

**MINUTES OF THE
JACKSONVILLE TRANSPORTATION AUTHORITY
BOARD STRATEGIC PLANNING MINI-RETREAT
TUESDAY, JANUARY 18, 2022**

The Jacksonville Transportation Authority Board of Directors Strategic Planning Mini-Retreat was held on Tuesday, January 18, 2022 in the Board Room of the Jacksonville Regional Transportation Center located at 100 LaVilla Center Drive, Jacksonville, Florida 32204.

BOARD MEMBERS PRESENT: Arezou Jolly, Debbie Buckland, Kevin Holzendorf and Abel Harding.

JTA STAFF PRESENT: Nathaniel P. Ford, Sr., Cleveland Ferguson, Greg Hayes, Rosa Beckett, Bernard Schmidt, Greer Gillis, Lisa Darnall, Charles Frazier and Katie Smith.

OTHERS PRESENT: Richard Milian, General Counsel, InfraStrategies Team; Carolyn Flowers, Cheryl Freeman, Gabe Klein and Andrew Zalewski, and PFM Team; Richard Pengelly, Scott Sweeten and David Reeser.

WELCOME: The Retreat was called to order by Chair Jolly at 10:09 a.m.

Mr. Ferguson provided the safety message to begin the retreat.

Chair Jolly and Mr. Ford then recognized and introduced the JTA's new Senior Vice President of Transit Operations, Charles Frazier.

PUBLIC COMMENT: The Chair called for Public Comment. There were no requests by the public to comment.

2021 AND 2022 PRIORITIES UPDATE: Chair Jolly opened her update by stating that it is her privilege to serve as the chair of such a dedicated group of servant leaders who make up the JTA Board of Directors. The Board has demonstrated its ability to innovate, adapt and grow in spite of the challenges we have all personally and professionally faced. She added that as we know, everything starts with the Mission, Vision and Core Values that we approved as a board. These principles are lodestar for our policy development, our long-range planning and how we conduct our business on a daily basis. Chair Jolly added that the Board will be taking a look at these

values as a part of our visioning session today.

Chair Jolly stated that back in 2020 when she was preparing to serve as Chair, she asked the Board for their concurrence on her priorities in three broad categories; Planning the JTA of Future with the Mobility Optimized through Vision and Excellence (MOVE Plan), Economic Development, and applying United States Department of Transportation alignment to the JTA's annual work plan. Today's session allows us to further reflect on how we can do more to get closer to this goal.

Chair Jolly added that as has been the case under Mr. Ford's leadership, the Board will be able to see the results of the Authority's focus on these priorities on a near-real-time basis. Each month as a part of the executive reports and in Board committees, the Board will have the opportunity to provide policy guidance on achieving these goals and will be able to share them with the Authority's stakeholders and the public at large. The Chair asked for the Board to continue to support these priorities and engage in robust discussion during the strategic and visioning session today to make 2022 a great year.

The Chair turned the floor over to Mr. Ford.

MOVE STRATEGIC PLAN: Mr. Ford stated that as the Board knows, the JTA enjoys a strong leadership position locally, regionally, statewide, nationally and internationally, considering the JTA was recently recognized as being the best of the best in the Western Hemisphere. The Authority did not get there overnight, and recognizes the need to look to the challenges of the day as the opportunities of the future to continue to move forward. He added that staff must not only focus on regaining lost ground on ridership, but to also pivot and diversify mobility offerings.

Mr. Ford provided an overview of the initiatives and projects over the last several years that allowed the JTA to be in its current position. From the Skyway Committee to the recent passage of the extension and expansion of the Local Option Gas Tax (LOGT) to move community wide projects forward. The list of projects will deliver more than half of the projected 7000 jobs this region needs. He closed his remarks by sharing that when he arrived at JTA the strategic plan, known as the Blueprint for Transportation, was guiding the JTA. The Authority has now pivoted from the Blueprint to the MOVE Plan which. Today's session will allow the Board and staff to

strategize around whether to make a “Rapid Rebound”, have “Moderate Momentum” or navigate a “Lingering Lifestyle” in terms of economic recovery over the first 18 months of the pandemic. The Board’s participation is key to the success of the MOVE Plan.

Mr. Ford introduced Mrs. Gillis to lead the MOVE Plan discussion.

Mrs. Gillis introduced the members of the consulting team from InfraStrategies

Mrs. Flowers and her team presented information related to the tasks, revisiting the Authority’s Vision and Role as it relates to engagement and communication. The guiding theme of moving the Plan forward is to know the core, build upon strengths, and collaborate the success.

During the presentation the Board’s first focus was on the vision of the plan. It needs to dynamic and innovative but needs to ensure inclusiveness, affordability, adaptability and universal. The Board then focused on the Mission in that it needs to be expanded to include providing services “To All.” It must also provide professional excellence and personal integrity.

As the team continued with mobility options, the Board discussed partnerships and collaboration and how the combined values should speak to JTA. It is important to have a focus on how to attract riders and future staff by watching the trends in the industry.

The MOVE Plan concluded with the Board providing direction to continue communicating, expand on partners and stakeholders, and to focus on who the JTA is and the lives it impacts.

FINANCE AND ADMINISTRATION COMMITTEE: Mr. Hayes stated that there would be two topics under the committee, Quarterly Investment Update and a look at Environmental, Social and Governance (ESG) Investment Solutions. He added that there is an item for action by the Board to add a fourth objective to Investment Policy, which is ESG.

The Quarterly Investment Report was provided and included the current market themes. However, there will be a new report to the Board in February so the report being provided has had some changes over the next quarter.

The Board expressed its comfort with the report and where the JTA stands.

The PFM Team then provided an overview of ESG that included an ESG Review and Analysis, as well as PFM's assessment and how it impacts the JTA's key objectives. Mr. Reeser provided the areas of the portfolio that have been evaluated and the risk exposure associated with these areas.

Director Holzendorf inquired about the breakdown of the risk contribution by ESG themes. Mr. Reeser shared how the quality of products impacts the areas of risks and issuers' ratings.

The Board then received information on ESG Investment criteria.

Director Buckland asked how the JTA rates among other entities. Mr. Hayes responded that the JTA is similar to other entities, but that it is key to look at the impact to the current portfolio by including ESG in the investments.

The Board discussed JTA's footprint in the ESG approach and how other government agencies are handling ESG options. Director Holzendorf stated that it is important that we look at all options to ensure the taxpayers can trust that we reviewed all options.

Director Harding asked if there is anything at the State level regarding or prohibiting JTA from investing. Mr. Milian stated that he does not know of any prohibitions. Director Harding added that the JTA should use caution until it can confirm where state agencies are falling on these type of investments. Mr. Pengelly advised they would do another review on state agency involvement and provide the results.

After an in-depth discussion about the concerns and unknowns related to ESG, Mr. Ford advised that staff will re-evaluated and get answers to the Board's questions. It can then be decided if staff will move forward with a recommendation to amend the current Investment Policy.

Before the Board took a break, Mr. Ford announced that Chair Jolly has been selected as a Woman Who Moves the Nation by the Conference of Minority Transportation Officials. She will be recognized at the annual awards breakfast in Washington, DC on March 16.

Chair Jolly stated it is a true honor to receive this recognition and looks forward to the event in March.

The Board returned from break, wherein Director Buckland took the lead of the retreat while Chair Jolly stepped out for a few minutes to take a call.

U2C AD HOC COMMITTEE: Director Holzendorf announced that there is one item under this committee: Bay Street Innovation Corridor (BSIC) Update.

Mr. Schmidt provided background on the evolution of the project and an overview of the current status related to Phase I, BSIC; Phase II Skyway Conversion/Autonomous Avenue and Phase III the neighborhood extensions. He then provided information related to the Request for Proposals which resulted in a recommendation to move forward with negotiations with Balfour Beatty, Inc. Staff will bring the contract to the Board for action at the Board meeting on January 27, 2022.

Mr. Schmidt shared details and components of the proposal analysis and the negotiations related to the BSIC project. He stated that staff recommends that the Board approve the execution of the Progressive Project Delivery Agreement.

Director Buckland confirmed that JTA will use reserves to meet any needed local funds. Mr. Schmidt stated that as the project moves forward staff will advise the Board on any refinements of the funds.

Director Holzendorf stated that he likes that the option to lease the vehicles leaves the JTA with flexibility. He also inquired about the status of a dedicated lane on Bay Street. Mr. Schmidt added that the JTA is still looking at that option and will keep the Board apprised of the status. However, the City is still looking to use the right side of the road for parking and the lane the AV will use will be in mixed traffic.

Director Buckland acknowledge the work by all the teams on moving this project forward.

LONG RANGE PLANNING AND SYSTEM DEVELOPMENT COMMITTEE: Director Buckland stated that Mr. Ferguson will take the Board through the three items under this committee.

Mr. Ferguson stated that he will provide information and an update on the real estate at the JTA, the current operations and next steps as it related to Jacksonville Transit Real Estate, the organizational structure, existing portfolio, active projects and Transit Oriented Development (TOD) and the future.

Mr. Ferguson shared Mr. Ford's alignment of the Authority's real estate assets and creating the JTA's Disposition and Acquisition Policies. This began the discussion on moving forward with TODs related to JTA real property assets.

He also shared the option of bringing real estate brokerage services in-house. This will be a cost savings but will also allow staff to have a closer lens on actions and possibilities. Particularly on property that connects to the routes for TOD opportunities. This is an important piece as we look to commuter rail in the future. He also provided a look at other transportation agencies and local government entities that have these activities in-house, which is a common practice.

Mr. Ferguson provided the Board with the organizational structure related to real estate and economic development department at the JTA. He shared the milestones that this team is responsible for the Authority, being 42 of the 113.

Director Harding asked about additional staff that may be needed. Mr. Ferguson responded that the department will work very lean until this direction moves forward, several years from now.

Director Buckland asked how the other agencies that have these services in house staff the department. Mr. Ferguson responded that most of them have full time staff in their agency that handle these areas, some are outsourced to assist in-house duties.

Director Holzendorf inquired about any risk with bringing in house and how to mitigate any of those risks. Mr. Milian stated that he is comfortable with the ability of the current team to handle these matters. He added that there are a couple items that will be in place. The first is the

competitive process that is outlined in the disposition rule and should remain to avoid any issues. The second is a practical matter related to the evaluation of real property wherein a second opinion of the value is accurate. Having an appraiser review these parcels will help safeguard this concern.

Mr. Ferguson then continued with the real estate portfolio and how staff will move forward with accurate documentation of the parcels and work through the mitigation steps of bringing these services in-house.

He then gave an update on the active projects including the retention pond on the Kings Avenue property. He shared the opportunities for TOD with Baptist Health and the discussion related to change the outfall into the St. Johns River. This change will provide for greater density and development in proximity to the JTA system and garage facility.

The main focus of the active projects was related to information and update provided related to the Kings Avenue Redevelopment lease/contract. Mr. Milian also provided some background on the issues and agreements through the years related to extension of time requests.

After Board discussion on the options related to the lease, staff's recommendation and JTA's next steps, the Board determined the best option would be to provide specific verbiage in an extension agreement and a financial expectation on any amendment to the lease to ensure the JTA is able to move forward with limited, if any litigation should the developer not meet the terms as outlined.

Mr. Ferguson shared information on the TOD planning grant and discussions with the City of Jacksonville's neighborhood and planning departments and the impact to the Green Line corridor of the First Coast Flyer. He concluded with the Commuter Rail grant and TOD related opportunities, and potential future projects around Duval County.

Chair Jolly then stated that there was one more matter to take up before the retreat ends, which is to recognize Mr. Ford's recent seating as the Chair of the Transit Research Board. She presented him with a gavel in recognition of not only this recent chairmanship but also for him serving as Chair of the American Public Transportation Association. It is a highly unusual for an individual to chair two different national agencies, particularly in such a short time.

Mr. Ford thanked the Board for the recognition and stated that he can only serve in these capacities because of the strong leadership team that he has at the JTA.

Chair Jolly thanked the Board and staff for all of the information and discussion throughout the day.

There being no further business, the mini retreat adjourned at 3:37 p.m.

SEAL



G. Ray Driver, Jr. Secretary



Arezou Jolly, Chair