



Hillsborough Transit Authority
AGENDA
Governance, Administration and Operations Committee Meeting

Committee Members
Commissioner Kevin Beckner
Wallace Bowers
Mickey Jacob – Vice Chair
Karen Jaroch
John Melendez - Chair
Kathleen Shanahan
Councilmember Eddie Vance

County Center, 601 East Kennedy Blvd.,
18th Floor
Planning Commission Board Room
Tampa, Florida 33602
Monday, March 21, 2016, 9:00 a.m.

AGENDA

Information not viewable is available upon request through the Clerk of the Board
phone: 813-384-6552, fax: 813-384-6284, or e-mail: petitl@goHART.org

TAB

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

1. APPROVAL OF MINUTES

- a. Minutes from the January 25, 2016, Governance Administration, and Operations Committee meeting..... 1-1

PUBLIC COMMENT ON AGENDA ITEMS (3 MINUTES PER SPEAKER)

2. COMMITTEE ACTION ITEMS

- a. **Authorize the Chief Executive Officer to Rescind Resolution #2016-01-03 in the Amount of \$240,125 and Execute a Joint Participation Agreement between Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) for Transit Urban Corridor Funds to Assist with the Capital and Operating Costs of Route 51X – An Express Route Service Between New Tampa/South Pasco County to Downtown Tampa in the Amount of \$412,225.....2-1**
Jeffrey C. Seward, Chief Financial Officer

Overview:

On January 4, 2016, the HART Board approved Resolution #2016-01-03 to execute a Joint Participation Agreement between Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) for Transit Urban Corridor Funds to assist with the operating cost of Route 51X – an express route service between New Tampa/South Pasco County to Downtown Tampa in the amount of \$240,125. Subsequent to the approval of the resolution, FDOT informed HART that the funding was increased to \$412,225. The increased funding will assist with the operating cost of Route 51X and with the purchase of four wide-body vans to support the new flex.

Recommendation:

That the Governance, Administration and Operations Committee review the action item authorizing the Chief Executive Officer to Rescind Resolution #2016-01-03 in the Amount of \$240,125 and Execute a Joint Participation Agreement between Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) for Transit Urban Corridor Funds to Assist with the Capital and Operating Costs of Route 51X – An Express Route Service Between New Tampa/South Pasco County to Downtown Tampa in the Amount



Continued...

of \$412,225; and advance this item to the full Board of Directors at the April 4, 2016 regular Board meeting.

- b. **Authorization to Delegate Contracting Officer Authority to a Named Employee in the Procurement Department**2-3
Jeffrey C. Seward, Chief Financial Officer

Overview:

HART Procurement Manual establishes in Section 2-100 (Procurement Authority and Responsibility) that the Board of Directors confer, by resolution of the Board of Directors, general authorizations to named Authority employees to execute purchases and enter into contracts on behalf of the Authority. These individuals shall be recommended to the Board of Directors by the Chief Executive Officer.

Recommendation:

That the Governance, Administration and Operations Committee review the action item authorizing the Chief Executive Officer to Delegate Contracting Officer Authority to a Named Employee in the Procurement Department; and advance this item to the full Board of Directors at the April 4, 2016 regular Board meeting.

- c. **Authorize the Chief Executive Officer to Purchase up to 15 Forty-Foot Compressed Natural Gas (CNG) Powered Heavy-Duty Transit Buses from Gillig LLC, in an Amount Not-to-Exceed \$7,378,660**2-6
Ruthie Reyes Burckard, Chief Operating Officer

Overview:

The purpose of this item is to request authorization to purchase up to fifteen forty-foot CNG powered heavy-duty transit buses. These vehicles are needed to support the fixed route fleet to keep up with a continued growth in ridership.

Recommendation:

That the Governance, Administration, and Operations Committee review the action item authorizing the Chief Executive Officer to purchase up to 15 Forty-Foot Compressed Natural Gas (CNG) powered heavy-duty transit buses from Gillig LLC, in an amount not-to-exceed \$7,378,660; and advance this item to the full Board of Directors at the April 4, 2016 regular Board meeting.

- d. **Authorize the Chief Executive Officer to Purchase 13 Compressed Natural Gas (CNG) VPG MV-1 Special Needs Transit Vehicles with Mobility Ramps from Creative Bus Sales Inc. in an Amount Not-to-Exceed \$846,950**2-8
Ruthie Reyes Burckard, Chief Operating Officer

Overview:

This item approves the purchase of 13 CNG VPG MV-1 special needs transit vehicles with mobility ramps. These vehicles are needed to support the Demand Response fleet and are necessary to keep up with a continued growth of ridership.

Recommendation:

That the Governance, Administration and Operations Committee review the action item authorizing the Chief Executive Officer to Purchase 13 Compressed Natural Gas (CNG) VPG



Governance, Administration and Operations Committee Meeting

Continued...

MV-1 Special Needs Transit Vehicles with Mobility Ramps from Creative Bus Sales Inc. in an Amount Not-to-Exceed \$846,950; and advance this item to the full Board of Directors at the April 4, 2016 regular Board meeting.

- e. **Authorizing The Chief Executive Officer to Award a Contract for Transit Advertising to Direct Media USA, in the Amount of Revenue No Less than \$1,966,608 for the First Three Years and Total Revenue of No Less than \$3,413,273, for the Three Base Years and Two One Year Options**2-10

Katharine Eagan, Chief Executive Officer

Overview:

Bus exterior and interior advertising is a major source of revenue for HART. The current contract expires April 30, 2016, and all options have been exercised, requiring HART to have solicited for a new transit advertising contractor.

Recommendation:

That the Governance, Administration and Operations Committee review the action item authorizing the Chief Executive Officer to award a contract for Transit Advertising to Direct Media USA in the amount of revenue no less than \$1,966,608 for the first three years and total revenue of no less than \$3,413,273, for the three base years and two one year options; and advance this item to the full HART Board of Directors at the April 4, 2016 regular Board meeting.

ADJOURNMENT



Committee Members Present

(6)

Commissioner Kevin Beckner
 Wallace Bowers
 Karen Jaroch
 John Melendez
 Kathleen Shanahan
 Mickey Jacob

Staff Present

Sylvia Berrien
 Joan Brown
 Christina Buchanan
 Al Burns
 Lucien Campillo
 Dara Chenevert
 Katharine Eagan
 Cesar Hernandez
 Sandra Morrison
 Lena Petit
 Ruthie Reyes Burckard
 Marco Sandusky
 Cyndy Zambella

Committee Members Absent

(1)

Councilmember Eddie Vance

Others Present

David Smith, GrayRobinson
 Yvette Hammett, Tampa Tribune
 Gary Cloyd, 1402 East Chilkoot Ave
 Mark Ashe, TransPro

Sign-in sheets are attached.

CALL TO ORDER

The meeting was called to order at 9:04 a.m. by General Counsel David Smith.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance followed.

ELECTION OF OFFICERS

David Smith, General Counsel, conducted the election of Committee Officers.

Director Jaroch nominated Director Melendez for the position of Chair. All committee members present voted aye. The motion carried unanimously.

Director Bowers nominated Director Jacob for the position of Vice Chair. All Committee members present voted aye. The motion carried unanimously.

PUBLIC COMMENT ON AGENDA ITEMS (3 MINUTES PER SPEAKER)

No one signed up to speak on agenda items.

PRESENTATIONS

Voice of the Customer

Mr. Mark Aesch, TransPro, reviewed the results of the first two waves of the Voice of the Customer, an onboard customer satisfaction survey. A full copy of the presentation is available upon request from the Clerk of the Board at petitl@gohart.org.

GAO Committee Member Beckner arrived at 9:07 a.m.

GAO Committee Vice Chair Jacob requested further information on the representative sample.

Mr. Aesch responded that transit industry often deals with episodic experiences, and is forced to rely on a few customers who vocalize their opinions. He indicated that TransPro works to establish a sample size based on ridership and cascade it on a proportionate basis across all routes, unique for an agency. Mr. Aesch stated that there is a higher volume of riders in the morning and afternoon due to those commuting to work; hence those times had a higher share of the sample size.

GAO Committee Vice Chair Jacob inquired whether those customers who indicated they chose to ride HART were further questioned to determine the reason for their choice.

Mr. Aesch explained that the overwhelming reason for choice riders was convenience of bus service, and the second most frequent reason was economics.

GAO Committee Vice Chair Jacob noted the high percentage of customers felt safe waiting for a bus at a shelter or a bus stop. He inquired about other transit entities' experiences.

Mr. Ashe responded that TransPro asked two questions to evaluate if HART customers feel safe while waiting for a bus and while riding. He pointed out that both responses indicates that customers generally feel comfortable with the experience. Mr. Aesch added that generally, people feel safer on board of buses rather than waiting at bus stops.

GAO Committee Member Beckner inquired whether the survey was proportional to different routes.

Mr. Aesch reported that TransPro ensured that they obtain the appropriate number of responses per route, per time of day.

GAO Committee Member Shanahan inquired how often this survey will be conducted, if HART will be able to receive continuous feedback.

Ms. Katharine Eagan, Chief Executive Officer, stated that this will continue to survey on a quarterly basis to ensure that HART is able to consistently respond to customer needs. She added that at this time, HART is focused on those who feel as though customer service did not resolve their complaints.

Tampa Bay Regional Fare Collection Contract Award and Project Update

Mr. Lucien Campillo, Senior Project Manager, presented an update on the Regional Revenue Collection and Inter-Jurisdictional Revenue Mobility Project and the concept of financing the project. A full copy of the presentation is available upon request from the Clerk of the Board at petitl@gohart.org.

GAO Committee Member Beckner stated that this is an exciting project that have turned into a great regional effort. He inquired whether the funding overview slide reflected a combined financial commitment from all eight participating agencies.

Ms. Eagan responded that she would provide the actual financial commitments from all agencies at a later date. She added that HART and PSTA are the only two stand-alone transit agencies, while other transit entities operate as divisions of their counties. Ms. Eagan explained that the smaller agencies have smaller footprint, they compete with other county divisions to finance their projects.

GAO Committee Member Jaroch said she was very encouraged by the project. She asked how the low balance notifications would work on a smart farecard, if it will be similar to SunPass notifying about a low balance to replace the funds.

Mr. Campillo responded that these options will be available for a user.

GAO Committee Member Jaroch inquired whether there will be any linkage of the smart farecards to the Sunpass system.

Ms. Eagan responded that there are initiatives underway to fully integrate with Sunpass technology. She added that this will also allow for a great amount of data collection.

GAO Committee Member Jaroch asked whether HART has ever done advance financing.

Ms. Eagan explained that the intent is to set the project in motion, and to enter the contract it was necessary to demonstrate financing. He added that the intent is to pay for the project incrementally over the years.

GAO Committee Member Jaroch confirmed that the financing exposure is \$6.4 million over five years and \$1.34 million annually.

Ms. Eagan drew an example of a customer convenience option as HART's cooperation with MacDill Air Force Base who purchase HART passes through a federally-supported program. She said the new smart farecard technology will allow passes to be paused due to inactivity, and become active again immediately.

GAO Committee Member Bowers stated that he was very impressed with the work so far and inquired whether HART knows what percentage of customers are not using smart phone technology.

Ms. Eagan stated that based on the last on-board survey, 45% of HART patrons report having smartphones with another 40% having at least a cell phone, however this smart farecard technology is not limited to smartphones. She stated that smartcards will be available for purchase at convenience

stores and can be loaded and reloaded with a connection to a bank account or credit card. Ms. Eagan indicated that in addition, HART will continue to accept paper farecards, however HART will be exploring fare configurations to potentially incentivize electronic fares.

GAO Committee Vice Chair Jacob asked whether HART needs to budget an annual amount to maintain the system.

Mr. Campillo responded that there will be a cost of hosting the database. He indicated that operating costs are ultimately expected to decrease due to elimination of expenses to count and sort cash fares.

GAO Committee Vice Chair Jacob inquired whether the transition period is expected to be incremental.

Mr. Campillo stated that implementation testing will be necessary to vet the new system. He added that at this time, the project is not at the program design and implementation stage.

GAO Committee Member Beckner inquired whether discounts will be offered, similar to Sunpass discount pay-by-plate programs.

Ms. Eagan reported that HART has been well-positioned, with the last fare change in November of 2011, and fare recovery has held steady at about 25%. She noted that a part of this project is having a comprehensive fare structure for the region. Ms. Eagan said fares would contain an incentive for customers to use electronic fares. She added that smart card technology will also help to speed the boarding process. She Eagan pointed out that five minutes saved on every trip could save \$3 million annually which will free up resources to pay for three rush hour vehicles annually.

GAO Committee Chair Melendez asked how this project can be messaged to Tallahassee and what information will be a roll-out to spread the word.

Ms. Eagan stated that the window includes a comprehensive communication plan that is based on other agencies who have been successful in similar projects. She reported that more information will be released after the Board votes next week.

COMMITTEE ACTION ITEMS

Authorize the Chief Executive Officer to Award a Contract for the Regional Revenue Collection and Inter-Jurisdictional Mobility Project to Innovations in Transportation Inc. (INIT) for a total Not-to-Exceed Amount of \$12,088,783

Committee member Shanahan moved and Committee member Bowers seconded approval of the action item – Authorize the Chief Executive Officer to Award a Contract for the Regional Revenue Collection and Inter-Jurisdictional Mobility Project to Innovations in Transportation Inc. (INIT) for a total Not-to-Exceed Amount of \$12,088,783; and advancing it to the full Board of Directors at the February 1, 2016 regular Board meeting. All GAO Committee members present voted aye. The motion carried unanimously.

DISCUSSION ITEM

HART Chief Executive Officer's Performance Evaluation

Mr. Smith highlighted the provision of the CEO employment agreement on annual evaluation process, rating mechanism and merit increase. He emphasized that, according to the agreement, the Board of Directors may elect to grant a merit increase to the CEO at the level budgeted for non-bargaining unit employees. He stated that the next step would be to review the evaluations ratings and make a recommendation to the full Board on the level of merit increase. Mr. Smith remarked that this language in the current contract seems to suggest that the only option is to grant a merit increase at the level budgeted for non-bargaining unit employees.

GAO Committee member Bowers inquired if that means that the Board can grant a merit increase only at the 3% level, with no other option.

Mr. Smith confirmed that this is the language in the current contract, if the Board chooses to grant an increase it is at the 3 percent level. He indicated that it was intended to create a correlation between the CEO and the workforce at large.

GAO Committee member Shanahan also agreed that the parameters of the implementation of the raise are stipulated in the contract, so the review does not really impact the decision.

Mr. Smith replied that the contract says that the Board may elect to grant a merit raise, and the Board also may elect not to grant a merit raise, or opt to do a lower percentage, or no raise at all. He added that the agreement can be changed by the Board at a later date. Mr. Smith advised that the GAO Committee may choose to recommend that this discussion is held by the entire Board, without taking a position on the merit raise.

GAO Committee member Jaroch moved and GAO Committee member Beckner seconded the motion to discuss the CEO performance evaluation and the level of merit increase at the next full Board of Directors meeting. All GAO Committee members present voted aye. The motion carried unanimously.

INFORMATION ITEM

HART Employee Benefits Overview

Dara Chenevert, Interim Chief of Business Enterprise & Safety Officer, provided an updated on HART's 2016 benefits structure. She indicated that the benefits program has been redesigned to meet compliance requirements under the Affordable Health Care Act, accommodate cost shifting, migrate HART wellness program to the third and final tier, make plans accessible and affordable, and provide maximum choice to the employees that is the most prudent and beneficial to their healthcare needs. Ms. Chenevert reported that the basic assumption was that employees will move from the most expensive plan to one of the low cost options, both of which feature HRAs. She remarked that after completing an audit of 2016 enrollment, the assumption has been validated as there has been a 25% shift from the most expensive option to a lower choice. Ms. Chenevert said as the year goes on, HART will continue to provide the Board with further information on the distribution of the employee population.

GAO Committee member Beckner inquired about the status of HART health claims reserve.

Ms. Chenevert said staff will provide this information separately.

GAO Committee member Beckner inquired whether there was a spike in unexpected claims.

Ms. Chenevert stated that there have been some significant claims experiences, and this appears to be consistent across Hillsborough County.

GAO Committee member Beckner inquired whether the claims are related to Hepatitis C medication.

Ms. Chenevert responded that there are high pharmacy claims that are associated with introduction of that particular pharmaceutical last March. She stated that as a part of the health plan redesign, HART introduced a new deductible pharmacy option, when generic prescriptions will be at no additional cost to the employees, however specialty, non-specialty, and preferred prescriptions there will be a deductible of \$100 per person or maximum of \$300 per family. Ms. Chenevert remarked that HART anticipate it will help with cost containment.

Ms. Eagan added that HART spent much time engaging the employees in determining the health plan designs and what is of value to them in a health plan. She remarked that by the end of February, there should be more information available.

GAO Committee member Beckner added that when a drug costs \$100,000 per dose and it is a part of a plan coverage, staff should research alternative ways to address this cost growth on the preventative side.

Ms. Chenevert replied that HART has partnered with Cigna to provide significant health education via apps, telemedicine, and other portals to help with wellness and lifestyle management tools. She pointed out that HART has also successfully migrated to the third tier of the wellness program, being able to introduce participant and non-participant rates for the health insurance premiums.

Review of Op-Ed draft

Ms. Eagan drew the Committee members' attention to the Op-Ed draft that was circulated last week and invited the Committee members to comment on the editorial.

GAO Committee member Shanahan said she thought the first draft of the letter was excellent, just a little long. She commented that as measured by its customers, HART is an industry leader, it is helpful, resourceful and well run. GAO Committee member Shanahan pointed out that HART is the agency that is going to execute/implement a transportation policy. She mentioned that TBARTA has a role in terms of regional collaborative conversation and policy discussions, but HART is the organization that has to actually design, bid, implement, and run any regional transportation policy. She recommended being complementary of TBARTA's editorial and build on HART current ongoing initiatives. GAO Committee member Shanahan suggested that Board review and finalize this op-ed on Monday during the regular Board meeting.

GAO Committee member Jaroch indicated that she had a different take on the letter. She stated she felt as though the letter began with the bullet points on the projects that the Board has not yet discussed, so there is a risk of setting false expectations. GAO Committee member Jaroch commented on the CSX feasibility study mentioned in the beginning of the op-ed as opposed to leading the discussion with the regional farebox project. GAO Committee member Jaroch recommended to elevate other HART initiatives, such as MetroRapid corridors outlined in the TDP, express routes, and new service options for paratransit customers with a taxi vouchers program.

GAO Committee Chair Melendez echoed the comments of the GAO Committee members. He said he saw it as key opportunity to put out HART priorities, and agreed that this letter should outline HART top most tangible priorities first. GAO Committee Chair Melendez noted that now in the community HART is poised to be a leader and a partner. He said, in his opinion, HART needs to be assertive and lead with the projects that are important while following up with initiatives that the agency is passionate about even though they are not yet feasible. GAO Committee Chair Melendez mentioned that at a meeting for TBX plan, it was made very clear that while it is a DOT project, HART will be in charge of the operational component. He said another example is the ferry project, where HART is responsible and has ownership in the environmental permitting process. GAO Committee Chair Melendez suggested that the editorial talks about HART ongoing projects as well as highlights HART's role as a willing and facilitating community partner.

GAO Committee member Shanahan pointed out that the ferry service is not in HART 10 year TDP. She indicated that HART is to be perceived as an involved partner at the table that helps design the transportation of the future, to be seen not as a functionary entity, but as a leader.

GAO Committee member Jaroch added that the Board needs to have more discussions about the various studies underway before going public with false expectations.

GAO Committee Vice Chair Jacob indicated that he is a big believer in being visionary. He said HART needs to tell its story about what is being done to change the community and do it effectively. GAO Committee Vice Chair Jacob this is a great first step in saying that HART is leading the charge and we are committed to having it done.

Ms. Eagan pointed out that as staff was pulling together the content for the op-ed, it was easy to see how much groundwork was laid over the last year for some of the larger projects. She summarized the comments received from the GAO Committee members about the direction of the editorial focusing on where HART is now and how it lays the foundation for the future initiatives.

GAO Committee Chair Melendez inquired if there are any suggestions for the timing of taking the next step.

GAO Committee member Beckner stated that the timing is critical, especially going into February as the BOCC will be addressing Go Hillsborough plan at the second meeting of the month, making transportation a heavily discussed topic at that point. He suggested that the op-ed be revised for the full Board discussion at the next Board meeting so it be released during the second week in February.

GAO Committee member Jaroch pointed out that the regional farebox project is in the top five legislative priorities, and hence needs to be a leading element in the editorial.



ADJOURNMENT

The meeting adjourned at 10:24 a.m.

PUBLIC COMMENT ON AGENDA ITEMS

SIGN-IN LOG - PUBLIC COMMENT ON AGENDA ITEMS

HART GOVERNANCE, ADMINISTRATION AND OPERATIONS COMMITTEE MEETING: January 25, 2016

WHEN ADDRESSING THE BOARD, please state your name and address and speak clearly into the microphone.

NAME (Print)	ADDRESS	PHONE NUMBER	AGENDA ITEM
Campello, Lucien			
Walt Lewin	RSTA		
Joan Brown	HART		
CYNDA ZAMBELLA	HART		
Yvette Hammett	Tribune		
D. C. HENRIKSEN	HART		



COMMITTEE ACTION ITEM

Authorize the Chief Executive Officer to Rescind Resolution #2016-01-03 in the Amount of \$240,125 and Execute a Joint Participation Agreement between Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) for Transit Urban Corridor Funds to Assist with the Capital and Operating Costs of Route 51X – An Express Route Service Between New Tampa/South Pasco County to Downtown Tampa in the Amount of \$412,225

OVERVIEW

On January 4, 2016, the HART Board approved Resolution #2016-01-03 to execute a Joint Participation Agreement between Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) for Transit Urban Corridor Funds to assist with the operating cost of Route 51x – an express route service between New Tampa/South Pasco County to Downtown Tampa in the amount of \$240,125. Subsequent to the approval of the resolution, FDOT informed HART that the funding was increased to \$412,225. The increased funding will assist with the operating cost of Route 51x and with the purchase of four wide-body vans to support the new flex.

RECOMMENDATIONS

That the Governance, Administration, and Operations Committee review the action item authorizing the Chief Executive Officer to rescind Resolution #2016-01-03 in the amount of \$240,125 and execute a Joint Participation Agreement between Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) for Transit Urban Corridor Funds to assist with the capital and operating costs of Route 51X – An Express Route service between New Tampa/South Pasco County to Downtown Tampa in the amount of \$412,225; and advance this item to the full HART Board of Directors at the April 4, 2016 regular Board meeting.

FINANCIAL IMPACT

The grant award is for \$412,225 in FDOT funding and will be used to reimburse operating costs and purchase vehicles for New Tampa Flex service. No local matching funds are required.

BACKGROUND

In 2014, FDOT provided funding to assist with the implementation of the New Tampa flex service and provided \$172,100 to assist with the capital cost of purchasing vehicles for the New Tampa flex service in 2015. In order to implement this service, HART will need four vehicles costing \$481,372. HART will use \$309,272 from this grant award combined with \$172,100 previously awarded to purchase the vans. The remaining funds (\$102,953) will be used to assist with operating costs of the route.

NEXT STEPS

Present the recommendation of the Governance, Administration, and Operations Committee to the full HART Board of Directors at the April 4, 2016 regular Board Meeting.

Prepared by: Jeanie Satchel, Director of Capital Planning and Development

Reviewed by: Jeffrey C. Seward, Chief Financial Officer

Approved by: Katharine Eagan, AICP, Chief Executive Officer

ATTACHMENT

RESOLUTION NO. #R2016-04-XX

AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO RESCIND RESOLUTION #2016-01-03 IN THE AMOUNT OF \$240,125 AND EXECUTE A JOINT PARTICIPATION AGREEMENT BETWEEN HILLSBOROUGH TRANSIT AUTHORITY (HART) AND THE FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) FOR TRANSIT URBAN CORRIDOR FUNDS TO ASSIST WITH THE CAPITAL AND OPERATING COSTS OF ROUTE 51X – AN EXPRESS ROUTE SERVICE BETWEEN NEW TAMPA/SOUTH PASCO COUNTY TO DOWNTOWN TAMPA IN THE AMOUNT OF \$412,225

WHEREAS, FDOT provides operating assistance to HART for cross-bay express bus service; and

WHEREAS, FDOT provides capital assistance to HART for vehicles to support the New Tampa flex service; and

WHEREAS, HART wishes to continue to provide the service; and

WHEREAS, FDOT has identified funds in the amount of \$412,225 to assist with this service;

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 Rescind Resolution #2016-01-03 in the Amount of \$240,125 and Execute a Joint Participation Agreement between Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) for Transit Urban Corridor Funds to Assist with the Capital and Operating Costs of Route 51x – An Express Route Service Between New Tampa/South Pasco County to Downtown Tampa in the Amount of \$412,225

Section 2. Proper officers of the Hillsborough Transit Authority are authorized to do all things necessary and required in order to implement the terms of the aforementioned agreement.

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 APRIL 4, 2016.

ATTEST:

**Councilmember Mike Suarez, Chair
HART Board of Directors**

**Commissioner Sandra L. Murman, Secretary
HART Board of Directors**

**David L. Smith, Esquire
HART Board General Counsel**

COMMITTEE ACTION ITEM

Authorization to Delegate Contracting Officer Authority to a Named Employee in the Procurement Department

OVERVIEW

HART Procurement Manual establishes in Section 2-100 (Procurement Authority and Responsibility) that the Board of Directors confer, by resolution of the Board of Directors, general authorizations to named Authority employees to execute purchases and enter into contracts on behalf of the Authority. These individuals shall be recommended to the Board of Directors by the Chief Executive Officer.

RECOMMENDATION

That the Governance, Administration and Operations Committee review the action item authorizing to delegate contracting officer authority to a named employee in the Procurement Department; and advance this item to the full HART Board of Directors at the April 4, 2016 regular Board Meeting.

FINANCIAL IMPACT

None.

BACKGROUND

The Board of Directors by its Charter and state statute has the authority and responsibility to promulgate policies governing the procurement, management, control, and disposal of any and all supplies, services, and construction required by the Authority.

On May 7, 2012, the Board of Directors adopted a new Procurement Manual. The manual includes policies and procedures covering the appointment of contracting officers to serve as official agents of the Authority. It also conveys the authority to select and appoint contracting officers to the Chief Executive Officer, but requires that the Board of Directors pre-approve the named individuals.

In selecting contracting officers, the Procurement Manual requires the Chief Executive Officer to consider public contract experience, training, education, judgment, character, and ethics.

Ms. Darlene Lollie is a new hire to the Procurement Department and will serve as a Procurement Analyst for HART. Ms. Lollie will issue small purchase orders on behalf of the Authority.

The Chief Executive Officer has reviewed the public contract experience, training, education, judgment, character, and ethics of each and believes them to be qualified to serve in this capacity. Further, these individuals require this authority to carry out the normal duties of their position.



The following table reflects the employees with delegated authority to procure on behalf of HART.

BUYER	(A) Purchase Orders or any similar instrument not to exceed:	(B) Delivery or Task Order against pre-established contracts not to exceed:	(C) Modifications to Purchase Orders, \$25,000 , or similar instruments where the modifications do not cause the purchase order amount to exceed:	(D) Modifications to delivery or Task Orders against pre-existing contracts, where the modifications do not cause the delivery or task order to exceed: and where the modifications do not change the terms and conditions of the pre-existing contracts
Jeffrey Seward	\$500,000	\$500,000	\$500,000	\$500,000
Al Burns	\$150,000	\$150,000	\$150,000	\$150,000
Cathy Zickefoose	\$50,000	\$100,000	\$50,000	\$100,000
Karen Kim Brady	\$50,000	\$100,000	\$50,000	\$100,000
Melissa Smiley	\$25,000	\$0.00	\$25,000	\$25,000
Brenda Nichols	\$50,000	\$100,000	\$50,000	\$100,000
Tina White	\$25,000	\$0.00	\$25,000	\$25,000
John Travers	\$50,000	\$100,000	\$50,000	\$100,000
Darlene Lollie *	\$3,000	\$0.00	\$3,000	\$3,000

*Pending Board approval

NEXT STEPS

- Present the recommendation by the Governance, Administration and Operations Committee to the HART Board of Directors at the April 4, 2016 regular Board meeting; and
- Chief Executive Officer will issue a delegation letter to the named individual

Prepared by: Al Burns, Director of Procurement & Contracts Administration
 Reviewed by: Jeffrey C. Seward, Chief Financial Officer
 Approved by: Katharine Eagan, AICP, Chief Executive Officer

Attachment: Proposed Resolution #R2016-04-XX

ATTACHMENT

RESOLUTION NO. #R2016-04-XX

A RESOLUTION FOR AUTHORIZATION TO DELEGATE CONTRACTING OFFICER AUTHORITY TO A NAMED EMPLOYEE IN THE PROCUREMENT DEPARTMENT

WHEREAS, HART Procurement Manual establishes in Section 2-100 (Procurement Authority and Responsibility) that the Board of Directors confer, by resolution of the Board of Directors, general authorization to named Authority employees to execute purchases and enter into contracts on behalf of the Authority; and

WHEREAS, the procurement manual refers to these individuals as Contracting Officers; and

WHEREAS, in accordance with the procurement manual, these individuals are recommended to the Board of Directors by the Chief Executive Officer; and

WHEREAS, in selecting Contracting Officers, the procurement manual requires the Chief Executive Officer to consider public contract experience, training, education, judgment, character and ethics; and

WHEREAS, an employee recently hired by HART in the Procurement Department will issue purchase orders on behalf of the Authority and require Contracting Officer authority; and

WHEREAS, the Chief Executive Officer has determined that she has adequate public contract experience, training, education, judgment, character and ethics to act as Contracting Officers;

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 delegate Contracting Officer authority to the following Procurement Department employee:

- Ms. Darlene Lollie, Procurement Analyst

Section 2. Proper officers of HART are authorized to do all things necessary and required in order to issue a delegation letter to named employee.

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 APRIL 4, 2016.

ATTEST:

**Councilmember Mike Suarez, Chairperson
HART Board of Directors**

**Commissioner Sandra Murman, Secretary
HART Board of Directors**

**David L. Smith, Esquire
HART Board General Counsel**

COMMITTEE ACTION ITEM

Authorize the Chief Executive Officer to Purchase up to Fifteen Forty-Foot Compressed Natural Gas (CNG) Powered Heavy-Duty Transit Buses from Gillig LLC, in an Amount Not-to-Exceed \$7,378,660

OVERVIEW

The purpose of this item is to request authorization to purchase up to fifteen forty-foot CNG powered heavy-duty transit buses. These vehicles are needed to support the fixed route fleet to keep up with a continued growth in ridership.

RECOMMENDATION

That the Governance, Administration and Operations Committee review the action item authorizing the Chief Executive Officer to purchase up to fifteen forty-foot CNG powered heavy-duty transit buses from Gillig LLC, in an amount not-to-exceed \$7,378,660; and advance this item to the full HART Board of Directors at the April 4, 2016 regular Board meeting.

FINANCIAL IMPACT

This purchase is fully funded by the Federal Transit Administration utilizing Surface Transportation Funds (STP).

BACKGROUND

In order to support the HART fleet, up to fifteen buses are required in accordance with the HART fleet plan. The lead time necessary for bus purchases requires that action to purchase buses be taken approximately twelve months before the vehicles will be delivered for service. Delivery of the vehicles is expected no later than May 2017.

PROCUREMENT CONSIDERATIONS

In June 2013, the Central Florida Regional Transportation Authority (LYNX) issued a Request for Proposal on behalf of the members of the Florida Public Transportation Association (FPTA) for the procurement of heavy duty transit coaches. The solicitation was issued in accordance with public procurement policies and procedures. It included all federally-required clauses. On August 19, 2013, one proposal was received and evaluated by an evaluation committee. A price analysis was completed and determined the proposed price to be fair. On December 12, 2013, LYNX awarded a contract to Gillig LLC. The contract term is five years.

NEXT STEPS

Present the recommendation by the Governance, Administration and Operations Committee to the full HART Board of Directors at the April 4, 2016, regular Board meeting.

Prepared by: Jim Fetzer, Director of Maintenance

Reviewed by: Ruthie Reyes Burckard, Chief Operating Officer

Approved by: Katharine Eagan, AICP, Chief Executive Officer

Attachment: Proposed Resolution #R2016-04-XX

RESOLUTION NO. #R2016-04-XX

A RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO PURCHASE UP TO FIFTEEN FORTY-FOOT COMPRESSED NATURAL GAS (CNG) POWERED HEAVY-DUTY TRANSIT BUSES FROM GILLIG LLC, IN AN AMOUNT NOT-TO-EXCEED \$7,378,660

WHEREAS, HART requires up to fifteen forty-foot CNG powered heavy-duty transit buses to support the Fixed Route fleet and are necessary to keep up with a continued growth in ridership; and

WHEREAS, the Central Florida Regional Transportation Authority (LYNX) conducted a procurement to purchase buses for a consortium of transit agencies in Florida, including HART, in accordance with public procurement policies and procedures, and

WHEREAS, the procurement included all federally-required clauses, and

WHEREAS, prices were determined fair and reasonable and a contract was awarded by LYNX on December 12, 2013, to Gillig LLC., and

WHEREAS, federal Surface Transportation Funds have been programmed for the purchase of the buses;

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 purchase up to fifteen forty-foot CNG powered heavy-duty transit buses from Gillig LLC, in an amount not-to-exceed \$7,378,660.

Section 2. Proper officers of HART are authorized to do all things necessary and required in order to implement the purchase of the aforementioned vehicles.

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 APRIL 4, 2016.

**Councilmember Mike Suarez, Chairperson
HART Board of Directors**

ATTEST:

**Commissioner Sandra Murman, Secretary
HART Board of Directors**

**David L. Smith, Esquire
HART Board General Counsel**

COMMITTEE ACTION ITEM

Authorize the Chief Executive Officer to Purchase Thirteen Compressed Natural Gas (CNG) VPG MV-1 Special Needs Transit Vehicles with Mobility Ramps from Creative Bus Sales Inc. in an Amount Not-to-Exceed \$846,950

OVERVIEW

This item approves the purchase of 13 CNG VPG MV-1 special needs transit vehicles with mobility ramps. These vehicles are needed to support the Demand Response fleet and are necessary to keep up with a continued growth of ridership.

RECOMMENDATION

That the Governance, Administration, and Operations Committee review the action item authorizing the Chief Executive Officer to purchase thirteen CNG VPG MV-1 special needs transit vehicles with mobility ramps from Creative Bus Sales Inc. in an amount not-to-exceed \$846,950; and advance this item to the full HART Board of Directors at the April 4, 2016 Board meeting.

FINANCIAL IMPACT

This purchase is funded by the Federal Transit Administration Section 5307 formula funds.

BACKGROUND

In order to support the HART fleet, 13 special needs transit vehicles are required in accordance with the HART fleet plan. Delivery of the vehicles is expected by July 2016.

PROCUREMENT CONSIDERATIONS

On June 17, 2012, the Florida Department of Transportation (FDOT) Transit Research Inspection and Procurement Services (TRIPS), formerly known as Florida Vehicle Procurement Program (FVPP), issued a Request for Proposals to procure various vehicles for transit agencies in Florida. The solicitation was issued in accordance with public procurement policies and procedures and included all federally-required clauses.

FDOT TRIPS determined the prices were fair and reasonable and a contract was awarded on October 18, 2012, to Creative Bus Sales Inc.

NEXT STEPS

Present the recommendation by the Governance, Administration and Operations Committee to the full HART Board of Directors at the April 4, 2016 regular Board meeting.

Prepared by: Jim Fetzer, Director of Maintenance

Reviewed by: Ruthie Reyes Burckard, Chief Operating Officer

Approved by: Katharine Eagan, AICP, Chief Executive Officer

ATTACHMENT

RESOLUTION NO. #R2016-04-XX

A RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO PURCHASE THIRTEEN COMPRESSED NATURAL GAS (CNG) POWERED VPG MV-1 SPECIAL NEEDS TRANSIT VEHICLES WITH MOBILITY RAMPS FROM CREATIVE BUS SALES, INC. IN AN AMOUNT NOT-TO-EXCEED \$846,950

WHEREAS, HART requires thirteen, CNG powered VPG, MV-1 special needs transit vehicles with mobility ramps. These vehicles are needed to support the Demand Response fleet and are necessary to keep up with a continued growth of ridership; and

WHEREAS, the Florida Department of Transportation (FDOT), Transit Research Inspection and Procurement Services (TRIPS), formerly known as Florida Vehicle Procurement Program (FVPP) conducted a procurement to establish a statewide purchasing agreement for transit agencies in Florida, including HART, in accordance with public procurement policies and procedures, and

WHEREAS, the purchase is funded by the Federal Transit Administration Section 5307 formula funds, and

WHEREAS, prices were determined fair and reasonable and a contract was awarded October 18, 2012, to Creative Bus Sales Inc., and

WHEREAS, federal funding is in pre-award status for the purchase;

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 purchase thirteen CNG VPG MV-1 special needs transit vehicles with mobility ramps from Creative Bus Sales Inc. in an amount not-to-exceed \$846,950.

Section 2. Proper officers of HART are authorized to do all things necessary and required in order to implement the purchase of the aforementioned vehicles.

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 APRIL 4, 2016.

**Councilmember Mike Suarez, Chairperson
HART Board of Directors**

ATTEST:

**Commissioner Sandra Murman, Secretary
HART Board of Directors**

**David L. Smith, Esquire
HART Board General Counsel**

COMMITTEE ACTION ITEM

Authorizing The Chief Executive Officer to Award a Contract for Transit Advertising to Direct Media USA, in the Amount of Revenue No Less than \$1,966,608 for the First Three Years and Total Revenue of No Less than \$3,413,273, for the Three Base Years and Two One Year Options

OVERVIEW

Bus exterior and interior advertising is a major source of revenue for HART. The current contract expires April 30, 2016, and all options have been exercised, requiring HART to have solicited for a new transit advertising contractor.

RECOMMENDATION

That the Governance, Administration, and Operations Committee review the action item authorizing the Chief Executive Officer to award a contract for Transit Advertising to Direct Media USA in the amount of revenue no less than \$1,966,608 for the first three years and total revenue of no less than \$3,413,273, for the three base years and two one year options; and advance this item to the full HART Board of Directors at the April 4, 2016 regular Board meeting.

FINANCIAL IMPACT

This contract will earn HART revenue no less than \$630,000 in the first year, and will earn no less than \$1,966,608 over a three year contract. Further, HART will receive 63% of net earned revenue amount if the Contractor's net earned revenues exceed the minimum guaranteed annual payment, but HART does not lose revenue if the Contractor's net revenues are less than the annual minimum guaranteed payment.

BACKGROUND

The current bus advertising contract allows the Contractor to advertise on the exterior of fixed route buses and on interior ad cards, as well as on the HART fixed route fleet. At the discretion of the Authority, this contract may also include advertising revenue generated from placements on HART properties, naming rights and on other vehicle types. The contract has provisions for HART to use 5% of available ad space for public service announcements (PSAs). The contract states that HART is paid either a minimum annual payment or 63% of the Contractor's net advertising revenues. The payments will be received in advance on a quarterly basis and reconciled by the 15 of the following month of each quarter. Over the life of the expiring contract, HART has received above the minimum guaranteed payments each year.

HART consulted with peer properties during the development of the RFP, and properties that have recently awarded bus advertising contracts stated that their revenues under new contracts were growing rather than those under long term previous contracts. Properties that realized an increase in revenues had offered additional advertising opportunities to their contractors. To this end, HART expanded the scope of its advertising program to include exterior van advertising space under this contract. HART also plans to add interior floor, ceiling, seatback advertisements, naming rights, and station sponsorships on different vehicle types and on HART properties where these ads do not impact the operation or maintenance of HART vehicles.

This contract is one of several revenue generating contracts managed by the Marketing Services Department and fits into an overall plan for revenue generation. In addition to current transit advertising initiatives, Marketing Services also manages the shelter advertising and annunciator advertising programs.

PROCUREMENT CONSIDERATIONS

On February 3, 2016, a Request for Proposals (RFP) was issued to procure Transit Advertising services for a three year contract with two one year options. The solicitation was posted on HART website and Demand Star with direct notices sent to 13 vendors able to provide the services. The solicitation was accessed from HART website and Demand Star by 45 firms and/or individuals. On March 1, 2016, one proposal was received from Direct Media USA.

Emails were sent to eight companies that had shown interest in the solicitation but did not submit a proposal asking why they decided not to submit. Four companies provided explanation as to why they did not submit proposals. They provided the following explanations:

- “The main reason is we didn’t foresee the RFP coming out so soon and had other RFP’s we had been tracking more closely and had or were in the process of bidding on. We didn’t want to over commit resources and not be able to deliver like we are accustomed to doing.”
- “Unfortunately transit is not part of our immediate business plan for the Tampa market. That may change in the future but for now we have to defer responding on this RFP.”
- “We just did not have the time to put materials together for the RFP itself.”
- “We looked hard at the financial arrangement with the current vendor and didn’t think we could enhance that because it is quite highly leveraged now versus the potential revenues, in our estimation. We concluded that by the time we hired extra staff to sell, install the ads, do the design work, add to our fleets of vehicles, and add our “overhead” we determined that we had to generate over \$1 Million in ad sales in year one to break even. Further, we operate several transit (bus advertising) franchises in other areas around the country and based on our experience we would have to maximize sales each year, without a hiccup, to stay profitable after year one. To sustain that revenue level, we would have to do it mostly through local business, because national business is so volatile from year to year and we can’t rely on it. So, in the end we determined that it was risky at these high revenue sharing levels. We were working on 5 RFP’s at the time, 4 new and one large renewal, and believed that our chances of success were better on the others because of economics, lack of competitors, and geographic efficiencies with our other markets in larger DMA’s. Each of these RFP’s requires approximately 80-100 man hours to complete, so we felt like we had a marginal chance for success given the amount, and quality, of bidders that expressed interest in the HART RFP, and the current financial arrangement.”

The proposal was evaluated by an evaluation committee of four HART staff. The evaluation criteria, specified below, were split 40% technical and 60% price:

- 75 Points - Qualifications of the Firm and/or Major Subcontractors
- 40 Points - Qualifications of the Staff
- 60 Points - Business Plan

- 60 Points - Marketing Plan
- 60 Points - Sales Plan
- 50 Points - Establishing Sales Rates and Rate Card Review
- 55 Points - Reporting
- 600 Points - Price

Maximum Points	Direct Media USA
Technical (400)	380.5
Price (600)	600 (\$3,413,273)
Total (1,000)	980.5

As indicated above, the proposal submitted by Direct Media USA received a high score for their technical proposal and it met all of the requirements of the solicitation. The total guaranteed minimum revenue was in line with the progression of revenue generation over the previous five years of their existing contract. Direct Media USA demonstrated it has the capacity to perform the work and is, therefore, eligible for award.

Direct Media USA is a privately held corporation established in 1992 with headquarters in Massachusetts and a local office in Tampa, Florida. Direct Media USA currently manages transit advertising contracts such as Broward County Transit (BCT), Maryland Transit Administration (MTA), Rhode Island Public Transit Authority (RIPTA), Central Florida Regional Transportation Authority (LYNX), Montgomery County Transit (Ride On), St. Louis Metro Transit (METRO), Pinellas Suncoast Transit Authority (PSTA) and Jacksonville Transportation Authority (JTA) to name a few. Direct Media USA will continue working with Road Signs Inc., a Certified Disadvantaged Business Enterprise (DBE) with offices in Sarasota, Florida, as a subcontractor to directly support HART's contract.

This term of contract is three years with two one year options for a total term not to exceed five years. The contract includes all of HART's standard contract provisions.

NEXT STEPS

Present the recommendation by the Governance, Administration and Operations Committee to the full HART Board of Directors at the April 4, 2016, regular Board meeting.

Prepared by: Steve Rosenstock, Sr. Manager of Marketing Services
Karen Brady, Contracts Specialist III (Lead), Procurement

Reviewed by: Alvin Burns, Director of Procurement and Contracts Administration
Lena Petit, Director of Executive Office & Board Support

Approved by: Katharine Eagan, AICP, Chief Executive Officer

Attachment: Proposed Resolution #R2016-04-XX

ATTACHMENT

RESOLUTION NO. #R2016-04-XX

A RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO AWARD A CONTRACT FOR TRANSIT ADVERTISING TO DIRECT MEDIA USA, IN THE AMOUNT OF REVENUE NO LESS THAN \$1,966,608 FOR THE FIRST THREE YEARS AND TOTAL REVENUE OF NO LESS THAN \$3,413,273, FOR THE THREE BASE YEARS AND TWO ONE YEAR OPTIONS

WHEREAS, Bus exterior and interior advertising is a major source of revenue for HART; and

WHEREAS, The current contract expires April 30, 2016, and all options have been exercised, requiring HART to have solicited for a new transit advertising contractor; and

WHEREAS, HART issued Request for Proposals RFP-17598C in compliance with HART procurement policies; and

WHEREAS, one proposal was received and evaluated; and

WHEREAS, the proposal submitted by Direct Media USA received a high score for their technical proposal and it met all of the requirements of the solicitation. The total guaranteed minimum revenue was in line with the progression of revenue generation over the previous five years of their existing contract. Direct Media USA. demonstrated it has the capacity to perform the work and is, therefore, eligible for award;

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 Transit Advertising to Direct Media USA in the amount of revenue no less than \$1,966,608 for the first three years and total revenue of no less than \$3,413,273, for the three base years and two one year options.

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

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 APRIL 4, 2016.

ATTEST:

**Councilmember Mike Suarez, Chairperson
HART Board of Directors**

**Commissioner Sandra Murman, Secretary
HART Board of Directors**

**David L. Smith, Esquire
HART Board General Counsel**

ATTACHMENT

**David L. Smith, Esquire
HART Board General Counsel**