



PINELLAS SUNCOAST TRANSIT AUTHORITY  
 3201 SCHERER DRIVE, ST. PETERSBURG, FL 33716  
[WWW.PSTA.NET](http://WWW.PSTA.NET) 727.540.1800 FAX 727.540.1913

PLANNING COMMITTEE MEETING  
 AGENDA – MAY 20, 2015; 10:40 AM  
 PSTA AUDITORIUM

**\*NOTE: The Capital Projects Public Hearing will begin at 10:30 AM with the Planning Committee beginning at the conclusion of the Public Hearing. Committee Members – please arrive to be ready by 10:30 AM.**

			<u>TIME</u>	<u>PAGE</u>
1.	CALL TO ORDER		10:40	
2.	PUBLIC COMMENT		10:40	
3.	ACTION ITEMS		10:45	
	A. April 15, 2015 Meeting Minutes	5 min	VICE-CHAIR RICE	2
	B. Capital Improvement Program	20 min	DEBBIE LEOUS	7
4.	INFORMATION ITEMS		11:10	
	A. Explanation of Route Performance Monitoring Tool Methodology	15 min	CHRIS COCHRAN	27
	B. FY2016 Budget–Personnel Assumptions	15 min	DEBBIE LEOUS	34
5.	FUTURE MEETING SUBJECTS		11:40	
	• FY2016 Draft Budget			
	• Proposed Millage Rate			
	• Recommendations for Fare Adjustments			
6.	OTHER BUSINESS		11:50	
7.	ADJOURNMENT		12:00	

**THE NEXT MEETING IS JUNE 17, 2015 AT 10:30 AM**



**ACTION ITEM**

**3A: April 15, 2015 Meeting Minutes**

**Action: Approve Meeting Minutes**

**Staff Resource:** Terri Rick, Administrative Assistant



- 
- Staff recommends approval of the minutes of the April Planning Committee meeting.
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**Attachments:**

1. Minutes



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**PLANNING COMMITTEE MEETING  
 MINUTES – APRIL 15, 2015**

The Planning Committee of the Pinellas Suncoast Transit Authority (PSTA) Board of Directors held a meeting in the Auditorium at PSTA Headquarters at 9:45 AM on this date. The purpose of this meeting was to approve the minutes of the January 21, 2015 Planning Committee, review the Service Redesign Work Plan, the Budget Assumptions Forecast, and the Route Performance Monitoring System.

Members Present:

Julie Bujalski, Committee Chair  
 Darden Rice, Vice-Chair  
 Mark Deighton  
 Janet Long  
 Ken Welch

Members Absent:

Patricia Johnson (Alternate)

Also Present:

Brad Miller, CEO  
 Bill Jonson, PSTA Board Chairperson  
 Vivian Peters, Transit Riders Advisory Committee (TRAC) Member  
 PSTA Staff Members

**CALL TO ORDER**

Committee Chair Bujalski opened the meeting at 10:39 AM.

**PUBLIC COMMENT**

There were no public comments.

## ACTION ITEMS

March 20, 2015 Meeting Minutes – Mr. Welch made a motion, seconded by Mr. Deighton to approve the minutes of the March 20, 2015 meeting as amended. The motion passed unanimously.

Revised Metropolitan Planning Organization (MPO) Letter – Mr. Miller told the Committee that since the PSTA Board decided at its February 2015 meeting not to submit a request for Federal Surface Transportation Program (STP) funds for PSTA bus replacement, further discussion will focus on whether to send no letter or revise the letter based on the recommended “Path Forward.” One of the specific recommendations in this proposed action plan is to defer any use of STP funds for transit buses until after PSTA has exhausted all possible current PSTA revenues including reserves, and also defer discussions until the new Executive Director of the MPO was on-board.

At the April 10, 2015 PSTA Executive Committee meeting, discussion of whether or not to send a formal letter to the MPO concluded with the suggestion to send a substantially different letter with no specific request for funds. The Planning Committee reviewed a revised draft of this letter and Mr. Miller asked for a decision as to whether to recommend this letter to the PSTA Board for approval. The Committee suggested the following changes:

- The letter should be more specific and make clear that PSTA will be in need of funds in the future.
- Add specific information about the amount of funding that will be needed.
- Change the general tone of the letter to one more positive.
- Remove the word “specific” under the paragraph entitled “Future Collaboration.”
- Change the word “eliminates” to the word “postpones” under the paragraph entitled “Change in PSTA’s Plans.”
- Include the words “Path Forward” in the title “Change in PSTA’s Plans.”
- The last sentence of the final paragraph should be re-worded to include “ongoing discussions.”

Ms. Long made a motion, seconded by Mr. Welch to approve the revised letter with the changes suggested. Motion passed unanimously.

## INFORMATION ITEMS

Fare Revenue Assumptions – Mr. Miller; Debbie Leous, Chief Financial Officer; and Ross Silvers, Mobility Manager; worked together to present a Fare Revenue Policy. Mr. Miller led the presentation by continuing the discussion of PSTA’s new “Path Forward” concept and told the Committee that staff will be looking at ways to generate the appropriate amount of revenue from fares.

In the past, PSTA focused on maximizing the amount customers paid (fare box recovery) which sometimes negatively affected ridership. PSTA’s new direction is toward a customer-oriented transit. This includes having a fare that is best for the customer such as U-Pass and other innovative programs. Fares remain a key source of revenue and provide \$14 million annually, but strategies must be developed to increase fares, allowing adequate revenue for the future.

Ms. Leous began by reviewing PSTA’s current reserves stating that operating reserves are currently at two months, insurance reserves are fully covered, and general reserves are up as well. A good portion of these revenues come from the PSTA property tax, with some revenue coming from the state. To account for total fare revenue declines in the past few years, despite increasing ridership, PSTA staff is looking at increasing fare revenue to generate an additional \$1.2 million.

Mr. Silvers continued the presentation with a brief discussion about revenue generated from the U-Pass Program indicating that nearly 50,000 U-Pass trips occur each month, many trips being to destinations other than school and work. Thirty-nine percent of the U-Pass riders are new riders.

The Transportation Disadvantaged (TD) Program has also seen increased ridership. A year ago, 2,500 riders were receiving discounted bus passes. Today, that figure is 5,500 and still growing. Bus passes for TD trips are \$8.25 per month as compared to \$65.00 for a regular bus pass. The TD program also offers a 10-day pass for \$5.00. The increase in trips may result in some additional grant monies, supplementing the loss of revenue through discounted tickets, but not entirely. Those riders using the TD program must meet three criteria:

- Must live in Pinellas County
- Have no other means of transportation for life-sustaining purposes
- Have a household income below 150% of poverty level

PSTA works with agencies that serve the homeless and other agencies that provide assistance to those who need it. In the past, applicants needed to fill out a 2-page report

documenting all medical and work related trips which then had to be verified by PSTA. This procedure was very labor-intensive and was recently changed to a more simplified process, allowing riders to qualify much faster. TD bus passes were also supplied to agencies that went through a certified training process with PSTA. These agencies work with PSTA to get riders who are in crisis get qualified within one hour. Non-profit agencies also receive a 10% discount on regular bus passes for those who do not qualify for the TD program.

It is important that PSTA find ways to increase revenue to compensate for the difference between the full retail value of TD passes and the amount received for those passes from both the customer and the grant combined. The Local Coordinating Board (LCB) has formed a subcommittee which includes two of PSTA's Board members. Public hearings will be planned for September 2015, after which time changes to the program will be voted upon.

Explanation of Route Performance Monitoring Tool Methodology – Due to time constraints, this subject will be presented at the next Planning Committee meeting on May 20, 2015.

FY-2016 Budget-Personnel Assumptions – Due to time constraints, this subject will be presented at the next Planning Committee meeting on May 20, 2015.

### **OTHER BUSINESS**

No other business.

### **ADJOURNMENT**

The meeting was adjourned at 12:13 PM.

**The next Planning Committee meeting will be held on May 20, 2015 at 10:30 AM.**



## ACTION ITEM

**3B: FY 2016-2020 Capital Improvement Program Five-year Budget**

**Action: Recommend Approval of 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  
Deborah Leous, Chief Financial Officer



### **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 Capital Improvement Program 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.
- 

**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

Planning Committee  
May 20, 2015

## Path Forward: A New CIP in a New Era

DRAFT  
4/30/15

**PINELLAS SUNCOAST TRANSIT AUTHORITY PATH FORWARD**

**Visionary Service Design: High Frequency Grid**

- Incremental progress towards planned Countywide High Frequency Grid.
- Examine a variety of new revenue and delivery alternatives.

<p><b>Sustainable Capital Program</b></p> <ul style="list-style-type: none"> <li>• Prioritize Bus Replacement</li> <li>• Use Reserves for Buses.</li> <li>• Seek Future Year Revenues to Prioritize Transit Capital</li> <li>• Strong Federal &amp; State Advocacy</li> </ul>	<p><b>Customer Oriented Service Redesign</b></p> <ul style="list-style-type: none"> <li>• Focus Resources where transit works best.</li> <li>• Alternatives for disadvantaged customers.</li> <li>• Data-Driven &amp; Customer Sensitive Approach.</li> </ul>	<p><b>Incremental Expansion</b></p> <ul style="list-style-type: none"> <li>• Secondary but parallel advocacy.</li> <li>• Pilot Projects that support community &amp; fit within PSTA Plans.</li> </ul>
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**Avoid 30% Cut in Public Transportation Service**

- We will examine all possible options, not just one solution including reducing expenses
- First looking to appropriately maximizing revenues already available to PSTA.
- We will seek new external partnerships

**PSTA will develop a strong Governance Model for a foundation of long-lasting Pinellas Transportation Leadership**

- Modified Executive Committee Assists Board in High-Level Policy Consensus.
- Existing PSTA Board Committees' Roles in Assisting the Full Board will be Strengthened.
- ~~New Multi-Agency Standing Committee similar to ACFT will be included.~~

**Customer-Oriented Focus on Core Mission**

- Constant Statement of PSTA Bus Services for Customers & Non-Riders.
- Ongoing Community Communication/Messaging.
- No planning for 2016 ballot initiative.

- 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**

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## 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

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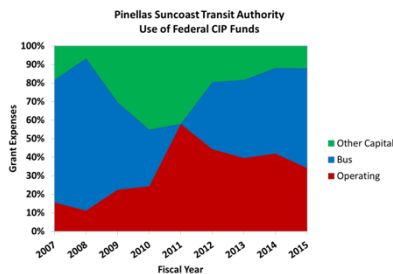
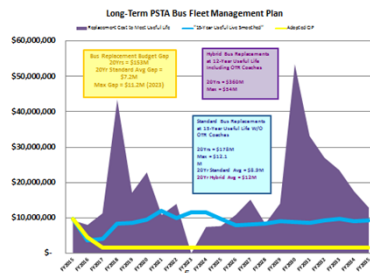
## Bus Replacement Strategies Employed

- **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

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## 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%.

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## 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						
<b>Total</b>	7	12	15	15	16	19

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



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## 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.

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## 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%.

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## 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.

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

<b>Project Title</b>	<b>Funding</b>	<b>Total Project Budget</b>	<b>FY 2015 Project Forecast</b>	<b>FY 2016 Project Budget</b>	<b>FY 2017 Project Budget</b>	<b>FY 2018 Project Budget</b>	<b>FY 2019 Project Budget</b>	<b>FY 2020 Project Budget</b>
<b>Vehicles</b>								
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
<b>Total</b>		<b>\$32,782,682</b>		<b>\$3,619,497</b>	<b>\$2,662,915</b>	<b>\$8,445,272</b>	<b>\$8,579,328</b>	<b>\$9,475,670</b>
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					
<b>Total</b>		<b>\$15,176,767</b>	<b>\$15,176,767</b>					
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					
<b>Total</b>		<b>\$512,057</b>	<b>\$97,036</b>		<b>\$415,021</b>			
Expansion Connector Vehicles	Section 5310	\$288,000		\$288,000				
	FDOT	\$36,000		\$36,000				
	General Reserve	\$36,000		\$36,000				
<b>Total</b>		<b>\$360,000</b>		<b>\$360,000</b>				
Wheelchair Securement Equipment	Section 5310	\$644,000		\$644,000				
	FDOT	\$80,500		\$80,500				
	General Reserve	\$80,500		\$80,500				
<b>Total</b>		<b>\$805,000</b>		<b>\$805,000</b>				
<b>Passenger Amenities</b>								
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		\$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				
<b>Total</b>		<b>\$1,525,000</b>	<b>\$700,000</b>	<b>\$425,000</b>	<b>\$200,000</b>	<b>\$200,000</b>		
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
<b>Training &amp; Third Party Contracts</b>								
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				
<b>Total</b>		<b>\$149,644</b>	<b>\$20,863</b>	<b>\$28,781</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$20,000</b>	<b>\$20,000</b>
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				
<b>Total</b>		<b>\$1,687,758</b>	<b>\$387,758</b>	<b>\$400,000</b>	<b>\$100,000</b>	<b>\$400,000</b>	<b>\$200,000</b>	<b>\$200,000</b>
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					
<b>Total</b>		<b>\$1,068,590</b>	<b>\$74,710</b>	<b>\$993,880</b>				

<b>Facilities</b>								
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	
Cleawater 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					
<b>Total</b>		<b>\$346,482</b>	<b>\$346,482</b>					
Central Avenue BRT	Future Project	\$16,500,000			\$8,250,000	\$8,250,000		

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

<b>Project Title</b>	<b>Funding</b>	<b>Total Project Budget</b>	<b>FY 2015 Project Forecast</b>	<b>FY 2016 Project Budget</b>	<b>FY 2017 Project Budget</b>	<b>FY 2018 Project Budget</b>	<b>FY 2019 Project Budget</b>	<b>FY 2020 Project Budget</b>
<b>Technology</b>								
<b>COMPUTER HARDWARE</b>								
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			
<b>COMPUTER SOFTWARE</b>								
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**

<b>Project Title</b>	<b>Funding</b>	<b>Total Project Budget</b>	<b>FY 2015 Project Forecast</b>	<b>FY 2016 Project Budget</b>	<b>FY 2017 Project Budget</b>	<b>FY 2018 Project Budget</b>	<b>FY 2019 Project Budget</b>	<b>FY 2020 Project Budget</b>
<b>Miscellaneous</b>								
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				
<b>Total</b>		<b>\$3,662,232</b>	<b>\$1,171,116</b>	<b>\$1,491,116</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>

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

PSTA FFY 2015 PROGRAM OF PROJECTS

Section 5307 Formula Funds

FL 90-X873

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

**PSTA FFY 2015 PROGRAM OF PROJECTS**

**Section 5307 Formula Funds**

**FL 90-X873**

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

**PSTA FFY 2015 PROGRAM OF PROJECTS**

**Section 5339 Formula Funds**

**FL 34-0034**

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

**PSTA FFY 2015 PROGRAM OF PROJECTS**

**Section 5339 Formula Funds**

**FL 34-0034**

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

**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

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**\$891,741**

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**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

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Janet C. Long  
Secretary/Treasurer

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William C. Jonson  
Chairperson

DATE: May 27, 2015

APPROVED AS TO FORM

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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**

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**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.
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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

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Alan S. Zimmet  
General Counsel



## INFORMATION ITEMS

**4A:** Explanation of Performance Management Tool Methodology

**Action:** Information Item

**Staff Resource:** Chris Cochran, Senior Planner



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### **Background:**

- At the March 22, 2015 Board Meeting, staff presented the data-driven performance model, or Route Performance Monitoring System.
- The system includes a two-screen process as follows:
  - Screen #1 – the latest full fiscal year ridership, revenue, and cost data is used to score route performance based on a balanced evaluation of ridership and revenue metrics.
  - Screen #2 – low performing routes are reviewed based on a set of more qualitative criteria to identify route redesign recommendations. These criteria may include socioeconomic data, major trip attractors, travel demand in the corridor, boardings by stop, service characteristics, role of the route in the community, etc.
- From this Staff presentation, Board members asked that Staff provide more explanation of the methodology used in Screen #1 and the factors considered in Screen #2.

### **Summary:**

- A presentation will be provided to provide more detailed information the Route Performance Monitoring System

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### **Attachments:**

1. PowerPoint

# Performance Monitoring Methodology

PSTA Planning Committee  
May 20, 2015

1



# Performance Monitoring Methodology

- Screen 1 – Performance
  - Performance Data (FY 2014)
    - Ridership
    - Cost
    - Fare revenues
  - Criteria
    - Passengers per revenue hour
    - Cost recovery
- Screen 2 – Targeted Analysis



2



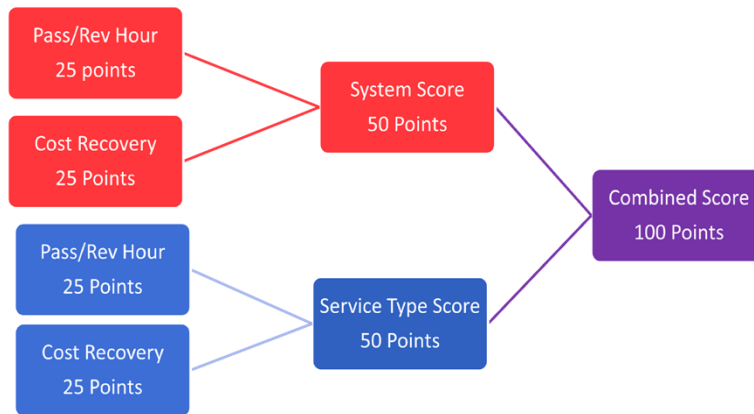
## Performance Monitoring Methodology

### • Weighting

- 50% Pax/Rev Hr. – **Performance**
- 50% Cost Recovery – **Financial**

### • Combined Score

- 50% System Score
- 50% Service Type Score



3



## Performance Monitoring Methodology

- System-wide Scoring: Compare routes against system
  - Passengers/Revenue Hour
  - Cost Recovery
- Service Type Scoring: Compare routes against similar service types (Local Service, FLEX Services, Jolley Trolley Services, Express Services)
  - Passengers/Revenue Hour
  - Cost Recovery
- Final Combined Scoring: Combine scores of the above two steps into a final overall ranking

4



# Performance Monitoring Methodology

## SYSTEMWIDE COMPARISON SCORING

Route	Pax/Rev Hour	25 Points	Cost Recovery	25 Points	TOTAL SYSTEM SCORE
60 (CORE)	37.87	25.00	62.07%	19.46	44.46
JT CMA/Beach Route	27.92	18.43	79.74%	25.00	43.43
78 (CORE)	31.43	20.75	46.82%	14.68	35.42
19 (CORE)	29.43	19.43	47.36%	14.85	34.28
52 (CORE)	29.85	19.71	45.59%	14.29	34.00

## SERVICE TYPE COMPARISON SCORING

Service Type	Route	Pax/Rev Hour	25 Points	Cost Recovery	25 Points	TOTAL SYSTEM TYPE SCORE
Local Service	60 (CORE)	37.87	25.00	62.87%	25.00	50.00
	78 (CORE)	31.43	20.75	51.76%	20.58	41.33
	19 (CORE)	29.43	19.43	52.19%	20.76	40.18
	52 (CORE)	29.85	19.71	50.70%	20.16	39.87
	4 (CORE)	25.87	17.07	43.04%	17.11	34.19

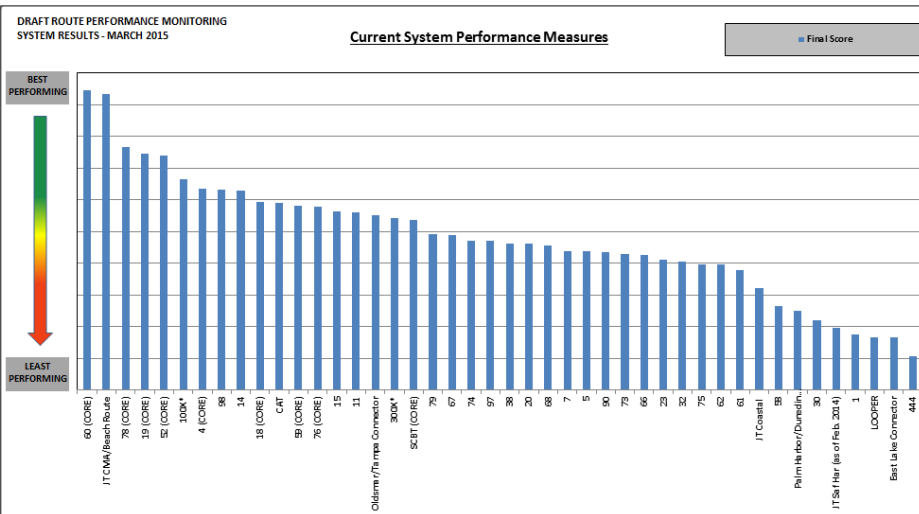
- RANKING**

- Final Score is the sum of the Total Systemwide Score & and Total System Type Score Indexed to 100



# Performance Monitoring Methodology

## Final Result: Ranking of Routes based on Performance Metrics Scoring



## Screen 2 – Targeted Analysis

- Bus Plan Recommendations
  - Input from various data sources
  - Improve higher performing routes through streamlining, increasing frequencies and hours of service, providing more direct service
  - Modify lower performing routes by redesigning through realignment, elimination of unproductive segments and reallocation of resources, combining with other routes, etc.

7



## Screen 2 – Targeted Analysis

- Review Current Data
  - # low income, zero car households, seniors
  - # people/jobs within walking distance
  - Current ridership/# of boardings at stops
  - Major trip generators and attractors served
  - Other funding/partnership opportunities
  - Travel demand
  - Community goal served
    - Economic development
    - Community revitalization
    - Tourism

8



## Screen 2 – Targeted Analysis

- Public Outreach
  - Survey current riders and conduct community outreach
  - Identify potential alternatives for affected riders
  
- Costs/benefits of change
  - Revenues/Expenses
  - Ridership
  - Operations

9



## Targeted Analysis Example

- Eastlake Connector – Screen #1 Low Performer
  1. **Community Bus Plan** Did Not Analyze as Connectors had just started.
  2. **Other Data:** No segment of route is better than others. Grant funded through FDOT urban corridor program.
  3. **Public Outreach:** PSTA will survey riders to determine what they are currently using route for and what they would do if route eliminated. We will identify alternatives and reach out to community.

10





## Initial Screen 2 Timeline

- January-May
  - Review bus plan recommendations
  - Review current data and Bus Plan recommendations
  - Identify initial route redesign options
  - Evaluate impacts of initial route redesign options
    - Survey riders and identify alternatives for those affected by any route change
    - Community/public outreach
    - Analyze costs/benefits
- June-July
  - Present initial route redesign recommendations



## FORMATION ITEMS

**4B: FY2016 Budget–Personnel Assumptions**

**Action: Information Item**

**Staff Resource:** Deborah Leous, Chief Financial Officer  
Michael Hanson, Director of Finance



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### **Background:**

- A PowerPoint will be given to allow for discussion about the key FY2016 Personnel Budget Assumptions related to PSTA's largest expense, personnel compensation and benefits. Key areas to be discussed are:
  - Personnel Salary Assumptions and industry compensation
  - Florida Retirement System (FRS)
  - Health Insurance
- The Draft FY2016 Budget will be based upon key assumptions in these areas and will be presented to the Planning Committee in June prior to the full PSTA Board at the end of June.

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### **Attachments:**

1. PowerPoint

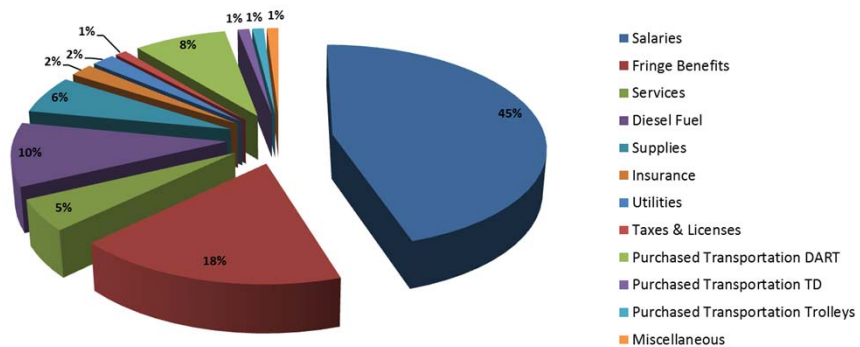


# FISCAL YEAR 2016 PERSONNEL ASSUMPTIONS

Planning Committee  
May 20, 2015

## Personnel Costs Approximate 63% of costs

2016 Draft Tentative Budget Expenditures



## Personnel Components

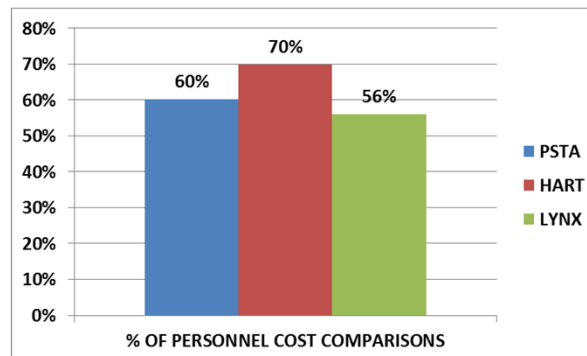
- Personnel expenditures are made up of
  - Salaries
  - Fringe Benefits
- The major components of fringe benefits are:
  - Health insurances, Pension, Social Security, Medicare, and Workers' compensation.

2



## Comparison of PSTA to Others

- In the public transit industry PSTA compares favorably in percent of personnel to total costs.

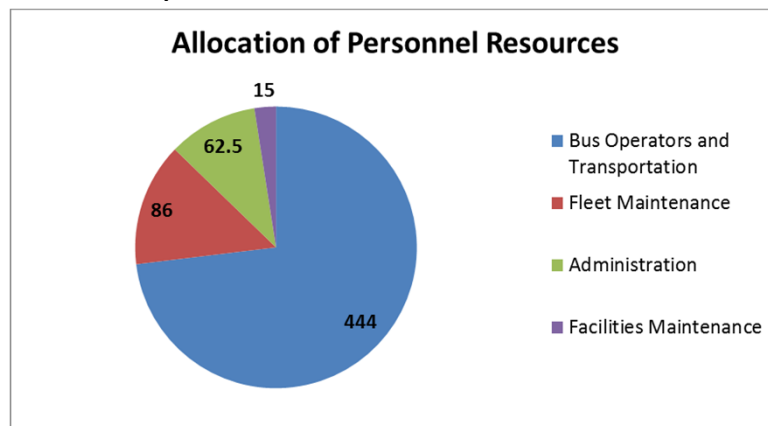


3



## Allocation of Personnel Resources

- The largest group of employees at PSTA are our Bus Operators.



4



## PSTA Labor Agreements Drive Costs

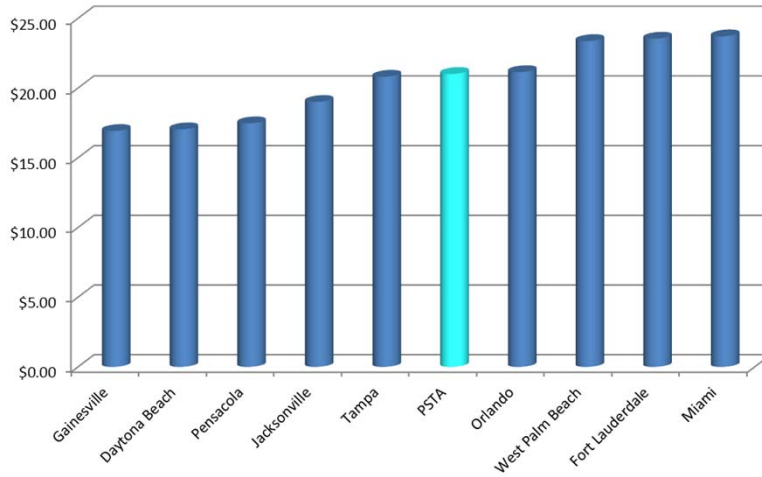
- **TBATWU** – Operators/Mechanics/Facility Maintenance/CSRs
  - 478 Covered PSTA Positions
  - 3 Yr. Agreement Expires 9/30/2015
  - Last 3 Years: 1% Per Year + Steps + Perf. Bonus
  - Possible Membership Vote to Change to SEIU.
- **SEIU** – 1<sup>st</sup>-Line Supervisors
  - 29 Covered Positions
  - New 3 Yr. Agreement As of 10/1/2014
  - Wages Float 5% Above TBATWU

5



## Bus Operator Pay Comparison

Florida Public Transit Bus Operator Top Rates

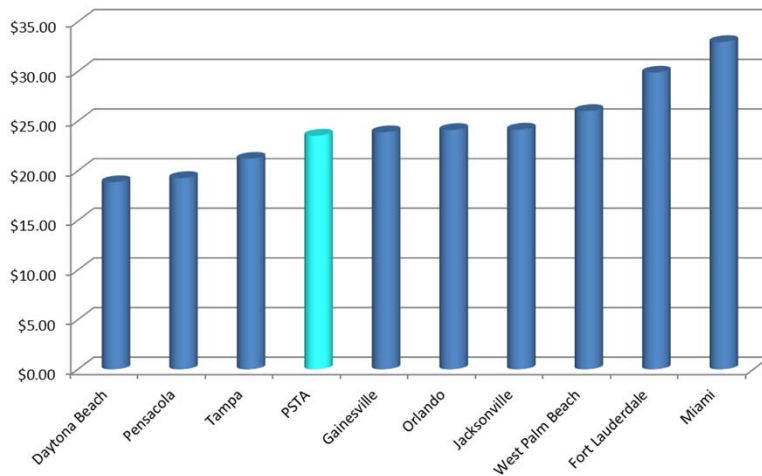


6



## Mechanic Pay Comparison

Florida Public Mechanic Top Rates



7



## FY2016 Budget Assumptions

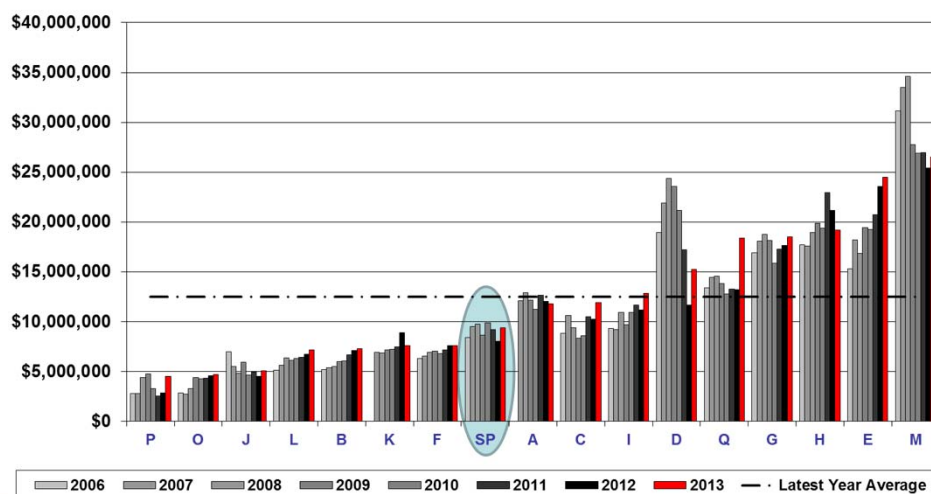
- Labor Negotiations this Summer will be managed within FY2016 and future budget assumptions.
- 2014 National Average Transit Labor Settlements: The average was 2.23% for wage growth.
- PSTA Administrative Adjustment Assumptions: **3% Merit Average (no lump sum).**

8



## PSTA Overhead Costs are Low

Administration & Other Overhead Costs



9



## Personnel Assumptions

- Personnel costs are forecast to increase 3.3% in FY 16 and 3.5% from FY 17 - FY 20.
- This assumes an average 3% merit based adjustment for administrative employees.

10



## Accounting for Attrition

- Natural attrition leads to cost savings through temporarily vacant positions. In FY 16 this will be accounted for when we prepare the budget.
- PSTA's average position vacancy rate for the last 6 years is less than 1%.



11





## Fringe Benefits

- The largest components of the fringe benefit costs are the employer contribution to the Florida Pension System and health insurance .
- Fringe Benefits, primarily due to health insurance, are forecast to increase 7% in FY 2016. The Gehring Group, our health insurance broker, has provided this forecast.

12



## Florida Retirement System (FRS)

- The State Legislature establishes the employer contribution rates for the FRS.
- Good news – the State actuarial report as of June 2014 indicates that rates may not need to be adjusted in 2016.
- The contribution rates will be announced at the end of the legislative session.
- The current contributions are forecast to be stable at \$2.2 million, the same as FY 2015.

13



## Health Insurance

- PSTA's health insurance financial impact is forecast to be \$6 million in FY 16, representing an increase of 7% over FY 15.
- The renewal rate for remaining fully insured is 10.3% or a \$578 thousand increase.

14



## Health Insurance Options

- There are three options that staff has explored:
  - Maintain being fully insured
  - Minimum Premium Arrangement (this is a hybrid of fully insured and self insured)
  - Self Insured

15



## Self Insured Concept

- Self insured is attractive when the fully insured renewal is not in line with expected costs in the future.
- Need to have 60 days worth of claims reserves established to implement = approximately \$750,000 to \$1,000,000.
- Need to pay for a third party administrator to process claims and for stop loss insurance.

16



## Financial Impact of Minimum Premium

- PSTA would pay administrative costs, a network access fee and stop loss premiums.
- A health insurance reserve fund would need to be established for the claims and for the termination liability.

17



## Financial Impact of Minimum Premium

**Current FY 2015 Full Insured** \$5,617,724

**FY 2016 Minimum Premium:**

Claims Liability \$4,536,102

Administrative Costs \$1,024,206

**Insurance Expense** **\$5,560,308**

**Liability Reserve** **\$ 450,823**

**Total Financial Impact** **\$6,011,131** **Up 7%**

18



## Health Insurance Recommendation

- Staff recommends changing to the Minimum Premium Arrangement as the most cost effective and best option for the employee as there is no impact on the benefits offered to PSTA employees.

19



## In Summary

- Personnel is PSTA's biggest cost driver.
- We expect to be within the budget assumptions.
- Labor negotiations are our greatest uncertainty.

20



## QUESTIONS

21

