



Driven to serve you.

Monday, September 26, 2011, 5:30 PM
1201 E. 7th Avenue, 3rd Floor
Florida Conference Room

*Information not viewable is available upon request - phone: 813-223-6831, fax: 813-223-7976
or e-mail: petitl@goHART.org*

MISSION STATEMENT

Our Team is dedicated to providing excellent customer service while building solutions to support Hillsborough County's needs...now and into the future.

AGENDA

TAB

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

PUBLIC HEARING

TIME CERTAIN – 5:30 P.M.

PUBLIC INPUT ON PUBLIC HEARING ITEM (3 MINUTES PER SPEAKER)

CLOSE PUBLIC HEARING

BOARD ACTION

Resolution #R2011-09-29 ~ Adopting the Final Levying of Ad Valorem Taxes and Final Millage Rate for Hillsborough Transit Authority for 2011; Providing for an Effective Date

Resolution #R2011-09-30 ~ Adopting the Final Budget for Fiscal Year 2012; Providing for an Effective Date

REGULAR BOARD OF DIRECTORS MEETING

APPROVAL OF MINUTES

Public Hearing on Proposed FY2012 Budget & Regular Board of Directors Meeting
Minutes ~ September 12, 2011

PUBLIC INPUT ON AGENDA ITEMS (3 MINUTES PER SPEAKER)

TAB REGULAR MEETING continued

ACTION ITEMS

The Finance, Governance, and Administration Committee met on September 19, 2011 and recommended approval of the following action items to the full HART Board of Directors:

- a. **Resolution #R2011-09-31 ~ Authorizing the Chief Executive Officer to Award a Contract for a Project Development and Environmental (PD&E) Study and Option for 30% Design Services for the MetroRapid East-West Project to HDR Engineering, Inc. in the Amount of \$1,905,839**

Mary Shavalier, Director of Grants Management and Planning

Overview:

Previous planning work identified benefits of a *MetroRapid* service connecting Tampa International Airport (TIA), Westshore and the City of Temple Terrace. Additional project development and design work is needed to determine the project elements and costs.

- b. **Resolution #R2011-09-32 ~ Approval of Proposed HART Organizational Performance Goals And Achievement Levels For FY2012**

Philip R. Hale, Interim Chief Executive Officer

Overview:

The HART Board implements annual organizational goals and strategic initiatives which serve as a basis of evaluation for the Chief Executive Officer and staff. These are directly measurable goals designed to track agency performance. The Board is updated on the status of these goals on a monthly and annual basis.

CHAIR'S AND CHIEF EXECUTIVE OFFICER'S REPORTS

GENERAL COUNSEL'S REPORT

HART BOARD COMMITTEE REPORTS

- a. Finance, Governance, and Administration Committee Meeting Minutes ~
September 19, 2011

PUBLIC INPUT REGARDING GENERAL CONCERNS (3 MINUTES PER SPEAKER)

OLD BUSINESS

The Finance, Governance, and Administration Committee met on September 19, 2011 and recommended advancing the following motions to the full HART Board of Directors for discussion:

- a. Establishment of an Ad Hoc Committee to discuss the current status of the Interim Chief Executive Officer and that the Finance, Governance, and Administration Committee Chair Govin would chair the to-be-appointed ad hoc committee.
- b. Establishment of an Ad Hoc Committee to look at the future CEO recruitment needs to ensure they interface with organizational policies, procedures, and strategic plan.

TAB REGULAR MEETING continued

NEW BUSINESS

CORRESPONDENCE

ADJOURNMENT



HILLSBOROUGH TRANSIT AUTHORITY

BOARD OF DIRECTORS MEETING

**FINAL PUBLIC HEARING ON PROPOSED
FISCAL YEAR 2012 BUDGET**

SEPTEMBER 26, 2011

PREPARED BY: THE FINANCE DEPARTMENT

**HILLSBOROUGH TRANSIT AUTHORITY (HART)
BOARD OF DIRECTORS MEETING
FINAL PUBLIC HEARING ON PROPOSED FISCAL YEAR 2012 BUDGET**

**Monday, September 26, 2011, 5:30 PM
1201 E. 7th Avenue, 3rd Floor
Tampa, Florida**

AGENDA

PUBLIC HEARING

- 1. Opening Statement by Chairperson.....1**
- 2. Public Comment**
- 3. Close Public Hearing**
- 4. Board Action**

Resolution #R2011-09-29 - A Resolution of the Hillsborough Transit Authority of Hillsborough County, Florida, Adopting the Final Levying of Ad Valorem Taxes and Final Millage Rate for Hillsborough Transit Authority for 2011, Providing for an Effective Date4

Resolution #R2011-09-30 - A Resolution of the Hillsborough Transit Authority of Hillsborough County, Florida, Adopting the Final Budget for Fiscal Year 2012, Providing for an Effective Date5

ADJOURN

**HART BOARD OF DIRECTORS MEETING
MONDAY, SEPTEMBER 12, 2011, AT 5:30 PM**

OPENING STATEMENT BY CHAIRPERSON

WELCOME!

The purpose of this public hearing is to receive public input concerning the Hillsborough Transit Authority's proposed Fiscal Year 2012 operating and capital budget and its attendant millage rate. Copies of our budget are available if you have not already obtained one.

The Proposed FY2012 Budget totaling \$100,818,442 and Proposed 2011 Millage of .5000 were tentative adopted by this Board on September 12, 2011.

Millage Rate for 2011

The 2011 millage rate .5000 which is higher than the millage rate for 2010 of .4682.

The 2011 rolled-back rate is .4925.

The current year proposed millage rate of .5000 is 1.52 percent more than the rolled-back rate. However HART's statutory millage rate is .5000 mill.

Budget for FY2012

The FY2012 - HART Budget:

Bus Operations	\$55,092,700
Paratransit	\$4,126,890
Streetcar	<u>\$1,511,160</u>
Total Operations Budget	<u>\$60,730,750</u>
Total Capital Budget	<u>\$40,087,692</u>
Total Appropriated Budget	<u>\$100,818,442</u>

ACTION ITEM

Resolution #R2011-09-29 and Resolution #R2011-09-30 – Adopting the Final Levying of Ad Valorem Taxes and Final Millage Rate for Hillsborough Transit Authority for 2011 and Providing For An Effective Date; and Adopting the Final Budget for Fiscal Year 2012 and Providing For An Effective Date

OVERVIEW

HART is required as an Independent Special District to adopt a final millage rate for the year 2011 and a final budget for FY2012.

RECOMMENDATION

That the HART Board of Directors review and approve the action item adopting the final levying of ad valorem taxes and final millage rate for Hillsborough Transit Authority for 2011 and providing for an effective date; and adopting the final budget for Fiscal Year 2012 and providing for an effective date.

FINANCIAL IMPACT

HART is required within 15 days after the meeting to adopt a tentative millage and a tentative budget to final adopt the millage and final adopt the budget. This hearing was advertised in the Tampa Tribune on Thursday, September 22, 2011. The resolutions adopting the 2011 final millage rate and the FY2012 Budget are included herewith.

BACKGROUND

HART is required to conduct two public hearings on the 2011 millage rate and the FY2012 budget before the millage and the budget can be adopted. The first public hearing was held on Monday, September 12, 2011.

HART was required to certify the prior year millage rate and current year proposed millage rate on form DR420 by August 4, 2011, with the Hillsborough County Property Appraiser's Office. HART Board certified a .5000 millage rate which requires a majority vote as authorized by the Florida Statute.

The HART Board certified a millage rate of .5000 on August 1, 2011. Staff is presenting the final millage resolution for adoption with the .5000 millage rate. The Florida Department of Revenue has affirmed that the tentative millage rate certified to the Hillsborough County Property Appraiser could be lowered but not raised. The budget reflects the 95 percent Ad Valorem taxes allowed for each millage rate by the Florida Statute.

The proposed budget for FY2012 was presented to the Finance, Governance, and Administration Committee on July 18, 2011 and to the full HART Board of Directors on August 1, 2011. The adopted tentative FY2012 Budget Summary is included with this report. The total budget is \$100,818,442.

NEXT STEPS

HART must forward the resolution adopting the final millage to the property appraiser, the tax collector, and the Department of Revenue within 3 days after the final budget hearing.

Prepared by: Kenneth J. Wagner, Director of Finance
Reviewed by: Brenda Mowen, Chief Administrative Officer
and Interim Chief Financial Officer
Approved by: Philip R. Hale, Interim Chief Executive Officer

Attachments:

- I. Resolution #R2011-09-29
- II. Resolution #R2011-09-30
- III. FY2012 Budget Summary

ATTACHMENT I

RESOLUTION #R2011-09-29

A RESOLUTION OF THE HILLSBOROUGH TRANSIT AUTHORITY OF HILLSBOROUGH COUNTY, FLORIDA, ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES AND FINAL MILLAGE RATE FOR HILLSBOROUGH TRANSIT AUTHORITY FOR 2011, PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Board of Directors of the Hillsborough Transit Authority of Hillsborough County, Florida, on September 26, 2011, adopted the 2011 millage rate following a public hearing as required by Florida Statute 200.065; and

WHEREAS, the Board of Directors of the Hillsborough Transit Authority of Hillsborough County, Florida, held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation within Hillsborough County has been certified by the County Property Appraiser to the Hillsborough Transit Authority as \$60.8 billion;

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

Section 1. The 2011 millage rate is .5000 mills, which is more than the rolled-back rate of .4925 mills by 1.52%.

Section 2. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE HILLSBOROUGH TRANSIT AUTHORITY ON SEPTEMBER 26, 2011, AT 5:30 PM.

**Alison A. Hewitt, Chair
HART Board of Directors**

ATTEST

**Wallace Bowers, Secretary
HART Board of Directors**

ATTACHMENT II

RESOLUTION #R2011-09-30

A RESOLUTION OF THE HILLSBOROUGH TRANSIT AUTHORITY OF HILLSBOROUGH COUNTY, FLORIDA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2012, PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Board of Directors of the Hillsborough Transit Authority of Hillsborough County, Florida, held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the Board of Directors of the Hillsborough Transit Authority of Hillsborough County, Florida, set forth the appropriations and revenue estimate for the Budget for FY2012 in the amount of \$100,818,442;

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

Section 1. The FY2012 Budget be adopted.

Section 2. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE HILLSBOROUGH TRANSIT AUTHORITY ON SEPTEMBER 26, 2011, AT 5:30 PM.

**Alison A. Hewitt, Chair
HART Board of Directors**

ATTEST

**Wallace Bowers, Secretary
HART Board of Directors**

**BUDGET SUMMARY
HILLSBOROUGH TRANSIT AUTHORITY
FISCAL YEAR 2012**

**THE PROPOSED OPERATING APPROPRIATIONS OF THE HILLSBOROUGH TRANSIT AUTHORITY
ARE 3.2% LESS THAN LAST YEAR'S TOTAL OPERATING APPROPRIATIONS.
PROPOSED MILLAGE LEVY = .5000 per \$1,000**

	<u>BUS</u>	<u>PARATRANSIT</u>	<u>STREETCAR</u>	<u>TOTAL</u>
OPERATING BUDGET				
<u>Revenues</u>				
System Revenue	\$13,345,800	\$370,110	\$688,590	\$14,404,500
Ad Valorem Tax Revenue (Mileage per \$1000 = .5000)	28,897,910	0	0	28,897,910
Ad Valorem Transfers to Paratransit & Capital Budgets	(2,590,270)	2,590,270	0	0
Federal	11,224,480	1,166,510	200,000	12,590,990
State	5,094,010	0	100,000	5,194,010
City of Tampa	176,000	0	450,000	626,000
Tampa Historic Streetcar, Inc.	0	0	72,570	72,570
Reserve	(1,055,230)	0	0	(1,055,230)
Total Operating Revenue	\$55,092,700	\$4,126,890	\$1,511,160	\$60,730,750
<u>Appropriations</u>				
Salaries & Wages	\$26,904,770	\$2,488,220	\$769,150	\$30,162,140
Fringe Benefits	8,739,550	841,910	201,440	9,782,900
Fuel & Oil	7,229,600	483,870	3,000	7,716,470
Parts & Supplies	2,810,970	134,630	140,600	3,086,200
Operational Contract Service	2,186,810	12,800	22,950	2,222,560
Administrative Contract Service	654,410	80,830	34,140	769,380
Legal Services	1,017,600	0	0	1,017,600
Marketing & Printing Services	511,720	5,000	49,990	566,710
Insurance Costs	3,195,220	6,000	104,100	3,305,320
Utilities	780,250	0	174,360	954,610
Taxes & Fees	582,180	10,330	0	592,510
Other Operating Expenses	479,620	63,300	11,430	554,350
Total Operating Appropriations	\$55,092,700	\$4,126,890	\$1,511,160	\$60,730,750
Depreciation Expense	\$11,968,750	\$0	\$0	\$11,968,750
CAPITAL PROJECTS BUDGET				
<u>Revenues</u>				
Federal	\$10,862,196	\$0	\$356,452	\$11,218,648
State	2,507,833	0	0	2,507,833
Hillsborough County Bond	25,927,500	0	0	25,927,500
Other Local Funding	433,711	0	0	433,711
HART	0	0	0	0
Total Capital Project Revenue	\$39,731,240	\$0	\$356,452	\$40,087,692
<u>Appropriations</u>				
Bus Rapid Transit	\$25,927,500	\$0	\$0	\$25,927,500
Basic Transit Infrastructure	1,424,286	0	0	1,424,286
Operating, Maintenance & Administrative Equipment	418,685	0	0	418,685
Facilities Construction	5,491,922	0	0	5,491,922
Fleet Acquisition	981,794	0	0	981,794
Security Projects	127,289	0	0	127,289
Technology Improvements	600,000	0	0	600,000
Intelligent Trans System (ITS)	0	0	0	0
Alternative Analysis & Planning Studies	0	0	0	0
Passenger Facilities	4,759,764	0	0	4,759,764
Other Capital	0	0	0	0
Streetcar Improvements	0	0	356,452	356,452
Total Capital Project Appropriations	\$39,731,240	\$0	\$356,452	\$40,087,692
Total Appropriated Expenditures	\$94,823,940	\$4,126,890	\$1,867,612	\$100,818,442

**THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE
OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD**



HILLSBOROUGH TRANSIT AUTHORITY
Board of Directors Regular Meeting Minutes
Monday, September 12, 2011
601 East Kennedy Boulevard
Planning Commission Board Room
Tampa, FL 33602

Board Members Present

(12)

Kevin Beckner
Wallace Bowers
John Byczek
Fran Davin
Ron Govin
Alison Hewitt
Karen Jaroch
David Mechanik
Sandra Murman
Steven Polzin
Mark Sharpe
Mike Suarez

Staff Members Present

Sylvia Berrien
Donna Chen
Katharine Eagan
Philip Hale
Rickey Kendall
Marcia Mejia
Brenda Mowen
Martha Milligan
Lena Petit
Gisela Rivera-Rios
Rafael Roscdo
Mary Shavalier
Michael Stephens
Randy Stribling
Ken Wagner

Others Present

Charles "Chip" Fletcher, Gray Robinson
Pierre Mathurin, 3409 W Caracas St, Tampa, FL 33614
Chelsea Bridges, 1106 W Platt St, Tampa, FL 33606
Jeties B Wilds, Jr., 10405 Greenhedges Dr, FL 33614
Bill Roberts, 14711 Clarendon Dr, 33624
Tyler Adams, 601 E Kennedy Blvd
Fred Moore, 4327 Waterford Landing Dr, 33358
Darcy Foster, P.O. Box 22287, Tampa
Jennifer Wilson, flsenate.gov
Ted Jackovics, The Tampa Tribune
Ronnie Blackshear, Hillsborough County
Ron Rotella, Westshore Alliance
Chris Weber, Westshore Alliance
Cindy Sharpe, Sharpe PR
Gloria Mills
Ted Hull, 607 S Albany Avenue; Tampa, Fl 33606
Robert Pete Edwards, 2909 W Cherry St, Tampa, FL 33607
John Green
Bill Stephenson, 511 S Albany, #6
Jennifer Willman, 2426 Stuart St, Tampa
Sara Hendricks, 14707 Oak Vine Drive, Lutz
Dr. Sam Wright, 3405-01 Park Sq, E Tampa

Karen Kress, 7513 Veve Lane, Tampa
Phil Compton, 1430 Park Cr, Tampa
Evan Johnson, 935 East 11th Avenue

CALL TO ORDER

Sign-in sheets are attached.

Meeting was called to order at 5:30 p.m.

Pledge of Allegiance followed.

PUBLIC HEARING ON PROPOSED FY2011 BUDGET

Chair Hewitt read the opening statement summarizing the Authority's proposed Fiscal Year 2012 operating and capital budget and its attendant millage rate. In summary, the proposed budget is amended and totals \$100,818,442.

Millage Rate for 2011

The 2011 millage rate .5000 which is higher than the millage rate for 2010 of .4682.

The 2011 rolled-back rate is .4925.

The current year proposed millage rate of .5000 is 1.52 percent more than the rolled-back rate. However HART's statutory millage rate is .5000 mill.

FY2012 Budget

The FY2012 - HART Budget:

Bus Operations	\$55,092,700
Paratransit	\$4,126,890
Streetcar	<u>\$1,511,160</u>
Total Operations Budget	<u>\$60,730,750</u>
Total Capital Budget	<u>\$40,087,692</u>
Total Appropriated Budget	<u>\$100,818,442</u>

Chair Hewitt reported that Director Murman informed staff that she will be arriving late due to a scheduling conflict with the Port Authority budget public hearing held on the same day.

Chair Hewitt drew attention of the Board to the addendum to the budget hearing packet provided to each member of the Board. It contained comments from members of the public submitted

through staff regarding the proposed FY2012 budget and 2011 millage rate. To obtain a copy of these comments e-mail petitl@gohart.org.

PUBLIC INPUT ON PROPOSED BUDGET

Gloria Mills, stated she is an advocate for people who use transit. She encouraged the Board to adopt the highest millage allowed by statute. Ms. Mills said that reduction in service affects people's lives, not just buses and roads. She appealed to the Board's responsibility before the transit-dependant community to protect service.

Directors Suarez and Beckner arrived at 5:36 p.m.

Pierre Mathurin, 3409 W Caracas Street, Tampa, FL 33614, spoke in support of the proposed budget and millage rate. He noted that even with the existing millage rate the levels of service are not guaranteed. Mr. Mathurin said additional funding is needed that will allow for additional capital projects, such as bus shelters. He mentioned that even a quarter cent sales tax would have helped to enhance transit. Mr. Mathurin said the community would be well served if a referendum be put on the agenda in 2012 rather than 2014 or later.

Ted Hull, 607 S Albany Avenue; Tampa, FL 33606, encouraged the Board to support the proposed millage rate and budget. He spoke about his past affiliation with HART as a representative of visually impaired transit users who rely on transit system. There are people who need to ride.

Director Murman arrived at 5:41 p.m.

Robert Pete Edwards, 2909 W Cherry St, Tampa, FL 33607, said he has been monitoring the transportation service since the time when it was the City system. He said he lived in many areas of the County, and knows how important transit is for people to get to jobs. Mr. Edwards stated that to compete with other regions in the South we need to have good transit system. He remarked that, in his opinion, there is a difference between being conservative and extreme. Mr. Edwards appealed to the Board not to be politically set in stone, but rather represent the community's needs. He spoke in support of the proposed millage rate and more consistent service.

John Green, spoke about public transportation as a safe way for people to get to their homes and jobs. He appealed to the Board to support the proposed budget and millage rate.

Bill Stephenson, 511 S Albany #6, Tampa, FL 33606, introduced himself as a mobility instructor working with blind people. He remarked that the decision to be made by the HART Board is based on fiscal responsibility versus social responsibility. Mr. Stephenson said, in his opinion, this is the case when benefits outweigh concerns.

Jennifer Willman, 2426 Stuart St, Tampa, FL 33605, said she is a property owner and also serves as president of a community association in Palmetto Beach. She spoke in support of the

proposed millage rate. Ms. Willman expressed concern that if service is reduced, some citizens will be affected by not being able to get to the doctors and other appointments.

Sara Hendricks, 14707 Oak Vine Drive, Lutz, FL 33559, supported the restoration of the .5 millage rate. She stated, in her mind, the benefits of transit are extremely important in trying economic times.

Dr. Sam Wright, 3405-01 Park Sq, Tampa, FL 33613, appealed to the Board to approve the .5 millage rate. He said he appreciates the Board's desire to be fiscally responsible, and requested to be cognizant of the fact that the citizens of the County cannot afford to have any more services cut. Mr. Wright noted that for many, public transit is the only way to get to and from jobs and schools. He gave an example of a USF student whose quality of life would be directly impacted if HART cuts service. Mr. Wright spoke about HART service as opportunity for visitors.

Director Byczek arrived at 5:53 p.m.

Karen Kress, 7513 E Veve Lane, Tampa, FL 33610, stated that she lives in proximity to transit and uses it. She complimented HART bus operators and staff. Ms. Kress said she was in support of increase of the millage rate. She urged to think about economic development opportunities that transit provides to the community. Ms. Kress pointed out that the past year has been a very disappointing year for transportation, and encouraged to vote in favor of the proposed resolutions.

Phil Compton, 1430 E Park Cr, Tampa, FL 33610, emphasized the role of public transit in mitigation of air pollution in the area. He brought to the Board's attention the statistics and recent reports about the air quality in Hillsborough County. Mr. Compton said it is not the time to take a step back. He appealed to the Board to support the increase in the millage rate.

Evan Johnson, 935 E 11th Ave, Tampa, FL 33605, indicated that the proposed millage rate increase is relatively small. He said service cuts have been already introduced throughout the year.

The public comment section of the Public Hearing was closed at 6:01 p.m.

Resolution #R2011-09-24 ~ Adopting the Tentative Levying of Ad Valorem Taxes and Tentative Millage Rate for Hillsborough Transit Authority for 2011; providing for an effective date

Mr. Fletcher, HART General Counsel, explained that the voting process for the both resolutions under consideration will be the same as for regular actions by HART Board. He said the majority of the Board members present will be required to approve an action item as pursuant to the HART Charter.

Director Polzin moved and Director Suarez seconded approval of

***Resolution #R2011-09-24 - Adopting the Tentative Levying of Ad Valorem Taxes and Tentative Millage Rate for Hillsborough Transit Authority for 2011; providing for an effective date
and
Resolution #R2011-09-25 - Adopting the Tentative budget for Fiscal Year 2012; providing for an effective date***

Director Jaroch said in 1980 the agency was chartered at the cap of .5 millage rate. She asked if HART historically has been at the .5 rate.

Mr. Philip Hale, HART Interim Chief Executive Officer, said that it is staff's recollection that .5 millage rate was until 2007.

Director Jaroch referred the Board to the consolidated statement of revenues and expenses in the packet in section six. She asked if staff expects additional expenses until the end of the fiscal year.

Mr. Kenneth Wagner, HART Director of Finance, responded that HART received most of ad valorem dollars and it has been recognized in the report, but there will be two more months of expenditures that are not reflected in the report.

Director Jaroch pointed out that the report indicates that there is \$4.5 million over than anticipated. She asked how much extra ad valorem revenue have we seen since we first estimated in April. Director Jaroch commended staff for trimming the budget and bringing it to a manageable level.

Mr. Wagner said that the revenues came down 1.8 percent compared to what was anticipated.

Director Polzin commented that the issue under discussion is if ad valorem revenues for this fiscal year came above the anticipated level which would suggest that HART might have a roll over in revenue into the next fiscal year. He indicated that it is a revenue timing issue.

Mr. Wagner said that at this point HART collected 98-99 percent of the revenue, but the report does not reflect two months of expense in this fiscal year.

Director Jaroch noted the projection that \$2-3 million will be put back in the fund balance, which is above the required level.

Mr. Hale explained that staff was concerned about the budget for FY2013 and beyond. He added that it is difficult to make assumptions on federal funding as it is currently unsettled. Mr. Hale said it is staff's responsibility to plan for the future to protect HART assets. He referred to the 20-year Transportation Development Plan that projects future funding challenges.

Director Byczek made a substitute motion to vote on the two resolutions separately. Director Murman seconded. All Board members present voted aye. The motion carried unanimously.

Director Sharpe requested confirmation that staff does not propose to use the reserve fund to cover the shortage in revenues due to concerns about uncertainties of funding for FY2013 and FY2014. He requested clarification on the adoption of millage rate during the two public hearings.

Mr. Fletcher explained that the Board holds two budget hearings to set the ad valorem rate, during the second hearing the Board can decrease the millage rate but not increase above the rate set at the first hearing.

Director Sharpe requested a confirmation that it is staff's recommendation not to use the reserve to cover the shortage in revenue and that HART would have to diminish service if the millage rate is not increased.

Mr. Hale confirmed the statement.

Director Davin moved and Director Bowers seconded approval of Resolution #R2011-09-24 - Adopting the Tentative Levying of Ad Valorem Taxes and Tentative Millage Rate for Hillsborough Transit Authority for 2011; providing for an effective date.

Chair Hewitt read the Resolution #R2011-09-24 into the record.

Director Murman said she will stay consistent with her original vote against the increase in the millage rate. She referred to the challenging economy and high unemployment, a record number of foreclosures in the region, the fact that many building projects are left unfinished due to lack of funding. Director Murman remarked she understands the dilemma, but is not sure that staff went far enough to develop a solid plan for transportation needs. She indicated that if 70 percent of the service is provided on 10 routes that is where the money should be directed. Director Murman said she is concerned about adding millage at this time though she sees the value of the public comments made by present speakers. She remarked she wanted to see HART prioritizing better, maximizing available dollars without cutting the service.

Director Sharpe said he has been consistently demanding of staff to cut and make adjustments to the budget to identify efficiencies. He noted that the challenge, in his opinion, is that if the Board does not act now and keep the millage even, there will be consequences for the future of the HART Board of Directors when people will not be able to get to hospitals and jobs. Director Sharpe pointed out that this millage rate increase is an adjustment to the 2007 level.

The question was called on the motion by Directors Davin/Bowers. Directors Beckner, Bowers, Davin, Govin, Hewitt, Jaroch, Mechanik, Polzin, Sharpe, Suarez voted aye. Directors Byczek and Murman voted nay. The motion carried 10 to two.

Resolution #R2011-09-25 - Adopting the Tentative budget for Fiscal Year 2012; providing for an effective date

Director Davin moved and Director Suarez seconded approval of the Resolution #R2011-09-25 - Adopting the Tentative budget for Fiscal Year 2012; providing for an effective date. All Board members present voted aye. The motion carried unanimously.

Chair Hewitt closed the public hearing on the proposed FY2012 budget at 6:28 p.m.

Chair Hewitt opened the regular HART Board meeting at 6:28 p.m.

MINUTES

Director Mechanik moved and Director Polzin seconded approval of the Regular Board of Directors Meeting Minutes ~ August 1, 2011; Special Board of Directors Meeting Minutes ~ August 22, 2011; and Board Workshop Minutes ~ August 26, 2011. All Board members present voted aye. The Motion carried unanimously.

PUBLIC INPUT ON AGENDA ITEMS

No one signed to speak on agenda items.

ACTION ITEMS

Director Mechanik moved approval of the action items:

a) Resolution #R2011-09-26 ~ Authorizing the Chief Executive Officer to Execute Necessary Documents for the Purchase of Properties Less than \$25,000 per Parcel that are Required for the Development of Stations for the MetroRapid North-South Project;

b) Resolution #R2011-09-27 ~ Authorizing the Chief Executive Officer to Complete All Actions Necessary for Termination of the Tampa International Airport Transfer Center Project;

and

c) Resolution #R2011-09-28 ~ Approval of the Operator's Agreement for the TECO Line Streetcar System.

Director Davin seconded.

Chair Hewitt requested an update on the status of discussions with the Hillsborough County Aviation Authority.

Ms. Mary Shavalier, HART Director of Grants Management and Planning, reported that staff and General Counsel met with the Aviation Authority, which requested invoices on expenditures funded by ad valorem. She added that HART staff submitted the complete invoice package to the Aviation Authority, and is waiting for a response.

Mr. Fletcher said that HART is seeking the best way to unwind the lease. He recommended to continue this action item to the next meeting staff will be able to provide more information.

Resolution #R2011-09-27 ~ Authorizing the Chief Executive Officer to Complete All Actions Necessary for Termination of the Tampa International Airport Transfer Center Project was pulled for discussion at a subsequent meeting when additional information will be available.

Director Mechanik amended the motion to approve action items a, Resolution #R2011-09-26 and c, Resolution #R2011-09-28. Director Davin seconded the amendment to the motion. All Board members present voted aye. The motion carried unanimously.

Motion #M2011-09-19 ~ Authorization for Board Members' Travel

Director Bowers moved approval of the Motion #M2011-09-19 ~ Authorization for Board Members' Travel. Director Govin seconded.

Director Polzin said that due to budget constraints he removes his request for HART support to cover travel expenses to the American Public Transportation Association (APTA) annual conference.

Director Suarez stated that he plans to attend the APTA annual conference and all travel expenses will be covered from his City Council budget.

Director Jaroch made a substitute motion to vote on the two conferences separately due to the fact that the Florida Public Transportation Association (FPTA) conference is local and will require a registration fee only. Director Sharpe seconded the substitute motion. Directors Beckner, Byczek, Hewitt, Jaroch, Mechanik, Murman, Polzin, Sharpe, and Suarez voted aye. Directors Bowers, Davin, and Govin voted nay. The motion carried nine to three.

APTA Annual Conference

Director Govin remarked that, in his opinion, APTA meetings are very useful and HART should always have a representative at the meetings. He suggested that HART has either one full representative at APTA meetings or two reimbursed at 50 percent for their travel expenses.

Director Mechanik asked if staff will be attending the APTA annual conference.

Mr. Hale responded that Ms. Sylvia Castillo, Director of Van Operations, will be attending the conference. He added that Ms. Castillo is at the leadership APTA class, and that she and Director Suarez will accept the award on behalf of HART.

Director Polzin suggested staff put together a travel plan to ensure that HART is represented on some of the critical meetings of APTA. He noted changing dynamic times that makes the relationship with APTA important and HART needs to be represented.

Director Davin agreed that everyone benefits from information provided at conferences; however, it is costly for Directors to attend conferences. She suggested that the HART Board

approves a travel policy. Director Davin said she cannot feel good about approving travel when conversations are held about reduction of services.

Director Mechanik said it is important to understand the benefits a Director attending a conference brings to the agency.

Director Bowers said that there are funds available for HART Board travel in the budget. He suggested that HART should send a representative from the Board since HART pays membership fees to APTA. Director Bowers supported paying for the Chair's travel, at least reimbursing the registration fees to attend the conference. He concurred that the Board should determine which meetings will be attended in the course of the year and follow the rule.

Chair Hewitt remarked that it is a matter of taking her personal time from business and family without compensation to attend the conferences on behalf of HART to support her knowledge and experience as a HART Board member. She noted that she works for a non-profit organization and does not get compensated for travel expenses. Chair Hewitt stated that she historically submitted to the HART Board her post-conference reports. She expressed her appreciation to the HART Board for their support in the past. Chair Hewitt pointed out that the 200 members Transit Board Committee of APTA who represent transit agencies across the nation elected her to chair the APTA Transit Board Members committee. She said she understands the budget constraints, but, in her opinion, she will be able to bring back information from a different angle than staff would.

Director Sharpe stated he respects Ms. Hewitt's passion, diligence, and thoroughness as Chair of the HART Board of Directors; however, at this extreme time of proposed increase in millage, he wanted to make sure that any expense is cut to protect the service. He expressed appreciation for Board members who are able to attend without requesting travel reimbursement from HART. Director Sharpe said he would not support the travel request at this time.

Director Bowers made a motion that the HART Board of Directors authorize travel and reimburse travel expenses for Chair Hewitt to attend the APTA annual conference. Director Suarez seconded. Directors Beckner, Bowers, Govin, Hewitt, and Suarez voted aye. Directors Byczek, Davin, Jaroch, Mechanik, Murman, Polzin, and Sharpe voted nay. The motion failed five to seven.

FPTA Annual Conference

Director Jaroch made a motion to approve registration fee for three Board members to attend the FPTA annual conference. Director Murman seconded.

Director Mechanik said he could support a registration fee for one Board member.

Director Suarez expressed interest in attending the FPTA annual conference.

Mr. Hale clarified that since HART is a host property, it has been offered a discounted registration fee for attendees depending on the number of representatives from HART. He said HART will be represented by staff, the chiefs and three directors, and Mr. Hale himself.

Director Murman made a substitute motion to authorize registration fees at a reduced rate for two member of the HART Board of Directors to attend the FPTA annual conference in Tampa. Director Govin seconded.

Director Beckner said he wanted to make sure that Chair Hewitt is one of the attendees.

Director Murman amended the motion to authorize the registration fees for Director Suarez and Chair Hewitt's attendance. Director Govin seconded.

Director Beckner asked to clarify the purpose of having multiple staff members attend the conference.

Mr. Hale said staff is scheduled to make presentations and moderate sessions.
Director Beckner asked about the purpose of having two HART Board Directors in attendance.

Director Polzin explained FPTA is a learning, professional development conference.

The question was called on the motion by Directors Murman/Govin. Directors Beckner, Bowers, Byczek, Govin, Hewitt, Jaroch, Mechanik, Murman, Polzin, Sharpe, and Suarez voted aye. Director Davin voted nay. The motion passed 11 to one.

Director Govin made a motion directing staff to draft and present to the Board's approval a travel policy that would specify major conferences HART should have representation. Director Murman seconded. All Board members present voted aye. The motion carried unanimously.

Director Byczek left at 6:52 p.m.

PRESENTATION

Chair Hewitt introduced Florida State Senator Jack Latvala who traveled to Tampa that day on request from the HART Board of Directors.

Senator Latvala said he has been requested to discuss the rationale behind the intent to explore combining two transit agencies, HART and Pinellas Suncoast Transit Authority (PSTA). He said HART has used reserves repeatedly over the past years, reduced its budget, and is proposing the maximum millage rate. In his opinion, a responsible decision would be to look for new ways to reduce expenses. He referenced the experience of corporate America mergers when elimination of duplicate overhead and administration results in profit for the shareholder. Senator Latvala added that in this particular case it would mean to reduce duplication for two agencies that are both experiencing similar budget limitations. He said it is time, from a financial point of view and fiduciary responsibility to tax payers, that we look at potential

savings that could be realized from such combination. Senator Latvala referred to last year's referendum and concerns raised by citizens about transit plans pertaining solely to Hillsborough County. He noted that there is an opportunity to provide a cohesive transit service in the area. Senator Latvala said that he has started to look at drafting legislation that would be needed to do this. He mentioned his involvement in creation of the Tampa Bay Water, which was a long joint process involving all counties and bringing the region together. Senator Latvala stated that he would want to see a consensus on this idea or otherwise he would not want to pursue it. He said he would be willing to go forward with the plan on the condition that the HART Board thinks that it makes sense for the citizens they represent. Senator Latvala indicated he does not have any preconceived notion where the headquarters would be or who would dominate it. He said he would wish all go in good faith to figure out the plan that will work for both counties. Senator Latvala noted that it is his goal to get something ready for this session. He added that a bill would provide a general framework and allow the two groups to work out details, or offer up a bill this year and bring it back next year. Senator Latvala stated that he is looking for something that makes sense for both counties and if it does not get majority of both Boards, he will not pursue the plan. However, he indicated that he would not support any requests to increase the millage cap. He said he is troubled by types of organizations that exist from ad valorem revenue and thinks they should be weaned from this revenue source. Senator Latvala stressed importance of taking an approach that saves some money to plan for the future. He thanked the HART Board for the opportunity to address them that evening.

Director Beckner thanked Senator Latvala for addressing the Board and sharing his views. He asked if a financial analysis has been done on the issue.

Senator Latvala said he has asked an independent business group that includes members of both counties to give an estimate of potential savings of a merger.

Director Beckner asked if Senator would anticipate the agencies would need to change the way they are currently funded and levy taxes, or each side would take the revenue generated from their property tax revenues and it would be thrown into one pot.

Senator Latvala responded that this is one of the questions to be considered. He added that he is not looking at changing financial mechanisms, but rather a merger that would consolidate operations to make it the same in both counties. Senator Latvala said that if we were to include any changes in the taxing options, he would try to the property tax with a sales tax.

Director Beckner asked if the proposal is aimed at only joining Hillsborough and Pinellas counties or would he be open to a concept for the counties to partner with each other to create a larger transportation structure. He referenced the juvenile detention system as an example of a regional detention center. Director Beckner said he would support an opportunity to partner as opposed to mandating such cooperation.

Senator Latvala commented that it would be a subject to an agreement to be worked out; legislature would put a plan of defining what a joint agency will look like. He noted that it is necessary to recognize that the major counties are Hillsborough and Pinellas. Senator Latvala opposed complicating the process by trying to involve multiple members at the initial stages of

the process. He said, in his opinion, Hillsborough and Pinellas counties do not have commonality with Citrus and Sarasota as it pertains to transit.

Director Jaroch said HART charter allows adding an adjacent county and therefore serves as a mechanism for counties to join HART.

Senator Latvala said the HART Charter would not abrogate the charter of another agency. He noted it is not about one county joining another, but two agencies coming together.

Director Jaroch noted differences between Pinellas and Hillsborough Counties, such as demographics, density of population, as well as varying statutory millage caps.

Senator Latvala said he understands differences in the counties, and sees every day demand of commuters across the bridges.

Director Jaroch noted existing bus routes across the bridges supported by federal grants. She said the data shows low ridership across the bridge.

Senator Latvala pointed out that these routes are run by different agencies with inconsistent marketing. He stated that every opportunity should be used to save tax payers money, and it is common sense that mergers provide savings.

Director Suarez said, in his opinion, it is not possible to have a form without function. He noted that the HART Board discussed other ways of funding and trying to get away from property tax as the main funding source. If the organization is regional in nature would not indicate that it will receive funding sufficient for running two bus systems in one. Director Suarez referred to examples when consolidations do not work in regular business because of where services are provided. He expressed concern that if consolidated with another county, HART could lose certain services that are needed. Director Suarez said Pinellas County's density helps to provide more efficient services and less expensive paratransit trips. He referred Senator Latvala to the report provided by Director Polzin indicating that more trips are coming from Pasco County than Pinellas County. Director Suarez said he did not believe that a consolidated system would work without a real way of getting taxes to pay for a particular system. He applauded Senator Latvala for the effort, but said he did not think it would work now without finding how to fund it on an equal basis.

Director Murman thanked the Senator for bringing fresh ideas forward. She noted that the executive office is recommending a regional approach to transportation, regionalizing Metropolitan Planning Organizations (MPOs). Director Murman said time is needed to bring the two Boards together to come up with a plan to introduce to the legislature next year.

Senator Latvala said there is a lot of conversation about regional MPOs and their composition. He noted he is trying to take a different approach by getting people involved locally.

Director Polzin said a critical issue is to use good information to make a decision and to get a sense how it is to be executed. He noted a fair amount of data available on cost effectiveness.

Director Polzin cautioned that transit cannot be treated as a traditional industry and about applying business logic to a public agency. He indicated that Hillsborough County is 20-25 percent bigger than Pinellas County. If this county seeks to be co-equals with Pinellas County, a balance in representation in terms of governance needs to be found. Director Polzin pointed to equity issues for transit agencies and cautioned against following examples of those agencies that provide the service that is not needed in the interest of being equal.

Senator Latvala stated, in his opinion, there are a lot of similarities among the agencies, such as the number of trips, number of passengers, and the budget. He questioned if not a merger, then what other options for efficiencies and savings will be considered.

Director Polzin asked if Senator envisions this proposal to generate new revenue.

Senator Latvala said he will have to do additional research.

Director Sharpe said he appreciated Senator addressing the HART Board that evening. He concurred with Senator's question "if not this, then what". Director Sharpe mentioned he is glad to hear that Senator Latvala is not approaching this issue from position of power. He concurred with the suggestion to consider the idea before making a decision about the matter.

Director Davin said she would support studying transportation improvements. She referenced successful regional models of transit properties throughout the country. Director Davin noted a concern about excluding Pasco County from considerations of regionalization from the very beginning.

Senator Latvala said Pasco County transit system is not funded by property tax. He noted an imbalance between the mechanism of taxing of the counties transit systems and suggested it be consistent. Senator Latvala said this is the first meeting on the subject matter he is holding. He indicated that he will keep the HART and PSTA Boards advised of the plan. If there is not enough time to develop this plan during this legislation session, it could be done next year.

Director Govin expressed his concern that a financial aspect of a merger had not been considered. He noted that this was the first opportunity to hear directly from Senator about this idea.

Senator Latvala said that staff in the senate transportation committee is working on the plan, an independent business group is studying the information, and if the information collected shows the plan does not make sense, no further action will be taken.

Director Beckner asked if it is possible to create a system that would allow the counties that would want to merge to replace their current tax with a regional referendum.

Senator Latvala said this could be considered.

Director Beckner asked if there is indication when the report from an independent group be released.

Senator Latvala said there would not be a printed report and he expects an indication of cost-savings soon, and this would be communicated with HART.

CHAIR'S REPORT

Chair Hewitt referred the Board to the information provided in the packet appointing Director Jaroch to HART Committees.

Director Beckner left at 7:47 p.m.

Director Murman suggested that staff schedule a meeting of Major Project and Legislative Committee.

Chair Hewitt reported that at the Committee meeting on October 17, HART General Counsel will present a time line for proposed HART Board policies changes.

Mr. Fletcher indicated that he would like to receive an approval from the HART Board Committee about the rulemaking procedures.

Directors Mechanik and Murman expressed interest in serving on the policies revision ad hoc committee.

Director Mechanik left at 7:52 p.m.

CHIEF EXECUTIVE OFFICER'S REPORT

Mr. Hale referred the Board to a draft letter prepared by staff as a follow up to the previous request from the Board, requesting that HART be a part of any discussions held on future transit developments. He said since then, HART received a letter from the MPO inviting HART to join as a member of the management team. Mr. Hale indicated that Ms. Shavalier will attend meetings as a HART designee.

Director Davin requested that Mr. Hale and Ms. Shavalier together attend the first meeting with the Westshore Multimodal Center Study management team.

GENERAL COUNSEL'S REPORT

Mr. Fletcher referred the Board to the draft procedure for the Impasse hearing attached to the report. He said written statements about financial impacts are expected by September 22, 2011.

Mr. Hale said that there was a request that staff schedule the impasse hearing prior to the budget hearing on September 12. He said staff was not successful with re-scheduling the hearing, and has scheduled the hearing for September 26 at 3 p.m. The budget hearing is at 5:30 pm.

PUBLIC INPUT REGARDING GENERAL CONCERNS

No one signed up to speak on general concerns.

HART BOARD COMMITTEE REPORTS

Chair Hewitt referred the Board members to the information provided in the packet.

Director Polzin requested that staff distribute a copy of Tampa Bay Area Regional Transit Authority (TBARTA) updated long-range plan. He said the challenge is that the County Commissioners who serve on the TBARTA Board are not members of the HART Board of Directors. Director Polzin noted this dual representation would benefit HART.

Director Murman suggested the same representatives serve on the HART, MPO and TBARTA Boards.

STATUS REPORT

No presentation by staff was requested.

OLD BUSINESS

Director Jaroch referred the Board to the information in Section 6 of the packet, which supports her statement made during the public hearing section of the meeting.

NEW BUSINESS

A copy of the consolidation paper to be distributed to partnership
Director Sharpe reported for the Board's information that Senator Latvala did speak with Mr. David Armijo, former CEO of HART, and himself in the past about his vision of the agencies consolidation.

The meeting adjourned at 8:01 p.m.

ATTEST

**Wallace Bowers, Secretary
HART Board of Directors**

**Alison A. Hewitt, Chair
HART Board of Directors**



BOARD COMMITTEE TRANSMITTAL

TO: MEMBERS OF THE BOARD OF DIRECTORS

FROM: LENA PETIT, CLERK OF THE BOARD

DATE: SEPTEMBER 19, 2011

RE: *Resolution #R2011-09-31 ~ Authorizing the Chief Executive Officer to Award a Contract for a Project Development and Environmental (PD&E) Study and Option for 30% Design Services for the MetroRapid East-West Project to HDR Engineering, Inc. in the Amount of \$1,905,839*

Finance, Governance, and Administration Committee Meeting of September 19, 2011

Committee Members Present: Chair Govin, Directors Byczek, Davin, and Sharpe
Committee Members Absent: Vice Chair Mechanik and Director Beckner
Other Board Members in Attendance: Directors Bowers, Hewitt, Jaroch, and Suarez

Committee Vote:

The Committee voted unanimously to approve this item.

Committee Recommendation:

Authorize the Chief Executive Officer to award a contract for a Project Development and Environmental (PD&E) Study and option for 30% design services for the MetroRapid East-West Project to HDR Engineering, Inc. in the amount of \$1,905,839.

Attachment:

- I. Proposed Resolution #R2011-09-31
- II. Committee Agenda Report

ATTACHMENT I

RESOLUTION #R2011-09-31

AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO AWARD A CONTRACT FOR A PROJECT DEVELOPMENT & ENVIRONMENTAL STUDY AND OPTION FOR 30% DESIGN SERVICES FOR THE METRORAPID EAST-WEST PROJECT TO HDR ENGINEERING, INC. IN THE AMOUNT OF \$1,905,839

WHEREAS, planning work undertaken in 2007 confirmed the benefits of a *MetroRapid* service connecting Tampa International Airport, Westshore and Temple Terrace; and

WHEREAS, additional work is needed to further develop the project, confirm project elements and refine the costs; and

WHEREAS, HART issued a Request for Proposals RFP-8831CG in compliance with HART's procurement policies and State of Florida statutes; and

WHEREAS, two proposals were received and evaluated in accordance with the solicitation provisions; and

WHEREAS, the proposal submitted by HDR Engineering, Inc. was most highly ranked and HDR Engineering, Inc. adequately demonstrated that it has the capacity to perform the work and is, therefore, eligible for award; and

WHEREAS, prices offered by HDR Engineering, Inc. were determined to be fair and reasonable; and

WHEREAS, HART received capital funding for this project from Hillsborough County as part of the December 15, 2010 agreement for Bus Rapid Transit, Park and Ride facilities and Transit Signal Priority;

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

Section 1. The Chief Executive Officer is authorized to award a contract for a Project Development & Environmental Study (PD&E) and Option for 30% Design Services to HDR Engineering, Inc. for the *MetroRapid* East-West Project in the amount of \$1,905,839.

Section 2. Proper officers and assigned project manager of HART are authorized to do all things necessary and required in order to implement the terms of the aforementioned contract.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE HILLSBOROUGH TRANSIT AUTHORITY ON SEPTEMBER 26, 2011.

Alison A. Hewitt, Chair
HART Board of Directors

ATTEST:

Wallace Bowers, Secretary
HART Board of Directors



COMMITTEE ACTION ITEM

Authorize the Chief Executive Officer to Award a Contract for a Project Development and Environmental (PD&E) Study and Option for 30% Design Services for the MetroRapid East-West Project to HDR Engineering, Inc. in the Amount of \$1,905,839.

OVERVIEW

Previous planning work identified benefits of a *MetroRapid* service connecting Tampa International Airport (TIA), Westshore and the City of Temple Terrace. Additional project development and design work is needed to determine the project elements and costs.

RECOMMENDATION

That the Finance, Governance, and Administration Committee review the action item authorizing the Chief Executive Officer to award a contract for the PD&E study and Option for 30% design services for the *MetroRapid* East-West Project to HDR Engineering, Inc. in an amount of \$1,905,839 and advance this item to the full HART Board of Directors on September 26, 2011.

FINANCIAL IMPACT

HART's agreement with Hillsborough County for Bus Rapid Transit (BRT) and park and ride facilities (December 15, 2010) includes funding for the *MetroRapid* East-West project development and design services.

Funding is not currently programmed for additional project costs, including construction and property acquisition (\$23 million), buses (\$8 million) and the annual operating costs (\$2.2 million). These costs are preliminary and would be further refined in the PD&E study.

BACKGROUND

In early 2007, planning work was undertaken to identify the top two corridors for BRT improvements. The study recommended the *MetroRapid* North-South (Nebraska/Fletcher) and the *MetroRapid* East-West (TIA/Westshore/Temple Terrace) as the two top priority corridors for the improvements. Project elements include enhanced shelters, off-vehicle ticket vending machines at select stops, and transit signal prioritization at intersections.

In 2008, HART was awarded \$40 million in capital funding from Hillsborough County for BRT, Park and Ride facilities, and Transit Signal Priority. \$31 million was allocated for the *MetroRapid* North-South project, with \$3 million allocated for the design of the *MetroRapid* East-West project. Final design of the *MetroRapid* North-South project is nearing completion, which will establish the station design and branding concepts for both projects.

The next step to develop the *MetroRapid* East-West is undertaking the PD&E study and final design work. The environmental work included in this effort would enable the project to be eligible for future federal funding.



PROCUREMENT RECOMMENDATIONS

On June 15, 2011, a Request for Proposals (RFP) was issued to procure these services. The solicitation was advertised in the Tampa Tribune, Florida Sentinel, and the La Gaceta newspapers, and was posted on HART’s website with direct notices sent to vendors registered to provide the services. The solicitation was accessed from HART’s website by 82 firms and/or individuals. On June 30, 2011, two proposals were received and evaluated by an evaluation committee. The evaluation criteria were:

- 250 Points - Qualifications of the Firm
- 250 Points - Qualifications of the Staff
- 500 Points - Work Plan

Final technical scoring is as follows:

Firm	HDR Engineering, Inc.	URS Corporation
Total Technical Score	801	777
Ranking	1	2

This was statutory professional services procurement, conducted in accordance with Florida State Statutes, which require the evaluation of “technical” proposals to be conducted sans pricing. Clarifications were received and evaluated. The firm that was most highly ranked is HDR Engineering, Inc. Price negotiations resulted in a reduction in price from \$1,992,070 to a final price of \$1,905,839. The final price is in line with the independent cost estimate and was determined to be fair and reasonable.

Further, HDR Engineering, Inc. adequately demonstrated that it has the capacity to perform the work. The term of contract is sixteen (16) months. The contract includes all of HART’s standard contract provisions.

NEXT STEPS

Present the recommendation by the Finance, Governance, and Administration Committee to the full HART Board of Directors at the September 26, 2011 Regular Board meeting.

Prepared by: Mary Shavalier, Director of Grants Management and Planning
Reviewed by: Brenda Mowen, Chief Administrative Officer
Approved by: Philip R. Hale, Interim Chief Executive Officer



BOARD COMMITTEE TRANSMITTAL

TO: MEMBERS OF THE BOARD OF DIRECTORS
FROM: LENA PETIT, CLERK OF THE BOARD
DATE: SEPTEMBER 19, 2011
RE: *Resolution #R2011-09-32 ~ Approval of Proposed HART Organizational Performance Goals and Achievement Levels for FY2012*

Finance, Governance, and Administration Committee Meeting of September 19, 2011

Committee Members Present: Chair Govin, Directors Byczek, Davin, and Sharpe
Committee Members Absent: Vice Chair Mechanik and Director Beckner
Other Board Members in Attendance: Directors Bowers, Hewitt, Jaroch, and Suarez

Committee Vote:

The Committee voted unanimously to approve this item.

Committee Recommendation:

Approval of Proposed HART Organizational Performance Goals and Achievement Levels for FY2012

Attachment:

- I. Proposed Resolution #R2011-09-32
- II. Committee Agenda Report
- III. FY2011 Organization Performance Goals Chart
- IV. Proposed FY2012 Organizational Performance Goals

ATTACHMENT I

RESOLUTION NO. #R2011-09-32

APPROVING THE ORGANIZATIONAL PERFORMANCE GOALS AND ACHIEVEMENT LEVELS FOR THE HILLSBOROUGH TRANSIT AUTHORITY IN FISCAL YEAR 2012

WHEREAS, the Hillsborough Transit Authority (HART) Board of Directors seeks improved ridership productivity, efficiency, safety, and quality of service; and

WHEREAS, in order to achieve these, clear performance goals with quantifiable levels of achievement are needed; and

WHEREAS, said the goals and achievement levels provide a performance incentive to HART Chief Executive Officer and employees; and

WHEREAS, the Fiscal Year 2012 Budget was developed and approved with no employee pay increases and no annual bonus incentive program due to significant budgetary constraints; and

WHEREAS, the performance goals and achievement levels should be reviewed and adjusted from time to time;

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

Section 1. The organizational performance goals and achievement levels listed below shall apply to Fiscal Year 2011.

ORGANIZATIONAL PERFORMANCE GOALS FOR FISCAL YEAR 2012

GOAL	CRITERIA	2012 TARGET
Ridership Productivity	Bus Passengers per Revenue Hour	Greater than or equal to 22.0
Efficiency	Gross Cost per Revenue Mile	Less than or equal to \$6.79
Safety	Collisions per 100,000 Revenue Miles	Less than or equal to .55
Quality of Service	Complaints per 100,000 Passengers	Less than or equal to 10.0
	Mean Distance Between Vehicle Failures	Greater than or equal to 7,150
On-Time Performance	1 Minute Early to 5 Minutes Late at Scheduled Timepoints	74%

Section 2. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE HILLSBOROUGH TRANSIT AUTHORITY ON SEPTEMBER 26, 2011.

ATTEST:

Wallace Bowers, Secretary
HART Board of Directors

Alison A. Hewitt, Chair
HART Board of Directors



COMMITTEE ACTION ITEM

Approval of Proposed HART Organizational Performance Goals and Achievement Levels for FY2012

OVERVIEW

The HART Board of Directors implements annual organizational goals and strategic initiatives which serve as a basis of evaluation for the Chief Executive Officer and staff. These are directly measurable goals designed to track agency performance. The Board is updated on the status of these goals on a monthly and annual basis.

COMMITTEE RECOMMENDATION

That the Finance, Governance, and Administration Committee review the action item recommending to approve proposed HART Organizational performance goals and achievement levels for FY2012 and advance this item to the full HART Board of Directors on September 26, 2011.

FINANCIAL IMPACT

HART proposed FY2012 budget does not project employee pay increases and annual bonus incentive programs. Upon approval, HART employees will be informed of the adopted performance goals and monthly updates will be provided on levels of achievement. Staff will keep the Board apprised on the status of the organizational performance goals via monthly reports to be included in the Board agenda packets.

BACKGROUND

On November 15, 2010, the HART Board adopted organizational goals for FY2011 that measure performance in five areas as set forth below. These performance measures are the same as industry standard measures that are reported via the Federal Transit Administration's National Transit Database (NTD). Staff provides regular updates to the Board on the status of these goals via monthly Organizational Performance Goals provided in the Board agenda packets.

GOAL	CRITERIA	TARGET
Ridership Productivity	Bus Passengers per Revenue Hour	Greater than or equal to 20.5
Efficiency	Gross Cost per Revenue Mile	Less than or equal to \$7.02
Safety	Collisions per 100,000 Revenue Miles	Less than or equal to .45
Quality of Service	Complaints per 100,000 Passengers	Less than or equal to 9.0
Quality of Service	Mean Distance Between Vehicle Failures	Greater than or equal to 7,500
On-Time Performance	1 Minute Early to 5 Minutes Late at Scheduled Timepoints	Greater than 69%



The established goals are directly measurable and the organization's level of attainment are updated and reported to the Board on a regular basis.

Goals for ridership productivity, efficiency, and on-time performance were met in the first ten months of FY2011. Goals for safety (collisions per 100,000 miles), quality of service (mean distance between failures), and quality of service (complaints) have not been met in the first ten months of FY2011. Charts of the annual performance goals are presented as an Attachment I.

New achievement levels need to be established for FY2012. Staff has reviewed performance trends in all performance areas, and is proposing new target goals for FY2012 as shown in Attachment II.

These performance goals and achievement levels do not serve as the basis for monetary performance bonuses for employees. The FY2012 proposed budget was developed with no annual bonus incentive program due to significant budgetary constraints.

NEXT STEPS

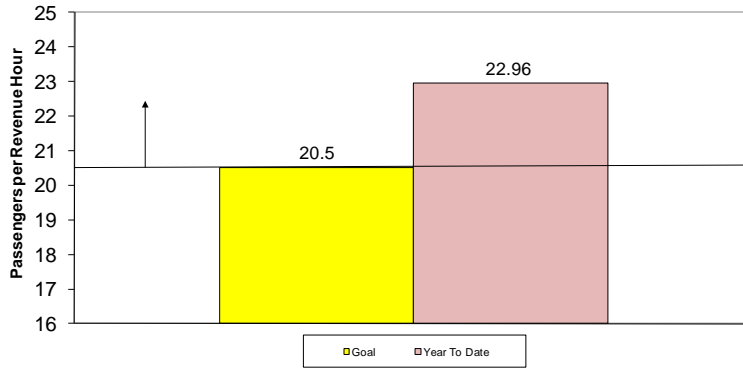
Present the recommendation by the Finance, Governance, and Administration Committee to the full HART Board of Directors at the September 26, 2011 Regular Board meeting.

Prepared by: Philip R. Hale, Interim Chief Executive Officer

ATTACHMENT III

FY2011 Organizational Performance Goals Chart

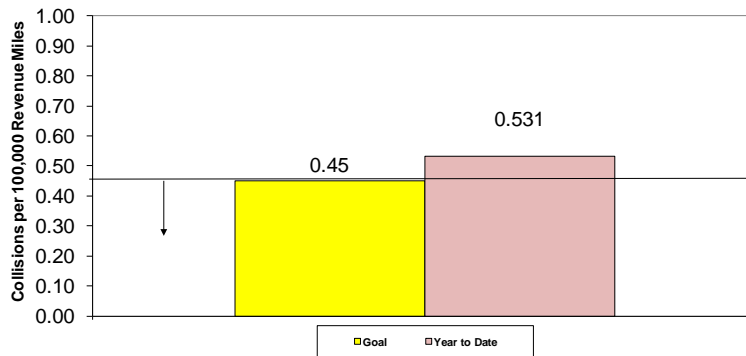
Corporate Goal: Ridership Productivity
FY 2011 - October 2010 - July 2011
Measure: Passengers Per Revenue Hour
Greater Than or Equal to 20.0



Corporate Goal: Efficiency
FY 2011 - October 2010 - July 2011
Measure: Cost per Revenue Mile
Less Than or Equal to \$7.02

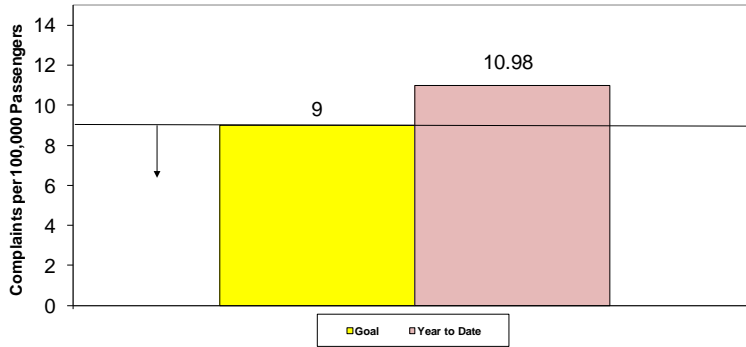


Corporate Goal: Safety
FY 2011 - October 2010 - July 2011
Measure: Collisions Per 100,000 Revenue Miles
Less Than or Equal to 0.45

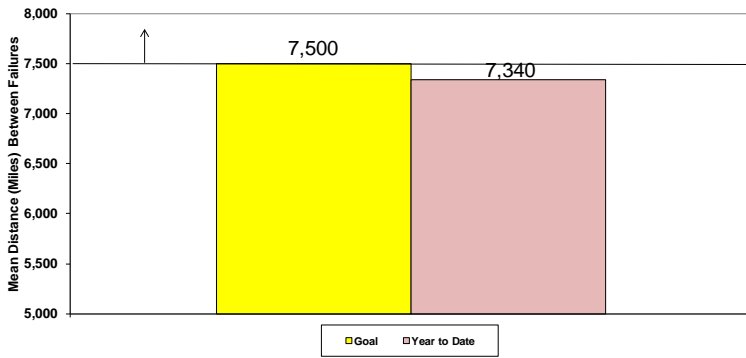


FY2011 Organizational Performance Goals Chart

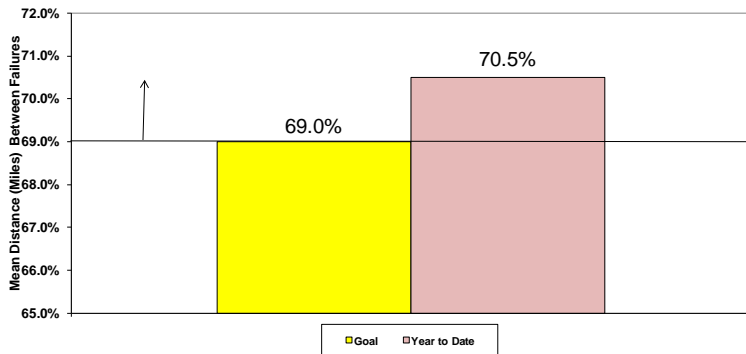
Corporate Goal: Quality of Service
FY 2011 - October 2010 - July 2011
Measure: Complaints per 100,000 Passengers
Less Than or Equal to 9.0



Corporate Goal: Quality of Service
FY 2011 - October 2010 - July 2011
Measure: Mean Distance Between Failures
Greater Than or Equal to 7,500 Miles



Corporate Goal: On-Time Performance
FY 2011 - October 2010 - July 2011
Measure: On-Time Performance
Greater Than or Equal to 69%



ATTACHMENT IV

PROPOSED FY2012 ORGANIZATIONAL PERFORMANCE GOALS

GOAL	CRITERIA	SERVICES MEASURED	NOTE	2012 TARGET
Ridership Productivity	Bus Passengers per Revenue Hour	Bus	1	Greater than or equal to 22.0
Efficiency	Gross Cost per Revenue Mile	Bus & Paratransit	2	Less than or equal to \$6.79
Safety	Collisions per 100,000 Revenue Miles	Bus, Paratransit & Streetcar	3	Less than or equal to .55
Quality of Service	Complaints per 100,000 Passengers	Bus, Paratransit & Streetcar	4	Less than or equal to 10.0
	Mean Distance Between Vehicle Failures	Bus Maintenance	5	Greater than or equal to 7,150
On-Time Performance	1 Minute Early to 5 Minutes Late at Scheduled Timepoints	Bus	6	Greater than or equal to 74%

Notes:

1. Bus passengers divided by bus revenue hours.
2. FY2011 bus and paratransit modes gross operating costs divided by bus and paratransit revenue miles, excluding reserves.
3. Collisions as reported to the National Transit Database for all modes divided by revenue miles for bus, paratransit and streetcar modes.
4. Validated customer service complaints divided by bus, paratransit and streetcar passengers. Excludes commendations and suggestions requiring a service expansion and/or Board budget or policy decision.
5. Defined as greater than or equal to 7,150 miles for mean distance between failures category.
6. On time per performance for bus operations is defined as arrival at published time points between zero and five minutes after the scheduled arrival time.



Committee Members Present

John Byczek
Fran Davin
Ron Govin
Mark Sharpe

Committee Members Absent

Kevin Beckner
David Mechanik

Other Board Members Present

Wallace Bowers
Alison Hewitt
Karen Jaroch
Steven Polzin
Mike Suarez

Staff Present

Katharine Eagan
Philip Hale
Marcia Mejia
Martha Milligan
Brenda Mowen
Lena Petit
Mary Shavalier
Marco Sandusky

Others Present

Charles Fletcher, Gray Robinson
Ted Jackovics, The Tampa Tribune
Darcy Foster, Hillsborough County Aviation Authority
Randy Kranjec, Hillsborough MPO
Mitch Perry, Creative Loafing
Chad Lvedtue, HDR
Elba Lopez, FDOT
Bill Roberts, FGCR
Chris Weber, Westshore Alliance

Sign-in sheets are attached

CALL TO ORDER

The meeting was called to order by Committee Chair Ron Govin at 9:08 a.m.

PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

Director Davin moved and Director Sharpe seconded approval of the August 22, 2011 Finance, Governance, and Administration Committee meeting minutes. All Committee members present voted aye. The motion carried unanimously.

PUBLIC COMMENT

No one signed up to speak.

COMMITTEE ACTION ITEMS

Authorize the Chief Executive Officer to Award a Contract for a Project Development and Environmental (PD&E) Study and Option for 30% Design Services for the MetroRapid East-West Project to HDR Engineering, Inc. in the Amount of \$1,905,839

Ms. Mary Shavalier, HART Director of Grants Management and Planning, introduced the action item, provided background of the project study development, conducted planning work that identified two top priority corridors for MetroRapid, one of them being East West, TIA/Westshore, and Temple Terrace. She outlined financial impact of the MetroRapid East-West project development and design services.

Director Suarez arrived at 9:13 a.m.

Director Jaroch asked about the forecast for operating expenses in this corridor and whether these expenses were included into the budget.

Ms. Shavalier stated that the operating costs for MetroRapid East-West are not included into the current budget, and added that the PD&E Study is projected to take up to 18 months.

Director Davin asked if staff has ridership projections for the corridor.

Ms. Shavalier stated preliminary projections are 1,800 passenger trips a day, and ridership will be more defined as more work on the service operation design is done.

Director Davin asked if the project will service any major employment centers.

Ms. Shavalier said the MetroRapid East-West project runs along Route 34 on Hillsborough Avenue, which has one of the highest ridership, connecting in Netp@rk Transfer Center, St Joseph's hospital on Martin Luther King Jr. Boulevard, West Tampa Transfer Center, as well as employment generators in Westshore area.

Director Davin asked if the project will supplement or replace existing routes.

Ms. Shavalier said the MetroRapid East-West project will run on the top of the existing routes since it would not cover the full routes, only their parts.

Director Hewitt recommended staff takes all steps necessary to leverage the local funding allocated to the project with federal funding. She asked if a part of the long-term plan for the project includes searching for cooperation with developers that could assist in generating additional income.

Director Davin asked about methodology of calculating the annual operating cost for the project.

Ms. Shavaliere explained that HART concluded a planning study of the service along the corridor, that resulted in a planning-level estimate. She noted that these are 2010-year dollars and this cost will need to be reviewed and updated.

Director Sharpe moved and Director Davin seconded approval of the action item to authorize the chief executive officer to award a contract for a Project Development and Environmental (PD&E) study and option for 30% design services for the MetroRapid East-West project to HDR Engineering, Inc. in the amount of \$1,905,839. All Committee members present voted aye. Motion carried unanimously.

Approval of Proposed HART Organizational Performance Goals and Achievement Levels for FY2012

Mr. Philip Hale, HART Interim Chief Executive Officer, reported that the goals for ridership productivity, efficiency, and on-time performance were met in FY2011. Mr. Hale said HART uses NTD formula to track all accidents, preventable and non-preventable. He explained that over the last two years, HART has been reinventing the system, and identifying inefficiencies and, in his opinion, an increased number of customer complaints is associated with these system changes and large ridership. Mr. Hale reported that the quality of service goal that measures mean distance between vehicle failures was not met this year due to the issues with manufacturer not being able to address engine software issues.

Director Suarez asked how HART compares to other transit agencies.

Mr. Hale responded that the unique nature of HART service is the large area that is to be covered. He noted that there are some trips that are an hour-long which is unusual for most transit agencies, where average trips are less than half of HART routes. Mr. Hale added that long trips affect on-time performance and that staff is trying to address scheduling issues.

Director Davin remarked that a safety factor relates in some degree to a time factor. She asked if it is prudent for HART to try to raise the time and safety factors and if it is reasonable to expect from staff to raise the bar on both measurements.

Mr. Hale stated that he has confidence in management changes implemented earlier this year. He added that staff found a lot of inefficiencies that are now being addressed and next year the HART Board will see improved safety and customer service and on-time performance parameters without a negative effect on the workforce.

Director Sharpe said it is important to improve the experience for a rider across the system. He asked if HART uses financial incentives to encourage courtesy and excellent customer service among drivers.

Ms. Katharine Eagan, HART Chief Operating Officer, said staff will report back to the Board on such incentives.

Director Sharpe requested that staff take necessary steps to ensure buses get from point A to B faster as choice riders will not use HART unless they know they will get to work on time.

Director Jaroch asked if staff tracks revenue per revenue mile performance.

Mr. Hale said staff has farebox recovery data available. He noted that the gross cost per revenue mile tracked for FY2011 is \$6.71 which represents a total revenue combination of federal grants, ad valorem, and farebox recovery. Mr. Hale stated that this success is attributed to implementing several cost saving measures.

Chair Govin requested that staff circulate the farebox recovery data on a monthly basis.

Director Sharpe moved and Director Byczek seconded approval of the action item Proposed HART Organizational Performance Goals and Achievement Levels for FY2012 and advance it to the full HART Board of Directors on September 26, 2011. All Committee members present voted aye. The motion carried unanimously.

DISCUSSION ITEMS

Establishment of Board Ad Hoc Committee For the Status of the Interim Chief Executive Officer

Chair Govin suggested that this discussion item is presented to the full Board of Directors, appoint an ad hoc committee for consideration of changing the interim status to a permanent status for Mr. Hale.

Director Hewitt added that as the HART Board is working on the policies revision, and looking at HART strategic plan, to put together recommendation of the desired qualifications for the next CEO, these committees would work together.

Director Davin said she would prefer to address these issues separately.

Director Sharpe concurred that it could take significant time to prepare for hire of the next CEO.

Director Sharpe moved and Director Davin seconded the motion to recommend to the full Board of Directors to appoint a committee to discuss the current status of the Interim Chief Executive Officer.

Director Byczek suggested amending the motion to include provision that the Finance, Governance, and Administration Committee Chair Govin would chair the to-be-appointed ad hoc committee.

Director Sharpe accepted the amendment to the motion. All Committee members present voted aye. The motion carried unanimously.

Director Davin made a motion to recommend to the full Board of Directors to establish a committee to look at the future CEO recruitment needs to ensure they interface with organizational policies, procedures, and strategic plan. Director Byczek seconded. All Committee members present voted aye. The motion carried unanimously.

Development of a Plan Addressing Regional Cooperation and Consolidation

Mr. Charles Fletcher, HART General Counsel, remarked that in areas like transit it is unusual to have a senior member of legislature engaged on the agency's future and performance issues. Regardless of a decision that the Board will take on the regionalizing and consolidation, the agency and the Board should be engaged in the legislative process on how HART would advocate changing the legislative procedures related to transit. He recommended that the HART Board of Directors create a committee and use it as a unique opportunity to be engaged in the process. Mr. Fletcher pointed out that a lot of concerns about governance and structure can be handled with some small changes to chapter 153 part 5. He added that there will be an opportunity for HART to create a framework to pursue the consolidation. Mr. Fletcher said on the policy level, the legislature could establish a structure to be in place for a consolidation and HART needs to ensure it is at the table and be actively engaged in the process. He also recommended that HART look at financing mechanisms.

Director Davin requested that Mr. Fletcher prepare a report for the HART Board that would provide clear understanding of the mechanism of redirecting sales tax and what it takes to implement it.

Mr. Fletcher said that the mechanism that would fit HART's needs now is the chapter related to transportation surtax. He suggested that HART research how other transit agencies use existing tax opportunities. Mr. Fletcher said that ultimately, the HART Board would want to have a policy statement setting policy priorities and this agency's standing.

Director Davin said that for the public to support tax there should be understanding of tax restrictions and the basics of what is financially possible.

Mr. Fletcher emphasized the fact that currently all statutes indicate that any changes in the tax mix would need to be approved by a referendum.

Director Sharpe spoke about the importance of having the best lobbyist representation in Tallahassee and Washington, D.C.

Director Suarez commented on discussions around HART ad valorem funding issues and possible trading it for a sales tax. He indicated that he would not support consolidations of two agencies that essentially will shuffle the money in different directions. Director Suarez said HART needs to look hard on how the agency is moving people within the County and between the counties and how we use money. He concurred with Director Sharpe's statement that HART needs strong lobbyist representation. Director Suarez said HART needs to understand implications for any type of consolidation and now no study has been done to support the idea.

Director Sharpe referred to the opening statement by Senator Latvala at the September 12 meeting with the HART Board who said that the current proposed solutions to funding challenges are not working, and an alternative is to be found. He said HART must be preparing for a better transit future and a plan that would make sense, and through this legislative effort try to find a way to explore efficiencies for HART.

Director Jaroch stated that HART is being approached with no facts to support the consolidation idea. She noted she was not convinced it is a good idea, would like to see some answers from the other side, let them offer a proposal.

Director Davin referred to the history of creating of the Tampa Bay Water Authority, stating that tremendous amount of ground work was done over the years prior to creating of the authority. She said Senator Latvala's idea does not provide elasticity in funding for the organization. Director Davin said she is troubled that all statements are not supported by a single financial statement. She said State Transportation Committee members are not transit professionals. Director Davin said a big mistake would be to simply state that the HART Board opposes the idea, but rather the Board needs to see more financial information. She stated that she hoped that if there will be a plan developed on the consolidation proposal, legislators will use assistance of staff who can lay down the predicates for the financial side.

Director Byczek said that HART is the strongest agency in the region. He concurred that a lot more information is needed. Director Byczek appealed to the Board to be cautious. He noted that he was not opposed to developing a framework and was sure that in the future there will be demand across the counties.

Director Sharpe concurred that to rush the process would be a big mistake. He pointed out that this can be a decade-long process but HART should come up with a plan that would show a new opportunity to the legislature.

Director Byczek left at 10:18 a.m.

Director Jaroch suggested that the HART Legislative Committee could convene to discuss the legislative items that are of interest and could potentially affect HART.

Director Davin asked at which point the HART Board shall consider having formal communication with the Committee in Tallahassee.

Mr. Fletcher recommended preparing a statement soon. He noted that the Major Projects and Legislative Committee could form a policy position and advance it for approval by the full Board of Directors in November.

Director Davin suggested that Mr. Hale prepare a letter that advises the State Transportation Committee that the HART Board is aware of their legislative interest and discussions.



Mr. Fletcher confirmed that this would be appropriate.

Director Suarez recommended that HART would copy the legislative delegation of Hillsborough County.

Mr. Fletcher reported about an interim report from the senate transportation committee that relates to transit funding. He indicated that it would likely be out soon and HART might need to react to it as well.

INFORMATION ITEM

Tampa International Airport (TIA) Transfer Center Project

Mr. Fletcher reported that he has been working with the TIA General Counsel to identify the best way to unwind the lease agreement and information continues to be exchanged. He added that more details will be provided at the next meeting.

ADJOURNMENT

The meeting adjourned at 11:10 a.m.