

**Minutes from the Florida Transportation Commission (Commission)**  
**Workshop on Transportation Authorities**  
**July 25, 2007**

The Commission began at 10:00 a.m. with an overview of the purpose of the meeting and introductions. The newest member of the Commission, Mr. Bart Pullum of Navarre, was introduced.

**Attendees:**

Commissioners: Vice-Chair Janet Watermeier, Marcos Marchena, Marshall Criser, Marty Lanahan, Bart Pullum

Commission Staff: Executive Director Sally Patrenos, Mark Reichert, David Tassinari and Cathy Goodman

Participants: Linda Watson, Executive Director, Central Florida Regional Transportation Authority, CFRTA or LYNX; J. McLawhorn, LYNX; Edward Johnson, LYNX; Allan Rutter, Cambridge Systematics; John Kaliski, Cambridge Systematics; Wayne Malaney; Michael Blaylock, Executive Director, Jacksonville Transportation Authority (JTA); Senator Jim Hargrett, Chairman, Tampa-Hillsborough County Expressway Authority (THCEA) ; Patrick Maguire , THCEA; Lynne Paul, THCEA; Jan Davis, Center for Urban Transportation Research (CUTR); Joe Giulietti, Executive Director, South Florida Regional Transportation Authority (SFRTA); Jack Stephens, SFRTA; Diane Hernandez-DelCalvo, SFRTA; Edward Woods, SFRTA; Jeff Olson, SFRTA; Lakshmi McGrath, First Southwest Co.; Kevin Thibault, Assistant Secretary, Engineering and Operations, Florida Department of Transportation (FDOT); Stephanie Kopelousos, Secretary, FDOT; Javier Rodriguez, Executive Director, Miami-Dade Expressway Authority (MDX); Stephan Andriuk, MDX; Alfred Lurigados, MDX; Marie Schafer, MDX; Mike Snyder, Executive Director, Orlando-Orange County Expressway Authority (OOCEA); Laura Kelley, OOCEA; Jim Ely, Executive Director, Florida's Turnpike Enterprise (FTE); Nicola Liquori, FTE; Bill Barton, Chairman, Southwest Florida Expressway Authority (SWFEA); David Loveland, Lee County and SWFEA Treasurer; Amy Davies, Lee County Public Works; Ray Reissener, HDR, Inc., representing the Northwest Florida Transportation Corridor Authority (NWFTCA).

**General**

Vice-Chair Janet Watermeier opened the session with introductions and an overview of the purpose of the meeting. Commissioner Marchena continued with an update on progress to date. A meeting with the Performance Measures Working Group (PMWG) was held June 14<sup>th</sup> to get some input on the performance measures that the group thought might be applicable to transit and expressway authorities. A sub-committee of the Commission was formed to develop the performance measures and process of implementing the provisions of House Bill (HB) 985. The sub-committee met in teleconference July 6 to begin the process, review progress to date, review recommendations of the PMWG and to request additional information in preparation for this

meeting. Commissioner Marchena indicated that the expectation was that the oversight of transportation authorities by the Commission would be similar to that which is performed on the Department. The Commission is not getting into the day-to-day operations of the authorities, but rather it is looking at how the authorities measure themselves, what works and what doesn't, and the measures should be from information readily available so as not to create an additional burden on the authorities. The Commission's schedule is to develop a report of recommendations for consideration by the full Commission at a Commission meeting scheduled for October 9, 2007. This would of course be followed up with data gathering, monitoring and reporting on the results to the Legislature and the Governor. Additional discussion centered on some thoughts on the oversight which includes legal, ethical, financial and operational measures. The Commission is seeking an additional position to assist in implementing the provisions of HB 985 as well as retaining contract assistance and as needed, contract expertise in the areas of operational, legal, ethical and financial oversight.

Presentations were then made by the respective authorities

**CFRTA/LYNX**— Executive Director Linda Watson presented the background information and performance measures of the CFRTA. The presentation can be viewed on the Commission's website at <http://www.ftc.state.fl.us/>.

Performance Measures for May 2007 and year-to-date were provided. Commissioner Lanahan requested year to year performance data also be provided on these measures in order to assess progress. Preferable 3 years of data. (**Action item #1**).

A suggestion was made to provide comparative data from peer systems (**Action item #2**).

What are the benchmarks against which these measures are compared? The National Transit Database (NTD) is the reporting mechanism and provides comparisons to other transit agencies in the nation.

**Watson: LYNX** is operating on very lean budget. A significant number of busses are past their useful life relative to federal transit guidelines. Staff has been cut to the minimum. The system is facing a \$2.5 million reduction in funding due to property tax relief.

Statutory charge of CFRTA is strictly transit. Geographic boundaries may be expanded through local referendum.

LYNX will provide feeder bus system to the new Central Florida commuter rail system. FDOT will be subsidizing the cost of these improvements for the first 7 years.

City of Orlando pays half of costs, 25% from fare box collections, 10% from state, 10% from feds, and 5% from miscellaneous (ads, etc.).

FTA conducts audit every 3 years. Past audit was "perfect" with no adverse findings.

Priority for LYNX is finding a dedicated funding source.

Contracting practices have been reviewed and modified. A maximum of 5 years for contracts; all RFP's must go to the board for approval; anything over \$150,000 needs board approval.

A monthly finance and performance report is produced.

**SFRTA** – Executive Director Joe Giulietti made the presentation. The presentation can be viewed on the Commission's website at <http://www.ftc.state.fl.us/>.

Some of their strongest advocates are the airports and seaports.

Without the Everglades included, South Florida is the third densest area in the country (fifth largest overall) in terms of persons per square mile of land mass.

Their entire operation is contracted out. The operating contract is a seven year contract with three, one year renewal options for a maximum of 10 years. All other contracts are for 5 years maximum.

The system is on the honor system regarding patron farebox payments. There has been an increase in armed guards since 9/11/01. There is only one person operating the train (conductor) but the armed security assists in checking for ticket sales.

CSX performs the dispatch function and this can create operational conflicts and affect system performance. There are no penalties to CSX if they interrupt commuter trains.

All 3 county commissions (Miami-Dade, Broward, and Palm Beach) support Tri-Rail.

Entire management team conducts "meet and greet" sessions at the stations on a monthly basis to obtain feedback from patrons.

The American Public Transit Association is a good source for transit measures.

Need to compare cost of adding a lane mile of roadway to the cost of expanding a transit system.

Farebox recovery was at 25% but slipped to 17% due to "double-tracking" construction which affected service performance. This was not deemed, however, to be a good time to go for a farebox increase.

A question arose regarding performance measures provided. These were provided by the authority and made available to the Commission. It appeared that some pages were missing, however, after review, the entire package was provided to the Commission. The Commission may want to ask for more detail in support of those measures.

Commissioner Lanahan noted that security costs increased faster than fuel costs. There has been a 30% increase in costs due to a 30% increase in trains operating.

On-time or “headway” goal is 20 minutes between trains. Industry standard.

**JTA** – Executive Director Michael Blaylock made the presentation. The presentation can be viewed on the Commission’s website at <http://www.ftc.state.fl.us/>.

[Note: JTA does not fall under the purview of HB 985 and participation is voluntary.]

Responsible for public transportation and road building.

7 member board.

½ cent sales tax replaced tolls in 1988.

Better Jacksonville Plan in 2000 includes \$700 million for ROW.

Uses market driven transit system to determine bus routes. Work with employers to identify employees and their travel patterns. Plot employee addresses to determine where routes need to go.

Mr. Blaylock suggests renaming the State Transportation Trust Fund (STTF) to the Florida’s Economic Investment Fund. There is a need to protect the STTF from being raided to support the General Fund of the State.

Mr. Blaylock was requested to provide information on most recent Board meeting minutes, ethics policy, organizational structure, annual budget, latest customer service survey, and any other material he may deem helpful to the Commission. This information was requested and provided by those authorities specifically impacted by the provisions of HB 985 prior to this meeting. (**Action item #3**).

**OOCEA** – Executive Director Mike Snyder made the presentation. The presentation can be viewed on the Commission’s website at <http://www.ftc.state.fl.us/>.

The system currently experiences a 64% Electronic Toll Collection (ETC) usage rate, on a 24 hour basis, of approximately 64%. Some sections of the system, during peak hours, can experience ETC usage in excess of 70%.

Management conducts a consumer survey every 2 years.

Recent reforms introduced by authority:

- Central procurement process
- Internal audit
- Internal general counsel
- Lobbying contracts
- Public relations program

Recommended Performance Measures:

- Violation rate
- Customer service survey
- ETC penetration
- Construction time and cost
- ROW acquisition
- Cost per transaction
- Pavement condition
- Maintenance Rating Program (MRP)
- Fatalities per 100 million vehicle miles traveled (vmt)
- Incidence response time
- Annual revenue forecast variance
- Annual OM&A
- Annual work plan variance
- Debt service coverage ratio
- W/MBE participation

Commissioner Marchena asked if OOCEA agreed that most of the performance measures used on the Turnpike would apply to all tolling authorities; Mike Snyder agreed that they would.

All toll authorities should send the Commission staff a list of those performance measures used on the Turnpike that do not apply to their authority. This is being done in conjunction with the request of each authority's list of recommended measures (**Action item #4**).

Provide 3 years (preferably 5 years) of data in support of the recommended performance measures presented in meeting of July 25 (**Action item #5**).

**THCEA** – Senator Jim Hargrett, Board Chairman, along with General Counsel Patrick Maguire, made the presentation. The presentation was from speaker's notes and no presentation materials are available.

There is a need to monitor the "health" of the agency.

The auditor general's audit report was accepted and the agency agreed to implement changes to resolve the issues identified.

He suggested measuring positive impacts to the community, such as economic growth created by infrastructure investment.

Conduct peer reviews.

Request was made for THCEA to provide revenue projections for FY 07/08 (**Action item#6**).

The Commission should provide best practices between the authorities.

The authority will be issuing a Request for Proposals (RFP) for toll collection operations as well as maintenance. The issue is that costs appear to be excessive and they can't readily identify the costs (Turnpike Enterprise Toll Operations provides toll collection and toll equipment maintenance and the FDOT provides roadway maintenance activities).

P3 (Public-Private Partnerships) may bring a whole bunch of new ethics issues to the forefront.

### **MDX**

Asset management contractor, VMS, does their MRP. FDOT provides bridge inspection.

They use two general contractors similar to the Turnpike set-up.

A key measure is toll revenue variance.

MDX has 965 days of financial reserves, and they believe this is more in line with industry standard. Commissioners feel this is excessive, wants to verify if this is common practice or not.

Debt policy is 1.5x coverage.

Next debt issuance is planned for 2010.

Expect SUNPASS penetration to be 80% by June 2008.

Expects a 2.5% maximum toll violation rate.

Financial strategies included hurricane reserve in budget as well other financial reserves to protect bondholders. Current liquidity, cash on hand, is 965 days. Liquidity is viewed as a positive by the bond rating agencies (Fitch, Moodys, Standard and Poors).

Complies with government accounting and auditing standards.

Only 24% of patrons pay for entire system. This is to be remedied by long-term implementation of Open Road tolling (ORT).

Report to internal finance committee each month.

Instituted conflict of interest policy which calls for members to announce potential conflicts prior to the start of Board meetings.

Large expenditure in 2007 was to fulfill its obligation to FDOT (retired long-term debt).

MDX will implement full ORT over the next 5 years.

**SWFEA** –Bill Barton, Chairman, made the presentation. The presentation was from speaker's notes and no presentation materials are available.

Specific purpose of SWFEA is to provide capacity improvements to the I-75 corridor in Collier and Lee counties.

Expect to complete the 6-laning of I-75 by 2010. Now at level of service E and F.

The authority would like to expand to 10 lanes but economic feasibility studies indicate that lanes 5 and 6 would need to be tolled. There is opposition to this and it is difficult to acquire funding to continue studies and implement the plan. One option may be to only toll the lanes in Lee County and only build out to 10 lanes in Lee County. A meeting is schedule for August 14 to see if they can move forward in Lee County only. Otherwise 10-laning may not be complete until 2030.

85% of traffic on I-75 is local in the 35 mile urban stretch.

Funding comes from:

- \$750,000 from Lee county
- \$650,000 from FDOT
- \$750,000 from Collier County (they have paid \$100,00 of this so far)

**NWFTCA** – Presentation made by Ray Reissener, HDR, Inc., representing the board. The presentation can be viewed on the Commission's website at <http://www.ftc.state.fl.us/>.

Developed a Master Plan for the 8 counties in the panhandle specified in legislation.

Cannot toll existing "free" roads.

Eglin By-pass may be first toll road on the system.

Would like to be measured by results (reaching milestones/benchmarks).

**TPK** – Presentation made by Executive Director Jim Ely. The presentation can be viewed on the Commission's website at <http://www.ftc.state.fl.us/>.

The Turnpike Enterprise's performance is monitored as part of the monitoring of the Department. The Enterprise will gladly participate as a peer in this assessment. Already prepares a balanced scorecard of performance.

Follows code of ethics in 112.311, F.S.

### **Other Comments**

Cost per transaction – be careful to make sure all authorities are calculating this same way (using same methodology)

Determine what statutory requirements are placed on each authority and hold them to these requirements. Same is noted for any municipal requirements that may apply.

Send Commission measures used for Turnpike (all measures, not just Turnpike specific), including those presented by OOCEA, to all authorities and ask for their opinions on each as to whether they may be applicable. Have them respond by August 3.

TEAMFL performance measures were relatively subjective and participation was optional. Measures should be meaningful with standardized calculations.

When using rating agency medians, a decision needs to be made as to how to calculate. Financial statement preparation and bond covenants are different between toll/expressway authorities.

Meeting adjourned at 4:00 p.m.

#### **Action Items:**

**#1.** Performance Measures for May 2007 and year-to-date were provided by LNYX. Commissioner Lanahan requested year to year performance data to also be provided on these measures in order to assess progress. Provide 3-5 years of data.

**#2.** Suggestion was made for LYNX to provide comparative data from peer systems.

**#3.** JTA to provide information on most recent Board meeting minutes, ethics policy, organizational structure, annual budget, latest customer service survey, and any other material he may deem helpful to the Commission (same information as was provided by the other authorities prior to the July 25 meeting). **This item has been requested via e-mail of July 26.**

**#4.** Each Authority (Expressway/Toll/Transit/Rail) is to send to the FTC recommended performance measures for consideration for their particular mode by August 3rd. Also, indicate which Turnpike Enterprise measures are not applicable to your organization. **This item has been requested via e-mail of July 26.**

**#5.** OOCEA - Provide 3 years (preferably 5 years) of data in support of the recommended performance measures presented in yesterday's meeting. **This item has been requested via e-mail of July 26.**

**#6.** THCEA - Provide the toll revenue forecast for fiscal year 2008. **This item has been requested via e-mail of July 26.**