

LYNX Oversight Committee Agenda

Meeting Date: 6/25/2020
Meeting Time: 10:30 AM

Central Florida Regional Transportation Authority
455 N. Garland Ave.
2nd Floor Open Space
Orlando, FL 32801

As a courtesy to others, please silence all electronic devices during the meeting.

The Central Florida Regional Transportation Authority d/b/a LYNX meeting will be held virtually by means of communications media technology pursuant to the Office of the Governor Executive Order #20-112 that extended Executive Order #20-69.

The opportunity to provide public comment is available until the Chair closes the item. To appear in person to speak or to submit written comments to LYNX Oversight Committee, complete the customer service form and select Public Comment on <http://www.golynx.com/contactus> or email to publiccomments@golynx.com. For additional information regarding other methods of submitting comments, contact the Board Agenda Coordinator at 407-254-6003.

When you are recognized, state your name and address. Please limit your comments to the 3 minute limit set by LYNX Board of Directors policy. Large groups are asked to name a spokesperson.

1. Call to Order

2. Approval of Committee Minutes



Oversight Committee Minutes 5.28.20

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3. Public Comments


- Citizens who would like to speak under Public Comments shall submit a request form to the Assistant Secretary prior to the meeting. Forms are available at the door.

4. Chief Executive Officer's Report






5. Finance & Audit Committee Report


6. Consent Agenda

A. Request for Proposal (RFP)











- i.  Authorization to Release a Request for Proposal (RFP) for Retirement Plan Administration and Recordkeeping Services Pg 6

B. Extension of Contracts

- i.  Authorization to Exercise the Fourth (Last) Option Year of Contract #16-C11 with Fleetwash, Inc. for the Steam Cleaning and Maintenance of LYNX Bus Shelters and Bus Stops Pg 8
- ii.  Authorization to Exercise the First Option Year of Contract #18-C74 with Genuine Parts Company for the Provision of Batteries Pg 10
- iii.  Authorization to Exercise the First Option Year of Contract #18-C85 with Vehicle Maintenance Program, Inc (VMP) for the Provision of Filters Pg 12
- iv.  Authorization to Exercise the First Option Year of Contract #18-C104 with Precision Transmission, Inc. for the Provision of Remanufactured ZF Transmissions Pg 14
- v.  Authorization to Exercise the First Option Year of Contract #18-C106 with GILLIG, LLC for the Provision of X-Change Voith Transmissions Pg 16

- vi.  Authorization to Exercise the First Option Year of Contract #18-C86 with GILLIG, LLC for the Provision of Filters Pg 18

C. Miscellaneous

- i.  Authorization to Enter into the FY2020 Bus Service Agreement with Universal Boulevard Property Owners Association Inc. Pg 20
-Attachments 
- ii.  Authorization to Implement July 19, 2020 Proposed Service Changes Pg 39
- iii.  Authorization to Extend the Suspension of the Collection of Fares Through July 31, 2020 Pg 42
- iv.  Authorization to Enter into Interlocal Project Agreement No. 2 with the Orlando Utilities Commission to Allow for Installation of Temporary Charging Infrastructure for Battery Electric Buses for a Period not to Exceed One (1) Year Pg 44
- v.  Authorization to Adopt Resolution #20-011 that will Approve and Ratify the Third Amendment to the Labor Agreement Between Central Florida Regional Transportation Authority and Amalgamated Transit Union AFL-CIO Local 1596 Pg 46
-Attachments    

7. Other Business

8. Adjourned

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board, agency, or commission with respect to any matter considered at a meeting or hearing, he will need a record of the proceedings, and that, for such purposes, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans With Disabilities Act of 1990, persons needing a special accommodation at this meeting because of a disability or physical impairment should contact Benjamin Gonzalez at 455 N. Garland Ave, Orlando, FL 32801 (407) 254-6038, not later than three business days prior to the meeting. If hearing impaired, contact LYNX at (407) 423-0787(TDD).

LYNX
Central Florida Regional Transportation Authority
Oversight Committee Meeting Minutes

PLACE: **LYNX Central Station**
 455 N. Garland Avenue
 Virtual and 2nd Floor, Board Room
 Orlando, FL 32801

DATE: **April 23, 2020**

TIME: **10:30 a.m.**

Members in Attendance:

Viviana Janer, Chair, Osceola County
Lee Constantine, Seminole County
Billy Hattaway, City of Orlando
Jo Santiago, FDOT
Renzo Nastasi, Orange County

Staff Members in Attendance:

James E. Harrison, Chief Executive Officer
Tiffany Homler-Hawkins, Chief Administrative Officer
Bert Francis, Chief Financial Officer
William Slot, Chief Innovation and Sustainability Officer
Leonard Antmann, Director of Finance

1. Call to Order

Chair Janer called the meeting to order at 10:37 a.m.

Mr. Harrison read a statement that allows for this meeting to be held virtually pursuant to an order by the Governor #20-112 that extended Executive order #20-69 which suspends the in-person forum for this meeting and allows for video and teleconferencing. All Oversight Committee members, senior LYNX staff, and general counsel, Pat Christiansen are present. There is a direct video feed in the LYNX Board Room for public comments, and a conference phone number allows the public to listen to this meeting.

2. Approval of Minutes

A motion to approve the April 23, 2020 Oversight Committee meeting minutes was made by Commissioner Constantine and seconded by Billy Hattaway. Motion carried unanimously.

3. Public Comments

No one requested to address the committee.

4. Chief Executive Officer's Report

Jim Harrison, Chief Executive Officer stated he will address the activities of LYNX of the last month. We had eliminated fare collection and reduced service on March 30, 2020, and ridership had declined to 25-30 percent of normal. This continued until April when Governor DeSantis opened the state under Phase one. Ridership slowly increased and service was reinstated to full service on May 11, 2020. With social distancing on the buses and our enhanced cleaning measures, we hope this will provide confidence in public transportation. We have substantially increased the cleaning not only of the buses but also the facilities.

We had twenty-six new bus drivers complete training. This will be a valuable addition to our service.

We recognize the labor union leadership for their cooperation and communication. They have gone to great lengths to make sure that their members were protected and that the essential services that we provide continued.

5. Finance & Audit Committee Report

Amanda Clavijo, Finance and Audit Committee Chair reported that the Finance and Audit Committee met on Thursday, May 21, 2020. She gave an overview of the Finance & Audit Committee agenda.

She stated that they reviewed the CARES Act. There was a presentation on the FY2020 2nd Quarter Operating results, and everything is trending online with the budget. There was also a brief discussion on the FY2021 budget. LYNX is putting together options and will have another presentation in June.

6. Committee Consent Agenda Items

Chair Janer asked Mr. Harrison if there were any changes to the Consent Agenda before there is a motion to approve consent agenda items 6.A.i. through 6.A.xi.

Mr. Harrison stated that he recommends the approval of the Consent agenda in full.

Jo Santiago stated that she has conflicts on Consent Agenda items 6.A.iii., 6.A.iv., 6.A.viii and 6.A.ix.

A. Miscellaneous

- i. Authorization to Transfer One (1) Retired Revenue Vehicle to the Orange County Sheriff's Office
- ii. Authorization to Order Three (3) Vanterra XLT Turtle Top vehicles in an Amount Not to Exceed \$260,000 for 5310 Sub-Recipient Awards
- iii. Ratification of the Waiver of Collective Bargaining and Implementation of Certain Emergency Relief in the LYNX Defined Contribution Plan for BU Employees under the Coronavirus Aid, Relief, and Economic Security Act (CARES)

- iv. Ratification of the Waiver of Collective Bargaining and Implementation of Certain Emergency Relief in the LYNX Money Purchase Plan under the Coronavirus Aid, Relief, and Economic Security Act (CARES)
- v. Ratification of the Implementation of Certain Emergency Relief in the LYNX Deferred Compensation Plan under the Coronavirus Aid, Relief, and Economic Security Act (CARES)
- vi. Ratification of an Application Submitted to the US Department of Homeland Security for FY2020 Competitive Funding Opportunity, Transit Security Grant Program (TSGP), for \$673,000
- vii. Ratification of a Grant Application to the Commission for the Transportation Disadvantaged for Fiscal Year 2020/2021 Innovation and Service Development Funding in the Amount of \$1,228,815 and Adoption of Resolution #20-006
- viii. Authorization to Execute Resolution #20-008 for a Public Transit Grant Agreement with the Florida Department of Transportation for FY2021 Block Grant Funding in the Amount of \$12,060,907
- ix. Authorization to Execute Resolution #20-009 for a Public Transportation Grant Agreement with the Florida Department of Transportation under the Coronavirus Aid, Relief, and Economic Security (CARES) Act for Rural 5311 Program in the amount of \$2,342,149
- x. Authorization to Cancel Contract #13-C07 for Automated Fare Collection System
- xi. Authorization to Extend the Suspension of the Collection of Fares Through June 30, 2020

Chair Janer asked for a motion on Consent Agenda items 6.A.i through 6.A.xi excluding items 6.A.iii., 6.A.iv., 6.A.viii and 6.A.ix.

Commissioner Constantine made a motion to approve Consent Agenda items 6.A.i through 6.A.xi excluding items 6.A.iii., 6.A.iv., 6.A.viii and 6.A.ix. Seconded by Renzo Nastasi. Motion passed unanimously.

Chair Janer asked for a motion on Consent Agenda items 6.A.iii., 6.A.iv., 6.A.viii and 6.A.ix.

Motion made by Billy Hattaway, second by Commissioner Constantine. Motion passed with Jo Santiago abstaining.

7. Other Business

No other business was discussed.

8. Adjourned

Meeting adjourned at 10:52 a.m.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.A. i

To: LYNX Oversight Committee

From: Terri Setterington
Director Of Human Resources
Brian Anderson
(Technical Contact)

Phone: 407.841.2279 ext: 6106

Item Name: Authorization to Release a Request for Proposal (RFP) for Retirement Plan Administration and Recordkeeping Services

Date: 6/25/2020

ACTION REQUESTED:

Staff is seeking the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to release a Request for Proposal for administration and recordkeeping services for the LYNX Defined Contribution Plan for BU Employees, LYNX Money Purchase Plan, and LYNX Deferred Compensation Plan ("Plans"). The contract term will depend on the proposals received, but may be expected to be a three-year term with renewal option(s) for another three years.

BACKGROUND:

MassMutual, the current administration and recordkeeping service provider for the Plans, has notified LYNX staff that MassMutual is discontinuing the current platform that it uses to provide services to the Plans. A new pricing structure and new service provider contracts would be required in order for MassMutual to continue providing services to the LYNX plans, after a transition period. Additionally, it has been publicly reported that MassMutual is exploring a sale of its retirement services division. In light of the foregoing, LYNX staff recommends an RFP to determine the most competitive, stable, and capable provider of administration and recordkeeping services for the Plans.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

LYNX Oversight Cmmittee Agenda

FISCAL IMPACT:

The fiscal impact to LYNX will depend on the proposals received. However, service fees for administration and recordkeeping services for retirement plans are often able to be paid by the plans themselves without requiring additional funding from the sponsoring employer.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.B. i

To: LYNX Oversight Committee

From: Elvis Davales
Director Of Maintenance
Elvis Davales
(Technical Contact)

Phone: 407.841.2279 ext: 6239

Item Name: Authorization to Exercise the Fourth (Last) Option Year of Contract #16-C11 with Fleetwash, Inc. for the Steam Cleaning and Maintenance of LYNX Bus Shelters and Bus Stops

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to exercise the fourth option year for Contract 16-C11 with Fleetwash, Inc. for the steam cleaning and maintenance of LYNX bus shelters and bus stops with an annual not-to-exceed amount of \$170,000.

BACKGROUND:

Bus stops are the primary point of customer access to LYNX fixed route bus service. Shelters provide an enhanced experience for customers by providing shelter from the elements. These stops and shelters are highly visible to the community and provide a clean, safe area for customers to wait, to board, and to alight LYNX buses.

At the April 14, 2016 Board meeting, the Board of Directors authorized the award of Contract 16-C11 to Fleetwash, Inc. for one (1) year with four (4) one-year extensions for steam cleaning and maintenance of LYNX bus shelters and bus stops. This requested authorization would exercise the last of the one (1) year extension options. The contract was set to renew on April 30, 2020.

However, on March 9, 2020 the Governor of the State of Florida issued Executive Order No. 20-52 declaring Florida in a State of Emergency due to the significant outbreak of the Novel Coronavirus Disease (COVID-19). Additionally, LYNX declared a State of Emergency on March 13, 2020 in response to the COVID-19 emergency. This requested action, which was delayed due to the COVID-19 outbreak, will exercise the last of the one (1) year extension

LYNX Oversight Committee Agenda

options of the contract, nunc pro tunc, thus renewing the contract on the April 30, 2020 renewal date and providing continuity of services starting on May 1 2020 through April 30, 2021.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The FY2020 Amended Operating Budget included \$163,500 for steam cleaning and maintenance of LYNX bus shelters and bus stops.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.B. ii

To: LYNX Oversight Committee

From: Elvis Dovalés
Director Of Maintenance
Elvis Dovalés
(Technical Contact)

Phone: 407.841.2279 ext: 6239

Item Name: Authorization to Exercise the First Option Year of Contract #18-C74 with Genuine Parts Company for the Provision of Batteries

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to exercise the first year option of Contract #18-C74 with Genuine Parts Company, for the provision of batteries used in the maintenance of transit buses and support vehicles.

BACKGROUND:

At the March 22, 2018, Board of Directors' meeting, staff received authorization under Consent Agenda Item #5.C.i to award the contract for the procurement of batteries to Genuine Parts Company. The not to exceed value of the entire contract term with Genuine Parts Company is \$220,000. The initial term of Contract #18-C74 was for two (2) years with two (2) renewal terms of one (1) year. The first two (2) years of the contract was set to renew on March 23, 2020.

However, on March 9, 2020 the Governor of the State of Florida issued Executive Order No. 20-52 declaring Florida in a State of Emergency due to the significant outbreak of the Novel Coronavirus Disease (COVID-19). Additionally, LYNX declared a State of Emergency on March 13, 2020 in response to the COVID-19 emergency. This requested action, which was delayed due to the COVID-19 outbreak, will exercise the first year option of the contract, nunc pro tunc, thus renewing the contract on the March 23, 2020 renewal date and providing continuity of services.

LYNX has a fleet of 301 transit vehicles and various support vehicles. Our in-house technicians routinely inspect and replace the batteries as needed. LYNX purchases approximately 600 transit bus and support vehicle batteries per year.

LYNX Oversight Committee Agenda

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The FY2020 Amended Operating Budget included \$4,460,000 for repairs and maintenance of revenue vehicles, to include bus parts such as replacement vehicle batteries.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.B. iii

To: LYNX Oversight Committee

From: Elvis Dovalés
Director Of Maintenance
Elvis Dovalés
(Technical Contact)

Phone: 407.841.2279 ext: 6239

Item Name: Authorization to Exercise the First Option Year of Contract #18-C85 with Vehicle Maintenance Program, Inc (VMP) for the Provision of Filters

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to exercise the first year option of Contract #18-C85 with Vehicle Maintenance Program, Inc. (VMP) for the provision of filters used in the maintenance of transit buses and support vehicles.

BACKGROUND:

At the March 22, 2018, Board of Directors' meeting, staff received authorization under Consent Agenda Item #5.C.iii to award the contract for the procurement of filters to VMP. The not to exceed value of the entire contract term with VMP is \$634,019. The initial term of Contract #18-C85 was for two (2) years with Two (2) renewal terms of one (1) year. The contract was set to renew on March 22, 2020.

However, on March 9, 2020 the Governor of the State of Florida issued Executive Order No. 20-52 declaring Florida in a State of Emergency due to the significant outbreak of the Novel Coronavirus Disease (COVID-19). Additionally, LYNX declared a State of Emergency on March 13, 2020 in response to the COVID-19 emergency. This requested action, which was delayed due to the COVID-19 outbreak, will exercise the first year option of the contract, nunc pro tunc, thus renewing the contract on the March 22, 2020 renewal date and providing continuity of services.

The filters provided by Vehicle Maintenance Program Inc. (VMP) are used for the purposes of performing scheduled and unscheduled maintenance on LYNX revenue and non-revenue vehicles. Some of the filters include, but are not limited to, oil, air, transmission, fuel, hydraulic, etc. LYNX stocks approximately eighty-two (82) different sizes and types of filters to include

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approximately 27 types of air and air cleaner filters, 4 types of coolant filters, 15 types of primary and secondary fuel filters, 17 types of oil and hydraulic filters, 16 types of element filters, and 3 types of kit filters.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The FY2020 Amended Operating Budget included \$4,460,000 for vehicle maintenance.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.B. iv

To: LYNX Oversight Committee

From: Elvis Dovalés
Director Of Maintenance
Elvis Dovalés
(Technical Contact)

Phone: 407.841.2279 ext: 6239

Item Name: Authorization to Exercise the First Option Year of Contract #18-C104 with Precision Transmission, Inc. for the Provision of Remanufactured ZF Transmissions

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to exercise the first year option of Contract #18-C104 with Precision Transmission, Inc. for the provision of remanufactured ZF transmissions used in the maintenance of transit buses.

BACKGROUND:

At the May 24, 2018, Board of Directors' meeting, staff received authorization under Consent Agenda Item #1E32D18B-9DD5-460C-A67A-D1C8FF3C60AD to award the contract for the procurement of remanufactured ZF transmissions to Precision Transmission, Inc. The not to exceed value of the entire contract term with Precision Transmission, Inc is \$653,103. The initial term of Contract #18-C104 was for two (2) years with three (3) renewal terms of one (1) year. The first two (2) years of the contract was set to renew on June 7, 2020.

However, on March 9, 2020 the Governor of the State of Florida issued Executive Order No. 20-52 declaring Florida in a State of Emergency due to the significant outbreak of the Novel Coronavirus Disease (COVID-19). Additionally, LYNX declared a State of Emergency on March 13, 2020 in response to the COVID-19 emergency. This requested action, which was delayed due to the COVID-19 outbreak, will exercise the first year option of the contract, nunc pro tunc, thus renewing the contract on the June 7, 2020 renewal date and providing continuity of services.

LYNX has a fleet of 301 transit vehicles approximately 82 are equipped with ZF transmissions. Our in-house technicians diagnose and replace the transmissions as needed. LYNX replaced

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approximately 14 ZF transmissions in FY2019. Precision Transmission, Inc. is the only Southeast Region Authorized dealer of the ZF Transmissions.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The FY2020 Amended Operating Budget included \$4,460,000 for repairs and maintenance of revenue vehicles, to include bus parts and components such as replacement transmissions.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.B. v

To: LYNX Oversight Committee

From: Elvis Davales
Director Of Maintenance
Elvis Davales
(Technical Contact)

Phone: 407.841.2279 ext: 6239

Item Name: Authorization to Exercise the First Option Year of Contract #18-C106 with GILLIG, LLC for the Provision of X-Change Voith Transmissions

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to exercise of the first year option of Contract #18-C106 with GILLIG, LLC, for the provision of X-Change Voith transmissions used in the maintenance of transit buses.

BACKGROUND:

At the May 24, 2018, Board of Directors' meeting, staff received authorization under Consent Agenda Item Consent Agenda Item #7.A. iii to award the contract for the procurement of X-Change Voith transmissions to GILLIG, LLC. The not to exceed value of the entire contract term with GILLIG, Inc is \$876,900. The initial term of Contract #18-C106 was for two (2) years with three (3) renewal terms of one (1) year. The first two (2) years of the contract was set to renew on June 7, 2020.

However, on March 9, 2020 the Governor of the State of Florida issued Executive Order No. 20-52 declaring Florida in a State of Emergency due to the significant outbreak of the Novel Coronavirus Disease (COVID-19). Additionally, LYNX declared a State of Emergency on March 13, 2020 in response to the COVID-19 emergency. This requested action, which was delayed due to the COVID-19 outbreak, will exercise the first year option of the contract, nunc pro tunc, thus renewing the contract on the June 7, 2020 renewal date and providing continuity of services.

LYNX has a fleet of 301 transit vehicles approximately 108 are equipped with Voith transmissions. Our in-house technicians diagnose and replace the transmissions as needed. LYNX replaced approximately 6 Voith transmissions in FY2019.

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DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The FY2020 Amended Operating Budget included \$4,460,000 for repairs and maintenance of revenue vehicles, to include bus parts and components such as replacement transmissions.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.B. vi

To: LYNX Oversight Committee

From: Elvis Davales
Director Of Maintenance
Elvis Davales
(Technical Contact)

Phone: 407.841.2279 ext: 6239

Item Name: Authorization to Exercise the First Option Year of Contract #18-C86 with GILLIG, LLC for the Provision of Filters

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to exercise the first year option of Contract #18-C86 with GILLIG, LLC, for the provision of filters used in the maintenance of transit buses and support vehicles.

BACKGROUND:

At the March 22, 2018, Board of Directors' meeting, staff received authorization under Consent Agenda Item #5.C.iii to award the contract for the procurement of filters to GILLIG, LLC. The not to exceed value of the entire contract term with GILLIG is \$199,498. The initial term of Contract #18-C86 was for two (2) years with Two (2) renewal terms of one (1) year. The first two (2) years of the contract was set to renew on March 22, 2020.

However, on March 9, 2020 the Governor of the State of Florida issued Executive Order No. 20-52 declaring Florida in a State of Emergency due to the significant outbreak of the Novel Coronavirus Disease (COVID-19). Additionally, LYNX declared a State of Emergency on March 13, 2020 in response to the COVID-19 emergency. This requested action, which was delayed due to the COVID-19 outbreak, will exercise the first year option of the contract, nunc pro tunc, thus renewing the contract on the March 23, 2020 renewal date and providing continuity of services.

The filters provided by GILLIG, LLC, are used for the purposes of performing scheduled and unscheduled maintenance on LYNX revenue and non-revenue vehicles. Some of the filters include, but are not limited to, oil, air, transmission, fuel, hydraulic, etc. LYNX stocks approximately eighty-two (82) different sizes and types of filters to include approximately 27 types of air and air cleaner filters, 4 types of coolant filters, 15 types of primary and secondary

LYNX Oversight Committee Agenda

fuel filters, 17 types of oil and hydraulic filters, 16 types of element filters, and 3 types of kit filters.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The FY2020 Amended Operating Budget included \$4,460,000 for vehicle maintenance.

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Consent Agenda Item #6.C. i

To: LYNX Oversight Committee

From: Tiffany Homler Hawkins
Chief Administrative Officer
Leonard Antmann
(Technical Contact)

Phone: 407.841.2279 ext: 6064

Item Name: Authorization to Enter into the FY2020 Bus Service Agreement with Universal Boulevard Property Owners Association Inc.

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to execute the Bus Service Agreement with Universal Boulevard Property Owners Association, Inc. (the Association) in the amount of \$207,445 for the period October 1, 2019 – September 30, 2020.

BACKGROUND:

Since 2006, LYNX has operated service on Link 58 in the International Drive/Destination Parkway area, operating from Destination Parkway Superstop via I-Drive, Pointe Plaza Ave., Universal Blvd. to Rosen Shingle Creek Resort. Designed as a circulator route to primarily shuttle workers from Rosen Creek to I-Drive and Destination Parkway, the route runs daily at various times. Under this Bus Service Agreement, the Association reimburses LYNX an agreed-upon amount.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The approved FY2020 Amended Operating budget included \$181,979. The agreement provides for additional revenue in the amount of \$25,021 in FY2020.

BUS SERVICE AGREEMENT

by and between

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
(LYNX)

and

UNIVERSAL BOULEVARD PROPERTY OWNERS ASSOCIATION, INC.
(the Association)

relating to the providing of bus service in the
International Drive, Orange County, Florida, area

February 21, 2020

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(The Table of Contents to this Bus Service Agreement is for convenience of reference only and is not intended to define, expand or limit any of the terms and conditions of this Bus Service Agreement.)

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Schedule of Exhibits

Exhibit “A” – Sketch of POA Area

Exhibit “B” – Description of Service or Bus Route

Exhibit “C” – Schedule of Service Times and Stops

Exhibit “D” – Schedule of Fee Payments

BUS SERVICE AGREEMENT

THIS BUS SERVICE AGREEMENT (the “**Agreement**”) made and entered as of this 1st day of August, 2019, by and between:

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX (hereinafter referred to as “**LYNX**”), a body politic and corporate, created by Part III, Chapter 343, Florida Statutes, whose address is 455 North Garland Avenue, Orlando, Florida 32801

and

UNIVERSAL BOULEVARD PROPERTY OWNERS ASSOCIATION, INC., a Florida non-profit corporation, with a registered office at 9751 Universal Boulevard, Orlando, Florida 32819 (hereinafter referred to as “**Association**”).

The Association and LYNX shall sometimes each be referred to collectively as the “**parties**”.

WITNESSETH:

WHEREAS, LYNX provides public transportation in the Central Florida area including, but not limited to, dedicated bus service for the benefit of and use by the public; and

WHEREAS, the Association is a property owners association formed for the purpose of providing various services to a certain geographic area in the International Drive area, Orange County, Florida, and which geographic area is generally described and set forth in **Exhibit “A”** attached hereto (the “**POA Area**”); and

WHEREAS, the Association and its members desire and have a need for public transportation service in certain portions of the POA Area in order to provide for, among other matters, public transportation in order to facilitate employees, guests and other persons seeking transportation to and from facilities located in the POA Area; and

WHEREAS, the Parties previously entered into an agreement dated August 25, 2006 (the “**Prior Agreement**”) regarding LYNX establishing one or more additional “bus links” in the POA Area to provide additional public bus transportation; and

WHEREAS, the parties wish to terminate the Prior Agreement and replace it with this current Agreement, LYNX is prepared to do so pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual premises herein contained, the parties hereto do hereby agree as follows:

1. **DEFINITIONS.** For purposes of this Agreement, the following definitions shall apply, unless the context requires otherwise or another definition is expressly provided in this Agreement:

<u>Agreement</u>	shall mean this Bus Service Agreement, as the same may be amended from time to time.
<u>Association</u>	shall mean Universal Boulevard Property Owners Association, Inc.
<u>Bus Service</u>	shall mean the revenue bus service to be provided by LYNX in and to the Service Area as set forth in this Agreement.
<u>Cost of Bus Service</u>	shall mean the cost incurred by LYNX to provide the Bus Service, which for the LYNX fiscal year ending September 30, 2020, will be based on an hourly rate of \$47.56 which includes fuel and administrative costs. The foregoing hourly rate is subject to readjustment for each succeeding fiscal year as provided in paragraph 3 below.
<u>FDOT</u>	shall mean the Florida Department of Transportation.
<u>FEES</u>	shall mean the fees to be paid to LYNX by the Association for providing the Bus Service as set forth and described in paragraph 6 below.
<u>FTA</u>	shall mean the Federal Transit Administration.
<u>Monthly Cost of Bus Service</u>	shall mean the cost incurred by LYNX (based on the Cost of Bus Service and the actual hours of Bus Service) to provide the Bus Service for each and every month during the term of this Agreement.
<u>POA</u>	shall mean the Association, as the property owners association.
<u>POA Area</u>	shall mean the area for which the Association was formed as a property owners association, as described and set forth in <u>Exhibit “A”</u> attached hereto.
<u>Service Area</u>	shall mean the area indicated in <u>Exhibit “B”</u> attached hereto.
<u>Service Schedule</u>	shall mean the frequency, times and stops for the Bus Service to be provided by LYNX, as set forth and described in paragraph 5 below.
<u>Term</u>	shall mean the term of this Agreement, as set forth in paragraph 3 below.

2. **PROVIDING OF BUS SERVICE.** Pursuant to the terms and conditions of this Agreement and in consideration of the Payments, LYNX agrees to provide the Bus Service in the Service Area. In regard to providing said Bus Service, the obligation of LYNX is subject to the following:

(a) Federal, state and local regulations applicable to LYNX including, but not limited to, the rules and regulations promulgated from time to time by FDOT and/or FTA as applicable to LYNX;

(b) All conditions beyond the reasonable control of LYNX including but not limited to, Acts of God, hurricanes, matters of public safety, etc.;

(c) The changing transportation needs of the Association to the extent LYNX can accommodate such needs;

(d) The times set forth in this Agreement and other matters regarding the providing of Bus Service are not guarantees; they are projected times for stops and starts and are subject to best efforts by LYNX, including matters associated with traffic, accidents, etc.; and

3. **TERM.** This Agreement shall be effective on October 1, 2019 (the “**Commencement Date**”) and shall, except as otherwise set forth herein or unless terminated in writing by either Party, continue through September 30, 2020 (the “**Expiration Date**”), which is the funding period for providing the Bus Service. The hourly rate set forth in the Cost of Bus Service shall remain until such time as the LYNX Board of Directors has approved the budget for the next fiscal year and determined the hourly rate for providing bus service, at which time the hourly rate set forth in the Cost of Bus Service shall be adjusted accordingly.

4. **TERMINATION.**

(a) **Termination at Will.** This Agreement may be terminated by either Party upon no less than one hundred twenty (120) calendar days’ notice, without cause. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. Notice shall be effective upon receipt.

(b) **Termination for Breach.** Unless breach is waived by the Association or LYNX in writing, either Party shall, in order to terminate this Agreement for breach, give the other Party written notice of the breach. If the breach is not cured within thirty (30) calendar days, the non-breaching Party may terminate this Agreement. Notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. Waiver by either Party of breach of any provisions of this Agreement shall not be deemed to be a waiver of any other breach and shall not be construed to be a modification of the terms of this Agreement, and shall not act as a waiver or estoppel to enforcement of any provision of this Agreement. The provisions herein do not limit the Association’s or LYNX’s right to remedies at law or to damages. At the sole option of the Association, if Orange County enters into an agreement with LYNX, Association may terminate this agreement and join the agreement entered into with Orange County.

5. **SCHEDULE OF BUS SERVICE.** Attached hereto as **Exhibit "C"** is a Schedule showing the proposed times, stops/timepoints and service for the Bus Service. The Schedule is subject to all the terms of this Agreement.

6. **PAYMENT FOR BUS SERVICE.** The Bus Service to be provided by LYNX pursuant to this Agreement is in consideration of the Association paying to LYNX the Monthly Cost of Bus Service. Net In that regard, the parties do hereby agree as follows:

(a) Within thirty (30) days after the end of each and every month, LYNX shall send to the Association an invoice for said month, which would show for that month the required actual payment to be made to LYNX. The Association shall make said monthly payment to LYNX within thirty (30) days after the receipt of the invoice from LYNX.

(b) For the purpose of invoicing the Association, invoices and related matters will be sent to the Association or received in person at the following address:

Mr. Dan Giodano
Universal Boulevard Property Owners Association, Inc.
9751 Universal Boulevard
Orlando, Florida 32819

(c) In any event, the obligation of LYNX to provide the Bus Service is expressly contingent upon it receiving and only to the extent it receives the required Payments set forth above.

(d) This agreement shall not obligate LYNX to provide any funding for the Bus Service. Specifically, LYNX will not be obligated to provide any general funding it receives from any other government agency to the Bus Service. With respect to any bus fares that may arise from the Bus Service (including any interest, if any, that LYNX may obtain by virtue of any deposits if makes by virtue of any of the Payments), those fares, interests, etc. may be retained by LYNX and used for its other bus operations and is not required to be used for the Bus Service to be provided under this Agreement.

7. **DEFAULT.** In the event either party defaults under this Agreement, the other party, before declaring a default, shall give written notice to the other party, and the other party shall have seven (7) days within which to cure said default. Notwithstanding the foregoing:

(a) In the event of nonpayment of any Fees, LYNX shall have the right to immediately terminate the Bus Service. In addition, LYNX will have the right to apply the Security Deposit to amounts due under this Agreement.

(b) The sole remedies available to the Association in the event of a default hereunder shall be solely to recover from LYNX any unearned portion of any of the Fees. In the case of LYNX, the sole remedy available to LYNX is to terminate the Bus Service and recover any unpaid Fees for bus services rendered in accordance with the schedule provided in **Exhibit "C"**.

8. **ACCESS OVER PRIVATE PROPERTY.** If and to the extent the Bus Route at any time extends over any private property in the POA Area, then if requested by LYNX, the Association shall obtain written authorization from persons having an interest in the private property for LYNX to provide the Bus Service.

9. **INDEMNIFICATION.** The Association shall indemnify and save LYNX completely harmless in respect of liability and of damages, costs and expenses in connection with any damage or injury whatsoever to persons or property arising out of the use, management, operation, occupation, ownership, maintenance or control of the Bus Route and arises out of the negligence of the Association or any of its Members, or any of their employees or agents.

10. **BOND.** The Association shall not be required to furnish the Owner with any bond or other collateral conditioned for the faithful performance of the duties and due accounting for all monies received by the Association under this Agreement. Notwithstanding the provisions of this paragraph, the Association shall pay to LYNX a Security Deposit in an amount to be agreed upon by both parties upon execution of this Agreement. **ADVERTISING.** The parties are aware and understand that LYNX undertakes an advertising program on its buses and that LYNX does not specifically identify a specific bus on a specific route. From time to time, buses will be taken out of service for maintenance and repair and replacement, and future buses will be used from time to time to provide the Bus Service. In addition, various rules (including FTA guidelines) provide for random assignment of buses. With this background:

(a) LYNX will be entitled to place on the buses which it uses to provide the Bus Service, advertising from time to time.

(b) LYNX shall have the right in its reasonable discretion as to what buses and the type of the buses that will be used to provide the Bus Service.

The foregoing assignments and other matters regarding the buses in the Bus Service will be subject in all respects to all applicable laws including FTA and FDOT requirements. Any advertising revenue obtained from LYNX in connection with the Bus Service will be the property of LYNX and will not be deemed to be any "Farebox Revenue", which the Association shall not be entitled to as part of this agreement.

11. **NON-ASSIGNABILITY.** This Agreement is not assignable by either Party without the prior written consent of the other Party.

12. **RELATIONSHIP OF OTHER PARTIES.** The Parties are aware and agree that the relationship between LYNX and the Association under this Agreement shall be that of an independent contractor and not an agent.

13. **NO THIRD PARTY BENEFICIARY.** This Agreement is solely between the parties hereto and no person or persons not a Party hereto shall have any rights or privileges whatsoever either as a third Party beneficiary or otherwise.

14. **NOTICE.** Any notice permitted to be given to either Party under this Agreement shall be in writing and shall be deemed to be given (i) in the case of delivery, when delivered to the other Party at the address set forth in the preamble to this Agreement, (ii) in the case of mailing,

three (3) days after said notice has been deposited, postage pre-paid, in the United States mail and sent by certified or return receipt requested to the other Party at the address set forth in the preamble to this Agreement and (iii) in all other cases when such notice is actually received by the Party to whom it has been sent. Notices shall be sent to the following:

As to LYNX: Leonard Antmann, Director of Finance
LYNX
455 North Garland Avenue
Orlando, Florida 32801

with a copy to: James E. Harrison, Esq., P.E. Chief Executive Officer
LYNX
455 North Garland Avenue
Orlando, Florida 32801

As to the Company: Universal Boulevard Property Owners Association, Inc.
9751 Universal Boulevard
Orlando, Florida 32819
Attn: Mr. Dan Giordano

with a copy to: Broad and Cassel
390 North Orange Avenue, Suite 1400
Orlando, Florida 32801
Attn: Deborah H. Johnson

Either Party may change the address to which any notices are to be given by so notifying the other parties to this Agreement as provided in this paragraph.

15. **GOVERNING LAW.** This Agreement shall be construed in accordance with and governed by the laws of the State of Florida. The parties further agree that the exclusive venue and jurisdiction over any action arising under this Agreement shall be in the courts of Orange County, Florida. Each Party expressly waives any right to a jury trial.

16. **COSTS AND ATTORNEYS' FEES.** In the event a dispute arises between the parties hereto in regard to this Agreement and suit is brought, the prevailing party in such suit shall be entitled to recover from the non-prevailing party its reasonable costs and attorney's fees, including its reasonable costs and attorneys' fees in any appellate action involving such suit.

17. **MISCELLANEOUS CLAUSES.**

(a) **Sovereign Immunity.** LYNX hereto is a government agency entitled to sovereign immunity under the laws of the State of Florida. Nothing contained in this Agreement, the relationship between the parties hereto, the providing of the Bus Service, or otherwise shall in any way whatsoever constitute any waiver by either Party of its rights to invoke sovereign immunity as a governmental entity.

(b) **Force Majeure.** The rights and obligations and duties of the parties hereunder shall be subject to any causes beyond their reasonable control including, but not limited to, Acts of God, hurricanes, storms, and, in the case of LYNX, government regulations and directives applicable to it.

(c) **Time of Essence.** The parties recognize that time is of the essence in the performance of the provisions of this Agreement provided, however, in regard to the providing of Bus Service, that is subject to the qualifications set forth in this Agreement.

(d) **Legal Obligations.** This Agreement shall not relieve any Party of any obligation or responsibility imposed upon it by law.

(e) **No Waiver.** No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the Party or parties claimed to have waived or consented. Waiver of any default of this Agreement shall not be deemed a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach. Waiver of such default and waiver of such breach shall not be construed to be a modification of the terms of this Agreement unless stated to be such through written approval of all parties.

(f) **No Restrictions As To Other Service.** Nothing contained in this Agreement shall restrict LYNX in any way whatsoever as to any other service which it may provide in the OA Area, whether adding or dropping service.

(g) **Benefits of Service.** The Payments to be paid by the Association to LYNX are net, and shall not be reduced based upon any other funding or benefits that LYNX may receive including, but not limited to, any funding that LYNX receives from the FTA as a part of its overall ridership total.

(h) **Governing Law.** This Agreement shall be interpreted and constructed according to and enforced under the laws of the State of Florida. LYNX and the Funding Partners agree that the Ninth Judicial Circuit Court of Orange County, Florida shall have exclusive jurisdiction and venue over any legal action arising under this Agreement.

(i) **No Oral Modification.** The parties agree that this Agreement is a complete expression of the terms herein and any oral or written representations or understandings not incorporated herein are excluded.

(j) **Severability.** If any of the provisions of this Agreement are held to be invalid, illegal or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. To that end, the provisions of this Agreement are declared to be severable.

(k) **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, and it will not be necessary in making proof of this Agreement or the terms of this Agreement, to produce or account for more than one (1) of such counterparts.

(l) **Adjustment of Bus Routes.** The parties are aware and understand that with respect to any adjustment or modification of Bus Service, LYNX will be required to follow State and Federal guidelines relating to adjustments and modification of Bus Service. This will generally require a minimum of one hundred twenty (120) days in order to provide various required public notices.

(m) **Capital Requirements (i.e., Buses).** LYNX has generally planned for adequate buses to provide the Bus Service. If, at any time, LYNX experiences a material shortfall or lack of buses to provide the Bus Service, LYNX will immediately discuss with the Association such situation and how it is to be resolved. The matter will be brought to the attention of the Board of Directors of LYNX and the Parties will seek to arrive at a solution to provide such additional bus capacity. In doing so, the parties are aware that any solution would not necessarily involve LYNX moving buses from its other public routes. LYNX, through its Board of Directors, will have in its reasonable discretion the ability to deal with such situation.

(n) **Default/Notice/Procedure to Resolve Disputes.** The parties understand and are aware that this Agreement is between two entities who mutually desire for the beneficial providing of the Bus Service under this Agreement and wish to avoid any default or misunderstandings. Thus, in the event one Party hereto believes that the other Party is in default under this Agreement, the other Party through a senior representative shall contact a senior representative of the other Party in an effort to discuss and resolve any alleged default or nonperformance. Failing such resolution, said Party will then be required to give actual written notice to the other Party of said alleged default before said Party may exercise any of the rights available to it under this Agreement. With this background, the Association is aware and specifically understands that the scope and quantity of the Bus Service being made available by LYNX, is based upon LYNX timely receiving the Fees from the Association. Thus, for example, if the Association should fail to pay requisite Fees, LYNX could seek to enforce payment but, at its option, could reduce in its discretion the Bus Service specifically with the Service Area.

(o) **Service Within and Outside the Service Area.** The Bus Service to be provided by LYNX under this Agreement covers Bus Routes that are located within the Service Area, as more particularly set forth in Exhibit "A". LYNX is not obligated to provide the Bus Service outside the Service Area, unless otherwise agreed between the parties through an amendment to this Agreement.

(p) **Independent Contract As To Employees Of LYNX.** LYNX is an independent contractor and retains the right to exercise full control and supervision over its employees and their compensation and discharge. LYNX will be solely responsible for all matters relating to payment of its employees, including but not limited to the withholding and payment of employee taxes, insurance contributions, placement of insurance and pension coverages and the like.

18. **BOARD APPROVAL.** This Agreement is subject to the approval by the LYNX Board of Directors.

19. **COMPLETE AGREEMENT.** This Agreement constitutes the complete agreement between the parties hereto with respect to the management and distribution of the

services contemplated herein and it may not be amended, changed or modified except by a writing signed by the Party to be charged by said amendment, change or modification.

20. **PRIOR AGREEMENT.** This Agreement replaces and supersedes in its entirety the Prior Agreement.

[Signatures Begin On Following Page]

IN WITNESS WHEREOF, the Parties have hereunto executed this Bus Service Agreement the day and year first above written.

**UNIVERSAL BOULEVARD PROPERTY
OWNERS ASSOCIATION, INC.**

By: _____
(Signature of Authorized Official)

(Print Name and Title of Person Signing)

Dated: _____

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY**

By: _____
James E. Harrison, Esq., P.E.
Chief Executive Officer

Approved as to form only by General Counsel; for
sole reliance by LYNX

AKERMAN LLP

By: _____
James Goldsmith

EXHIBIT “A”

Sketch of POA Area

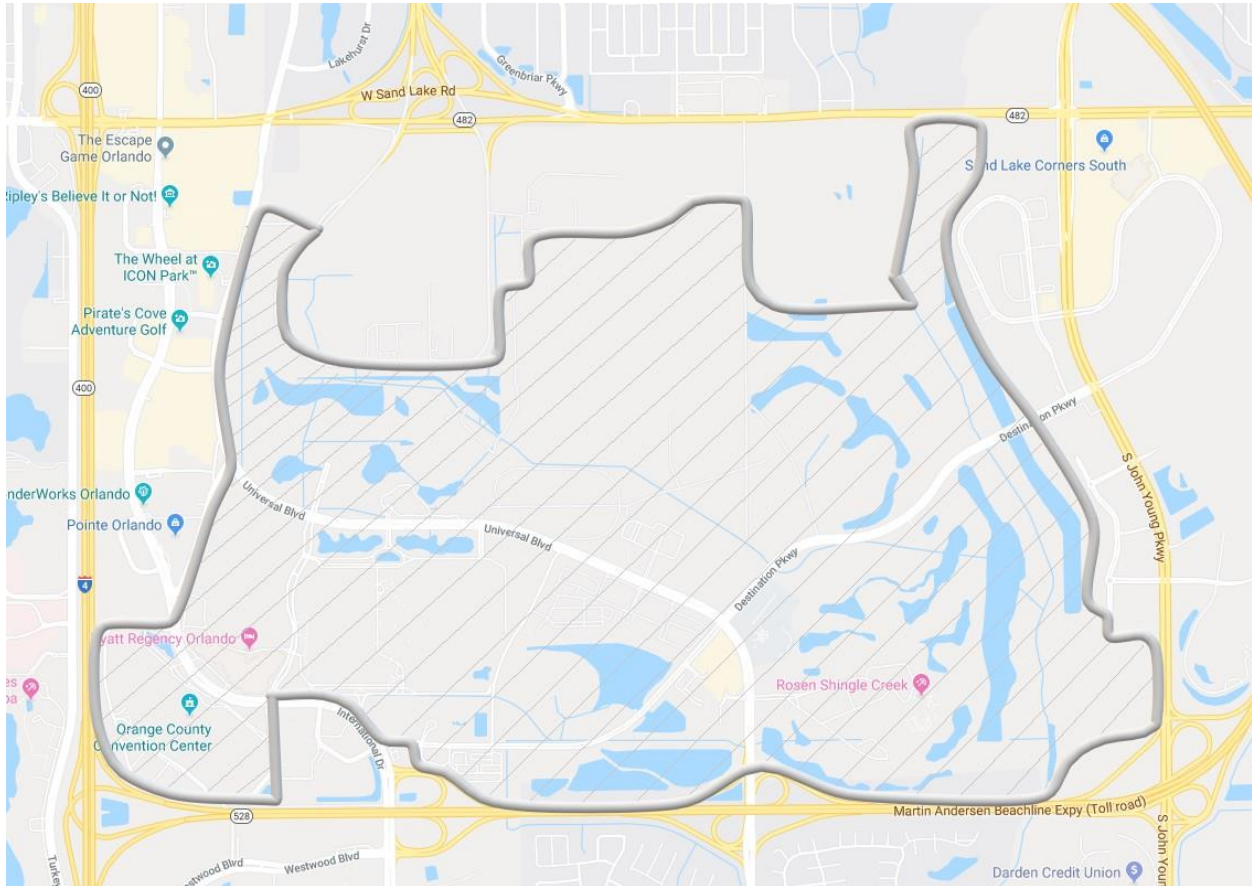
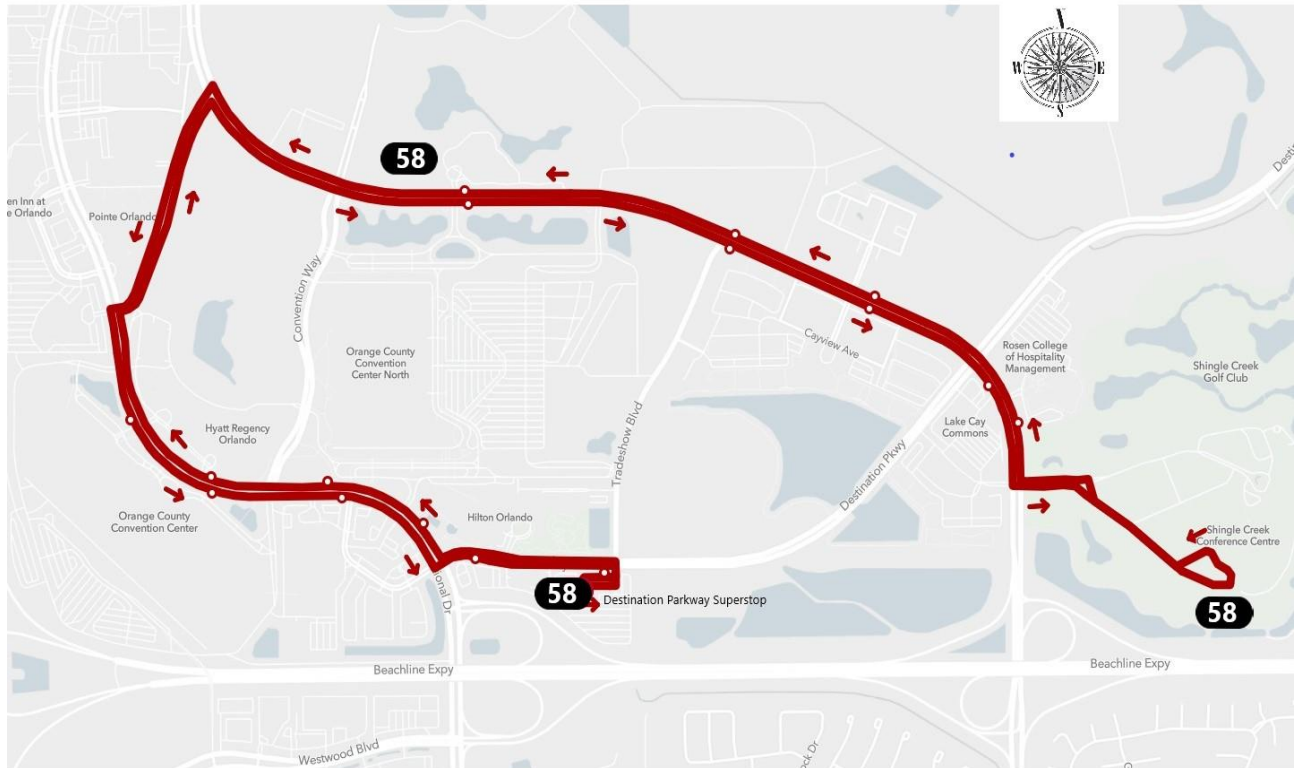


EXHIBIT “B”

Description of Service or Bus Route



LEGEND

— Current Bus Route

○ Current Bus Stop



Link 58 begins service at Destination Parkway Superstop, upon exiting the terminal, left turn on Destination Parkway to International Drive, right on International Drive to Pointe Plaza Blvd., right on Pointe Plaza Blvd. to Universal Blvd., right on Universal Blvd. to Shingle Creek Resort, left turn into the parking lot entrance to the bus stop located in the rear of the Convention Area building.

From Shingle Creek, Link 58 exits the resort to Universal Blvd., right on Universal Blvd. to Pointe Plaza Blvd., left on Pointe Plaza Blvd. to International Drive, left on International Drive to Destination Pkwy, left on Destination Pkwy. to Tradeshow Blvd, left turn into Destination Parkway Superstop terminal.

EXHIBIT “C”

Schedule of Service Times and Stops

Link 58 Shingle Creek Circulator Effective: April 28, 2019 Operates Daily (Monday - Sunday)

Pull-Out	Destination Parkway Superstop	Shingle Creek Arrive	Shingle Creek Depart	Destination Parkway Superstop	Pull-In
5:59AM	6:29 AM	6:40 AM	7:00 AM	7:13 AM	
	7:14	7:25	7:30	7:43	
	7:44	7:55	8:00	8:13	
	8:14	8:25	8:30	8:43	
	8:44	8:55	9:00	9:13	
	9:14 AM	9:25 AM	9:30 AM	9:43 AM	10:08 AM
1:14 PM	1:44 PM	1:55 PM	2:00 PM	2:13 PM	
	2:14	2:25	2:30	2:43	
	2:44	2:55	3:00	3:13	
	3:14	3:25	3:30	3:43	
	3:44	3:55	4:00	4:13	
	4:14	4:25	4:30	4:43	
	4:44	4:55	5:00	5:13	
	5:14	5:25	5:30	5:43	
	5:44 PM	5:55 PM	6:00 PM	6:13 PM	6:38 PM
9:44 PM	10:14 PM	10:25 PM	10:30 PM	10:43 PM	
	10:44	10:55	11:00	11:13	
	11:14 PM	11:25 PM	11:30 PM	11:43 PM	12:08 AM

EXHIBIT "D"
Schedule of Fee Payments

Link 58 Shingle Creek Service Costs

Effective: August 1, 2019

Daily:

AM Peak Start	6:29 AM
AM Peak End	9:43 AM
AM Peak Hours	3.23
Deadhead	0.92
AM Peak Platform Hours	4.15
 MID-DAY Start	 No Mid-day Service
MID-DAY End	No Mid-day Service
MID-DAY Hours	0.00
Deadhead	0.00
MID-DAY Platform Hours	0.00
 PM Peak Start	 1:44 PM
PM Peak End	6:13 PM
PM Peak Hours	4.48
Deadhead	0.92
PM Peak Platform Hours	5.40
 NIGHT Start	 10:14 PM
NIGHT End	11:43 PM
NIGHT Hours	1.48
Deadhead	0.92
NIGHT Platform Hours	2.40
 Single Day Total Platform Hours	 11.95
 Days to Operate (Fiscal Year 2020)	 365
 Total Fiscal Year 2020 Platform Hours	 4,361.75
 Hourly Cost	 \$47.56
 Total Fiscal Year 2020 Operating Cost	 \$207,444.83

<p align="center">Exhibit D – Payment Schedule Transit Service Costs For FY2020</p>
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FY2020 Billing Schedule:	
October 2019 (already invoiced)	\$ 8,752.93
November 2019 (already invoiced)	8,642.65
December 2019 (already invoiced)	8,854.40
January 2020 (already invoiced)	8,705.64
October 2019 – January 2020 Catchup	34,192.65
February 2020	17,287.07
March 2020	17,287.07
April 2020	17,287.07
May 2020	17,287.07
June 2020	17,287.07
July 2020	17,287.07
August 2020	17,287.07
September 2020	17,287.07
Total Cost of Transportation Services	\$207,444.83

LYNX Oversight Committee Agenda

Consent Agenda Item #6.C. ii

To: LYNX Oversight Committee

From: Tomika Monterville
Director Of Plan & Develop
Bruce Detweiler
(Technical Contact)

Phone: 407.841.2279 ext: 6019

Item Name: Authorization to Implement July 19, 2020 Proposed Service Changes

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee, to implement the proposed service changes effective July 19, 2020.

BACKGROUND:

On September 30, 2019, staff received authorization from the Board of Directors to initiate the Public Participation Process for consideration of proposed service changes that would go into effect July 19, 2020. A total of three (3) public workshops/public hearings were held on February 19, 20, & 24, 2020. LYNX customers and the public provided input on the service changes at the following publicly noticed workshops/public hearings:

Date/Time: Wednesday, February 19, 2020, 4:30-6:30 PM
Location: LYNX Central Station, Orlando, FL

Date/Time: Thursday, February 20, 2020, 5:15-7:15 PM
Location: Kissimmee City Hall, Kissimmee, FL

Date/Time: Monday, February 24, 2020, 5-7 PM
Location: Altamonte Springs City Hall, Altamonte Springs, FL

More details on these events can be found on our website at www.golynx.com.

The public comment period for the proposed service changes ran from February 11, 2020, through March 11, 2020. Public notices for the service change information and the public meetings were posted in the LYNX Central Station terminal lobby and bus bays; at SuperStops

LYNX Oversight Committee Agenda

throughout the service areas; on www.golynx.com, and on LYNX social media sites including Facebook and Twitter.

PROPOSED SERVICE CHANGES:

ROUTE ADJUSTMENTS

- **Link 36** – Lake Richmond (Orange County) – Outbound buses will operate via Central Avenue instead of Washington Street between Hughey Avenue and Division Avenue.

ROUTE AND SCHEDULE ADJUSTMENTS

- **Link 40** – Americana Boulevard/Universal Orlando (Orange County) – Outbound buses will operate via Central Avenue instead of Washington Street between Hughey Avenue and Division Avenue. Minor schedule adjustments.
- **Link 300** – Downtown Orlando/Hotel Plaza Boulevard (Orange County) – Eliminate evening service on Lake Street, Palm Parkway and Apopka Vineland Road. Minor schedule adjustments.
- **Link 301** – Pine Hills/Animal Kingdom (Orange County) – Extend service to Riviera Resort. Minor schedule adjustments.
- **Link 302** – Rosemont/Magic Kingdom (Orange County) – Eliminate morning service into Disney's Grand Floridian Resort & Spa and Disney's Polynesian Village Resort. Minor schedule adjustments.
- **Link 303** – Washington Shores/Hollywood Studios (Orange County) – Evening outbound trip from Washington Shores will no longer serve Disney's Coronado Springs Resort. Minor schedule adjustments.
- **Link 304** – Rio Grande/Vistana Resort (Orange County) – Eliminate service to Nickelodeon Resort and Lake Buena Vista Resort. Minor schedule adjustments.

SCHEDULE ADJUSTMENTS

- **Link 7** – S. Orange Avenue/Florida Mall (Orange County) – Minor schedule adjustments.
- **Link 8** – W. Oak Ridge Road/International Drive (Orange County) – Minor schedule adjustments.
- **Link 11** – S. Orange Avenue/Orlando International Airport (Orange County) – Minor schedule adjustments.
- **Link 13** – University Boulevard/UCF (Orange County) – Minor schedule adjustments
- **Link 18** – S. Orange Avenue/Kissimmee (Orange County/Osceola County) – Minor schedule adjustments.
- **Link 23** – Winter Park/Springs Village (Orange County/Seminole County) – Minor schedule adjustments.
- **Link 37** – Pine Hills/Florida Mall (Orange County) – Minor schedule adjustments.
- **Link 40** – Americana Boulevard/Universal Orlando (Orange County) – Minor schedule adjustments.

LYNX Oversight Committee Agenda

- **Link 44** – Hiawassee Road/Zellwood (Orange County) – Minor schedule adjustments.
- **Link 50** – Downtown Orlando/Magic Kingdom (Orange County) – Minor schedule adjustments.
- **Link 51** – Conway Road/Orlando International Airport (Orange County) – Minor schedule adjustments.
- **Link 313** – Bumby Avenue/Winter Park (Orange County) – Minor schedule adjustments.
- **Link 443** – Winter Park/Pine Hills (Orange County) – Minor schedule adjustments.
- **NeighborLink 631** – Buena Ventura Lakes (Osceola County) – Minor schedule adjustments.
- **NeighborLink 632** – North Kissimmee (Osceola County) – Minor schedule adjustments.

LYNX CENTRAL STATION (LCS) BAY CHANGES

- **Link 3** – Lake Margaret Drive (Orange County) – From Bay Y to Bay Z.
- **Link 38** – Downtown Orlando/SeaWorld (Orange County) – From Bay B to Bay D.
- **Link 50** – Downtown Orlando/Magic Kingdom (Orange County) – From Bay D to Bay C.
- **Link 63** – LYMMO Orange/N. Quarter (City of Orlando) – From Bay R to Bay N.
- **Link 104** – West Colonial Drive (Orange County) – From Bay Z to Bay R.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

LYNX Staff anticipates the changes to be budget neutral.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.C. iii

To: LYNX Oversight Committee

From: Tiffany Homler Hawkins
Chief Administrative Officer
Tiffany Homler Hawkins
(Technical Contact)

Phone: 407.841.2279 ext: 6064

Item Name: Authorization to Extend the Suspension of the Collection of Fares Through July 31, 2020

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to extend the suspension of the collection of fares through July 31, 2020.

BACKGROUND:

In response to the national COVID-19 pandemic and the local "Stay at Home" orders by the City of Orlando, Orange and Osceola Counties and subsequently the State of Florida, LYNX instituted several measures to support the reduction of the spread of the coronavirus, including the following:

1. Elimination of fare collection on fixed-route and ACCESSLYNX
2. System-wide reduction of bus service
3. Rear-door bus boarding with the exception of customers with mobility challenges using the front door.

These measures have been critical in helping to ensure the safety of LYNX riders, Bus Operators and the general public during the COVID-19 pandemic. In order to support efforts to reduce the spread of COVID-19 by continuing physical distancing protocols, LYNX recommends continuing the fare suspension through July 31, 2020.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

LYNX Oversight Cmmittee Agenda

FISCAL IMPACT:

The FY2020 Operating Budget included approximately \$2 million in customer fares per month.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.C. iv

To: LYNX Oversight Committee

From: William Slot
Chief Innovation Sustain Off
Kenneth Jamison
(Technical Contact)

Phone: 407.841.2279 ext: 6146

Item Name: Authorization to Enter into Interlocal Project Agreement No. 2 with the Orlando Utilities Commission to Allow for Installation of Temporary Charging Infrastructure for Battery Electric Buses for a Period not to Exceed One (1) Year

Date: 6/25/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to enter into Interlocal Project Agreement No. 2 for a one (1) year term with the Orlando Utilities Commission (OUC) with a not to exceed amount of \$15,600 to allow for installation of temporary charging infrastructure for battery electric buses.

BACKGROUND:

The LYNX Board of Directors authorized staff at its April 23, 2020 meeting to enter into a Master Interlocal Agreement between LYNX and OUC. This Master Interlocal Agreement allows LYNX and OUC to work by cooperating with each other on projects to be identified by LYNX from time to time, with Interlocal Project Agreements executed for individual projects. Interlocal Project Agreement No. 1 also authorized at the April 23, 2020 meeting covers the electric bus pilot program including the installation of a charging station for eight (8) battery electric buses.

Interlocal Project Agreement No.2 will cover the provision of a temporary charging station to be installed by OUC until OUC is able to install and commission the permanent solution for charging buses covered under Interlocal Project Agreement No. 1. This temporary charging station will be installed in time for the arrival of the first battery electric bus ordered by LYNX, scheduled for August 2020. OUC will procure, install, ensure commissioning of the electric bus temporary charger, and remove the charger at the end to the term of the agreement. OUC will also coordinate with the manufacturer of the temporary charger should any defects arise which are covered under the manufacturer's warranty. LYNX will be charged at a cost not to exceed

LYNX Oversight Cmmittee Agenda

\$1,300 per month for the use of the charger for the duration that the temporary charger is in place. The term of Interlocal Project Agreement No. 2 will be one (1) year, with parties able to extend the agreement for a term to be agreed upon by mutual written consent.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION

A DBE participation goal is not applicable for this activity.

FISCAL IMPACT:

These charges will be a pass through to the City of Orlando for the LYMMO program, and there is no fiscal impact to LYNX.

LYNX Oversight Committee Agenda

Consent Agenda Item #6.C. v

To: LYNX Oversight Committee

From: James E. Harrison Esq., P.E.
Chief Executive Officer
Terri Setterington
(Technical Contact)

Phone: 407.841.2279 ext: 6063

Item Name: Authorization to Adopt Resolution #20-011 that will Approve and Ratify the Third Amendment to the Labor Agreement Between Central Florida Regional Transportation Authority and Amalgamated Transit Union AFL-CIO Local 1596

Date: 6/25/2020

ACTION REQUESTED:

Staff is seeking the Board of Directors' adoption of Resolution #20-011 ("Resolution"), to approve and ratify the Third Amendment to the Labor Agreement between Central Florida Regional Transportation Authority and Amalgamated Transit Union AFL-CIO Local 1596 ("CBA Amendment").

BACKGROUND:

Soon after the Labor Agreement between Central Florida Regional Transportation Authority and Amalgamated Transit Union AFL-CIO Local 1596 was approved by the LYNX Board of Directors on November 8, 2012, disputes arose concerning a number of pension-related issues. These issues included pension contribution rates for multiple plan years, closure of the pension plan to new hires, pension disability benefits, method of determining and allocating pension plan closure costs, and other pension-related topics. Several formal proceedings were initiated between LYNX and Amalgamated Transit Union AFL-CIO Local 1596 (ATU) as these disputes proceeded, including a Labor Grievance, a Trust Arbitration action, and a Declaratory Judgement Action.

Over the years, the LYNX Board of Directors have been periodically updated on developments (both positive and negative) in the ongoing disputes. After nearly 8 years, the disputes are nearing an amicable resolution for all parties. A Settlement Agreement and Release was entered into by LYNX management, ATU leadership, the three LYNX trustees, and the three Union trustees with an effective date of May 6, 2020. The Settlement Agreement is contingent upon the LYNX Board of Directors and the ATU Bargaining Unit Members approval and ratification of the Amendment to the Labor Agreement implementing the settlement terms. If fully

LYNX Oversight Committee Agenda

implemented, this Settlement Agreement and Release will put an end to the each of the formal proceedings currently pending.

Moreover, the Settlement Agreement establishes a workable process that can be applied to determine future pension contribution rates through cooperative efforts of LYNX, the Union, and the pension Trustees. That process was successfully applied to determine the pension contribution rates for the 2019-2020 plan year through a pilot program, the results of which were approved by this board on May 23, 2019, demonstrating that it is indeed workable and cooperative.

In order to fully implement the Settlement Agreement and Release, a number of steps are to be completed by September 30, 2020. These steps include:

- The Pension Board adopts a written resolution (Completed May 26, 2020);
- The Union membership approves an Amendment to the Labor Agreement (Completed June 10, 2020); and
- The LYNX Board of Directors ratifies and approves the Amendment to the Labor Agreement (Recommended June 25, 2020).

If this Amendment to the Labor Agreement is fully approved by the Board of Directors, the next steps will be filing for dismissal of the formal dispute resolution proceedings referenced above. Once these dismissals are filed and approved by the court, the Settlement Agreement and Release will be satisfied, finally closing these multiple issues.

An Executive Summary of the Third Amendment to the Labor Agreement is attached hereto as Exhibit "1". The complete Settlement Agreement, including its exhibits, is attached hereto as Exhibit "2". A complete copy of the Amendment to the Labor Agreement is attached as Exhibit "A" to the Resolution.

Recommendation: All conditions precedent in the Settlement Agreement to the Board of Directors' approval and ratification of the Third Amendment to the Labor Agreement have been satisfied. It is recommended that the Board of Directors adopt Resolution 20-011 approving and ratifying the Third Amendment to the Labor Agreement to allow the aforementioned workable process to continue to be used to establish annual Pension Plan contribution rates and to allow the multiple pending formal dispute resolution actions to be closed.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

The CBA Amendment has no immediate direct fiscal impact on LYNX. The result of development and application of the contribution rate setting process for the 2019-2020 plan year was a decrease in pension contributions for both LYNX and the employees who participate in the Pension Plan while maintaining the Pension Plan's excellent funded status maintaining a 97.5% funded ratio.

**THIRD AMENDMENT
to the
LABOR AGREEMENT
between
CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY &
AMALGAMATED TRANSIT UNION AFL-CIO LOCAL 1596
(October 1, 2017 through September 30, 2020)**

Executive Summary
(06/12/2020)

Amendment Section	Key Concept
3. Pension Disability Benefits	The disability benefit terms commonly referred to as "pre-Amendment One" are confirmed as the disability benefit terms that apply, retroactive to 2011.
4. Pension Plan Contribution Rates During Certain Plan Years	<p>Regardless of past actuarial computations, no additional contributions will due from LYNX or the employees for the 10/1/2017 – 9/30/2018 and 10/1/2018 – 9/30/2019 plan years.</p> <p>Applies language from F.S. 112.656(1) to specify that Pension Plan contributions are solely used for providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the Pension Plan.</p>
5. Pension Plan Contribution Rates During the 10/1/2019 – 9/30/2020 Plan Year a. Total Contribution Amount	The Pension Board's actuary will calculate a total dollar (\$) amount to be contributed to the pension plan for the year, based on actuarial assumptions and methods developed through the Actuarial Study Process (see Exhibit "A" below). This has already been accomplished and implemented. It will be the <i>status quo</i> until replaced.

IMPORTANT: This is a non-technical, non-binding summary of key concepts in the Amendment. The precise terms of the Amendment control.

Amendment Section	Key Concept
b. Total Minimum Contribution Amount . . .	<p>The minimum contribution rates have not changed. Regardless of any lower actuarial computations, LYNX's minimum contribution rate to the pension plan will be 9.75% of the payroll for the employees participating in the pension plan.</p> <p>Similarly, regardless of any lower actuarial computations, the employees participating in the pension plan will pay minimum contribution rates depending on their pension benefit level: 5.25% Employee Regular Benefit, 7.75% Employee Enhanced Benefit Level 1, and 10.25% Employee Enhanced Level 2.</p>
c. Determining Contribution Rates When the Total Minimum Contribution Amount is Insufficient	<p>If all of the minimum contributions made by LYNX and the employees (see row above) would not add up to satisfy the total dollar (\$) contribution amount that the actuary calculated (see two rows above), then recommended contribution rates will instead be calculated by the actuary by following the steps in this subsection.</p> <p>Within these steps, closure costs (see Exhibits "B" and "C" below) are allocated 100% to LYNX. Non-closure related contribution requirements are shared 65% by LYNX and 35% by the employees.</p>
d. Objections	<p>If either LYNX or the Union object to the recommended contribution rates, there is a very short 10-day window to provide notice of the objection, and a very short 20-day window for LYNX and the Union to meet and resolve the objection. Otherwise, the objection is treated as a third-step grievance, to move to labor arbitration for resolution as quickly and cost-effectively as possible.</p>
e. Use of Contributions	<p>Applies language from F.S. 112.656(1) to specify that Pension Plan contributions are solely used for providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the Pension Plan.</p>
6. Status Quo	<p>The procedures for determining the pension plan contribution rates during the 2019-2020 plan year are the <i>status quo</i> for determining contribution rates for plan year(s) during the <i>status quo</i> period.</p>

IMPORTANT: This is a non-technical, non-binding summary of key concepts in the Amendment. The precise terms of the Amendment control.

Amendment Section	Key Concept
Exhibit "A" – Actuarial Experience Study	Every five years (or sooner, if necessary), the Pension Board will conduct an actuarial experience study to determine appropriate actuarial assumptions and methods, and LYNX and the Union will have the opportunity to meaningfully participate throughout the study process.
Exhibit "B" – Definition of Pension Plan Closure Costs	There are three types of pension plan closure costs that can ultimately result in a disproportionate financial burden on the employees: (1) amortization and administrative costs that do not proportionally decrease, (2) lost investment opportunity, and (3) an amortization period under 20 years.
Exhibit "C" – Determination of Current Closure Cost Rate	This Exhibit details the actuarial methods, with examples, to be used to determine the closure cost rates for the three possible types of pension plan closure costs. As a reminder, the closure cost rates are allocated 100% to LYNX.
Exhibit "D" – Example Illustrating . . . Computation of Contribution Rates	This Exhibit contains an example illustrating the computation steps followed by the Pension Board's actuary in determining recommended contribution rates.
Exhibit "E" – Determination and Use of . . . Funding Standard Account Credit Balance	This Exhibit contains the steps, with an example, to determine LYNX's actuarial funding standard account credit balance and reiterates the long-standing practice on how LYNX may use the balance.

* * * * *

IMPORTANT: This is a non-technical, non-binding summary of key concepts in the Amendment. The precise terms of the Amendment control.

SETTLEMENT AGREEMENT AND RELEASE

Central Florida Regional Transportation Authority d/b/a LYNX ("LYNX"), Amalgamated Transit Union AFL-CIO Local 1596 (the "Union"), Brian Anderson ("Anderson"), Dana Baker ("Baker"), Maria Carrera ("Carrera"), Albert J. Francis II ("Francis"), Frank Luna ("Luna"), and Ronald Morgan ("Morgan") (LYNX, the Union, Anderson, Baker, Carrera, Francis, Luna, and Morgan are each referred to herein as a "Party" and collectively as the "Parties"), enter into this Settlement Agreement and Release (the "Agreement") as of May 6, 2020 (the "Effective Date"), in order to resolve completely numerous disputes that have risen between and among them, according to the following terms:

WHEREAS, LYNX sponsors the Amalgamated Transit Union Local 1596 Pension Plan (the "Pension Plan") for the exclusive benefit of certain employees of LYNX who are represented by the Union;

WHEREAS, a Board of Trustees (the "Pension Plan Board") administers the Pension Plan;

WHEREAS, the Pension Plan Board consists of six trustees, three of whom are appointed by LYNX (the "Management Trustees") and three of whom are appointed by the Union (the "Union Trustees");

WHEREAS, Carrera, Luna, and Morgan, are the current Union Trustees;

WHEREAS, Anderson, Baker, and Francis are the current Management Trustees;

WHEREAS, the Parties desire to amicably resolve their disputes and preclude any further arbitration or litigation among them in the "Pension Plan Contribution Trust Arbitration," the "Second Action," and the "Pension Plan Contribution Labor Arbitration," all as hereinafter defined.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

1. **Resolution for Payment of Certain Attorney's Fees.** Within a reasonable period of time following the Effective Date (taking into consideration the practical challenges posed by the pending worldwide SARS-CoV-2 pandemic), Morgan, in his capacity as the Chair of the Pension Plan Board, shall convene a meeting of the Pension Plan Board at which he shall submit, for discussion and vote by the Pension Plan Board, a resolution conditionally approving the Pension Plan's payment of certain legal fees in the exact form attached hereto as **Exhibit A** (the "Resolution").

2. **Bargaining Unit Vote on the CBA Amendment.** If the Resolution is adopted by the Pension Plan Board, then within sixty (60) calendar days following such adoption or within a reasonable period of time thereafter (taking into consideration the practical challenges posed by the pending worldwide SARS-CoV-2 pandemic), the Union shall properly call for a vote of the bargaining unit as to whether to approve and ratify the Third Amendment to the Labor Agreement

Between Central Florida Regional Transportation Authority & Amalgamated Transit Union AFL-CIO Local 1596 attached hereto as **Exhibit B** (the "CBA Amendment").

The Parties agree that this Agreement, including but not limited to the dismissals of the Pension Plan Contribution Trust Arbitration, the Second Action, and the Pension Plan Contribution Labor Arbitration, as hereinafter described, is contingent upon the approval and ratification of the CBA Amendment by the Union's bargaining unit within a reasonable period of time under the circumstances. If the Union's bargaining unit does not approve and ratify the CBA Amendment within a reasonable period of time under the circumstances, the Parties agree that this Agreement shall become null and void, and no Party shall have any further obligation under this Agreement.

3. **LYNX Board Vote on the CBA Amendment.** If the Resolution is adopted by the Pension Plan Board within a reasonable period of time under the circumstances and if the Union's bargaining unit thereafter approves and ratifies the CBA Amendment within a reasonable period of time under the circumstances, the LYNX CEO shall, within a reasonable period of time thereafter (taking into consideration the practical challenges posed by the pending worldwide SARS-CoV-2 pandemic), ask the LYNX Board of Directors to vote on whether to approve and ratify the CBA Amendment.

The Parties agree that this Agreement, including but not limited to the dismissals of the Pension Plan Contribution Trust Arbitration, the Second Action, and Pension Plan Contribution Labor Arbitration, as hereinafter described, is contingent upon the approval and ratification of the CBA Amendment by the LYNX Board of Directors within a reasonable period of time under the circumstances. If the LYNX Board of Directors does not approve and ratify the CBA Amendment within a reasonable period of time under the circumstances, the Parties agree that this Agreement shall become null and void, and no Party shall have any further obligation under this Agreement.

4. **Dismissal of Pension Plan Contribution Trust Arbitration.** If the LYNX Board of Directors approves and ratifies the CBA Amendment within a reasonable period of time under the circumstances, then within three (3) business days after such approval and ratification, Carrera, Luna, and Morgan, through their attorneys, shall dismiss with prejudice and withdraw Case No. 01-18-0002-3674, which is pending with the American Arbitration Association (the "AAA") (the "Pension Plan Contribution Trust Arbitration"), by signing and submitting to the AAA a Joint Stipulation of Dismissal with Prejudice and Withdrawal in the form attached hereto as **Exhibit C**.

5. **Dismissal of Second Action.** If Carrera, Luna, and Morgan timely dismiss with prejudice and withdraw the Pension Plan Contribution Trust Arbitration, then within three (3) business days after the deadline for such timely dismissal with prejudice and withdrawal, LYNX shall file a Notice of Voluntary Dismissal with Prejudice in Case No. 18-CA-011245-O, which is pending in the Circuit Court of the Ninth Judicial Circuit, in and for Orange County, Florida (the "Second Action") in the form attached hereto as **Exhibit D**.

6. **Dismissal of Pension Plan Contribution Labor Arbitration.** If LYNX timely dismisses the Second Action with prejudice, then within three (3) business days after the deadline for such timely dismissal with prejudice, the Union, through its attorneys, shall dismiss with

prejudice and withdraw Case No. 180731-06926, which is pending with the Federal Mediation & Conciliation Service (the "FMCS") (the "Pension Plan Contribution Labor Arbitration"), by signing and submitting to the FMCS a Joint Stipulation of Dismissal with Prejudice and Withdrawal in the form attached hereto as **Exhibit E**.

7. **Deadline for Completion.** Notwithstanding anything in this Agreement to the contrary and regardless of the circumstances, if all actions described in sections 1 through 6 of this Agreement have not been fully completed by September 30, 2020, the Parties agree that this Agreement shall become null and void, and no Party shall have any further obligation under this Agreement.

8. **Attorneys' Fees and Costs.** Except as set forth in the Resolution, each Party will be responsible for paying his/her/its own attorneys' fees, costs and expenses incurred in the Pension Plan Contribution Trust Arbitration, the Second Action, and the Pension Plan Contribution Labor Arbitration, including but not limited to any attorneys' fees, costs, and expenses incurred in connection with the negotiation, preparation, and execution of this Agreement. Except as set forth in the Resolution, Carrera, Luna, and Morgan agree that they will neither seek, nor direct any of their attorneys to seek, payment from LYNX, the Pension Plan, or any other person other than the Union, for any attorneys' fees, costs, and expenses incurred in connection with the Pension Plan Contribution Trust Arbitration, the Second Action, or the Pension Plan Contribution Labor Arbitration, including but not limited to any attorneys' fees, costs, and expenses incurred in connection with the negotiation, preparation, and execution of this Agreement.

9. **Tax Consequences.** No Party makes any representations or warranties to any other Party regarding the legal effect or tax consequences of this Agreement, or of any tax filing or reporting requirement. Each Party further expressly acknowledges that he/she/it neither received nor relied upon tax advice from any other Party, or from the representatives and attorneys of any other Party, in entering into this Agreement or otherwise.

10. **Releases.** Each Party (the "Releasing Party") releases every other Party and every other Party's predecessors, successors, heirs, current and former direct or indirect parents, subsidiaries, affiliates, assigns, agents, current and former directors, officers, employees, representatives, insurers, attorneys, and shareholders (collectively the "Released Parties"), from any and all claims, proofs of claim, debts, demands, damages, attorneys' fees, judgments, liabilities, causes of action, or controversies of any kind whatsoever, whether at law or in equity, under any legal or equitable theory whatsoever whether in tort, contract or statutory or common law right, including, without limitation, fraud (each a "Claim" and collectively "Claims"), whether matured or unmatured, whether before a local, state, or federal court or state or federal administrative agency or commission, or arbitration administrator, or any other forum, and whether now known or unknown, liquidated or unliquidated, that the Releasing Party has, may have had, asserted, and/or may have asserted, against the Released Parties, on behalf of the Releasing Party, or any other person or entity claiming through the Releasing Party, from the beginning of the world to the Effective Date, arising from or related to the Pension Plan Contribution Trust Arbitration, the Second Action, the Pension Plan Contribution Labor Action, and the specific subjects addressed in the CBA Amendment; provided, however, that nothing contained in this release shall prevent any Party from pursuing or asserting any Claim to enforce the terms of this Agreement.

EXECUTION VERSION

11. **Third Party Beneficiaries.** The Parties agree that the Pension Plan, past Union Trustees, and past Management Trustees are intended third party beneficiaries of this Agreement with all enforcement rights with respect thereto.

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original for all purposes and all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Release.

DATED: _____

5/1/20

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY D/B/A
LYNX:**


By: James E. Harrison, Esq., P.E.
As its: Chief Executive Officer

**AMALGAMATED TRANSIT UNION AFL-
CIO LOCAL 1596:**

DATED: _____

By: Wilfredo Delgado
As its: President/Business Agent

BRIAN ANDERSON:

DATED: _____

Brian Anderson

DANA BAKER:

DATED: _____

Dana Baker

MARIA CARRERA:

DATED: _____

Maria Carrera

11. **Third Party Beneficiaries.** The Parties agree that the Pension Plan, past Union Trustees, and past Management Trustees are intended third party beneficiaries of this Agreement with all enforcement rights with respect thereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Release.

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY D/B/A
LYNX:**

DATED: _____

By: James E. Harrison, Esq., P.E.
As its: Chief Executive Officer

**AMALGAMATED TRANSIT UNION AFL-
CIO LOCAL 1596:**

DATED: 05/14/2020

By: Wilfredo Delgado
As its: President/Business Agent

BRIAN ANDERSON:

DATED: _____

Brian Anderson

DANA BAKER:

DATED: _____

Dana Baker

MARIA CARRERA:

DATED: _____

Maria Carrera

EXECUTION VERSION

11. **Third Party Beneficiaries.** The Parties agree that the Pension Plan, past Union Trustees, and past Management Trustees are intended third party beneficiaries of this Agreement with all enforcement rights with respect thereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Release.

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY D/B/A
LYNX:**

DATED: _____

By: James E. Harrison, Esq., P.E.
As its: Chief Executive Officer

**AMALGAMATED TRANSIT UNION AFL-
CIO LOCAL 1596:**

DATED: _____

By: Wilfredo Delgado
As its: President/Business Agent

DATED: 5/6/2020

BRIAN ANDERSON:



Brian Anderson

DANA BAKER:

DATED: _____

Dana Baker

MARIA CARRERA:

DATED: _____

Maria Carrera

EXECUTION VERSION

11. **Third Party Beneficiaries.** The Parties agree that the Pension Plan, past Union Trustees, and past Management Trustees are intended third party beneficiaries of this Agreement with all enforcement rights with respect thereto.

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original for all purposes and all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Release.

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY D/B/A
LYNX:**

DATED: _____

By: James E. Harrison, Esq., P.E.
As its: Chief Executive Officer

**AMALGAMATED TRANSIT UNION AFL-
CIO LOCAL 1596:**

DATED: _____

By: Wilfredo Delgado
As its: President/Business Agent

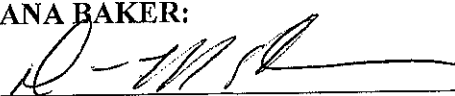
BRIAN ANDERSON:

DATED: _____

Brian Anderson

DANA BAKER:

DATED: 5-7-2020


Dana Baker

MARIA CARRERA:

DATED: _____

Maria Carrera

EXECUTION VERSION

11. **Third Party Beneficiaries.** The Parties agree that the Pension Plan, past Union Trustees, and past Management Trustees are intended third party beneficiaries of this Agreement with all enforcement rights with respect thereto.

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original for all purposes and all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Release.

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY D/B/A
LYNX:**

DATED: _____

By: James E. Harrison, Esq., P.E.
As its: Chief Executive Officer

**AMALGAMATED TRANSIT UNION AFL-
CIO LOCAL 1596:**

DATED: _____

By: Wilfredo Delgado
As its: President/Business Agent

BRIAN ANDERSON:

DATED: _____

Brian Anderson

DANA BAKER:

DATED: _____

Dana Baker

MARIA CARRERA:

DATED: 12 MAY 2020

Maria Carrera
Maria Carrera

DATED: 5/7/20

ALBERT J. FRANCIS II:

Albert J. Francis II
Albert J. Francis II

FRANK LUNA:

DATED: _____

Frank Luna

RONALD MORGAN:

DATED: _____

Ronald Morgan

EXECUTION VERSION

ALBERT J. FRANCIS II:

DATED: _____

Albert J. Francis II

FRANK LUNA:

DATED: MAY 15, 2020

Frank Luna

RONALD MORGAN:

DATED: _____

Ronald Morgan

EXECUTION VERSION

ALBERT J. FRANCIS II:

DATED: _____

Albert J. Francis II

FRANK LUNA:

DATED: _____

Frank Luna

RONALD MORGAN:

DATED: 05/08/2020

Ronald E. Morgan
Ronald Morgan

EXHIBIT A

**RESOLUTION OF THE BOARD OF TRUSTEES FOR THE AMALGAMATED
TRANSIT UNION LOCAL 1596 PENSION PLAN**

WHEREAS, Central Florida Regional Transportation Authority d/b/a LYNX ("LYNX"), Amalgamated Transit Union AFL-CIO Local 1596, Brian Anderson ("Anderson"), Dana Baker ("Baker"), Maria Carrera ("Carrera"), Albert J. Francis II ("Francis"), Frank Luna ("Luna"), and Ronald Morgan ("Morgan") have entered into a Settlement Agreement and Release with an effective date of May 6, 2020 (the "Settlement Agreement") to resolve certain disputes between and among them related to the Amalgamated Transit Union Local 1596 Pension Plan (the "Plan"); and

WHEREAS, the Board of Trustees for the Plan recognizes the valuable service that the law firm of Rice Pugatch Robinson Storfer & Cohen, PLLC (the "Cohen Law Firm") has rendered to the Plan specifically through attainment of the Settlement Agreement and the Cohen Law Firm's representation of Carrera, Luna, and Morgan in related matters leading up to attainment of the Settlement Agreement; and

WHEREAS, the Board of Trustees for the Plan is willing, on a non-precedential basis, to provide for the Plan's payment of legal fees for services rendered by the Cohen Law Firm; and

WHEREAS, the Board of Trustees for the Plan also recognizes the valuable service that legal counsel for the LYNX-appointed trustees has rendered to the Plan, specifically through attainment of the Settlement Agreement and representation of LYNX-appointed trustees in related matters leading up to attainment of the Settlement Agreement, but the LYNX-appointed trustees have declined, on a non-precedential basis, to seek reimbursement of legal fees incurred by them, or on their behalf, in this particular circumstance.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Provided that all of the conditions precedent described in 2. below have been satisfied, the Plan shall pay to the Cohen Law Firm the gross sum of Ninety Three Thousand Dollars (\$93,000.00) (the "Payment") in full satisfaction of all attorneys' fees, costs, and expenses incurred by or on behalf of Carrera, Luna, and/or Morgan in connection with the Settlement Agreement; American Arbitration Association Case No. 01-18-0002-3674; Circuit Court of the Ninth Judicial Circuit, in and for Orange County, Florida Case No. 18-CA-011245-O; and matters related to any of the foregoing.
2. The conditions precedent to the Plan issuing the Payment to the Cohen Law Firm are:
 - a. The Cohen Law Firm has provided a completed IRS Form W-9 to the Plan Administrator (Resource Centers LLC); and

- b. The Cohen Law Firm and the Akerman LLP law firm have jointly certified to the Plan Administrator that all actions described in sections 1 through 6 of the Settlement Agreement have been timely and fully completed.
- 3. As soon as administratively practicable following satisfaction of all of the conditions precedent described in 2. above, the Plan Administrator shall issue the Payment to the Cohen Lawn Firm.
- 4. This Resolution document will not be used as any type of precedent for any other issue(s) that have arisen, or may arise, between the Trustees for the Plan, including but not limited to, any issues over the propriety of the use of Pension Plan funds to pay attorneys' fees.

This Resolution was duly adopted by the Board of Trustees for the Amalgamated Transit Union Local 1596 Pension Plan at its _____, 2020 meeting.

Brian Anderson, Trustee

Albert J. Francis II, Trustee

Dana Baker, Trustee

Frank Luna, Trustee

Maria Carrera, Trustee

Ronald Morgan, Trustee

EXHIBIT B
THIRD AMENDMENT
to the
LABOR AGREEMENT
between
CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY &
AMALGAMATED TRANSIT UNION AFL-CIO LOCAL 1596
(October 1, 2017 through September 30, 2020)

The labor agreement between Central Florida Regional Transportation Authority & Amalgamated Transit Union AFL-CIO Local 1596, as previously amended and with a term of October 1, 2017 through September 30, 2020 (the "CBA"), is further amended as follows:

1. Definitions

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the CBA.

2. Deleted Provisions

Section 2, and subsection 3 of Section 5, of Article 30 of the CBA are deleted.

3. Pension Disability Benefits

a. The disability pension benefits provided by the Pension Plan are only those originally set forth in Section 11.01 on pages 35 through 36 of the document titled "AMALGAMATED TRANSIT UNION LOCAL 1596 PENSION PLAN Restated Agreement and Declaration of Trust and Pension Plan, Effective this 24th day of May, 2011" (adopted September 8, 2011).

b. The Authority and the Union acknowledge that the Pension Plan has been providing the disability pension benefits described in paragraph a. above to every Pension Plan participant who has become eligible for disability pension benefits on and after May 24, 2011. The Authority and the Union agree that no other or different disability pension benefits were or are required for those participants.

4. Pension Plan Contribution Rates During Certain Plan Years

a. The required contributions to the Pension Plan (as a percentage of each participant's gross payroll wages) during the October 1, 2017 through September 30, 2018 plan year and the October 1, 2018 through September 30, 2019 plan year were those that the Authority had actually implemented in its payroll and accounting systems, during those plan years, i.e.:

Contributing Party	Contribution Rate
Authority	11.13%
Employee Participating in the Pension Plan	
Regular Benefit	5.66%
Enhanced Benefit Level 1	8.16%
Enhanced Benefit Level 2	10.66%

No additional contributions to the Pension Plan were or are required from the Authority or the Employees for those two plan years.

b. The contributions to the Pension Plan from the Authority and the Employees, for the October 1, 2017 through September 30, 2018 plan year and the October 1, 2018 through September 30, 2019 plan year, are irrevocable and are to be used for the exclusive purpose of providing benefits to Pension Plan participants and their beneficiaries and defraying reasonable expenses of administering the Pension Plan.

5. Pension Plan Contribution Rates During the 10/1/2019 – 9/30/2020 Plan Year

The required contribution rates to the Pension Plan during the October 1, 2019 through September 30, 2020 plan year are determined as follows:

a. Total FYE 2019 Contribution Amount

During the October 1, 2018 through September 30, 2019 plan year, the Pension Board's actuary prepares an October 1, 2018 valuation of the Pension Plan, based on actuarial methods and assumptions developed in the Actuarial Study Process defined and described on attached Exhibit "A". The actuary uses that valuation to calculate a total contribution amount, as a dollar amount, for the October 1, 2018 through September 30, 2019 plan year that is then underway ("Total FYE 2019 Contribution Amount").

b. Total Minimum Contribution Amount (9.75% Employer, 5.25% Employee Regular Benefit, 7.75% Employee Enhanced Benefit Level 1, and 10.25% Employee Enhanced Level 2)

The "Total Minimum Contribution Amount" is equal to:

- 9.75% multiplied by the Pension Board actuary's projected total covered payroll ("CP") for the October 1, 2018 through September 30, 2019 plan year for all Pension Plan active participants, plus
- 5.25% multiplied by CP for just the Pension Plan active participants enrolled in the Pension Plan's regular benefit, plus
- 7.75% multiplied by CP for just the Pension Plan active participants enrolled in the Pension Plan's enhanced benefit level 1, plus
- 10.25% multiplied by CP for just the Pension Plan active participants enrolled in the Pension Plan's enhanced benefit level 2.

If the Total Minimum Contribution Amount is **equal to or greater** than the Total Contribution Amount, the steps in subsection c. below are not applicable, and the required contribution rates to the Pension Plan (as a percentage of each participant's gross wages) during the October 1, 2019 through September 30, 2020 plan year are as follows:

Contributing Party	Contribution Rate
Authority	9.75%
Employee Participating in the Pension Plan	
Regular Benefit	5.25%
Enhanced Benefit Level 1	7.75%
Enhanced Benefit Level 2	10.25%

However, if the Total Minimum Contribution Amount is **less** than the Total FYE 2019 Contribution Amount, then the steps in subsection c. below apply.

c. Determining Contribution Rates When the Total Minimum Contribution Amount is Insufficient

For purposes of the following steps: The Pension Board actuary's calculations shall be based on actuarial methods and assumptions developed in the Actuarial Study Process defined and described on attached Exhibit "A" , the definition of "Closure Costs" on attached Exhibit "B", a deemed "Prior Closure Cost Rate" of 1.27%, and the following deemed recommended contribution rates for the October 1, 2018 through September 30, 2019 plan year:

Contributing Party	Recommended Contribution Rate
Authority	12.05%
Employee Participating in the Pension Plan	
Regular Benefit	5.78%
Enhanced Benefit Level 1	8.28%
Enhanced Benefit Level 2	10.78%

The term "Authority's Prior Recommended Contribution Rate" as used in the below steps refers to 12.05%. The term "Employee's Prior Recommended Regular Contribution Rate" as used in the below steps refers to 5.78%. The term "interest" as used in the Exhibits refers to the gross actuarial interest rate assumption then in effect.

Step #1: The Pension Board's actuary calculates the portion, as a dollar amount, of the Total FYE 2019 Contribution Amount that is payable by the Authority during the October 1, 2018 through September 30, 2019 plan year then underway ("Authority's FYE 2019 Contribution Amount").

Step #2: The "Authority's Preliminary Contribution Rate" during the October 1, 2019 through September 30, 2020 plan year is a percentage based on (x) the Authority's FYE 2019 Contribution Amount, divided by (y) CP.

- Step #3: The Pension Board's actuary calculates, as a percentage, the portion of the Authority's Preliminary Contribution Rate that is due to Closure Costs ("Current Closure Cost Rate"), as described in attached Exhibit "C".
- Step #4: The "Current Non-Closure Related Rate" is a percentage equal to (x) the Authority's Preliminary Contribution Rate, minus (y) the Current Closure Cost Rate.
- Step #5: The "Prior Non-Closure Related Rate" is a percentage equal to (x) the Authority's Prior Recommended Contribution Rate, minus (y) the Prior Closure Cost Rate.
- Step #6: The "Non-Closure Related Rate Change" is a percentage equal to (x) the Current Non-Closure Related Rate, minus (y) the Prior Non-Closure Related Rate.
- Step #7: The "Employee's Share of the Non-Closure Related Rate Change" is a percentage equal to (x) the Non-Closure Related Rate Change, multiplied by (y) 35%.
- Step #8: The "Authority's Share of the Non-Closure Related Rate Change" is a percentage equal to (x) the Non-Closure Related Rate Change, multiplied by (y) 65%.
- Step #9: The "Closure Related Rate Change" is a percentage equal to (x) the Current Closure Cost Rate, minus (y) the Prior Closure Cost Rate. All (100%) of the Closure Related Rate Change shall be allocated to the Authority and none (0%) to participants.
- Step #10: The "Employee's Recommended Regular Contribution Rate" is a percentage equal to the sum of (x) the Employee's Prior Recommended Regular Contribution Rate, and (y) the Employee's Share of the Non-Closure Related Rate Change; provided, however, that the Employee's Recommended Regular Contribution Rate shall not be lower than 5.25%.
- Step #11: The "Authority's Recommended Contribution Rate" is a percentage equal to the sum of (x) the Authority's Prior Recommended Contribution Rate, (y) the Authority's Share of the Non-Closure Related Rate Change, and (z) the Closure Related Rate Change; provided, however, that the Authority's Recommended Regular Contribution Rate shall not be lower than 9.75%.
- Step #12: Subject to subsection d. below, the required contribution rates to the Pension Plan (as a percentage of each participant's gross wages) during the October 1, 2019 through September 30, 2020 plan year are as follows:

Contributing Party	Required Contribution Rate
Authority	Authority's Recommended Contribution Rate becomes the Authority's required contribution rate
Employee Participating in the Pension Plan	
Regular Benefit	Employee's Recommended Regular Contribution Rate becomes the Employee's required contribution rate for the regular benefit
Enhanced Benefit Level 1	Employee's Recommended Regular Contribution Rate + 2.50% becomes the Employee's required contribution rate for Enhanced Benefit Level 1
Enhanced Benefit Level 2	Employee's Recommended Regular Contribution Rate + 5.00% becomes the Employee's required contribution rate for Enhanced Benefit Level 2

An example illustrating above steps #1 through #12 is attached as Exhibit "D".

Step #13: Subject to subsection d. below, the Pension Plan funding standard account employer credit balance as of October 1, 2018 shall be as calculated by the Pension Board's actuary in accordance with attached Exhibit "E".

The Authority and the Union recognize that the details of the calculations of the Pension Board's actuary may not exactly mirror the above steps, but neither the Authority nor the Union will object to that under subsection d. below, *so long as* the Pension Board's actuary is able to certify that his/her ultimate computation of rates has resulted in approximately the same substantive outcome as described in the above steps.

d. Objections

The Pension Board shall provide written notice to the Union and Authority of the recommended contribution rates and credit balance calculated pursuant to the above provisions of this Third Amendment, which written notice must include a copy of a complete actuarial valuation report supporting the calculations. The Union and Authority shall each have ten (10) business days from the date it receives that written notice to reasonably object in writing to the calculated recommended contribution rates and/or credit balance. Any such timely objection must be submitted in writing to the other party, with a copy to the Pension Board.

If there is *no* timely objection, the calculated recommended contribution rates in the Pension Board's written notice become the required contribution rates, the calculated credit balance becomes final, and the Authority shall update its payroll and accounting systems to implement them.

If there *is* a timely objection, the Union and Authority shall begin to meet and confer, within ten (10) business days following the date of delivery of the objection, to attempt in good faith to resolve the objection.

If the Union and Authority reach a good faith resolution of the objection within twenty (20) business days following the date of delivery of the objection, then the contribution rates and credit balance determined by the Union and Authority in that resolution shall be the final required contribution rates and credit balance and the Authority shall update its payroll and accounting systems to implement them.

If the Union and Authority have not reached a good faith resolution of the objection within twenty (20) business days following the date of delivery of the objection, then on the twenty-first (21st) business day following the date of delivery of the objection, the objection shall be treated as though it were a grievance that had not settled at Step III of the grievance process described in Article 13 of the CBA and such objection (grievance) may be moved to arbitration by the grieving party within the time limits and as provided in Article 13 of the CBA.

If the objection (grievance) is *not* timely moved to arbitration, the objection (grievance) shall be deemed withdrawn, the calculated recommended contribution rates and credit balance in the Pension Board's written notice become final and required, and the Authority shall update its payroll and accounting systems to implement them.

If the objection (grievance) *is* timely moved to arbitration, the required contribution rates and credit balance shall be determined through the arbitration process. Time is of the essence in the holding of the arbitration hearing and the issuance of the arbitration decision and award. Both parties agree to act as cooperatively as possible in accomplishing this goal, and it is the intent to hold the arbitration hearing within three (3) months of the objection (grievance) being timely moved to arbitration. The parties recognize that even with cooperation, it may not be possible to meet this timeline. Nevertheless, continuance because of the press of other business for the lawyers, or inconvenience of the witnesses, is frowned upon and the arbitrator will have broad discretion to deny requests for continuances for reasons such as that.

Until a timely objection has been resolved through good faith resolution, withdrawal, or arbitration, the credit balance shall remain unchanged and the Authority shall make no changes to the contribution rates in its payroll and accounting systems.

e. Use of Contributions

The contributions to the Pension Plan from the Authority and the Employees, for the October 1, 2019 through September 30, 2020 plan year, are irrevocable and are to be used for the exclusive purpose of providing benefits to Pension Plan participants and their beneficiaries and defraying reasonable expenses of administering the Pension Plan.

6. Status Quo

The provisions of this Third Amendment, including the Exhibits referenced herein, but specifically excluding section 4 of this Third Amendment, shall constitute the *status quo* as to the matters covered in this Third Amendment. Thus, for example, the procedures in section 5 of this Third Amendment, including the procedures in the Exhibits referenced in section 5, shall constitute

the *status quo* and are the material terms to apply to determine annual Pension Plan contribution rates during the plan year(s) in the *status quo* period.

7. Effective Date

The terms set forth herein are effective retroactive to October 1, 2017.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be signed in its respective names by its respective representatives, thereunto duly authorized, on this ____ day of _____, 2020.

By: James E. Harrison, Esq., P.E., Chief Executive Officer
CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY

Witness

By: Wilfredo Delgado, President/Business Agent
AMALGAMATED TRANSIT UNION,
LOCAL 1596

Witness

[EXHIBITS CONTINUE ON FOLLOWING PAGE.]

[CBA AMENDMENT EMBEDDED] EXHIBIT "A"

ACTUARIAL STUDY PROCESS

The "Actuarial Study Process" is a process through which the Pension Board commissions an analysis of the actuarial experience of the Pension Plan and a comprehensive evaluation of all actuarial assumptions and methods used by the Pension Board's actuary in calculating the recommended annual employer and employee contributions to the Pension Plan ("Actuarial Study").

The Actuarial Study Process must have been conducted and concluded within the last five (5) years before the beginning date of the plan year for which contributions will be calculated. Thus, for the calculation of contributions for the plan year beginning on October 1, 2019, the Actuarial Study Process must have been conducted and concluded no earlier than October 1, 2014. If an Actuarial Study Process has not been conducted and concluded within such prior-five year period, an Actuarial Study Process will be undertaken and completed expeditiously.

In the Actuarial Study Process, the Pension Board shall invite the Authority and the Union to provide written input on draft and final Actuarial Study reports and allow a reasonable period of time to do so. The Pension Board shall also invite the Authority and the Union to meaningfully and actively participate in the portions of all Pension Board meetings and workshops that discuss: (1) preparation for the Actuarial Study Process, (2) draft or final versions of the Actuarial Study Reports, (3) modeled or anticipated effects of potential changes to the actuarial assumptions or methods to be used in calculating contributions, and (4) the Pension Board's adoption of, or changes to, the actuarial assumptions or methods to be used in calculating recommended contributions.

If it becomes necessary for the Pension Board to consider a change to a specific actuarial assumption or method after an Actuarial Study Process has concluded and before the next Actuarial Study Process begins, all requirements of an Actuarial Study Process shall be followed, except that the analysis and evaluation may be limited to just the specific actuarial assumption or method at issue. For example, if the Pension Board is alerted that a change to the mortality rates may be necessary during a period between Actuarial Study Processes, the requirements described in the third paragraph of this Exhibit "A" shall apply, except that the analysis and evaluation may be limited to just the mortality rates.

[END OF EXHIBIT "A"]

[CBA AMENDMENT EMBEDDED] EXHIBIT "B"

DEFINITION OF PENSION PLAN CLOSURE COSTS

The "Closure Costs" are the actuarially-determined portions (if any) of the Total Contribution Amount that, absent an adjustment to contribution rates, would result in a disproportionate financial burden on the active Pension Plan participants as a direct consequence of the prior March 1, 2014 closure of the Pension Plan. The following is the complete list of the possible Closure Costs that the Authority and Union recognize could occur:

1. *Two Costs That Do Not Proportionally Decrease as a Dollar Amount as Covered Payroll Decreases:* A "Closure Cost" is incurred if the amortization payments on the unfunded actuarial liability, with interest, is higher as a percentage of covered payroll for active Pension Plan participants than as a percentage of total payroll for all active Employees. Similarly, a "Closure Cost" is incurred if the normal cost for administrative expenses, with interest, is higher as a percentage of covered payroll for active Pension Plan participants than as a percentage of total payroll for all active Employees.
2. *Lost Investment Opportunity:* A "Closure Cost" is incurred if the investment return assumption for the Pension Plan is decreased for the following reason: the Pension Board's investment consultant recommends less risky investment allocations due to Pension Plan closure and not due to any other reason. Less risky investment allocations due to general fluctuations in the investment marketplace would not be considered to be due to Pension Plan closure because such fluctuations would have occurred regardless of whether or not the Pension Plan had been closed to new participants. If the Pension Board's investment consultant recommends less risky investment allocations due to both Pension Plan closure and other reason(s), the Pension Board's investment consultant will separately specify, to the best of its judgement, the component of the total recommendation that is solely due to Pension Plan closure and the component that is not due solely to closure.
3. *Under 20-Year Amortization Period:* A "Closure Cost" is incurred if the amortization period for any unfunded accrued liability is decreased to less than twenty (20) years for the following reason: the actuary recommends reducing the amortization period to less than twenty (20) years due to Pension Plan closure, and not due to any other reason.

[END OF EXHIBIT "B"]

[CBA AMENDMENT EMBEDDED] EXHIBIT "C"

DETERMINATION OF CURRENT CLOSURE COST RATE

1. *Two Costs That Do Not Proportionally Decrease as a Dollar Amount as Covered Payroll Decreases:* The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 1 of Exhibit "B" is determined as follows:

Step #I: The Pension Board's actuary uses Employee census data provided by the Authority to estimate total covered payroll for the October 1, 2018 through September 30, 2019 plan year then underway, for all active Employees (both those participating in the Pension Plan and those participating in the Contribution Plan) ("Open Payroll" or "OP").

Step #II: The Pension Board's actuary calculates (1) projected amortization payments on the unfunded actuarial liability, with interest, and (2) projected normal cost for administrative expenses, with interest, for the October 1, 2018 through September 30, 2019 plan year then under way, and sums those two amounts.

Step #III: The Pension Board's actuary computes a percentage based on dividing the result in Step #II by CP.

Step #IV: The Pension Board's actuary computes a percentage based on dividing the result in Step #II by OP.

Step #V: The Step #IV percentage is subtracted from the Step #III percentage. The resulting percentage is the portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 1 of Exhibit "B".

Example:

Suppose the Pension Board's actuary calculates, for the October 1, 2018 through September 30, 2019 plan year then under way: CP of \$23,557,100; OP of \$33,999,076; amortization payments on the UAL, with interest, of \$489,318; and normal cost for administrative expenses, with interest, of \$696,145.

The Step #II result is \$1,185,463 (\$489,318 + \$696,145).

The Step #III percentage is 5.03% (\$1,185,463 / \$23,557,100).

The Step #IV percentage is 3.49% (\$1,185,463 / \$33,999,076).

The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 1 of Exhibit "B" is 1.54% (5.03% - 3.49%).

2. *Lost Investment Opportunity (LIO):* The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 2 of Exhibit "B" is determined as follows:

Step #I: The Pension Board's actuary recommends (1) a lower investment return assumption ("LIO Assumption"), which will result in increased normal cost and increased accrued liability, and (2) an amortization period ("LIO Amortization Period"). The LIO Assumption and LIO Amortization Period will be addressed and adopted as described in the last paragraph of Exhibit "A".

Step #II: The Pension Board's actuary calculates an amortization base and a resulting annual amortization payment ("LIO Amortization Payment") due to the LIO Assumption and LIO Amortization Period.

Step #III: For each year of the LIO Amortization Period, the Pension Board's actuary computes a percentage based on dividing the LIO Amortization Payment by that year's CP ("LIO Amortization Closure Cost Rate"). An LIO Amortization Closure Cost Rate applies only during the LIO Amortization Period.

Step #IV: For the first year for which the LIO Assumption is adopted, the Pension Board's actuary calculates, as a percentage of the CP for that year, the increase in the normal cost due to the LIO Assumption ("LIO Normal Closure Cost Rate"). The LIO Normal Closure Cost Rate remains the same fixed percentage in future years. Unlike the LIO Amortization Closure Cost Rate, which applies only during the LIO Amortization Period, the LIO Normal Closure Cost Rate will apply in all future years.

Step #V: Each year, the portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 2 of Exhibit "B" is the sum of (x) the LIO Amortization Closure Cost Rate (if applicable that year), plus (y) the LIO Normal Closure Cost Rate.

Example:

Suppose the Pension Board's investment consultant recommends decreasing the equity investment allocation to 53%. Suppose the Pension Board's investment consultant specifies that a decrease to 55% is being recommended solely due to the prior closure of the Pension Plan, and the additional decrease from 55% to 53% is not solely due to closure.

Suppose that due to the closure-related decrease to 55% equity allocation, the Pension Board's actuary recommends lowering the investment return assumption from 7.4% to an LIO Assumption of 7.0% and recommends an LIO Amortization Period of twenty (20) years, which recommendations are adopted via the Actuarial Study Process (Step #I).

Suppose the Pension Board's actuary calculates the annual LIO Amortization Payment to be \$100,000 (Step #II).

Suppose CP is \$20,000,000 in the first year and decreases in each future year to 97.5% of the prior year's CP. The table below shows the LIO Amortization Closure Cost Rate for each year of the 20-year LIO Amortization Period (Step #III).

Suppose the Pension Board's actuary calculates the LIO Normal Closure Cost Rate to be 1.25% (Step #IV).

The final column in the table below shows the total portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 2 of Exhibit "B" (Step #V).

<i>Year</i>	<i>CP</i>	<i>LIO Amortization Payment</i>	<i>LIO Amortization Closure Cost Rate (payment/CP)</i>	<i>LIO Normal Closure Cost Rate (fixed)</i>	<i>Total</i>
1	\$20,000,000	\$100,000	0.50%	1.25%	1.75%
2	\$19,500,000	\$100,000	0.51%	1.25%	1.76%
3	\$19,012,500	\$100,000	0.53%	1.25%	1.78%
4	\$18,537,188	\$100,000	0.54%	1.25%	1.79%
5	\$18,073,758	\$100,000	0.55%	1.25%	1.80%
6	\$17,621,914	\$100,000	0.57%	1.25%	1.82%
7	\$17,181,266	\$100,000	0.58%	1.25%	1.83%
8	\$16,751,832	\$100,000	0.60%	1.25%	1.85%
9	\$16,333,036	\$100,000	0.61%	1.25%	1.86%
10	\$15,924,710	\$100,000	0.63%	1.25%	1.88%
11	\$15,526,592	\$100,000	0.64%	1.25%	1.89%
12	\$15,138,428	\$100,000	0.66%	1.25%	1.91%
13	\$14,759,967	\$100,000	0.68%	1.25%	1.93%
14	\$14,390,968	\$100,000	0.69%	1.25%	1.94%
15	\$14,031,194	\$100,000	0.71%	1.25%	1.96%
16	\$13,680,414	\$100,000	0.73%	1.25%	1.98%
17	\$13,338,403	\$100,000	0.75%	1.25%	2.00%
18	\$13,004,943	\$100,000	0.77%	1.25%	2.02%
19	\$12,679,820	\$100,000	0.79%	1.25%	2.04%
20	\$12,362,824	\$100,000	0.81%	1.25%	2.06%
21	\$12,053,754	N/A	N/A	1.25%	1.25%
22	\$11,752,410	N/A	N/A	1.25%	1.25%
23	\$11,458,600	N/A	N/A	1.25%	1.25%
24	\$11,172,135	N/A	N/A	1.25%	1.25%
25	\$10,892,831	N/A	N/A	1.25%	1.25%

Etc.

3. *Under 20-Year Amortization Period:* The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 3 of Exhibit "B" is determined as follows:

Step #I: The Pension Board's actuary recommends a shorter amortization period due solely to prior closure of the Pension Plan ("Closure Amortization Period"). The Closure Amortization Period will be addressed and adopted as described in the last paragraph of Exhibit "B".

Step #II: For the amortization base for a given plan year, the Pension Board's actuary will calculate, as a dollar amount, (a) amortization payments based on a 20-year amortization period, and (b) amortization payments based on the shorter Closure Amortization Period. For each year, the result of subtracting (a) from (b) is the "Change in Cost."

Step #III: Each year, the portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 3 of Exhibit "B" is a percentage determined by dividing (x) the Change in Cost, by (y) CP for that year. If the amortization base is an amortization charge (positive), the percentage will be positive during the Closure Amortization Period, negative in years after that through the 20th year, and zero after the 20th year. Conversely, if the amortization base is an amortization credit (negative), the percentage will be negative during the Closure Amortization Period, positive in years after that through the 20th year, and zero after the 20th year.

Example:

Suppose the Pension Board's actuary recommends a Closure Amortization Period of fifteen (15) years, which recommendation is adopted via the Actuarial Study Process (Step #I).

Suppose the amortization base is an amortization charge (positive) of \$1,000,000. Suppose the actuary calculates 20-year amortization payments of \$90,640 and 15-year amortization payments of \$104,827. The Change in Cost for each year is shown in the table below (Step #II).

Suppose CP is \$20,000,000 in the first year and decreases in each future year to 97.5% of the prior year's CP. The table below shows the Closure Cost percentage for each year (Step #III).

(cont'd on next page)

Year	Amortization Payments		Change in Cost (15-year minus 20-year)	CP	Closure Cost Percentage
	20-year	15-year			
1	\$90,640	\$104,827	\$14,187	\$20,000,000	0.071%
2	\$90,640	\$104,827	\$14,187	\$19,500,000	0.073%
3	\$90,640	\$104,827	\$14,187	\$19,012,500	0.075%
4	\$90,640	\$104,827	\$14,187	\$18,537,188	0.077%
5	\$90,640	\$104,827	\$14,187	\$18,073,758	0.078%
6	\$90,640	\$104,827	\$14,187	\$17,621,914	0.081%
7	\$90,640	\$104,827	\$14,187	\$17,181,266	0.083%
8	\$90,640	\$104,827	\$14,187	\$16,751,832	0.085%
9	\$90,640	\$104,827	\$14,187	\$16,333,036	0.087%
10	\$90,640	\$104,827	\$14,187	\$15,924,710	0.089%
11	\$90,640	\$104,827	\$14,187	\$15,526,592	0.091%
12	\$90,640	\$104,827	\$14,187	\$15,138,428	0.094%
13	\$90,640	\$104,827	\$14,187	\$14,759,967	0.096%
14	\$90,640	\$104,827	\$14,187	\$14,390,968	0.099%
15	\$90,640	\$104,827	\$14,187	\$14,031,194	0.101%
16	\$90,640	\$0	-\$90,640	\$13,680,414	-0.663%
17	\$90,640	\$0	-\$90,640	\$13,338,403	-0.680%
18	\$90,640	\$0	-\$90,640	\$13,004,943	-0.697%
19	\$90,640	\$0	-\$90,640	\$12,679,820	-0.715%
20	\$90,640	\$0	-\$90,640	\$12,362,824	-0.733%
21	\$0	\$0	\$0	\$12,053,754	0%
22	\$0	\$0	\$0	\$11,752,410	0%
23	\$0	\$0	\$0	\$11,458,600	0%
24	\$0	\$0	\$0	\$11,172,135	0%
25	\$0	\$0	\$0	\$10,892,831	0%
Etc.					

The "Current Closure Cost Rate" is the sum of the results from paragraphs 1, 2, and 3 above.

[END OF EXHIBIT "C"]

[CBA AMENDMENT EMBEDDED] EXHIBIT "D"

EXAMPLE ILLUSTRATING STEPS #1 THROUGH #12 IN COMPUTATION OF CONTRIBUTION RATES

- Step #1: Suppose the Pension Board's actuary calculates the Authority's FYE 2019 Contribution Amount to be **\$2,595,795**. Suppose the Pension Board's actuary calculates CP to be **\$23,557,100**.
- Step #2: The Authority's Preliminary Recommended Contribution Rate is **11.02%** (**\$2,595,795 / \$23,557,100**).
- Step #3: Suppose the Pension Board's actuary calculates the Current Closure Cost Rate to be **1.54%**.
- Step #4: The Current Non-Closure Related Rate is **9.48%** (**11.02% - 1.54%**).
- Step #5: The deemed Authority's Prior Recommended Contribution Rate is **12.05%**. The deemed Prior Closure Cost Rate is **1.27%**. Thus, the Prior Non-Closure Related Rate is **10.78%** (**12.05% - 1.27%**).
- Step #6: The Non-Closure Related Rate Change is **-1.30%** (**9.48% - 10.78%**).
- Step #7: The Employee's Share of the Non-Closure Related Rate Change is **-0.46%** (**-1.30% x 35%**).
- Step #8: The Authority's Share of the Non-Closure Related Rate Change is **-0.85%** (**-1.30% x 65%**).
- Step #9: The Closure Related Rate Change (for 100% allocation to the Authority) is **0.27%** (**1.54% - 1.27%**).
- Step #10: The deemed Employee's Prior Recommended Regular Contribution Rate is **5.78%**. Thus, the Employee's Recommended Regular Contribution Rate is **5.32%** (**5.78% - 0.46%**).
- Step #11: The Authority's Recommended Contribution Rate is **11.47%** (**12.05% - 0.85% + 0.27%**).
- Step #12: Subject to the objection process in Section 5.d. of this Third Amendment, the required contribution rates are:

Authority	11.47%
Employee – Regular Benefit	5.32%
Employee – Enhanced Benefit Level 1	7.82% (5.32% + 2.50%)
Employee – Enhanced Benefit Level 2	10.32% (5.32% + 5.00%)

[END OF EXHIBIT "D"]

[CBA AMENDMENT EMBEDDED] EXHIBIT "E"

**DETERMINATION AND USE OF PENSION PLAN FUNDING STANDARD ACCOUNT
CREDIT BALANCE**

The deemed prior year actuarial Pension Plan funding standard account employer credit balance as of October 1, 2017 is \$1,129,889. The actuarial Pension Plan funding standard account employer credit balance as of October 1, 2018 shall be determined as follows:

The Pension Board's actuary shall calculate total Pension Plan charges and total Pension Plan credits for the October 1, 2017 through September 30, 2018 plan year.

The total Pension Plan charges to be calculated are comprised of: prior year funding deficiency, actuarial employer normal cost, actuarial amortization charges, and interest on all of the foregoing.

The total Pension Plan credits to be calculated are comprised of: prior year credit balance, actual employer contributions, actuarial amortization credit, and interest on all of the foregoing. The interest accrual on the actual total employer contribution dollar amount will be computed as though that total contribution amount had been contributed to the Pension Plan at the mid-point of the October 1, 2017 through September 30, 2018 plan year.

The actuarial Pension Plan funding standard account employer credit balance as of October 1, 2018 shall be equal to (x) the total calculated Pension Plan credits, minus (y) the total calculated Pension Plan charges.

Example:

Suppose the Pension Board's actuary calculates the total Pension Plan charges for the October 1, 2017 through September 30, 2018 plan year as follows:

\$ 0 (deemed prior year funding deficiency of zero)
+\$2,417,521 (deemed actuarial employer normal cost)
+\$ 259,204 (deemed actuarial amortization charges)
+\$ 200,754 (interest on the other components)
=\$2,877,479 total calculated Pension Plan charges

Suppose the Pension Plan's administrative records reflect that the actual total employer contribution dollar amount deposited to the Pension Plan trust during the October 1, 2017 through September 30, 2018 plan year was \$2,983,198.

Suppose the Pension Board's actuary calculates the total Pension Plan credits for the October 1, 2017 through September 30, 2018 plan year as follows:

\$1,129,889 (deemed prior year credit balance)
+\$2,983,198 (actual total employer contribution dollar amount)
+\$ 0 (deemed actuarial amortization credit)

+\$ 196,612 (interest on the other components)
=\$4,309,699 total calculated Pension Plan credits

The Pension Plan funding standard account employer credit balance as of October 1, 2018 is equal to \$1,432,220 (\$4,309,699 - \$2,877,479).

At the employer's election, all or a portion of the Pension Plan funding standard account employer credit balance as of the beginning date of the immediately prior plan year (valuation date) is available, along with the contributions actually deposited by the employer to the Pension Plan during the current plan year, to satisfy any contribution requirements for the current plan year. For example, at the employer's election, all or a portion of the Pension Plan funding standard account employer credit balance as of an October 1, 2018 valuation date is available, along with the contributions actually deposited by the employer during the October 1, 2019 through September 30, 2020 plan year, to satisfy any contribution requirements for the October 1, 2019 through September 30, 2020 plan year.

[END OF EXHIBIT "E"]

EXHIBIT C

AMERICAN ARBITRATION ASSOCIATION

**BOARD OF TRUSTEES, AMALGAMATED
TRANSIT UNION LOCAL 1596 PENSION
FUND,**

Claimant,

AAA CASE NO.: 01-18-0002-3674

v.

**AMALGAMATED TRANSIT UNION
LOCAL 1596 PENSION FUND,**

Respondent.

_____ /

**JOINT STIPULATION OF DISMISSAL WITH PREJUDICE AND WITHDRAWAL OF
DEMAND FOR ARBITRATION**

The Trustees of the ATU Local 1596 Pension Fund, by and through their undersigned counsel, hereby jointly dismiss with prejudice and withdraw the Demand for Arbitration filed in AAA Case No. 01-18-0002-3674, with each party to bear its own attorneys' fees, costs, and expenses.

Dated: _____, 2020.

Respectfully submitted,

<u>/s/ Joseph L. Amos, Jr.</u> Joseph L. Amos, Jr., Esq. Florida Bar Number: 856230 Email: jamos@fisherlawfirm.com FISHER RUSHMER, P.A. 390 N. Orange Avenue, Suite 2200 P.O. Box 3753 Orlando, FL 32802-3753 Phone: (407) 843-2111 Fax: (407) 535-4795 <i>Counsel for the Management Trustees</i>	<u>/s/ Ronald J. Cohen</u> Ronald J. Cohen, Esq. Florida Bar Number: 235504 Email: rcohen@rprslaw.com RICE PUGATCH ROBINSON STORFER & COHEN, PLLC 101 N.E. Third Avenue, Suite 1800 Fort Lauderdale, FL 33301 Phone: (954) 462-8000 Fax: (407) 462-4300 <i>Counsel for the Union Trustees</i>
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was filed with the AAA and furnished by email on _____, 2020 to: Jack Clarke (jackclarke.adr@gmail.com; jannonem@adr.org); and Joseph L. Amos, Jr. (jamos@fisherlawfirm.com; askees@fisherlawfirm.com).

/s/ Ronald J. Cohen
Ronald J. Cohen, Esq.

EXHIBIT D

IN THE CIRCUIT COURT OF THE
NINTH JUDICIAL CIRCUIT, IN AND
FOR ORANGE COUNTY, FLORIDA

CASE NO.: 18-CA-011245-O

CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY d/b/a LYNX,

Plaintiff,

v.

FRANK LUNA, RONALD MORGAN, and
MARIA CARRERA, as Trustees of the
Amalgamated Transit Union Local 1596 Pension
Plan and in their individual capacities,

Defendants.

NOTICE OF VOLUNTARY DISMISSAL WITH PREJUDICE

Plaintiff, Central Florida Regional Transportation Authority d/b/a LYNX, by and through its undersigned counsel and pursuant to Florida Rule of Civil Procedure 1.420(a)(1)(A), hereby dismisses with prejudice its claims made herein, with each party to bear its own attorneys' fees, costs, and expenses.

Dated: _____, 2020.

Respectfully submitted,

/s/ Sara A. Brubaker
Carrie Ann Wozniak, Esq.
Florida Bar Number: 12666
Email: carrieann.wozniak@akerman.com
Sara A. Brubaker, Esq.
Florida Bar Number: 105769
Email: sara.brubaker@akerman.com
AKERMAN LLP
Post Office Box 231

Orlando, FL 32802-0231
Phone: (407) 423-4000
Fax: (407) 843-6610

*Counsel for the Central Florida Regional
Transportation Authority d/b/a LYNX*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on _____, 2020 the foregoing was filed with the Clerk of the Court via *ePortal* and served electronically to: Ronald J Cohen, Esq., Rice Pugatch Robinson Storfer & Cohen, PLLC, 101 N.E. Third Avenue, Suite 1800, Fort Lauderdale, FL 33301 (rcohen@rprslaw.com; mkrauss@rprslaw.com).

/s/ Sara A. Brubaker
Sara A. Brubaker, Esq.

EXHIBIT E

FEDERAL MEDIATION & CONCILIATION SERVICE

**AMALGAMATED TRANSIT UNION
AFL-CIO LOCAL 1596,**

Claimant,

FMCS CASE NO.: 180731-06926

v.

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY
d/b/a LYNX,**

Respondent.

_____ /

**JOINT STIPULATION OF DISMISSAL WITH PREJUDICE AND WITHDRAWAL OF
DEMAND FOR ARBITRATION**

The Amalgamated Transit Union AFL-CIO Local 1596 and the Central Florida Regional Transportation Authority doing business as LYNX, by and through their undersigned counsel, hereby jointly dismiss with prejudice and withdraw the Demand for Arbitration filed in FMCS Case No. 180731-06926, with each party to bear its own attorneys' fees, costs, and expenses.

Dated: _____, 2020.

Respectfully submitted,

<u>/s/ Ronald J. Cohen</u> Ronald J. Cohen, Esq. Florida Bar Number: 235504 Email: rcohen@rprslaw.com RICE PUGATCH ROBINSON STORFER & COHEN, PLLC 101 N.E. Third Avenue, Suite 1800 Fort Lauderdale, FL 33301 Phone: (954) 462-8000 Fax: (407) 462-4300 <i>Counsel for the Union</i>	<u>/s/ James W. Seegers</u> James W. Seegers, Esq. Florida Bar Number: 122531 Email: jseegers@bakerlaw.com BAKER & HOSTETLER LLP P.O. Box 112 Orlando, FL 32802-0112 Phone: (407) 649-4023 Fax: (407) 841-0168 <i>Counsel for LYNX</i>
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was filed with the AAA and furnished by email on _____, 2020 to: Ira Cure (icure.nyc@gmail.com; arbsvc@fmcs.gov); and James W. Seegers (jseegers@bakerlaw.com).

/s/ Ronald J. Cohen
Ronald J. Cohen, Esq.

CERTA RESOLUTION NO. 20-011

**RESOLUTION OF THE CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY (d/b/a/ LYNX) TO APPROVE AND RATIFY
THE THIRD AMENDMENT TO THE LABOR AGREEMENT BETWEEN
CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY &
AMALGAMATED TRANSIT UNION AFL-CIO LOCAL 1596**

WHEREAS, the Central Florida Regional Transportation Authority d/b/a LYNX and the Amalgamated Transit Union AFL-CIO Local 1596 ("ATU 1596") are parties to an in-force collectively-bargained Labor Agreement with a term of October 1, 2017 through September 30, 2020, as previously amended ("CBA"); and

WHEREAS, the Chief Executive Officer of LYNX and the President of ATU 1596 have executed a Third Amendment to the CBA a copy of which is attached hereto as Exhibit "A" ("Amendment"); and

WHEREAS, under Florida law and the terms of the CBA, any amendment to the CBA is not binding on LYNX as the public employer until such amendment is ratified by the public employees covered by the CBA and by the legislative body of the public employer; and

WHEREAS, the Amendment was approved and ratified by the ATU 1596 bargaining unit on June 10, 2020; and

WHEREAS, because the Amendment was approved and ratified by the ATU 1596 bargaining unit, it now comes to this Board as the legislative body of LYNX for approval and ratification; and

WHEREAS, LYNX staff recommends approval and ratification of the Amendment by this Board for the reasons set forth in the accompanying memorandum, a copy of which is incorporated herein by reference; and

WHEREAS, this Board desires to approve and ratify the Amendment and accomplish the purposes outlined in LYNX staff's accompanying memorandum.

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ON FOLLOWING PAGE.]

CERTA RESOLUTION NO. 20-011

**RESOLUTION OF THE CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY (d/b/a/ LYNX) TO APPROVE AND RATIFY
THE THIRD AMENDMENT TO THE LABOR AGREEMENT BETWEEN
CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY &
AMALGAMATED TRANSIT UNION AFL-CIO LOCAL 1596**

NOW, THEREFORE, BE IT RESOLVED THAT: the Third Amendment to the Labor Agreement between Central Florida Regional Transportation Authority & Amalgamated Transit Union AFL-CIO Local 1596, a copy of which is attached hereto as Exhibit "A", is hereby approved and ratified.

APPROVED AND ADOPTED this ____ day of _____, 2020 by the Governing Board of the Central Florida Regional Transportation Authority.

CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY

By: Governing Board

Chairman

ATTEST:

Secretary

EXECUTION VERSION

**THIRD AMENDMENT
to the
LABOR AGREEMENT
between
CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY &
AMALGAMATED TRANSIT UNION AFL-CIO LOCAL 1596
(October 1, 2017 through September 30, 2020)**

The labor agreement between Central Florida Regional Transportation Authority & Amalgamated Transit Union AFL-CIO Local 1596, as previously amended and with a term of October 1, 2017 through September 30, 2020 (the "CBA"), is further amended as follows:

1. Definitions

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the CBA.

2. Deleted Provisions

Section 2, and subsection 3 of Section 5, of Article 30 of the CBA are deleted.

3. Pension Disability Benefits

a. The disability pension benefits provided by the Pension Plan are only those originally set forth in Section 11.01 on pages 35 through 36 of the document titled "AMALGAMATED TRANSIT UNION LOCAL 1596 PENSION PLAN Restated Agreement and Declaration of Trust and Pension Plan, Effective this 24th day of May, 2011" (adopted September 8, 2011).

b. The Authority and the Union acknowledge that the Pension Plan has been providing the disability pension benefits described in paragraph a. above to every Pension Plan participant who has become eligible for disability pension benefits on and after May 24, 2011. The Authority and the Union agree that no other or different disability pension benefits were or are required for those participants.

4. Pension Plan Contribution Rates During Certain Plan Years

a. The required contributions to the Pension Plan (as a percentage of each participant's gross payroll wages) during the October 1, 2017 through September 30, 2018 plan year and the October 1, 2018 through September 30, 2019 plan year were those that the Authority had actually implemented in its payroll and accounting systems, during those plan years, i.e.:

EXECUTION VERSION

Contributing Party	Contribution Rate
Authority	11.13%
Employee Participating in the Pension Plan	
Regular Benefit	5.66%
Enhanced Benefit Level 1	8.16%
Enhanced Benefit Level 2	10.66%

No additional contributions to the Pension Plan were or are required from the Authority or the Employees for those two plan years.

b. The contributions to the Pension Plan from the Authority and the Employees, for the October 1, 2017 through September 30, 2018 plan year and the October 1, 2018 through September 30, 2019 plan year, are irrevocable and are to be used for the exclusive purpose of providing benefits to Pension Plan participants and their beneficiaries and defraying reasonable expenses of administering the Pension Plan.

5. Pension Plan Contribution Rates During the 10/1/2019 – 9/30/2020 Plan Year

The required contribution rates to the Pension Plan during the October 1, 2019 through September 30, 2020 plan year are determined as follows:

a. Total FYE 2019 Contribution Amount

During the October 1, 2018 through September 30, 2019 plan year, the Pension Board's actuary prepares an October 1, 2018 valuation of the Pension Plan, based on actuarial methods and assumptions developed in the Actuarial Study Process defined and described on attached Exhibit "A". The actuary uses that valuation to calculate a total contribution amount, as a dollar amount, for the October 1, 2018 through September 30, 2019 plan year that is then underway ("Total FYE 2019 Contribution Amount").

b. Total Minimum Contribution Amount (9.75% Employer, 5.25% Employee Regular Benefit, 7.75% Employee Enhanced Benefit Level 1, and 10.25% Employee Enhanced Level 2)

The "Total Minimum Contribution Amount" is equal to:

- 9.75% multiplied by the Pension Board actuary's projected total covered payroll ("CP") for the October 1, 2018 through September 30, 2019 plan year for all Pension Plan active participants, plus
- 5.25% multiplied by CP for just the Pension Plan active participants enrolled in the Pension Plan's regular benefit, plus
- 7.75% multiplied by CP for just the Pension Plan active participants enrolled in the Pension Plan's enhanced benefit level 1, plus
- 10.25% multiplied by CP for just the Pension Plan active participants enrolled in the Pension Plan's enhanced benefit level 2.

EXECUTION VERSION

If the Total Minimum Contribution Amount is **equal to or greater** than the Total Contribution Amount, the steps in subsection c. below are not applicable, and the required contribution rates to the Pension Plan (as a percentage of each participant's gross wages) during the October 1, 2019 through September 30, 2020 plan year are as follows:

Contributing Party	Contribution Rate
Authority	9.75%
Employee Participating in the Pension Plan	
Regular Benefit	5.25%
Enhanced Benefit Level 1	7.75%
Enhanced Benefit Level 2	10.25%

However, if the Total Minimum Contribution Amount is **less** than the Total FYE 2019 Contribution Amount, then the steps in subsection c. below apply.

c. Determining Contribution Rates When the Total Minimum Contribution Amount is Insufficient

For purposes of the following steps: The Pension Board actuary's calculations shall be based on actuarial methods and assumptions developed in the Actuarial Study Process defined and described on attached Exhibit "A", the definition of "Closure Costs" on attached Exhibit "B", a deemed "Prior Closure Cost Rate" of 1.27%, and the following deemed recommended contribution rates for the October 1, 2018 through September 30, 2019 plan year:

Contributing Party	Recommended Contribution Rate
Authority	12.05%
Employee Participating in the Pension Plan	
Regular Benefit	5.78%
Enhanced Benefit Level 1	8.28%
Enhanced Benefit Level 2	10.78%

The term "Authority's Prior Recommended Contribution Rate" as used in the below steps refers to 12.05%. The term "Employee's Prior Recommended Regular Contribution Rate" as used in the below steps refers to 5.78%. The term "interest" as used in the Exhibits refers to the gross actuarial interest rate assumption then in effect.

Step #1: The Pension Board's actuary calculates the portion, as a dollar amount, of the Total FYE 2019 Contribution Amount that is payable by the Authority during the October 1, 2018 through September 30, 2019 plan year then underway ("Authority's FYE 2019 Contribution Amount").

Step #2: The "Authority's Preliminary Contribution Rate" during the October 1, 2019 through September 30, 2020 plan year is a percentage based on (x) the Authority's FYE 2019 Contribution Amount, divided by (y) CP.

EXECUTION VERSION

- Step #3: The Pension Board's actuary calculates, as a percentage, the portion of the Authority's Preliminary Contribution Rate that is due to Closure Costs ("Current Closure Cost Rate"), as described in attached Exhibit "C".
- Step #4: The "Current Non-Closure Related Rate" is a percentage equal to (x) the Authority's Preliminary Contribution Rate, minus (y) the Current Closure Cost Rate.
- Step #5: The "Prior Non-Closure Related Rate" is a percentage equal to (x) the Authority's Prior Recommended Contribution Rate, minus (y) the Prior Closure Cost Rate.
- Step #6: The "Non-Closure Related Rate Change" is a percentage equal to (x) the Current Non-Closure Related Rate, minus (y) the Prior Non-Closure Related Rate.
- Step #7: The "Employee's Share of the Non-Closure Related Rate Change" is a percentage equal to (x) the Non-Closure Related Rate Change, multiplied by (y) 35%.
- Step #8: The "Authority's Share of the Non-Closure Related Rate Change" is a percentage equal to (x) the Non-Closure Related Rate Change, multiplied by (y) 65%.
- Step #9: The "Closure Related Rate Change" is a percentage equal to (x) the Current Closure Cost Rate, minus (y) the Prior Closure Cost Rate. All (100%) of the Closure Related Rate Change shall be allocated to the Authority and none (0%) to participants.
- Step #10: The "Employee's Recommended Regular Contribution Rate" is a percentage equal to the sum of (x) the Employee's Prior Recommended Regular Contribution Rate, and (y) the Employee's Share of the Non-Closure Related Rate Change; provided, however, that the Employee's Recommended Regular Contribution Rate shall not be lower than 5.25%.
- Step #11: The "Authority's Recommended Contribution Rate" is a percentage equal to the sum of (x) the Authority's Prior Recommended Contribution Rate, (y) the Authority's Share of the Non-Closure Related Rate Change, and (z) the Closure Related Rate Change; provided, however, that the Authority's Recommended Regular Contribution Rate shall not be lower than 9.75%.
- Step #12: Subject to subsection d. below, the required contribution rates to the Pension Plan (as a percentage of each participant's gross wages) during the October 1, 2019 through September 30, 2020 plan year are as follows:

Contributing Party	Required Contribution Rate
Authority	Authority's Recommended Contribution Rate becomes the Authority's required contribution rate
Employee Participating in the Pension Plan	

EXECUTION VERSION

Contributing Party	Required Contribution Rate
Regular Benefit	Employee's Recommended Regular Contribution Rate becomes the Employee's required contribution rate for the regular benefit
Enhanced Benefit Level 1	Employee's Recommended Regular Contribution Rate + 2.50% becomes the Employee's required contribution rate for Enhanced Benefit Level 1
Enhanced Benefit Level 2	Employee's Recommended Regular Contribution Rate + 5.00% becomes the Employee's required contribution rate for Enhanced Benefit Level 2

An example illustrating above steps #1 through #12 is attached as Exhibit "D".

Step #13: Subject to subsection d. below, the Pension Plan funding standard account employer credit balance as of October 1, 2018 shall be as calculated by the Pension Board's actuary in accordance with attached Exhibit "E".

The Authority and the Union recognize that the details of the calculations of the Pension Board's actuary may not exactly mirror the above steps, but neither the Authority nor the Union will object to that under subsection d. below, *so long as* the Pension Board's actuary is able to certify that his/her ultimate computation of rates has resulted in approximately the same substantive outcome as described in the above steps.

d. Objections

The Pension Board shall provide written notice to the Union and Authority of the recommended contribution rates and credit balance calculated pursuant to the above provisions of this Third Amendment, which written notice must include a copy of a complete actuarial valuation report supporting the calculations. The Union and Authority shall each have ten (10) business days from the date it receives that written notice to reasonably object in writing to the calculated recommended contribution rates and/or credit balance. Any such timely objection must be submitted in writing to the other party, with a copy to the Pension Board.

If there is *no* timely objection, the calculated recommended contribution rates in the Pension Board's written notice become the required contribution rates, the calculated credit balance becomes final, and the Authority shall update its payroll and accounting systems to implement them.

If there *is* a timely objection, the Union and Authority shall begin to meet and confer, within ten (10) business days following the date of delivery of the objection, to attempt in good faith to resolve the objection.

If the Union and Authority reach a good faith resolution of the objection within twenty (20) business days following the date of delivery of the objection, then the contribution rates and credit balance determined by the Union and Authority in that resolution shall be the final required contribution rates and credit balance and the Authority shall update its payroll and accounting systems to implement them.

EXECUTION VERSION

If the Union and Authority have not reached a good faith resolution of the objection within twenty (20) business days following the date of delivery of the objection, then on the twenty-first (21st) business day following the date of delivery of the objection, the objection shall be treated as though it were a grievance that had not settled at Step III of the grievance process described in Article 13 of the CBA and such objection (grievance) may be moved to arbitration by the grieving party within the time limits and as provided in Article 13 of the CBA.

If the objection (grievance) is *not* timely moved to arbitration, the objection (grievance) shall be deemed withdrawn, the calculated recommended contribution rates and credit balance in the Pension Board's written notice become final and required, and the Authority shall update its payroll and accounting systems to implement them.

If the objection (grievance) *is* timely moved to arbitration, the required contribution rates and credit balance shall be determined through the arbitration process. Time is of the essence in the holding of the arbitration hearing and the issuance of the arbitration decision and award. Both parties agree to act as cooperatively as possible in accomplishing this goal, and it is the intent to hold the arbitration hearing within three (3) months of the objection (grievance) being timely moved to arbitration. The parties recognize that even with cooperation, it may not be possible to meet this timeline. Nevertheless, continuance because of the press of other business for the lawyers, or inconvenience of the witnesses, is frowned upon and the arbitrator will have broad discretion to deny requests for continuances for reasons such as that.

Until a timely objection has been resolved through good faith resolution, withdrawal, or arbitration, the credit balance shall remain unchanged and the Authority shall make no changes to the contribution rates in its payroll and accounting systems.

e. Use of Contributions

The contributions to the Pension Plan from the Authority and the Employees, for the October 1, 2019 through September 30, 2020 plan year, are irrevocable and are to be used for the exclusive purpose of providing benefits to Pension Plan participants and their beneficiaries and defraying reasonable expenses of administering the Pension Plan.

6. Status Quo

The provisions of this Third Amendment, including the Exhibits referenced herein, but specifically excluding section 4 of this Third Amendment, shall constitute the *status quo* as to the matters covered in this Third Amendment. Thus, for example, the procedures in section 5 of this Third Amendment, including the procedures in the Exhibits referenced in section 5, shall constitute the *status quo* and are the material terms to apply to determine annual Pension Plan contribution rates during the plan year(s) in the *status quo* period.

EXECUTION VERSION

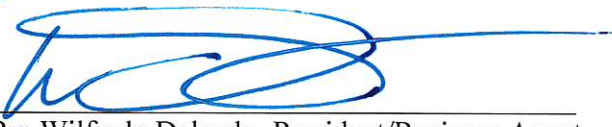
7. Effective Date

The terms set forth herein are effective retroactive to October 1, 2017.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be signed in its respective names by its respective representatives, thereunto duly authorized, on this 12 day of June, 2020.


By: James E. Harrison, Esq., P.E., Chief Executive Officer
CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY


Witness


By: Wilfredo Delgado, President/Business Agent
AMALGAMATED TRANSIT UNION,
LOCAL 1596


Witness

[EXHIBITS CONTINUE ON FOLLOWING PAGE.]

EXECUTION VERSION

EXHIBIT "A"

ACTUARIAL STUDY PROCESS

The "Actuarial Study Process" is a process through which the Pension Board commissions an analysis of the actuarial experience of the Pension Plan and a comprehensive evaluation of all actuarial assumptions and methods used by the Pension Board's actuary in calculating the recommended annual employer and employee contributions to the Pension Plan ("Actuarial Study").

The Actuarial Study Process must have been conducted and concluded within the last five (5) years before the beginning date of the plan year for which contributions will be calculated. Thus, for the calculation of contributions for the plan year beginning on October 1, 2019, the Actuarial Study Process must have been conducted and concluded no earlier than October 1, 2014. If an Actuarial Study Process has not been conducted and concluded within such prior-five year period, an Actuarial Study Process will be undertaken and completed expeditiously.

In the Actuarial Study Process, the Pension Board shall invite the Authority and the Union to provide written input on draft and final Actuarial Study reports and allow a reasonable period of time to do so. The Pension Board shall also invite the Authority and the Union to meaningfully and actively participate in the portions of all Pension Board meetings and workshops that discuss: (1) preparation for the Actuarial Study Process, (2) draft or final versions of the Actuarial Study Reports, (3) modeled or anticipated effects of potential changes to the actuarial assumptions or methods to be used in calculating contributions, and (4) the Pension Board's adoption of, or changes to, the actuarial assumptions or methods to be used in calculating recommended contributions.

If it becomes necessary for the Pension Board to consider a change to a specific actuarial assumption or method after an Actuarial Study Process has concluded and before the next Actuarial Study Process begins, all requirements of an Actuarial Study Process shall be followed, except that the analysis and evaluation may be limited to just the specific actuarial assumption or method at issue. For example, if the Pension Board is alerted that a change to the mortality rates may be necessary during a period between Actuarial Study Processes, the requirements described in the third paragraph of this Exhibit "A" shall apply, except that the analysis and evaluation may be limited to just the mortality rates.

[END OF EXHIBIT "A"]

EXECUTION VERSION

EXHIBIT "B"**DEFINITION OF PENSION PLAN CLOSURE COSTS**

The "Closure Costs" are the actuarially-determined portions (if any) of the Total Contribution Amount that, absent an adjustment to contribution rates, would result in a disproportionate financial burden on the active Pension Plan participants as a direct consequence of the prior March 1, 2014 closure of the Pension Plan. The following is the complete list of the possible Closure Costs that the Authority and Union recognize could occur:

1. *Two Costs That Do Not Proportionally Decrease as a Dollar Amount as Covered Payroll Decreases:* A "Closure Cost" is incurred if the amortization payments on the unfunded actuarial liability, with interest, is higher as a percentage of covered payroll for active Pension Plan participants than as a percentage of total payroll for all active Employees. Similarly, a "Closure Cost" is incurred if the normal cost for administrative expenses, with interest, is higher as a percentage of covered payroll for active Pension Plan participants than as a percentage of total payroll for all active Employees.
2. *Lost Investment Opportunity:* A "Closure Cost" is incurred if the investment return assumption for the Pension Plan is decreased for the following reason: the Pension Board's investment consultant recommends less risky investment allocations due to Pension Plan closure and not due to any other reason. Less risky investment allocations due to general fluctuations in the investment marketplace would not be considered to be due to Pension Plan closure because such fluctuations would have occurred regardless of whether or not the Pension Plan had been closed to new participants. If the Pension Board's investment consultant recommends less risky investment allocations due to both Pension Plan closure and other reason(s), the Pension Board's investment consultant will separately specify, to the best of its judgement, the component of the total recommendation that is solely due to Pension Plan closure and the component that is not due solely to closure.
3. *Under 20-Year Amortization Period:* A "Closure Cost" is incurred if the amortization period for any unfunded accrued liability is decreased to less than twenty (20) years for the following reason: the actuary recommends reducing the amortization period to less than twenty (20) years due to Pension Plan closure, and not due to any other reason.

[END OF EXHIBIT "B"]

EXECUTION VERSION

EXHIBIT "C"**DETERMINATION OF CURRENT CLOSURE COST RATE**

1. *Two Costs That Do Not Proportionally Decrease as a Dollar Amount as Covered Payroll Decreases:* The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 1 of Exhibit "B" is determined as follows:

Step #I: The Pension Board's actuary uses Employee census data provided by the Authority to estimate total covered payroll for the October 1, 2018 through September 30, 2019 plan year then underway, for all active Employees (both those participating in the Pension Plan and those participating in the Contribution Plan) ("Open Payroll" or "OP").

Step #II: The Pension Board's actuary calculates (1) projected amortization payments on the unfunded actuarial liability, with interest, and (2) projected normal cost for administrative expenses, with interest, for the October 1, 2018 through September 30, 2019 plan year then under way, and sums those two amounts.

Step #III: The Pension Board's actuary computes a percentage based on dividing the result in Step #II by CP.

Step #IV: The Pension Board's actuary computes a percentage based on dividing the result in Step #II by OP.

Step #V: The Step #IV percentage is subtracted from the Step #III percentage. The resulting percentage is the portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 1 of Exhibit "B".

Example:

Suppose the Pension Board's actuary calculates, for the October 1, 2018 through September 30, 2019 plan year then under way: CP of \$23,557,100; OP of \$33,999,076; amortization payments on the UAL, with interest, of \$489,318; and normal cost for administrative expenses, with interest, of \$696,145.

The Step #II result is \$1,185,463 (\$489,318 + \$696,145).

The Step #III percentage is 5.03% (\$1,185,463 / \$23,557,100).

The Step #IV percentage is 3.49% (\$1,185,463 / \$33,999,076).

The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 1 of Exhibit "B" is 1.54% (5.03% - 3.49%).

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2. *Lost Investment Opportunity (LIO):* The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 2 of Exhibit "B" is determined as follows:

Step #I: The Pension Board's actuary recommends (1) a lower investment return assumption ("LIO Assumption"), which will result in increased normal cost and increased accrued liability, and (2) an amortization period ("LIO Amortization Period"). The LIO Assumption and LIO Amortization Period will be addressed and adopted as described in the last paragraph of Exhibit "A".

Step #II: The Pension Board's actuary calculates an amortization base and a resulting annual amortization payment ("LIO Amortization Payment") due to the LIO Assumption and LIO Amortization Period.

Step #III: For each year of the LIO Amortization Period, the Pension Board's actuary computes a percentage based on dividing the LIO Amortization Payment by that year's CP ("LIO Amortization Closure Cost Rate"). An LIO Amortization Closure Cost Rate applies only during the LIO Amortization Period.

Step #IV: For the first year for which the LIO Assumption is adopted, the Pension Board's actuary calculates, as a percentage of the CP for that year, the increase in the normal cost due to the LIO Assumption ("LIO Normal Closure Cost Rate"). The LIO Normal Closure Cost Rate remains the same fixed percentage in future years. Unlike the LIO Amortization Closure Cost Rate, which applies only during the LIO Amortization Period, the LIO Normal Closure Cost Rate will apply in all future years.

Step #V: Each year, the portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 2 of Exhibit "B" is the sum of (x) the LIO Amortization Closure Cost Rate (if applicable that year), plus (y) the LIO Normal Closure Cost Rate.

Example:

Suppose the Pension Board's investment consultant recommends decreasing the equity investment allocation to 53%. Suppose the Pension Board's investment consultant specifies that a decrease to 55% is being recommended solely due to the prior closure of the Pension Plan, and the additional decrease from 55% to 53% is not solely due to closure.

Suppose that due to the closure-related decrease to 55% equity allocation, the Pension Board's actuary recommends lowering the investment return assumption from 7.4% to an LIO Assumption of 7.0% and recommends an LIO Amortization Period of twenty (20) years, which recommendations are adopted via the Actuarial Study Process (Step #I).

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Suppose the Pension Board's actuary calculates the annual LIO Amortization Payment to be \$100,000 (Step #II).

Suppose CP is \$20,000,000 in the first year and decreases in each future year to 97.5% of the prior year's CP. The table below shows the LIO Amortization Closure Cost Rate for each year of the 20-year LIO Amortization Period (Step #III).

Suppose the Pension Board's actuary calculates the LIO Normal Closure Cost Rate to be 1.25% (Step #IV).

The final column in the table below shows the total portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Costs described in paragraph 2 of Exhibit "B" (Step #V).

Year	CP	LIO Amortization Payment	LIO Amortization Closure Cost Rate (payment/CP)	LIO Normal Closure Cost Rate (fixed)	Total
1	\$20,000,000	\$100,000	0.50%	1.25%	1.75%
2	\$19,500,000	\$100,000	0.51%	1.25%	1.76%
3	\$19,012,500	\$100,000	0.53%	1.25%	1.78%
4	\$18,537,188	\$100,000	0.54%	1.25%	1.79%
5	\$18,073,758	\$100,000	0.55%	1.25%	1.80%
6	\$17,621,914	\$100,000	0.57%	1.25%	1.82%
7	\$17,181,266	\$100,000	0.58%	1.25%	1.83%
8	\$16,751,832	\$100,000	0.60%	1.25%	1.85%
9	\$16,333,036	\$100,000	0.61%	1.25%	1.86%
10	\$15,924,710	\$100,000	0.63%	1.25%	1.88%
11	\$15,526,592	\$100,000	0.64%	1.25%	1.89%
12	\$15,138,428	\$100,000	0.66%	1.25%	1.91%
13	\$14,759,967	\$100,000	0.68%	1.25%	1.93%
14	\$14,390,968	\$100,000	0.69%	1.25%	1.94%
15	\$14,031,194	\$100,000	0.71%	1.25%	1.96%
16	\$13,680,414	\$100,000	0.73%	1.25%	1.98%
17	\$13,338,403	\$100,000	0.75%	1.25%	2.00%
18	\$13,004,943	\$100,000	0.77%	1.25%	2.02%
19	\$12,679,820	\$100,000	0.79%	1.25%	2.04%
20	\$12,362,824	\$100,000	0.81%	1.25%	2.06%
21	\$12,053,754	N/A	N/A	1.25%	1.25%
22	\$11,752,410	N/A	N/A	1.25%	1.25%
23	\$11,458,600	N/A	N/A	1.25%	1.25%
24	\$11,172,135	N/A	N/A	1.25%	1.25%
25	\$10,892,831	N/A	N/A	1.25%	1.25%

Etc.

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3. *Under 20-Year Amortization Period:* The portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 3 of Exhibit "B" is determined as follows:

Step #I: The Pension Board's actuary recommends a shorter amortization period due solely to prior closure of the Pension Plan ("Closure Amortization Period"). The Closure Amortization Period will be addressed and adopted as described in the last paragraph of Exhibit "B".

Step #II: For the amortization base for a given plan year, the Pension Board's actuary will calculate, as a dollar amount, (a) amortization payments based on a 20-year amortization period, and (b) amortization payments based on the shorter Closure Amortization Period. For each year, the result of subtracting (a) from (b) is the "Change in Cost."

Step #III: Each year, the portion of the Authority's Preliminary Contribution Rate that is due to the type of Closure Cost described in paragraph 3 of Exhibit "B" is a percentage determined by dividing (x) the Change in Cost, by (y) CP for that year. If the amortization base is an amortization charge (positive), the percentage will be positive during the Closure Amortization Period, negative in years after that through the 20th year, and zero after the 20th year. Conversely, if the amortization base is an amortization credit (negative), the percentage will be negative during the Closure Amortization Period, positive in years after that through the 20th year, and zero after the 20th year.

Example:

Suppose the Pension Board's actuary recommends a Closure Amortization Period of fifteen (15) years, which recommendation is adopted via the Actuarial Study Process (Step #I).

Suppose the amortization base is an amortization charge (positive) of \$1,000,000. Suppose the actuary calculates 20-year amortization payments of \$90,640 and 15-year amortization payments of \$104,827. The Change in Cost for each year is shown in the table below (Step #II).

Suppose CP is \$20,000,000 in the first year and decreases in each future year to 97.5% of the prior year's CP. The table below shows the Closure Cost percentage for each year (Step #III).

(cont'd on next page)

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Year	Amortization Payments		Change in Cost (15-year minus 20-year)	CP	Closure Cost Percentage
	20-year	15-year			
1	\$90,640	\$104,827	\$14,187	\$20,000,000	0.071%
2	\$90,640	\$104,827	\$14,187	\$19,500,000	0.073%
3	\$90,640	\$104,827	\$14,187	\$19,012,500	0.075%
4	\$90,640	\$104,827	\$14,187	\$18,537,188	0.077%
5	\$90,640	\$104,827	\$14,187	\$18,073,758	0.078%
6	\$90,640	\$104,827	\$14,187	\$17,621,914	0.081%
7	\$90,640	\$104,827	\$14,187	\$17,181,266	0.083%
8	\$90,640	\$104,827	\$14,187	\$16,751,832	0.085%
9	\$90,640	\$104,827	\$14,187	\$16,333,036	0.087%
10	\$90,640	\$104,827	\$14,187	\$15,924,710	0.089%
11	\$90,640	\$104,827	\$14,187	\$15,526,592	0.091%
12	\$90,640	\$104,827	\$14,187	\$15,138,428	0.094%
13	\$90,640	\$104,827	\$14,187	\$14,759,967	0.096%
14	\$90,640	\$104,827	\$14,187	\$14,390,968	0.099%
15	\$90,640	\$104,827	\$14,187	\$14,031,194	0.101%
16	\$90,640	\$0	-\$90,640	\$13,680,414	-0.663%
17	\$90,640	\$0	-\$90,640	\$13,338,403	-0.680%
18	\$90,640	\$0	-\$90,640	\$13,004,943	-0.697%
19	\$90,640	\$0	-\$90,640	\$12,679,820	-0.715%
20	\$90,640	\$0	-\$90,640	\$12,362,824	-0.733%
21	\$0	\$0	\$0	\$12,053,754	0%
22	\$0	\$0	\$0	\$11,752,410	0%
23	\$0	\$0	\$0	\$11,458,600	0%
24	\$0	\$0	\$0	\$11,172,135	0%
25	\$0	\$0	\$0	\$10,892,831	0%
Etc.					

The "Current Closure Cost Rate" is the sum of the results from paragraphs 1, 2, and 3 above.

[END OF EXHIBIT "C"]

EXECUTION VERSION**EXHIBIT "D"****EXAMPLE ILLUSTRATING STEPS #1 THROUGH #12 IN COMPUTATION OF CONTRIBUTION RATES**

- Step #1: Suppose the Pension Board's actuary calculates the Authority's FYE 2019 Contribution Amount to be **\$2,595,795**. Suppose the Pension Board's actuary calculates CP to be **\$23,557,100**.
- Step #2: The Authority's Preliminary Recommended Contribution Rate is **11.02%** (**\$2,595,795 / \$23,557,100**).
- Step #3: Suppose the Pension Board's actuary calculates the Current Closure Cost Rate to be **1.54%**.
- Step #4: The Current Non-Closure Related Rate is **9.48%** (**11.02% - 1.54%**).
- Step #5: The deemed Authority's Prior Recommended Contribution Rate is **12.05%**. The deemed Prior Closure Cost Rate is **1.27%**. Thus, the Prior Non-Closure Related Rate is **10.78%** (**12.05% - 1.27%**).
- Step #6: The Non-Closure Related Rate Change is **-1.30%** (**9.48% - 10.78%**).
- Step #7: The Employee's Share of the Non-Closure Related Rate Change is **-0.46%** (**-1.30% x 35%**).
- Step #8: The Authority's Share of the Non-Closure Related Rate Change is **-0.85%** (**-1.30% x 65%**).
- Step #9: The Closure Related Rate Change (for 100% allocation to the Authority) is **0.27%** (**1.54% - 1.27%**).
- Step #10: The deemed Employee's Prior Recommended Regular Contribution Rate is **5.78%**. Thus, the Employee's Recommended Regular Contribution Rate is **5.32%** (**5.78% - 0.46%**).
- Step #11: The Authority's Recommended Contribution Rate is **11.47%** (**12.05% - 0.85% + 0.27%**).
- Step #12: Subject to the objection process in Section 5.d. of this Third Amendment, the required contribution rates are:

Authority	11.47%
Employee – Regular Benefit	5.32%
Employee – Enhanced Benefit Level 1	7.82% (5.32% + 2.50%)
Employee – Enhanced Benefit Level 2	10.32% (5.32% + 5.00%)

[END OF EXHIBIT "D"]

EXECUTION VERSION**EXHIBIT "E"****DETERMINATION AND USE OF PENSION PLAN FUNDING STANDARD ACCOUNT CREDIT BALANCE**

The deemed prior year actuarial Pension Plan funding standard account employer credit balance as of October 1, 2017 is \$1,129,889. The actuarial Pension Plan funding standard account employer credit balance as of October 1, 2018 shall be determined as follows:

The Pension Board's actuary shall calculate total Pension Plan charges and total Pension Plan credits for the October 1, 2017 through September 30, 2018 plan year.

The total Pension Plan charges to be calculated are comprised of: prior year funding deficiency, actuarial employer normal cost, actuarial amortization charges, and interest on all of the foregoing.

The total Pension Plan credits to be calculated are comprised of: prior year credit balance, actual employer contributions, actuarial amortization credit, and interest on all of the foregoing. The interest accrual on the actual total employer contribution dollar amount will be computed as though that total contribution amount had been contributed to the Pension Plan at the mid-point of the October 1, 2017 through September 30, 2018 plan year.

The actuarial Pension Plan funding standard account employer credit balance as of October 1, 2018 shall be equal to (x) the total calculated Pension Plan credits, minus (y) the total calculated Pension Plan charges.

Example:

Suppose the Pension Board's actuary calculates the total Pension Plan charges for the October 1, 2017 through September 30, 2018 plan year as follows:

\$ 0 (deemed prior year funding deficiency of zero)
+\$2,417,521 (deemed actuarial employer normal cost)
+\$ 259,204 (deemed actuarial amortization charges)
+\$ 200,754 (interest on the other components)
= \$2,877,479 total calculated Pension Plan charges

Suppose the Pension Plan's administrative records reflect that the actual total employer contribution dollar amount deposited to the Pension Plan trust during the October 1, 2017 through September 30, 2018 plan year was \$2,983,198.

Suppose the Pension Board's actuary calculates the total Pension Plan credits for the October 1, 2017 through September 30, 2018 plan year as follows:

\$1,129,889 (deemed prior year credit balance)
+\$2,983,198 (actual total employer contribution dollar amount)
+\$ 0 (deemed actuarial amortization credit)

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*+\$ 196,612 (interest on the other components)
=\$4,309,699 total calculated Pension Plan credits*

The Pension Plan funding standard account employer credit balance as of October 1, 2018 is equal to \$1,432,220 (\$4,309,699 - \$2,877,479).

At the employer's election, all or a portion of the Pension Plan funding standard account employer credit balance as of the beginning date of the immediately prior plan year (valuation date) is available, along with the contributions actually deposited by the employer to the Pension Plan during the current plan year, to satisfy any contribution requirements for the current plan year. For example, at the employer's election, all or a portion of the Pension Plan funding standard account employer credit balance as of an October 1, 2018 valuation date is available, along with the contributions actually deposited by the employer during the October 1, 2019 through September 30, 2020 plan year, to satisfy any contribution requirements for the October 1, 2019 through September 30, 2020 plan year.

[END OF EXHIBIT "E"]