City of Jacksonville

117 W. Duval Street
Jacksonville, FL 32202

Meeting Minutes

Friday, October 9, 2026

9:30 AM

Council Chamber,
1st Floor, City Hall

FAO Select Committee

Council Member Chris Miller, Chair
Council Member Ron Salem, Vice Chair
Council Vice President Joe Carlucci, Member

I. Call to Order and Introductions

Chair Miller convened the meeting at 9:34 a.m. and called for introductions.

II. Review of Charge Memorandum

Council President Howland also thanked the Committee and provided an overview of the FAO Committee's history, beginning with the July 20th update on JEA's unbilled water capacity fees, which concluded the Committee's original charge. He said the Committee was continued on October 5, 2026, to look at JTA. He provided context, explaining that the state Attorney General had issued subpoenas and the JTA Board was looking at a forensic audit. He said the FAO Committee would complement those efforts by focusing on JTA's financial stability, governance, operational performance, and transportation priorities. He added that if the Chair desired, the Committee would consider, alongside JTA and the Administration, reopening the Local Option Gas Tax (LOGT) and making changes to projects funded by said tax. He added that such action would require legislation and negotiations with JTA and the Administration but said it would be imperative given financial constraints.

CM Salem noted that the charge memorandum mentioned whistleblowers and asked for clarification to ensure they were not interfering with the Attorney General's work. CP Howland said he was referring to a specific JTA Board Member who raised concerns in March 2025 and said it would be incumbent on the Chair to reach out to the Attorney General to make that determination. CM Salem noted they would look into the sharp reduction in revenue and when it was recognized and indicated it may require calling people forward for questions. CP Howland said he was sure the Chair would include that in future meetings. He also said that was why he had presentations from JTA in the standing committees before voting to approve paying down JTA's line of credit. He said those presentations were a good starting point for the FAO Committee but that they were free to ask more questions if they desired.

CVP Carlucci asked whether they would reopen the interlocal agreement in the committee. CP Howland said they could, depending on the Chair's agenda over the next two months. He added that the Administration would talk with JTA about it and was open to a collaborative approach to adjusting the LOGT and the projects it funds. He said he was open to extending the Committee's charge beyond December 4 if needed.

Chair Miller reviewed the main points of the charge memorandum. He said the Committee's work would complement the efforts of the state Attorney General's office and the independent forensic audit of the JTA Board. He said they would focus on JTA's financial stability, governance, operational performance, and transportation priorities. The Committee would work collaboratively with the Council Auditors, the Administration, the JTA Board and leadership, and applicable state and federal agencies, to examine JTA's current financial and operational challenges; assess the factors that contributed to the sharp reduction in its financial projections; determine whether whistleblower concerns were addressed and applicable statutory protections were followed; review LOGT projects; and develop recommendations to strengthen JTA's long-term financial stability and optimize Jacksonville's transportation system for residents and businesses.

Chair Miller then provided a list of future meeting dates and times, subject to change. He added that the Council President has provided the Committee a deadline of December 4, 2026, to provide a final report of findings and recommendations, to be extended upon request.

CM Salem asked if the JTA Board had agreed or voted to conduct an external forensic audit. Cleveland Ferguson, JTA CEO, said the JTA Chair had directed, in concert with OGC, to secure an external auditor. He said they were going through a simplified acquisition process to secure one by getting quotes that the Board would consider at an October 28 workshop

III. Presentation from JTA on:

a. Overview of the history of the JTA, including
- **i. Statutory authority and responsibilities under Florida Statutes**
- **ii. Rationale for the various transportation services JTA provide**
- **iii. Overview of major initiatives and strategic pursuits of the organization**

b. Organizational structure of JTA, including
- **i. Roles and responsibilities of the JTA Board**
- **ii. Roles and responsibilities of the Executive Leadership Team, by position**

Mr. Ferguson provided the presentation from JTA. He began with an overview of the organization's mission, vision, and core values. Its mission is to enhance Northeast Florida's economy and quality of life by providing safe, reliable, innovative, and dignified mobility solutions and facilities. Its vision is a thriving and connected Northeast Florida powered by seamless mobility solutions. JTA's core values include team excellence, affordability, collaboration, and agile innovation.

Mr. Ferguson then provided an overview of JTA's statutory authority and responsibilities. He explained that the Florida Legislature created JTA in 1955, then known as the Jacksonville Expressway Authority. In 1971, it was redesignated the Jacksonville Transportation Authority and assumed control of local private transit companies. He said there had been a number of changes to the enabling legislation, Chapter 349, Florida Statutes, that gave JTA the ability to modernize with bus rapid transit, rail, ferry, and public-private partnerships. He said that the Council, in 2014, moved legislation that transferred the St. John's River Ferry from the City to JTA. He said that prior to the move, the Ferry was facing obsolescence but was saved by JTA's ability to access federal partners and grants. He said the partnership with the Florida Legislature has continued throughout its history, noting the legislative effort to reduce rear-end crashes into buses. He also cited a 2021 amendment to Chapter 349, which aligned JTA's enabling statute with private sector financing. He also said legislation in 2025 removed the FDOT district secretary from the JTA Board, bringing the number of JTA's gubernatorial appointees to four and mayoral appointees to three.

Mr. Ferguson continued explaining what JTA is and what it may do. He said JTA was an agency of the State and an independent district and state expressway authority that operates public transportation, with statutory authority under Chapters 189 and 349, Florida Statutes. He said they collaborate with FDOT on state roads and with the City on its roads when considering how to modify its urban transportation plan. He says that they discharge their duties through various mechanisms, such as issuing bonds, acquiring property, exercising eminent domain, and charging fares.

Mr. Ferguson then explained JTA's authority to install tolls. He said that in 1989, Jacksonville voters replaced the tolls with a half-cent sales tax. Despite that, he said JTA still has tolling authority. He explained that a public-private partnership may let JTA or a private partner impose, collect, and enforce tolls.

Mr. Ferguson then detailed other statutory requirements of JTA. He said that by June 1 of each year, JTA submits a funding request to the Council and FDOT. He said the Council Auditor oversees the funds the City appropriates. He said they must have public hearings when making any changes to procurement rules or disposition of property. He said Duval County tax dollars received by JTA must be spent inside Duval County, and any service-area expansion requires the receiving county's consent. The Board also must file financial disclosure with the Commission on Ethics, and any binding action requires a four-person quorum. JTA does not have the power to pledge the credit or taxing power of the State or any political subdivision.

Mr. Ferguson explained that public transportation is a highly regulated industry and provided an overview of the state, local, and federal agencies that JTA interacts with. He said the partnership with FDOT and its grants have enabled JTA to deliver paratransit services in neighboring counties and services for transportation-disadvantaged people in Duval County. He said they report regularly to the Florida Transportation Commission on key progress indicators across various topics. He said they are

the Community Transportation Coordinator for the City of Jacksonville and coordinate with the City on interlocal agreements and funding like the LOGT. He said the enabling legislation allows them to interact with and offer services in Clay, Nassau, Baker, and St. Johns County. He said their largest federal regulator is the US Department of Transportation, with the Federal Transit Administration as the primary agency they work with on their safety management system. JTA interacts with the National Highway Traffic Safety Administration, the Federal Highway Administration, and the Federal Railroad Administration, to the extent that they receive grants from those agencies. Mr. Ferguson said they are also under the US Coast Guard's regulations regarding maritime safety since the JTA is charged with operating the St. Johns Ferry. JTA also works with the US Department of Homeland Security and the Transportation Security Administration to receive updates on any threats and on emergency preparedness. He also provided an overview of the various infrastructure and services they are responsible for.

Mr. Ferguson provided an overview of their projects and services. He explained that JTA had delivered 13 Better Jacksonville Plan roadways and 14 mobility corridors under the MobilityWorks 1.0 program. There are 33 fixed routes, and the First Coast Flyer is the largest bus rapid transit network in the Southeast at 58 miles. The Connexion and Connexion+ services provide ADA and transportation-disadvantaged paratransit and premium door-to-door service for riders who qualify. Their ReadiRide and On-Demand service offers first- and last-mile service in multiple zones where fixed route is inefficient. Mr. Ferguson said that they were currently up to 443,000 riders on the St. Johns River Ferry in FY2026. He said an advisory board was created in 2015 to determine whether to demolish, modernize, or expand the Skyway. He said the Board voted in 2015 to keep, modernize, and expand the Skyway, which led to the idea of not returning to a one-of-a-kind technology that would become obsolete and to other programs like the NAVI. He said they had decided to pause those services and would have to engage with federal regulators to ensure the pause is done in a way that maintains those assets and does not trigger any defaults. Continuing, Mr. Ferguson said that JTA had a 1,807-square-mile service territory, with 7.53 million riders.

Mr. Ferguson explained that planned major initiatives were done by agreement via negotiation with the Mayor and City Council. He said they had secured more than $380 million in federal grants since 2013. The return on investment equaled $4 in federal grant dollars for every $1 JTA contributed in matching funds. Co-matching assistance from FDOT doubled the ROI to 8:1. He said their bus rapid transit system generated $500 million in economic activity within a half-mile of their corridor. He also said the JTA provides almost $200 million in annual economic impact through direct, indirect, and induced jobs. Since 2014, the JTA has improved and made ADA-accessible over 1,000 bus stops. 1.2 million free trips from the My Ride 2 School program have been completed.

Mr. Ferguson then explained JTA's organizational structure. There are four gubernatorial appointments to the JTA Board, one from each of the counties served, and three mayoral appointees. Board Members have four-year terms and cannot serve more than two consecutive terms. The board has an officer structure that includes a Chair, Vice Chair, Treasurer, and Secretary. They are not compensated and hire the CEO. The Board's responsibilities include adopting the budget, authorizing debt, setting policy, fares, and rules, setting direction, and supervising all delegated powers. They conduct oversight through committees: Safety, Audit, and Compliance; Service Delivery; Finance and Administration; and Long-range Planning and System Development.

Mr. Ferguson explained how they ensure organizational accountability. He explained that, at the annual Board retreat, milestones and KPIs are identified and tracked through their adaptive measurement for enterprise-level insight and optimization (AMELIO). Information collected there is provided to the Board on a monthly basis through Board meetings, committee meetings, or workshops. The leadership team manages those KPIs daily or weekly. Employees have their own metrics that are tied to overall KPIs that are reviewed. He said they will also come before the Council and provide reports to ensure accountability.

Mr. Ferguson said that JTA is also composed of the Jax Transit Management Corp. (JTM), which is made up of the private bus companies that were taken over in the 1970s. He said that, in order to preserve workers' right to strike in a right-to-work state, JTM was created as a public benefit corporation that is authorized by statute to manage the business of frontline employees. He said that they engage in collective bargaining negotiations every three years, recognizing that these employees have the right to strike. He said that, historically, that is the first right each of the three collective bargaining units has waived in exchange for wages and benefits provided by JTA through JTM. Mr. Ferguson explained that the JTA appoints the JTM shareholder, who is the JTA CEO, who then elects the JTM Board. That Board then elects its officers. He added that a Florida Supreme Court case determined that employees were State employees and, as such, are protected by sovereign immunity.

Mr. Ferguson then provided an overview of the JTA's executive leadership team. This includes five major departments: the Office of the Interim CEO; Finance and Technology; Operations; Enterprise Risk, Automation, and Infrastructure; and Public Affairs. Mr. Ferguson also outlined the FY27 focus for each member of the executive leadership team. He explained that as Interim CEO, he was present to stabilize finances and partner with the City, Board, counties, and regulatory agencies to keep everyone informed. The Chief Financial Officer will focus on cash forecasting, controlling spending, paying down the line of credit, and providing biweekly reports to the board. The Chief Operating Officer's focus was on safety, on-time performance, vehicle availability, and operationalizing the repurposed transit assets and infrastructure. The Chief Administrative Officer's focus is to protect infrastructure and assets during the pause and to work with state and federal partners. The VP of Public Affairs will focus on keeping customers, employees, and stakeholders informed, beginning with the November changes.

CM Salem asked why the Board appointments changed in 2025. Mr. Ferguson said he couldn't speak to the full picture but said there was a desire to have all counties represented on the Board. CM Salem asked if the district secretary still attended the meetings. Mr. Ferguson said they did not.

IV. Other Issues

CM Salem asked Mr. Peterson how frequently the Council Auditors audited JTA. Mr. Peterson said JTA was part of his office's risk assessment. He said they are required to audit constitutional offices once every five years, but there was no requirement to audit JTA or the other independent agencies on any time frame. CM Salem recalled there was a red flag raised early in 2026 and asked if that was part of an audit. He also asked if the data reviewed was provided by JTA. Mr. Peterson said he was referencing the quarterly summary report that the independent agencies provide. He said in the first three quarters of FY25-26 they did have comments on the summaries that were presented to the Finance Committee regarding JTA's projection and whether they were realistic or not on the revenue or expenditure side. He also said those comments were carried over into the March and June reports and were amplified as the year progressed. He said they relied on JTA's projections. CM Salem asked when the issue was first raised. Mr. Peterson said they were currently reviewing every quarterly summary from 2023 to the present and would provide that at a future meeting.

CVP Carlucci asked whether there were any concerns with Connexion or Connexion+ that needed to be addressed. Mr. Ferguson said they had previously proposed eliminating Connexion+ in January, but the Board voted to continue providing that service. He said they were prepared to continue the service with the budget they have but noted it would continue to cause pressure. He said they would go through an RFP later in the year for new providers to see if they could get a better price.

CP Howland said he didn't see mention of $2 million needed for Connexion+ in the presentations to the standing committees and asked if that money was still needed. Mr. Ferguson said they would not turn it down. CP Howland asked how the money would be used. Mr. Ferguson said it would be used for service contracts.

Chair Miller said that if there were unanswered questions, he would begin the next meeting with them. Chair Miller then asked whether the Board and executive leadership team had signed any documents showing they were aware of their fiduciary and financial duties. Mr. Ferguson said they had forms on conflicts of interest and attended orientations that outlined those duties, but nothing as specific as what the Chair was looking for. Chair Miller said that was a critical issue and asked Mr. Ferguson to see whether such documents existed. Mr. Ferguson added that there was a specific Board rule that spoke to those obligations.

V. Adjourn

Chair Miller adjourned the meeting 11:03 a.m.

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