



**BOARD OF DIRECTORS MEETING
 AGENDA – MAY 27, 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.	PRESENTATIONS		9:15	
	A. FDOT Presentation	10 min	FDOT STAFF	4
4.	NON-BOARD COMMITTEES		9:25	
	A. Transit Riders Advisory Committee	5 min	ELAINE MANN	5
	B. Metropolitan Planning Organization	5 min	JULIE BUJALSKI	6
	C. MPO’s Local Coordinating Board	5 min	PATRICIA JOHNSON	7
5.	CONSENT AGENDA		9:40	
	A. Board Meeting Minutes		CHAIR JONSON	8
	B. Settlement with Marcia & Robin Oder		ALAN ZIMMET	17
	C. Bus Tire Lease		LOUEMMA CROMITY	20
	D. Financial Policies Annual Update		DEBBIE LEOUS	27
6.	ACTION ITEMS		9:50	
	A. Path Forward Plan Approval	20 min	BRAD MILLER	58
	B. Capital Improvement Program	20 min	DEBBIE LEOUS	61
	C. Bus Advertising Contract/Policy	20 min	CYNDI RASKIN-SCHMITT	81
7.	REPORTS/CORRESPONDENCE		10:50	
	A. PSTA Performance Report/Updates	5 min	BRAD MILLER	102
8.	FUTURE MEETING SUBJECTS		10:55	
9.	OTHER BUSINESS		11:00	
10.	BOARD MEMBER COMMENTS		11:00	
11.	ADJOURNMENT		11:15	

THE NEXT MEETING IS JUNE 24, 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, May 27, 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.

PRESENTATION



3A: Florida Department of Transportation (FDOT) Presentation

Action: Information Item

Resource: Ricardo Feliciano, FDOT



Background:

- FDOT is updating the Florida Transportation Plan (FTP) and the Strategic Intermodal System (SIS) Policy Plan.
- The FTP defines Florida's future transportation vision and identifies goals, objectives, and strategies to accomplish that vision.
- The FTP is the statewide long-range transportation plan for all of Florida.
- The SIS Policy Plan identifies policies for planning and implementing Florida's Strategic Intermodal System, the statewide high-priority network of transportation facilities critical to Florida's economic competitiveness.
- The purpose of the presentation is to get the people and businesses that use transportation, organizations that provide transportation services, transportation planners, and transportation builders to join the conversation.

NON-BOARD COMMITTEES



4A: Transit Riders Advisory Committee

Action: Information Item

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



-
- Ms. Mann will give an update on the May 19, 2015 Transit Riders Advisory Committee (TRAC) meeting.
-

Attachments: None

NON-BOARD COMMITTEES



4B: Metropolitan Planning Organization

Action: Information Item

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



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

Attachments: None

NON-BOARD COMMITTEES



4C: MPO's Local Coordinating Board

Action: Information Item

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



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

Attachments: None

CONSENT AGENDA



5A: Board Meeting Minutes

Action: Approve Board Meeting Minutes

Staff Resource: Clarissa Keresztes, Administrative Assistant

- Staff recommends approval of the minutes of the April 22, 2015 Board Meeting.
-

Attachments:

1. Minutes



PINELLAS SUNCOAST TRANSIT AUTHORITY
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**BOARD OF DIRECTORS MEETING
MINUTES – APRIL 22, 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
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
Kenneth Welch

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 9:00 AM and the Board was led in a moment of silence and the Pledge of Allegiance.

[Mr. Newton entered the meeting at 9:03.]

PUBLIC COMMENT

Tom Rask, Seminole (also for Sully Grasso), spoke about Earth Day. He stated that he had sent an email to the Board regarding new leadership for PSTA and he mentioned the Homeland Security grant. Mr. Rask spoke of the route cuts cited in the Greenlight Plan and also commented on PSTA's letter to the Metropolitan Planning Organization (MPO) regarding priorities.

[Mr. Welch entered the meeting at 9:08.]

NON-BOARD COMMITTEES

Transit Riders Advisory Committee (TRAC) – Elaine Mann, Committee Chair, reported on the April 14th TRAC meeting. She said that Cyndi Raskin-Schmitt, Director of Communications, presented a new advertising initiative for expanding the bus advertising program. The Committee made comments and this initiative will be presented again in further detail at the May meeting. Jeff Thompson, Director of Transportation, presented changes to the Rider Courtesy Guidelines currently under review, and the Committee offered their input. Committee Chair Mann reported that Debbie Leous, Chief Financial Officer, and Ross Silvers, Mobility Manager, addressed the Fare Revenue Policy currently in place and a possible fare increase. She said that Heather Sobush, Planning Manager, presented the next steps in the Service Redesign Plan and reported that staff is conducting further performance monitoring on various routes with the findings to be presented at the June and July TRAC meetings. She indicated that the next TRAC meeting will be held on May 19th at 4:00 PM.

Metropolitan Planning Organization's Local Coordinating Board (LCB) – Ms. Johnson reported that the MPO's LCB did not meet, but the LCB's sub-committee did on March 26th to review possible changes to the Transportation Disadvantaged (TD) bus pass program. They also discussed TD trends and its impact upon PSTA's finances and discussed reviewing other potential sources of revenue. It was also suggested to reach out to the Homeless Leadership Board and other agencies before making changes. She reported that at the next LCB meeting on May 19th and the sub-committee will present the TD information. Changes to the program must be approved by the LCB, the MPO Board, and PSTA.

CONSENT AGENDA

Mr. Bevis made a motion, seconded by Ms. Long to approve the Consent Agenda. There were no public comments. The Board unanimously approved the Consent

Agenda, which included the approval of the March 25, 2015 Board meeting minutes as amended, the FleetNet Software Support renewal, and the TRAC nomination.

ACTION ITEMS

Amend Rules & Regulations to Expand Executive Committee and Appointment – Chairperson Jonson explained that at the last Board meeting, it was proposed to expand the Executive Committee to five members and indicated that the rule change was provided in the agenda packet. Mr. Zimmet read Resolution #15-03 by title. Ms. Rice made a motion, seconded by Mr. Welch to adopt Resolution #15-03. There were no public comments. Motion passed unanimously.

Mr. Diamond reported that the Nominating Committee recommended Ms. Rice as the fifth member on the Executive Committee. Ms. Long made a motion, seconded by Mr. Bevis to approve the appointment of Ms. Rice. There were no public comments. Motion passed unanimously.

“Path Forward” Framework Approval – Chairperson Jonson stated that the “Path Forward” framework was presented at the last Board meeting as well as the Executive and Planning Committees.

In response to Chairperson’s call for public comment, Barb Haselden, St. Petersburg, spoke about the “Path Forward” and cited some operating numbers over the past three years. She commented on the 2011 operating expense projections and the 2014 Comprehensive Annual Financial Report (CAFR) total expenses. She stated her belief that there was a 35% increase in operating expenses in three years. Ms. Haselden also spoke about her public records request for written correspondence between PSTA and the Department of Homeland Security (DHS) regarding the grant.

Mr. Rask stated his opinion that PSTA has no direction and should call the “Path Forward” the “Path to Trust.” He also spoke about the increase of TD riders and suggested calculating the riders who pay the full fare to determine the real demand. He stated that PSTA is losing the public’s trust.

In response to the comments, Mr. Miller reported that operating expenses in 2012 were \$56 million as compared to the 2014 CAFR operating expenses of \$62.4 million, which is \$9 million over three years or about 4-5% per year. He spoke about the “Path Forward” and approval of a strategic direction to move forward and stated that the Executive Committee had abundant discussion about the “Path Forward” framework. Ms. Long

added that countless hours had been spent on the “Path Forward” issue and believes that PSTA is moving forward in a very thoughtful and diligent manner.

Chairperson Jonson explained that resulting from the April 10th Executive Committee meeting, the Committee made five recommendations to the Board:

1. Approve the framework of the “Path Forward” policy direction.
2. Conduct a full-day Board workshop on Friday, May 22nd to review and approve the plan’s Strategic Priorities.
3. Place emphasis on community communication and messaging.
4. Utilize the “Interim Accountability Measures” to monitor progress toward implementing the “Path Forward” plan.
5. The Executive Committee will review PSTA’s existing “Guiding Principles” and make suggested modifications for Board approval.

After discussion and feedback from the Board members, Ms. Long made a motion, seconded by Mr. Newton to approve the “Path Forward” framework. There were no further public comments. Motion passed unanimously.

Chairperson Jonson presented the four Interim Accountability Measures and timeline:

1. Board approval of the “Path Forward” strategic plan – by May 27, 2015
2. “Path Forward” performance tracking – by June 1, 2015
3. Demonstrated coordination with Hillsborough Area Regional Transit Authority (HART) – by August 1, 2015
4. Demonstrated coordination with the Pinellas MPO – by December 31, 2015

There was discussion on the timing of the four Interim Accountability Measures and whether the May 22nd workshop should be set up as a regular meeting so action could be taken or as an informational workshop. Mr. Zimmet said that the workshop could either be an informational workshop or noticed as a special session, in which action could take place, if desired.

[Mr. Bevis left the meeting at 10:17 AM and did not return.]

Ms. Bujalski made a motion, seconded by Ms. Gerard to have an informational workshop only on May 22nd. There were no public comments. Motion passed (13:1) with Mr. Holmes dissenting.

Metropolitan Planning Organization Report – Chairperson Jonson remarked that the letter to the MPO was presented at the last Board meeting and went back to the Planning and Executive Committees for revisions. Ms. Bujalski reported that there was

an MPO Board meeting on April 8th, and MPO members and staff discussed PSTA's Surface Transportation Program (STP) funding request that had gone through their Committee structure. She said that the Committees recommended to the MPO Board that a process be put in place to determine priorities for the STP funding. In addition, they also wanted to add bicycle and pedestrian amenities and infrastructure to the list for STP funding. She reported that at her request, the MPO Board postponed this discussion until the new Director of the MPO arrives in June. Ms. Bujalski explained the revisions that were made to the letter and stated that both the Executive and Planning Committees recommended approval.

Mr. Rask (also for Mr. Grasso), stated his belief that the MPO letter is flawed and believes the effort does not have direction. He spoke about the Bus Rapid Transit (BRT) priority and the sustainability adding that he questions the process.

Mr. Scott made a motion, seconded by Mr. Newton to approve the MPO letter. There were no public comments. Motion passed (13:1) with Mr. Deighton dissenting.

Ms. Bujalski reported that the MPO received a presentation from the Florida Department of Transportation (FDOT) on the Express Bus service from Pinellas through Hillsborough. In the past, PSTA sent a letter to FDOT expressing concern about how the bus service would be funded and the lack of bus lanes in Pinellas County. Ms. Bujalski explained that the MPO Board approved a motion to request that FDOT reassess the traffic forecast used for the Express Lane Study for I-275 to downtown St. Petersburg without Greenlight Pinellas. They also expressed concern that the express lanes are currently planned to end in the Gateway area.

INFORMATION ITEMS

Legislative Committee Report – Ms. Rice reported that the Committee met on April 8th after members of the Board and Committee returned from the Pinellas Chamber Legislative trip to Tallahassee on March 25th. She stated that the Committee's discussion was focused on PSTA's state legislative priorities including the Central Avenue BRT project as the top priority. She said Senators Latvala and Brandes included funds in the approved Senate budget for the final design of the BRT project. Ms. Rice noted that the Committee supported the issuance of a Request for Proposal (RFP) for a federal lobbyist. She explained that Gray Robinson is our state lobbyist, but PSTA does not have a full-time federal lobbyist in Washington, D.C.

Executive Committee Report – Chairperson Jonson gave a summary of the issues that were discussed by the Executive Committee on April 10th. He reported that the

Committee agreed to regularly meet with HART's Executive Committee. He commented that he met with the Chairperson of HART on April 15th and he strongly supports the meetings. Chairperson Jonson said the Committee recognized a need for strong Board member participation and will explore alternatives in that area.

Fare Revenue Assumptions – Mr. Miller said the Planning Committee reviewed and discussed this information at their last meeting. It is his belief that the full Board should also receive this information as it is a very important component of the overall “Path Forward” plan as well as the FY2016 budget.

Debbie Leous, Chief Financial Officer, presented a graph showing revenue per customer and indicated that customers are getting more rides for the same or less money and. She spoke about the three reserves: Operating, Insurance, and General. Ms. Leous reported that the majority of PSTA's revenue comes from the ad valorem tax (\$35.4 million) and passenger fares (\$13.9 million). She noted that there are no specific recommendations yet on the revenues and how to achieve increases, but the goal would be to increase the average revenue per ride by 15% to generate an additional \$1.2 million.

Ross Silvers, Mobility Manager, spoke of the huge expansion of the TD program and the successful UPASS program, which have an impact on revenues. He noted that the number of TD bus passes issued in the past year almost doubled which PSTA anticipated but did not predict demand unleashed by some TD program improvements. Mr. Silvers explained that the money for the TD program is coming from co-pays and a grant from the State, which is based on how many trips PSTA provides every year. He also explained some challenges PSTA faces if fares are increased.

In response to Mr. Holmes' earlier question regarding the Homeland Security grant, Chairperson Jonson spoke briefly about the grant and some policy changes that were subsequently made. Ms. Rice mentioned that the Executive Committee is scheduled to review the grant process. It was suggested that if any new Board member needed more information, they could review the archived Board videos or meet one-on-one with Mr. Miller or Mr. Zimmet.

REPORTS/CORRESPONDENCE

PSTA Performance Report/Updates – The report was included in the Board packet.

FUTURE MEETING SUBJECTS

The Board received a schedule of future meeting subjects. Mr. Miller indicated that the Board workshop will be on May 22nd with an Executive Committee meeting on May 11th to prepare for the workshop. He explained that the Board will be presented the draft FY2016 budget in June.

OTHER BUSINESS

No other business.

BOARD MEMBER COMMENTS

Mr. Barkley believes the Board is doing all that is required to help move PSTA forward.

Ms. Johnson said she wanted to assure the TD riders that PSTA is working very hard to make it possible for them to continue to have transportation.

Mr. Eggers thanked the Board for their high energy level and moving PSTA in the right direction.

Mr. Scott echoed Ms. Johnson's comments regarding the TD program.

Ms. Rice thanked everyone for voting for her to join the Executive Committee and she said she looks forward to the new role and working on the "Path Forward."

Mr. Newton thanked everyone for all their hard work and wished everyone a happy Earth Day. He also recognized 44 Bus Operators for passenger commendations and thanked them for their service.

Ms. Bujalski said that this is a Board appointment that requires a lot of work and a lot of meetings. She noted that PSTA is a large agency that requires meetings more than once a month. She stated that she is very proud of her fellow colleagues who are putting in the time and effort.

Mr. Welch stated that he is excited where PSTA is going, and commented that even though it is a different path than the Board thought last year, the potential for improving transit is possible. He said that it is called the "Path Forward" not the path backward, adding that he looks forward to the work ahead.

Chairperson Jonson indicated that he was very pleased with the discussions that took place. He said he believes the diversity in opinion makes the Board stronger. Chairperson Jonson thanked the Board for their passion and dedication and their interest in continuing to improve the Board's governance. He stated that governance is all about connecting with the community and being accountable and providing public service to the citizens.

ADJOURNMENT

There being no further business, Chairperson Jonson adjourned the meeting at 11:20 AM. The next meeting is scheduled for May 27th at 9:00 AM.

Chairperson

CONSENT AGENDA



5B: Settlement with Marcia & Robin Order

Action: Approve Settlement with Marcia & Robin Order

Staff Resource: Sangita Land, Chief Compliance Officer
Joe Barkley, Committee Chair

**FINANCE & PERFORMANCE
MANAGEMENT**

Background:

- Marcia Oder sustained injuries from an incident on February 12, 2015. The driver of the bus was cited for failure to use due care toward a pedestrian.
- Staff is requesting settlement authority of \$200,000 for Marcia Oder and \$100,000 for Robin Oder for a total of \$300,000.
- Our sovereign immunity limits of liability are \$200,000 per person and \$300,000 per accident so this is a full limit request.
- Settlement approval has already been obtained from PSTA's excess carrier and now requires Board approval to proceed with the settlement.

Fiscal Impact:

- \$300,000 (\$200,000 of which will be reimbursed by our Excess Carrier).

Recommendation:

- Recommend Board approval of the settlement with Mr. & Mrs. Oder.
- The Finance Committee reviewed this item and is recommending approval.

Attachments:

1. Defense Evaluation



BRIAN J. DURHAM
PAUL L. HAMMOND
JEFFREY D. JENSEN
ASHLEY D. JORDAN
ANDREW J. SALZMAN
T.R. UNICE, JR., B.C.S.*+

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MEMORANDUM

TO: Diane Randall, Risk Supervisor

FROM: T.R. Unice, Jr., Esquire

RE: Proposed Settlement Regarding Claimants Marcia and Robin Oder

DATE: May 4, 2015

Marcia Oder is a 72-year-old pedestrian who was impacted by a PSTA connector bus in the Publix parking lot at 36301 East Lake Road in Palm Harbor, Florida, on February 12, 2015. The incident has received media attention where it was reported that Mrs. Oder was dragged and trapped under the PSTA vehicle. After Mrs. Oder was extricated, she was air-lifted to Bayfront Medical Center where she was listed in critical condition. Media has reported that the PSTA driver stated to FHP that he did not see the claimant.

Liability in this matter is favorable to the claimants as the DVR video shows the pedestrian entered the crosswalk approximately twenty-five feet beyond a stop sign controlling the PSTA bus' lane of travel. The claimant walked uniformly into the crosswalk at a slow pace. The PSTA vehicle slows at the stop sign, but does not come to a full stop. The vehicle then traverses one crosswalk and approaches the crosswalk that the claimant had entered. The DVR video shows the claimant in full view through the vehicle's windshield. The PSTA vehicle then impacts the claimant as she is halfway through the crosswalk. In the Incident Report, the driver reported he did not see the claimant as his vision was obscured by the sun. The brake switch reveals the brakes were not engaged until after the claimant was pulled under the bus. The brake test on the vehicle did not reveal any issues. After an investigation by law enforcement, the PSTA operator was cited for violation of Fla. Stat. 316.130(15) for failure to use due care toward a pedestrian.

While the current information regarding the extent of the claimant's injuries is limited, staff on site had reported that Mrs. Oder's left arm was severely injured, she had severe facial injuries, and that her chest was concaved. The file also indicated Mrs. Oder had undergone

00222966.DOCX

several unspecified surgical procedures and had a brain injury. Rehabilitation and therapy related to her injuries is expected to be lengthy.

Mr. Oder has a claim for loss of consortium related to his spouse's injuries. It is believed Mr. Oder is disabled and is dependent upon Mrs. Oder for assistance with his activities of daily living. Considering the extent of Mrs. Oder's injuries, the loss of consortium claim may exceed the sovereign immunity limits after taking into account the loss of companionship and comfort, as well as the costs of providing home health services that were presumably provided by the spouse.

Assuming 100% liability for the accident for the injuries stated above, damages for the claimants will exceed the statutory sovereign immunity limits of \$300,000.00.

CONSENT AGENDA



5C:	Bus Tire Lease
Action:	Approve a Three-Year Contract with Two One-Year Renewals with Michelin North America for an Amount not to Exceed \$2,200,000 Over the Maximum Five-Year Period

Staff Resource: Louemma Cromity, Dir. of Procurement
Joe Barkley, Committee Chair



Background:

- It has been PSTA’s practice to lease tires because by leasing tires the cost of inventory and tire disposal are avoided. Based upon a cost analysis, done by PSTA, leasing transit bus tires versus purchasing them continues to result in a significant savings.
- In February 2015, PSTA issued an Invitation for Bid (IFB) #15-07B, soliciting competitive bids from experienced, qualified, and capable vendors to supply tires for the PSTA bus fleet in the sizes and estimated mileage below:

MAKE	NUMBER OF BUSES	TIRE SIZE	NUMBER OF TIRES PER VEHICLE	AVERAGE ANNUAL MILEAGE PER YEAR
GILLIG	195	305/85/R22.5	6	9,159,750
MCI	10	315/80/R22.5	8	262,000
GILLIG	5	275/70/R22.5	6	199,000
FORD	8	225/75/R16	6	262,500

- PSTA received bid responses from two vendors:
 - 1) Goodyear Tire & Rubber Company (Incumbent)
 - 2) Michelin North America, Inc.
- After full evaluation it was determined that Michelin North America was the lowest bidder over the maximum five year life of the contract.
- PSTA’s adopted Capital Improvement Program’s (CIP) Federal Transit Administration (FTA) Section (5307) grant funds include funding for this contract.

Fiscal Impact:

- This project will be 100% federally funded by the FTA.

Recommendation:

- Recommend approval for a three-year contract with two one-year renewals with Michelin North America for an amount not to exceed \$2,200,000 over the maximum five year period.
 - The Finance Committee reviewed this item and is recommending approval.
-

Attachments:

1. Bid Tabulation Sheet
2. Michelin Tire Lease—Lease vs Purchase Analysis
3. PowerPoint
4. Invitation for Bid ([CLICK LINK TO VIEW/PRINT](#))

Bid Tabulation Sheet
IFB 15-007B Bus Tire Lease
March 31, 2015 – 2:00 PM EST

PRICE BID FORM (YEAR 1 to YEAR 3) - FIXED PRICE PER MILE

Company Name:	Michelin		Goodyear	
TIRE SIZE	PER MILE	ANNUAL COST	PER MILE	ANNUAL COST
B305/85/R22.5	.00701	\$385,259.08	.007046	\$387,239.59
B315/80/R22.5	.00720	\$15,091.20	.007046	\$14,768.42
B275/70/R22.5	.00649	\$7,749.06	.007046	\$8,412.92
225/75/R16	.00447	\$7040.25	.007046	\$11,097.45
Annual Total		\$415,139.59		\$421,516.38
Total Y1 - Y3		\$1,245,418.77		\$1,264,549.14

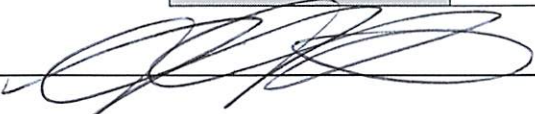
PRICE BID FORM - 12 MONTH OPTION 1 – YEAR 4 - FIXED PRICE PER MILE

Company Name:	Michelin		Goodyear	
TIRE SIZE	PER MILE	ANNUAL COST	PER MILE	ANNUAL COST
B305/85/R22.5	.00743	\$408,341.66	.007354	\$404,164.81
B315/80/R22.5	.00763	\$15,992.48	.007354	\$15,413.98
B275/70/R22.5	.00688	\$8,214.72	.007354	\$8,780.68
225/75/R16	.00474	\$7,465.50	.007354	\$11,582.55
Total Y4		\$440,014.36		\$439,942.02

PRICE BID FORM - 12 MONTH OPTION 2 – YEAR 5 - FIXED PRICE PER MILE

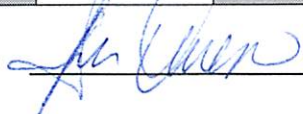
Company Name:	Michelin		Goodyear	
TIRE SIZE	PER MILE	ANNUAL COST	PER MILE	ANNUAL COST
B305/85/R22.5	.00788	\$433,072.98	.007648	\$420,322.61
B315/80/R22.5	.00809	\$16,956.64	.007648	\$16,030.21
B275/70/R22.5	.00729	\$8,704.26,	.007648	\$9,131.71
225/75/R16	.00502	\$7,906.50	.007648	\$12,045.60
Total Y5		\$466,640.38		\$457,530.13
Total Y1 – Y5		\$2,152,073.51		\$2,162,021.29

Opened By:



 John Samarkas, Purchasing Buyer

Recorded By:



 Ana Owen, Purchasing Manager

LEASE vs PURCHASE ANALYSIS

TYPE OF BUS	QTY OF BUSES	TIRE SIZE	FLEET MILES /YR	TIRE LIFE (MILES)	TIRES USED/ (YR)	PURCHASE COST PER TIRE	TIRE LEASE COST /MILE	TOTAL PURCHASE COST (YR)	TOTAL LEASE COST (YR)
GILLIG	195	305/85/R22.5	9,159,750	70,000	785	\$700	\$0.00701	\$549,585.00	\$385,259.09
MCI COACH BUS	10	315/80/R22.5	262,000	65,000	32	\$670	\$0.00720	\$21,604.92	\$15,091.20
GILLIG	5	275/70/R22.5	199,000	60,000	20	\$500	\$0.00649	\$9,950.00	\$7,749.06
FORD CONNECTORS	8	225/75/R16	262,500	35,000	45	\$250	\$0.00447	\$11,250.00	\$7,040.25
TOTALS	218		9,883,250		882			\$592,389.92	\$415,139.60

	YEARLY	INITIAL 3 YEARS
PURCHASE COST	\$592,390	\$1,777,170
LEASE COST	\$415,140	\$1,245,419
LEASE SAVINGS	<u>\$177,250</u>	<u>\$531,751</u>



Transit Bus Tires Lease



Board of Directors Meeting

May 27, 2015

LEASING vs PURCHASING of TIRES

LEASE

- PSTA Does Not Have To Invest Money To Maintain It's Tire Inventory.
- Vendor Provides All Tire Inventory Including Spares As Needed.
- Lease Contract Assures Continuity Of Supply.
- PSTA Only Pays For Miles Travelled.
- No Additional Charges For Casings, Freight, With Prorate For Premature Tire Failure.
- Fixed Cost-per-mile Allows for Annual Budget Forecasting.
- Tire Rates Are Clearly Defined Through Out The Contract Term.
- No Tire Equipment and Supply Costs.



LEASING vs PURCHASING (Continued)

PURCHASE

- Pay Upfront For All Tire Inventory (Rolling Stock And Spare Stock)
- PSTA Must Store Inventory On-site.
- Negotiate Purchase Prices Based On Need Which Are Influenced By:
 - Economic Market Conditions
 - Purchase Volume
 - Tire Availability
- Pay For Charges For Scrap Tire Disposal And Premature Loss Of Tire.
- Variable Yearly Costs Present Unknowns For Budget Forecasting.
- Required Purchase of Equipment and Tire Supplies.

2



COST ANALYSIS

LEASE vs PURCHASE ANALYSIS									
TYPE OF BUS	QTY OF BUSES	TIRE SIZE	FLEET MILES /YR	TIRE LIFE (MILES)	TIRES USED/ (YR)	PURCHASE COST PER TIRE	TIRE LEASE COST /MILE	TOTAL PURCHASE COST (YR)	TOTAL LEASE COST (YR)
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PURCHASE COST	\$592,390	\$1,777,170
LEASE COST	\$415,140	\$1,245,419
LEASE SAVINGS	\$177,250	\$531,751

3



CONCLUSION

- Leasing Tires Represents a \$177,250 Yearly Cost Savings Compared to Purchasing Tires.
- Cost Savings Increases to \$531,751 Over the Initial Three (3) Years Compared to Purchasing Tires.
- PSTA Does Not Have To Invest Money To Maintain It's Tire Inventory.
- Tire Rates Are Clearly Defined Through Out The Contract Term.

4



QUESTIONS

5





5D:	Financial Policies Annual Update
Action:	Receive and File this Annual Policy Review and Approve Several Minor Policy Modifications to PSTA's: A. Reserve Policy B. Liability/Debt Management Policy C. Investment Policies

Staff Resource: Debbie Leous, CFO
Joe Barkley, Committee Chair



Background:

- In 2014 the PSTA Financial Policies were amended to require an annual review and update that we are implementing for the first time.
 - PSTA's Reserve Policy was amended to include a *Revenue Stabilization Reserve Fund* for sales tax revenue, which is no longer needed.
 - PSTA's Reserve Policy also created a Debt Service Reserve Fund for anticipated future bond issuances which we are recommending retaining but not implementing the related change to the Operating Reserve Funds (increasing from 2 months to 3 months).
 - Additionally PSTA Finance Staff have reviewed PSTA's Investment Policy and recommend a slight change that will maintain diversity of investments but increase interest income.

Recommendation:

A. RESERVE POLICY AMENDMENTS:

- Eliminate the Sales Tax Revenue Stabilization Reserve Fund.
- Maintain the Operating Reserve Fund to be equal to two months operating expense.
- Better define the intent of each of the reserve funds in the policy.

B. LIABILITY DEBT MANAGEMENT AMENDMENTS:

- No changes recommended.

C. INVESTMENT GUIDELINES:

- Section 10 D – Diversification:
 - Increase the percent that may be allocated to interest bearing accounts from 75% to 100%
 - Increase the maximum percent allocation of Certificates of Deposit to any one institution from 10 to 25%.
 - Decrease the percent that may be allocated to the State of Florida Board of Administration Local Government Surplus Funds Trust Fund (Florida Prime) to 30% from 75%.
 - The Finance Committee reviewed this item and is recommending approval.
-

Attachments:

1. Reserve Policy
2. Liability Debt Management Policy
3. Investment Guidelines

Policy #18 RESERVE POLICY GUIDELINES

1. Scope

This Reserve Policy provides guidance on the establishment and reporting of reserve funds.

From time to time, it may be deemed either legally necessary or fiscally prudent to establish reserve funds.

Currently the following funds exist:

Discretionary Reserves:

- **Self- Insurance Reserves** – represents funding of the liability adjusted annually based on the actuarial report
- **Operating Reserves** – represents 2 months of expenses, adjusted annually based on the budget for the following fiscal year
- **Capital Reserves** – funding for capital projects and may be used to leverage new grant opportunities.
- **Debt Service Reserve Fund** – Required by lenders to provide assurance that debt service payments will be made in the event pledged revenues fail to meet provide debt service requirements e. Established at the time of debt issuance.
- **Health Insurance Liability Reserve** – To be established if PSTA uses the Minimum Premium or Self Insurance approach to health insurance.

Legally Restricted Funds:

- FTA Restricted Funds – these represent FTA's interest in a disposed grant asset that PSTA has received permission for a like exchange in the future.

Recommended reserves to be established or amended:

~~With the passage of Greenlight Pinellas the following reserve will be established:~~

- ~~**Revenue Stabilization Reserve Fund**—any sales tax revenue collection above the anticipated annual growth of 3% will be swept into this fund. In years when sales tax growth fails to reach 3%, withdrawals can be made from this fund.~~

- ~~• Increase to the Operating Reserve Funds from 2 months to 3 three months.~~
- ~~• Debt Service Reserve Fund—Required by lenders to provide assurance that debt service payments will be made in the event pledge revenues fail to provide debt service requirements. Established at the time of debt issuance.~~

2. Reporting Requirements:

All reserve fund balances will be reported to the board on a quarterly basis as part of the quarterly investment reports.

The report will indicate:

- Unrestricted funds
- Funds restricted at the Board's discretion, with each fund reported separately
- Funds legally restricted (i.e. Debt Service Reserve Fund), with each fund reported separately

3. Authority and Review of the Policy

PSTA Board establishes fiscal policies and guidelines.

This policy will be reviewed, by PSTA Board of Directors, at least annually and any amendments, deletions, additions, improvements or clarification will be made if deemed appropriate. ~~A copy will be supplied to The County of Pinellas.~~

POLICY #21
Pinellas Suncoast Transit Authority
Master Liability/Debt Management Policy Guidelines

May 27, 2015

1. Scope:

This Liability Management Policy applies to all present and future debt of the Pinellas Suncoast Transit Authority (PSTA).

All debt transactions or commitments will be subject to this policy and prior review and approval of the PSTA Board of Commissioners.

2. Liability Management Policy Objectives:

- Establish a basis for the PSTA's Liability Management Program based on sound financial principles.
- Set forth a liability management structure to facilitate the sound and efficient management of debt and cash flows.
- To define permissible debt instruments and limitations on their use.
- To comply with the due diligence requirements that prudent professionals utilize.
- To conform to all applicable federal, state, local and Authority legal requirements.
- To provide guidelines to control the overall process so that all liabilities are managed in accordance with the stated objectives.
- Develop formalized criteria to monitor, evaluate and establish the basis for comparing the performance results achieved by the liability management program, thereby establishing accountability.

3. Philosophy:

PSTA has historically assumed a "pay as you go" philosophy in the funding of infrastructure. However, there may be circumstances where this is not a viable approach and financing may be needed to generate additional capital.

PSTA takes an active role in managing exposures to fluctuations in project cash outflows. The active management of exposures involves an ongoing assessment of the risks facing PSTA and the most efficient methods for eliminating, reducing or transferring these risks of cash flow fluctuations and other external influences.

PSTA, in its liability management, assesses risks and market conditions to determine:

- The most appropriate level of exposure to a particular cash flow or rate level, and
- The most effective vehicle for achieving that exposure.

PSTA recognizes that the costs and benefits of different debt instruments and the desirability of exposure to a particular cash flow or interest rate, or financial price, can vary over time depending on the market conditions and circumstances of PSTA. We further recognize that our target exposure to cash flows and interest rates and the instruments used to achieve the stated targets, will also vary with market conditions and PSTA's credit rating, as well as other items known and unknown at this time, that change on a periodic basis.

Therefore, to reduce exposure PSTA has determined that variable rate debt will be limited to 20% of outstanding debt and derivatives will not be permitted. A fixed interest rate on a long-term tax-exempt bank loan which adjusts to protect the after-tax yield to the bank does not constitute a variable rate.

4. Authority:

Pursuant to PSTA's enabling legislation, PSTA is authorized to borrow.

PSTA Board establishes liability management policies and guidelines. Based on those policies and guidelines, independent liability management consultants and financial advisor(s) with demonstrated expertise may be chosen to help manage the liabilities of PSTA.

In order to capitalize on fast-changing market conditions, the Chief Executive Officer and the Chief Financial Officer may enter into any transaction authorized by this policy, pursuant to **the prior approval** of the Board of a resolution setting the general parameters of the transaction.

The Chief Financial Officer, in consultation with the financial advisor as needed, shall have the authority to determine if transactions shall be on a negotiated, competitive or on a private placement basis.

5. Guidelines for the Use of Variable Rate Debt:

Variable rate debt can be a valuable tool for PSTA to use in the management of its assets and liabilities. However, the use of variable rate debt, though historically allowing lower borrowing costs, presents some risks that PSTA must consider. The following guidelines shall be used in determining if variable rate debt is appropriate.

In general, PSTA should maintain its flexibility and continuously review new products and opportunities to allow the Authority to take advantage of changing interest rate environments and new products or approaches as they become available. In low interest rate environments, PSTA should lock in low fixed rates, through conversions, fixed rate debt issuance, and traditional refunding debt. In high interest rate environments, PSTA should increase variable rate debt issuance, defer borrowing and evaluate other

alternatives that will allow the Authority to reduce its overall cost of capital when interest rates decrease.

Due to the historical spread between long-term rates and short-term rates, PSTA should consider maintaining a portion of its portfolio in variable rate debt. However, PSTA shall attempt to constrain its variable rate exposure to no more than 20% of the Authority's outstanding indebtedness. PSTA shall identify any short-term cash reserves or balances since the earnings from these funds will serve as a natural protection offsetting the impact of higher variable rate debt costs.

Variable Rate Debt Alternatives

Each mode of variable rate exposure has its unique advantages and disadvantages. Decisions about which mode PSTA should utilize at any point in time should be based on a number of factors including the relative cost benefit to the Authority. Variable Rate Demand Obligations (VRDOs) are the traditional means of achieving variable rate exposure and provide municipal issuers with access to a large, well-established liquid market.

PSTA should determine allocations to each class of variable rate debt within caps and floors and manage the precise allocation based on market constraints in advance of issuing bonds or other debt instruments. Factors impacting decisions will be the capacity of insurers to insure PSTA bonds, the cost of bond insurance, and the cost and availability of letters of credit, as well as any other related costs.

Variable rate debt is an important municipal finance tool. However, variable rate debt has certain risks and benefits that must be analyzed and understood by PSTA prior to entering into a variable rate transaction.

Rationale

PSTA may utilize financial instruments that:

- Optimize capital structure; including schedule of debt service payments and/or fixed vs. variable rate allocations
- Achieve appropriate asset/liability match
- Actively manage or reduce interest rate risk
- Provide greater financial flexibility
- Generate interest rate savings
- Enhance investment yields.

Limitations

PSTA may not use financial instruments that in PSTA's sole discretion:

- Are speculative or create extraordinary leverage or risk
- Lack adequate liquidity to terminate at market
- Provide insufficient price transparency to allow reasonable valuation

In connection with any transaction, the Chief Financial Officer, the Chief Executive Officer, the General Counsel and PSTA's Financial Advisor and Bond Counsel shall review the proposed transaction and outline any considerations associated with the transaction to the Board of Commissioners, or a designated committee of the Board. Such a review shall include the identification of the proposed benefit and potential risks, which shall include, but not necessarily be limited to, those risks outlined herein. As part of this analysis, PSTA shall present both the existing and any proposed transactions consistent with the Market Net Termination Exposure outlined herein.

Understanding the Risks

Among the items that PSTA shall examine in determining whether to enter into debt agreement, are the following:

Market or Interest Rate Risk

- The possibility that your debt service costs associated with variable rate debt increase and negatively affects coverage ratios and cash flow margins.

Tax Risk

- The possibility that the transaction is subject to a future change in federal income tax policy.

Liquidity Risk

- The possibility that a VRDO remarketing may fail.

Termination Risk

- The possibility that the transaction be terminated by either party. There may be a cost involved in termination.

Risk of Uncommitted Funding (Put Risk)

- The transaction may create additional financing dependent upon third party participation.

Legal Risk

- The possibility that the transaction is not expressly authorized.

Rating Agency Risk

- The proposed transaction may not be consistent with current ratings.

Tax Exemption Risk

- The transaction puts PSTA's bonds at the risk of being deemed taxable.

Accounting Risk

- The transaction creates any unanticipated accounting issues from a financial statement perspective.

Administrative Risk

- The potential the transaction can not be readily administered and monitored consistent with the policies outlined herein.

Subsequent Business Conditions

- The transaction or its benefits depend upon the continuation, or realization, of specific industry or business conditions.

Savings Thresholds

Currently a common threshold in the municipal finance industry is that a refunding should generate 3% net present value debt services savings. This threshold will serve as a guideline and will be subject to amendment should the transaction, in PSTA's sole judgment, help to meet any of the objectives outlined herein.

6. Amount of Debt to be Issued:

The amount of bond debt that may be issued is governed by the Trust Agreement.

All debt must be reviewed and approved by the Finance and Performance Committee before full Board approval.

7. Liability Management Policy Review:

This policy will be reviewed, by PSTA Board of Directors, at least annually and any amendments, deletions, additions, improvements or clarification will be made if deemed appropriate. A copy will be supplied to the Pinellas County Board of County Commissioners.



PINELLAS SUNCOAST TRANSIT AUTHORITY

INVESTMENT POLICY

Revised May 27, 2015

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PINELLAS SUNCOAST TRANSIT AUTHORITY

Investment Policy

1.0 POLICY

It is the policy of Pinellas Suncoast Transit Authority (PSTA) to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of PSTA and conforming to all state statutes and local ordinances governing the investment of public funds. This policy statement supersedes all other policies previously governing the investment of PSTA funds.

2.0 SCOPE

This policy is applicable to all cash available for investments including operating funds and reserves. The General Reserve Fund must maintain a balance that will ensure daily operating cash flow. Any investment that becomes non-compliant due to market conditions shall be exempted from the requirements of this policy. At maturity or liquidation, all money invested in non-compliant investments shall be reinvested in compliance with this policy.

3.0 PRUDENCE

The “prudent person” and/or “prudent investor” standard that shall be applied in managing the overall portfolio states: “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.”

The third party investor or staff performing the investment function, acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 **OBJECTIVES**

The prime objectives, in priority order, of PSTA investment activities shall be:

- 4.1 **Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, PSTA will diversify its investments by investing funds among a variety of securities offering independent return and financial institutions.
- 4.2 **Liquidity:** The investment portfolio will remain sufficiently liquid to enable PSTA to meet all operating requirements which might be reasonably anticipated. Since all possible cash demands cannot be anticipated, the portfolio should consist of investments with maturities concurrent with cash needs and/or State of Florida local government investment pool or money markets, or time deposits with same-day liquidity.
- 4.3 **Yield:** PSTA's investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

5.0 **DELEGATION OF AUTHORITY**

Authority to manage PSTA's investment program is granted to the Director of Finance who shall act in accordance with established written procedures and internal controls for the operation of the investment program. The Chief Financial Officer shall annually review and approve the policies, procedures and internal controls. Any significant changes will require Board Approval. The Director of Finance shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of others designated to act in his/her absence. No person shall engage in an investment transaction not authorized by this policy and the procedures established by the Director of Finance. The Chief Financial Officer shall review and approve all investment transactions of the Director of Finance or his/her designee.

5.1 **Investment Procedures** The Director of Finance shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures should include reference to safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and

collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. The Chief Financial Officer shall annually review and approve the policies, procedures and internal controls. Any changes to this investment policy will require PSTA Board approval. Updated polices shall also be sent to the County Board of Commissioners.

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. The Director of Finance and any delegated designees shall disclose to the Chief Financial Officer any material financial interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of PSTA’s investment portfolio.

7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Director of Finance shall maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained for approved or security broker/dealers selected by credit worthiness that are authorized to provide investment services in the State of Florida. These may include “primary” dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

No public deposit, as defined in Section 8 (D), shall be made except in a qualified public depository as established by the Chief Financial Officer of the State of Florida.

All financial institutions and brokers/dealers who desire to become qualified bidders for investment transactions must supply the Director of Finance with the following:

- Audited financial statements
- Proof of Financial Industry Regulatory Authority (FINRA) registration
- Proof of State registration
- Certification of having read and understood the PSTA investment policy.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

PSTA will invest in the following eligible and suitable investments in conformity with all State of Florida and local laws governing the investment of public funds:

- A. **State of Florida Board of Administration Local Government Surplus Funds Trust Fund (Florida PRIME)**

- B. **State of Florida Board of Administration Commingled Asset Management Program, Money Market Funds (CAMP MM).** A portion of PSTA's investments are included in this fund as a restricted investment and no additional deposits are to be made in the restricted portion of this fund. New deposits to this fund would not be restricted and are permissible.

- C. **Direct Obligations of the United States Treasury and any instrument backed by the full faith and credit of the U.S. Federal Government.** Authorized types of securities include, but are not limited to:
 - a. Treasury Bills
 - b. Treasury Notes
 - c. Treasury Bonds
 - d. Treasury STRIPS

- D. **Interest Bearing Savings Accounts, Demand Deposit Accounts, Negotiable Order of Withdrawal Accounts, or Certificates of Deposit**
 - a. Authorized types of securities: interest bearing time certificates of deposit, demand deposit accounts, savings accounts, or negotiable order of withdrawal accounts in banks organized under the laws of this State and in national banks organized under the laws of the United State and doing business and situated in this State.
 - b. Additional conditions:
 - i. Deposits must be in a Qualified Public Depository secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes, and
 - ii. Bank is not listed with any recognized credit watch information service.

- E. **Repurchase Agreements**
 - a. Authorized types of securities:
 - i. Those investments whose underlying purchased securities consist of United States Treasury, United State Federal Agency and/or United

States Government Sponsored Enterprise securities, and based on the requirements set forth by the Master Repurchase Agreement. All firms with whom PSTA enters into repurchase agreements will have in place an executed Master Repurchase Agreement with PSTA.

- ii. A third party custodian shall hold collateral for all repurchase agreements.
- iii. Securities authorized for collateral shall have maturities under five (5) years and a mark to market value of 102 percent during the term of the repurchase agreement. Immaterial short-term deviations from the 102 percent requirement are permissible only upon the approval of the Chief Financial Officer.

F. Commercial Paper

- a. Ratings: “Prime-1” by Moody’s and “A-1” by Standard & Poor’s (Prime commercial paper)
 - i. If backed by a letter of credit, (LOC), the long term debt of the provider must be rated at least “A” by at least two nationally recognized rating agencies.
 - ii. The LOC provider must be ranked in the top fifty (50) domestically chartered insured commercial banks that have consolidated assets of \$300 million or more as compiled and reported quarterly by the Federal Reserve Board in its Large Commercial Banks release.

G. Asset-Backed Corporate Notes

- a. Rating: Securities longer than 13 months shall be “Aaa by Moody’s and “AAA by Standard & Poor’s. Securities shorter than 14 months shall be “P-1” by Moody’s and “A-1+” by Standard & Poor’s.
- b. Asset-backed corporate notes must be issued by corporations organized and operating within the United States or by depository institutions licensed by the United States.
- c. Investment will be directly with companies and non-derivative in nature.

H. Securities and Exchange Commission (SEC) registered Money Market Funds

- a. Ratings: “AAAm” or “AAAg” by Standard & Poor’s
- b. Registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. 270.2a-7.
- c. Share Value must equal \$1.00

- d. Underlying securities are only obligations of the United States Treasury, United States Federal Agencies, GSE's or repurchase agreements with these underlying securities.
- e. Investments in Collateralized Mortgage Obligations, Real Estate Mortgage Investment Conduits or other derivative instruments are prohibited.

I. Investment Pools/Mutual Funds

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed which will answer, at minimum, the following general questions:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- A fee schedule, and when and how is it assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

9.0 SAFEKEEPING AND CUSTODY

All security transactions, including collateral for repurchase agreements, entered into by PSTA shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Director of Finance and evidenced by safekeeping receipts.

The Director of Finance will execute a Third-Party Custodial Safekeeping Agreement with a depository chartered by the authorized PSTA staff member. All securities purchased and/or collateral obtained by the Director of Finance shall be properly designated as an asset of PSTA and held in an account separate and apart from other assets held by the depository and no withdrawal of such securities, in whole or in part, shall be made from safekeeping except by authorized PSTA staff.

The Third-Party Custodial safekeeping Agreement shall include letters of authority from the Director of Finance, details as to responsibilities of each party, notification of security purchase, sales, delivery, repurchase agreements, wire transfers, safekeeping and transaction costs, procedures in case of wire failure or other unforeseen mishaps including liability of each party.

10.0 DIVERSIFICATION

The Director of Finance will diversify PSTA’s investments by security type and institution.

The investments shall be diversified by:

- Limiting investment to avoid over-concentration in securities from a specific issuer or business sector
- Limiting investment in securities that have higher credit risk,
- Limiting the amount purchased from any one bank, broker, or dealer,
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

To allow efficient placement of bond sales, the limit on repurchase agreements and depository accounts may be exceeded for a maximum of five (5) business days following the receipt of bond proceeds, on the direction of the Director of Finance.

Money market funds may be used by Trustees, Paying Agents, Safekeeping Agents, etc., as a temporary investment for bond proceeds or payouts.

Diversification strategies shall be determined and revised periodically by the investment committee.

Diversification guidelines are as follows:

	Investment	Portfolio Maximum	Issuer Limitation	Maximum Maturity
A.	State of Florida Board of Administration Local Government Surplus Funds Trust Fund (Florida Prime)	3075%	N/A	N/A
B.	State of Florida Board of Administration Commingled Asset	20%	N/A	N/A

	Management Program Money Market Funds (CAMP MM)			
C.	Direct Obligations of the US Treasury and instruments backed by the full faith and credit of the U.S. Federal Government	75%	N/A	5 years
D.	Interest Bearing Savings Accounts, Demand Deposit Accounts, Negotiable Order of Withdrawal Accounts, or Certificates of Deposit	75 100%	10 25% for CDs	2 yrs. for CDs
E.	Repurchase Agreements	20% (See note 1)	10%	60 days
F.	Commercial Paper	10%	5%	5 years
G.	Asset-Backed Corporate Notes	10%	3%	5 years (note 2)
H.	SEC-Registered Money Market Mutual Funds	10%	10%	90 days (note 3)
I.	Investment Pools/Mutual Funds	10%	10%	N/A

Note 1: With the exception of one (1) business day agreements and overnight sweep agreements.

Note 2: Total Asset-Backed Corporate Notes shall have a weighted average duration up to 2 years

Note 3: The maximum length to maturity (average weighted) shall be 90 days.

11.0 MAXIMUM MATURITIES

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in ready available funds such as various overnight bank agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

12.0 INTERNAL CONTROLS

The Director of Finance shall establish a system of internal controls which shall be in writing and made part of PSTA's operational procedures, designed to ensure PSTA's assets are protected from loss, theft, or misuse. The internal control structure shall be designed, established and maintained to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Internal controls deemed most important shall include (but not limited to):

- Control of collusion

- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Clear delegation of authority
- Written or electronic confirmation of telephone and wire transactions
- Monitoring of results
- Development of wire transfer agreements with the lead bank and third-party custodian, if appropriate.

PSTA's independent external auditors shall review internal controls of this investment policy and its related operating procedures on an annual basis. This review will provide internal control by assuring compliance with policies and procedures.

13.0 PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with safety and liquidity needs.

Suggested benchmarks are the 3 month Treasury bill for the short-term portfolio and the 2-Year Treasury constant maturities (monthly) for the long-term portfolio. Since the benchmarks should have a similar weighted average maturity as the portfolio, benchmarks may be modified at the discretion of the Director of Finance with concurrence from the Chief Financial Officer due to planned changes in investment horizons.

14.0 REPORTING

The Director of Finance shall provide the Finance & Performance Management Committee of the Board of Directors quarterly investment reports, which provided a clear picture of the status of the current investment portfolio. The report will include comments on the fixed income markets and economic conditions, discussions regarding compliance with restriction on percentage of investment by categories, possible changes in the portfolio structure going forward and thoughts on investment strategies. Schedules in the quarterly report will include the following:

- A listing of individual securities held at the end of the reporting period by authorized investment category.

- Average life and final maturity of all investments listed.
- Coupons, discount or earnings rate.
- Par value, amortized book value and market value.
- Percentage of the portfolio represented by each investment category.
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- A quarterly comparison of returns for the last five quarters
- Areas of policy concern and suggested or planned revisions of investment strategies.

Annual reporting: Within 60 days of the end of the fiscal year, the Director of Finance shall present an annual report on the investment program and investment activity. In addition to the items listed above, the annual report shall suggest policies and improvements, if deemed necessary that might be made to the investment program.

External Reporting: Copies of the quarterly and annual investment report shall be made available to the public.

15.0 CONTINUING EDUCATION

The Chief Finance Officer and Director of Finance shall annually complete eight (8) hours of continuing education in subjects of courses of study related to investment practices and products.

16.0 INVESTMENT POLICY ADOPTION

PSTA's Investment policy may be adopted only by resolution of PSTA Board of Directors.

ATTACHMENT A

Glossary

ACCRUED INTEREST: The accumulated interest due on a bond as of the last interest payment made by the issuer.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

AMORTIZATION: The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

ASKED: The price at which securities are offered.

ASSET-BACKED SECURITY (ABS): A security backed by notes or receivables against assets other than real estate. Some examples are autos, credit cards, and royalties.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT: A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid). See "Offer."

BOOK VALUE: The value at which a security is carried on the inventory listed or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

BROKER: A broker brings buyers and sellers together for a commission.

CALLABLE BOND: a bond issue in which all or parts of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

CALL PRICE: The price at which an issuer may redeem a bond prior to maturity. The price is usually at the slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

CALL RISK: The risk to a bondholder that a bond may be redeemed prior to maturity.

CASH MANAGEMENT BILL: A short-term money market instrument issued by the US Treasury to pay for its short-term financial obligations.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER (CP): An unsecured short-term promissory note issued by corporations primarily used to finance receivables, with maturities from 2 to 270 days.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for Pinellas Suncoast Transit Authority. It is prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America for finance-related legal and contractual provisions, extensive introductory material, and detailed Statistical Section.

CONVEXITY: A measure of a bond's price sensitivity to change interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate.

CORPORATE NOTE: Debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value, (b) A certificate attached to a bond evidencing interest due on a payment date.

CREDIT QUALITY: The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

CREDIT RISK: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT (DVP): There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are at a discount and redeemed at maturity for full face value (e.g., U.S. Treasury Bills).

DIVERSIFICATION: Dividing investment fund among a variety of securities offering independent returns.

DURATION: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

FAIR VALUE: The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, up to \$250,000 per deposit.

FEDERAL FINANCING BANK: A government-owned bank created to reduce the cost of federal agencies through government-guaranteed obligations.

FEDERAL FUNDS (FED FUNDS): Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirement. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer

funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

FEDERAL FUNDS RATE: the rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The president of New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA): A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandates includes authority over firms that distribute mutual funds shares as well as other securities.

FLORIDA LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND (SBA): The aggregate of all funds from political subdivisions that are placed in the custody of the State Board of Administration for investment and reinvestment.

FLORIDA SECURITY FOR PUBLIC DEPOSITS ACT: Chapter 280, Florida Statutes establishes a statewide “pool” program ensuring the protection from financial institution failure of public deposits of the state and its political subdivisions not covered by federal deposit insurance. All qualified public depositories are required to meet certain collateral requirements established by the Chief Financial Officer of the State of Florida.

INTEREST RATE: See “Coupon Rate.”

INTEREST RATE RISK: The risk associated with deadlines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

INVESTED YIELD CURVE: A chart formation that illustrates having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and restrictive monetary policy.

INVESTMENT COMPANY ACT OF 1940: Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the area of advertising, promotion, performance reporting requirements, and securities valuations.

INVESTMENT-GRADE OBLIGATIONS: An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

ISSUER LIMITATION: The issuer limitation percent shown in the “summary of key limitations on authorized investments” table is based on the total portfolio balance.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bids and asked prices is narrow and reasonable size can be done at those quotes.

LIQUIDITY RISK: The risk that a liquid asset cannot be converted without a substantial loss of value or earnings.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): An investment by local government that are placed in the custody of the State Treasurer for investment and reinvestment.

MARK-TO-MARKET: The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

MARKET RISK: The risk that the value of a security will rise or decline as a result of changes in market conditions.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreement that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment become due and payable.

MONEY MARKET: The Market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, repos and federal funds) are issued and traded.

MONEY MARKET MUTUAL FUND: Mutual funds that invest solely in money market instruments.

MUTIAL FUND: An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchanges Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolio on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the Financial Industry Regulatory Authority (FINRA).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

NO LOAD FUND: A mutual fund which does not levy a sales charge on the purchase of its shares.

NOMINAL YIELD: The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

OFFER: Price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PAR: Face value or principal value of a bond, typically \$1,000 per bond.

PASSIVE INVESTMENT STRATEGY: Passive investment management is an investment strategy in which securities are bought with intention of holding them to maturity or investing in benchmark products designed to yield a market rate of return.

PORTFOLIO: Collection of securities held by an investor.

POSITIVE YIELD CURVE: A chart formation that illustrates short-term securities having lower yields than long-term securities.

PREMIUM: The Amount by which the price paid for a security exceeds the security's par value.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchanges Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRIME RATE: A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

PRINCIPAL: The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

PRUDENT PERSON RULE: An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

QUALIFIED PUBLIC DEPOSITORY: Any bank, saving bank, or saving association that is organized under the laws of the United States or the State of Florida; has its principal place of business or a branch office to receive deposits in Florida; has deposit insurance under the provisions of the Federal Deposit Insurance Act; meets the requirements of Chapter 280, Florida Statutes (Florida Security for Public Deposits Act); and has been designated by the Chief Financial Officer of the State of Florida as a qualified public depository.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REINVESTMENT RISK: The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by the holding.

REPURCHASE AGREEMENT (REPO or RP): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): An agreement of one party to purchase securities at a specified price from a second party and a simultaneous by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

RULE 2a-7 OF THE INVESTMENT COMPANY ACT: Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13 month maturity limit and a 90 day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3- 1: See Uniform Net Capital Rule.

SERIAL BOND: A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

SINKING FUND: Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

SLUGS: Nonmarketable US Treasury securities sold to states and municipalities. These parties then deposit the securities into escrow accounts until they use them to pay off their own bonds at maturity.

SPREAD: (1) The yield or price difference between the bid and offer on an issue. (2) The yield or price difference between different issues.

TERM BOND: Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY STRIPS: Zero-coupon Treasury bonds that mature in three months to 29 years and are backed by the full faith and credit of the US government.

TREASURY BONDS: Long-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, on reason new public issues are spread among members of underwriting syndicated. Liquid capital includes cash and assets easily converted into cash.

WEIGHTED AVERAGE MATURITY: The average remaining term to maturity of the portfolio proportionate to the size of each investment.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

YIELD-TO-CALL (YTC): The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its normal maturity date.

YIELD CURVE: A graphic representation that depicts the relationship at a given point in time between yield and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

YIELD-TO-MATURITY: The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

ZERO-COUPON SECURITIES: Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

ACTION ITEM



6A: Path Forward Plan

Action: Approve the PSTA Path Forward Strategic Plan As Amended

Staff Resource: Brad Miller, CEO

Background:

- Following a full day workshop on February 18, 2015 a Strategic Direction entitled a "Path Forward" for PSTA was developed.
- It was reviewed and revised by the PSTA Executive Committee at their March, April, and May Meetings.
- It was reviewed and revised further by the PSTA Board at its March and April meetings and approved as a framework in April.
- Finally, it was significantly reviewed as the single item on a full-day workshop of the Board on May 22, 2015.

Revisions

- Based on the many comments made on May 22, 2015, staff has attempted to capture the discussion with the revised Path Forward graphic.

Recommendation:

- Approve the PSTA Path Forward Strategic Plan
-

Attachments:

1. Path Forward Graphic



PATH FORWARD

Mission: PSTA provides safe, affordable public transit to our community. We help guide land use decisions and support economic vitality to enhance our quality of life.

Visionary Service Design: Increase Public Transit Access

- Change the Community Bus Plan as needed to address and embrace changes within the community.
- Make incremental progress towards the planned county-wide high frequency grid.
- Examine a variety of new revenue and delivery alternatives.

Sustainable Capital Program

- Prioritize bus replacements.
- Use reserves to purchase buses.
- Seek future year partners to prioritize transit capital funding.
- Advocate for strong federal and state capital funding.

Customer Oriented Service Redesign

- Focus resources where transit works best.
- Identify transportation alternatives for affected customers.
- Use a data-driven and customer sensitive approach.

Incremental Expansion

- Seek funding for incremental expansion projects.
- Launch pilot projects that support the community and fit within PSTA plans.

Provide Effective, Financially Viable Public Transportation that Supports Our Community

- Examine all possible financing options, not just one solution, including reducing expenses.
- Appropriately maximize revenues already available to PSTA.
- Remain committed to sustainable decision-making (financial, environmental, social).
- Proactively seek new external partnership opportunities.

Develop a Strong Governance Model for Effective Pinellas Transportation Leadership

- Empower a modified Executive Committee to assist the Board in high-level policy consensus.
- Strengthen existing PSTA Board committees' roles in assisting the full Board.
- Fully participate in collaborative transportation policy and priority setting with other federal, state, and regional partners.
- Policy decisions will support community development, transportation, and land use objectives.

Focus on Customer-Oriented Public Transit Services

- Continuous improvement of PSTA bus services for customers and non-riders.
- Engage the broader community with ongoing communication and outreach with a concise, consistent positive message.
- Build an inspired workforce that is empowered as well as accountable for ever improving customer service.



PATH FORWARD

5/27/15
Workshop Changes
Noted

Mission: PSTA provides safe, affordable public transit to our community. We help guide land use decisions and support economic vitality to enhance our quality of life.

Visionary Service Design: Increase Public Transit Access

- Change the Community Bus Plan as needed to address and embrace changes within the community.
- Make incremental progress towards the planned county-wide high frequency grid.
- Examine a variety of new revenue and delivery alternatives.

Sustainable Capital Program

- Prioritize bus replacements.
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- Seek future year partners to prioritize transit capital funding.
- Advocate for strong federal and state capital funding.

Customer Oriented Service Redesign

- Focus resources where transit works best.
- Identify transportation alternatives for affected customers.
- Use a data-driven and customer sensitive approach.

Incremental Expansion

- Seek funding for incremental expansion projects.
- Launch pilot projects that support the community and fit within PSTA plans.
- Leverage partnership with MPO/Others.

Provide Effective, Financially Viable Public Transportation that Supports Our Community

- Examine all possible financing options, not just one solution, including reducing expenses.
- Appropriately maximize revenues already available to PSTA.
- Remain committed to sustainable decision-making (financial, environmental, social).
- Proactively seek new external partnership opportunities.

Develop a Strong Governance Model for Effective Pinellas Transportation Leadership

- The Executive Committee will assist the Board in developing high-level policy consensus.
- Strengthen existing PSTA Board committees' roles in assisting the full Board.
- Fully participate in collaborative transportation policy and priority setting with other federal, state, and regional partners.
- Policy decisions will support community development, transportation, and land use objectives.

Focus on Customer-Oriented Public Transit Services

- Continuous improvement of PSTA bus services for customers and non-riders.
- Engage the broader community with ongoing communication and outreach with a concise, consistent positive message.
- Build an inspired workforce that is empowered as well as accountable for ever improving customer service.

ACTION ITEM



6B: FY 2016-2020 Capital Improvement Program Five-year Budget

Action: Approve PSTA's FY 2016-2020 Capital Improvement Program (CIP) Budget and All Necessary Submissions of Applications for Federal Transit Administration (FTA) Assistance Per the FY2015 Program of Projects (POP)

Staff Resource: Pam Reitz, Grants Manager
Debbie Leous, Chief Financial Officer
Darden Rice, Planning Committee Vice-Chair
Stephanie Lieshman, TRAC Committee Vice-Chair

PLANNING

TRAC

Background:

- The FTA requires all grantees, like PSTA, to publish a list of the projects (called in federal terms the "Program of Projects") it proposes to fund with its annual federal apportionments and to provide an opportunity for public comment.
- For the last several years, PSTA has adopted a more comprehensive multi-year Capital Improvement Program (CIP) that forecasts future capital revenues and needed capital improvements. Therefore, the official "Program of Projects" is a subset of projects contained within the overall PSTA CIP.
- PSTA held the required Public Hearing on May 20, 2015 which allowed the public to submit any comments/concerns regarding the FFY 2015 PSTA Program of Projects funded by FTA Section 5307, 5310, or 5339 federal funding. Additionally, PSTA took public comment on all other PSTA Capital projects in its CIP as well.
- A Presentation on PSTA's redesigned CIP program, with a new emphasis on a sustainable bus replacement program will be presented.
- The PSTA Board will review and approve the proposed Five Year CIP and the Federal Fiscal Year (FFY) 2015 POP for the purpose of submitting the Federal grant applications for FTA Sections 5307, 5339, and 5310.

Fiscal Impact:

Federal FY2015 Program of Projects

- Based on the partial release of funds (8/12) dated February 9, 2015 (Congress only extended Federal transportation authorization until May, 31, 2015) for the proposed FFY 2015 FTA Apportionment, PSTA's allocation will receive:

- \$8,378,851 million in Section 5307 fund (Estimated full \$12.5 million)
 - \$962,825 million in Section 5339 funds (Estimated full \$1.4 million)
- PSTA has applied for \$891,741 in FFY 2015 Section 5310 funding for capital projects through the Florida Department of Transportation (FDOT).

Recommendation:

- Staff recommends that the PSTA Board of Directors approve the recommended FY2016-FY2020 CIP with its new emphasis on a sustainable bus replacement program.
 - Staff recommends that the PSTA Board approve the FTA FFY 2015 POP and submittal of FFY 2015 FTA Section 5307 and Section 5339 grant applications.
 - The Planning and TRAC Committees reviewed this item and are recommending approval.
-

Attachments:

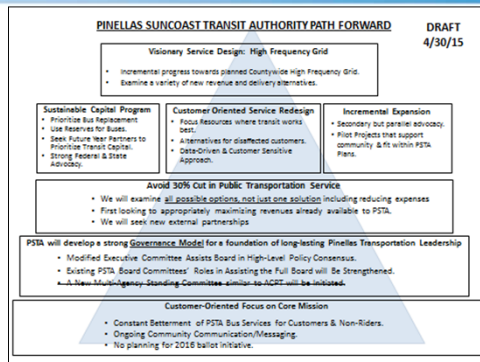
1. PowerPoint
2. FY 2016-2020 5-Year Capital Budget
3. Proposed FFY 2015 Program of Projects
4. Resolutions 15-05 & 15-06



DEVELOPING A NEW SUSTAINABLE CAPITAL PROGRAM

Board of Directors Meeting
May 27, 2015

Path Forward: A New CIP in a New Era



- Sustainable Program
- Focused on Bus Replacements
- First Use of Reserves

- Review CIP: Eliminate Lower Priorities Focus on “Needs”
- “St. Pete Process” – Savings from Completed Projects redeployed.



Projects Eliminated or Reduced

- Financial Software - \$3.8M Savings
- Fare box Hardware to be rebuilt and not replaced - \$3.4M Savings
- Bus Shelter Reductions \$70K
- \$286K in Other Projects Eliminated

\$7.5M+ Moved to Bus Replacements

2



Focus on Buses But Other Projects Still Needed

- Regional Fare Media Project
- Short Range and Long Range Planning
- Federally Funded Employee Training
- Technology Upgrades
 - Phone System
 - Software/Server and Equipment Upgrades

3



Not All \$15M Reserve Recommended for Buses

\$4M of Reserves to Be Set Aside for Matching Funds

- Federal & State BRT Grants
- Other Funding Opportunities

Decision Can Be Revisited Annually.

4



Bus Replacement

5



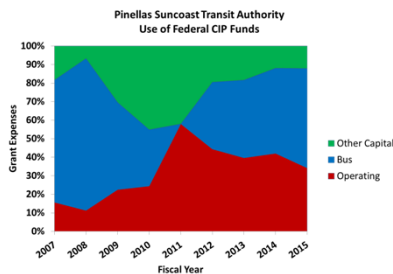
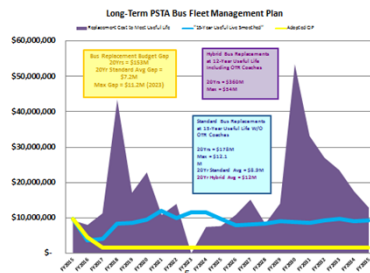
Bus Replacement Strategies Employed

- **Smaller** – Planning Analysis of Route Capacities
- **Lower Cost** – Diesel vs. 100% Hybrid
 - Considering CNG & 100% Electric Bus Funding Opportunities.
- **Contract Out Service** – Reduce Fleet Size

6



Sustainable Strategy



- Allow Longer Lives for Some Buses to “Smooth out Hump”
- 180 Buses ÷ 12 Yrs = **15 Per Year**
- Mid-Life Major Overhauls
- Mitigate But Plan for Increased Maintenance Expenses
- Cap Fed Operating to 40%.

7



65 Replacement Buses Funded Through 2020

Bus Type	2016	2017	2018	2019	2020	2021
35' & 40' Diesel Bus	7	5	15	15	16	15
29' Upgraded Connector Bus		7				
Trolley Buses						4
Express Bus Coach						
Total	7	12	15	15	16	19

- Bus Replacements Funded through Project Reductions & Reserves Through 2020. Without Additional Funding, becomes unbalanced in **2021**.



8



Federal STP Funding – Through MPO

- Pinellas MPO Sets Priority
- FDOT Programs Funds in 5-Yr. Work Program
- Years 1-5 (FY2016-2020) Already Allocated
Small portions of STP to Road Projects.
Changing Priorities without FDOT supplements
would jeopardize road expansion schedules.
- Year 6 (2021) – planned by FDOT in late
summer 2015. Timing may not allow for new
priorities.

9



What If We Don't Get STP Funds?

- PSTA Reserves Fund New CIP Through: 2020 and into a portion of 2021
- STP or other funds needed in 2021 to maintain program and service.
- If Short Delay (1-2 Yrs.), or Lower Amounts – Increased PSTA Maintenance Costs can Bridge Gap (Est. \$1M extra- Reduce bus services to cover.)
- If No STP Ever –Fleet size & service should be additionally reduced by approximately 10%.

10



Summary

- New CIP Developed Focused on Bus Replacement.
- New CIP + Use of Reserves Funds Buses Through 2020 and into a portion of 2021 when MPO Allocated Funds might be available.
- New Federal Lobbyist to advocate for increased “State of Good Repair” bus funding.
- If Reduced or No STP Funding Materializes, Future Maintenance Costs may require further service adjustments.

11



**PINELLAS SUNCOAST TRANSIT AUTHORITY
FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS**

Project Title	Funding	Total Project Budget	FY 2015 Project Forecast	FY 2016 Project Budget	FY 2017 Project Budget	FY 2018 Project Budget	FY 2019 Project Budget	FY 2020 Project Budget
Vehicles								
APC Equipment	FTA	\$128,650				\$128,650		
Bus Security upgrades (DVRs & Cameras)	FTA	\$1,800,000						\$1,800,000
Farebox Rebuild	FTA	\$952,000		\$500,000	\$452,000			
GFI Vault Replacement	FTA	\$50,000		\$50,000				
Replacement Support Facilities Trailers	FL 90-X811	\$10,000	\$10,000					
Radio Replacement/Upgrade	FTA	\$1,200,000					\$1,200,000	
WiFi	FL 90-X783	\$206,024	\$206,024					
Replacement Connector Buses	FTA	\$1,168,000			\$1,168,000			
Standard Cutaway Bus Quantity		7			7			
Replacement Buses	FTA	\$25,832,978		\$3,619,497	\$2,662,915	\$8,445,272	\$7,449,294	\$3,656,000
Standard Diesel Bus Quantity		47		7	5	15	13	6
Replacement Buses	General Reserve	\$6,949,704		\$0	\$0	\$0	\$1,130,034	\$5,819,670
Standard Diesel Bus Quantity		12		0	0	0	2	10
Total		\$32,782,682		\$3,619,497	\$2,662,915	\$8,445,272	\$8,579,328	\$9,475,670
Replacement Buses	FL 04-0162	\$19,843	\$19,843					
Replacement Buses	FL 34-0003	\$2,780,228	\$2,780,228					
Replacement Buses	FL 90-X783	\$1,390,114	\$1,390,114					
Replacement Buses	FL 90-X811	\$5,529,379	\$5,529,379					
Replacement Buses	FL 90-X841	\$5,457,203	\$5,457,203					
Total		\$15,176,767	\$15,176,767					
Hybrid Bus Quantity		21						
Support Vehicles	FTA	\$415,021			\$415,021			
Support Vehicles	FL 90-X689	\$4,780	\$4,780					
Support Vehicles	FL 90-X811	\$50,825	\$50,825					
Support Vehicles	FL 90-X841	\$28,411	\$28,411					
	Restricted Funds	\$13,020	\$13,020					
Total		\$512,057	\$97,036		\$415,021			
Expansion Connector Vehicles	Section 5310	\$288,000		\$288,000				
	FDOT	\$36,000		\$36,000				
	General Reserve	\$36,000		\$36,000				
Total		\$360,000		\$360,000				
Wheelchair Securement Equipment	Section 5310	\$644,000		\$644,000				
	FDOT	\$80,500		\$80,500				
	General Reserve	\$80,500		\$80,500				
Total		\$805,000		\$805,000				
Passenger Amenities								
Big Belly Trash Compactors	FTA 811 & 841	\$109,383	\$109,383					
Bus Stop Poles/Hardware	FTA	\$15,000				\$15,000		
Bus Stop Trash Cans	FTA	\$18,900				\$18,900		
Bus Stop Trash Cans	FTA 648 & 689	\$25,101	\$25,101					
Largo Commons Shelters and Passenger Amenities	FL 90-X689	\$57,569		\$57,569				
Passenger Benches	FTA	\$88,750			\$31,250	\$32,500	\$25,000	
Purchase SimmeSeats	FTA	\$31,000				\$31,000		
Pedestrian Access/Walkways	FTA	\$600,000		\$200,000	\$200,000	\$200,000		
Pedestrian Access/Walkways	FTA 723 & 758	\$925,000	\$700,000	\$225,000				
Total		\$1,525,000	\$700,000	\$425,000	\$200,000	\$200,000		
Passenger Shelters	FTA	\$530,000			\$130,000	\$200,000	\$200,000	
Passenger Shelters	FL 90-X689	\$636,205	\$636,205					
Passenger Shelters	FL 90-X783	\$200,000	\$113,795	\$86,205				
Passenger Shelters	FL 90-X811	\$200,000		\$200,000				
Passenger Shelters	FL 90-X841	\$200,000		\$100,000	\$100,000			

PINELLAS SUNCOAST TRANSIT AUTHORITY
FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS

Project Title	Funding	Total Project Budget	FY 2015 Project Forecast	FY 2016 Project Budget	FY 2017 Project Budget	FY 2018 Project Budget	FY 2019 Project Budget	FY 2020 Project Budget
<i>Total</i>		\$1,766,205	\$750,000	\$386,205	\$230,000	\$200,000	\$200,000	

**PINELLAS SUNCOAST TRANSIT AUTHORITY
FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS**

Project Title	Funding	Total Project Budget	FY 2015 Project Forecast	FY 2016 Project Budget	FY 2017 Project Budget	FY 2018 Project Budget	FY 2019 Project Budget	FY 2020 Project Budget
Training & Third Party Contracts								
Alternative Analysis/Howard Frankland Bridge (HFB)	General Reserve	\$462,979	\$240,000	\$222,979				
Consultant Services	FTA	\$200,000				\$200,000		
Consultant Services	FL 90-X811	\$25,891	\$25,891					
In-Person Assessments	FTA	\$125,000		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
In-Person Assessments	FTA 811 & 841	\$24,682	\$24,682					
Long Range Planning	FL 90-X841	\$200,000		\$200,000				
Public Outreach-Contractor	MPO	\$30,000	\$30,000					
Employee Education	FTA	\$100,000			\$30,000	\$30,000	\$20,000	\$20,000
Employee Education	FL 90-X783	\$9,644	\$9,644					
Employee Education	FL 90-X811	\$20,000	\$10,000	\$10,000				
Employee Education	FL 90-X841	\$20,000	\$1,219	\$18,781				
Total		\$149,644	\$20,863	\$28,781	\$30,000	\$30,000	\$20,000	\$20,000
Short Range Planning	FTA	\$1,100,000		\$200,000	\$100,000	\$400,000	\$200,000	\$200,000
Short Range Planning	FL 90-X689	\$14,459	\$14,459					
Short Range Planning	FL 90-X758	\$85,667	\$85,667					
Short Range Planning	FL 90-X783	\$50,442	\$50,442					
Short Range Planning	FL 90-X811	\$147,190	\$147,190					
Short Range Planning	FL 90-X841	\$290,000	\$90,000	\$200,000				
Total		\$1,687,758	\$387,758	\$400,000	\$100,000	\$400,000	\$200,000	\$200,000
Regional Fare Media Project	FDOT	\$954,880		\$954,880				
Regional Fare Media Project	FL 90-X723	\$39,000		\$39,000				
Regional Fare Media Project Short Range Planning	FL 90-X758	\$74,710	\$74,710					
Total		\$1,068,590	\$74,710	\$993,880				

Facilities								
Above Ground Fuel Storage Tanks	FL 90-X758	\$500,000	\$250,000	\$250,000				
A/C Chiller and Building Control System	FL 90-X689	\$500,000	\$500,000					
Audio Visual Equipment - Auditorium	FL 90-X723	\$25,972	\$25,972					
Audio Visual Equipment - Boardroom	FL 90-X723	\$309,010		\$309,010				
Audio Visual Lectern for Training Classrooms (2)	FTA	\$1,500					\$1,500	
Cleaverwater Downtown Intermodal Terminal	FL 04-0135	\$950,000		\$550,000	\$200,000	\$200,000		
Misc. Support Equip- Admin/Maint. Facility	FTA	\$1,398,304			\$421,032	\$250,000	\$363,636	\$363,636
Park & Ride - FDOT	FDOT	\$200,000		\$200,000				
Replacement Office Furniture and Equipment	FTA 689 & 841	\$100,000	\$50,000	\$50,000				
Rehab/Renovation Facilities - Scherer Drive	FL 90-X841	\$80,000	\$40,000	\$40,000				
Rehab/Renovation Facilities -A/C for Server Room	FL 90-X723	\$37,580	\$37,580					
Rehab/Renovation Facilities - Service Lane Infrastructure	FL 90-X841	\$245,000	\$245,000					
Repaint Grand Central Station (exterior)	FL 90-X811	\$35,000	\$19,750	\$15,250				
Surveillance/Security Equipment	FTA	\$46,000			\$46,000			
Surveillance/Security Equipment	FTA 648 & 758	\$270,330	\$270,330					
Pinellas Park Transfer Center	FL 90-X689	\$117,264	\$117,264					
	General Reserve	\$229,218	\$229,218					
	Pinellas Park	\$0	\$0					
Total		\$346,482	\$346,482					
Central Avenue BRT	Future Project	\$16,500,000			\$8,250,000	\$8,250,000		

**PINELLAS SUNCOAST TRANSIT AUTHORITY
FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS**

Project Title	Funding	Total Project Budget	FY 2015 Project Forecast	FY 2016 Project Budget	FY 2017 Project Budget	FY 2018 Project Budget	FY 2019 Project Budget	FY 2020 Project Budget
Technology								
COMPUTER HARDWARE								
Campus WiFi	FL 90-X723	\$75,000		\$75,000				
Data Center Upgrade	FTA	\$300,000					\$300,000	
Fiber Upgrade	FL 90-X723	\$60,000		\$60,000				
Fuel Management System (Fleetwatch)	FL 90-X723	\$185	\$185					
Laminator	FL 90-X723	\$4,352	\$4,352					
Laptops	FTA	\$25,000					\$25,000	
Laptops	FTA 689 & 783	\$24,685	\$8,168	\$16,517				
Misc. Computer Hardware	FTA 648 & 689	\$22,488	\$22,488					
On-Board GIS Computers For Connector Services	FTA	\$12,000				\$12,000		
Photo ID System	FTA	\$25,000				\$25,000		
Plotter for mapping (Auto CAD)	FTA	\$30,000				\$30,000		
Polycom Conference Phones	FTA	\$3,600			\$3,600			
Printers	FTA	\$150,000					\$150,000	
Printers	FTA 689 & 758	\$68,601	\$34,300	\$34,301				
Purchase Servers	FTA	\$175,000					\$175,000	
Purchase Servers	FL 90-X723	\$200,000	\$50,000	\$150,000				
Replace/Upgrade Phone System and Phones	FTA	\$250,000		\$250,000				
Replacement Work Stations	FTA	\$146,000			\$146,000			
Replacement Work Stations	FTA 689 & 758	\$18,712	\$18,712					
UPS Upgrades	FL 90-X783	\$83,000		\$83,000				
Virtual Desktop Server Hardware	FL 90-X783	\$46,281			\$46,281			
COMPUTER SOFTWARE								
Application tracking Software	FL 90-X689	\$12,000	\$12,000					
AVM 3 Project	FL 90-X758	\$160,000		\$160,000				
ArcView Software	FL 90-X811	\$6,000		\$6,000				
Clever Works	FL 90-X689	\$171,216	\$50,000	\$121,216				
Cisco 3750 POE switch	FTA	\$30,000			\$30,000			
Document Image Software	FL 90-X758	\$30,000		\$30,000				
DART Software Route Match	FTA	\$125,000					\$125,000	
DART Software Route Match	FL 90-X758	\$44,809	\$44,809					
FleetNet	FL 90-X689	\$45,950	\$45,950					
Flex Service Connection Service	FL 90-X723	\$7,500	\$7,500					
Hastus Upgrade	FTA	\$411,000		\$411,000				
Misc. Computer Software	FTA 723 & 758	\$142,040	\$71,020	\$71,020				
Microsoft Office Professional VL 20XX (Work Stations)	FL 90-X783	\$38,100			\$38,100			
Microsoft Office 20XX Version (Servers)	FTA	\$39,000			\$39,000			
Phone System Software	FL 90-X723	\$21,000		\$21,000				
RTBI Software Replacement	FTA	\$1,000,000				\$500,000	\$500,000	
Virtual Desktop Upgrade- workstation software	FTA	\$145,000					\$145,000	

**PINELLAS SUNCOAST TRANSIT AUTHORITY
FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS**

Project Title	Funding	Total Project Budget	FY 2015 Project Forecast	FY 2016 Project Budget	FY 2017 Project Budget	FY 2018 Project Budget	FY 2019 Project Budget	FY 2020 Project Budget
Miscellaneous								
Air Compressor	FTA	\$100,000					\$100,000	
Check Sealer	FTA	\$7,500				\$7,500		
Forklift Replacement	FTA	\$200,000						\$200,000
Lease mailing equipment	FTA 648 & 841	\$2,425	\$2,425					
Lease Copiers	FL 90-X841	\$16,363	\$16,363					
Lift Station Pump	FL 90-X723	\$7,500	\$7,500					
Misc. Communication Equipment	FL 90-X689	\$4,476	\$4,476					
Misc. Support Equipment	FTA 689 & 723	\$297,226	\$148,613	\$148,613				
Rehab/Renovation Misc. Equipment	FL 90-X841	\$25,000	\$25,000					
Revenue Room Equipment	FL 90-X841	\$60,000	\$60,000					
Shop Hose Exhaust Replacement	FTA	\$8,000				\$8,000		
Shop Hose Exhaust Replacement	FL 90-X783	\$7,419	\$7,419					
Two ARI Portable Lifts	FL 90-X811	\$150,000	\$150,000					
Contingency	FTA	\$1,320,000		\$320,000	\$250,000	\$250,000	\$250,000	\$250,000
Contingency	FL 90-X689	\$29,424	\$14,712	\$14,712				
Contingency	FL 90-X723	\$286,223	\$143,112	\$143,112				
Contingency	FL 90-X758	\$932,474	\$466,237	\$466,237				
Contingency	FL 90-X783	\$260,252	\$130,126	\$130,126				
Contingency	FL 90-X811	\$374,078	\$187,039	\$187,039				
Contingency	FL 90-X841	\$459,781	\$229,891	\$229,891				
Total		\$3,662,232	\$1,171,116	\$1,491,116	\$250,000	\$250,000	\$250,000	\$250,000

Total Capital Expenses	\$93,004,470	\$21,625,725	\$12,616,954	\$14,784,199	\$19,258,822	\$12,384,464	\$12,334,306
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FTA Funding Under Grant	\$26,196,466	\$21,113,487	\$4,498,598	\$384,381	\$200,000	\$0	\$0
FTA Future Funding	\$40,303,203	\$0	\$5,575,497	\$6,149,818	\$10,808,822	\$11,254,430	\$6,514,636
Future Project	\$16,500,000	\$0	\$0	\$8,250,000	\$8,250,000	\$0	\$0
MPO Funding	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0
FDOT Funding	\$1,271,380	\$0	\$1,271,380	\$0	\$0	\$0	\$0
Section 5310	\$932,000	\$0	\$932,000	\$0	\$0	\$0	\$0
Restricted Funds for FTA Projects	\$13,020	\$13,020	\$0	\$0	\$0	\$0	\$0
PSTA General Reserves	\$7,758,401	\$469,218	\$339,479	\$0	\$0	\$1,130,034	\$5,819,670
City of Pinellas Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CAPITAL PROGRAM	\$93,004,470	\$21,625,725	\$12,616,954	\$14,784,199	\$19,258,822	\$12,384,464	\$12,334,306

PSTA FFY 2015 PROGRAM OF PROJECTS

Section 5307 Formula Funds

FL 90-X873

Preventative Maintenance		\$4,568,677
Shop Labor	\$4,568,677	
Capital Maintenance		\$440,000
Tire Lease	\$440,000	
Purchase Replacement Revenue Vehicles		\$1,216,449
Purchase Replacement Revenue Vehicles	\$1,216,449	
Misc. Support Equipment		\$50,000
Replace GFI Vaults	\$50,000	
Rehab/Renovate Misc. Support Equipment		\$500,000
Rehab Farebox Rebuild	\$500,000	
Passenger Amenities		\$130,000
Purchase Passenger Shelters	\$130,000	
Computer Hardware		\$250,000
Replacement/Upgrade Phone System & Phones	\$250,000	
Computer Software		\$411,000
Purchase Upgrade Hastus system	\$411,000	
FTA Sponsored Employee Education/Training		\$20,000
Travel Expenses for FTA Sponsored Workshops/Training	\$20,000	
3rd Party Contracts		\$25,000
ADA In-Person Assessments	\$25,000	
Long & Short Range Planning		\$380,775
Short Range Planning	\$200,000	
Short Range Planning to Increase Ridership - Planners	\$180,775	
Contingency, Project Administration		\$386,950
Contingency	\$320,000	
Project Administration	\$66,950	
Proposed FY 2015 Section 5307 Initial Application:		\$8,378,851

PSTA FFY 2015 PROGRAM OF PROJECTS

Section 5307 Formula Funds

FL 90-X873

Purchase Replacement Revenue Vehicles		\$4,121,149
Purchase Replacement Revenue Vehicles	\$4,121,149	
Proposed FY 2015 Section 5307 Amendment Application:		\$4,121,149

PSTA FFY 2015 PROGRAM OF PROJECTS

Section 5339 Formula Funds

FL 34-0034

Purchase Replacement Revenue Vehicles		\$962,825
Purchase Replacement Revenue Vehicles	\$962,825	
Proposed FY 2015 Section 5339 Initial Application:		\$962,825

PSTA FFY 2015 PROGRAM OF PROJECTS

Section 5339 Formula Funds

FL 34-0034

Purchase Replacement Revenue Vehicles		\$437,175
Purchase Replacement Revenue Vehicles	\$437,175	
Proposed FY 2015 Section 5339 Amendment Application:		\$437,175

FFY 2015 Section 5310 (Capital Funding)

Enhanced Mobility of Seniors and Individuals with Disabilities

(Application submitted to FDOT on February 19, 2015)

Mobility Management **\$86,741**

Mobility Manager - Section 5310 - 80%	\$69,393
Mobility Manager - State - 10%	\$8,674
Mobility Manager - PSTA - 10%	\$8,674

W/C Seating/Tie Down Securement Equipment **\$805,000**

W/C Seating/Tie Down Securement Equipment - Section 5310 - 80%	\$644,000
W/C Seating/Tie Down Securement Equipment - State - 10%	\$80,500
W/C Seating/Tie Down Securement Equipment - PSTA - 10%	\$80,500

\$891,741

RESOLUTION OF THE PINELLAS SUNCOAST TRANSIT AUTHORITY AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF TRANSPORTATION, UNITED STATES OF AMERICA, FOR GRANTS AND/OR GRANT AMENDMENTS UNDER THE FEDERAL TRANSIT ADMINISTRATION ACT OF 1964, AS AMENDED

WHEREAS, the Secretary of Transportation is authorized to provide grants and approve grant amendments for a mass transportation Capital Improvement Projects and budget; and

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including a local share of the project costs in the program; and

WHEREAS, it is required by the U.S. Department of Transportation in accordance with the provisions of Title VI of the Civil Rights Act of 1964, as amended, that the applicant provide an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U.S. Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the applicant that minority business enterprise be utilized to the fullest extent possible in connection with this project, and that definite procedures are established and administered to ensure that minority business enterprises have the opportunity to participate in construction contracts, supplies, equipment contracts, or consultant and other services; and

WHEREAS, a total of \$8,378,851 is partially allocated (8/12) to PSTA in Fiscal Year 2015 through the Federal Transit Administration (FTA) Section 5307 formula program appropriations.

NOW, THEREFORE, BE IT RESOLVED BY THE PINELLAS SUNCOAST TRANSIT AUTHORITY:

1. That the Chief Executive Officer is authorized to execute and file applications or amendments on behalf of PSTA with the U.S. Department of Transportation to aid in the financing of capital assistance projects pursuant to Section 5307 of the Federal Transit Administration (FTA) Act of 1964, as amended.

2. That the Chief Executive Officer is authorized to execute and file with such applications an assurance or any other document required by the U.S. Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964.
3. That the Chief Executive Officer is authorized to furnish such additional information as the U.S. Department of Transportation may require in connection with the application for the Program of Projects and budget.
4. That the Chief Executive Officer is authorized to set forth and execute affirmative procurement policies in connection with the Capital Improvement Projects and budget.
5. That the Chief Executive Officer is authorized to execute grant agreements and amendments on behalf of the Pinellas Suncoast Transit Authority with the U.S. Department of Transportation for financial assistance.

ATTEST:

PINELLAS SUNCOAST TRANSIT AUTHORITY
PINELLAS COUNTY, FLORIDA

Janet C. Long
Secretary/Treasurer

William C. Jonson
Chairperson

DATE: May 27, 2015

APPROVED AS TO FORM

Alan S. Zimmet
General Counsel

RESOLUTION OF THE PINELLAS SUNCOAST TRANSIT AUTHORITY AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF TRANSPORTATION, UNITED STATES OF AMERICA, FOR GRANTS AND/OR GRANT AMENDMENTS UNDER THE FEDERAL TRANSIT ADMINISTRATION ACT OF 1964, AS AMENDED

WHEREAS, the Secretary of Transportation is authorized to provide grants and approve grant amendments for a mass transportation Capital Improvement Projects and budget; and

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including a local share of the project costs in the program; and

WHEREAS, it is required by the U.S. Department of Transportation in accordance with the provisions of Title VI of the Civil Rights Act of 1964, as amended, that the applicant provide an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U.S. Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the applicant that minority business enterprise be utilized to the fullest extent possible in connection with this project, and that definite procedures are established and administered to ensure that minority business enterprises have the opportunity to participate in construction contracts, supplies, equipment contracts, or consultant and other services; and

WHEREAS, a total of \$962,825 is partially allocated (8/12) to PSTA in Fiscal Year 2015 through the Federal Transit Administration (FTA) Section 5339 program appropriations.

NOW, THEREFORE, BE IT RESOLVED BY THE PINELLAS SUNCOAST TRANSIT AUTHORITY:

1. That the Chief Executive Officer is authorized to execute and file applications or amendments on behalf of PSTA with the U.S. Department of Transportation to aid in the financing of capital assistance projects pursuant to Section 5339 of the Federal Transit Administration (FTA) Act of 1964, as amended.

2. That the Chief Executive Officer is authorized to execute and file with such applications an assurance or any other document required by the U.S. Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964.
3. That the Chief Executive Officer is authorized to furnish such additional information as the U.S. Department of Transportation may require in connection with the application for the Program of Projects and budget.
4. That the Chief Executive Officer is authorized to set forth and execute affirmative procurement policies in connection with the Capital Improvement Projects and budget.
5. That the Chief Executive Officer is authorized to execute grant agreements and amendments on behalf of the Pinellas Suncoast Transit Authority with the U.S. Department of Transportation for financial assistance.

ATTEST:

PINELLAS SUNCOAST TRANSIT AUTHORITY
PINELLAS COUNTY, FLORIDA

Janet C. Long
Secretary/Treasurer

William C. Jonson
Chairperson

DATE: May 27, 2015

APPROVED AS TO FORM

Alan S. Zimmet
General Counsel

ACTION ITEM



6C: Bus Advertising Contract/Policy

Action:

- A. Approve the Transit Advertising Services Agreement with Advertising Vehicles, Inc.**
- B. Approve Repeal of Existing Resolution #99-01 – PSTA’s Bus Advertising Policy**
- C. Approve the Revised Bus Advertising Policy**

Staff Resource: Cyndi Raskin-Schmitt, Dir. of Comm.
Sangita Land, Chief Compliance Officer
LouEmma Cromity, Director of Procurement
Joe Barkley, Finance Committee Chair
Stephanie Lieshman, TRAC Committee Vice-Chair



A. TRANSIT ADVERTISING CONTRACT

Background:

- PSTA used an outside firm to handle its bus advertising sales until around 2000 when bus advertising was brought in-house to be run by Marketing staff. In June 2014, a part-time sales representative was hired in the effort to boost sales. While this has been a success, outsourcing the program to a firm that specializes in this type of advertising business has the potential to significantly increase the revenues generated.
- The Procurement Division, in concert with the Marketing Department, developed and released a Request for Proposal (RFP) for Transit Advertising Services. The RFP was sent to over 15 suppliers directly and was posted on PSTA’s Procurement website. Eight suppliers participated in the Pre-Proposal Meeting with three suppliers submitting formal responses:

Firm Name	Home Office
Advertising Vehicles, Inc.	Cincinnati, OH
Direct Media, USA	Hingham, MA
Signal Outdoor Advertising, LLC	Roswell, GA

- A Selection Committee comprised of PSTA staff members evaluated each of the proposals and then following in-person presentations, Advertising Vehicles was selected as the highest ranked supplier.

- Advertising Vehicles will provide this service under contractual terms of three years with the option to extend for two one-year periods.

Potential Advertising Revenue to PSTA

In addition to demonstrating a sound sales plan, another critical evaluation measure in selecting an outsourced advertising firm is their revenue sharing proposal. In the bus advertising business, contracts are typically established to pay the transit authority a “minimum guaranteed” lump sum amount and then a percentage of the net revenues on sales exceeding the minimum guarantee.

- Following negotiations, Advertising Vehicles has agreed to a minimum guarantee for the first year of \$325,000, which significantly exceeds PSTA’s advertising revenue last year.
- Advertising Vehicles will pay this first year guarantee, quarterly with the payments to PSTA due at the beginning of each quarter. Additional revenue due to PSTA above the guarantee will be settled at the end of the year.
- PSTA will also receive 58% of revenues for sales exceeding the minimum guarantee.

Fiscal Impact:

- A minimum annual revenue of \$325,000 will be included in PSTA’s operating budget June 1st of each contractual year.

Recommendation:

- Approve the three-year Transit Advertising Services contract with Advertising Vehicles with the option to extend two one-year periods.

B. REPEAL OF EXISTING PSTA ADVERTISING POLICY RESOLUTION #99-01

Background:

- PSTA’s bus advertising program is currently governed by Board Resolution #99-01. The new Resolution #15-04 repeals Resolution #99-01 and replaces it with the new Bus Advertising Policy.
- The Bus Advertising Policy would be maintained by the PSTA Marketing Department, but any future changes would be subject to Board review and approval.

Recommendation:

- Approve Resolution #15-04 to Repeal Resolution #99-01.

C. REVISED BUS ADVERTISING POLICY

Background:

- A Board resolution from 1999 restricts bus advertising to strictly commercial messages and prohibits several categories of advertising content including governmental entity advertisement and alcoholic beverage advertisement.
- Expanding the permissible advertising content has the strong potential to increase advertising revenue.
- The proposed revisions to PSTA's Bus Advertising Policy allow advertising by governmental entities with messages that further their functions, objectives and/or public responsibilities. The revision also eliminates the prohibition against alcoholic beverages advertisement.

Fiscal Impact:

- Has the potential for increased advertising revenue.

Recommendation:

- Approve the revised PSTA Bus Advertising Policy.
- The Finance and TRAC Committees reviewed this item and are recommending approval. The Finance Committee requested that alcohol ads do not include the verbiage "Drink Responsibly" "Drink in Moderation" or a similar message.

Attachments:

1. Scope of Work
2. Resolutions #99-01 and #15-04
3. Bus Advertising Policy



Transit Advertising Scope of Work

1.1 BACKGROUND

PSTA is part of a regional solution to transportation, and is working across the region with transit partners and planning agencies. Currently, PSTA operates bus and paratransit systems within Pinellas County. To help provide regional mobility, PSTA plans to implement operational efficiencies and envisions new services, infrastructure upgrades, transit partnerships, and other new transit solutions in concert with the community interests. PSTA will also continue an active dialogue with the public for all projects and system changes. PSTA is seeking a Supplier to manage its Transit Advertising Program.

1. Purpose

(a) PSTA's Transit Advertising Program contains Traditional Transit Advertising space opportunities that will be limited to on-vehicle advertising for exterior space. Traditional Transit Advertising may include, but not be limited to, on-vehicle Traditional Units and Signature Units (Traditional King; Traditional Queen, Super Tail, Super King, among others).

(b) The Supplier shall have rights to sell PSTA approved advertising space upon the exterior of the fixed-route fleet subject to the terms and conditions set forth in this contract.

(c) This program may include such graphic formats as full bus wraps (excluding bus fronts), ½ side Murals (vehicle wrapped only below the windows using approved production materials), and back/tail. Other related traditional and non-traditional advertising opportunities will be considered on a case by case basis, and are subject to PSTA's approval prior to installation. All advertising must be in accordance with ADA (American Disability Act) requirements.

(d) The Supplier shall develop PSTA as an advertising franchise that returns an increasing amount of revenue based upon the value that advertisers receive. The Supplier shall achieve this in part through aggressive sale of the space, program made available to the Supplier, and by selling that space at market rates that significantly add to the revenue returned to both the Supplier and PSTA.

2. Advertising Guidelines

(a) All advertising shall conform to the Advertising Policy as set forth in PSTA's Board Policy Manual, presented as Attachment A to this RFP and any updates that may occur to the Policy from time to time. All advertisements shall be presented to PSTA for its review. PSTA shall have the sole discretion of whether an advertisement (not limited to graphics, words, phrases and/or names) will be posted or displayed.

(b) Any advertisements that are inadvertently posted without pre-approval and are later determined not to be in compliance with PSTA's standards shall be removed by the Supplier at the direction of and at no cost to PSTA and within seventy-two (72) hours of the date/time of PSTA's written notice to the Supplier.



3. Business Plan

- (a) Within 60 days of Notice to Proceed, the Supplier shall submit a Business Plan for PSTA's review and approval. The Business Plan shall be, at the least, similar and of the quality provided in the Supplier's Technical Proposal. The Business Plan shall address the handling of all or any combination of the advertising. The plan shall detail proposed medium, as well as, specific plans and expectations for the Tampa Bay market. The primary goal of the plan shall be to sell the space available for sale as possible at the highest possible rates.
- (b) Throughout the implementation of the plan, the Supplier shall preserve PSTA brand image. The Supplier shall take every reasonable measure to maintain a high graphic standard for all materials that will be displayed on PSTA's fleet. These standards shall be reasonable and customary in the industry. All materials must be pre-approved by PSTA prior to use. In addition, any damage to the paint or underlying vinyl (e.g. logos) shall be repaired/replaced at Supplier's cost.

4. Sales Plan

- (a) Within 60 days of Notice to Proceed, the Supplier shall submit a detailed Sales Plan for PSTA's review and approval. The Sales Plan shall be, at the least, similar and of the quality provided in the Supplier's Technical Proposal. The Sales Plan must describe the business/sales strategies of its organization. The Sales Plan shall be focused to maximize revenues from the Supplier's advertising franchises through achievement of a reasonable mix of national, regional and local sales that is customary and usual for the industry. International based sales may also be considered. The plan shall include sales strategies that the Supplier will employ to sell advertising with the goal of achieving the maximum utilization of all space available for sale.
- (b) The Sales Plan shall respond to the different demographic, psychographic, and socioeconomic profiles of markets within PSTA's service area and the Tampa Bay Geographic Market footprint, and the special opportunities that these markets present. The Sales Plan shall detail efforts the Supplier will make to win national, regional and local advertising buys.
- (c) The Sales Plan shall discuss the potential for opportunities such as cross promotions or merchandising with advertisers. The Sales Plan shall include information regarding how national sales will be handled. In particular, the Sales Plan shall provide information on who will bear primary responsibility for national sales. The Sales Plan shall identify staff responsible for national, regional, and local sales and the offices where these individuals will be located.
- (d) At no time will PSTA allow for its advertising space to be subdivided or resold by any parties other than the Supplier and its designated sales agents without the express written consent of PSTA.
- (e) Throughout the duration of this contract, the Supplier shall recognize the importance PSTA places on national, regional and local sales activities for building a more robust PSTA advertising franchise. The Supplier must address the unique features of the Tampa Bay market and take actions to insure that sales will be maximized throughout PSTA's service area. The Supplier shall utilize creative sales strategies, but not at the expense of revenue. The Supplier's Sales Plan shall demonstrate that it employs the best strategies to maximize revenues.



- (f) The Sales Plan shall explain the types of marketing/sales materials that will be developed to support the sales activity and any advertising or other forms of marketing, current internal research, primary, secondary or third party research, trade publications, and other vehicles employed to maximize revenue that will be used to influence media buyers, or other persons of decision-making capacity, to consider PSTA advertising franchises. The Supplier's Sales Plan shall also include sales staff inside sales quotas, outside sales quotas, cold call solicitation quotas, revenue quotas, on both an individual and collective sales basis, as well as rationalization as to the quotas imposed and timing of review of said goals (i.e., weekly, monthly, quarterly).
- (g) The Sales Plan shall list all current proprietary, primary, secondary, or related third party research it currently subscribes and how it will be used to procure PSTA advertising business. Any primary, secondary, or third party research, or otherwise that is to be obtained by the Supplier should be listed separately.
- (h) The Supplier shall disclose the cost of any current or procurement of any additional research it deems necessary only if it is being included in any PSTA advertising rate plans.

5. Vehicle Staging

PSTA cannot guarantee vehicles will be available for promotional staging. PSTA will not remove vehicles from scheduled service or in any way diminish quality of service to provide vehicles for staging. The Supplier shall give notice to PSTA's designated representative at least 72 hours in advance of the staging event. The Supplier shall supply the exact location and duration of the promotional event with the contact name(s) of person(s) and organizations that vehicle will support. PSTA will consider Advertiser promotional opportunities only on a case by case basis.

6. Annual Audits

(a) PSTA may execute periodic, unscheduled and unannounced physical and financial audits of all the advertising elements included in this contract. Audits will be reconciled with the Supplier's sales for the same period of time. Audits may serve as an assessment of the Supplier's performance in compliance with the terms and conditions of the contract.

(b) The physical audit may include visible audits of all, or samples, of the advertising posted on PSTA's fixed route fleet, or other PSTA advertising vehicles and any advertising mediums, or advertising vehicles and programs implemented and approved by PSTA.

(c) Financial audits will constitute a detailed review of the Supplier's sales and will collect records for the purpose of determining that sales were executed at the established rate card rates, discounts offered (if any), premiums (if any) and that the number of advertising spaces allocated to the advertiser were the amount sold and that the amounts collected were in accordance with the rates approved by PSTA. PSTA's financial audit may include gross sales, net revenue earned or full disclosure of any rates from which PSTA receives revenue.

(d) In order to assist PSTA in its efforts to perform both physical as well as financial reviews, the Supplier shall provide a listing of all advertising elements sold (and unsold) and posted each month on or before the 15th day of each month. This report shall be sent to a PSTA designated representative by the 28th day of each month that the Supplier's contract shall remain in effect.



(e) The results of both reviews shall be compared with the Supplier billings and any deficiencies or irregularities shall be corrected in the Supplier billing statements within ten (10) working days of notification by PSTA. Any net underpayment to PSTA disclosed by audit shall be due and payable upon demand by PSTA.

7. Contract and Billing Reports

The Supplier shall provide monthly reports detailing all contracts and billing collection activity, as well as monthly (and total) net revenue earned by PSTA by advertising vehicle, and medium, during that monthly reporting period, as well as the number of months contracted and number of months left on the contract. This will include a report breakdown by different PSTA fixed route bus sizes, and by proposed and implemented established rate card categories and future opportunities. The report shall include a copy of all fully executed space advertising sales contracts. The contracts should detail the amount of advertising purchases including the size and duration of the buy. Report data relating to sales and billings shall be provided, in an electronic form. Electronic copies shall be presented in a storable spreadsheet file format.

8. Over Posting and Removal of Dated Materials

(a) The Supplier shall maintain a clean and well-kept environment for PSTA's customers, the public and PSTA's employees. Since empty advertising spaces may diminish the appearance of vehicles, the practice of over posting is allowable.

(b) Over-posted advertising must remain in "like-new" condition. The Supplier shall report monthly on the rate of over posting in conjunction with its monthly reporting on available and used inventory.

(c) The Supplier must remove all dated materials within three (3) days of the end of a contract.

(d) All removed materials shall be removed by the Supplier from PSTA's premises and disposed of properly.

9. Reserved (5%) and Unsold Space

(a) Each contract year, five percent (5%) of all exterior advertising space shall be reserved for PSTA's own messages or co-promotional messages, at the sole discretion of PSTA, and is not pre-emptible by the Supplier. PSTA may review the reserved amount of reserved space at any time of the contract and increase/decrease said amount depending upon marketplace conditions. Every attempt will be made to maximize revenue for PSTA and the Supplier.

(b) Every reasonable effort shall be made by PSTA and the Supplier to apportion the use of this space so as to not interfere with the Supplier's potential sale of the space. PSTA shall coordinate with the Supplier for the intended use of the space no later than thirty (30) days prior to the intended use of the space. PSTA will coordinate to ensure that the use of any unsold space does not limit the Supplier's ability to sell future advertising. For this purpose the Supplier will provide copies of the Monthly Contract and Billing Reports to PSTA.

(c) PSTA shall maintain the right to place its own promotional materials in unsold spaces, in addition to the 5% of all space that is reserved for the use of PSTA. PSTA also reserves the right to enter into cooperative promotions that will utilize unsold spaces to promote the use of PSTA services.



(d) PSTA self-promotion materials may be provided to the Supplier to fill unsold space. PSTA may produce these materials and provide them to the Supplier that shall post these materials at no cost to PSTA.

(e) PSTA may also permit the use of unsold space for the purpose of promoting the advertising franchise of PSTA. PSTA will not grant the Supplier any other use of unsold space without compensation to PSTA without the express written permission of PSTA's Director of Communications.

(f) The Supplier will provide an available monthly space report to PSTA's designated representative to ensure PSTA's reserved 5% space is maximized.

(g) However, as stated above PSTA would prefer that no advertising space be left empty for long durations of time. PSTA may provide the Supplier with self-promotion materials that shall be used to fill unsold space.

10. Barter Agreements

PSTA will not allow barter agreements for goods or services. PSTA will consider barter agreements for media time, space, new and emerging technologies, or other appropriate marketing or marketing related vehicle(s), on an individual basis, which can be used exclusively for the benefit of PSTA. Barter rates will either be market rates or rate card rates, whichever is higher at the time of contracting for service.

11. Cooperative Promotions and Retained Rights

(a) PSTA may enter into cooperative promotions with advertisers that would benefit both existing and potential users of PSTA's services.

(b) PSTA reserves the right to develop cooperative promotions on its own and to enter into direct trade and other compensatory relationships with advertisers in support of those cooperative promotions.

(c) PSTA reserves the right to use unsold space to publicize these promotions without compensation to the Supplier. PSTA may provide the Supplier with co-promotional advertising materials to be installed by the Supplier's personnel at no cost to PSTA.

(d) PSTA reserves the right to use advertised images on all PSTA advertising inventory for promotional and marketing purposes.

12. Service Interruptions and Changes in Fleet Size

(a) Should PSTA suffer an interruption of service of more than five (5) consecutive days on more than 50% of its assigned fleet because of labor disputes, fire, mechanical failures, acts of God or public emergencies causing loss of revenue for the Supplier, the minimum guarantee on all affected advertising elements will be reduced on a pro-rated basis for the period services were not operated.

(b) In the event PSTA increases or decreases the size of its transit advertising inventory through a reduction or increase in fleet size of more than 20%, the Supplier and PSTA will renegotiate the compensation terms of the agreement for all affected advertising elements.



13. Labor, Training and Cost of Service

- (a) The Supplier shall utilize its own labor, at its own expense, to perform all work associated with the design, development, sales, installation and maintenance of all advertising elements
- (b) Production of materials may be charged at market rates. Installation and production charges shall not be included in the calculation of net revenues earned by PSTA.

14. Acceptance of Existing Contracts

The Supplier agrees to accept assignment of existing advertising contracts that are in effect on the date of contract execution. The Supplier agrees to enter into negotiations with PSTA to determine an acceptable assignment of existing advertising contracts prior to award of this contract.

15. Assignment of Future Contracts for Advertising Space

At the end of the contract, the Supplier shall immediately transfer all existing advertising contracts to PSTA or its designee. The Supplier will be entitled to the payment of a twenty percent (20%) commission of the gross amount collected from such contracts for a period of six months. For this purpose the Supplier shall not enter into any contract with advertisers, which extends for more than a 12 month period without the express written permission of PSTA. No payment shall be made to the Supplier if the Contract is terminated early

16. Ownership of Existing Advertising Materials

The Supplier will be allowed to post self-adhesive materials, as no frames will be allowed on PSTA vehicles. At the end of the contract, the Supplier will give to PSTA any remaining advertising devices or materials that it has applied to PSTA's vehicles or programs implemented and approved by PSTA within contract term.

17. Required Advertising Materials

- (a) All materials to be used in the placement of advertising shall be of the highest industry standards. PSTA wishes to maximize the use of direct application materials on the exterior of its vehicles. The vinyl allowed for use must be 3M products, or an equivalent material preapproved by PSTA. The wrap materials currently approved are 3M Controltac 160 or 180, Flexcon or industry equivalent.
- (b) All static advertising displays and units to be placed on or in PSTA owned and operated inventory or elsewhere are subject to review by PSTA prior to installation.
- (c) All maintenance shall be performed using industry standard practices. All work in and on PSTA's facilities shall be approved in advance by PSTA and will be scheduled by PSTA as requested by the Supplier. At no time will the Supplier schedule or perform maintenance that will impede or interfere with PSTA operations.
- (d) Due to the nature of bus operations and the safety measures required, the Supplier is obligated to contact PSTA prior to the installation of advertising materials and or equipment. At all times, the employees of the Supplier will be allowed the right of reasonable entry and egress to all facilities subject to the rules and regulations of PSTA. All of the Supplier's employee shall wear PSTA-issued Supplier Identification Cards at all times when on PSTA property.



- (e) The Supplier shall assume all costs attributable to damage to the fleet and facilities which result from such activities or from any other actions performed by the Supplier, its employees, agents or representatives.
- (f) When posting and re-posting advertising, the Supplier shall remove and properly dispose of scrap materials at the time of removal. In the event that scrap materials left by the Supplier are discovered on PSTA property, PSTA may, without prior notice, remove and dispose of the materials of the Supplier.

18. Design, Develop, Install and Maintain Advertising Signage

PSTA grants the Supplier the exclusive right to design, develop, sell, install and maintain various types of advertising signs, displays and materials on, and upon the buses owned or operated by PSTA. The Supplier hereunder extends only to the inventory set forth and any additional inventory which PSTA subsequently adds thereto.

19. Vehicle Frames and Inventory

- (a) The Supplier shall use only direct application materials on the exterior of buses, such as the 3M and FlexCon materials. Frames shall not be allowed on buses under this program. All advertising will be manufactured with direct application materials.
- (b) The change out of advertising displays is the sole responsibility of the Supplier. Further, the Supplier is responsible for all costs attributable to damage resulting from the activities of the Supplier, especially damage to paint resulting from the misapplication of pressure-sensitive direct application materials.
- (c) When damage is identified by PSTA, the Supplier shall be notified. Repairs to PSTA assigned fleet, or other inventory in any PSTA program under this contract will be made by PSTA or its designee and the cost of these repairs will be paid by the Supplier directly to PSTA.

20. Approval of Advertising Materials, Devices and Locations

- (a) PSTA reserves the right to approve all materials, devices and locations of advertising to be placed under this contract
- (b) All PSTA buses are available for exterior application of advertising. All proposed advertising content must be approved by PSTA in advance of posting. All types of wraps will be considered as long as the material does not excessively block vision into the interior of the bus for safety and security purposes. While partial coverage of window area via spectaculars may be approved for use, these devices cannot block more than 50% of the window area of any bus. Trolley vehicles may not have ads covering the windows. Advertising may not be placed on the front of PSTA's vehicles. In addition, PSTA reserves the right to restrict future advertising from specific routes.

21. Rate Changes

- (a) PSTA reserves the right to review rates charged for all its advertising vehicles, and inventory. The Supplier shall establish a rate card with rates for all advertising space to be sold on PSTA buses, and other PSTA inventory related to this contract. This rate card will be published and furnished to PSTA for review at least once each year during the term of the contract. All materials must be reviewed by PSTA's Director of Communications to ensure proper use of PSTA branding and logo.



(b) The rates for production and advertising space shall be separate. PSTA will not allow the Supplier to commingle the charges for production and space. Production costs are separate and apart from the agreement between PSTA and the Supplier. The guarantee to be paid to PSTA will be based solely on the value of the advertising space sold and not production costs.

22. Storage and Work Space

(a) The Supplier agrees to assume all expenses associated with the installation and maintenance of advertising space on PSTA buses. Reasonable space will be provided at PSTA's garage for the handling and storage of materials and supplies.

(b) PSTA shall incur no expenses or liability whatsoever for the activities of the Supplier and/or Supplier's employees or Suppliers while on PSTA's property.

(c) The Supplier shall hold PSTA harmless from any claims resulting from injuries to its employees while installing or maintaining advertising materials on its property.

23. General Requirements

(a) Availability of exterior advertising space on dedicated buses, or any other advertising space may change during the period of this agreement for reasons including, but not limited to, the procurement of new buses, or other vehicles and the retiring of old buses, or other vehicles and the implementation of any new advertising opportunities as implemented and approved by PSTA.

(b) A single Supplier representative shall be designated as the point of contact to answer any inquiries, troubleshoot any problems, resolve any issues and be the general liaison for any business between PSTA and the Supplier. Said person must be accessible during regular business hours, Saturdays and Sundays and must provide to PSTA two reliable telephone numbers for contact.

(c) The Supplier shall comply with generally accepted industry standards with respect to good taste and applicable laws, regulations, and other applicable governmental requirements, including but not limited to, truth in advertising, copy rights and trademarks. The Supplier will have a graphic bus, vehicle, or transit advertising space and transit related advertising space designer who will oversee or prepare bus designs for consistency, quality and appearance of the assigned fleet.

24. Monthly Remittance and Reports

(a) The Supplier shall submit an annual reconciliation with financial statements, in a form satisfactory to PSTA within 90 days of the end of each contract year with respect to the prior year and upward adjustments at the Supplier's participation made immediately, at that time.

(b) The Supplier shall report the annual income at the end of each contract year. In the event that PSTA's contractual share of this revenue exceeds the minimum annual guarantee for the contract year, the extra income shall be paid to PSTA within 30 days of the contract year.

(c) The Supplier is required to remit the minimum guaranteed payment each month within 20 calendar days after the end of the month in which they were earned. The revenue must be accompanied by a report that includes details of:



- (i) All contracts in effect
- (ii) All advertising elements sold and unsold in the month
- (iii) Gross Billings for the month
- (iv) Gross Revenues Earned for the Month
- (v) Net Revenue Earned for the Month
- (vi) Collections for the month, including bus and graphics
- (vii) Past due amounts
- (viii) Total remaining balances on accounts
- (ix) Contract expiration dates
- (x) Total % and Number of Advertising Space sold vs. total inventory by Advertising space, space type, positioning on PSTA's fleet (i.e. bus operator side vs. curbside), or what is applicable to that particular advertising medium
- (xi) A rolling total of 60% of Net Revenue Earned compared to the a rolling total of guaranteed monthly minimum revenue

(d) The Supplier shall also supply the quarterly sales activity report this RFP.

(e) The Supplier shall furnish PSTA with copies of all signed contracts and correspondence (including changes in process, lengths of contracts and cancellation notices) within a month of their execution.

(f) The Supplier shall maintain all required records for three (3) years after the final payment by the Supplier to PSTA. However, if any audit, claim, or litigation is started before the expiration of the three (3) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

(g) The Supplier will permit PSTA to inspect/audit all records and financial data involved in the operation of the concession during regular business hours maintained by the Supplier, and at such other times upon ten (10) day's written notice.

25. Specific Requirements

(a) PSTA shall provide the Supplier bus and other applicable vehicle route assignment schedule information which identifies by unit number what the bus, or vehicle assignments are. This data shall include buses or other vehicles available for the program, and buses or other vehicles under current contract with advertisers. Sole discretion of bus, or vehicle assignments shall remain with PSTA.

(b) No guarantees shall be made about route specific advertising.

(c) The Supplier shall not self-promote on any PSTA vehicle without express written consent from PSTA.

(d) Potential trade agreements for space initiated by the Supplier must be presented to PSTA in writing by the Supplier for PSTA review and approval on a case by case basis.

(e) The Supplier guarantees that any trade time negotiated will not be pre-empted by paid advertising contracts by said media. Certified logs are required to verify the placements made of advertisements. PSTA may cancel the provisions of this paragraph at any time, except for previously approved contracts.



- (f) PSTA initiated trades shall be placed against PSTA allotted space.
- (g) No barter or trade for anything other than media time, or media space to be used by PSTA will be allowed.
- (h) All installations, unless otherwise arranged, must be scheduled through PSTA.
- (i) The Supplier's designated representative shall be responsible for submitting all proposed advertising for review, approval or disapproval to PSTA.
- (j) This review and subsequent feedback shall take place within 10 business days after receipt unless extenuating circumstances prevail. The Supplier is responsible for the cost associated with bus preparation, maintenance of exterior ad, and return to white envelope after ads have run its course.

26. Approval of Advertising Material

PSTA shall approve all advertising, exhibit material, announcements, or any other communications displayed and/or exhibited on its fleet, or its owned, leased or managed property. No defamatory, libelous, slanderous, obscene, religious or political advertising shall be allowed, and final determination about such shall be at the sole discretion of PSTA. Any communication that fails to meet PSTA's standards as set forth in Board Advertising Policy (see Attachment A), will not be accepted by the Supplier for display on PSTA fleet, or other inventory.

27. Compensation

In consideration for the rights and privileges granted herein, Supplier shall pay PSTA for each contract year the total lump sum annual revenue guarantee listed below or percent of total gross billings, whichever is greater.

A contract year commences upon PSTA's Board Approval. Commencing upon Board Approval and every quarter thereafter during the term of this contract, Supplier shall pay in advance twenty-five percent of the annual revenue guarantee in effect for that contract year to PSTA. Commencing one month after PSTA's Board Approval, and every quarter thereafter during the term of this Agreement, by the fifteenth business day after the quarter end, Supplier shall send PSTA a statement signed by an officer of Supplier of the previous quarter's billings together with any sum due and owing to PSTA in addition to the revenue guarantee. Within forty-five days after the conclusion of each contract year Supplier shall provide PSTA with a summary of quarterly and annual gross billings which shall be certified by an independent certified public accountant, together with any sum due and owing PSTA in addition to the annual revenue guarantee.

The term gross billings, as used herein, shall be defined as the amount billed by Supplier to advertisers or their agencies for the use of the advertising facilities pursuant to this Agreement. Gross billings shall not include standard commissions paid to advertisers' recognized advertising agencies, or any taxes imposed by law which are separately stated to and paid by a customer directly to Supplier, but shall include late or uncollected billings.

28. Use of Advertisements

PSTA shall have the right to make photographs and videotapes of its property and buses with advertising displayed in or upon them, and to use such photographs and videotapes for the promotion of PSTA's transit system and services, without further consent of Suppliers or of the advertisers. Supplier shall secure the consent and agreement of all advertisers to such use by PSTA.



29. Services and Equipment to Be Furnished By Supplier

- a) Supplier shall make a continuous, full-time and good faith effort to sell the greatest practicable amount of advertising on PSTA's vehicles to advertisers throughout the world. Supplier shall provide an adequate national and local organization and adequate sales and other personnel sufficient for this purpose. All sales shall be made in the name of Supplier. Supplier shall bill and collect all advertising revenues from clients for the display spaces sold.
- b) Supplier shall produce, at its own expense, all advertising materials to be displayed, or shall secure them from the advertisers or their agencies, and ensure that they are of the best design and quality.
- c) Supplier shall install and remove, at its own expense, all advertising materials to be displayed, and shall maintain all such materials and displays in a clean, safe and first-class condition. Supplier shall remove all graffiti from such materials and displays, and shall remove or replace all damaged and defaced materials and displays. Supplier shall inspect all displays for this purpose in accordance with a schedule approved by PSTA and shall clean or remove any damaged or defaced materials within one business day after being notified by PSTA
- d) Upon installation of any advertising Supplier must clean installation area and be sure it is free of all debris, mastics, adhesives or glues when the job is completed. Debris from advertising that was removed or installed must be totally disposed of according to rules set forth by PSTA.
- e) Supplier shall remove all dated or time-sensitive advertising materials and displays within three business days after the period for which they are to be displayed expires.
- f) Supplier shall be responsible for its own sales, service and traffic material costs.
- g) Supplier shall at all-time keep the areas used for advertising free from debris and waste materials and in a clean and presentable condition.
- h) PSTA shall repair or have repaired any damage which results from the operation of Supplier under this Contract.
- i) Neither party shall be liable to the other party for indirect, special, incidental, punitive or consequential damages arising from this Contract or the performance or nonperformance of services hereunder, irrespective of whether the claims or actions for such damages are based upon contract, tort, negligence, strict liability, warranty or otherwise.
- j) The Supplier will provide a report identifying each bus asset identification number with the corresponding revenue realized relative to that asset on a monthly basis.

Wrap or Direct Application Material Installation Requirements – When wrap or direct application materials are applied to a bus:

If the wrap material covers a bus number, the Supplier must provide and install a number of the same height and of contrasting color at the approximate location of the existing number. The location and color of the number shall be approved when the creative for the wrap is approved.

If the wrap material covers a required safety label, the Supplier must expose the existing label or provide and install the required label over the wrap material. The safety label requirements shall be approved when the creative for the wrap is approved.

Wrap or Direct Application Material Requirements

PSTA must approve all materials furnished by the Supplier. Wrap or direct application materials must be 3M Controltac Plus, MACtac BFree or an approved equal.

The wrap and direct application materials must be covered with 3M UV laminate 8519 or an approved equal.

Perforated wrapped or direct application material placed on a window must have a clear film placed over the perforated material. Such clear film must be of the same manufacture of the underlying wrap or direct application material and comply with the manufacturer's requirements. The supplier of the wrap and direct application materials must meet all of the requirements of and be certified by the material manufacturer with regards to printing and installation in order to realize material manufacturer's warranty.

If wrap or direct application material is applied over a surface not permitted by the material manufacturer, the Supplier must apply 3M #77 spray adhesive or an approved equal to such a surface before the material is installed.

The material type must be listed on the creative list for approval. Printed materials must have a minimum of 300 DPL.

Logo, Numbers, and Safety Label Material Requirements

- PSTA must approve all materials furnished by the Supplier.
- Logo, numbers, and safety labels must be 3M – 680CR-10 and when necessary be printed with 3M 9800 series or an approved equal colored and clear inks.
- The labels must be applied over the wrap or direct application material. The wrap or direct application material must not be trimmed to expose the existing label.
- The safety labels must not be covered with wrap or direct application material. The wrap or direct application material may be trimmed to expose these labels.

Supplier Employee Requirements

The Supplier must submit picture identification for all employees to PSTA. Such identifications must be displayed at all times.

The Supplier's fall protection plan must be submitted to PSTA. The Supplier must demonstrate that employees have been trained in the fall protection plan before they start work.

Material Safety Data Sheets are required to be submitted to PSTA before products are brought on site. Suppliers must demonstrate that employees have been trained according to the Hazardous Communications Act.

Supplier employees are required to wear appropriate footwear (no sneakers) and safety glasses.

The Supplier must maintain a telephone contact or email address to be used by PSTA to report damage to Supplier supplied materials. The Supplier must replace and install such materials within 5 business days after notification. This activity must be recorded on the monthly report.



Bus Garage Hours of Work

The Supplier's work must be accomplished simultaneously with ongoing daily operations. Such operations include, but are not limited to, the passage of buses, storage of buses, and maintenance of buses, etc. To avoid disruption to PSTA operations, the Contractor shall coordinate the installation schedule with PSTA. PSTA may require the Supplier to perform the Work at night or on the weekends when the buses are available.

#99-01

**A RESOLUTION OF THE PINELLAS SUNCOAST TRANSIT
AUTHORITY BOARD OF DIRECTORS ADOPTING
ADVERTISING STANDARDS FOR ADVERTISEMENTS
PLACED ON THE EXTERIOR AND INTERIOR OF
PINELLAS SUNCOAST TRANSIT AUTHORITY'S BUSES,
AND PROVIDING FOR AN EFFECTIVE DATE**

WHEREAS, the PINELLAS SUNCOAST TRANSIT AUTHORITY (PSTA) Board of Directors desires to make it clear that the advertising space on the exterior and interior of PSTA's buses is intended to be considered non-public fora;

WHEREAS, PSTA has entered into agreements with contractors to place advertisements on the exterior and interior of PSTA buses, for the purpose of creating revenue for PSTA; and

WHEREAS, PSTA has consistently restricted certain types of advertising; and

WHEREAS, PSTA Board of Directors does not wish to allow the advertising space on the exterior and interior of its buses to be a place for general discourse; and

WHEREAS, in order to maintain a position of neutrality on political, religious, and other non-commercial issues, and to prevent a reduction in income earned for selling advertising space by commercial advertisers, and so as to protect and increase revenue;

NOW, THEREFORE, the PSTA Board of Directors resolve that:

1. The above recitals are true and correct and incorporated herein as if set forth in full.
2. The Executive Director, or his designee, and PSTA's bus advertising contractor shall reject advertising that does not comply with the standards set forth in paragraphs 3 and 4.
3. The subject matter of all on-bus advertising shall be limited to speech which proposes solely a commercial transaction. The advertisements must contain only expressions related to the economic interest of the advertiser and its audience. Non-commercial advertisements that add an offer to purchase some item containing a non-commercial message are not permitted pursuant to this policy.

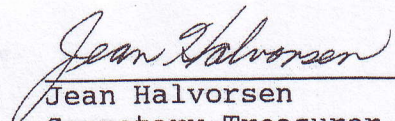
4. The following standards for advertising on the exterior or interior of buses is hereby adopted and advertising copy may be not displayed which:
 - a. Is false, misleading, libelous, or deceptive
 - b. Relates to an illegal activity
 - c. Is explicit sexual material, or obscene material, or material harmful to minors as these terms are defined in Chapter 847, Florida Statutes
 - d. Advertises alcohol or tobacco products
 - e. Depicts violence
 - f. Includes language which is obscene, vulgar, profane, or scatological
 - g. Promotes a commercial transaction that is expressly prohibited by federal, state, or local law or regulations
 - h. Presents a clear and present danger of causing riot, disorder, or other immediate threat to public safety, peace, or order

5. Any person, firm, or corporation who believes that he, she, or it is aggrieved by the failure or refusal of advertising material to be placed on any PSTA vehicles shall have the right to appeal such refusal to the Executive Director. Such decision shall be final and binding upon all parties. In determining whether the ads or proposed ads comply with this policy, the Executive Director shall make his determination based upon commonly used and understood English language definitions and inferences which can be drawn from the material in question.

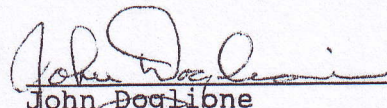
6. This Resolution shall take effect immediately upon its passage and adoption.

ATTEST:

PINELLAS SUNCOAST TRANSIT AUTHORITY
PINELLAS COUNTY, FLORIDA



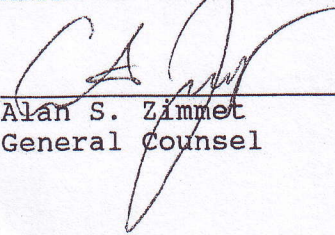
Jean Halvorsen
Secretary-Treasurer



John Doglione
Chairperson

DATE: February 24, 1999

APPROVED AS TO FORM



Alan S. Zimmet
General Counsel

RESOLUTION # 15—04

A RESOLUTION OF THE PINELLAS SUNCOAST TRANSIT AUTHORITY BOARD OF DIRECTORS REPEALING RESOLUTION #99-01 ADOPTING STANDARDS APPLICABLE TO REGARDING ADVERTISEMENTS ON THE EXTERIOR AND INTERIOR OF PINELLAS SUNCOAST TRANSIT AUTHORITY BUSES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Pinellas Suncoast Transit Authority (PSTA) Board of Directors has approved Resolution #99-01 adopting advertising standards for advertisements placed on the exterior and interior of ~~PSTA's Pinellas Suncoast Transit Authority's~~ Buses;

WHEREAS, the PSTA Board of Directors desires to repeal that Resolution to be replaced with a PSTA ~~a~~Advertising policy that shall be approved by PSTA's CEO and administered by ~~drafted and maintained by~~ the PSTA Marketing Staff.

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

1. Resolution #99-01 is hereby repealed.
2. PSTA's CEO shall implement an advertising policy applicable to advertisements placed on the exterior and interior of PSTA's buses, which shall be administered by PSTA's Marketing Staff ~~shall draft and maintain a PSTA Advertising Policy.~~
3. This Resolution shall take effect immediately upon its adoption.

Dated this ___ day of May, 2015

ATTEST:

PINELLAS SUNCOAST TRANSIT AUTHORITY
PINELLAS COUNTY, FLORIDA

Janet C. Long
Secretary-Treasurer

~~Bill~~ William C. Johnson
Chairperson

DATE: May ___, 2015

APPROVED AS TO FORM:

Alan S. Zimmet
PSTA General Counsel

**PSTA POLICY 22
BUS ADVERTISING**

A. PURPOSE

This Policy applies to the posting of all new advertisements on the exterior and interior of PSTA's transit vehicles on or after the effective date hereof.

1. The advertising space on PSTA's transit vehicles constitutes a non-public forum. PSTA's acceptance of transit advertising will not provide or create a general public forum for expressive activities. In keeping with its proprietary function as a provider of public transportation, PSTA does not intend its acceptance of transit advertising to permit its transit vehicles to be used as open public forums for public discourse and debate.
2. PSTA's fundamental purpose and intent is to accept advertising as an additional means of generating revenue to support its transit operations, while minimizing the chances of abuse and appearance of favoritism. In furtherance of that discreet and limited objective, PSTA will retain strict control over the nature of the advertisements accepted for posting on or in its transit vehicles and will maintain its advertising space as a nonpublic forum.

B. SCOPE

This policy applies to the posting of all new advertisements on PSTA's transit vehicles on or after the effective date hereof. PSTA shall maintain a position of neutrality on political, religious, and other non-commercial issues.

C. GUIDELINES

The Chief Executive Officer, or his designee, and PSTA's bus advertising contractor(s) shall reject advertising that does not comply with the standards set forth herein.

1. The subject matter of all on-bus advertising shall be limited to either: (1) Commercial Advertisements; or (2) Governmental Entity Public Service Announcements.
2. "Commercial Advertisement" shall mean an advertisement that solely proposes a commercial transaction related to the economic interest of the advertiser and his or her audience. Non-commercial advertisements that add an offer to purchase some item containing a non-commercial message are not permitted pursuant to this policy.
3. "Governmental Entity Public Service Announcements" are announcements or information provided by any governmental entity or governmental agency in furtherance of such governmental entities' or agencies' functions, objectives and/or public responsibilities. A governmental entity is a state, county or municipality or any agency, department, commission, authority, or board created for the purpose of carrying out any functions of the state, county or

municipality or any other entity statutorily created or created pursuant to a statutorily authorized process, such as special districts or the like to carryout, implement or monitor any governmental function whether it be proprietary, regulatory, administrative, educational or otherwise related to the public health, safety or welfare.

3.4. The following standards for advertising on the exterior or interior of PSTA's transit vehicles is hereby adopted and advertising copy may be not displayed which:

- a) Is false, misleading, libelous, or deceptive;
- b) Relates to an illegal activity;
- c) Is explicit sexual material, or obscene material, or material harmful to minors as these terms are defined in Chapter 847, Florida Statutes;
- d) Advertises ~~alcohol or~~ tobacco products;
- ~~d)e)~~ Advertises alcohol without the use of a statement to "Drink Responsibly" "Drink in Moderation" or a similar message.
- e)f) Depicts violence;
- f)g) Includes language which is obscene, vulgar, profane, or scatological;
- g)h) Promotes a commercial transaction that is expressly prohibited by federal state, or local law or regulations;
- h)i) Presents a clear and present danger of causing riot, disorder, or other immediate threat to public safety, peace, or order.

4.5. Any person, firm, or corporation who believes that he, she, or it is aggrieved by the failure or refusal of advertising material to be placed on any PSTA vehicles shall have the right to appeal such refusal to the Chief Executive Officer. Such decision shall be final and binding upon all parties. In determining whether the ads or proposed ads comply with this policy, the Chief Executive Officer shall make his determination based upon commonly used and understood English language definitions and inferences which can be drawn from the material in question.

D. D. POLICY ADMINISTRATION

The overall administration of this policy will rest with the Director of Communications.

Chief Executive Officer

Date



7A:	PSTA Performance/Updates for the Month of April
Action:	Information Item

Staff Resource: Brad Miller, CEO

Total Ridership*	
UP 3.8% Monthly Compared to Last Year	UP 5.1% Year-to-Date

* a detailed report is attached

Contract Awards between \$25,000 - \$100,000		
Vendor	Amount	Description
Sprint	\$64,290.00	Annual Renewal of Cellular Data Service for Real Time Bus Information (RTBI) per IFB No. 11-014B. No renewals remain
Tindale-Oliver	\$83,721.49	Task Order # 19 per RFP 13-015P General Services Consulting to provide for assistance in the development of the FDOT required Major TDP Report due in September 2014
Total:	\$148,011.49	

Transportation Disadvantaged (TD)	4/2015	YTD
Number of Telephone Inquiries	1059	6153
Number of Applications Mailed	43	321
Number of TD Discounted Bus Passes	4948	32459

Customer Service	4/2015	YTD
Number of Real Time Text Messages Sent to Riders	192,282	1,360,483

Number of Times Voice System Provided Info to Riders	135,871	916,167
Number of Times RidePSTA.net was visited	165,483	1,172,437
Number of InfoLine Calls	55847	288974
Average Call Length	118	113
Average Hold Time	101	103

PSTA.net	4/2015	YTD
Number of Website Visits Per Day	5519	5531
Number of Users	52,406	293,842
Total Pages Viewed	311,788	2,212,564
Percent of First Time Visitors	24%	23%
Number of Online Bus Pass Orders	380	4,857

Social Media Statistics (by the end of the month)	4/2015
Number of Twitter Followers	1697
Number of Facebook Fans	8653
Number of LinkedIn Followers (Company Page)	555
Number of People Belonging to PSTA's LinkedIn Group	159
Number of Times Blog Pages were Viewed	818

Attachments:

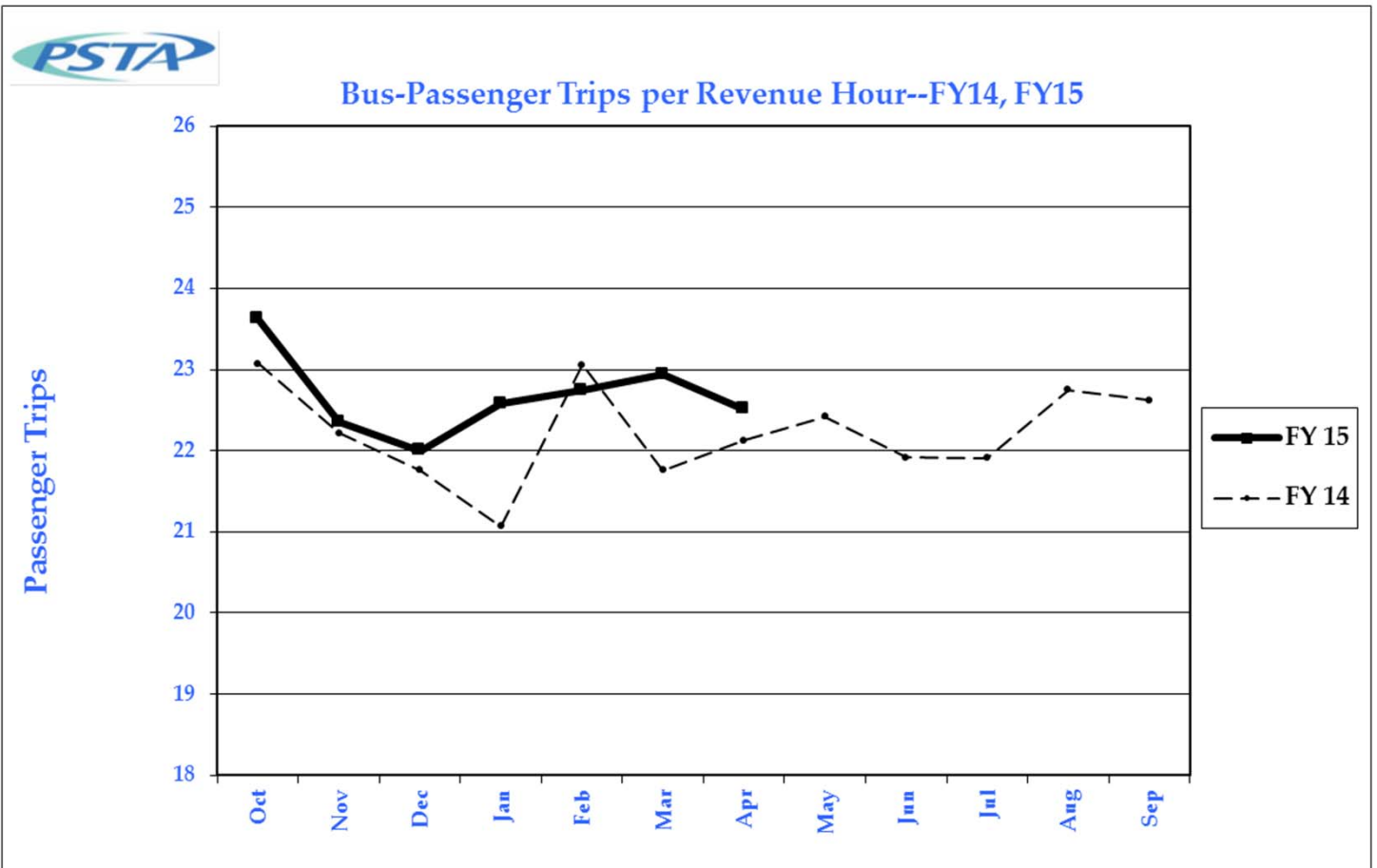
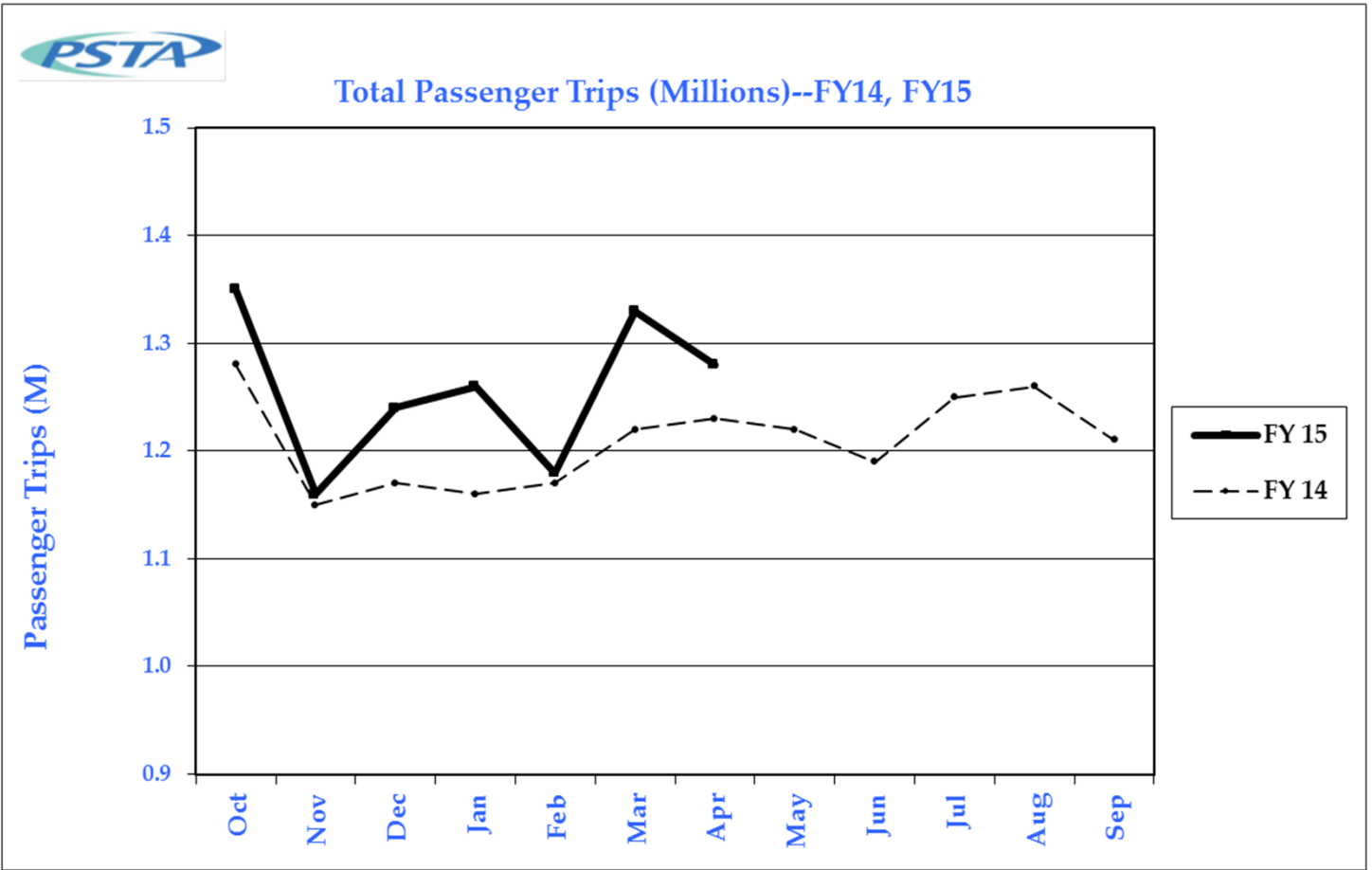
1. Operating Statistics
2. Performance Graphs



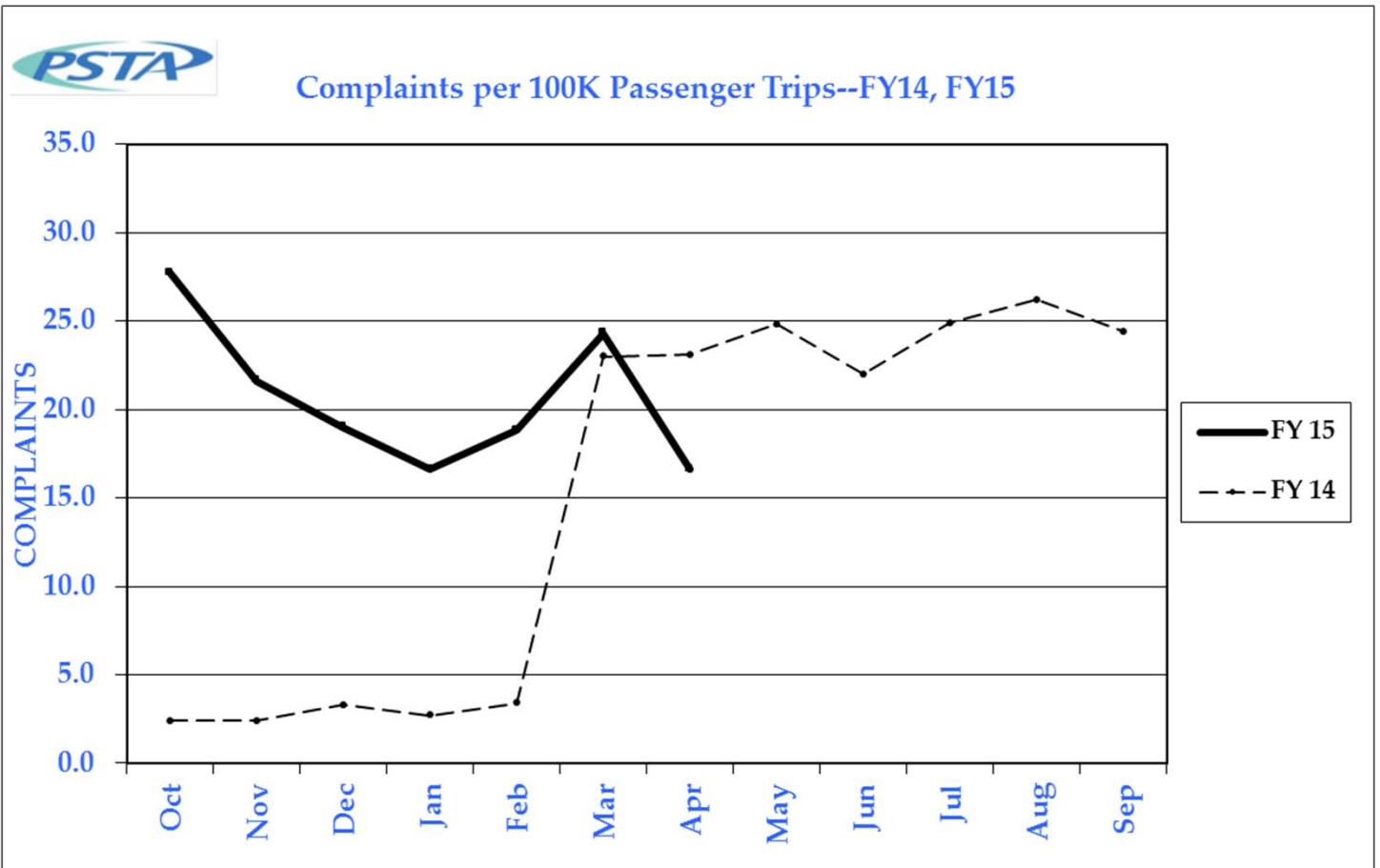
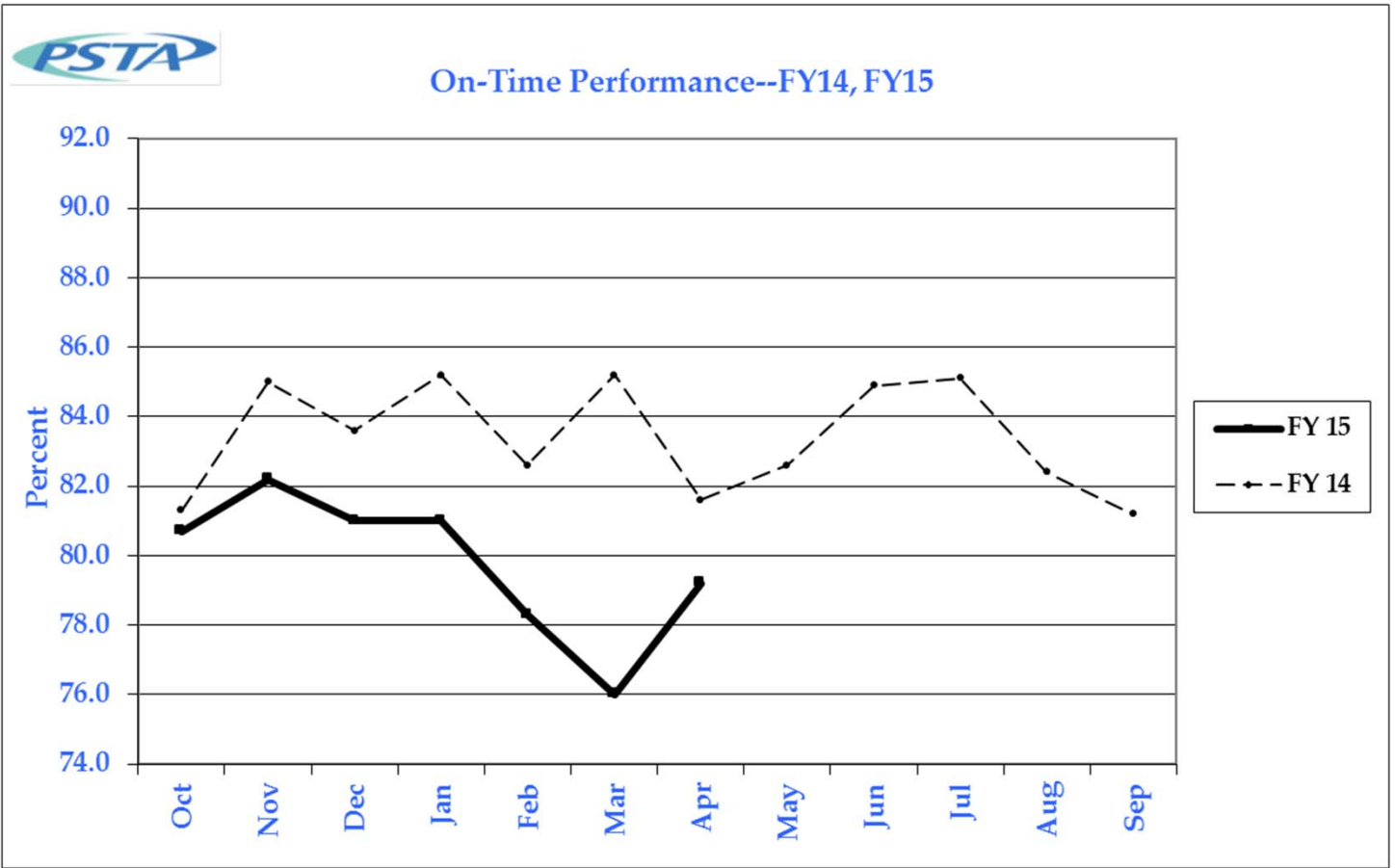
OPERATING STATISTICS
Board Report
APRIL 2015

CURRENT MONTH			RIDERSHIP STATISTICS Per FTA requirements, each boarding = 1 trip.	FISCAL YEAR-TO-DATE		
THIS MONTH	THIS MONTH LAST YEAR	% CHANGE		THIS YEAR	PRIOR YEAR	% CHANGE
1,128,348	1,103,278	2.3%	Total Bus Revenue Passenger Trips ⁽¹⁾	7,835,446	7,601,385	3.1%
40,808	38,501	6.0%	Other Bus Passenger Trips (includes East Lake) ⁽²⁾	316,317	286,540	10.4%
5,174	4,984	3.8%	Looper Trolley Passenger Trips ⁽³⁾	34,601	28,537	21.2%
78,993	59,068	33.7%	Jolley Trolley Passenger Trips ⁽⁴⁾	427,677	272,451	57.0%
1,253,323	1,205,831	3.9%	Total Fixed Route Passenger Trips ⁽¹⁻⁴⁾	8,614,041	8,188,913	5.2%
23,510	23,784	-1.2%	DART Client Trips ⁽⁵⁾	160,164	160,210	-0.03%
380	630	-39.7%	DART TD Trips ⁽⁶⁾	2,828	4,186	-32.4%
3,382	3,136	7.8%	DART PCA Trips ⁽⁷⁾	22,282	21,443	3.9%
27,272	27,550	-1.0%	Total DART Passenger Trips ⁽⁵⁻⁷⁾	185,274	185,839	-0.3%
1,280,595	1,233,381	3.8%	Total Passenger Trips ⁽¹⁻⁷⁾	8,799,315	8,374,752	5.1%
5,963	6,128	-2.7%	Wheelchairs	39,476	37,957	4.0%
35,838	34,650	3.4%	Bikes on Buses	242,926	228,949	6.1%
50,528	46,219	9.3%	Average Weekday Passenger Trips			
35,293	31,185	13.2%	Average Saturday Passenger Trips			
18,922	16,091	17.6%	Average Sunday Passenger Trips			
OPERATING STATISTICS						
608	592.0	2.6%	Employees-Budgeted			
742,183	738,260	0.5%	Total Revenue Miles	5,142,487	5,084,631	1.1%
51,944	51,590	0.7%	Total Revenue Hours	359,366	356,170	0.9%
79.2	81.6	-3.0%	On-Time Performance	79.7	83.2	-4.2%
16.6	23.1	-28.2%	Complaints Per 100,000 Passenger Trips*	20.8	8.6	141.4%
5.04	4.37	15.4%	Accidents--Total-Per 100,000 Miles	4.13	3.95	4.6%
0.70	0.83	-15.3%	Accidents--Preventable-Per 100,000 Miles	0.98	0.86	14.2%
8,202	8,725	-6.0%	Miles Per Roadcall	9,974	9,618	3.7%
9,515	12,513	-24.0%	Miles Per Service Interruption	11,504	10,210	12.7%
1.58	1.55	1.6%	Bus-Total Passenger Trips / Revenue Mile	1.59	1.55	2.3%
22.51	22.13	1.7%	Bus-Total Passenger Trips / Revenue Hour	22.68	22.15	2.4%

PSTA Performance Measures



PSTA Performance Measures



FUTURE MEETING SUBJECTS



PSTA BOARD MEETINGS	
June 24, 20145	
Action Items	Information Items
<ul style="list-style-type: none"> Federal Lobbyist Contract 	<ul style="list-style-type: none"> Triennial Review FY2016 Draft Budget
July 22, 2015	
Action Items	Information Items
<ul style="list-style-type: none"> Proposed Millage Rate 	<ul style="list-style-type: none"> Recommended Service Adjustments Recommendations of Fare Adjustments Tampa Bay Passenger Ferry Public Private Partnership Presentation.
August 26, 2015	
Action Items	Information Items
<ul style="list-style-type: none"> Recommended Service Adjustments 	<ul style="list-style-type: none"> Recommendations of Fare Adjustments

<u>KEY MEETINGS/DATES</u>
<p><u>Executive Committee</u></p> <ul style="list-style-type: none"> June 1, 2015; 11:00 AM – PSTA
<p><u>PSTA/HART Exec. Committee</u></p> <ul style="list-style-type: none"> June 8, 2015; 1:30 PM – Tampa Bay Partnership, Tampa
<p><u>MPO Meeting</u></p> <ul style="list-style-type: none"> June 10, 2015; 1:00 PM – Clearwater MPO Offices September 21, 2015 – MPO Workshop
<p><u>TRAC</u></p> <ul style="list-style-type: none"> June 16, 2015; 4:00 PM
<p><u>Finance & Performance Mgmt. Committee</u></p> <ul style="list-style-type: none"> June 17, 2015; 9:00 AM
<p><u>Planning Committee</u></p> <ul style="list-style-type: none"> June 17, 2015; 10:30 AM
<p><u>TBARTA Board Meeting</u></p> <ul style="list-style-type: none"> June 26, 2015; 9:30 AM – FDOT, Tampa
<p><u>Legislative Committee</u></p> <ul style="list-style-type: none"> July 13, 2015; 9:30 AM – PSTA