



**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.

**Gary Rosenfeld**  
**Interim Chief Executive Officer**

Board of Commissioners

Sean Healy, Chairman

Andre Gibson, Vice Chairman

Commissioners

Kristen Bland

Lauren Taylor

Roquita Coleman-Williams

John C. Vergos

Martin Lipinski

Shelia Williams

Tommy Pacello

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**Regular Meeting of the MATA Board of Commissioners**

**Monday July 31, 2017 - 3:30 pm**

**1370 Levee Road**

- I. Call to Order Sean Healy
- II. Board Roll Call Linda Eskridge
- III. Approval of Minutes Sean Healy
  - a. Minutes of the Regular Board Meeting held on April 25, 2017
  - b. There was no Board of Commissioners Meeting in May of 2017
- IV. Interim CEO Report Sean Healy
  - a. Presentation by Gary Rosenfeld, Interim CEO
- V. Consent Agenda Sean Healy
  - a. Resolution to Authorize Insurance Coverage – Res. No. 17-24
  - b. Resolution to Approve Surplus of Disposal of Surplus Buses  
– Res. No. 17-25
- VI. Service and Development
  - a. Resolution to Approve a Contract Modification to SNC-Lavalin  
Rail & Transit, Inc. – Res. No 17-26

7/31/17 I

- VII. Financial Report
- VIII. Speaker Acknowledgement
- IX. Old/New Business

Gil Noble  
Lawson Albritton  
Sean Healy

**CALL TO ORDER:** A regular meeting of the MATA Board of Commissioners was called to order by Interim CEO, Gary Rosenfeld (in the absence of the Chair and Vice Chair) at 3:40 p.m. on Tuesday June 27, 2017 at 1370 Levee Road Board Room. There was no quorum at the time, and the meeting was moved to informational items that did not require a vote until a quorum arrived.

### **MATA Strategic Plan Presentation – Mark Aesch, Transpro Consulting**

Mr. Rosenfeld introduced Mr. Mark Aesch, CEO of Transpro Consulting who gave an update on MATA's Strategic Planning process via Power Point Presentation and present a draft document for the Board's review. Transpro specialize in working with public transit systems particularly in the space of strategic planning, performance scorecard, and the Board/Management relationship as well as focusing on outcomes to create a plan to allow that to occur. Transpro been working with management team at MATA for the past four-five months to begin to establish clarity for the outcomes that the Board will be able to look at and see if the team is delivering success in a fashion that is expected from the Board. This presentation is designed for the Board and Management team to become clear about what success looks like, as well as the outcomes that the Board believes are excellence for the organization. The key elements of this plan are: 1) Purpose; 2) Goals; 3) Work Plan; and 4) Performance Scorecard. The Mission is "We connect people to places", which is why there is a transit system. The Vision is more of who we will become five years out. There is a quarterly performance scorecard for the Board to keep track of the progress that is being made by management. Each metric has a clear definition of what it means, and one person owns it. Management will put together a plan and budget that the Board can consider for adoption to execute and deliver on the outcomes, and there is a performance scorecard that all parties can track each quarter. Mr. Aesch ended the presentation to allow for questions. **Questions & Comments:** *Mr. Gibson voiced his concerned that the Mission/Vision statement lack MATA's objectives and identification. Mr. Gibson also stated that it does not address a huge commitment to MATA's safety which is very important to our industry. Mr. Aesch and Mr. Rosenfeld addressed these concerns from Mr. Gibson. Mr. Pacello applauds staff for bringing a commitment to metrics-based management. Mr. Pacello mentioned some thoughts as we go forward is encouraging more bold thinking beyond the one-year mark metrics, but to think of where MATA is heading within three to five years out. Also as plans are emerging, we need to have some flexibility to bring the strategic plan of MATA in alignment with the Memphis 3.0 and the future vision plans. Mr. Lipinski asked where the input is from the Transportation Advisory Committee, TAC, and if the committee is responding directly to Mr. Rosenfeld or are they responding to the Board. Mr. Rosenfeld stated they are responding to both. The information that they bring forward will be presented to the Board on a regular basis. When there are issues that require information from the committee, we can send them questions and they will respond back. Ms. Bland asked if we are doing work into this community that offset community value. Mr. Rosenfeld stated that community value is an outcome of the community perception, and is a part of the communications plan and community outreach. We are supposed to be able to take issues to them and have them bring issues to us. It*

is more of a position-based thing than a perception thing. Ms. Bland stated maybe she feels it is prudent to say based on how we handle these issues, it will trickle down to the perception of what the community at large has. Perhaps we can see how we utilize them as we work through this next year on community value perception. Mr. Rosenfeld stated that the issue Ms. Bland is referring is the metrics of which we will measure our organization. Ms. Taylor asked if the Board is being asked to adopt this. Mr. Rosenfeld stated that at this point it is a draft that is about 85% done. If the Board has comments or concerns we need to get them back right away, in order to get the final document back to the Board by next Board Meeting for adoption. Mr. Rosenfeld explained to the Board how the metrics were determined. Mr. Pacello stated that he feels it is a good place to start.

**BOARD ROLL CALL:**

**Present:** Vice-Chairman Andre Gibson  
Commissioners: Tommy Pacello; Kristen Bland; Lauren Taylor; Martin Lipinski; Roquita Williams

**Absent:** Chairman Sean Healy; John Vergos; Shelia Williams

**Quorum:** Yes

**Staff:** Lawson Albritton, Sr. Administrative Officer; Thomas Davidson, ATU; Linda Eskridge, Board Secretary; Nicole Lacey, Chief Communications Officer; John Lancaster, Director of Planning & Scheduling; Shelia Maclin, Manager of Purchasing; Maury Miles, Director of Grants & Procurement; Alvin Pearson, Chief Operations Officer; Gary Rosenfeld, Interim Chief Executive Officer; Susan Schubert, Director of Human Resources; Umar Tate, Sr. Mgr. of Planning & Scheduling; Fred Williams, ATU; Michael Wilson, ATU

**Guests:** Mark Aesch, Transpro; Cynthia Bailey, MBRU; Janice Banks, Small Planet Works; Nicole Bowen; Pearly Bowen, MATAplus Riders; Suzanne Carlson, Innovate Memphis; Justin Davis, MBRU; Bennett Foster, MBRU; John Haas, Tenn Traxx; Jason Hill, Rider; Sammie Hunter, MBRU; Colin McDonald, Innovate Memphis; Johnny Mosley, Citizens for Better Services; Betty Robinson, MBRU; Jordan Smith, Memphis MPO; Alvan Bidal Sanchez, Memphis MPO; Maya Smith, Memphis Flyer; Greg Strangeways, Nelson\Nygaard; Gilda Williams, MATA Customer

Ms. Linda Eskridge, Board Secretary welcomed all guests and staff to the June 27, 2017 Board of Commissioners Meeting. Those that wish to speak were asked to forward their speaker's card to Mr. Lawson Albritton, the Speaker Facilitator and they will be called on at the appropriate time in the meeting.

**APPROVAL OF April 25, 2017 BOARD MINUTES** – Ms. Bland moved that the April 25, 2017 Board Minutes be approved. Ms. Roquita Williams seconded the motion and the minutes were unanimously approved.

Vice-Chairman Gibson moved to the Action Items for discussion, as a quorum was now present.

**A. FINANCE COMMITTEE**

No Items

**B. SERVICE DEVELOPMENT**

**1. Resolution to Approve Service Changes – Res. No. 17-19**

**Discussion:** Mr. John Lancaster, Director of Planning and Scheduling presented this resolution to the MATA Board. Mr. Lancaster gave showed a presentation of all the routes with the final changes to be made to the routes that will go into effect on August 6, 2017. There were a couple of Public Meetings that took place. Mr. Lancaster presented an overview of all the service changes. There are 24 routes that MATA is making improvements to that are mainly modifications to times to improve on-time performance. On four or five of those routes there are some individual trips that were either added or eliminated based on service productivity. The four new routes have the biggest changes and greatest improvements. They are Routes 31; 45; 280; and 340. Mr. Lancaster gave a brief explanation on the four new routes and the areas they are serving. Mr. Lancaster explained how the routes were changed according to the 35 comments and two or three emails that were received from Public Comments. **Questions:** *Mr. Gibson asked what is our means of communicating the route changes. Mr. Lancaster stated we will use our website and public outreach, and as we move forward we will put in on our voice enunciation system on the buses. Mr. Rosenfeld stated that our last round of printed schedules was successful, and we plan the same success for these routes. Ms. Taylor moved that the resolution be put on the floor for discussion. Mr. Lipinski seconded the motion.*

**Speakers for Resolution No. 17-19:**

**Jason Hill, 895 Charles Pl. Memphis, TN 38107** - Mr. Hill suggested that the 31-Crosstown have a 20-minute headway from 5am to 7pm on the buses and have more buses running. People need to connect with different buses to get downtown. There also need to be more service on the Route 64 Airport Shuttle. Mr. Hill stated that his wait time at the Hudson Transit Center is about 45mins. to one hour.

**Sammie Hunter, Memphis Bus Riders Union, 3225 Applewood Cove, Memphis, TN** – Mr. Hunter stated that the changes on the 280 Express is good but the times need to be extended. He stated that riders needing to come from one end of town to the other where the jobs are and MATA needs to review this. Mr. Hunter also stated that he appreciates MATA putting the Route 31 Firestone back in the area. He also stated there are a lot of hardworking people in the Riverside area that wants the 31 back in that area.

**Mr. Edgar Taylor, 1081 Court Ave., Memphis, TN 38104** – Mr. Taylor asked if the drivers are supposed to assure that every piece of equipment on the bus is operational before it leaves the barn. He stated that he has been left out in the elements because the ramp did not work on some buses. Within the past two weeks a passenger had to get out of their seat and let the ramp up on the route 42. He stated on an occasion, the driver has looked him in the face and passed him up. Sometimes the operators have an attitude problem. Mr.

Taylor stated that drivers allow riders to stand across the yellow line at the front of the bus and carry on a full conversation with them, as if the line is there for decoration. There were no other speakers on this resolution and **Resolution No. 17-19 was unanimously approved.**

### **C. PROCUREMENT**

**1. Resolution to Award Additional Services to Jim's Tank Service, LLC  
for Used Oil Management - Res. No. 17-20**

**Discussion:** Mr. Gary Rosenfeld, Interim CEO presented this resolution to the MATA Board. In years past the scope was not clearly defined in the service contract that we had with this agent. They have come under new management and now every item that we asked them to do is now being billed. This resolution is a request to increase the contract amount to cover these additional services and the increase in the additional services are \$71,781.00 over the three-year contract amount and increase the contract amount from \$164,000 to \$236,558.29. Because of the substantial increase, Mr. Rosenfeld asked staff to look at the opportunities in the future of reevaluating the scope of the entire contract potentially bidding the contract out again early as compared to just accepting and living with it for the next three years. *Mr. Lipinski moved that the resolution be put on the floor for discussion. Mr. Pacello seconded the motion.* **QUESTIONS:** Mr. Gibson asked if this increase will cover our needs or will we possibly be revisiting for another invoice request. Mr. Rosenfeld stated that staff feels that we have a handle on it now, but need to cover a new scope in these areas and move in that direction. **Resolution No. 17-20 was unanimously approved.**

**2. Resolution to Extend Lease of Vehicles from Creative Bus Sales for  
MATApplus Service - Res. No. 17-21**

**Discussion:** Mr. Gary Rosenfeld, Interim CEO presented this resolution to the MATA Board. MATA have been leasing buses from Creative Bus Sales for the last year to supplement our MATApplus fleet due to some maintenance issues. We started with 15 vehicles and are down to six of which we will probably remain for the next month or so. Our goal is to move into smaller vehicles to enable us to be more effective. *Mr. Pacello moved that the resolution be moved to the floor for discussion. Ms. Taylor seconded the motion.* **QUESTIONS:** Mr. Lipinski asked if this is the items that we looked for competitive bids on. Mr. Rosenfeld stated it is and we did and have been extending the contract for over a year now. With the procurement of the new vehicles we will be competitive. **Resolution No. 17-21 was unanimously approved.**

**3. Resolution to Award a Contract for the Repair and Replacement of  
Canopy at American Way Transit Center - Res. No. 17-22**

**Discussion:** Mr. Rosenfeld, Interim CEO stated that we would like to pull this item from the agenda as we only received one bid and it was deemed as non-responsive. Due to the safety aspects of the demolition of the canopy that was damaged in the storm, we would like to go back out for bid and clearly define more of the scope, and possibly bring this back at our next Board Meeting. No approval was required from the Board. **Resolution No. 17-22 was tabled.**

**4. Resolution to Award a Contract for the Purchase of Printing Encoding  
Machines - Res. No. 17-23**

**Discussion:** Mr. Rosenfeld, Interim CEO presented this resolution to the Board. This is for the purchase of four Encoding Machines, which are the machines that allow us to sell bus passes at the transit centers. There will be a machine placed all three transfer centers and one spare. We recognize the need to move away from proprietary GFI equipment so that we can adequately serve the public when it comes to purchasing bus passes. Staff recommends that a contract be awarded



to Genfare/SPX Corporation for the purchase of four Encoding Machines. Resolution No. 17-23 was unanimously approved.

## INTERIM CEO'S REPORT

Mr. Gary Rosenfeld

The MATA team visited Gomaco at the beginning of the month to inspect Trolley #799. Photos were shown of the visit. We expect trolley 799 to be back in Memphis within 12 to 14 weeks, but should not affect our opening date at this point. It is the low-voltage car and it continues to have the breaking issues and Gomaco will be responsible for developing what they need to get it running properly. The team inspected over 140 items and found about 31 minor efficiencies.

MATA was a part of a full-scale Emergency drill that was held down town with the script between a trolley vehicle and a car head-on collision. The team did an excellent job and we received nothing but positive comments from our partner agencies on this drill.

National Dump the Pump Day – MATA experienced 23% increase in ridership on June 15, 2017, which tells us it is plenty of interest in Memphis for public transportation. Usually it is about an 8% or 9% growth on a free day. Mr. Rosenfeld stated that the 23% was over the average daily average weekday. Ms. Bland asked what is that in terms of raw numbers, and if there were specific areas that caused more of an increase. Mr. Lancaster stated around 26,000 and on either one of those other two was 21,000 making it around 5,000 to 6,000 more people. Staff does not have specific details on the areas that produced the most ridership. Ms. Bland stated that she would be curious to see if there were more routes that were more popular for certain riders. Mr. Rosenfeld stated that staff will do more homework on providing that information. Mr. Rosenfeld complimented the team on the communications that went out as well as our operators did a great job.

Some MATA staff participated in the AARP Meal TAC Challenge held at the Fed Ex Forum. MATA's team won in the category of most number of packed meals in a 10-minute period. Attendees were: Interim CEO Gary Rosenfeld, Interim CEO; Alice Rosenfeld, Nicole Lacey, CCO; Kenya Banks, Finance; and Marvin Ward, Dispatcher.

Nicole Lacey, MATA's CCO was honored by the Tri-State Defender as one of the Women of Excellence. We are proud of this accomplishment and proud of the recognition that she has brought to the organization. Additional accolades are we had nine fixed route operators, 14 MATApplus operators, and three Trolley operators to receive 90% on-time performance for the month of May.

Mr. Rosenfeld discussed the Monthly Performance Measures for May 2017. Monthly total ridership was 594,837; on-time performance for fixed route was 72% and MATApplus was 88%; Passenger Complaints per 100,000 boardings were 29.08, which translate to about 175 complaints for the month of May. The 37.03 for May 2016 translates to 222 complaints per month. Some of the main complaints are: 1) rude operators, 2) various MATApplus issues; and 3) lateness of buses. Miles between road calls is about 95% of what it was the previous year at 6,000+ and we are shooting for 7,000 as a target. Preventable accidents per 100,000 is at 0.5. MATApplus went a month without accidents and thanks goes out to that team. Mr. Gibson asked if we could get goals for performance measures going forward. Mr. Rosenfeld stated that we could, but we also have to set goals for the scorecard that we are going to be presented on a quarterly basis, so he feels we can combine the two.

Mr. Rosenfeld gave a report on his upcoming July Calendar Events. This ended the CEO's Report.

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FY 2017 Financial Summary  
May 2017  
Gil Noble, CFO

Mr. Noble began his report by mentioning the Finance Committee Meeting that was held on June 16<sup>th</sup> and thanked Roquita Williams and Kristen Bland for their attendance. For the first 11 months of the financial report it is showing we were behind Revenues budget by \$11.7MM due primarily to later timing of federal grant revenue, except for the Bridge Funding from the City, MATA's cash would have been depleted. There is a chart on report's page 1 that shows the year-to-year timing for receiving each year's initial federal funding. Another page 1 chart summarizes MATA's yearend net Balance Sheet position for years FY02-FY16. Starting with 2008 that net position has been growing more-and-more negative directly due to negative annual results each year, and has reached \$(24.3) million by FY16 yearend. Mandatory booking of OPEB expenses created the annual deficits, and the resulting OPEB liability continues to increase every year.

Inserted in the Financial Report, page 1-a, is a letter to the MATA Board of Commissioners from the Tennessee Department of Audit. Since we are in such a deficit position, Dept. of Audit wants to ensure that the Board is aware, and should monitor the situation and take appropriate actions to prevent continuing losses and to maintain sound financial condition. This is the 3<sup>rd</sup> consecutive year that MATA has received this letter. This ended the Finance Report. Questions: *Mr. Gibson asked how are these things going to affect the FY18 budget.* Mr. Noble stated we are not at a good place right now. We have flat government grant funding, our passenger fares are declining along with ridership, we've had an increase in our required Pension contributions. So, we are not presently able to present the Board with an FY18 Budget that is financially viable. There are various factors in play that are going to affect our bottom line. Mr. Rosenfeld stated that until we nail down the level of federal funding, it makes it very difficult. There is still some discussion at the state level and with respect to the full impact of the Improve Act, there could be some potential good news. But until MATA sees it in writing or receive a funding commitment, we will take a very conservative approach. Another variable is the outcome of labor contract negotiations, which remains positive at this point. Mr. Rosenfeld stated that this is not a comfortable position to be in as we would like to have a budget before the Board as we approach July 1<sup>st</sup> but will continue to closely manage spending as we put the last few touches on our budget.

**SPEAKERS:**

- 1) John Haas, Consulting Firm, 6658 Bent Birch Cv., Memphis, TN 38115

Mr. Haas stated that one of the major projects he has been working on is Tenn Traxx, which is a Passenger Rail Regional System. Hopefully we will be able to exchange a



lot of traffic with rail and Amtrak. They are considering a combination train station and bus stop. At present funding is very foggy, and at this point they don't really know how the funding will be provided. *Mr. Gibson asked if these services would operate at conventional speed.* Mr. Haas stated that conventional speed would be 80 to 110. They are not going to build a 240 mile an hour train because tickets would be prohibited and the outcome would be spending more money than we are getting back.

**2) Thomas Davidson, ATU Local 713, 439 Simpson Ave., Memphis, TN 38106**

Mr. Davidson would like to know what are the expectations for fixed route, MATAplus and transit as it related to on-time performance since it is already 85% done. In other words, what are the percentage for goals that are being asked for each division. Mr. Rosenfeld stated that is yet to be set. Mr. Davis asked that someone gets back with him when those goals are set.

**3) Suzanne Carlson, Innovate Memphis, 516 Tennessee St., #223**

Ms. Carlson gave a brief update as Innovate Memphis is working with John Zeanah and Memphis 3.0 on a transit vision. We issued a request for information to get some firms to bid to do transit planning efforts and particularly to have a heavy clean engagement process so that when we come up with what our expansion plan is, what the \$39MM investment that we all are looking to have and what it will look like on the ground. As we get closer to the end of the process we look to have someone on board quickly with an aggressive timeline to get the process done.

**OLD/NEW BUSINESS:**

There was no Old/New Business. The meeting was adjourned.

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Andre Gibson, Vice Chairman

MEMPHIS AREA TRANSIT AUTHORITY  
BOARD OF COMMISSIONERS

RESOLUTION 17-24

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, 2017 at 11:59 p.m.; and

WHEREAS, MATA's insurance broker, Arthur J. Gallagher & Company solicited requests for coverage for the period August 1, 2017 to July 31, 2018; and

WHEREAS, The carriers listed on the attached schedule quoted the best premiums for the coverage that best meets MATA's needs; and

WHEREAS, The total cost for the insurance coverages will be \$676,768 (plus additional third-party administration fees of \$595 for bodily injury and \$395 for physical damage for auto liability and general liability claims above a set number); and

WHEREAS, Staff considers these premiums and fees to be fair and 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, 2017 to July 31, 2018 for a total cost of \$676,768.00 (plus additional third-party administration fees of \$595 for bodily injury and \$395 for physical damage for auto liability and general liability claims above a set number).

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 contract documents.

\* \* \* \* \*

Res. No. 17-24

Motion Made By: Andre Gibson: Seconded By: Martin Lipinski

YEA: Sean Healy; Andre Gibson; Kristen Bland; Martin Lipinski; Tommy Pacello;

NAY: None

Approved: July 31, 2017

Absent at Time: John Vergos; Shelia Williams; Sean Healy; Lauren Taylor

Memphis Area Transit Authority  
 Liability Insurance Program  
 Insurance Coverages for the Period of:  
 August 1, 2017 Through July 31, 2018

<u>Coverage</u>	<u>Company/Carrier</u>	<u>Annual Premium</u>
Property	Travelers Indemnification Company	\$ 119,550
Defined Perils	Axis Surplus Insurance Company	\$ 131,402
Physical Damage	Scottsdale Insurance Company	\$ 22,760
Excess General Liability	The Insurance Company of PA/American International Group	\$ 151,250
Cyber Liability	BCS Insurance Company	\$ 8,049
Terrorism Liability	Underwriters at Lloyd's of London	\$ 20,000
Business Travel Accident/Medical	Federal Insurance Company	\$ 1,729
Crime and Fiduciary	Federal Insurance Company	\$ 8,729
Directors & Officers and Employment Practices Liability	National Union Fire of PA/American International Group	\$ 18,441
Excess Workers' Compensation	Safety National Casualty/Safety National Group	\$ 95,858
Subtotal - Insurance Premiums		\$ 577,768
Third Party Administrator Fee For Workers Compensation Claims	PMA Companies	\$ 27,500
Third Party Administrator Fee For Auto/General Liability*	PMA Companies	\$ 11,500
Broker Fee	Arthur J. Gallagher & Company	\$ 60,000
Grand Total		\$ 676,768

\*plus additional third-party administration fees of \$595 for bodily injury and \$395 for physical damage for auto liability and general liability claims above a set number



**TO:** MATA Board of Commissioners  
**FROM:** Gary Rosenfeld, Interim Chief Executive Officer  
**SUBJECT:** Insurance Coverage for August 1, 2017 – July 31, 2018  
**DATE:** July 31, 2017

**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 has a contract with Arthur J. Gallagher & Company (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.**

**Compared to the expiring policies, there is a decrease in the total premium. Premiums are lower for six policies, the same for two policies, and higher for two 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 MATA's 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 and Auto & General Liability claims. AJG is recommending continuing with PMA Companies.**

**AJG is recommending the carriers and premiums shown on the accompanying resolution for the year beginning on August 1, 2017.**

**The comparisons of premiums for the new year as compared to the expiring year are shown below:**

Memphis Area Transit Authority  
 Liability Insurance by Coverage Type  
 Cost Comparison FY 2017 v. FY 2018

<u>Coverage</u>	Premium 2017	Premium 2018	Variance
Property	\$94,000	\$119,550	27.18%
Auto Physical Damage – Service Fleet	\$26,565	\$22,760	-14.32%
Defined Peril – Revenue Vehicle Fleet	\$139,861	\$131,402	-6.05%
Excess General Liability	\$155,000	\$151,250	-2.42%
Terrorism Liability	\$23,000	\$20,000	-13.04%
Executive Liability (D & O)	\$18,441	\$18,441	0.00%
Crime & Fiduciary	\$8,690	\$8,729	0.45%
Felonious Assault	\$1,729	\$1,729	0.00%
Cyber Liability	\$8,058	\$8,049	-0.11%
Excess Workers' Compensation	\$119,998	\$95,858	-20.12%
<b>SUBTOTAL INSURANCE PREMIUMS:</b>	<b>\$595,342</b>	<b>\$577,768</b>	<b>-2.95%</b>
Third Party Admin. – Workers' Comp.	\$27,500	\$27,500	0.00%
Third Party Admin. – Auto/GL Claims*	\$26,760	\$11,500	-57.03%
Broker Fee	\$58,500	\$60,000	2.56%
<b>SUBTOTAL THIRD PARTY FEES:</b>	<b>\$112,760</b>	<b>\$99,000</b>	<b>-12.20%</b>
<b>GRAND TOTAL:</b>	<b>\$708,102</b>	<b>\$676,768</b>	<b>-4.43%</b>

\*plus additional third-party administration fees of \$595 for bodily injury and \$395 for physical damage for auto liability and general liability claims above a set number



MEMPHIS AREA TRANSIT AUTHORITY  
BOARD OF COMMISSIONERS

RESOLUTION NO. 17-25

MINUTES OF 7/31/17 ITEM VB

RESOLUTION TO APPROVE DISPOSAL OF SURPLUS VEHICLES

WHEREAS, In accordance with the Federal Transit Administration's 20% spare ratio policy, grantees' active fixed-route bus fleets cannot exceed 20% of the number of buses used in the peak period; and

WHEREAS, The peak period requirement for the Memphis Area Transit Authority (MATA) will be 101 fixed-route buses effective August 6, 2017 which will allow MATA to have 121 buses in the active fixed-route fleet; and

WHEREAS, MATA received 15 new Gillig buses in April, 2017 and placed them in revenue service in May, 2017 which will require MATA to remove 15 buses that have met their useful service life from the active fleet; and

WHEREAS, MATA has one 2000 40' Novabus and 14 2002 40' Novabus buses that have met their useful service life as shown on Exhibit A; and

WHEREAS, It is in the best interest of MATA to dispose of said vehicles which have met their useful service life in accordance with the disposal procedures in MATA's Procurement Manual; and

WHEREAS, If MATA is unsuccessful in disposing of said vehicles in the manner stated above, then they may be donated to a public non-profit organization or disposed of accordingly.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS AREA TRANSIT AUTHORITY BOARD OF COMMISSIONERS That the Purchasing Department 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 method of disposing of the vehicles is unsuccessful, they may be donated to a public non-profit organization or disposed of accordingly.

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Res. No. 17-24

Motion Made By: Martin Lipinski: Seconded By: Andre Gibson

YEA: Sean Healy; Andre Gibson; Kristen Bland; Martin Lipinski; Tommy Pacello;

NAY: None

Approved: July 31, 2017

Absent at Time: John Vergos; Shelia Williams; Sean Healy; Lauren Taylor

**Memphis Area Transit Authority**

**Exhibit A**

**Vehicles to be Disposed**

Bus #	Year	Size	Type	Mileage
888	2000	40'	NovaBus	770,253
889	2002	40'	NovaBus	693,199
890	2002	40'	NovaBus	656,645
894	2002	40'	NovaBus	727,760
898	2002	40'	NovaBus	731,823
903	2002	40'	NovaBus	657,013
905	2002	40'	NovaBus	728,270
908	2002	40'	NovaBus	740,751
911	2002	40'	NovaBus	753,421
913	2002	40'	NovaBus	678,446
915	2002	40'	NovaBus	629,909
922	2002	40'	NovaBus	585,889
924	2002	40'	NovaBus	623,274
925	2002	40'	NovaBus	734,597
926	2002	40'	NovaBus	711,115
15				

MEMPHIS AREA TRANSIT AUTHORITY  
BOARD OF COMMISSIONERS

RESOLUTION 17-26

RESOLUTION TO APPROVE A CONTRACT MODIFICATION TO SNC-LAVALIN,  
RAIL & TRANSIT, INC.

WHEREAS, MATA awarded a Contract to SNC-Lavalin Rail & Transit Inc. for \$755,543.00 to provide MATA with the necessary rail safety support services in order to restart the trolley system; and

WHEREAS, MATA has identified additional work that was not included in the original scope of work; and

WHEREAS, SNC-Lavalin has provided a detailed cost estimate and breakdown of work completed and anticipated; and

WHEREAS, MATA Staff has evaluated the cost estimate and agreed with the amount of in-scope and out-of-scope work as of June 30, 2017; and

WHEREAS, MATA Staff recommends approval of a Contract Change Order with SNC-Lavalin Rail & Transit Inc. for an additional cost of \$257,906.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS AREA TRANSIT AUTHORITY BOARD OF COMMISSIONERS, That a change order totaling \$257,906 to SNC-Lavalin's contract amount be approved increasing the contract to \$1,013,449.

BE IT FURTHER RESOLVED That the Contracting Officer is authorized to execute the change order.

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Res. No. 17-24

Motion Made By: Kristen Bland: Seconded By: Tommy Pacello

YEA: Sean Healy; Andre Gibson; Kristen Bland; Martin Lipinski; Tommy Pacello;

NAY: None

Approved: July 31, 2017

Absent at Time: John Vergos; Shelia Williams; Sean Healy; Lauren Taylor



## MEMO

**TO:** MATA Board of Commissioners

**FROM:** Gary Rosenfeld, Interim Chief Executive Officer

**SUBJECT:** SNC-Lavalin Change Order #1

**DATE:** July 31, 2017

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The MATA Board of Commissioners previously approved a Contract to SNC-Lavalin Rail & Transit, Inc. by Resolution 16-15 on June 28, 2016 at a not to exceed cost \$764,479.04. Subsequent final negotiations by MATA Staff lowered the cost to an agreed upon contract amount of \$755,543.00. The approved work included seven tasks related to rail safety support services required to restart MATA's trolley system. Shortly after SNC-Lavalin began work, additional out-of-scope tasks were identified, many which included the existing condition of the system and repairs to infrastructure required to bring the system back into compliance and up to a standard for rail operations to resume. Much of the out-of-scope work can be attributed to the lack of qualified staff and expertise being available to conduct and oversee the work. These issues are in the process of being alleviated as new staff with the proper qualifications are hired.

As of June 30, 2017, the amount of in-scope work completed and agreed upon totaled \$758,169 and the amount of out-of-scope work that had been agreed to by MATA Staff is \$255,280. Therefore, MATA Staff is seeking approval of a change order for \$257,906 and increasing SNC-Lavalin's Contract to a value of \$1,013,449.00 from the MATA Board of Commissioners.

An additional proposal of work has been submitted by SNC-Lavalin on the remaining work required to re-start trolley operations on the Main Street line and other work for re-certification of the system as required by the Federal Transit Administration (FTA) and the Tennessee Department of Transportation (TDOT). This proposal is being evaluated by MATA staff and will result in another contract modification that will be presented to the MATA Board of Commissioners for approval at the appropriate time.