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**FINANCE & PERFORMANCE MANAGEMENT
COMMITTEE MEETING
MINUTES – FEBRUARY 17, 2016**

The Finance & Performance Management Committee of the Pinellas Suncoast Transit Authority (PSTA) Board of Directors held a meeting in the Auditorium at PSTA Headquarters at 9:00 AM on this date. The purpose of the meeting was to approve the January 15, 2016 meeting minutes, recommend approval of the Central Avenue Bus Rapid Transit (BRT) consultant scope, the lawn maintenance and related services contract, and the remanufactured engines and transmissions contracts and to receive two presentations. The following members were present:

Joe Barkley, Committee Chair
Brian Scott, Committee Vice-Chair
Mark Deighton
Dave Eggers
Bill Jonson
Lisa Wheeler-Brown, Alternate

Also Present:

Brad Miller, CEO
PSTA Staff Members
Members of the Public

CALL TO ORDER

Committee Chair Barkley opened the meeting at 9:00 AM.

PUBLIC COMMENT

There were no public comments.

ACTION ITEMS

Approval of Minutes – Mr. Scott made a motion, seconded by Mr. Deighton to approve the minutes of the January 15, 2016 meeting. There were no public comments. The motion passed unanimously.

Central Avenue BRT Consultant Scope – Mr. Miller provided an introduction and said that staff is asking for the Committee to recommend Board approval of the project development design task order with Parsons Brinckerhoff at a cost not to exceed \$700,000. Heather Sobush, Planning Manager, delivered a presentation on the accomplishments to date on the BRT project and also described the project development scope of services, the schedule/timeline, and the project development budget. She indicated that the Florida Department of Transportation (FDOT) will be providing \$500,000 with PSTA contributing the remaining \$200,000.

The Committee had questions relating to cost comparisons between different technologies, the 30% for conceptual design, and specific deliverables such as the workshops which staff responded to. Mr. Eggers had a question about speaking with St. Pete Beach and Treasure Island who do not contribute ad valorem. It was noted that those two cities would have to have a referendum in order to participate in PSTA.

Mr. Eggers made a motion, seconded by Mr. Scott to recommend Board approval of the project development design task order. There were no public comments. Motion passed unanimously.

Committee Chair Barkley welcomed Ms. Wheeler-Brown to the Finance Committee.

Lawn Maintenance & Related Services – Henry Lukasik, Director of Maintenance, explained that a Request for Proposal (RFP) was issued in November 2015 with five responses. A selection committee evaluated each and Duval Landscape Maintenance was selected as the highest ranked, lowest cost supplier. He indicated that staff is recommending Board approval of a three-year contract with two one-year renewals with Duval for a cost not to exceed \$200,000 over the maximum five-year period, which would be funded by the Maintenance Department's operating budget. Mr. Lukasik noted that this cost represents a three-year \$9,000 savings over the previous contract and a \$15,000 savings over the maximum five years. He responded to the Committee's questions relating to performance standards, the current vendor, and experience/reference checks. Mr. Eggers made a motion, seconded by Ms. Wheeler-Brown to recommend approval of the contract with Duval. There were no public comments. Motion passed unanimously.

In response to Mr. Deighton's question regarding the projected costs for the hybrid bus major components, Mr. Lukasik delivered a brief overview on the budgeted forecast versus actual. He indicated that the current projected cost is \$1,350,000 for FY2016 versus the budgeted amount of \$745,000 for major component replacement. Mr. Lukasik stated that the difference will be made up in other areas such as Maintenance personnel/overtime and fuel savings. There were a few questions from

the Committee which Mr. Lukasik responded to and Mr. Scott reiterated his ongoing concern regarding the lifecycle costs of maintaining the hybrid buses.

Remanufactured Engines & Transmissions – Mr. Lukasik stated that two RFP's were issued in December 2015; one for remanufactured Cummins diesel engines and the other for Voith transmissions. He indicated that one supplier responded to the RFP for the Cummins engines and two suppliers responded to the RFP for the Voith transmissions. Mr. Lukasik said the selection committee evaluated each of the proposals and determined that Cummins was the only qualified supplier for Cummins remanufactured engines. Gillig was selected as the highest ranked, lowest cost supplier of Voith remanufactured transmissions. He noted that this procurement resulted in an anticipated savings over the previous contract of \$445,662 for engines and \$155,070 for transmissions. There was a question regarding the savings and Debbie Leous, Chief Financial Officer, responded by explaining the use of federal versus non-federal funds.

Mr. Scott made a motion, seconded by Mr. Jonson to recommend approval of a five-year contract with Cummins for remanufactured engines for \$1,100,000 over the maximum five-year period, and a five-year contract with Gillig for Voith transmissions for \$650,000 over the maximum five-year period. There were no public comments. Motion passed unanimously.

INFORMATION ITEMS

Bus Technology Options & Timeline for Decision Making - Mr. Miller indicated that the Board will vote on August 24, 2016 on the replacement of ten diesel buses and seven cutaway shuttle buses. He provided a brief presentation noting emissions, financial, and operational comparisons of different bus types. Mr. Miller also provided a six-month schedule/timeline leading up to the August vote including a possible half-day informational workshop in May. He said that staff is also investigating securing a third party technical consultant to develop a more detailed comparative analysis of the bus technology options to assist the Board in making their decision.

There were questions about the cutaway buses and Mr. Miller answered that those buses will be used on other routes other than just the Connector in East Lake, and these will be a heavier-duty model. Mr. Deighton questioned whether the consultant would perform a more in-depth financial comparison than what has already been completed and Mr. Miller responded yes. Mr. Eggers indicated that he would like to see the environmental impact between diesel buses and the hybrid buses as well as the costs for electric buses. Mr. Jonson said that he would like to know the costs for electric bus charging stations. He also pointed out the political aspect of how this sets PSTA up for the No-Lo grant versus purchasing diesel buses which might send the wrong message.

REPORTS

Monthly Financial Statement – The financial statements were included in the packet. Ms. Leous gave a brief summary of the reports for the month ending December 31, 2015. There were several questions about the decrease in passenger fare revenue which Ms. Leous and Mr. Miller explained.

Quarterly Reports: Capital Projects, Fuel, Investments, Reserves - The Committee received the Quarterly Reports in their agenda packet.

Ridership/Performance – This report was included in the packet.

FUTURE MEETING SUBJECTS

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

OTHER BUSINESS

No other business was discussed.

PRESENTATIONS (along with the Planning Committee)

Benchmarking Presentation - Mr. Miller stated that PSTA is a member of the American Bus Benchmarking Group (ABBG). He presented some highlights from the 2016 report, indicating that the benchmarking program is a systematic process of continuous measuring, comparing, and understanding performance. The ABBG is administered by the Imperial College of London and includes 19 members from across the United States.

Mr. Miller presented several charts comparing PSTA to other transit systems in areas such as bus route length, fleet fuel types, shelters and benches, base fares, as well as annual passenger boardings. Mr. Deighton requested a copy of the full report.

Customer Satisfaction Survey – Tamika White, Workforce Engagement Program Manager, provided background information on the customer satisfaction survey which was conducted by the TransPro Company. She indicated that over 400 PSTA employees participated in coaching and development training classes. Ms. White said that upon completion of the customer service training session, TransPro performed a series of onboard surveys which included in-depth analysis to gauge PSTA customers' demographics, riding habits and trends, and to determine additional customer demands and needs.

Mr. Miller presented the results of the customer satisfaction survey and provided charts explaining the findings in such areas as the timeliness, frequency, fare price, customer service, comfort, cleanliness, and overall satisfaction. He also described areas of improvement that were identified in the survey and the recommended follow-up actions for those areas. Mr. Miller explained PSTA's Net Promoter Score (NPS) which assesses customer loyalty and allows for performance comparisons between organizations across different business sectors. The industry average NPS is 12%. PSTA received an overall NPS of 32%. The Committee had many comments and questions to which Mr. Miller responded.

ADJOURNMENT

The meeting was adjourned at 11:12 AM. The next meeting will be held on March 16th at 9:00 AM.