TO VIEW/PRINT](#))



**Presentation to the Board of Directors
2014 Audit Results**

Presented By:
Laura Krueger Brock and Aimee Varnum

March 25, 2015



2014 Financial Statements

- Auditor’s Report on the Financial Statements (Unmodified)
- Management’s Discussion and Analysis (Unaudited)
- Financial Statements
 - Statements of Net Position
 - Statements of Revenues, Expenses and Changes in Net Position
 - Statements of Cash Flows
- Notes to Financial Statements
- Required Supplementary Information (Unaudited)
- Statistical Section (Unaudited)


2



2014 Financial Statements - Continued

- Regulatory Items
 - Independent Auditor's Reports on Internal Control over Financial Reporting and on Compliance
 - Schedule of Findings and Questioned Costs
 - Schedule of Expenditures of Federal Awards and State Financial Assistance and Notes
 - Summary Schedule of Prior Audit Findings
 - Management Letter
 - Independent Accountant's Report – as required by the Florida Auditor General (New)
 - Agreed-Upon Procedures Report Related to NTD Report (in Process)


3



Internal Control, A-133 and Management Letter Comments

- Follow up on prior year comments
 - Material Weaknesses: None reported
 - Significant Deficiency: None reported
 - Recommendations: None reported
- Current year comments
 - Material Weaknesses: None reported
 - Significant Deficiency: None reported
 - Noncompliance Finding: Department of Homeland Security (DHS)
 - Recommendations: Improve financial close process


4



Condensed Statements of Net Position (000s) September 30,

Assets	2014	2013
Cash, cash equivalents and investments	\$ 43,362	\$ 43,770
Receivables	3,190	7,387
Inventories and prepaids	2,489	2,145
Capital assets, net	<u>79,199</u>	<u>86,157</u>
Total assets	<u>\$ 128,240</u>	<u>\$ 139,459</u>
Liabilities and Net Position		
Accounts payable	\$ 3,142	\$ 7,867
Accrued expenses and unearned revenue	2,970	2,758
Claims and judgments	4,996	3,749
Other post-employment benefits	<u>1,313</u>	<u>1,003</u>
Total liabilities	<u>12,421</u>	<u>15,377</u>
Net position:		
Invested in capital assets	79,199	86,157
Unrestricted	36,545	37,863
Restricted	<u>75</u>	<u>62</u>
Total net position	<u>115,819</u>	<u>124,082</u>
Total liabilities and net position	<u>\$ 128,240</u>	<u>\$ 139,459</u>

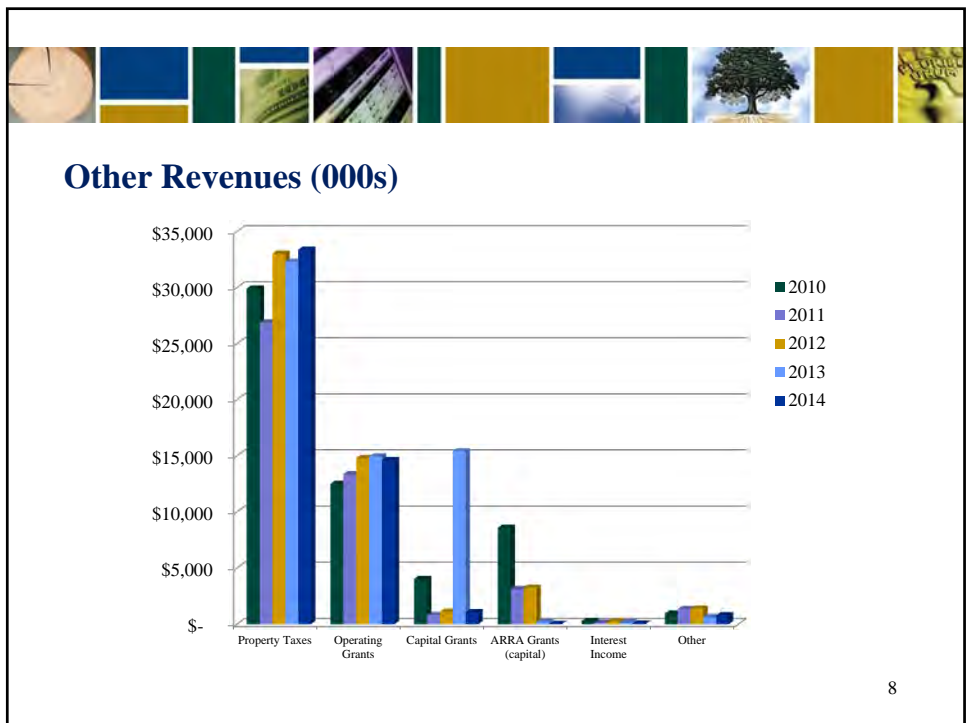
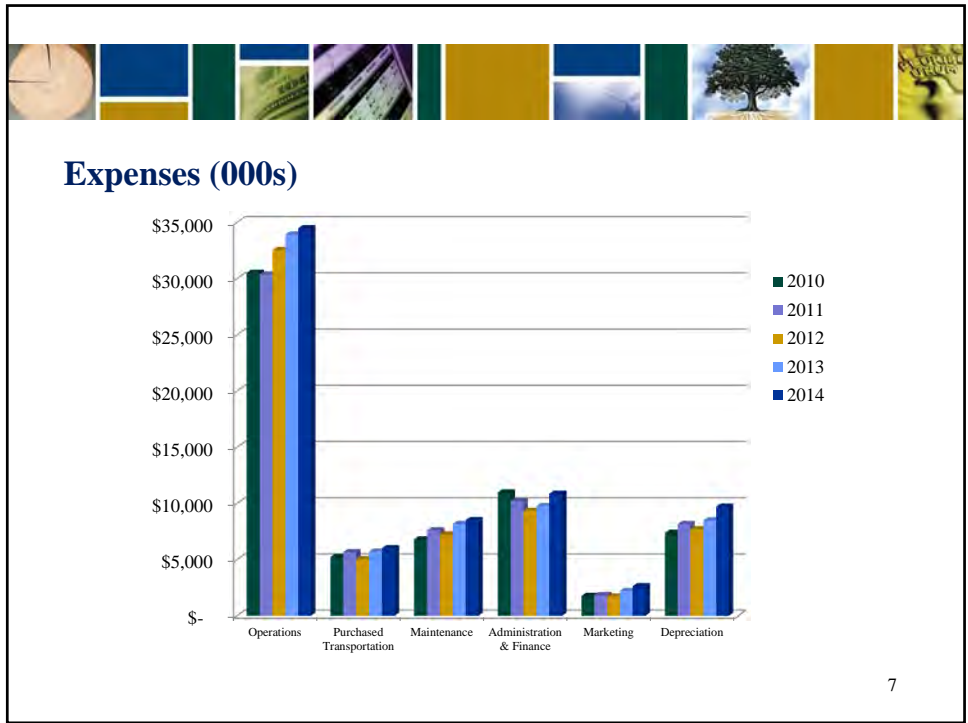
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Condensed Statements of Revenues, Expenses and Changes in Fund Net Position (000s) September 30,

	2014	2013
Fare revenues	\$ 13,586	\$ 14,098
Demand response	248	254
Advertising revenue	<u>248</u>	<u>418</u>
Total operating revenues	14,082	14,770
Expenses:		
Operations	34,468	33,907
Purchased transportation	6,016	5,712
Maintenance	8,505	8,173
Administration and finance	10,863	9,762
Marketing	2,634	2,202
Depreciation	<u>9,723</u>	<u>8,487</u>
Total expenses	<u>72,209</u>	<u>68,243</u>
Operating loss	<u>(58,127)</u>	<u>(53,473)</u>
Other revenues:		
Property taxes	33,365	32,283
Operating grants	14,609	14,925
Capital grants	1,053	15,556
Interest income	56	147
Fuel tax refunds	614	610
Other	<u>168</u>	<u>16</u>
Total other revenues	<u>49,865</u>	<u>63,537</u>
(Decrease) increase in net position	<u>\$ (8,262)</u>	<u>\$ 10,064</u>
Changes in net position excluding capital grants, and depreciation	<u>\$ 408</u>	<u>\$ 2,995</u>

6






Property Tax Revenue - Last Ten Years (000s)

	<u>Property Taxes</u>	<u>Percentage Change</u>
2006	\$ 32,964	14.90%
2007	37,972	15.19%
2008	37,231	-1.95%
2009	34,156	-8.26%
2010	29,894	-12.48%
2011	26,869	-10.12%
2012	33,009	22.85%
2013	32,283	-2.20%
2014	33,365	3.35%
2015 (Budget)	35,400	6.10%


9



Farebox Recovery Ratio - Last Five Years (000s)

	<u>Farebox Revenues</u>	<u>Operating Expenses (Excluding Depreciation)</u>	<u>Ratio</u>
2010	\$ 11,069	\$ 55,252	20.03%
2011	13,056	55,682	23.45%
2012	14,525	55,861	26.00%
2013	14,352	59,756	24.02%
2014	13,833	62,486	22.14%

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GASB Statements

- **Upcoming GASB Statements**
 1. FY2015
 - a) GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*
 - b) GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*
 - c) GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*
 2. FY2016
 - a) GASB Statement No. 72, *Fair Value Measurement and Application*
 3. Other

OPEB GASB Statement – Exposure draft issued May 2014, comment deadline August 2014 (Estimated issue date is June 2015)

11



Questions?



ACTION ITEM



5B: Resolution Amending Rules & Regulations

Action: Adopt Resolution #15-01

Staff Resource: Brad Miller, CEO
Bill Jonson, Committee Chair

EXECUTIVE

Summary:

- The Executive Committee met on January 28, 2015 to discuss staff recommendations for modifications to the Rules & Regulations.
- The proposed changes include recommendations made at previous PSTA Board meetings as well as by the PSTA Finance & Performance Management Committee.
- The proposed changes are as follows:
 - **Section 2.05 A.** – Reducing the evening PSTA Board Meetings from two to one;
 - **Section 2.10 B.** – Updates the names of locations of where public hearing notices are to be posted and includes the new Pinellas Park Transit Center. Also adds “Social Media” as a communication tool.
 - **Section 2.10 C. 1.** Require at least one public hearing regarding a proposed fare increase but no longer mandate that the meetings be in each geographic area of the County but rather wherever it should be to maximize public attendance;
 - **Section 2.10 C. 2.** Eliminates the need for a formal public hearing when there is a 25% or greater service increase. With the change only major service decreases will require the hearing.
 - **Section 3.02 K.** A new financial accountability requirement to require PSTA Board of Directors approval for any transfer of funds between PSTA Budgetary departments in excess of one-hundred thousand (\$100,000.00) dollars. This recommendation was made following the thorough review of all PSTA financial policies following the return of Federal Department of Homeland Security Funds last year.
 - **Section 5.01 A.** Require retroactive notification be sent to the PSTA Board of Directors by the Chief Executive Officer of all emergency purchases exceeding \$100,000.

Recommendation:

- The Executive Committee reviewed this item and is recommending approval.
-

Attachments:

1. Resolution #15-01

RESOLUTION # 15-01

A RESOLUTION OF THE PINELLAS SUNCOAST TRANSIT AUTHORITY BOARD OF DIRECTORS AMENDING THE RULES AND REGULATIONS AS ADOPTED BY RESOLUTION 12-07, AS AMENDED, BY AMENDING SECTION 2.05.A. TO PROVIDE THAT ONE MEETING OF THE BOARD OF DIRECTORS SHALL OCCUR IN THE EVENING; BY AMENDING SECTION 2.10.B REGARDING PUBLIC HEARING NOTICES; BY AMENDING SECTION 2.10.C. REGARDING PUBLIC HEARINGS; BY CREATING SECTION 3.02.K TO REQUIRE THE APPROVAL OF THE BOARD OF DIRECTORS FOR THE TRANSFER OF FUNDS BETWEEN DEPARTMENTS; BY AMENDING SECTION 5.01.A TO PROVIDE FOR BOARD NOTIFICATION OF EMERGENCY PURCHASES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Pinellas Suncoast Transit Authority (PSTA) Board of Directors has adopted rules and regulations as set forth in Resolution 12-07, as amended (Rules and Regulations); and

WHEREAS, the PSTA Board of Directors wishes to amend the Rules and Regulations to provide for one meeting of the Board of Directors to occur in the evening; and

WHEREAS, the PSTA Board of Directors wishes to amend the Rules and Regulations to require one public hearing regarding a proposed fare increase; and

WHEREAS, the PSTA Board of Directors wishes to amend the Rules and Regulations to require a public hearing only for a 25% decrease in service; and

WHEREAS, the PSTA Board of Directors wishes to amend the Rules and Regulations to provide for required approval by the Board of Directors for any transfer of funds between departments in excess of one-hundred thousand (\$100,000.00) dollars; and

WHEREAS, the PSTA Board of Directors wishes to amend the Rules and Regulations to require notification be sent to the Board of Directors by the Chief Executive Officer of all emergency purchases.

NOW, THEREFORE, BE IT RESOLVED BY THE PINELLAS SUNCOAST TRANSIT AUTHORITY BOARD OF DIRECTORS THAT:

1. Section 2.05.A of the PSTA Rules and Regulations is hereby amended to provide as follows:

Section 2.05 Rules of Procedure of Board of Directors

A. Meetings – The Board of Directors shall normally meet regularly on the fourth Wednesday of each month at PSTA’s Board Meeting Room or at any other location selected by the Board. The regular meetings normally will be held at 9:00 AM, except that **two one** of the Board’s regular meetings during each calendar year shall start at 6:00 PM. Special meetings and work sessions may be held on call of the Chairperson, the CEO/ED or any two Board members through the CEO/ED or General Counsel and, whenever possible, upon no less than twenty-four hours public notice. Work sessions are primarily designed for information gathering and guidance, and no formal Board decision approving or disapproving an item may be made. Only staff members, PSTA consultants or contractors, or representatives from other governmental agencies shall be

included in the work session discussion unless prior arrangements are made through the CEO/ED, General Counsel or Chairperson. The Board, by majority vote, may allow comment from persons other than staff members on a specific work session item.

2. Section 2.10.B. of the PSTA Rules and Regulations is hereby amended to read as follows:

Section 2.10 Public Hearings.

B. Notices – When a public hearing is scheduled, at least fifteen (15) days notice shall be provided, unless a different requirement is established by applicable state or federal law or regulation. The following notices may be provided:

1. Interior signs on all PSTA buses
2. Posters at Williams Park Transit Center information booth, Park Street Transit Center Terminal, Grand Central Plaza Terminal, Pinellas Park Transit Center, and PSTA's Headquarters
3. On PSTA's website
4. Paid newspaper advertisement
5. Social Media

3. Section 2.10.C. of the PSTA Rules and Regulations is hereby amended to read as follows:

Section 2.10 Public Hearings.

C. Number of Public Hearings

1. Fare increases and system-wide service changes shall require at least three one public hearings; one in north county, one in mid county, and one in south county. The locations for the hearings should be that is easily accessible by car and/or bus, where and includes adequate parking exists, and at a time that will encourage the most maximizes public attendance.
2. The Program of Projects and non - system - wide service changes that result in a 25% or more decrease affect 25% or more of the transit route miles, transit revenue vehicle miles or estimated ridership of a transit route shall require at least one public hearing. If the non - system - wide service changes are such that a public hearing would be better held at a location central to the area affected by the changes, then this "central" hearing location may replace the PSTA headquarters hearing.

4. Section 3.02.K of the PSTA Rules and Regulations is hereby created to provide as follows:

Section 3.02 Powers and Duties of CEO/ED – The powers and duties of the CEO/ED shall include the following:

K. At any time during the fiscal year the CEO/ED may transfer part or all of any unencumbered appropriation balance within a department to any other department. For any transfer that exceeds one-hundred thousand (\$100,000.00) dollars, such transfer must first be approved by the Board of Directors.

5. Section 5.01A of the PSTA Rules and Regulations is hereby amended to provide as follows:

Section 5.01 Competitive Bidding

A. Procurement of Commodities and/or Services – Except as otherwise provided in these Rules and Regulations, the procurement of commodities and/or services of an estimated value in excess of \$100,000.00 shall be by written contract or Purchase Order with the most responsible and responsive bidder/proposer, whose bid has been solicited, received, and approved by the Board of Directors. All competitive bidding shall be conducted in accordance with PSTA’s procurement procedures and all federal or state rules or regulations that apply to the respective procurement, which shall be prepared and approved by the CEO/ED or his/her designee. The procurements of commodities and/or services of an estimated value below \$100,000.00 shall be approved by the CEO/ED or designee and shall be made in accordance with the procurement procedures. The CEO/ED shall include in his/her report that is part of each Board’s agenda a list of all procurements with an estimated value greater than \$25,000 and less than \$100,000 that the CEO/ED has approved. The CEO/ED shall have authority to settle legal claims, including workers’ compensation claims, whether the settlement is reached pre - litigation or during litigation, where the amount paid or received by PSTA is less than \$25,000.00. If any purchase over \$100,000 is approved by the CEO/ED because an emergency situation prevents the ability to follow the provisions of these Rules, the Board of Directors shall be promptly notified of such purchase and the basis for such purchase. For purposes of this section, “emergency situation” means a situation which threatens the overall operations of PSTA.

6. This Resolution shall take effect immediately upon its adoption.

Dated this 25 day of March, 2015

ATTEST:

PINELLAS SUNCOAST TRANSIT AUTHORITY
PINELLAS COUNTY, FLORIDA

Janet Long
Secretary-Treasurer

William C. Johnson
Chairperson

DATE: March 25, 2015

APPROVED AS TO FORM:

Alan S. Zimmet
PSTA General Counsel

INFORMATION ITEM



6A: Service Redesign Work Plan

Action: Information Item

Staff Resource: Chair Bill Jonson/Brad Miller, CEO

FINANCE & PERFORMANCE
MANAGEMENT

PLANNING

Summary

- Following the November 4, 2014 referendum to greatly expand the transit system in Pinellas County, PSTA now will “redesign” its services to be even more focused and customer oriented around the services that work best for Pinellas County. Before PSTA develops and seeks widespread public input on various service delivery scenarios or increase revenues, it will be important for the PSTA Board to collaborate on a “Path Forward” to set high-level policy guidance for the future direction of the agency.
- This policy development will be prioritized over the next few months, slightly preceding the required FY2016 Budget review and FDOT Work Plan processes.
- Transit Service redesign efforts will be analyzed at a staff level but will await the policy discussion so Board consensus can be achieved. Service improvements will be balanced with overall changes as well as the longer-term planning to implement Rapid transit pilot projects.
- To illustrate this phased approach, staff has developed a work schedule that will be presented to the Planning Committee for information and discussion.

Attachments:

1. PowerPoint



PSTA's Service Redesign Work Plan Schedule

PSTA Board Meeting
March 25, 2015

Key Redesign Elements

- A "Path Forward"
- FY16 Budget Approval
- Service Redesign Consideration
- Public Engagement



A Path Forward

- 2-3 Year Direction
 1. Focus on constant improvement of “core services”
 2. Redesign current bus according to specific principles:
 - Straighten routes
 - Reduce number of very low ridership buses
 - Concentrate majority of operating funds where public transit works best (“core routes”)
 3. Avoid Major Cut
 4. Implement a Sustainable Bus Replacement Plan.
 5. Use Built-Up Reserves on Bus Replacements/Seek Additional Resources to Maintain What We Have.

2



A Path Forward (continued)

- Proposed guiding principles continued:
 6. Secondarily, but in parallel, seek to incrementally improve service.
 - Premium bus rapid transit and express services
 - Regional fare collection project
 7. Third, in the future, work towards the high-frequency grid network.
 8. Review governance structure
 - Strengthen roles of Board, Committees, CEO.
 - Strengthen coordination with transportation partners.

Executive Committee & ½ Day Workshops
Through April/May.

3



FY 2016 Budget Approval Calendar

March - Review financial projections & assumptions


April – Review revenue and personnel assumptions

May - Review Capital Improvement Program (CIP)

June – Present DRAFT 2016 budget

July – Approve proposed millage rate for County TRIM notice

August – Transmit proposed millage rate to County

September – Budget Hearings  Adopt 2016 Budget

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Service Redesign Consideration Process

1. Approve “Path Forward” Principles.

2. Consider “Targeted Areas of Redesign.”

- Data-Driven, Route Performance Data Important Tool.
- Entire Network will be Reviewed and Streamlined.
- “Targeted areas” (e.g. Downtown St. Pete, Pinellas Park, North County) will receive additional analysis.

3. Coordinate with Capital Plan Assumptions & Revenue Assumptions.

4. Public Involvement

Goal to Implement First Changes 10/1/2015 But If Longer Time Needed to Make “Right Changes” That’s OK.

5



Public Involvement

- Exceed Minimum Requirements
- Identify both beneficiaries & affected citizens with all redesign efforts.
 - Commit to identifying transportation alternatives for all disaffected customers.
- Pro-active community involvement effort to explain and justify value in redesign efforts.



6B: Budget Assumptions/Forecast

Action: Information Item

Staff Resource: Brad Miller, CEO

FINANCE & PERFORMANCE
MANAGEMENT

PLANNING

Background:

- PSTA is proud to present the first of what will be an annual foundation document for the development of the annual transit budget for the agency, a forecasting document and summary listing all the significant revenue and expenditure assumptions PSTA can use when developing its budget plans.
- The document is modeled substantially around Pinellas County’s similar forecasts for its budget.
- Many of the forecasts are based on source documentation from Pinellas County’s forecasting efforts.

Potential Policy Decision Impact Forecasts:

- Without any changes, PSTA is forecasting a \$1.2 million shortfall in its FY2016 Operating Budget. This budget gap increases in future years as PSTA’s operating expenses are forecast to grow faster than projected revenues from all sources.
- While PSTA’s FY2016 Capital Program including bus replacements is balanced, future year’s unmet bus replacement needs could average \$8 million per year beginning in FY2017 and beyond.

Menu of Choices:

Staff has developed forecasts for a number of potential cost reduction and revenue adjustment options that could potentially balance PSTA’s operating program for several years while providing important reserve funds for bus replacement.

Attachments:

1. Key Assumptions
2. PowerPoint



PINELLAS SUNCOAST TRANSIT AUTHORITY
KEY BUDGET ASSUMPTIONS
FOR FISCAL YEAR 2016

PSTA Budget Forecasting Summary

Item	Assumption	Amount	Source	3-Yr. Avg.	FY2016	FY2017	FY2018	FY2019	FY2020
Revenues		FY15 Budget							
1	Ad Valorem Taxes	\$35.4M	Pinellas County Forecast	2.4%	4.3%	3.8%	3.8%	3.3%	3.3%
2	Passenger Fares	\$13.9M	PSTA Trend	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%
3	State Grants	\$7.5M	FDOT Block Grant Formula	5.2%	1.7%	1.7%	1.7%	1.7%	1.7%
4	Federal Grants (Total Allocated to Operations)	\$5.4M	Constant Dollar.	-10.3%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Other	\$1.3M	Mainly Based on Diesel Gallons and Advertising	-15.5%	2.0%	2.1%	2.1%	2.2%	2.2%
6	Local Beach Trolley & Rt. 35	\$.9M	St. Pete Beach & Treas. Isl.	9.3%	5.0%	5.0%	4.0%	4.0%	4.0%
7	Federal Grant MPO Pass-Thru	\$.08M	\$80K Constant from MPO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	Total Revenues	\$64.5M		1.2%	2.7%	2.4%	2.4%	2.2%	2.2%
9	- Possible Adjustment to 0.75 Millage Cap	\$.9M	Pinellas County Forecast	2.4%		3.8%	3.8%	3.3%	3.3%
10	- Possible Fare Increase	\$1.3M	Average Fare Up by 12.5%		9.2%			9.3%	
11	- Possible Increased Advertising Revenue	.3M	Based On Contracting Out Joint with HART		137.9%	10.0%	10.0%	5.0%	5.0%
Expenses		FY15 Budget							
12	Salaries	\$28.9M	CBA's + Admin. Performance Evals	5.1%	3.3%	3.5%	3.5%	3.5%	3.5%
13	Fringe Benefits	\$11.2M	Health Insurance Broker	8.7%	7.0%	7.0%	7.0%	7.0%	7.0%
14	Diesel Fuel	\$7.5M	Trend Analysis	-0.5%	-10.4%	3.5%	3.5%	3.5%	3.5%
15	Purchased Transportation - DART	\$4.9M	FY17 New Procurement	4.9%	4.0%	10.0%	4.0%	4.0%	4.0%
16	Supplies	\$4.2M	Mainly Bus Parts (2X CPI)	7.6%	3.0%	3.6%	4.6%	4.6%	4.6%
17	Services	\$3.5M	Contracted Services (CPI)	13.6%	1.5%	1.8%	2.3%	2.3%	2.3%
18	Insurance	\$1.4M	Based on Actuarial Estimate	71.2%	3.3%	3.5%	3.5%	3.5%	3.5%
19	Utilities	\$1.1M	CPI	11.3%	1.5%	1.8%	2.3%	2.3%	2.3%
20	Taxes & Licenses	\$.8M	Tied to Diesel Tax Rebate	0.6%	3.3%	3.5%	3.5%	3.5%	3.5%
21	Purchased Transportation - TD	\$.8M	FY17 New Procurement	54.6%	4.0%	10.0%	4.0%	4.0%	4.0%
22	Purchased Transportation - Trolleys	\$.7M	2X CPI	8.9%	3.0%	3.6%	4.6%	4.6%	4.6%
23	Miscellaneous	\$0.7M	\$1M Less than Budget w/no Airport Service (2X CPI)	32.9%	3.0%	3.6%	4.6%	4.6%	4.6%
24	Total Expenses	\$65.7M	See one change above to Miscellaneous	6.4%	2.3%	4.6%	4.2%	4.2%	4.2%
25	- Possible Admin Cost Reductions	-\$0.1M	\$100K savings value increases		3%	3%	3%	3%	3%
26	- Service Hour Adjustment Savings	-\$1.4M	Routes 1, 30, 444, 58, East Lake Con.			4.6%	4.2%	4.2%	4.2%
27	- Service Adjustments Farebox Impact	+\$150K	Nets from Adjustment Savings		9.2%			9.3%	
Capital									
28	Policy Bus Useful Life		Federal Standard- 12 Yr/5 Yr for Shuttles	12 Years	12	15	15	15	15
29	% of Formula Funds Converted to Operations		Benchmarking National Standard is Approx 40%	52%	39%	39%	39%	39%	39%
30	Total Buses		Contract Out 10 Express Buses in 2018	200	194	200	193	183	183
31	Propulsion			Hybrids	Hybrids	Diesel	Diesel	Diesel	Diesel
32	Possible STP Funds for Bus Replacement		Funding starting in 2021 Maybe sooner	\$	-				

PSTA FY 2016 Key Assumptions

This section includes a discussion of the sources of information used to develop assumptions for revenues and expenditures that drive the 5-year forecast.

Assumptions and Forecasting

We consistently use the best data and methodologies available; however economic forecasting is dynamic and must be updated when new information is presented. The forecasts in this document are a baseline using past trends, current policies and assumptions about future conditions based on reasonable expectations. This provides a context to view current policy decisions in light of their potential impact on the fiscal stability of PSTA in the years to come.

Revenue Assumptions

The primary revenue sources for PSTA are Ad Valorem Taxes, Passenger Fares, and Operating Assistance from Federal, State and Local Sources.

Property Tax Overview

Ad valorem taxes, commonly called property taxes, are assessed on real property. The tax rate expressed is expressed in “mills”. One mill is one dollar of taxes for each thousand dollars of taxable value. For example, a tax rate of 5.9 mills on a taxable value of \$100,000 yields \$590 in taxes. PSTA receives .7305 mills with a statutory cap of 0.75 mills.

The taxable values as of January 1st are established annually by the Property Appraiser and certified for budget purposes by July 1st. Final taxable values, following appeals and adjustments, are certified following the completion of the Value Adjustment Board appeals process.

The PSTA Board of Commissioners approves millage rates annually by resolution as part of the budget process. This process must follow the State’s “Truth in Millage” (TRIM) law that applies not only to PSTA, but to all member local governments, including the timing of advertisements and conduct of public hearings.

June 1 st	Property Appraiser delivers estimate of table value to PSTA
July 1 st	Property Appraiser delivers Certification of Taxable Value (DR-420) to PSTA
July 22 nd	Board approves proposed millage
August 4 th	PSTA returns completed DR-420 to Property Appraiser
August 21 st	Property Appraiser mails TRIM notice
September 9 th	1 st Public Hearing to tentatively adopt the millage and budget
September 23 rd	Adopt final millage and budget

Ad Valorem					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
2.4%	4.3%	3.8%	3.8%	3.3%	3.3%

After five years of decline, countywide taxable values increased by 3.4% in FY 14 and 6.5% in FY 15. The assumption in the forecast is that growth of 3.8% per year or greater in the next three years will be followed by a slightly lower sustained level of increases. The preceding five years of tax base decline previously mentioned were unprecedented; prior to this the tax base only decreased once since World War II, a small 0.6% dip in FY 93. Prior to the recent recession, increases in the tax base averaged 5.0% per year.

The countywide taxable value is the basis for determining the ad valorem tax revenue. However, PSTA's assumptions are .2% less than the County's projections due to the five municipalities that do not participate in the ad valorem tax for transit.

Opportunity for Revenue Increase from Ad Valorem Taxes

If strategically the PSTA Board determines that the millage should be raised to the cap of 0.75 mills the following would be the dollar impact of that increase:

Net Increase to Ad Valorem Taxes at Maximum Millage				
FY 16	FY 17	FY 18	FY 19	FY 20
\$970,432	\$1,007,308	\$1,045,586	\$1,085,318	\$1,126,561

Passenger Fare Revenue

Passenger Fare Revenue is derived from the fare box revenue, ticket and pass sales, contractual revenue such as from the U-Pass Program and from Transit Disadvantaged (TD) co-pays. The base fare in FY 15 is at \$2.00 for a one way trip and has remained unchanged since 2011. The passenger fare revenue is influenced by the various discount programs offered. In FY 14 the average fare per ride for regular bus service (excluding DART) was \$1.06 as compared to the base fare of \$2.00.

Ridership continues to reach record highs while passenger fares remain relatively stagnant the last three years with an average increase of 1.4% while ridership has grown 3.4%. As a result, we are assuming flat revenue going forward.

Passenger Fares					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
1.4%	0.0%	0.0%	0.0%	0.0%	0.0%

Opportunity for Revenue Increase from Increasing the Base Fare

In the Ernst and Young Financial Study for PSTA, an assumption of fare revenue increases every three years to assist in maintaining financial stability was assumed. Using that model, if the PSTA Board were to look at a 15% increase in the average fare starting in FY 2016 the impact would be as follows:

Net Impact on Passenger Fares Based on 15% Increase				
FY 16	FY 17	FY 18	FY 19	FY 20
\$1,282,931	\$1,282,931	\$1,282,931	\$2,685,487	\$2,685,487

Since the average revenue per ride is \$1.06 in FY 14, assuming a similar average revenue in FY 15, the overall impact to our riders is lessened. This average fare revenue increase could, by policy, also affect those in the TD Program. In a survey conducted the TD riders indicated a tolerance for a \$20 monthly bus pass as compared to the current rate of \$8.25. Since amending the eligibility requirements for a monthly TD pass, there has been a significant shift to the monthly pass and significant decrease in overall passenger fares received by PSTA.

At the present time a Committee of the Pinellas County Local Coordinating Board for the Transit Disadvantaged has been formed to review the TD Program change options available to lessen the negative financial impact from the program.

State Grants

PSTA receives State Operating funds in the form of Block Grants, TD State Reimbursements, grants for the Regional routes (100X and 300X), as well as other reimbursements. These funds are anticipated to increase at a constant rate.

State Grants					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
5.2%	1.7%	1.7%	1.7%	1.7%	1.7%

Federal Grants

PSTA receives formula funding from the Federal Transit Administration in a “5307” grant that may be used for either operational expenses (limited to preventative maintenance labor, parts and tire leases) or capital. PSTA has always used a portion of 5307 funds for operations and after the financial crisis in

2008, PSTA, increased the allocation of the 5307 funding for operations away from capital. Capital costs are more easily deferred or allocated over multiple periods, while operating costs are an immediate need. Since 2011, the dependence on Federal 5307 for operations has decreased, and the budget assumptions assume a constant dollar amount regardless of the grant award amount.

The Board may want to consider establishing a cap of 40% of Federal formula funds that may be used towards operations.

Federal Grants					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
-10.3%	0.0%	0.0%	0.0%	0.0%	0.0%

Other Revenues

Included in this category are revenues such as diesel tax refunds, advertising, and interest income. PSTA has historically handled the bus advertising in-house and has seen significant declines in recent years. Currently PSTA is looking at out-sourcing this work for a guaranteed minimum that would potentially increase our revenue by \$300,000 in FY 16.

Other Revenues					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
-15.5%	2.0%	2.1%	2.1%	2.2%	2.2%

Local Beach Trolley & the Central Avenue Trolley

The Suncoast Beach Trolley runs from Park Street Terminal in downtown Clearwater to 75th Avenue and Gulf Boulevard and the Central Avenue Trolley (CAT) runs from the beaches to downtown St. Petersburg. The cities of Treasure Island and St. Pete Beach provide operating assistance for these routes and the related DART service. The assumptions are based on anticipated increases in city revenues.

Local Beach Trolley & CAT					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
9.3%	5.0%	5.0%	4.0%	4.0%	4.0%

Federal Grant Metropolitan Planning Organization (MPO)– Pass through funds

The MPO provides us federal funding for operations at a consistent \$80k a year and no changes are anticipated.

Federal Funds - MPO					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Expenditure Assumptions

Personnel Salaries and Fringes:

Salaries					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
5.1%	3.3%	3.5%	3.5%	3.5%	3.5%

The cost of Personnel salaries and fringes are the largest category of expenses constituting approximately 61% of the Authorities overall operating expenses.

Since the recession in FY 2009, represented employees have had annual increases, including step increases, ranging from 1.02% to 36.09% while administrative employees saw 0% for the first 3 years 1% for 2 years and a 3% merit raise in FY 2015. The lower increases for administrative employees were a cost savings measure to deal with the dramatic decreases in property tax ad valorem revenue.

All PSTA employees are members of the Florida Retirement System (FRS). Beginning on July 1, 2012, employees are required to contribute 3.0% of their salary to the FRS effectively reducing take-home pay.

Compensation adjustments are included in the forecast for FY 16 through FY 20. Moderate wage adjustments will be required to maintain a compensation structure that can attract and retain quality employees. The net adjustments include pay for performance increases.

An annual market survey of salaries for comparable transit agencies is anticipated to be conducted prior to fiscal year end FY 2015.

Employee Benefits

Fringe Benefits					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
8.7%	7.0%	7.0%	7.0%	7.0%	7.0%

PSTA is responsible for employer contributions to Social Security (FICA), the Florida Retirement System (FRS) State pension fund, and to support various benefits such as health and life insurance, short term disability, workers' compensation and unemployment compensation. The key drivers for employee benefits are health insurance and PSTA's share of the pension.

PSTA is required to participate in the Florida Retirement System, a State public pension plan. From 1998 to 2008, the FRS had been one of the few state systems that had an actuarial surplus. This lowered the required contributions set by the Legislature that are based on an employee's salary and benefit category. As with most pension systems, the financial crisis in 2008 had a significant effect on the value of FRS investments. As a result, beginning in 2009 the FRS system had an unfunded liability. The FRS investment portfolio which is managed by the State Board of Administration, has now recovered from this setback. As of June 30, 2014, the asset value for the FRS pension plan was higher than the previous peak value it had reached in 2007.

The State Legislature establishes the employer contribution rates for the FRS system. Employees must also contribute to the system as part of a package of Legislative changes enacted in 2011. The 2013 Legislature increased the FRS rates to fully fund the system's actuarial liability over a multi-year period, and the 2014 Legislature made adjustments to maintain this approach. The actuarial report as of June 2014 indicates that rates may not need to be adjusted for the State's 2016 fiscal year. The forecast assumes that having reached a fully funded level, the rates should stabilize.

The actual contribution rates beginning July 1, 2015 will not be known until the end of the 2015 legislative session. In FY 2015 the contributions were \$2.2 million. The future growth in PSTA's contributions will be a combination of rate changes, if any and the growth in the salary base to which the rates are applied.

Health Insurance

Health insurance costs for PSTA have followed the national trend and outpaced inflation in recent years. These increases have been mitigated by cost containment measures such as wellness programs lowering the utilization rate, and in FY 15 for the first time employees contributing to the increase in costs at approximately 2%. Total budgeted costs for health insurance in FY 15 were \$6 million.

The forecast assumes PSTA's continued emphasis on wellness and cost containment measures.

The Affordable Health Care Act (ACA) passed in 2010 on the national level to restructure and contain health insurance costs could have a significant impact in FY 18 and later years. The forecast does not assume any changes in the current situation.

Diesel Fuel

All fuel is purchased as part of a consortium headed by the Hillsborough Area Transit Authority (HART), and historically 100% of the diesel fuel has been locked in. This is PSTA's third highest cost category behind Salaries and fringe benefits.

The assumptions are based on a trend analysis.

Diesel Fuel					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
-0.5%	-10.4%	3.5%	3.5%	3.5%	3.5%

Purchased Transportation Demand Response Transportation (DART)

PSTA provides demand response transportation services for people who, because of their disability, are unable to independently use the regular, accessible PSTA buses. This service is outsourced and is going out for RFP for FY 17. As a result of the potential increase in cost in that year, a larger percentage is being applied.

DART					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
4.9%	4.0%	10.0%	4.0%	4.0%	4.0%

Supplies

The majority of our supplies expenses are related to bus parts. The assumptions in the near term are based on twice the CPI to account for PSTA’s aging fleet.

Supplies					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
7.6%	3.0%	3.6%	4.6%	4.6%	4.6%

Services

The assumptions for contracted services are that costs will increase by the CPI.

Services					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
13.6%	1.5%	1.8%	2.3%	2.3%	2.3%

Insurance

PSTA is has self-insured retentions and excess policies for both workers' compensation and third party claims. While the 3 year average is high based on settlement of several large claims, the future costs are increasing based on actuarial reviews.

Insurance					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
71.2%	3.3%	3.5%	3.5%	3.5%	3.5%

Utilities

It is assumed utilities will increase by the CPI.

Utilities					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
11.3%	1.5%	1.8%	2.3%	2.3%	2.3%

Purchased Transportation TD

Based on a new procurement in FY 17 the plan assumes a higher increase in that year.

TD					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
54.6%	4.0%	10.0%	4.0%	4.0%	4.0%

Opportunities for Additional Cost Savings

Administrative cost reductions:

Staff has been working to identify ways to reduce costs and at minimum we anticipate a \$100,000 of savings in FY 15 that will grow by 3% each year.

Administrative Savings					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
	3.0%	3.0%	3.0%	3.0%	3.0%

Service Hour Adjustment Savings

Four percent route adjustments would provide approximately \$1.4 million of savings in FY 16 if implemented and those cost avoidance savings would grow thereafter. The reductions are assumed to take place beginning October 1, 2015 for FY 16.


Service Adjustments					
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
		4.6%	4.2%	4.2%	4.2%

Service Adjustments - Redesign Scenario #1


PSTA has developed a Service “Redesign Scenario #1” as presented at the February 18, 2015 Board Workshop that provides a relatively stable overall level of public transit services within Pinellas County while redesigning the service network to reduce the number of empty buses while maximizing service where it works best. This scenario, in order to provide a relatively sustainably balanced budget for the next 5 fiscal years assumes the PSTA Board will approve the following assumptions, described in further detail above but packaged together in the following manner:

Potential Strategic Change Impact Assumptions

Description	FY 2015	FY 2016	FY 2017	FY 2018	FY2019	FY 2020
Increasing Property Tax	\$0	\$ 970,432	\$1,007,308	\$1,045,586	\$1,080,090	\$1,115,733
Increasing Base Fare	\$0	\$1,282,931	\$1,282,931	\$1,282,931	\$2,685,487	\$2,685,487
Advertising Revenue	\$0	\$ 300,000	\$ 330,000	\$ 363,000	\$ 381,150	\$ 400,208
Administrative Savings	\$0	\$ 103,000	\$ 106,090	\$ 109,273	\$ 114,736	\$ 118,178
Service Hour Adjustments	\$0	\$1,362,334	\$1,425,001	\$1,484,851	\$1,547,215	\$1,612,198
Service Adjustment Fare box Impact	\$0	\$ (150,000)	\$ (150,000)	\$ (150,000)	\$ (163,950)	\$ (163,950)
Total Potential Impact	\$0	\$3,868,697	\$4,001,330	\$4,135,641	\$5,644,728	\$5,767,854




FY 2016 Budget Process and Key Assumptions



PSTA Board Meeting
March 25, 2015

Budget Calendar Overview

MARCH	LONG TERM ASSUMPTIONS REVIEW
APRIL	PERSONNEL ASSUMPTIONS
MAY	FIVE YEAR CAPITAL IMPROVEMENT PROGRAM
JUNE	1 ST DRAFT OF THE BUDGET TO THE BOARD
JULY	ANY CHANGES TO AD VALOREM TAX NEED TO BE DECIDED
AUGUST	AD VALOREM TAX DOCUMENTS TO PROPERTY APPRAISER FINAL DRAFT BUDGET TO THE BOARD
SEPTEMBER	PUBLIC HEARINGS ARE HELD AND THE FINAL BUDGET IS ADOPTED

1


Overview of the Budget Process

- The overall strategy employed in preparing the FY 2016 Annual Operating and Capital Budget is to provide a balanced budget that is consistent with the Board's strategic direction for the multi-year plan.
- In preparing the budget the initial step is looking at the forecast for the current year as the basis for the following years along with historic trends.

2



Multi-year Budget Forecasting

Providing a multi-year budget provides decision makers with at least 3 key benefits:

- Assessing the long-term financial sustainability of PSTA's funds
- Understanding of the impact of today's decisions on the future
- Providing a holistic financial picture

3



Key Expenditure Assumptions

- Several expenditure assumptions are approximately 2 times inflation.
 - Fringe Benefits – primarily due to Health care costs
 - Supplies
- In FY 15 Employees are contributing to healthcare cost increases for the first time and the assumptions are conservative.

	Fringe		Benefits		
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
8.7%	7.0%	7.0%	7.0%	7.0%	7.0%

4



Key Expenditure Assumptions

- Supplies – The majority of our supplies are related to bus parts. The assumptions in the near term are based on twice the CPI to account for PSTA’s aging fleet.

	Supplies				
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
7.6%	3.0%	3.6%	4.6%	4.6%	4.6%

5



Multi-year Operating Plan

Pinellas Suncoast Transit Authority
Operating Budget Projections
FY 2015 - 2020

Line	FY 2016 Revised	FY 2017 Revised	FY 2018 Revised	FY 2019 Revised	FY 2020 Revised
Operating Revenues					
1 Operating Revenue	\$ 16,190,425	\$ 16,265,679	\$ 16,334,506	\$ 16,405,853	\$ 16,479,812
2 Property Tax	\$ 36,875,432	\$ 38,276,698	\$ 39,731,213	\$ 41,042,343	\$ 42,396,740
3 State Operating Grants	\$ 7,594,900	\$ 7,725,532	\$ 7,858,411	\$ 7,993,576	\$ 8,131,066
4 Federal Operating Grants	\$ 5,526,585	\$ 5,526,585	\$ 5,526,585	\$ 5,526,585	\$ 5,526,585
5 Total Operating Revenues	\$ 66,187,342	\$ 67,794,494	\$ 69,450,715	\$ 70,968,357	\$ 72,534,203
Operating Expenses					
6 Operating Expenses	\$ 67,137,657	\$ 70,218,051	\$ 73,164,897	\$ 76,249,273	\$ 79,478,351
7 Non-Federal/State Capital Expenses					
8 Total Operating Expenses	\$ 67,137,657	\$ 70,218,051	\$ 73,164,897	\$ 76,249,273	\$ 79,478,351
10 Revenues Over / (Under) Expenses	\$ (950,315)	\$ (2,423,557)	\$ (3,714,182)	\$ (5,280,916)	\$ (6,944,148)
11 Increase in 2 Month Operating Reserve	\$ (245,764)	\$ (513,399)	\$ (491,141)	\$ (514,062)	\$ (538,180)
12 Total Deficit With Reserve Adjustment	\$ (1,196,079)	\$ (2,936,956)	\$ (4,205,323)	\$ (5,794,978)	\$ (7,482,328)

6



Reserves

- Staff recommends to use reserves, in the short-term for bus replacement needs.
- In FY 2016 there is an anticipated \$1.2 million operating deficit.
- PSTA can look to strategic changes to bridge the operating deficits.

7



Potential Strategic Changes

Options to improve the financial outlook of PSTA include, but are not limited to:

- Increasing the Property Tax to the maximum millage
- Increasing the average fare
- Increase advertising revenue by outsourcing
- Implement Administrative savings
- Service Hour Adjustments

8



Key Revenue & Expense Assumptions

- If strategically the PSTA Board determines that the millage should be raised to the cap of .75 mills the following would be the dollar impact of that increase:

	Net Increase to Ad Valorem Taxes at Maximum Millage			
FY 16	FY 17	FY 18	FY 19	FY 20
\$970,432	\$1,007,308	\$1,045,586	\$1,085,318	\$1,126,561

9



Key Revenue & Expense Assumptions

- The countywide taxable value is the basis for determining the ad valorem tax revenue. PSTA's growth assumptions are .2% less than the County's projections due to the five municipalities that do not participate.

	Ad Valorem				
3 Yr Avg.	FY 16	FY 17	FY 18	FY 19	FY 20
2.4%	4.3%	3.8%	3.8%	3.3%	3.3%

10



Key Revenue & Expense Assumptions

- In the Ernst & Young PSTA Financial Study, an assumption of fare increases every 3 years was made. Using that model, if the PSTA Board were to implement a 15% increase in the average fare revenue starting in 2016 the impact would be:

Net Impact on Passenger Fares Based on 15% Increase				
FY 16	FY 17	FY 18	FY 19	FY 20
\$1,282,931	\$1,282,931	\$1,282,931	\$2,685,487	\$2,685,487

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Key Revenue & Expense Assumptions

- Traditionally PSTA has obtained bus advertising revenue through in-house staff. By outsourcing to an advertising firm, with a guaranteed minimum revenue the impact would be:

	Impact on Advertising Revenue			
FY 16	FY 17	FY 18	FY 19	FY 20
\$300,000	\$330,000	\$363,000	\$381,150	\$400,208

12



Key Revenue & Expense Assumptions

- Service Hour Adjustment Savings - 4% route adjustments would provide approximately \$1.4 million of savings in FY 16 and the cost avoidance savings would continue to grow.

	Net Service Hour Adjustment Savings				
	FY 16	FY 17	FY 18	FY 19	FY 20
Service Hr. Adjustments	\$1,362,334	\$1,425,001	\$1,484,851	\$1,547,215	\$1,612,198
Fare Box Impact	(\$150,000)	(\$150,000)	(\$150,000)	(\$163,950)	(\$163,950)
Net Savings	\$1,212,334	\$1,275,001	\$1,334,851	\$1,383,265	\$1,448,248

13



Potential Strategic Change Impacts

Description	FY 2015	FY 2016	FY 2017	FY 2018	FY2019	FY 2020
Maxing Out Property Tax	\$0	\$ 970,432	\$1,007,308	\$1,045,586	\$1,080,090	\$1,115,733
Increasing Average Fare 15%	\$0	\$1,282,931	\$1,282,931	\$1,282,931	\$2,685,487	\$2,685,487
Advertising Revenue	\$0	\$ 300,000	\$ 330,000	\$ 363,000	\$ 381,150	\$ 400,208
Administrative Savings	\$0	\$ 103,000	\$ 106,090	\$ 109,273	\$ 114,736	\$ 118,178
Service Hour Adjustments (ELC, 444, 58, 1/30 Redesign)	\$0	\$1,362,334	\$1,425,001	\$1,484,851	\$1,547,215	\$1,612,198
Service Adjustment Fare box Impact	\$0	\$ (150,000)	\$ (150,000)	\$ (150,000)	\$ (163,950)	\$ (163,950)
Total Potential Impact	\$0	\$3,868,697	\$4,001,330	\$4,135,641	\$5,644,728	\$5,767,854

14



Revised Multi-Year Plan with Adjustments

Pinellas Suncoast Transit Authority
Operating Budget Projections
FY 2015 - 2020

Line	FY 2016 Revised	FY 2017 Revised	FY 2018 Revised	FY 2019 Revised	FY 2020 Revised
Operating Revenues					
1 Operating Revenue	\$ 16,190,425	\$ 16,265,679	\$ 16,334,506	\$ 16,405,853	\$ 16,479,812
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11 Increase in 2 Month Operating Reserve	\$ (245,764)	\$ (513,399)	\$ (491,141)	\$ (514,062)	\$ (538,180)
12 Total Deficit With Reserve Adjustment	\$ (1,196,079)	\$ (2,936,956)	\$ (4,205,323)	\$ (5,794,978)	\$ (7,482,328)
Impact of Potential Adjustments					
13 Total Potential Adjustment Increases	\$ 3,868,697	\$ 4,001,330	\$ 4,135,641	\$ 5,644,728	\$ 5,767,854
14 Net Increase/(Decrease) to Reserves	\$ 2,672,618	\$ 1,064,374	\$ (69,682)	\$ (150,250)	\$ (1,714,474)

15



Potential Strategic Change Impact

- Implementing these changes today will provide for a balanced multi-year operating budget and provide for needed bus replacement funds over the next several years.



16



Questions?

INFORMATION ITEM



6C: Route Performance Monitoring System

Action: Information Item

Staff Resource: Chris Cochran, Senior Planner

FINANCE & PERFORMANCE
MANAGEMENT

PLANNING

Background:

- At the February 18, 2015 Board Workshop, staff presented a series of maps illustrating a variety of revenue and realignment scenarios. These maps included route modifications based on a data-driven performance criteria model.
- From this Staff presentation, Board members asked that Staff give a more detailed presentation that outlines the data and metrics used in the development scenario and performance model.
- The performance model, or Route Performance Monitoring System uses the latest full fiscal year ridership, revenue, and cost data collected and distributed by departments throughout the agency to score route performance based on a balanced evaluation of ridership and revenue metrics.
- The system includes a two-screen process that highlights lower performing routes within the system. These lower performing routes then go through a detailed review process to determine what corrective actions should be applied.

Attachments:

1. PowerPoint



Service Performance Monitoring System

PSTA Board Meeting
March 25, 2015

Methodology

- Goal: Evaluate all routes to identify targeted areas for redesign
 - Identify higher performing routes
 - Identify lower performing routes for
 - Research and redesign
 - Elimination & reallocation of funding to higher performing routes
 - Improved marketing and monitoring
 - Forecast performance of new aligned routes to justify each change.



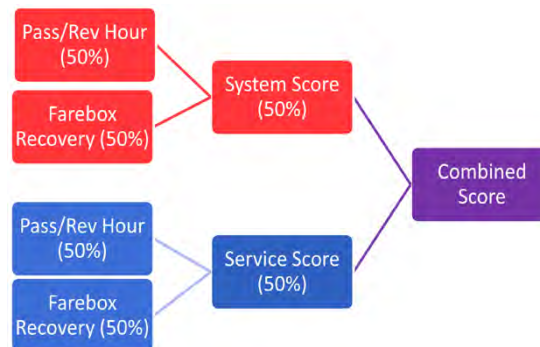
Methodology

- Screen 1 – Performance
 - Performance Data (FY 2014)
 - Ridership
 - Cost
 - Fare revenues
 - Criteria
 - Passengers per revenue hour
 - Cost recovery



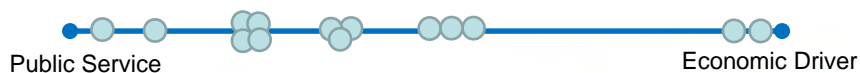
Methodology

- Weighting
 - 50% performance
 - 50% financial
- Combined Score
 - 50% system
 - 50% service type



Methodology

- Screen 2 – Qualitative Assessment: Community Access and Other Factors
 - Supports PSTA’s primary mission by providing a public service
 - Serves high number of low income households
 - Serves high number of zero car households
 - Serves places people need to go
 - Supports tourism activities
 - Other factors
 - Performance history
 - Funding streams



4



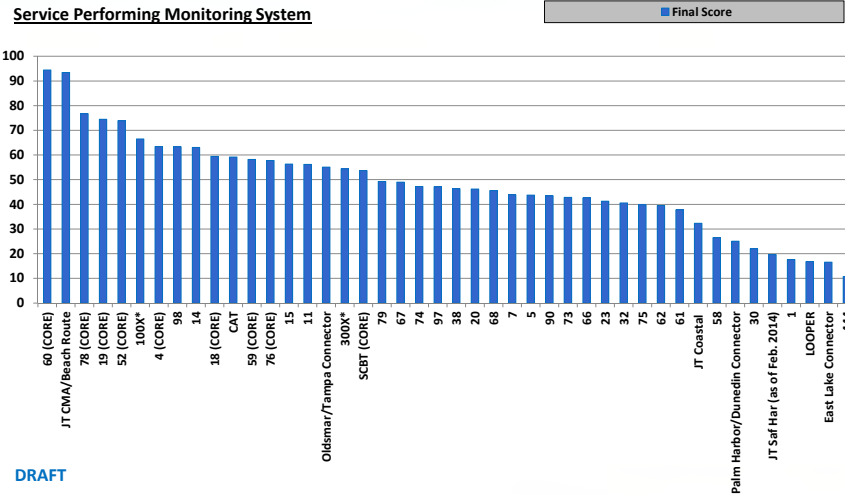
Low Performing Route Options

- **Improve Marketing/Branding & Monitor**
 - Newer routes
- **Research & Redesign**
 - Public Engagement/Rider surveys
 - Review travel demand and socioeconomic data
 - Origin & Destination Data
 - Transfer Analysis
 - Low income and/or zero-car households
 - Realign or combine with other route(s) with potential to improve performance
- **Eliminate & Reallocate Resources**
 - Redirect resources from historically low performing routes to better routes

5



Results: Screen One



6



Route Recommendation: 444

- Route 444
 - Monday-Friday, 110 minute frequencies
 - Circuitous route – 3 “loops” serving Walmart on US19
- Staff Recommendation: **Eliminate Current Configuration & Research Other Opportunities**
 - Consider reallocation of revenue hours to higher performing routes to serve same area better
 - Research potential for community partnerships
 - Examine alternative options to better serve Pinellas Park and Lealman areas
 - Seek local contribution or community development grant funding to help support

7



Route Recommendation: East Lake

- East Lake Connector
 - Began December 2012
 - 70 minute frequencies, Monday-Friday 8:30am-6:30pm
 - Route can deviate $\frac{3}{4}$ mile for scheduled pick-ups/drop-offs
 - Receives Transit Corridor funding from FDOT
- Staff Recommendation: **Eliminate & Reallocate Funds**
 - Eliminate route and reallocate funds to higher performing or new regional route
 - Reallocate FDOT Grant Funding to Regional Express Routes
 - Increase frequencies on Oldsmar Connector

8



Route Recommendation: 1 and 30

- Route 1
 - 60-80 minute frequency
 - Monday-Saturday 7:15am – 6:30pm
 - Intermittent trips to Gateway mall (5/day)
- Route 30
 - Monday- Saturday, 3 morning trips and 3 afternoon trips
 - Interlined with Route 1 between Tyrone Mall and Northeast Shopping Center
- Staff Recommendation: **Research & Redesign**
 - Survey riders
 - Combine routes 30 & 1 to continue to serve low-income and zero-car households along eastern portion of corridor
 - Consider realignment for FY16 to serve downtown St. Petersburg which has greater travel demand

9



Route Recommendation: 58

- Route 58
 - Monday-Friday service
 - 10 trips each way daily, 60-80 minute frequencies most day with no service 9:30am-12:40pm
- Staff Recommendation: **Eliminate Current Configuration & Research Other Opportunities**
 - Survey riders
 - Consider rerouting Route 18 (in Seminole) to Serve SPC instead of Route 58

10



Route Recommendation: Coastal

- Jolley Trolley (Coastal Route)
 - Began in November 2010
 - 60 minute frequency
 - Service Friday-Sunday 10am-midnight
 - Funded by Partnership between Jolley Trolley, PSTA, and local jurisdictions
- Staff Recommendation: **Redesign & Improve**
 - Survey riders
 - Combine with 66 for 7 day/week trolley service with consistent service and branding

13



NON-BOARD COMMITTEES



6Ca: Transit Riders Advisory Committee

Action: Information Item

Staff Resource: Brad Miller, CEO
Elaine Mann, Committee Chair



-
- Ms. Mann will give an update on the March 17, 2015 Transit Riders Advisory Committee (TRAC) meeting.
 - Ms. Mann will specifically focus on the TRAC discussion and feedback regarding the Route Performance Monitoring System.
-

Attachments: None

REPORTS/CORRESPONDENCE



7A:	PSTA Performance Report/Updates
Action:	Information Item

Staff Resource: Brad Miller, CEO

Total Ridership*	
UP 1.7% Monthly Compared to Last Year	UP 4.6% Year-to-Date

* a detailed report is attached

Contract Awards between \$25,000 - \$100,000		
Vendor	Amount	Description
None		
Total:		

Transportation Disadvantaged (TD)	2/2015	YTD
Number of Telephone Inquiries	974	1,976
Number of Applications Mailed	48	101
Number of TD Discounted Bus Passes	4,936	9,624

Customer Service	2/2015	YTD
Number of Real Time Text Messages Sent to Riders	187,369	1,159,380
Number of Times Voice System Provided Info to Riders	127,231	638,981
Number of Times RidePSTA.net was visited	65,830	290,861
Number of InfoLine Calls	37,915	77,769
Average Call Length	1:11	2:28
Average Hold Time	:91	2:06

PSTA.net	2/2015	YTD
Number of Website Visits Per Day	5,882	5,540
Number of Users	53,365	212,428
Total Pages Viewed	308,028	1,578,423
Percent of First Time Visitors	25%	23%
Number of Online Bus Pass Orders	666	1,429

Social Media Statistics (by the end of the month)	2/2015
Number of Twitter Followers	1,599
Number of Facebook Fans	8,626
Number of LinkedIn Followers (Company Page)	514
Number of People Belonging to PSTA's LinkedIn Group	157
Number of Times Blog Pages were Viewed	692

Attachments:

1. Operating Statistics
2. Performance Graphs

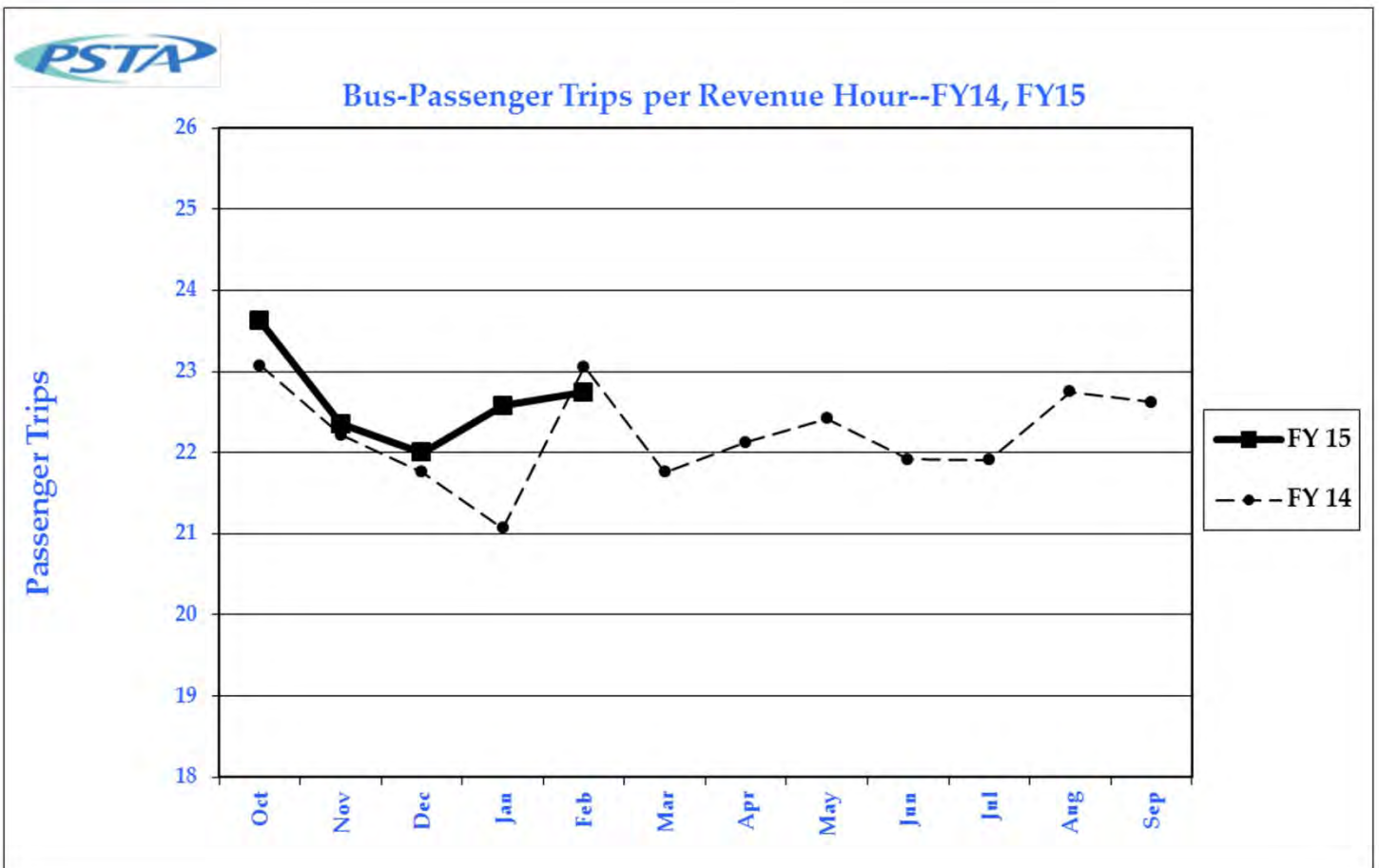
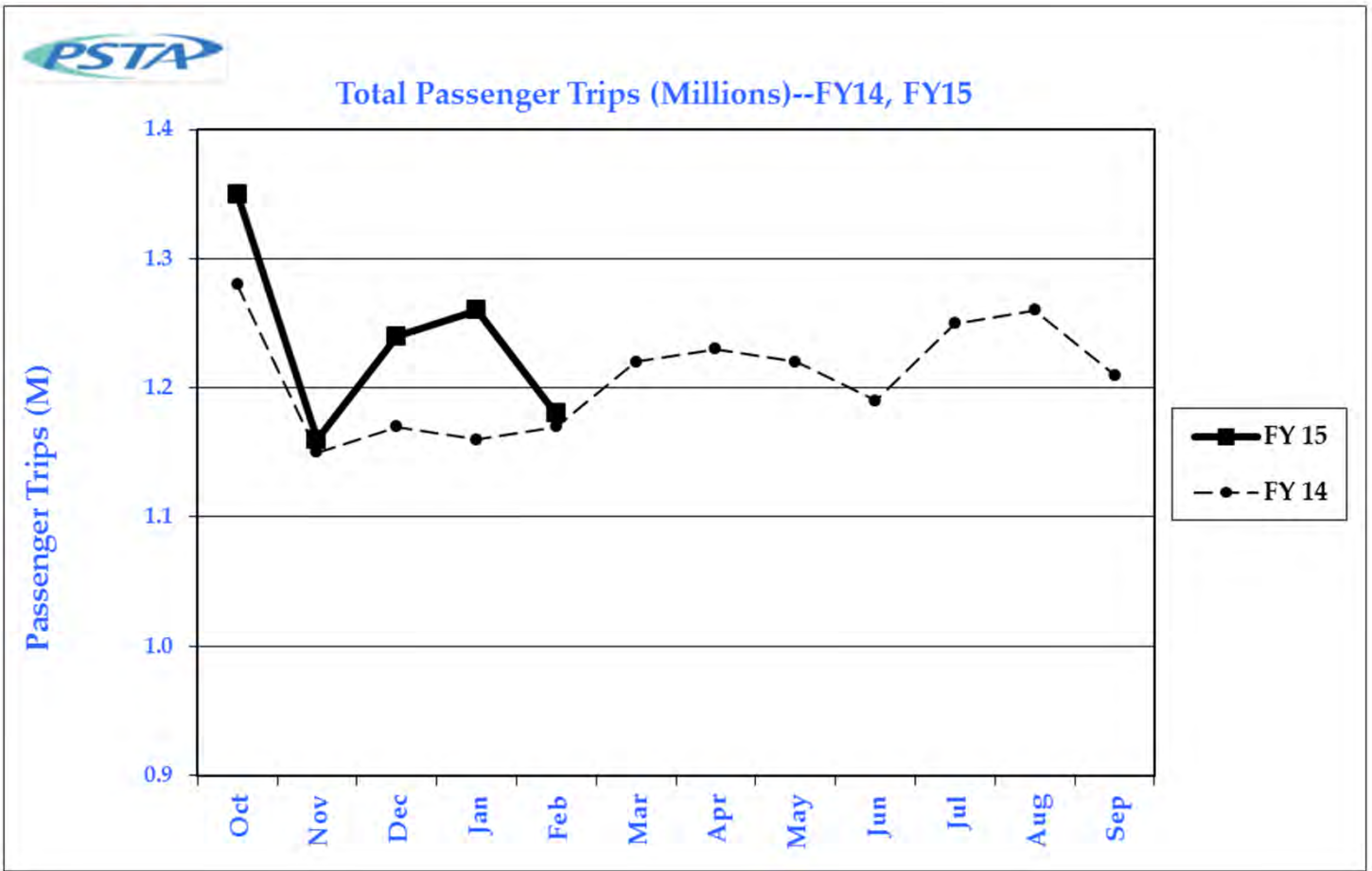


OPERATING STATISTICS
Board Report
FEBRUARY 2015

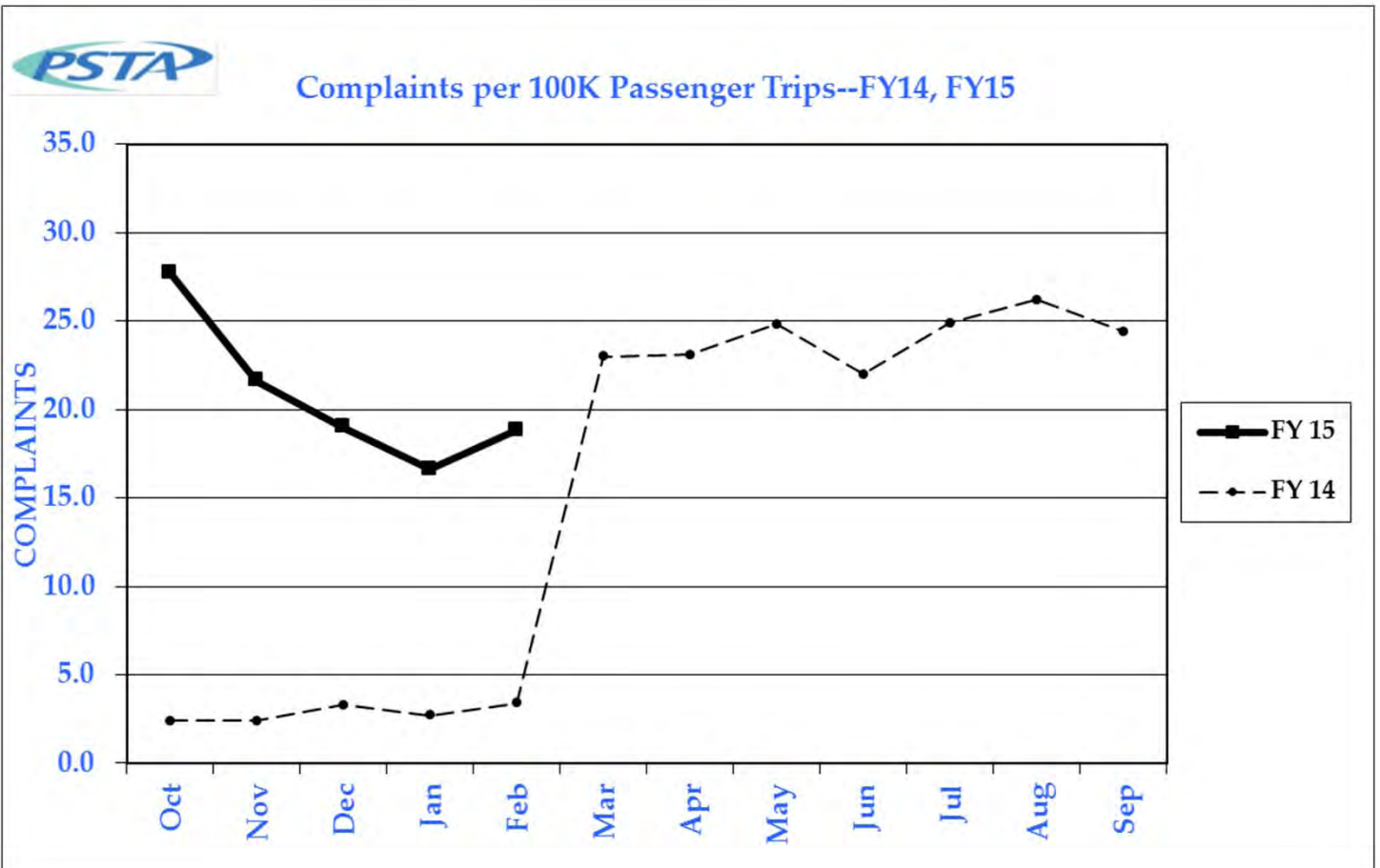
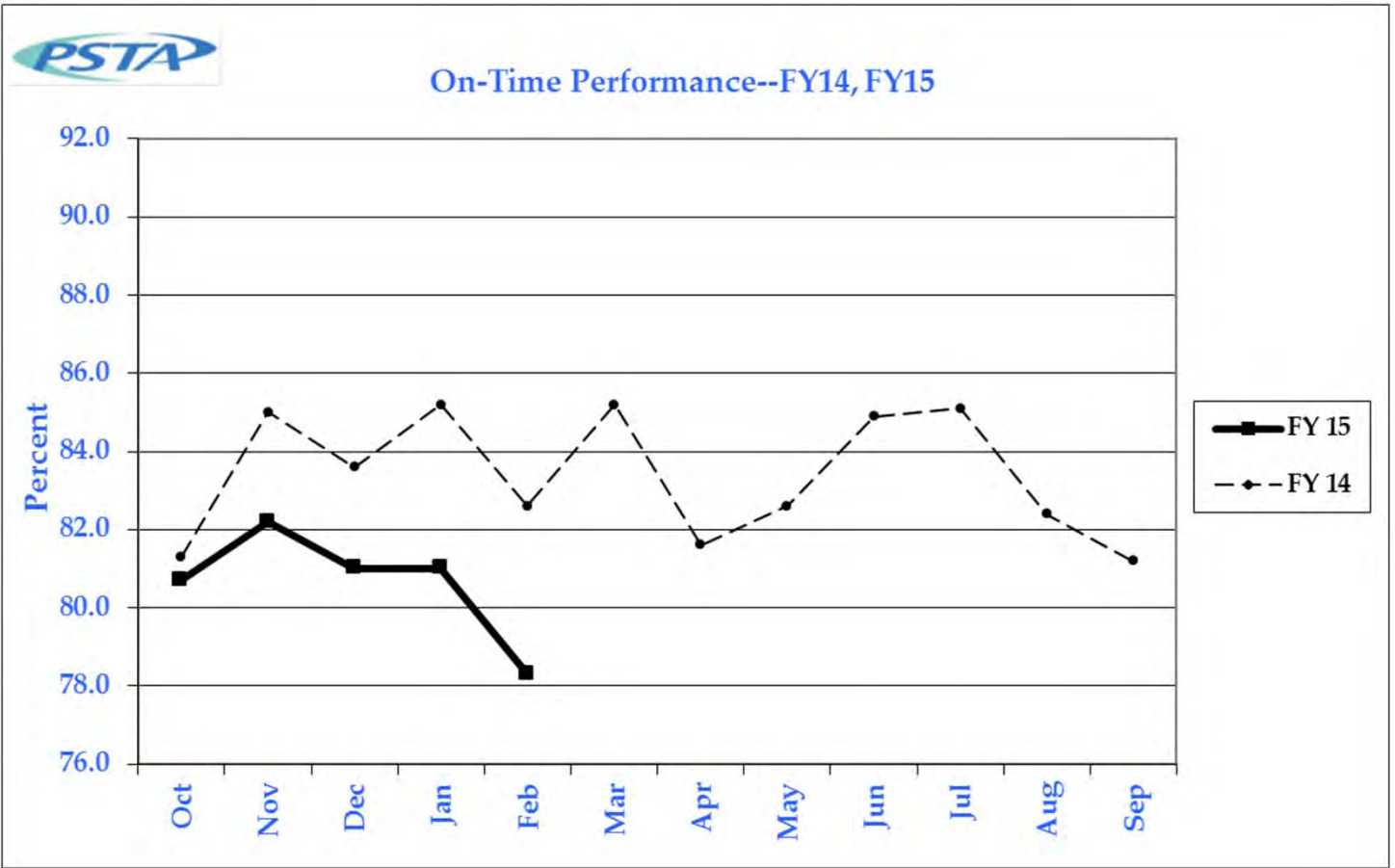
CURRENT MONTH			RIDERSHIP STATISTICS	FISCAL YEAR-TO-DATE		
THIS MONTH	THIS MONTH LAST YEAR	% CHANGE		THIS YEAR	PRIOR YEAR	% CHANGE
1,049,514	1,053,821	-0.4%	Total Bus Revenue Passenger Trips ⁽¹⁾	5,540,201	5,410,103	2.4%
39,610	39,248	0.9%	Other Bus Passenger Trips (includes East Lake) ⁽²⁾	233,393	210,993	10.6%
6,506	5,048	28.9%	Looper Trolley Passenger Trips ⁽³⁾	23,004	17,822	29.1%
64,276	41,537	54.7%	Jolley Trolley Passenger Trips ⁽⁴⁾	258,920	144,478	79.2%
1,159,906	1,139,654	1.8%	Total Fixed Route Passenger Trips ⁽¹⁻⁴⁾	6,055,518	5,783,396	4.7%
21,505	21,563	-0.3%	DART Client Trips ⁽⁵⁾	113,118	113,803	-0.60%
390	605	-35.5%	DART TD Trips ⁽⁶⁾	2,089	2,932	-28.8%
2,934	2,836	3.5%	DART PCA Trips ⁽⁷⁾	15,533	15,325	1.4%
24,829	25,004	-0.7%	Total DART Passenger Trips ⁽⁵⁻⁷⁾	130,740	132,060	-1.0%
1,184,735	1,164,658	1.7%	Total Passenger Trips ⁽¹⁻⁷⁾	6,186,258	5,915,456	4.6%
4,919	5,227	-5.9%	Wheelchairs	27,777	26,440	5.1%
31,709	30,031	5.6%	Bikes on Buses	171,665	163,010	5.3%
50,224	47,327	6.1%	Average Weekday Passenger Trips			
33,784	30,742	9.9%	Average Saturday Passenger Trips			
20,251	16,851	20.2%	Average Sunday Passenger Trips			
OPERATING STATISTICS						
608	592.0	2.6%	Employees-Budgeted			
685,528	678,569	1.0%	Total Revenue Miles	3,646,522	3,607,340	1.1%
47,898	47,404	1.0%	Total Revenue Hours	254,725	252,885	0.7%
78.3	82.6	-5.2%	On-Time Performance	80.6	83.5	-3.4%
18.8	3.4	453.6%	Complaints Per 100,000 Passenger Trips*	20.9	2.8	644.8%
4.83	5.01	-3.7%	Accidents--Total-Per 100,000 Miles	4.01	4.01	0.1%
1.02	0.51	99.2%	Accidents--Preventable-Per 100,000 Miles	1.00	87.00	-98.8%
12,699	10,657	19.2%	Miles Per Roadcall	10,209	9,294	9.8%
15,234	8,929	70.6%	Miles Per Service Interruption	11,878	9,883	20.2%
1.59	1.61	-1.3%	Bus-Total Passenger Trips / Revenue Mile	1.58	1.56	1.5%
22.74	23.06	-1.4%	Bus-Total Passenger Trips / Revenue Hour	22.67	22.23	2.0%

*Note: Starting March 2014, complaint number will be total complaints reported (vs. valid).

PSTA Performance Measures



PSTA Performance Measures



REPORTS/CORRESPONDENCE



7B: Capital Projects Update

Action: Information Item

Staff Resource: Brad Miller, CEO

**FINANCE & PERFORMANCE
MANAGEMENT**

-
- Attached is an updated list of PSTA's capital projects
-

Attachments:

1. Capital Projects Cover Sheet
2. Capital Projects Packet (**[CLICK TO VIEW/PRINT](#)**)



PSTA Major Capital/Planning Projects
Quarterly Status Update
February 2015

Project	Capital Project Name	Budget	Invoices Paid (as of 11/30/14)	% Complete (Based on Invoices Paid)	Project Stage	% of Project Complete	Project Manager	Current Status
1	Pinellas Park Transit Center	\$518,000	\$373,381	72%	In Process	90%	Mark Knight	On Schedule
2	Largo Commons Transfer Center	\$307,569	\$22,940	7%	Development	10%	Mark Knight	-
3	ADA Landing Pad Project	\$1,331,034	\$206,424	16%	In Progress	20%	Mark Knight	On Schedule
4	Shelter Project	\$1,282,650	\$46,446	4%	Development	15%	Mark Knight	On Schedule
5	Reg Rev Coll & Inter-Jurisdictional Mobility Pro	\$1,133,636	\$156,480	14%	Development	10%	Walt Lenz	-
6	Safety & Security Equipment	\$237,839	\$231,539	97%	In Progress	35%	Walt Lenz	On Schedule
7	Bus Wi-Fi Project	\$235,000	\$210,827	90%	In Progress	100%	Walt Lenz	Complete
8	FDOT Park & Ride Lot	\$200,000	\$0	0%	Development	85%	Chris Cochran	-
9	Purchase Replacement Revenue Vehicles	\$20,415,003	\$10,708,738	52%	PO Issued	85%	Henry Lukasik	On Schedule
10	Purchase Support Vehicles	\$92,256	\$0	0%	Development	20%	Henry Lukasik	On Schedule
11	Tire Lease	\$1,274,801	\$660,094	52%	Continuous	52%	Henry Lukasik	-
12	Rehab/Renovate Maintenance Forklifts	\$16,000	\$0	0%	Development	0%	Henry Lukasik	-
13	Service Lane Infrastructure	\$245,000	\$0	0%	Development	10%	Henry Lukasik	On Schedule
14	Audio Equipment (Auditorium)	\$35,000	\$20,895	60%	In Progress	98%	Debbie Woodward	On Schedule
15	FleetNet Software Updates	\$99,375	\$84,075	85%	In Progress	85%	Debbie Woodward	On Schedule
16	Route Match Software	\$125,000	\$80,191	64%	In Progress	64%	Walt Lenz	On Schedule
17	In - Person Assessment - Travel Training	\$21,328	\$6,575	31%	Continuous	40%	Ross Silvers	-
Capital Project Total		\$27,569,491	\$12,808,605	46%				
Project	Planning Project Name	Budget	Invoices Paid (as of 9/15/14)	% Complete (Based on Invoices Paid)	Project Stage	% of Project Complete	Project Manager	Current Status
1	Long Range Planning-Consultants (2014)	\$200,000	\$0	0%	Development	0%	Cassandra Borchers	On Schedule
2	Short Range Planning - Consultant	\$1,237,761	\$830,758	67%	In Progress		Cassandra Borchers	On Schedule
3	AA/Howard Frankland Bridge Study	\$2,191,740	\$1,797,556	82%	In Progress	90%	Heather Sobush	On Schedule
4	Clearwater Downtown Intermodal Terminal	\$1,250,000	\$10,313	1%	Development	15%	Chris Cochran	On Schedule
Planning Project Total		\$4,879,501	\$2,638,627	54%				
Grand Total - Open Projects		\$32,448,992	\$15,447,232	48%				

FUTURE MEETING SUBJECTS



PSTA BOARD MEETINGS	
April 22, 2015	
Action Items	Information Items
<ul style="list-style-type: none"> Request to Pinellas MPO to Prioritize Future Bus Replacement Requests. Request to Pinellas MPO to prioritize Central Avenue Bus Rapid Transit Project. 	<ul style="list-style-type: none"> FY2016 Budget Personnel Assumptions Review
May 27, 2015	
Action Items	Information Items
<ul style="list-style-type: none"> “Path Forward” Vision Approval 	<ul style="list-style-type: none"> FY2016 Capital Improvement Program Review
June 24, 2015	
Action Items	Information Items
<ul style="list-style-type: none"> Contracted Bus Advertising Contract Award 	<ul style="list-style-type: none"> FY2016 Budget Recommendation

<u>KEY MEETINGS/DATES</u>
<p><u>Executive Committee</u></p> <ul style="list-style-type: none"> <i>March 23, 2015</i>
<p><u>PSTA Board Workshops</u></p> <ul style="list-style-type: none"> Likely April & May. (1/2 Day)
<p><u>Legislative Committee</u></p> <ul style="list-style-type: none"> <i>April 8, 2015; 9:30 AM – PSTA</i>
<p><u>MPO Meeting</u></p> <ul style="list-style-type: none"> <i>April 8, 2015; 1:00 PM – Clearwater MPO Offices</i>
<p><u>TRAC</u></p> <ul style="list-style-type: none"> <i>April 14, 2015; 4:00 PM</i>
<p><u>Finance & Performance Mgmt. Committee</u></p> <ul style="list-style-type: none"> <i>April 15, 2015; 9:00 AM</i>
<p><u>Planning Committee</u></p> <ul style="list-style-type: none"> <i>April 15, 2015; 10:30 AM</i>
<p><u>TBARTA Board Meeting</u></p> <ul style="list-style-type: none"> <i>April 24, 2015; 9:30 AM – FDOT, Tampa</i>