MINUTES OF THE
JACKSONVILLE TRANSPORTATION AUTHORITY
BOARD WORK SESSION
WEDNESDAY, SEPTEMBER 23, 2026

The Jacksonville Transportation Authority Board of Directors held a Work Session on Wednesday, September 23, 2026.

BOARD MEMBERS PRESENT: Aundra Wallace, Patricia Sams, Max Glober, Elaine Brown, Alan Hopkins (virtual), Madelen Salter, and Daniel Vallencourt.
JTA STAFF PRESENT: Cleveland Ferguson, Jeffery Smith, Jessica Shepler, Randall Barnes and Angela Hamilton.
OTHERS PRESENT: Richard Milian, Jason Gabriel, Andy Allen, Billy Zeits

I. WELCOME: Chair Wallace called the Work Session to order at 10:30 a.m. and welcomed the Board, staff and public.

II. PUBLIC COMMENT: There were no requests to speak.

III. BOARD ITEMS

a. Block Grant:

Mr. Barnes introduced the Fiscal Year 2027 Public Transit Block grant agreement with the Florida Department of Transportation for the Jacksonville Transportation Authority's (JTA) eligible costs associated with providing fixed route bus services. The total project amount for FY 2027 is $10,077,282. The required match is provided by the JTA's Operating Budget. He stated the purpose of this Agreement is to reimburse the JTA for eligible costs associated with providing fixed route bus services.

Local Option Gas Tax II Interlocal:

Ms. Shepler introduced the First Amendment to our Local Option Gas Tax Interlocal Agreement with the City in the form the City filed Resolution 2026-0780 on September 22, 2026, and authorizing the Chair and the Interim Chief Executive Officer to execute the Agreement, once reviewed by the Jacksonville City Council through their legislative process. She stated that the City will take the resolution up in committees in the following weeks, and will be taken in front of the full City Council on October 13, 2026.

Mr. Barnes then stated the financial terms of the agreement at the request of the Chair. He stated that JTA would be able to access up to $30 million dollars that are currently earmarked

for capital projects. This would be an agreement for JTA to be able to access those funds to be able to pay down our current line of credit, which is currently $25 million, and any other eligible expenses that LOGT allows. He stated it would essentially be an interest free loan that would need to be repaid in ten years, in the year 2037. This would allow JTA to not have to pay interest on the line of credit for FY 27, which is estimated to be $1.5 million. He stated it would also not impact any FY 27 scheduled projects.

Director Glober then asked what is our current cash position, and will the $30 million improve our balance position. Mr. Barnes replied we currently have 28 days of cash, approximately $12 to $13 million on hand, which includes $5 million in liquidity. This loan will allow us to correct our balance sheet and save us in interest costs we wouldn't have to pay for the line of credit.

Director Salter asked about the repayment date of 2037 and the structure of the repayment. Mr. Barnes replied that there is no defined structure or amortization schedule set for this loan. Chair Wallace asked if an amortization schedule could be added as it is processed through legislation. Mr. Gabriel stated it could be added, but it would need to be negotiated and agreed to by both parties.

Director Hopkins asked about what savings the taxpayers would receive if we utilized these funds instead of the line of credit. Mr. Barnes stated we expect to save $1.5 million in interest savings per year.

Public Benefit Corporations:

Mr. Ferguson introduced two resolutions to change the Authority's Shareholder Representative for Jax Transit Management (JTM) Corporation and Jax Transit Innovation (JTI) Corporation, due to the departure of the previous Chief Executive Officer. He stated this was a necessary step to put us in the proper posture with our represented employees in accordance with federal law, as well as protect our intellectual property. He provided a historical background of both public benefit corporations via two PowerPoint presentations.

Director Hopkins asked if the JTI is presently in active status with the Division of Corporations, and if we have an active IP agreement. Mr. Ferguson stated affirmatively and stated our IP agreement allows the JTI to house them, and we report quarterly via the Finance and Administration or Service Delivery committees as applicable.

b. New Business: Mr. Milian introduced two items:

(1) Interim Chief Executive Officer's Contract

Mr. Milian stated hat he and the Chair were tasked at the last board meeting to negotiate a

contact with Mr. Cleveland Ferguson as the Interim Chief Executive Officer (ICEO). He stated during the contract negotiations, the Chair decided to amend Mr. Ferguson's existing 2023 employment letter with the following changes. (1) The term is changed from September 1, 2026 to December 31, 2026; (2) the compensation has increased from $290,000 to $375,000. He stated there were significant negotiations regarding the issues, and it turned on (a) what the market is paying, (b) what he currently is making and (c) where other employees at JTA are making. Lastly, (3) there is a provision that if Mr. Ferguson is not selected as the permanent CEO, that he would be allowed to retain his former position for one year.

Director Vallencourt asked if the last term regarding Mr. Ferguson's ability to retain his former position is binding. Mr. Milian stated the language could be changed to allow flexibility for the incoming CEO, but provide protection for Mr. Ferguson. Director Vallencourt then stated that he felt the provision was problematic, as it would handcuff the next CEO from not being allowed to terminate this employee.

Director Sams stated that the Authority should be protected, as discussed in the Board Retreat, to maintain someone in the Authority who understands the organization with historical prospective and knowledge. Director Vallencourt stated he is not suggesting we don't keep Mr. Ferguson, his concern is just with the transition of a new CEO coming in, he believes we need flexibility in the language.

Director Glober stated he is comfortable with the package as written, considering the individual that is being discussed. He also stated he believed it was prudent to have this conversation.

Director Brown stated she is very comfortable with this term and believes it will be beneficial to the incoming CEO to have someone on the staff with his level of knowledge and expertise.

Director Salter asked about the term of employment and if there is a scenario where the Board would not hire someone by the end of the term, and what are the terms to renegotiate a longer term if needed. Chair Wallace stated that based on conversation with KL2 Connects, it is expected to take 120 to 150 days to hire a new CEO. He stated it is probably unlikely that we will have one hired by December 31, 2026. He stated that the board should consider an amendment of 60 to 90 days. Mr. Milian stated that the language is able to be modified now if the Board desired to. Director Brown stated, can we change the language to "until a CEO is selected". Chair Wallace stated the Board should consider the language "until a CEO starts".

Director Hopkins stated he believed that the Board should allow the ICEO to operate

without fear of losing his job in the future and he agreed with what Mr. Milian has proposed.

MOTION (Salter/Brown) to amend the ICEO's contract term to reflect September 1, 2026 to March 31, 2027. **Motion Approved** (6-0).

Chair Wallace stated this was a motion to amend the term, but the actual vote on the approval of the ICEO's contract will take place later at the Board Meeting.

(2) CEO Job Description and Job Posting

Mr. Milian stated that KL2 Connects had provided a CEO job description for review, and their submission recommends a ten year requirement for experience. He stated he informed KL2 Connects that the Board discussed a five year requirement and he was opening the floor for discussion and final determination. Chair Wallace reminded the Board that the 2012 search criteria was seven to ten years, but this Board had previously discussed and approved changing that requirement to five years.

Director Vallencourt stated he agrees with the previous discussion and believes it should be five years.

Director Glober asked if there was any conversation regarding the KL2 Connects decision to change the recommendation to ten years. Mr. Milian stated that in the cover letter provided by KL2 Connects it stated that it was their professional recommendation based on the importance of the position and the interviews. Director Glober stated he is good with the five year requirement.

Director Sams stated she is more comfortable with the previous CEO selection criteria of seven to ten years and that she believes it is more reasonable. She stated she is more comfortable with a more experienced candidate who can bring in what we need during this challenging time. She also stated if we trust the search firm to give us wise counsel and to vet all of the applicants, she believes the Board should consider splitting the two and going with seven to ten years of experience.

Director Brown stated that seven years is a good number and she agrees with Director Sams.

Director Hopkins stated he doesn't want to make the job easier for the search firm, by limiting the scope. He stated he doesn't want to miss out on candidates that may be good for JTA, based on a ten year restriction. He agrees with the five year requirement.

MOTION (Vallencourt/Glober) to keep the search criteria at five years of experience and to give the direction to the search firm to post the job description. **Motion Approved** (4-2).

IV. SERVICE DELIVERY COMMITTEE

a. Proposed November Service Changes:

Mr. Smith introduced a modified service plan beginning in November, with adjustments to nine routes, due to financial concerns, and the reduction in force of 150 employees in Operations.

b. FDOT OIC Audit Update: Deferred to November due to time constraints

V. LONG RANGE PLANNING AND SYSTEM DEVELOPMENT

a. Unfinished Business – Montana Avenue Ground Lease Amendment

Ms. Shepler introduced the Montana Avenue Ground Lease Amendment to support the lease-up efforts of our private sector Transit Oriented Development (TOD) partner and solidify the City's collective workforce housing affordability program in Jacksonville. JTA would waive the annual ground lease payment attributable to 71 designated workforce housing units. These units represent 20.88% of the development's 340 residential units. The waiver would remain in effect for 19 years, from Ground Lease Year 2 to Ground Lease Year 20. N She stated this would have $800 annually per the 71 units, equating to approximately $1.3 million total over the 19 years. JTA would retain approximately $5 million over the same period. She stated approval of this amendment would further demonstrate JTA's commitment of public-private partnership, strategic use of our real estate portfolio to advance TOD, housing accessibility, and community development objectives while preserving the long-term value of Authority-owned property.

Director Vallencourt asked what is the difference between affordable housing unit cost and a regular unit cost. Chari Wallace stated the differences between affordable housing and workforce housing. Director Vallencourt then agreed he meant workforce housing. Mr. Zeits stated there is a $35 to $75 difference today, which can increase over time with the market rate.

Director Glober asked if there is a DIA grant conversion pending or approved concerning these 71 units. Mr. Zeits stated there was a proposal discussed with DIA as part of a larger initiative for workforce housing with the City, but it has since been suspended to see what a larger policy would include with and without DIA, so nothing is pending today. Director Salter asked him to elaborate on the larger proposal. Mr. Zeits stated the

conversation is regarding the overall program, but it may not go back to DIA. The goal today is to work with JTA to solidify the solution to respond to the demands in the market.

Director Salter asked what is the data to support the demand rationale on the property. Mr. Zeits stated the supply in the Jacksonville market is approximately 5,000-6,000 apartment units per year. Post pandemic market has been 2,000-3,000 per year. There are limited resources available and the demand for workforce housing continues to increase. Director Salter asked for the proper mix of the 71 units. Mr. Zeits stated the program provides a unit for an income qualified tenant, which allows for flexibility around the property. Director Salter asked does the Skyway and bus service go to this area. Mr. Zeits responded yes.

Director Sams asked for the current occupancy of the property. Mr. Zeits responded six weeks ago it was at 65%, today it is at 74%, and there is significant growth.

Director Hopkins asked for an example of what the rent is for a one bedroom workforce housing unit vs the market rate. Mr. Zeits responded a workforce housing unit is $1,605 vs $1,745 at the market rate. Director Hopkins asked is there a possibly to expand from 71 units to a higher number. Mr. Zeits responded that we should always be open to adjusting to the demand of the market and be open to the discussion to increase or decrease the number of units.

Director Vallencourt stated we are being asked to subsidize workforce housing, and he believes this is acceptable.

VI. ROUNDTABLE: No items for Roundtable

Mr. Ferguson stated pursuant to Section 286 011 subsection 8 of Florida statutes, he was advising the board that he desires advice concerning the pending litigation styled as Kings Avenue Redevelopment vs JTA to which we are a party. The discussion will be confined to settlement negotiations and strategy related to litigation expenditures. This closed session will be held in the St. Johns Conference Room. Attendees for this closed session will be Chair Wallace, Interim CEO Cleveland Ferguson, Director Salter, Director Vallencourt, Director Brown, Director Glober, Director Hopkins, Richard Milian and a certified Court Reporter. Chair Wallace acknowledged.

VII. ADJOURN: There being no further business, the work session adjourned at 11:45 a.m.

Aundra C. Wallace
Aundra Wallace, Chair

SEAL

Max Glober, Secretary