



Board Members Present (10)

Commissioner Kevin Beckner
Wallace Bowers
Commissioner Sandra Murman
Mickey Jacob
Commissioner Lesley "Les" Miller
Kathleen Shanahan
Councilmember Eddie Vance
Commissioner Stacy White
Councilman Mike Suarez
Karen Jaroch

Board Members Absent (3)

John Melendez
Richard A. McClain
Bryan Crino

Staff Present

Lisa Barco
Sylvia Berrien
Greg Brackin
Joan Brown
Christina Buchanan
Ruthie Reyes Burckard
Al Burns
Lucien Campillo
Katharine Eagan
Kemly Green
Cesar Hernandez
Kathy Holaska
Nicole Lauren
Sandra Morrison
Emmanuel Nunez
Lena Petit
Gabriel Quinones
Steve Rosenstock
Marco Sandusky
Jeff Seward
Daniel Silva
Cyndy Zambella

Others Present

David Smith, GrayRobinson
Gary Cloyd, 1402 East Chilkoot Ave
Melanie Jantschek, NOVA
Mitch Perry, Florida Politics
Jennifer Straw, Jacobs
Armando Amor, ATU
Chris Weber, Westshore Alliance

Sign-in sheets are attached.

CALL TO ORDER

The meeting was called to order at 9:02 a.m. by Chair Mike Suarez.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance followed.

APPROVAL OF MINUTES

Director Beckner moved and Director Jaroch seconded approval of the July 18, 2016 Regular Board of Director meeting minutes. All Board 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

Leadership Development and Pay for Performance

Nicole Lauren, HR Manager of Talent Acquisition and Organizational Development, provided a brief update on the Agency's Pay for Performance and the Leadership Development initiatives for 2016, including progress to date and upcoming timelines. A full copy of the presentation is available upon request from the Clerk of the Board at petitl@gohart.org.

Director Shanahan complimented staff for developing the leadership program as a holistic view of development. She inquired whether the timing has changed in regards to the merit increase and the process for the Capstone project selection.

Ms. Lauren responded that further meetings will be held to review all projects completed by the participants and expects that there are several divisions within HART where their skillsets can be utilized.

Director Shanahan suggested having the participants present their projects to the senior team.

Director Beckner inquired whether Neogov is used to identify employees for leadership opportunities.

Ms. Lauren reported that Neogov is not used for this purpose yet; however, as this is further implemented, goals, skills, and attributes directly related to the job descriptions, organizational development, and the performance scorecard will be incorporated.

Director Beckner asked what process was used to select employees for the leadership development program.

Ms. Lauren stated that the intention in the future is to do succession planning that would assist in identifying those employees who are potential leaders, although the process is currently not in place.

Director Beckner inquired about the merit increase pay ranges.

Ms. Eagan stated that "meeting expectations" will garner a 1.5% increase, "exceeding expectations" will increase by 3.5%, and "role model" will have an increase of 5%. She observed that this is different than some organizations who may set aside a "pot" of money that is divided between employees; however, for the first year, senior staff wanted to ensure that employees know the possibilities.

Director Beckner inquired whether this was for both bargaining and non-bargaining employees.

Ms. Eagan stated that the increases discussed are for non-bargaining at this time; however, the Teamster contract negotiations recently concluded and they discussed the option of engaging in a similar pay for performance structure.

Director Jacob commented that he thinks it is great to give employees the opportunity to expand their capabilities. He asked how HART will go beyond the trainings to give the participants the opportunity to use their leadership skills, especially as a way to enhance public awareness through engagement with other organizations within the community.

Ms. Lauren responded that such engagements have been currently recognized on a small scale, but agrees that there is opportunity to expand on those opportunities.

Options for Future Revenue Growth Investment

Jeff Seward, Chief Financial Officer, provided an overview of the options for future revenue growth investment in service, capital and operational support. A full copy of the presentation is available upon request from the Clerk of the Board at petitl@gohart.org.

Chair Suarez inquired whether the percentage for ad valorem is projected to remain flat over the next five fiscal years.

Mr. Seward answered that the percentage is based on the state projections over the next five years. He added that it ranges from 7%-8% over that time period; however, plans have been made in case the projections fall short.

Director Shanahan suggested that it be noted on the slide in the future.

Chair Suarez observed that 7% is a healthy percentage in ad valorem; however, this is a projection and there is no way to be certain that the projections will be accurate.

Director Shanahan inquired what percentage of the federal formula funding is being devoted to capital.

Mr. Seward answered that \$1 million will be dedicated to capital.

Director Shanahan inquired whether that makes a difference in the scenarios and what the service increase is as a percentage of additional ad valorem. She also asked where the remaining balance goes if the funds are initially dedicated to operating.

Mr. Seward responded that it goes to capital for basic increases. He noted as an example for FY2017, that there is an expected increase of \$1.1 million for additional services which breaks down to 64% of the ad valorem increase regardless of its funding source.

Director Shanahan observed that government entities tend to react to what is available. She asked if it is practical and realistic for the Board to establish a rule that 80% of ad valorem increase goes to service increase.

Mr. Seward answered that, financially, HART can set and achieve any target goal for money to go to operating; however, there may come a point where the operating component cannot be sustained and service may need to be cut.



Director Shanahan clarified that when services are added, it affects the recurring base of expected costs. She stated that she would like to set some metrics as it relates to allocating additional ad valorem collections. Director Shanahan also commented that it is good that staff has found ways to utilize the old grant money and asked why it had not been spent yet.

Mr. Seward reported that many of the projects have been either deferred or cancelled. He stated that staff has presented a budget amendment to the FTA to be able to move forward and spend the money. Mr. Seward advised that the grant money alone may not be enough to complete a project; however, coupling it with ad valorem will be, allowing HART to stretch the funding.

Director Shanahan suggested using different verbiage to discuss the grant allocation and use. She also cautioned that there are some changes coming down from the administration in Washington, D. C. and that it may affect the 2017 budget.

Director Murman commented that she appreciated the responsiveness of Ms. Eagan and Mr. Seward. She stated that she thinks it gives the Board hope that HART will be able to invest more capital dollars into needed projects. Director Murman echoed Director Shanahan's thoughts that she would also like to see a more need-based formula for investment, although she understands the necessity of flexibility.

Ms. Eagan stated that there are a few different options and advised that staff would bring some information to the Finance and Audit Committee for further discussion. She stated that there are times when the improvements are made to services, such as in 2012 and 2013, and other years when the focus needs to be on upgrading equipment.

Director Murman suggested taking a step further and bringing the extra revenue and the TDP in front of the Board to discuss how to apply the ad valorem.

Ms. Eagan clarified that the board would like to discuss different options and recommendations from staff on how to invest additional ad valorem. She noted that next year, there will be a big update on the TDP and there will be an opportunity to include more structures and metrics that tie into the scorecard and goals so that planning can be more goal-oriented and less reactionary.

Director Murman agreed and stated that, with ad valorem being an average of 7%, plans and adjustments need to be made.

Director Bowers observed that HART is already doing the budget based on the TDP. He inquired how HART would be impacted if the process were changed to goal setting.

Ms. Eagan explained that the budget and TDP are reciprocal, and if a focus to be goal structured is added, the processes will not be separate.

Director Vance requested clarification on numbers listed on slide five.

Mr. Seward explained that the amount is ad valorem that has not been spent yet, and which will be moved forward into the next year as a capital reserve.



Director Vance observed that, over the last five years, the Agency has increased in ad valorem about \$2 million per year, and over the next five years, the projection is about \$3 million. He inquired how HART will be impacted if that projection is not reached.

Mr. Seward explained that, for planning purposes, HART relies on the state proposals and estimates; however, every year, preliminary estimates are provided and if they do not align with the expectations, staff would report it back to the Board.

Vice Chair Jaroch commented that 7% was built in on slide four based on the state's projections for property taxes; however, there is approximately \$12.3 million in grants extended into the out years. She observed that the transportation bill included a 10-15% growth over the next five years and inquired whether that assumption was incorporated.

Mr. Seward remarked that the only assumption that is made using formula is that it will be less than or equal to what was received in the prior year.

Director Murman and Chair Suarez observed that it is challenging to predict what will be received from Washington, D.C.

Director Jacob inquired about the fares in slide two and the annual increase seen across the board. He observed that the increase was not as marked from FY2016 to FY2017. Director Jacob commented that some of the ridership reports show a negative trend and asked how those trends are directly related to additional services and how they are being projected.

Mr. Seward answered that the numbers listed are based on HART current fare structure. He added that staff will be proposing to address the fare structure based on ridership growth and revenue and the regional fares based on the smart card system.

ACTION ITEMS

Director Shanahan moved and Director Jacob seconded a motion to approve action items a-e:

- a. Resolution #R2016-08-30 ~ Authorize the Chief Executive Officer to Execute a Joint Participation Agreement (JPA) 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 \$412,255
- b. Resolution #R2016-08-31 ~ Authorize the Chief Executive Officer to Execute a Joint Participation Agreement (JPA) Between the Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) to Accept State Block Grant Funding Assistance for Fiscal Year 2017 in the Amount of \$4,642,031

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- c. Resolution #R2016-08-32 ~ Authorize the Chief Executive Officer to Execute a Joint Participation Agreement (JPA) Between the Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) to Accept Transit Urban Corridor Funds to Assist with the Operating Cost of Route 20X - an Express Route Service Between Land O'Lakes in South Pasco County and Downtown Tampa in the Amount of \$241,000
- d. Resolution #R2016-08-33 ~ Authorize the Chief Executive Officer to Execute a Joint Participation Agreement (JPA) Between the Hillsborough Transit Authority (HART) and the Florida Department of Transportation (FDOT) to Accept Service Development Funds to Assist with the Cost of the First mile / Last mile Pilot Program
- e. Resolution #R2016-08-34~ Authorize the Execution of an Amendment to the Existing Memorandum of Understanding (MOU) Between the Hillsborough Transit Authority (HART) and the Tampa Bay Regional Transportation Authority Extending the Termination Date Until February 28, 2018

All Board members present voted aye. The motion passed unanimously.

CHAIR AND CEO REPORT

Chair Suarez reported that HART was not awarded the TIGER grant this year. He commented that it is very disappointing as a call with the Secretary of Transportation led the participants to believe that the TIGER application was well received. Chair Suarez stated that he was recently in Philadelphia and discussed the difficulties of using different modes of transportation without a centralized fare system. He commented that the trip planner will be a great addition, and that the Agency is doing well despite not getting the TIGER grant.

Ms. Eagan commented that the TIGER grant would have helped HART move more quickly; however, the regional fare system is still expected to be fully implemented by spring of 2018. She reported that the final notification from the FTA was received on Friday, and only one project in Florida was selected for TIGER grant award. Ms. Eagan added that most applications that were chosen were for infrastructure, trails, and buildings, while the transit projects were for new vehicles.

Director Shanahan commented that HART was not aggressive with the application until halfway through the process. She observed that the application is an extremely political process and advised that staff and consultants should already be starting to leverage political assets and advocating in preparation for the next allocation.

Chair Suarez agreed with Director Shanahan and supports staff continuing to push politically.

Ms. Eagan discussed the proposed changes to the MPO, which are to compel MPOs to consolidate their long-range actions and plans in urban areas.

Director Murman commented that she has been working with Commissioner Seel to enact this change in the region. She observed that there is not a lot of funding available for transportation and being regionally united will allow the opportunity to make a stronger case.



Director Shanahan read the language for the proposed change and noted that this is a huge step forward for the region. She reported that this proposal is on the fast track and the changes will occur quickly. Director Shanahan stated that the concern within the localized MPOs is that they will lose their jobs.

Director Miller added that there will most likely be legislation this year.

Director Murman noted that, while people are concerned with losing jobs, the region has lost millions and millions of dollars.

Vice Chair Jaroch stated that Senator Brandes discussed regionalizing MPOs.

Ms. Eagan reported that the OneBusAway trip-planning feature was added and HART is the first agency in the country to do so. She explained that the planner will operate similarly to GPS in the car to take into account traffic, breakdowns, and other obstacles. Ms. Eagan reported that HARTPlus has adopted a new performance window that allows the operator to arrive up to 30 minutes early, but not late. She directed the Board's attention to the CEO Weekly for further data and information. Ms. Eagan recognized the Marketing Department for receiving a Gold Star of Excellence award for the website. She noted that overhauling the website is another way to improve how the public sees HART. Ms. Eagan reminded the Board that the State of Transit event will be August 16th and staff is finalizing the speakers. She added that staff met in regards to the Premium Transit Feasibility Study and will be bringing a recommendation to the Board soon.

GENERAL COUNSEL'S REPORT

Mr. Smith reported that a case is pending in Palm Beach county about the three minute public comment limit rule. He stated that this might mean that HART will need to revisit its policy in the future. Mr. Smith explained that the challenge was that three minutes was inadequate to comment on the entire agenda.

STATUS REPORTS

Chair Suarez referred the Board members to the materials in the packet.

PUBLIC INPUT

Mr. Gary Cloyd 1402 East Chilkook, urged the Board to make recommendations for increased ridership. He stated that the streetcar beginning early operations will help improve the numbers. Mr. Cloyd observed that transit investments made by HART have been followed in the media and he feels that the Board has followed the executive summary and recommendations from the previous transit study. He stated that population increases will dictate the options available to HART.

OLD BUSINESS

There was no old business.

NEW BUSINESS



There was no new business.

ADJOURNMENT

The meeting adjourned at 10:05 a.m.


ATTEST



Commissioner Sandra Murman, Secretary
HART Board of Directors



Councilmember Mike Suarez, Chairperson
HART Board of Directors



David L. Smith, Esquire
HART Board General Counsel