

**MINUTES OF THE
JACKSONVILLE TRANSPORTATION AUTHORITY
BOARD WORK SESSION
THURSDAY, APRIL 25, 2024**

The Jacksonville Transportation Authority Board of Directors held a Work Session Thursday, April 25, 2024 in the Board Room of the Jacksonville Regional Transportation Center located at 100 LaVilla Center Drive, Jacksonville, Florida 32204.

BOARD MEMBERS PRESENT: Debbie Buckland, Arezou Jolly, Ray Driver, Megan Hayward, and Patricia Sams.

JTA STAFF PRESENT: Nathaniel Ford, Greer Gillis, Raj Srinath, Jeffery Smith, Jessica Shepler and Katie Smith.

OTHERS PRESENT: Richard Milian, General Counsel

I. WELCOME: Chair Buckland called the Work Session to order at 12:52 p.m. and welcomed the Board, Staff and public.

II. PUBLIC COMMENT: The Chair called for Public Comment. There was no requests to speak.

III. SERVICE DELIVERY COMMITTEE

Director Hayward stated there was one presentation for the committee.

a. August Service Enhancements: Mr. Smith began by sharing an overview of what his presentation will cover. First is the goals and objectives of the service enhancements, which include increasing frequencies, improving the passenger experience to best meet the needs of the community, and increasing transit access to more jobs and essential services along the First Coast Flyer (FCF) corridors. He then shared the increase in ridership, as well as the numbers for the MyRide to School program which has grown from 1.6 percent to 6.6 percent of the total fixed route ridership since its inception in August of 2022. A look at On-Time Performance (OTP) was also shared showing the monthly OTP from January of 2023 through March of 2024, as well as the weekday service OTP that has increased by one percent with each service change. He highlighted that JTA has more stringent OTP goal as the Authority measures time spots on routes as well as beginning and end of line, while most agencies only measure from route beginning to route end. The OTP expectation is not changed due to trains, construction or other reasons for road construction. Mr. Smith then provided information on how the operations team uses data and existing technologies for process and operational improvements on routes.

He provided the Board with an overview of the Fiscal Year 2024 – 2025 Service Change that includes enhancements for Fall 2024 and Spring/Summer 2025. Implementing a Title VI document for both enhancements will enable flexibility to implement planned changes based on availability of resources and provides cost saving by streamlining the process. Mr. Smith shared the planed enhancements to increase transit access with greater capacity for the Jacksonville community. He stated that the enhancements will be on weekday routes 3 and 19, as well as the FCF Blue Line and Green Line. Weekend service enhancements will be for the FCF Blue Line and Green Line. A snapshot of the ridership for the routes with enhancements was also provided. He explained that a major service change is any change in service on any individual route that results in a net addition or elimination of 25 percent or more of the daily revenue miles for that route. He further showed the improvement of access to transit for Duval County Public Schools (DCPS).

Mr. Smith concluded with a look at future enhancements for Spring/Summer Fiscal Year 2025 and Fiscal Year 2026. He stated that staff will continuously monitor OTP to implement service and process adjustments as needed, continue collaboration across the Authority for suggestions to improve service and ensure service adjustments will remain balanced against operations manpower and reviewed to meet ridership demand.

Director Hayward asked if the changes are due to increased ridership. Mr. Smith replied that yes, ridership has increased but these enhancements also assist DCPS with getting students to school as they are short on bus drivers.

Chair Buckland acknowledged that during the time the Authority struggled with hiring and retaining bus operators, the JTA was still in a better place than most agencies across the country. She also asked for staff to come back to show the Board how new operators impact some of the OTP. Mr. Smith shared that these enhancements would require 40 new operators.

Director Hayward then asked how many more operators will be needed for the other future enhancements and what are the number of trainees. Mr. Smith that an additional 30 operators will be needed so a total of 70. He added that the current training class has 20 operators about to graduate, but explained the large class sizes are not as important as the Authority has its full complement of operators is full. Training classes will continue for attrition purposes.

Director Wallace arrived.

Director Sams inquired about how JTA compares with other agencies on ridership. MR. Smith responded that the JTA is not the highest but not far from it when you compare agencies

with denser communities are seeing their ridership return more quickly.

Director Jolly stated that she is sure that ridership is being impacted by the opportunity for hybrid or remote work since the pandemic.

IV. FINANCE AND ADMINISTRATION

Director Wallace stated that Mr. Srinath would present the preliminary Fiscal year 2025 Budgets.

a. Fiscal Year 2025 Preliminary Budget Review: Mr. Srinath began by taking the Board through the JTA's proposed Fiscal Year 2025 budget, which encompasses the totality of the requests received from all areas of the Authority. He stated that each year the budget team develops a strategy for the budget to ensure it can meet the operating needs and address strategic priorities, while balancing with the revenues. This strategy considers the Authority's goals, specific projects or initiatives with the primary focus on the MOVE2027 Plan. Also, the Budget will go to the Board for consideration at the May Board meeting.

Mr. Srinath shared the budget timeline for the proposed Fiscal Year 2025 budget and the budget considerations. He then gave an overview of the proposed operating budget's revenue assumptions related to sales tax revenues, fare revenues, the Local Option Gas Tax (LOGT), interest income and Federal/State grants reimbursement and other revenues. He also shared the revenue allocations, expense assumptions, and expense allocation for the proposed Fiscal Year 2025 operating budget. A comparison of the revenues versus expenses for Fiscal Years 2023, 2024 and 2025 was also shared.

Director Hayward asked if the Fare Policy for Best Fare program impacts the budget. Mr. Srinath responded that if there is any impact it will be minimal.

Mr. Srinath then moved to the proposed Fiscal Year 2025 Capital Budget wherein he provided information on the funding sources and the funding uses by asset category. The assumptions for the Capital budget requests are prioritized using a scoring matrix that included many factors. The projects are prioritized and matched to available funding. He then shared a look at the Five-Year capital improvement plan. The presentation concluded with Mr. Srinath stating the Proposed Fiscal Year 2025 Operating Budget is \$161.7M and Capital Budget is \$63.8M for a total budget of \$225.5M for Fiscal Year 2025.

Chair Buckland asked what percentage of JTA's debt is floating rate. Mr. Srinath responded that JTA has two debt assurances, and both are fixed rate of approximately 3.5 percent.

There was discussion on how the Florida bills may impact the budget which may

require some minor adjustments to the budget.

Mr. Ford advised the Board that a one-on-one will be set up for each of the Board members to do deeper dive into the budget with Mr. Srinath.

Director Wallace inquired about the grant for the Emerald Trail and how the payment process is handled. Mr. Srinath responded that once funds are spent a request is sent to the Federal Transit Authority for reimbursement which usually takes 30 – 60 days. Mr. Ford added that the Emerald Trail Project, as well as other projects are front loaded with JTA funds and then reimbursed.

Director Wallace also asked staff to provide cost totals for each of the projects during the one-on-one's, which staff agreed to. He also asked how it will be handled should project costs increase once the project hits the streets. Mr. Ford stated that historically the capital projects funds will be used. Staff have already reviewed what is available in JTA reserves and the cash flow in the capital projects fund to be prepared to front-end funding for projects. Mrs. Gillis shared information related to funding shortages for LOGT II, as the JTA faced with the projects under LOGT I. Mr. Milian added that seven plus years ago that surplus would be swept into capital reserves as well as real estate sales. The purpose of that is to assist when shortages happen to ensure projects are completed.

The Chair acknowledged JTA's reserves allows the JTA to have financial flexibility.

Director Sams inquired about where funding for Nassau County vehicles with the new service beginning. Mrs. Gillis responded that as the JTA has become the Community Transportation Coordinator for Nassau County some vehicles will be assumed but JTA will be purchasing new vehicles which will be funded through 5307 grants and some State funds. Mr. Ford highlighted that the funds do not come from JTA, as the funds are only passed through the JTA as the Urbanized recipient for North Florida.

Director Hayward asked what projects can be funded with capital reserves. Mr. Srinath provided the information.

Director Jolly acknowledged that with her experience and time with the national associations, JTA is in a great place compared to other agencies across the country due to the fiscal stewardship by the JTA Board and Executive team.

V. ROUNDTABLE: FERRY FEASIBILITY STUDY: Mrs. Gillis began by sharing information related St. Johns Ferry Feasibility Study for the ferry replacement. She stated that MobiltyWorks 2.0, funded through LOGT, is to begin acquisition activities for purchase of a second ferry, as the Jean Ribault is coming to the end of its useful life. Mrs. Gillis shared that

Jacobs Engineering is the project manager for the project and led the study on JTA's behalf and will assist throughout the acquisition of the new vessel. She shared that the recommendation provided to the Board will come back for Board consideration at the May Board meeting.

Mr. William Joyce, Assistant Vice President of Construction and Capital Projects and a co-lead on the project, provided information on the scope for the Ferry Replacement Feasibility Study and explained the goal of the project is to minimize service interruptions and allow for rehabilitation of the aging Jean Ribault vessel. It also includes a baseline analysis of the existing vessel's infrastructure and operations, develop the new ferry design criteria, develop alternatives and perform alternatives analysis, and develop recommendations for the path forward to complete the project.

He shared a summary of the ferry configuration criteria which showed the new vessel will be the same shaped, size, power, and capacity of the Jean Ribault to assure that the service provided by the new vessel maintains the same high standard for safety and service. Mr. Joyce then shared that there were three different scenarios analyzed to guide decision making: the power platforms, different fuels and the cost and evaluation factors.

Mr. Alexander Traversa, Director of Planning and Sustainability and a co-lead on the project shared information on the alternatives analysis to provide a comparison of what is currently in use and reviewed options to achieve Net Zero. The three different power platforms were provided, as well as different fuel and cost and qualitative evaluation factors. He then shared the scenarios for the power alternatives, which included New Zero from day one, Capital Costs within LOGT Funding and the balanced scenario being the life-cycle cost with the quickest pathway to Net Zero. The details of each scenario were highlighted which included advantages, disadvantages, capital costs and yearly operations cost.

Director Hayward asked if the ferry has the same useful life as buses. Mr. Traversa responded that a ferry is 40 years. There was also discussion on the useful life of the new type of battery to go to Zero Emission. Mr. Traversa shared that regulations are still being developed, same as for buses. Director Hayward inquired about the cost to replace the battery and Mr. Traversa responded that the information would be given to the Board at a later date.

Mr. Traversa shared that public outreach and meetings were held. There was positive feedback on having a second ferry but little input on the type of power to use for the vessel. He then provided the Board with the Staff and consultant recommendation for renewable diesel electric hybrid vessel. The recommendation is the most flexible solution to deal with developing zero emissions technologies, the vessel can be developed and reconfigured to run on a variety of

combustible fuels and can be repowered at mid-life to many different power types to capture best future solution. This recommendation leads to reliability and flexibility for the JTA to adjust to market readiness of technology and fuels to best serve customers.

Mr. Joyce concluded by sharing the next steps in the project development which are: Board approval; finalize report with selected alternative; engage naval architect to develop vessel criteria (18 months); procure vessel builder (6 months); vessel construction and commissioning (36 months); and begin design and construction of vessel support facilities (30 months to be concurrent with vessel construction).

Director Driver inquired if all the payloads and speed are the same for all the vessels. Mr. Traversa responded that yes, they are all the same and are comparable to Jean Ribault.

Director Driver also reminded the Board and staff that a couple of years back the Board discussed different use alternatives for the Ferry and if that has been discussed further to move passengers around the City more efficiently. Mrs. Gillis shared that the staff is looking at different uses, that just was not a part of the study.

Chair Buckland shared that Mayport is a part of Atlantic Beach and has the growth rate in Atlantic Beach but historically been under invested. The Ferry connection is mostly contractors and has a major impact on Nassau County. She wants to be sure the connection is on Nassau County's mind and that JTA continues to communicate with the beach's community. Mr. Ford shared his understanding of the importance of the financial impact this could have as it will avoid the disruption to Ferry service. However, there is an application for a RAISE grant, a Ferry grant, and Lo-No grant available that JTA will be applying for to assist with funding the Ferry to accelerate this project hopefully to only have one more Ferry haul-out before the new vessel is in service.

Director Hayward asked if any part of the cost for the Ferry is included in the Fiscal Year 2025 Budget. Mrs. Gillis stated that it is not, the timeline was pushed out and will be included in future budgets. Director Hayward also asked how much LOGT funding is available for the Ferry, which Mrs. Gillis shared there is \$16M. Also, if there are funds not used for the original cost of the Ferry can they be used for service costs. Mrs. Gillis stated that any remaining funds will be put aside to have for any cost increases throughout the project.

Mr. Ford confirmed Director Jolly's inquiry regarding receiving the LOGT funds which will come in over 30 years. The possible increase in costs for this project is why the staff is looking at grants and reserves to accelerate projects to avoid inflation in materials. Mr. Ford also responded that the gas tax revenues expected were based on the change from gas vehicles to

electric vehicles as Director Hayward inquired about.

Chair Buckland asked how much money the JTA had to use from their own funds for the LOGT I projects. Mr. Ford responded \$70M as the project's total was \$170M but only received \$100M from the LOGT I.

VI. ADJOURN: There being no further business, the work session adjourned at 2:12 p.m.



Debbie Buckland, Chair

SEAL



Aundra Wallace, Secretary