



PALM BEACH Transportation Planning Agency

TPA TRANSITION STEERING COMMITTEE MEETING AGENDA

DATE: Wednesday, August 28, 2018
TIME: 10:30 a.m.
PLACE: Palm Beach TPA Office
2300 N Jog Road, 4th Floor
West Palm Beach, Florida 33411

AGENDA

1. Roll Call
2. Review Meeting Summary from August 15, 2018
3. Review Meeting Discussion between TPA, FHWA and FDOT on August 24, 2018

The TPA met with FHWA and FDOT staff to determine federal-aid eligibility for various lease-related costs and received informal approval to proceed. To obtain formal approval, the TPA must demonstrate that all costs are necessary and reasonable to the satisfaction of FDOT as the pass-through agency for the federal planning funds. The TPA will submit the following to FDOT by August 31, 2018:

- Full justification for all expected costs associated with the lease
- A draft lease for the space
- A draft Unified Planning Work Program (UPWP) amendment

Formal approval is expected by mid-September.

4. Update on lease negotiation for TPA Office and Meeting Space at 428 Clematis Street

On August 15, the Committee ranked 428 Clematis Street as the preferred location for TPA Office and Meeting space and directed TPA staff to quantify buildout costs. On August 21, TPA staff met with an architect to discuss optimizations to the floor plan that maximize usefulness and minimize tenant improvement costs. This conversation is ongoing. As a result, the final estimated cost for tenant improvements has not been determined.

TPA staff are negotiating a final lease subject to the following:

- A term of 10 years with two 5-year renewal options
- TPA payment of a base rental rate of \$15/rentable square foot (RSF) to be increased annually by \$1/RSF
- TPA payment of actual cost for real estate taxes, insurance, maintenance and utilities
- TPA payment of actual tenant improvements not to exceed \$____M (including design, permitting, construction and construction management).

TPA staff is requesting a follow-up committee meeting in late September/early October to review the full lease agreement and the UPWP amendment to be placed on the TPA Board agenda for execution on October 18, 2018.

5. **MOTION to RECOMMEND APPROVAL** of inclusion of TPA Planning funds on the Local Initiatives Priority List at an estimated cost of \$500K in FY 20 and then \$1M annually in FY 21 and following

To fully fund the anticipated lease costs, the TPA will utilize available planning funds in FY 19. However, in FY 20 the projected costs to buildout the space, purchase the necessary furnishings, fixtures and equipment, and incorporate rental payments may exceed the planning funds available to the TPA. To ensure adequate funding for this scenario, TPA staff are requesting committee support of the inclusion of a new TPA Local Initiatives project entitled "TPA Planning and Administration."

The inclusion of this item on the priority list will allow the TPA to utilize \$500K of Surface Transportation Block Grant Program (SU) funds in FY 20 and up to \$1M of SU funds in FY 21 and successive years to support TPA planning and administrative costs as outlined in the Unified Planning Work Program (UPWP).

6. TPA Member Dues Status

The attached table summarizes the approval dates and/or upcoming action dates for each TPA member to authorize payment of requested TPA member dues commencing in FY 19.

7. Adjournment



TPA STEERING COMMITTEE MEMBERS

Hal Valeche, Commissioner
TPA Chair
Palm Beach County

Maria Marino, Mayor
TPA Vice Chair
City of Palm Beach Gardens

Steven Grant, Mayor
City of Boynton Beach

Paula Ryan, Commissioner
City of West Palm Beach

Joni Brinkman, Council Member
Village of Palm Springs

Fred Pinto, Mayor
Village of Royal Palm Beach

NOTICE

In accordance with Section 286.0105, *Florida Statutes*, if a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purposes, he or she 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.

Public participation is solicited without regard to race, color, national origin, age, sex, religion, disability or family status. Persons who require special accommodations under the Americans with Disabilities Act or persons who require translation services for a meeting (free of charge), please call 561-684-4143 or send email to MBooth@PalmBeachTPA.org at least five business days in advance. Hearing impaired individuals are requested to telephone the Florida Relay System at #711.

TPA TRANSITION STEERING COMMITTEE MEETING SUMMARY

August 15, 2018

Palm Beach TPA Office
2300 N Jog Road, 4th Floor
West Palm Beach, Florida 33411

PDF versions of the agenda, backup material and presentations as well as audio recordings are available for review at www.PalmBeachTPA.org/Meeting

Review Meeting Summary from June 12, 2018

Mr. Nick Uhren noted a summary was provided in the agenda backup and that minutes are not adopted for subcommittee meetings.

Motion to Recommend Execution of four (4) Admin Services Agreements

Mr. Uhren introduced the TPA's Chief Financial Officer, Mr. Matthew Komma, and noted Mr. Komma is providing assistance with the Administrative Services Agreements as well as the member dues. He also noted the TPA's General Counsel, Mr. Paul Gougelman, was not able to attend but would be available by phone if the need should arise.

Mr. Uhren reviewed the following:

- The TPA received executed Administrative Services Agreements from the Town of Jupiter, City of Palm Beach Gardens, Village of Royal Palm Beach and City of Boca Raton.
- On April 30, the City of West Palm Beach directed staff to move forward with the Administrative Services Agreement, which has not been executed to date.
- The agreements provide the following:
 - Each municipality provides the TPA with a loan of \$300,000, which the TPA retains for a period of five (5) years.
 - The TPA uses these funds to pay agency operating costs and then obtains reimbursements from federal planning grants.
 - The TPA pays each municipality an administrative fee of \$6,000 per year.
 - The TPA provides each municipality with an audited financial statement annually.

A brief discussion ensued on the details of the administrative fee the TPA pays each municipality and the status of the City of West Palm Beach on member dues and the Administrative Services Agreement.

MOTION by Mayor Marino, seconded by Mayor Pinto and carried unanimously 6-0.

Motion to Recommend Execution of a lease for TPA Office and Meeting Space

Mr. Uhren reviewed the aerial photos highlighting location, a summary of the key metrics, existing building façades, and proposed floorplans for 301 Datura Street, 426/428 Clematis Street, 301 Clematis Street and 250 Australian Avenue as potential sites for office and meeting space.

Mr. Uhren noted he does not have an answer as to whether the federal funding partners, Federal Highway Administration (FHWA) and Federal Transit Administration (FTA), will allow the TPA to execute a lease that requires the TPA to reimburse the property owner for upfront tenant improvement costs as they are incurred. He stated these agencies are accustomed to repayment over the term of the lease for the tenant improvements and not the noted scenario.

Mr. Steve Paige noted that the property owner would run the contract for design and construction, but the TPA would participate in the selection process.

A discussion ensued on the indemnification, Letters of Intent that have been distributed to the property owners at 301 Datura Street and 426/428 Clematis Street, and when an answer would be received from the federal funding partners.

Mr. Uhren noted that he expects an answer in a week and has been pressuring FHWA and FTA for answers. He also noted it is not possible to use federal dollars to pay a contractor directly to improve space that the agency does not control.

A discussion took place on the potential of using TPA reserves as collateral, if there is a precedence of the federal government changing their mind after approving funds being spent on a buildout, and the possibility of moving forward with the lease agreement without an answer from FHWA and FTA.

Mr. Komma noted that action cannot be taken until FHWA and FTA gives a definite answer.

Further discussion took place on the pros and cons for the potential sites.

Mr. Paige noted that on the 428 Clematis Street site, windows would be added to the west well above the adjacent building but the City of West Palm Beach's fire department might require exterior sprinklers along the façade. Additionally there is asbestos in the building with that removal cost being estimated in the buildout cost, and the potential for additional unknown problems.

Mr. Uhren noted the TPA has not consumed all of the federal planning funds for several years and has accumulated the ability to expend dollars in an upcoming year that are not recurring. The TPA can only use those dollars once and then must operate within the recurring fund amounts. If there is an annual expenditure of dollars that exceeds a recurring amount, the agency must decide if it is willing to start spending dollars to operate the agency (i.e. lease costs, salaries and benefits) that could have been spent on transportation projects. Other MPOs around the country have chosen to spend some of their production money on planning and operations of the agency. Staff believes this practice can be avoided for at least two more years with either site option but eventually the conversation will need to be had.

A discussion took place on the committee and staff's preference of sites with both noting 428 Clematis Street as the better option.

Mr. Uhren noted the following as staff follow-up:

- FHWA and FTA approval for reimbursement of buildout costs.
- Quantify the potential for sprinkling and associated cost.
- Quantify the asbestos cost to shore up the \$1.2M estimated to buildout the space.
- Next Transition Steering Committee meeting to take place on August 28th at 10:30 a.m.

MOTION by Mayor Marino to rank Site 2 (428 Clematis Street) ahead of Site 1 (301 Datura Street), to direct staff to quantify buildout costs for both sites, to obtain a firm response from FHWA on funding scenarios, and to report back to the committee before the next TPA Board meeting. The Motion was seconded by Commissioner Ryan and carried unanimously 6-0.

TPA Member Dues Status

Mr. Uhren noted a majority of TPA members have provided formal approval to contribute member dues in FY19. The member dues are to pay for non-reimbursable expenses the agency would incur, such as advocacy, promotional items, sponsorships of events, and individual professional memberships that add value to the agency.

Mr. Uhren noted Palm Beach County is expected to address this question on September 18, and he is working with the city staff from West Palm Beach and Delray Beach. He noted that some cities have been unresponsive, but that he will proceed presuming support. TPA staff will distribute a member dues request letter on October 1 stating the member dues amount and to remit payment by October 31. TPA staff will present a summary of payment status annually at the TPA Board meeting in December.

There was a consensus to move forward as noted.

TPA Transition Schedule Update

Mr. Uhren reviewed the transition actions that were identified in TPA Resolution 2017-08 to establish the TPA as an independent agency. The items are listed based on schedule and separated by action, the estimated completion date and current status. He noted the internal goal to move into a new office and commence fully independent operations is April 1, 2019.

A brief discussion took place on the terms of the current Staff Services Agreement with Palm Beach County. That agreement currently terminates on September 30, 2019 but can be extended for two additional one-year periods by 90-day notice from the TPA prior to the expiration date. That agreement can also be terminated early by the TPA by providing 90-day written notice of termination.

Steering Committee Members in Attendance:

Commissioner Hal Valeche, TPA Chair, Palm Beach County
Mayor Maria Marino, TPA Vice Chair, City of Palm Beach Gardens
Mayor Steven Grant, City of Boynton Beach
Commissioner Paula Ryan, City of West Palm Beach
Council Member Joni Brinkman, Village of Palm Springs
Mayor Fred Pinto, Village of Royal Palm Beach

Others in Attendance

Nick Uhren, Palm Beach Transportation Planning Agency
Matthew Komma, Palm Beach Transportation Planning Agency
Margarita Pierce, Palm Beach Transportation Planning Agency
Steve Paige, Reichel Realty

TPA Member Dues and Admin Services Tracking

TPA Board Member	Estimated Annual Dues	Member Dues Action Date	Admin Services Action Date
West Palm Beach	\$11,015	In FY19 budget	
Boca Raton	\$9,180	Approved 6/11	Approved 7/24
Boynton Beach	\$7,399	Approved 8/7	
Wellington	\$6,178	Approved 5/21	
Jupiter	\$6,139	Approved 6/19	Approved 6/19
Palm Beach Gardens	\$5,259	Approved 7/12	Approved 7/12
Greenacres	\$3,977	Approved 3/5	
Royal Palm Beach	\$3,749	Approved 7/19	Approved 7/19
Port of Palm Beach	\$3,506	Approved 4/19	
Palm Springs	\$2,325	Approved 5/10	
Palm Beach County	\$61,811	On 9/18 agenda	
Delray Beach	\$6,580	On 9/6 agenda	
Lake Worth	\$3,795	On 9/13 agenda	
Riviera Beach	\$3,506	On 9/5 agenda	
Belle Glade	\$1,729	Mayor Supportive	

Grand Total \$136,146