



Memphis Area Transit Authority

MATA'S MISSION: To provide a reliable, safe, accessible, clean and customer-friendly Public Transportation System that meets the needs of the community.

Ronald L. Garrison
Chief Executive Officer

Board of Commissioners

Chairman – Sean Healy

Vice Chairman – Andre Gibson

Commissioners

Charles “Chooch” Pickard

John C. Vergos

Martin Lipinski

Roquita Coleman-Williams

Shelia Williams

Kristen Bland

Lauren Taylor

Board of Commissioners Meeting
Tuesday, July 26, 2016 - 3:30 p.m.
1370 Levee Road

- | | | |
|------|---|----------------|
| I. | CALL TO ORDER | Sean Healy |
| II. | BOARD ROLL CALL & OBSERVATIONS | Linda Eskridge |
| III. | APPROVE June 28, 2016 BOARD MINUTES | |
| VI | CEO REPORT | Sean Healy |
| | <ul style="list-style-type: none"> • Ronald Garrison | |
| V. | ACTION ITEMS: | Sean Healy |
| | A. <u>FINANCE COMMITTEE</u> | |
| | <ul style="list-style-type: none"> 1. Resolution to Approve Operating Budget for Fiscal Year 2017 – Res. No. 16-21 | Ron Garrison |
| | <ul style="list-style-type: none"> 2. Resolution to Approve Capital Budget for Fiscal Year 2017 – Res. No. 16-22 | Ron Garrison |
| | <ul style="list-style-type: none"> 3. Resolution Authorize Insurance Coverage Res. No. 16-23 | Ron Garrison |

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B. SERVICE AND DEVELOPMENT

1. Resolution to Award an On-Call Contract with BBI, Inc. for On-Call Services for Rail System Track and Facility Maintenance – Res. No. 16-24 Ron Garrison
2. Resolution to Designate Surplus Property and Authorization to Dispose – Res. No. 16-25 Ron Garrison
3. Resolution to Designate Contingency Fleet – Res. No. 16-26 Ron Garrison

VI. FINANCE REPORT Gil Noble

VII. SPEAKERS Sean Healy
(Please fill out a Speaker's card)

VIII. OLD/NEW BUSINESS Sean Healy

**MINUTES OF BOARD MEETING
MEMPHIS AREA TRANSIT AUTHORITY
June 28, 2016**

CALL TO ORDER: A regular meeting of the MATA Board of Commissioners was called to order by Acting Chairman John Vergos at 3:30 p.m. on Tuesday June 28, 2016 at 1370 Levee Road.

BOARD ROLL CALL:

Present: Commissioners Martin Lipinski; Shelia Williams; John Vergos; Kristen Bland; Lauren Taylor; Roquita Williams

Absent: Sean Healy; Andre Gibson; Charles Pickard

Quorum: Yes

Staff: Lawson Albritton, Senior Administrative Officer, Alison Burton, Director Marketing/Customer Relations; Virgie Chaffen, Human Resources; Dorothy Covington, Executive Assistant; Linda Eskridge, Executive Office Manager; Ron Garrison, Chief Executive Officer; Nicole Lacey, Chief Communications Officer; John Lancaster, Director of Planning & Scheduling; Maury Miles, Director of Grants & Procurement; Al McCoy, Asst. Finance Director; Gil Noble, Chief Financial Officer;; Alvin Pearson, Chief Operations Officer; Gary Rosenfeld, Chief Administrative Officer;

Guests: MCIL/STAC Attendees:

Memphis Bus Riders Union: Cynthia Bailey; Sammie Hunter; Allan Jackson; Betty Robinson

Others: Kwasi Agyakwa, MPO; Suzanne Carlson, Innovate Memphis; Tom Charlier, the Commercial Appeal; Lydia Crawford, City of Memphis Law Division; Dennis Lynch, Sierre Club; Carlos McCloud, TDOT; Colin McDonald, Innovate Memphis; Johnnie Mosley, Citizens for Better Services; Nicholas Oyler, MPO; Emily Tiampati, TDOT

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Linda Eskridge, Board Secretary welcomed all guests to the May Board of Commissioners Meeting. Ms. Eskridge also made the usual Board Meeting observations, as well as encouraged everyone to visit the MATA website for updates on any Board Meeting changes or other MATA updates.

APPROVAL OF MINUTES: Before the minutes were approved, Ms. Bland asked for an explanation of why the Board Meetings were moved from Hooks Library back to 1370 Levee Road. Mr. Garrison stated: 1) Staff found that it is as easy to get to a bus line to Levee Road as it is to the Library; 2) It did not increase the number of customers or public attendees; 3) It does require a lot of additional work for staff and everything is not always readily available. Also the Library was not available all MATA Board Meetings. It was determined by the Board to have it at one available location, which is 1370 Levee Road. MATA has improved the MATA facility with new speakers, as well as an overflow room in the event it gets too crowded. Mr. Vergos asked that the records reflect there was a consensus by the Board and if objections come up later, it can be reconsidered *Ms. Taylor moved for approval of the May 24, 2016 Board Minutes. Ms. Shelia Williams seconded the motion and the Board Minutes were unanimously approved.*

Acting Chairman Vergos stated that due to a Board Member needing to leave at 5:00 p.m. the Board would move to the Action Items before the CEO Report to assure that a quorum is present for voting.

ACTION ITEMS:

A. FINANCE COMMITTEE
No Items

B. SERVICE AND DEVELOPMENT

**1. Resolution to Award a Contract for Rail Safety and Support Services –
Res. No. 16-15**

Discussion: CAO, Gary Rosenfeld presented this resolution to the MATA Board of Commissioners. This resolution is to negotiate a contract for services with SNC-Lavalin for Rail support services. This is a necessary function to have our trolleys services restarted, and it will take some time to accomplish. There are roughly 180 different procedures that have to be documented and authorized by a nationally recognized engineering firm. Since there have been some delays in it, staff is continuing to produce documents in preparation for the review, MATA feel that we may be able to negotiate the pricing down considerably from the maximum bidded in the contract. Staff is seeking approval to begin negotiations and work toward getting this project completed so that we can be in a position to get the trolleys restarted.

Mr. Lipinski moved that the resolution be put on the floor for discussion. Ms. Coleman-Williams seconded the motion and Res. No. 16-15 was moved to the floor for discussion. Ms. Bland asked if there were adequate personnel, such as a director of trolley and a safety manager, would we be well-equipped in terms of the recertification process, so that we would not need additional consultants, or would we still need to go outside. Mr. Garrison stated that this could be a complicated question. Mr. Garrison stated that FTA and TDOT are considering this as a new start, and are requiring us to have a nationally recognized professional rail service with a PE certified engineer as part of that group. So even if we had the best people here, this consulting service is required as part of the start-up process. Mr. Rosenfeld added there will be ongoing requirements for documentation. As our in-house staff has been brought up to standard, they will be able to provide the documentation. Mr. Pearson talked about one of the number one priorities of the consulting team is to come in and do a thorough evaluation of present staff, and their level of understanding and expertise and make recommendations on any movement if it should occur. Mr. Pearson stated that they have put people through a 10-week basic electrical course. All of the trolley mechanics or maintenance personnel have to be electro mechanics and regular mechanics as well. Other questions that came under this agenda item: Mr. Vergos ask if we could not just add the contract for Main Street trolley line without the Madison and Riverfront, as well as his concern with FRA Requirements. Ms. Williams expressed her opinion on the importance of the Madison Line and its usage to the Medical Center as well as the Southwest Community College. Ms. Williams also expressed her concerns on the maintenance issues from the Peer Review and will the Board be able to review some type of accountability plan to assure these deficiencies do not happen. Ms. Taylor and other commissioners requested an overall update on trolley vehicles, a financial projection, as well as to date expenses and a status of what it would take to fulfill those needs. Mr. Lipinski requested adding infrastructure estimate and modification to this request as well. Staff will forward this information to the Board. Ms. Bland suggested having a short trolley update meeting more frequently in an effort to keep the Board more updated. Mr. Vergos stated this has been a very difficult issue to the Board. If FTA is going to allow SNC-Lavlin to be involved in consulting, far be it from him to question it. Staff will follow up with answers to all the questions from the Board. Resolution No. 16-15 was unanimously approved.

2. Resolution to Award an On-Call Contract with Heavy Machines, Inc. to Rebuild and/or Rewind Four (4) Types of Trolley Components – Res. No. 16-19

Discussion: COO Alvin Pearson presented this resolution to the MATA Board. In order to get the trolleys up, we would need to have electric motors for trolleys. Heavy Machines HMI is a local vendor, but they are not a minority vendor. They are doing excellent work on all of our electric motors. MATA have tried other vendors in the past and they were non successful. We tried to bid this out to other small businesses to be able to participate. HMI is doing motors for Pittsburg, Tampa, and for MATA. They are good and are reasonably cost. Staff is asking the MATA Board to approve HMI for this five-year contract for approximately \$1,247,370. *Ms. Bland moved that Resolution No. 16-19 be put on the floor for discussion. Mr. Lipinski seconded the motion.*

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Ms. Bland asked if these are being rebuilt for the recertification process. Mr. Pearson stated HMI has passed the standards, FTA has been over to look at their facilities and were elated to see the work they were doing and these are safety sensitive items. Ms. Taylor requested, at a future meeting, to get an overall update of the different vehicles where we would know what the needs are and the status of fulfilling those needs. Mr. Garrison stated that we would send an updated list to the Board. Mr. Garrison stated there would be an update on MATA's website, the first update was last month and the next one would be the beginning of July for the public. MATA has a new Chief Communications Officer, so we expect better communications. Garrison also stated that because we do not know the extent to rebuilding any trolley until it is taken apart, we can share with the Board what the project management oversight consultant gave us from FTA but the full assessment would be approximate. We can send the book with pictures of all the trolleys. Mr. Garrison mentioned perhaps we can get a financial projection for the trolleys to the Board as well. Ms. Coleman-Williams also agreed that they would like to see something that show specifically what we have spent on the trolleys to date and what we are projected to spend. Mr. Garrison stated that he would work on getting this to the Board quarterly. Ms. Bland suggested having a short trolley update more frequently. Mr. Garrison stated staff would put something together on the trolleys before the next meeting and the Board can review it and add to it as we go. The Board agreed with this suggestion from Mr. Garrison. Mr. Lipinski suggested also adding some estimate of the infrastructure and if we need to make any modification to the infrastructure. Mr. Garrison stated that we could do this. Resolution No. 16-19 was unanimously approved.

3. Resolution Authorizing Reduced Fares on Ozone Alert Action Days – Res. No. 16-20

Discussion: John Lancaster, Director of Planning and Scheduling presented this resolution to the MATA Board. Since 2009 while we have had reduced fare on ozone action days when ozone levels are high. We've had a partnership with the Shelby County Health Department and some of that money has been expended, and the grants have gone away. We've had one remaining grant, the Valero grant. This will be our remaining source of funding for the duration of the program. Over the past few years we have had very few Ozone Action days. MATA will continue the program until the Valero funds are expended. *Ms. Bland moved the resolution to the floor for discussion. Ms. Williams seconded the motion.* There was no discussion. Resolution No. 16-20 was unanimously approved.

CEO's REPORT

Mr. Ronald Garrison

Mr. Garrison began his report with the video of the bus ride with Mayor Strickland and other MATA staff on National Dump the Pump Day that took place on June 16, 2016. Mayor Strickland encouraged people to park their cars and ride the bus. MATA is working with the city on free bus rides for all City employees beginning July 1, 2016.

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Mr. Garrison stated that MATA bus on-time performance over the past few months has increased 25% and he feels this is a perfect time to take advantage of our bus system, park our cars, and save on gas.

Mr. Garrison talked about the two grants that MATA applied for recently, which is the TIGER Grant and the Discretionary grant, which could expeditiously move MATA forward. The city has the largest increase for MATA that we've seen in the past decade or more. The down-side is the unanticipated increase from our actuaries on our pension of about \$2.4MM, which wipes away the increase. Mr. Garrison, Mr. Pearson and Mr. Rosenfeld got an opportunity to go the Washington, DC to meet with Administrator Carolyn Flowers. Others that were in attendance were Chairman Sean Healy; Vice Chairman Andre Gibson, Memphis Chamber CEO, Phil Trenary. This was made available to MATA through our Board Chairman Sean Healy, as well as Mike Ducker, CEO of Fed Ex., who had planned a trip to Washington, DC and invited MATA to go along as well, which saved MATA thousands of dollars in cost. Congressman Cohen attended the meeting as well. Mr. Garrison gave an update on what was discussed in this meeting with Administrator Flowers, to include the challenges that MATA is facing, as well as some of MATA's accomplishments. Congressman Cohen was very complementary of the presentation. One of the main focuses of the meeting was regarding the discretionary grant. Mr. Garrison also stated that part of the strategic plan is the funding, communications plan, and transit plan, which will be discussed in the Board Retreat. Congressman Cohen was very supportive and fought for MATA to get receive some funds. Mr. Garrison stated that it is only \$211MM for the entire country for this discretionary grant. The most we can ask for is 10%, which is \$21MM. MATA asked for \$48MM, but Administrator Flowers as if they would scale it, which MATA was prepared to present. This is an "ask", not a budget. What MATA did gives us the most chance of getting what is available. They talked about the TIGER grant application, and timing was perfect on this as well. We should hear the results of the application process by August, and will keep the Board updated. While in Washington, MATA staff scheduled a meeting with the Administrator of Innovation with FTA. It was stated that MATA has the most advanced idea of anyone in the country on what we want to do with the service. We have several partners that we are working with and MATA is going to be putting in an application for this Sandbox very soon. The presentation will also be forwarded to the Board.

Other Updates:

MATA participated in a National Dump the Pump Day on June 16, 2016. This event showed our customers how much we appreciate them as MATA customers. There were prizes (to include bus passes) given away, as well as refreshments. MATA would like to do this more often for our customers. Commissioners Gibson and Williams were in total participation as well.

Megabus moved to the American Way Transit Center. National Train Day event was held at Central Station. Also the filming of the Million Dollar quartet took place at Central Station as well.

The Annual Tennessee Public Transportation Association Conference (TPTA) will be held in Memphis, TN on October 25-28, 2016. Invitations will go out. This will be a big event and we hope that our Board will be able to attend some of the events on that week.

Mr. Garrison introduced MATA's new Chief Communications Officer, Ms. Nicole Lacey; MATA's new Asst. Director of Finance, Mr. Al McCoy; and MATA's new Executive Assistant, Ms. Dorothy Covington. Each had an opportunity to introduce themselves as well.

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Mr. Garrison stated that Ms. Eskridge had been promoted to Executive Office Manager but will still be working as Board Secretary

MATA received 12 new cutaway buses for paratransit. We have made some big improvements in MATApplus, but still have a long ways to go. We still do not have a director for that area, but have not yet advertised for the position. We have also made some improvements in on-time performance in that area. MATA plans to have a workshop with Center for Independent Living working on ways we can improve our service to customers that use MATApplus and to brainstorm other improvements that we can put in place.

MATA has new customer service software in place of which we got at a really low cost. If it works it would save us approximate \$100,000-\$150,000. We also have new chat rooms for Customer Service and for MATApplus.

There are still more improvements to be done at the Hudson Transit Center as well as some improvements at American Way.

We are looking at getting Trolley 799 here in August and Trolley 453 will be done as early as July. We will be working with our new CCO, Ms. Lacey and scheduling a big event and communicating this to the public.

Lauren Taylor asked about the status of the bus stop planning with the MPO. Mr. Garrison stated that we have made some progress on that. Mr. Nicholas Oyler, with MPO was present and gave an update on the status.

FINANCIAL REPORT**May, 2016****Gil Noble, CFO**

Mr. Noble stated that expenses are right on budget overall, within less than 1%. The Revenues are unfavorable to budget, primarily because of the delay in the receipt of our 5307 funds, which were budgeted in March, but did not receive until June. MATA would have run out of money, but received bridge funding of \$6MM from the City of Memphis. Even though the City has a new administration, beginning last January with a new Mayor, the same City Finance Dept. people are still in place. They are experienced with MATA's need for bridge funding in the spring - so the request process ran smoothly.

In regards to our Operating Revenues, passenger fares have trailed off in recent months, which continues to be a challenge for MATA to manage. Particularly as we prepare projections for a FY17 budget, which we hope the Board will approve in the July Board Meeting. May Report shows a summary of when Federal Funds were initially received during 2010-2016.

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In 2010-2013 the funds were received in March or earlier, in 2014 and 2015 funds were delayed until April, and in 2016 funds were not received until June. Part of this delay had to do with the congressional appropriation process, and part had to do with new federal systems and procedures implemented for managing the drawdown requests from around the country. Hopefully receiving these funds next year will not be as delayed as it was this year. There were no questions on the financial report.

SPEAKERS**Sammie Hunter – Co-Chairman of Memphis Bus Riders Union**

Mr. Hunter stated that the Fed Ex workers want to thank Mr. Pearson for allowing the driver to bring a bus out to get them early in the morning. They really appreciate it. Mr. Hunter voiced his concern about emails and phone calls not being returned by MATA's Director of Transportation, Greg Holman. Mr. Pearson will get with Mr. Hunter after the meeting for further information. Mr. Hunter mentioned that MATA received \$5MM for new buses, and he would like to know when the buses are coming out. Mr. Garrison stated that he would get with Mr. Hunter after the meeting to answer his question. Mr. Hunter stated there is a need for bus shelters in Whitehaven. He also suggested that the next bus ride that Mr. Garrison and Mayor Strickland take they would come to the south Memphis and Frayser areas because they need to interact more with the people, not just certain areas of the city.

Cynthia Bailey – MBRU

Ms. Bailey stated that drivers have mentioned that the Hudson Transit Center will be moved to American Way Transit Center in January 2017. *Mr. Garrison stated there is no plan in the projected near term on that.* She also mentioned that there are constant complaints from customers that the restrooms seats are too low. It is hard for people to sit because it is not level. Ms. Bailey asked how many trolleys are active per day? Drivers are saying they do not have enough Riverfront trolleys to get their hours and they have to go home. *Mr. Garrison stated that we have seven trolley buses that are out every day.*

Dennis Lynch – Sierra Club

Mr. Lynch stated that the Sierra Club is promoting a concept on a national basis, of 100% clean energy by the year 2050. They are hoping to encourage cities around the country to make a commitment to this before 2050. Presentations will be made to Memphis City Council Members, and he hopes to get some time with Mayor Strickland, COO Doug McGowen, as well as MLGW.

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Mr. Lynch stated that if we went to 100% clean energy, families could save about \$200 to \$300 in energy cost per year as well as save on healthcare cost because of cleaner air. Mr. Lynch would like to ask MATA to make sure to have the cleanest possible buses with each new bus purchase.

We will be looking for the city to make commitments to 100% clean energy and will maybe ask MATA to do its own commitment to 100% clean energy. Mr. Lynch stated they would be happy to do a presentation or have a discussion with any of the MATA staff, as well as the Board Members.

OLD/NEW BUSINESS:

Acting Chairman Vergos called for any old or new business from Board and staff. Mr. Garrison mentioned that in the first Finance Committee Meeting, Commissioners Roquita Coleman-Williams was recommended as the Finance Committee Chairperson, and Garrison wanted to make that official during this Board Meeting. Mr. Lipinski moved that Commissioner Coleman-Williams becomes Chairperson of the Finance Committee. Ms. Shelia Williams seconded the motion, and the vote was unanimous. There were also three Board Members to volunteer to serve on the Finance Committee to include Andre Gibson, Charles Pickard, and Kristen Bland. Please note that all Board Members are always welcome to attend any Board Committee meetings. The next Finance Committee Meeting will be held on July 8, 2016 at 9:00 a.m. at 1370 Levee Road. There will be a tentative meeting scheduled for July 15, 2016 at 1:00 p.m. in the event more discussion is needed after the July 8th meeting. Ms. Eskridge will inform the Board if the meeting will take place. Ms. Bland asked if there were any dates made on a strategic meeting. Mr. Garrison stated that no date has been set. Mr. Garrison stated that he has not yet selected a plan, but will send out some dates for the Board to choose for a Retreat after Labor Day.

The next Board of Commissioners Meeting will be July 26, 2016 at 1370 Levee Road at 3:30 p.m.

Mr. Andre Gibson
Vice-Chairman

**MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS**

RESOLUTION 16-21

RESOLUTION TO APPROVE OPERATING BUDGET FOR FISCAL YEAR 2017

WHEREAS, MATA operates Fixed Route Bus, MATAPlus and Rail Trolley service within its service area; and

WHEREAS, the cost of Salaries and Wages, Materials and Supplies, Utilities/Telephone, Insurance and other miscellaneous items comprise the Operating Expenses; and

WHEREAS, MATA's operating budget Fiscal Year (FY) 2017 totals \$ 62,201,660 – consisting of the following departments:

- Fixed Route Operations
- MATAPlus Operations
- Trolley Operations
- Maintenance – Fixed Route
- Maintenance – MATAPlus
- Maintenance – Trolley
- Maintenance – Building & Grounds
- Scheduling
- Risk Management
- Marketing & Customer Service
- Human Resources
- Purchasing
- Planning
- Executive
- Finance
- Coin Room Operations
- Information Technology

WHEREAS revenues from Operations, City of Memphis, State of Tennessee, and Federal government comprise the total Revenues for Operations; and

WHEREAS, the City of Memphis has approved an Operating Budget that includes its share of funds for this budget; and

WHEREAS, the Federal Transit Administration and Tennessee Department of Transportation will issue grants and/or contracts for their share of funds for this budget.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE MEMPHIS AREA TRANSIT AUTHORITY That the Fiscal Year 2017 Operating Budget is approved at a level of \$ 62,201,660.

BE IT FURTHER RESOLVED That the President/General Manager is authorized to execute contracts and file grant applications with federal, state and city agencies for the funds to fulfill the operating budget.

BE IT FURTHER RESOLVED, That Staff is authorized to manage line items as appropriate, and make reports to the MATA Board at monthly Board meetings and other times as appropriate.

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Motion Made By: John Vergos SECONDED: Charles Pickard

YEA: Charles Pickard; John Vergos; Shelia Williams; Andre Gibson; Kristen Bland

NAY: None

Approved: July 26, 2016

Absent at Time: Roquita Williams; Martin Lipinski; Lauren Taylor; Sean Healy

Memphis Area Transit Authority

July 26, 2016

	FY2016	FY2017 Proposed Operating Budget	Variance fr FY16 Fav (Unfav)
Revenues:			
<u>Operating Revenue</u>			
Passenger Fares	7,976,292	7,914,927	(61.4)
Special Service Fares	22,018	9,643	
Charter Revenue	0	150	
Auxilliary Revenue	823,117	500,250	
Non-Transp. Revenue	292,868	261,296	
Operating Revenue	9,114,295	8,686,267	(428.0)
City of Memphis	23,629,488	26,209,380	2,579.9
State of Tennessee	7,562,083	7,645,575	
Federal Government	13,163,627	13,162,572	
Subsidy Revenue	44,355,199	47,017,527	
Revenues	53,469,494	55,703,793	2,234.3
Operating Expenses:			
<u>Salaries & Wages</u>			
Operators	12,586,108	12,714,687	
Other Salaries	7,842,045	10,021,473	
Salaries & Wages	20,428,153	22,736,160	(2,308.0)
Employee Leave	2,850,359	3,046,547	
Other Fringes, incl Pension	6,254,284	7,722,503	(1,468.2)
HealthCare, incl OPEB	12,434,551	12,777,050	
Fringes - Total	21,539,194	23,546,100	
Services	6,739,023	6,974,562	(235.5)
<u>Materials & Supplies</u>			
Fuel, Lubricants, Tires	4,489,254	3,589,727	899.5
Materials & Supplies	3,258,045	3,172,371	
Materials & Supplies	7,747,299	6,762,098	
Utilities/Telephone	1,042,021	940,084	102.0
Insurance	934,516	984,000	
Misc & Taxes	239,931	252,392	
Lease/Rentals	6,098	6,284	
Operating Expenses	58,676,236	62,201,660	(3,525.4)
Operating Gain/(Loss)	(5,206,742)	(6,497,867)	(1,291.1)
excl OPEB accrual	1,470,174	179,049	
GASB 68-Pension AJEs	(7,082,690)	(7,082,690)	
Depreciation	13,741,162	14,200,000	
Profit (Loss) after Deprn	(18,947,904)	(20,697,867)	

Memphis Area Transit Authority

July 26, 2016

\$\$ Thousands

Departmental Expense Budgets	FY2016	FY2017 Proposed Budget	FY2017 Variance Favorable (Unfavorable)	
			\$\$	%
MATA - All Departments	\$ 58,676.3	\$ 62,201.7	(3,525.3)	- 6.0 %
Fixed Route Operations	20,475.4	21,303.3	(827.9)	- 4.0 %
MATAPlus Operations	6,026.6	5,870.6	156.1	2.6 %
Trolley Operations	1,913.5	1,972.6	(59.1)	- 3.1 %
Maintenance - Trolley	2,297.1	2,761.8	(464.7)	- 20.2 %
Maintenance - Fixed Route	7,371.5	7,715.9	(344.5)	- 4.7 %
Maintenance - MATAPlus	771.8	730.9	40.9	5.3 %
Building & Grounds	1,704.1	2,569.0	(864.9)	- 50.8 %
Scheduling	407.2	382.5	24.7	6.1 %
Risk Management	1,630.3	1,725.5	(95.1)	- 5.8 %
Marketing & Cust Service	1,397.2	1,376.6	20.7	1.5 %
Human Resources	9,590.9	9,706.4	(115.5)	- 1.2 %
Purchasing	246.9	295.1	(48.2)	- 19.5 %
Planning	966.4	1,949.2	(982.8)	- 101.7 %
Executive	2,389.1	2,186.4	202.8	8.5 %
Information Technology	505.8	609.6	(103.8)	- 20.5 %
Finance	771.7	781.9	(10.2)	- 1.3 %
Coinroom	254.5	264.2	(9.7)	- 3.8 %

MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS

RESOLUTION 16-22

RESOLUTION TO APPROVE CAPITAL BUDGET FOR FISCAL YEAR 2017

WHEREAS, MATA has rolling stock, buildings, equipment, facilities, and systems that are in need of replacement, refurbishment or improvements from time to time in order for MATA to continue to provide a reliable, safe, accessible, clean and customer-focused public transportation system; and

WHEREAS, Capital projects are typically funded by federal/FTA grants, along with state/TDOT, and City of Memphis matching funds; and
WHEREAS, Preventative maintenance and ADA paratransit service will be funded with capital grants and are included in the Fiscal 2017 Operating Budget; and

WHEREAS, Fiscal Year 2017 and prior year grant funds and matching funds are expected to be adequate to fund the Capital Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS AREA TRANSIT AUTHORITY BOARD OF COMMISSIONERS That the Fiscal Year 2017 Capital Budget is approved at a level of \$14,795,100.

BE IT FURTHER RESOLVED, That the Chief Executive Officer or their designee is authorized to execute contracts and file grant applications for the funds to fulfill the capital program.

BE IT FURTHER RESOLVED, That Staff is authorized to manage line items as appropriate and make reports to the MATA Board at appropriate times.

* * * * *

Motion Made By: John Vergos SECONDED: Charles Pickard

YEA: Charles Pickard; John Vergos; Shelia Williams; Andre Gibson; Kristen Bland

NAY: None

Approved: July 26, 2016

Absent at Time: Roquita Williams; Martin Lipinski; Lauren Taylor; Sean Healy



To: MATA Board of Commissioners

From: Ron Garrison, Chief Executive Officer

RE: Fiscal Year 2017 Capital Budget

Date: July 26, 2016

MATA's Capital Budget for Fiscal Year 2017 includes major projects valued at over \$50,000 (which will require individual Board Action at the time of the project) and various smaller projects of lesser value. The total Capital budget for FY 2017 is \$14,795,109.

A breakdown of the funds by mode of service and equipment type is as follows:

Equipment Type	Service Mode			Total
	MATA	MATA Plus	Trolley	
Computer	318,476			318,476
Equipment	1,053,700		319,927	1,373,627
Facility	1,607,350	101,000	325,000	2,033,350
Fare	25,000			25,000
Office	21,390			21,390
Utility	570,000		53,266	623,266
Vehicle	8,000,000	2,400,000		10,400,000
Total	11,595,916	2,501,000	698,193	14,795,109

The capital budget is expected to be financially feasible with FY 2016 and prior year grant funds from FTA, TDOT and the City of Memphis. Staff recommends approval of the FY 2017 Capital Budget in the amount of \$14,785,109.

**MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS**

RESOLUTION 16-23

RESOLUTION AUTHORIZING INSURANCE COVERAGE

WHEREAS, The Memphis Area Transit Authority (MATA) maintains a risk management program that includes various lines of insurance coverage; and

WHEREAS, Third Party Administration services are included for Workers Compensation claims and Auto/General Liability claims; and

WHEREAS, the expiration date for the current coverage is July 31, 2016 at 11:59 PM; and

WHEREAS, under contract, MATA's insurance broker, Arthur J. Gallagher Risk Management Service, Inc. solicited requests for coverage for the period August 1, 2016 to July 31, 2017; and

WHEREAS, The carriers listed on the attached schedule quoted the most competitive premiums; and

WHEREAS, Staff considers these premiums to be reasonable given the current facts and circumstances.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS AREA TRANSIT AUTHORITY BOARD OF COMMISSIONERS That insurance coverages and Third Party Administration agreements be approved as shown for the period of August 1, 2016 to July 31, 2017 for a total cost of \$697,851.00.

BE IT FURTHER RESOLVED That Staff is authorized to add and delete rolling stock and facilities from the insured items list at the appropriate time at rates consistent with those approved by this resolution.

BE IT FURTHER RESOLVED That Staff is authorized to approve additional costs of the Third Party Administrator associated with investigation and settlement of claims on an as needed basis.

BE IT FURTHER RESOLVED That the Chief Executive Officer, Chief Administrative Officer, Chairman of the Board of Commissioners or the Vice-Chairman of the Board of Commissioners are authorized to execute the necessary documents.

Res. No. 16-23

Motion Made By: John Vergos SECONDED: Charles Pickard

YEA: Charles Pickard; John Vergos; Shelia Williams; Andre Gibson; Kristen Bland

NAY: None

Approved: July 26, 2016

Absent at Time: Roquita Williams; Martin Lipinski; Lauren Taylor; Sean Healy

**MEMPHIS AREA TRANSIT AUTHORITY
INSURANCE COVERAGES FOR PERIOD OF AUGUST 1, 2016 – JULY 31,
2017**

Coverage	Company/Carrier	Annual Premium
Property: (including Risk Control Assessment)	Affiliated FM Insurance/FM Global Group	\$90,000
Defined Perils – Revenue Vehicle Fleet:	Axis Surplus Insurance Company (AXIS Capital Holdings Limited)	139,861
Automobile Physical Damage	Axis Surplus Insurance Company (AXIS Capital Holdings Limited)	26,565
Excess General Liability w/TRIA Coverage Included:	The Insurance Co. of the State of Pennsylvania/American International Group	155,000
Cyber Liability	BCS Insurance Company	7,608
Cyber Deception	BCS Insurance Company	450
Terrorism Liability	Underwriters at Lloyd's London	23,000
Business Travel Accident/Medical	Federal Insurance Company (Chubb Group)	1,729
Crime and Fiduciary (TRIA Coverage Included)	Federal Insurance/Chubb	8,690
Directors & Officers and Employment Practices Liability:	National Union Fire of PA/ American International Group	18,441
Property RC	FM Global	4,000
Excess Worker's Compensation:	Safety National Casualty/Safety National Group	109,747
SUBTOTAL INSURANCE PREMIUMS:		585,091
Third Party Administrator Fee For Workers Compensation Claims:	PMA Companies	27,500
Third Party Administrator Fee For Auto/General Liability Claims:	PMA Companies	26,760
Broker Fee	AJ Gallagher	58,500
SUBTOTAL THIRD PARTY:		112,760
GRAND TOTAL:		\$697,851



TO: MATA Board of Commissioners

FROM: Ron Garrison, Chief Executive Officer

SUBJECT: Insurance Coverage Effective August 1, 2016

DATE: July 25, 2016

MATA carries private insurance in the following categories of coverage:

- **Property**
- **Defined Perils Physical Damage – Revenue Vehicle Fleet**
- **Physical Damage – Service Vehicle Fleet**
- **Directors & Officers and Employment Practices Liability**
 - **Crime & Fiduciary**
 - **Terrorism**
 - **Excess General Liability**
 - **Excess Workers' Compensation**
 - **Felonious Assault**
 - **Cyber**

Cyber is being continued this year. Cyber coverage protects MATA from liability associated with release of personal information as a result of a cyber-attack.

MATA is self insured for General Liability up to \$2,000,000 and for Workers Compensation up to \$550,000. The Excess policies are invoked for claims exceeding these retention amounts. The other coverages deductibles are generally in the range of \$10,000-\$75,000, except for buses (\$100,000) and trolleys (\$250,000).

MATA hired Arthur J. Gallagher Risk Management Services Inc. (AJG) to develop our insurance program on an annual basis. AJG's services include securing the most competitive quotes for the various insurance coverages and advising MATA on insurance-related issues.

AJG is recommending the carriers and premiums shown on the accompanying resolution for the year beginning on August 1, 2016.

The comparisons of premiums for the New Year as compared to the expiring year are shown below:

Memphis Area Transit Authority
Liability Insurance Program
Premium Comparisons
AS of July 25, 2017

Coverage	Premium 2016	Premium 2017	Difference
Property	90,000	90,000	0.0%
Auto Physical Damage	7,921	26,565	235.4%
Defined Peril	144,439	139,861	-3.2%
Excess General Liability	150,000	155,000	3.3%
Terrorism	22,000	23,000	4.5%
Executive Liability	18,543	18,441	-0.6%
Crime & Fiduciary	8,367	8,690	3.9%
Property RC	4,000	4,000	0.0%
Felonious Assault	1,729	1,729	0.0%
Cyber	8,139	8,058	-1.0%
Pkg. Total	455,138	475,344	4.4%
Workers Comp	109,941	109,747	-0.2%
Program Total	565,079	585,091	3.5%

Compared to the expiring policies, there is a slight increase in total premium. Premiums are lower for four (4) policies, the same for three (3) policies, and higher for four (4) policies. Premiums are determined largely by exposure (measured by value of assets or operating costs) and per unit rates established by the insurance companies. Per unit rates are affected by our experience as well as the experience across the country.

In addition to the insurance program, AJG also arranges for the Third Party Administrator (TPA) for Workers Compensation claims. AJG is recommending continuing with PMA Companies. For the first time, staff is requesting approval to engage PMA Companies to also provide Third Party Administration services for Auto and General Liability claims which are currently being provided in-house.

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Use of the TPA for workers compensation claims has resulted in improved management and cost containment in this program. Below is the cost comparison from the expiring year.

Coverage	Cost 2016	Cost 2017	Difference
Liability TPA	26,760	26,760	0.0%
Workers Comp TPA	25,550	27,500	7.6%
Brokers Fees	65,000	58,500	-10.0%
Total	117,310	112,760	-3.9%

Staff recommends approval of the proposed program.

**MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS**

RESOLUTION NO. 16-24

**RESOLUTION TO AWARD AN ON-CALL CONTRACT WITH BBT, INC. FOR ON-
CALL SERVICES FOR RAIL SYSTEM TRACK AND FACILITY MAINTENANCE**

**WHEREAS, The Memphis Area Transit Authority (MATA) has a rail trolley system;
and**

**WHEREAS, MATA requires the services of a professional rail contractor to
provide maintenance and inspections on said system on an as-needed basis; and**

**WHEREAS, Proposals were solicited for this service in accordance with MATA's
Procurement Policy and the procurement was formally advertised; and**

WHEREAS, Capital funds are available for this procurement; and

**WHEREAS, Three proposals were received and one was determined responsive
and responsible; and**

**WHEREAS, BBT, Inc. was the top ranked proposer by the Evaluation Committee;
and**

**WHEREAS, The attached cost proposals was received by BBT, Inc. for the five-
year contract period; and**

**WHEREAS, Staff recommends that a five-year contract be awarded to BBT Inc. at
the prices shown above including hourly costs for labor rates and daily costs for
equipment unless otherwise noted at a total cost not to exceed \$375,000 for a
five-year contract period effective August 1, 2016.**

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS AREA TRANSIT
AUTHORITY BOARD OF COMMISSIONERS That a five-year contract be awarded
to BBT Inc. at the prices shown above including hourly costs for labor rates and
daily costs for equipment unless otherwise noted at a total cost not to exceed
\$375,000 for a five-year contract period effective August 1, 2016.**

**BE IT FURTHER RESOLVED That the Chief Executive Officer, Chief
Administrative Officer, Chairman or Vice-Chairman is authorized to execute the
necessary documents.**

*** * * * ***

Res. 16-24

Motion Made By: John Vergos SECONDED: Shelia Williams

YEA: Charles Pickard; John Vergos; Shelia Williams; Andre Gibson; Kristen Bland

NAY: None

Approved: July 26, 2016

Absent at Time: Roquita Williams; Martin Lipinski; Lauren Taylor; Sean Healy



TO: MATA BOARD OF COMMISSIONERS

FROM: Ronald L. Garrison, Chief Executive Officer

DATE: July 26, 2016

SUBJECT: ON-CALL SERVICES FOR RAIL SYSTEM TRACK AND FACILITY MAINTENANCE

MATA has a rail system that occasionally requires the services of a professional rail contractor to provide inspections and maintenance.

The Request for Proposals was sent to eleven vendors, formally advertised and posted to MATA's website. Three proposals were received. Two were non-responsive. The responsive proposal was received from BBT Inc. who will be sub-contracting with River City Railroad and Southland Enterprises, Inc. Both of the sub-contractors are certified DBEs.

There was a 5% DBE goal assigned to this procurement.

MATA's Evaluation Committee reviewed the one responsive and responsible proposal and discussed the findings based on the criteria set forth in the solicitation document. The following criteria with their point values were evaluated:

1. Specialized experience and technical competence of the personnel proposed for this project. (25%)
2. Qualifications and experience of the firms/teams. (25%)
3. Cost (25%)
4. Past record of performance on contracts including such factors as cost control, quality of work, ability to meet schedules, and responsiveness to the client. (25%)

The Evaluation Committee recommends awarding a five-year contract to BBT Inc. at the rates shown above including hourly costs for labor rates and daily costs for equipment unless otherwise noted at a total cost not to exceed \$375,000.

**MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS**

RESOLUTION 16-25

**RESOLUTION TO DESIGNATE SURPLUS PROPERTY AND AUTHORIZATION TO
DISPOSE**

WHEREAS, The Memphis Area Transit Authority (MATA) has 52 buses that are no longer able to be used in regular service (see attached exhibit "A") including:

	Vehicle Year						
Make	1999	2000	2002	2003	2005	2010	2011
Arboc							10
BlueBird			4	5			
Champion	13	1					
GCA		1					
Gillig						2	
Nova		2	13				
Optima					1		
Grand Total	13	4	17	5	1	2	10

WHEREAS, it is in the best interest of MATA to dispose of said surplus vehicles which have met their useful lives or have been deemed not cost effective to repair in accordance with disposal procedures in MATA's Procurement Manual; and

WHEREAS, If MATA is unsuccessful in disposing of said surplus vehicles in the manner stated above, then MATA may donate said surplus vehicles to a public or non-profit organization or disposed of accordingly;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS AREA TRANSIT AUTHORITY BOARD OF COMMISSIONERS, That the Manager of Purchasing is hereby authorized to dispose of the aforementioned vehicles listed in Exhibit "A" in accordance with disposal procedures in MATA's Procurement Manual.

BE IT FURTHER RESOLVED That if the aforementioned methods of disposing of the vehicles is unsuccessful, they may be donate to a public non-profit organization as outlined in the Procurement Manual or disposed of as scrap material.

Res. No. 16-25

Motion Made By: John Vergos SECONDED: Charles Pickard

YEA: Charles Pickard; John Vergos; Shelia Williams; Andre Gibson; Kristen Bland

NAY: None

Approved: July 26, 2016

Absent at Time: Roquita Williams; Martin Lipinski; Lauren Taylor; Sean Healy

**MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS**

**RESOLUTION TO DESIGNATE SURPLUS PROPERTY AND AUTHORIZATION TO
DISPOSE**

EXHIBIT "A"

List of Surplus Vehicles as of July 26, 2016

Bus	Mileage	Year	Make	Length		Bus	Mileage	Year	Make	Length
124	185,503	1999	Champion	30'		354	140,637	2011	Arboc	20'
125	65,637	2000	Champion	30'		355	146,341	2011	Arboc	20'
126	134,870	1999	Champion	30'		356	117,489	2011	Arboc	20'
127	221,847	1999	Champion	30'		357	158,891	2011	Arboc	20'
133	41,680	2000	GCA	26'		358	152,398	2011	Arboc	20'
200	220,124	1999	Champion	30'		359	139,681	2011	Arboc	20'
201	225,335	1999	Champion	30'		360	119,851	2011	Arboc	20'
202	176,149	1999	Champion	30'		361	156,390	2011	Arboc	20'
203	188,397	1999	Champion	30'		877	706,106	2000	Nova	40'
204	145,565	1999	Champion	30'		879	689,210	2000	Nova	40'
205	88,284	1999	Champion	30'		880	707,797	2002	Nova	40'
206	180,123	1999	Champion	30'		887	722,154	2002	Nova	40'
207	154,652	1999	Champion	30'		892	691,181	2002	Nova	40'
208	202,843	1999	Champion	30'		895	692,691	2002	Nova	40'
209	186,248	1999	Champion	30'		906	675,902	2002	Nova	40'
302	328,208	2002	BlueBird	30'		912	656,377	2002	Nova	40'
314	296,001	2002	BlueBird	30'		913	632,130	2002	Nova	40'
328	447,393	2002	BlueBird	30'		914	650,955	2002	Nova	40'
337	291,079	2002	BlueBird	30'		917	589,309	2002	Nova	40'
341	106,364	2003	BlueBird	30'		918	668,067	2002	Nova	40'
342	376,921	2003	BlueBird	30'		920	666,895	2002	Nova	40'
343	338,510	2003	BlueBird	30'		921	677,685	2002	Nova	40'
345	327,369	2003	BlueBird	30'		923	633,401	2002	Nova	40'
351	413,963	2003	BlueBird	30'		1009	247,382	2005	Optima	30'
352	110,280	2011	Arboc	20'		3015	229,964	2010	GilliG	30'
353	112,742	2011	Arboc	20'		3017	201,554	2010	GilliG	30'

**MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS**

RESOLUTION NO. 16-26

RESOLUTION TO DESIGNATE CONTINGENCY FLEET

WHEREAS, The Federal Transit Administration (FTA) permits grantees to supplement their active fleets with a contingency fleet of buses which have met their useful life; and

WHEREAS, The Memphis Area Transit Authority (MATA) has maintained a Contingency Fleet for several years for emergency needs; and

WHEREAS, it is in the best interest of MATA to maintain twenty buses which have met their useful service life in the Contingency Fleet as shown on Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS AREA TRANSIT AUTHORITY BOARD OF COMMISSIONERS, That MATA is authorized to maintain the twenty buses shown on Exhibit "A" in the Contingency Fleet.

BE IT FURTHER RESOLVED That MATA is authorized to rotate buses in the Contingency Fleet indicated by an asterisk on Exhibit "A" on a semi-annual basis at an appropriate time as determined by the Director of Bus Maintenance.

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Motion Made By: John Vergos SECONDED: Charles Pickard

YEA: Charles Pickard; John Vergos; Shelia Williams; Andre Gibson; Kristen Bland

NAY: None

Approved: July 26, 2016

Absent at Time: Roquita Williams; Martin Lipinski; Lauren Taylor; Sean Healy

**MEMPHIS AREA TRANSIT AUTHORITY
BOARD OF COMMISSIONERS**

RESOLUTION TO DESIGNATE CONTINGENCY FLEET

EXHIBIT "A"

List of Contingency Fleet as of July 26, 2016

Bus	Bus
401*	412*
402*	413*
404*	414*
405*	415*
406*	416*
407*	417*
408*	418*
409*	419*
410*	888
411*	889