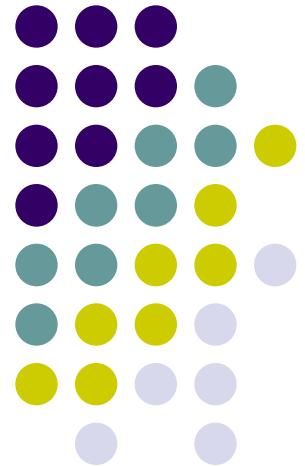


Transportation Authority Monitoring and Oversight



**Commissioner Marcos Marchena,
Florida Transportation Commission**

December 6, 2007



Presentation Outline



- Quick update on progress
- Review governance areas
- Present draft implementation plan
- Seek Commission approval on governance areas
- Discussion on continued role of subcommittee

Progress Report



- HB 985 passed – prescribes Commission oversight of authorities created under chapters 343 and 348
- Commission subcommittee established
- Numerous subcommittee teleconferences held with agencies participating
- FTC briefed – September 13th
- Toll and transit performance measures adopted – October 9th

Progress Report



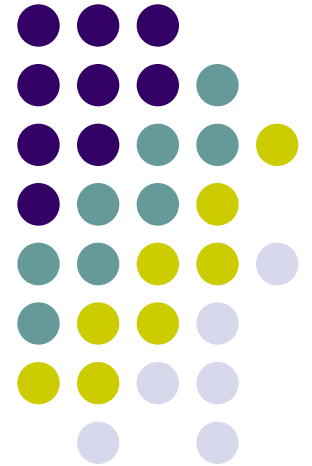
- Toll agencies
 - 15 performance measures w/ targets
 - 10 reportable indicators
- Transit agencies
 - 12 performance measures w/ targets
 - 24 reportable indicators
- Governance areas
 - 7 developed for consideration today

Agencies Covered



- Toll Agencies
 - Miami-Dade Expressway Authority
 - Orlando-Orange County Expressway Authority
 - Tampa-Hillsborough County Expressway Authority
 - Southwest Florida Expressway Authority
 - Santa Rosa Bridge Authority
 - Northwest Florida Transportation Corridor Authority
 - Tampa Bay Regional Transportation Authority
- Transit Agencies
 - Central Florida Regional Transit Authority – LYNX
 - South Florida Regional Transportation Authority – Tri Rail

Governance Areas



Governance Areas



ETHICS

- ***Agency Responsibilities***

- Provide Commission with a copy of ethics policy
- Report any revisions to or reviews of the ethics policy since the last report
- Enumerate any ethics violations reported or investigated in the previous 12 months

- ***Commission Responsibilities***

- Review policy documents for comprehensiveness and compare with other monitored authorities
- Make any recommended changes to authorities based on review of policies, reported incidents, or observations made during the year
- Include ethics review in annual report to the governor and legislature

Governance Areas



CONFLICT OF INTEREST

- ***Agency Responsibilities***

- Provide Commission with all requirements for board members and staff relating to disclosure and handling of conflicts or perceived conflicts of interest
- Indicate any changes to related policies or procedures
- Enumerate any reported or investigated violations
- Submit any disclosures that have been required under agency policy and procedures
- Maintain records of those instances where abstentions or recusals occurred

- ***Commission Responsibilities***

- Review policy documents and compare with other monitored authorities
- Make any recommended changes to authorities based on review of policies, reported incidents, or observations made during the year
- Include conflicts review in annual report to the governor and legislature

Governance Areas



AUDIT

- ***Agency Responsibilities***
 - Provide Commission with copy of annual independent audit and management responses
- ***Commission Responsibilities***
 - Review audit findings
 - Include review of audits in annual report

Governance Areas



PUBLIC RECORDS & OPEN MEETINGS

- ***Agency Responsibilities***

- Provide agency procedures dealing with compliance with applicable statutes
- Report any changes to procedures dealing with open meetings or public records
- Inform the Commission of any briefings or seminars provided to board members or staff to ensure knowledge of the laws
- Report any allegations or instances of non-compliance

- ***Commission Responsibilities***

- Review policies and procedures
- Examine public notice venues for meeting notifications
- Summarize and report annually on compliance

Governance Areas



PROCUREMENT

- ***Agency Responsibilities***

- Provide agency policies relating to delegated procurement authority including:
 - Organizational level of delegated authority
 - Dollar level associated with each level of delegation
 - Reporting requirements to board of delegated procurement actions

- ***Commission Responsibilities***

- Review procurement policies and procedures with a focus on delegated authority
- Compare with other agencies
- Report on status of delegated authority, compliance with reporting requirements and recommend any changes if applicable

Governance Areas



CONSULTANT CONTRACT REPORTING

- ***Agency Responsibilities***

- Provide a list of all “General Consulting” contracts for functions such as General Engineering {GEC}, Traffic and Revenue, General Construction Management, and Maintenance Management.
- For General Consultant subcontracts that in aggregate or in total exceed \$25,000 provide:
 - Identity of subcontractor
 - Brief description of service
 - Cost of subcontract

- ***Commission Responsibilities***

- Review the nature and extent of the use of General Consultant sub-consultants
- Report annually to governor and legislature

Governance Areas



COMPLIANCE WITH BOND COVENANTS

- ***Agency Responsibilities***
 - Provide the Commission with annual financial information and operating data that have been submitted pursuant to Rule 15c2-12 of the Securities and Exchange Commission
 - Submit evidence with compliance of other requirements, e.g., annual facility inspections.
- ***Commission Responsibilities***
 - Review and report on requirements and compliance

Implementation Plan



- **November 29** – Performance data due to staff
- **December 15** - Governance information to staff
- **December** - Analyze agency performance data
- **January 8** - Teleconference with Subcommittee
 - Draft report structure review
 - Progress report
- **Site visits?**
- **January** - Formulate performance measures report
- **February 15** - Draft report to the Commission and agencies

Implementation Plan



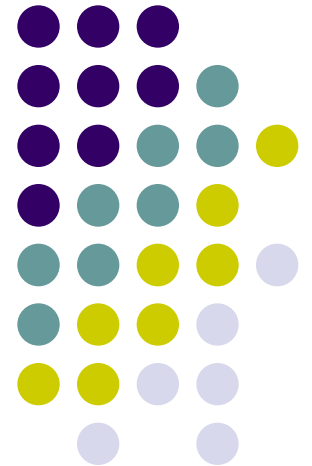
- **March 3** - Commission consideration of Year One Report – Agency responses
- **March 21** - Final report distribution
- **April – May** - Gather legislative, Commission and agency feedback
- **June** - Re-visit measures, targets, and governance areas for potential adjustment
- **July** - Communicate Year Two process to authorities
- **October** - Agencies submit performance data after financial close

Action Requested Today



- Approve Governance Areas recommended by the Commission subcommittee
- Discuss the future of the subcommittee
- Gain feedback on schedule and implementation plan

Discussion



Toll Performance Measures



Measure	Detail	Objective	Legislative Mandate
Consultant Contract Management (Under discussion)	Consultant Costs Efficiency (Final Cost over Contract)	<5%	Operations & Budget
Construction Contract Adjustments - Time	% contracts completed in 20% of contracted days	>80%	Operations & Budget

Toll Performance Measures



Measure	Detail	Objective	Legislative Mandate
Construction Contract Adjustments - Cost	% projects complete within 110% of contract	>90%	Operations & Budget
Pavement Condition Rating	% lane miles rated Excellent or Good	>85%	Operations

Toll Performance Measures



Measure	Detail	Objective	Legislative Mandate
Bridge Condition - Rating	% structures rated Excellent or Good	>95%	Operations
Bridge Condition - Weight Restrictions	% structures with posted limit	0%	Operations
Roadway Maintenance Condition	Condition rating of at least 90	90	Operations

Toll Performance Measures



Measure	Detail	Objective	Legislative Mandate
Cost to Collect A Toll Transaction	Excludes, indirect, patrol, interest, depreciation	<\$0.16	Operations & Budget
Electronic Toll Collection %	# of electronic transactions as a % of total (includes I-toll, M-toll)	>75% by 12/31/08	Operations

Toll Performance Measures



Measure	Detail	Objective	Legislative Mandate
Debt Service Coverage - Commercial Debt	Gross operating rev. – M & O/ all commercial D.S.	>1.5x	Revenue & Bond Management
Debt Service Coverage - Comprehensive Debt	Gross operating rev. – M & O/ all commercial D.S. + other scheduled repayments e.g. SIB, TFRTF. . .	>1.2x	Revenue & Bond Management

Toll Performance Measures



Measure	Detail	Objective	Legislative Mandate
Revenue Variance	Variance from indicated revenue	<4% (without fines)	Operations & Revenue Mgmt
Operating Budget Variance	Actual % variance from budgeted O,M & A \$s	< +/- 10%	Operations & Budget

Toll Performance Measures



Measure	Detail	Objective	Legislative Mandate
Safety	Fatalities per 100 million vehicle miles- 10% below 5yr. Avg.	< 0.49*	Operations
Customer Satisfaction	% of customers satisfied with agencies' level of service	>90%	Operations

*Awaiting full 2006 data -0.49 fatalities per 100 million VMT calculated on 4 years 2002 through 2005.



Toll Reportable Indicators

Measure	Detail	Legislative Mandate
Reinvestment in transportation system	Growth in transportation assets	Operations, Budget & Revenue Mgmt
Operating Efficiency	Toll collection expense/ total operating expense	Operations & Budget
Maintenance	Maintenance expense/ total operating expense	Operations & Budget

Toll Reportable Indicators



Measure	Detail	Legislative Mandate
Administrative	Administrative expense/ total operating expense	Operations & Budget
Operating Efficiency	Operating expense as a % of operating revenue	Operations & Budget
Electronic Collection	ETC revenue as a % of total revenue	Operations & Budget

Toll Reportable Indicators



Measure	Detail	Legislative Mandate
Revenue Growth	Annual % growth in total operating revenue	Operations & Revenue Mgmt
Operating Ratio	Operating and Maintenance expenses / operating revenue	Operations & Revenue Mgmt

Toll Reportable Indicators



Measure	Detail	Legislative Mandate
Right of Way	Agency appraisal- initial offer- owners appraisal- final settlement	Property Acquisition
M/WBE & SBE	Each agency to establish goal/ target	>90%

Transit Performance Measures



Measure	Detail	Objective	Legislative Mandate
Average Headway (minutes)	Average headways all routes	<p><50 min. Tri Rail</p> <hr/> <p><60 min. LYNX</p>	Operations
Cost Efficiency Revenue Mile	Operating exp/ annual revenue miles	<p><\$18 (Tri Rail)</p> <hr/> <p><\$5.30 LYNX</p>	Revenue Mgmt., Budget & Operations

Transit Performance Measures



Measure	Detail	Objective	Legislative Mandate
Cost Efficiency Revenue Hour	Operating exp./ revenue hours	$\lt \$500$ Tri Rail <hr/> $\lt \$75$ LYNX	Revenue Mgmt., Budget & Operations
Cost Efficiency Ratio	% all operating revenue contribution to total operating exp.	$\gt 25\%$ Tri Rail <hr/> $\gt 30\%$ LYNX	Revenue Mgmt., Budget & Operations
Cost Efficiency Passenger Trip	Operating exp./ total annual riders	$\lt \$15$ Tri Rail <hr/> $\lt \$3$ LYNX	Budget & Operations

Transit Performance Measures



Measure	Detail	Objective	Legislative Mandate
Cost Efficiency Passenger Mile	Operating exp./ total passenger miles	$\frac{< \$0.45}{\text{Tri Rail}}$ <hr/> $< \$0.47$ LYNX	Budget & Operations
Safety	Revenue miles between major incidents	No FRA “Reportables” Tri Rail <hr/> >141,000 LYNX	Operations

Transit Performance Measures



Measure	Detail	Objective	Legislative Mandate
Reliability	Revenue miles between failures	>10,500	Operations
Route Efficiency	Revenue miles/ vehicle miles	>.90	Budget & Operations

Transit Performance Measures



Measure	Detail	Objective	Legislative Mandate
Customer Service	Avg. time from complaint to resolution	2 weeks	Operations
Customer Complaints	# of complaints per boardings	<1 per 5,000	Operations

Transit Performance Measures



Measure	Detail	Objective	Legislative Mandate
Customer Service/ System Reliability	% trips end to end on time < 6 mins. late rail < 5 mins. late bus	>80%	Operations

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Market Size	Service area population	-
Market Characteristic	Service area population density	-
Operating Expense	Annual operating including admin., maint, & operations	Budget & Operations

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Operating Revenue	All revenues including fares, charges, charters. . .	Budget & Operations
Annual Revenue Miles	Total number of miles of vehicle operation in active service	Operations
Annual Revenue Hours	Hours of operation by revenue vehicles in active service	Operations

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Total Revenue Vehicles	# of vehicles available for use. Includes spares, . . .	Operations
Peak Vehicles	# of vehicles operated in maximum service	Operations & Budget
Spare Ratio	Total revenue vehicles/ Peak vehicles	Operations & Budget

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Annual Passenger Trips	Total annual boardings	Operations
Average Trip Length	Typically derived from sampling	Operations
Annual Passenger Miles	Annual passengers x average trip length	Operations

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Weekday Span of Service	# of hours of service typical weekday from 1 st service to last	Operations & Budget
Average Fare	Regularly scheduled fare revenue/ total passenger trips	Operations & Budget
Service Effectiveness Revenue Miles	Passenger trips/ revenue miles = trips per rev. mile	Operations & Revenue Mgmt.



Transit Reportable Indicators

Measure	Detail	Legislative Mandate
Service Effectiveness Revenue Hours	Passenger trips/ revenue hours = trips per rev. hour	Operations & Revenue Mgmt.
Service Effectiveness Market	Passenger trips per capita – service area	Operations & Revenue Mgmt.
Fleet Age	Bus = avg. age of total fleet Rail = avg. years since rebuild	Operations

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Liquidity	End of year cash balance from financial statement	Budget & Revenue Mgmt.
Ridership	Average weekday ridership	Operations

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Use of Capital Funds	% capital to system preservation, % capital to system expansion	Budget
Intermodal Connectivity	Number of intermodal transfer points available	Operations

Transit Reportable Indicators



Measure	Detail	Legislative Mandate
Operating Costs per Potential Customer	Operating budget/ service area population	Budget & Operations
Fare Box Recovery	% of operating costs covered by passenger revenues	Revenue Mgmt. & Operations