

MINUTES OF BOARD MEETING
MEMPHIS AREA TRANSIT AUTHORITY
January 26, 2015

CALL TO ORDER: A regular meeting of the MATA Board of Commissioners was called to order by Chairman Sean Healy at 3:30 p.m. on Monday January 26, 2015 at 1370 Levee Road Board Room.

BOARD ROLL CALL:

Present: Chairman Sean Healy
Commissioners: Charles Pickard; Lauren Taylor; Shelia Williams; John Vergos; Martin Lipinski

Absent: Vice Chairman, Andre Gibson; Kristen Bland; Roquita Coleman

Quorum: Yes

Staff: Alison Burton; Linda Eskridge; Tom Fox; Ron Garrison; Gilbert Noble; Alvin Pearson

Guests: MCIL/STAC Attendees: None
Memphis Bus Riders Union: Bennett Foster; Ray McClanahan; James Robinson

Others: Betty Anderson, Travel Trainer; Gene Burse, Livable Memphis; Lyndia Crawford, City of Memphis Law Division; Maria Furhmann, Mayor Wharton's Office, Paul Morris, Downtown Memphis Commission; Nicholas Oyler, MPO; Harry Pratt, Allen & Hoshell; James Stokes, Bass River Advisors; Henry Wilson, Retiree

Linda Eskridge, Executive Assistant/Board Secretary welcomed all guest and thanked them for attending the first Board of Commissioners Meeting for year 2015.

APPROVAL OF MINUTES: Mr. Vergos moved for approval of the January 26, 2015 Board Minutes. Ms. Taylor seconded the motion and minutes were unanimously approved.

GENERAL MANAGER'S REPORT

Mr. Ron Garrison

Mr. Garrison's report consisted of a Power point Presentation updating the seven priorities that he discussed in the last Board Meeting on December 8, 2014. These priorities will be updated on consistent bases and updates will be brought before the MATA Board of Commissioners as follow up.

- Meetings have been held with three different firms to include Team Trek, Small Planet Works, and with Linda Bailey Leadership Group. MATA will receive a proposal from each of these firms.
- We are working with different departments to get the right people in the right positions, and expect to have two or three positions filled within the next 30 to 60 days depending on the negotiations. The chosen applicant for the MATApplus management position is already on Board and is working in that area. Chooch asked for some background on the applicant that will be working with MATApplus. Mr. Garrison stated that he will share that information with the Board after she is evaluated, because there are some others as well that he will share with the Board.
- MATA is working with the Tennessee College of Applied Technology on an Apprenticeship Program for MATA's maintenance technicians. This will help build young men & women to be future mechanics. We also have two people on staff in maintenance, and have made changes in processes that have generated about \$310,000 in annual savings and expect to do much more. Facility improvements have been done on the maintenance side as well.

Mr. Pickard requested that the Board receive the information on the Phase II Central Station development agreement in an early timeframe to allow more time to review it before voting on it. Chairman Healy suggested using the Board Finance Committee to schedule a meeting and include the Phase II as an agenda topic. Mr. Garrison agreed and stated that Ms. Eskridge would schedule this a few weeks before the April Board Meeting, and have the appropriate people in attendance to do a presentation as well as to discuss this in more details.

- Mr. Garrison, Mr. Fox and Mr. Miles traveled to Atlanta to meet with Dr. Yvette Taylor with FTA Region IV. Mr. Garrison shared the agenda used for the meeting with Ms. Taylor. Mr. Garrison stated that a lot of areas were covered regarding the trolleys and getting them back up and running.

- MATA will also be working with Region IV on four or five things out of the seven priorities that we will be working on to help move us forward. We will update the Board as we work through the development contract.
- MATA hopes to go live with the Mobile APPs in March, 2015.

Chairman Healy asked for a status update from MPO on the bus stop location study at the next Board Meeting. Mr. Nicholas Oyler with MPO stated this study is back in their budget for this year, and should be approved this week or next week. Chairman Healy stated we would like dates and expectations on the study. Mr. Oyler consented to MATA receiving an update from MPO at the next meeting.

- MATA is still working on Customer Service software. Quotes are due back on February 6, 2015, and we should be able to negotiate and come up with a timeline.
- MATA had a very positive meeting with Ikea and there will be more to reports as we move forward.

Chairman Healy stated, from the trolley perspective, we really need to move as expeditiously as we can to get the trolleys back up and running. All Board Members are willing to be engaged in helping to get to the right people to get this done. A lot of time has been dedicated to this and we have to move it along. Chairman Healy stated whatever the MATA Board can do, short of jeopardizing safety, please get them more engaged in doing whatever they can to assist MATA in this effort. Mr. Garrison thanked Chairman Healy and the Board.

Mr. Garrison stated that he and staff are working on the things that were presented in the PowerPoint Presentation, and it's going to take a little while to make these changes. However, Board should see some immediate improvements within the course of two months.

ACTION ITEMS:

A. FINANCE COMMITTEE

1. **Resolution to Approve a Modification to Task Order #7 with Smith Seckman Reid, Inc. (SSR) for Provision of Technical Assistance Related to Trolley Vehicles - Res. No. 15-01**

Discussion: Dr. Fox, Deputy General Manager presented this resolution to the Board. This resolution is the work associated with the next phase of the consultant assistance. This is labor intensity efforts over the next seven months between Parsons Brinckerhoff, SSR Engineering, and the expert out of Toronto, Canada.

This scope is being presented as \$902,003 as an amendment to the existing task order previously approved. Staff is asking for approval for this work, and is also asking that we bump the ceiling on this SSR on-call contract to move it from \$1MM to \$2MM. With this amendment it would bring us to approximately \$1.5MM on that on-call contract. *Mr. Vergos moved that the resolution be put on the floor for discussion. Ms. Taylor seconded the motion.* Mr. Vergos asked if this money was coming from the left over from Madison Avenue, and stated if so, we are pretty much draining the \$6.5MM in engineering fees. Dr. Fox agrees. This would bring our total engineering fees to \$1.3MM. Ms. Taylor asked what amount is left after Board's approval. Mr. Fox stated approximately \$4MM to \$4.5MM. **Resolution No. 15-01 was unanimously approved by the MATA Board.**

2. Resolution to Award a Contract 2-3 for the Construction of the Main Street to Main Street Multimodal Connector Project – Res. No. 15-02

Discussion: Dr. Fox, Deputy General Manager presented this resolution to the Board. This resolution is to award a contract for construction of a portion of the Main-to-Main Multimodal Connector Project, which is the portion that's funded with FTA funds that MATA is managing. Paul Morris is the Project Director, and Harry Pratt, Technical Project Manager. The lower bidder is Zellner Construction Services, that came significantly below budget, and above our DBE Goal. We are recommending Board's approval for a contract with Zellner Construction for a total of \$2,149,777.19. *Mr. Vergos moved that the resolution be put on the floor for discussion. Mr. Lipinski seconded the motion.* Dr. Lipinski asked for more explanation of the actual construction. Both Dr. Fox and Mr. Paul Morris, President of Downtown Memphis Commission and Project Director for Main-to-Main, gave an explanation on the construction of this project. Ms. Taylor also disclosed that Hyde Foundation is one of the private funders of this project. **Resolution No. 15-02 was unanimously approved by the MATA Board.**

3. Resolution to Authorize Agreement with City of Memphis for Construction Engineering and Inspection Services (CEI) for Contract 2-3 of the Main Street to Main Street Multimodal Connector Project – Res. No. 15-03

Discussion: Dr. Fox, Deputy General Manager, presented this resolution to the Board. MATA will contract through the City of Memphis for the engineering and inspection services during construction for our portion of the project. MATA has done this before with the City of Memphis and it has worked out very well. They have given us a proposal for \$407,770 to provide those services. *Mr. Vergos moved that the resolution be put on the floor for discussion. Mr. Pickard seconded the motion.* **Resolution No. 15-03 was unanimously approved.**

4. Resolution to Award a Contract to B Four Plied, Inc. for the Levee Road Facility Re-Roofing Project – Res. No. 15-04

Discussion: Mr. Alvin Pearson, Assistant General Manager, presented this resolution to the Board. MATA solicited bids for replacement of the roofs on the maintenance facilities as well as the maintenance wash rack facility. There was one successful bidder. The bid came in at approximately \$1,232,000, after renegotiation we were able to get the job done for \$1,190,271. The DBE goal on this project was 12%, but a goal of 28.9% was met. Staff is asking for Board's approval on this contract to B Four Plied, Inc. for the repairs of the maintenance facility, bus repair facility, and bus wash rack. *Mr. Vergos moved that resolution be put on the floor for discussion. Ms. Taylor seconded the motion.* Mr. Pickard questioned why there was only one bidder as there are numerous roofing companies in the city. Mr. Pearson feels that it may have something to do with the way the roof is designed, as well as other things such as air conditioners have to be moved, and this will be a very labor intense job.

Mr. Pickard inquired about the square foot cost. Mr. Pearson stated that we will research and get back with him on this cost. Dr. Fox stated that our procurement department did contact other major roofing companies, and it is a very complex project, and we received a variety of reasons why they did not bid. **Resolution No. 15-04 was unanimously approved.**

B. SERVICE AND DEVELOPMENT

1. Resolution to Authorize the Purchase of Diesel Fuel – Res. No. 15-05

Discussion: Mr. Ron Garrison, President/GM presented this resolution to the Board. Mr. Garrison thanked Chairman Healy for the contact person at Federal Express for assistance. This is for approximately 1,800,000 gallons per year, and a contract for up to 1,500,000 gallons of low-sulfur diesel fuel. Mr. Garrison added more flexibility to the resolution to allow us to not experience a missed opportunity in the event we do not have a board meeting in conjunction with a tremendous opportunity. *Mr. Vergos moved that the resolution be put on the floor for discussion. Mr. Pickard seconded the motion.* Mr. Vergos stated that he has no problem with the added flexibility, and we are still saving significantly more than we did last year. **Resolution No. 15-05 was unanimously approved.**

2. Resolution to Authorize the Purchase of Unleaded Gasoline – Res. No. 15-06

Discussion: Mr. Ron Garrison, President/GM presented this resolution to the Board. Mr. Garrison stated that this resolution is almost identical to Res. 15-05 with half the amount. This resolution also has the provision to make the additional purchases that were discussed. Staff is requesting Board's approval on this resolution. *Ms. Taylor moved that the resolution be put on the floor for discussion. Ms. Lipinski seconded the motion.* **Resolution No. 15-06 was unanimously approved.**

FINANCIAL REPORT

December 2014

Gil Noble, Chief Financial Officer

Mr. Noble reported that year-to-date P&L Expenses of \$29MM are within \$ ½ MM of budget. Revenues of \$33.3MM are, at this point, \$1.4MM below budget. This is mostly due to state grant revenues that were budgeted to receive but have not yet been received. We do have a slight unfavorable variance related to passenger fares, but not as large as it has been in the past. According to the three quarterly charts, the bulk of our expenses were favorable to budget in the December quarter, and most were also slightly favorable to budget in the September quarter. All-in-all, we are still tracking right along with our budget. Chairman Healy asked is the difference in fare actual versus budget all attributed to the trolley. Mr. Noble stated that the bigger part was due to reduced purchases from various agencies that give out passes, and those revenues are down versus budget and down versus last year. Chairman Healy asked if we have any effort to reach out to those groups. Ms. Burton stated that a lot of the groups have requested that we give them the passes free, which we cannot do. Mr. Vergos asked if we could possibly make the assumption that our passenger fare decline has stopped and leveled off.

Mr. Garrison stated that it is not safe to make that assumption at this time. They are stabilized; however, not long-term. Mr. Pickard asked about the Healthcare plan and why is it is budgeted so much lower.

Dr. Fox stated that we re-negotiated the plan last year with the union contract. We are hoping for six months of savings in this Fiscal Year. This ended the Financial Report.

SPEAKERS:

Ms. Gilda Williams, 84 Autumn Branch, Memphis, TN 38109 – Ms. Williams addressed the Board regarding two areas that are in need of attention by the Board, as well as by MATA. A copy of her concerns was in writing and was distributed to the Board to include: 1) repulsive hygiene of some patrons, and 2) despicable language of some of the bus patrons. Ms. Williams stated that perhaps staff needs to consider posting something on the bus to address these issues, which would indicate that MATA wants adherence to the policy. Ms. Gilda Williams stated that she frequently hears announcements being made from the drivers regarding profanity; however, they are being disregarded. Something should be done to eradicate the issues addressed, thereby making the atmosphere conducive for all the riders on the bus.

Mr. Vergos asked what our policy is for removing or prohibiting a passenger from riding. Mr. Garrison stated that this is something that MATA staff is working on with our focus group. Ms. Burton is working with the group to put a policy in place and it is almost completed for posting. Ms. Shelia Williams asked is there a policy for poor hygiene. Mr. Pearson stated that we have never removed a passenger due to poor hygiene. Mr. Garrison stated this is a sensitive topic, and is a good opportunity to use a committee with the Board as well as a focus group to address this in a way that is right for the community. Chairman Healy stated that the Board has been given some update on work staff is doing about the profanity piece. However, with the hygiene issue, this is a more target approach, and reaching out to that person's caregiver, and/or get with staff on some specific steps to take on this issue.

OLD/NEW BUSINESS:

Chairman Healy called for any old/new business from the Board. Mr. Pickard stated that he is a constant visitor of South Main and he receives a lot of feedback on the issues with the trolleys being down. He suggested that MATA work with the business owners on the existing trolley line on an advertising discount on the trolleys when they are back up, as well as now on the green buses. He suggested giving them a 50% discount on advertising so that we are bringing in more revenue for us that we are not currently getting; and we are helping them advertise and get people to their business.

Mr. Pickard stated that we really need to show an effort that we clearly understand the problems they are having on Main Street. Mr. Garrison stated that he feels it is a great idea, as well as the right thing to do. Chairman Healy stated that he definitely thinks this is a good idea; however, it needs more structure and clarity. Chairman Healy stated that he feels that the Board supports this idea without doing this as a resolution. No Board Member objected.

Mr. Vergos stated that on April 11, 2015, MemFix will have an event in the Pinch district, and would like to assure that the terminal is clean and in good shape. He also asked that staff be on hand to with route maps as well as to assist in any way.

Dr. Lipinski stated that the University of Memphis and MATA has jointly submitted a \$500,000 proposal for transit workforce development. Dr. Lipinski stated that they are not sure when we will have a definite answer at this time. Dr. Fox stated that the University of Memphis did the line share on that proposal and MATA certainly appreciate that.

Chairman Healy thanked all guests that were present at the meeting. Ms. Eskridge stated that the next Board Meeting is slated for Monday February 23, 2015. Chairman Healy called for a motion to adjourn. Mr. Vergos moved the meeting be adjourned. Mr. Pickard seconded the motion and the Board Meeting was adjourned.

Mr. Sean Healy
Chairman of the Board