

MINUTES OF BOARD MEETING
MEMPHIS AREA TRANSIT AUTHORITY
June 23, 2014

CALL TO ORDER: A regular meeting of the MATA Board of Commissioners was called to order at 3:30 p.m. on Monday June 23, 2014 in the MATA Board Room at 1370 Levee Road by Chairman Sean Healy.

BOARD ROLL CALL:

Present: Chairman, Sean Healy
Commissioners: Charles Pickard; Andre Gibson; Shelia Williams; Roquita Coleman; Martin Lipinski

Absent: John Vergos; Lauren Taylor; Kristen Bland

Quorum: Yes

Staff: Lawson Albritton; Darryl Covington; Judy Ellis; Linda Eskridge; Lavelle Fitch; Don Forsee; Tom Fox; LaBarbara Houston; Wendell Hussey; John Lancaster; Willie Lewis; Glen Lockhart; Shelia Maclin; Maury Miles; Gilbert Noble; Glenda Wade; Tommy Wallace

Guests: **MCIL/STAC Attendees:** Josue Rodriguez;
Memphis Bus Riders Union: Bennett Foster; Ray McClanahan; Betty Robinson; James Robinson
Mid-South Peace and Justice/HOPE: Jim V. Brown, III; Paul Garner; Brad Watkins
Others: Kwasi Agyakwa, Memphis MPO; Betty Anderson, Travel Trainer; Bill Appling; Thomas Bolling, Ambassador Worldwide Protection; Don Carter, CDA/Maxsent; Lyndia Crawford, City of Memphis Law Division; Maria Fuhrmann, City of Memphis; Kim Heathcott, Clarion; Russell Jones; Johnnie Mosley, Citizens for Better Services; Nicholas Oyler, Memphis MPO; Tony Rice, AWP; Russell Scholl, CDA/Maxsent; Henry Wilson, MATA Retiree

Chairman Healy took the opportunity to introduce two new Board Members that were not present at the last Board Meeting: Ms. Roquita Coleman, and Mr. Martin Lipinski. He welcomed them to the MATA Board and stated the he looked forward to their service to the Board.

APPROVAL OF MINUTES: Mr. Pickard moved for approval of the June 2, 2014 Board Minutes. Mr. Gibson seconded the motion and the minutes were unanimously approved.

ACTION ITEMS:

A. FINANCE COMMITTEE

1. Resolution to Award a Contract to Panther Petroleum for Synthetic Transmission Fluid - Res. No. 14-30

Discussion: Mr. Glen Lockhart, Maintenance Director and Ms. Shelia Maclin, Manager of Purchasing presented this resolution to the MATA Board. Mr. Lockhart stated all of the buses use synthetic transmission fluid. He checked the specs of the lower bidder and it is on the approved list for our solicitation. Shelia stated that purchasing solicited bids and the IFB was advertised on the MATA website. There was no DBE goal set. Staff recommends a two-year contract for 16,000 gallons of fluid, which is a savings from what was paid in the past two years. MATA was previously paying \$24.32 per gallon; however, under this contract MATA will pay \$23.49 per gallon. Staff recommends that this contract be awarded to Panther Petroleum. **Mr. Pickard moved that this resolution be moved to the floor for discussion. Dr. Lipinski seconded the motion. Resolution No. 14-30 was unanimously approved.**

2. Resolution to Award a Contract to McPherson Companies for SAE 15W-40 Motor Oil - Res. No. 14-31

Discussion: Mr. Glen Lockhart, Maintenance Director and Ms. Shelia Maclin, Manager of Purchasing presented this resolution to the MATA Board. Glen stated this procurement is for engine oil for MATA buses. Again, specs were checked and it meets the recommendations for Cummings engines. Ms. Maclin reported that no DBE goal was set. Staff recommends a one-year contract based on what we are currently paying for oil, which is \$6.99. The 10W Motor oil does not require Board approval because it is under \$50,000. **Mr. Pickard moved that this resolution be moved to the floor for discussion. Mr. Gibson seconded the motion. Resolution No. 14-31 was unanimously approved.**

Chairman Healy made a deviation on the agenda to allow the security vendors to address the Board, and answer any questions from the Board. Mr. Willie Lewis, Manager of Security, introduced representatives from Ambassador and representatives from CDA/MaxSent. Mr. Bolling with Ambassador Security Service addressed the Board regarding their background, and thanked the Board and MATA staff for the opportunity. Mr. Healy called for any questions or comments. He also stated that this is in response to the public comments from the June 2, 2014 Board Meeting.

Mr. Bennett Foster, MBRU - He stated that he has some concerns about the contracting process for the items that are voted on by the Board. He stated the Board should know and exercise all their options before a vote is taken. He feels that CDA is a good company, as he has inquired about them. He stated that he does have some questions about Ambassador, because of the issues with Protech.

He asked the Board to take under consideration that they have very little background knowledge of these companies, although as it stands there is not very much he can do right now.

Dr. Fox stated that at the last Board Meeting on June 2, 2014, it was stated that the Board wanted to see the draft contracts before they are executed, and the contracts would be emailed to the MATA Board Members. Chooch requested the contracts be sent to the MBRU, and Dr. Fox stated that we would send it to them; however, he wanted to share them with the MATA Board first. The effective date of the new contract is July 1, 2014. Chooch asked if there is anything in the contract in the event we are not satisfied with the service before the contract expires. Dr. Fox stated we have the right to terminate for cause or for convenience. Mr. Gibson asked if there is any penalty for terminating a contract. Dr. Fox stated that we would just pay them for their services through the termination date. There is a 30-day termination notice. It would also depend on whether the termination is for cause or for convenience. Chairman Healy thanked both companies for attending the Board Meeting and stated there is heightened sensitivity around how we provide security to employees, as well as our customers. It is extremely critical that the companies treat people with the level of respect they need to be treated with both from an appearance perspective and actions they take to remediate situations.

B. SERVICE AND DEVELOPMENT

None

**Discussion - MATApplus On-time Performance/Fare
Charles Pickard**

Mr. Pickard passed on this discussion until all Board Members are present. This discussion came about due to complaints from riders of MATApplus regarding lateness of buses beyond the 30-minute time window. He stated that he was not yet ready to make a resolution, but wanted to hear from staff position on pros and cons for as it relates to the free ride proposal. Dr. Fox gave some numbers around the original proposal which was if the ride was more than 60-minutes late the ride would be free. It would be about 2,500 riders per year, which is about 1% of ridership, at \$3.50 per ride, would equate to \$8,800 in loss revenues. Dr. Fox stated the concern he would have is if this takes place with MATApplus, how it would be applied to other modes of transportation. Mr. Pearson stated that he would like to do a comparison with the STAC Committee on how this could be a ripple effect. Chairman Healy suggested that we utilize the STAC Committee, Board Members, and the MATA staff to have the appropriate groups represented for an informed discussion on this matter. Also possibly utilize our attorney to inform us on the ripple effects of how this would affect other modes of transportation should this action be taken. A recommendation should come out of the committee regarding a resolution.

Dr. Lipinski asked for a briefing on the current status and the operation of MATApplus. Mr. Pickard stated this would be a good item for discussion at the Retreat. Mr. Pickard also mentioned updating the new Board Committee assignments. Chairman Healy stated committee assignments should be an item for discussion at the Retreat as well. Chairman Healy also stated that the selection of the vice chairman of the Board does not have to be discussed at the Retreat. This can be voted on at the regular Board Meeting.

FINANCIAL REPORT

May 2014 (11 months of the fiscal year)

Gil Noble

Mr. Noble gave a brief updated on the financial report from information included in the financial summary that each Board Member received. Our operational revenues are within \$100,000 of the budget, about \$48.7MM. Some of the line items are down and some are up; however the net is close to zero. Our expenses for the month were \$161,000 favorable from budget. That reduced the unfavorable year-to-date budget variance down to about \$400,000. The year-to-date expense does include the favorable impact of insurance recoveries we received \$1MM (\$600,000 & \$400,000) for two burned-out trolleys. These two amounts are included in the cash balance and might not have to be repaid to Federal Transit Authority (FTA). If it does not have to be repaid to FTA, that cash would be available to use for other purposes.

MARKETING REPORT

Niketa Reed

MEDIA EVENTS

- Trolley Suspension press conference - On Tuesday, June 10th, MATA held an outdoor press conference under the Central Station pavilion to address the immediate suspension of trolley services and replacement with hybrid buses for an estimated 3-6 months.

MOBILE APPLICATION DEVELOPMENT

- Marketing and the IT departments are finalizing the contract with TransLoc, preparing transit system information, and drafting design notes for TransLoc to review for the discovery phase of the development process for a mobile app.

COMMUNICATION EFFORTS

- Alternative trolley service information - Created and distributed bus shuttle maps and brochures, shuttle stop stickers for signs, updated website and social media.
- Continued work distributing service change information to the ridership.
- Continued work on signage at all three transit centers and accessibility on MATA website.

- Continued work on the hybrid electric bus campaign “GO GREEN, RIDE CLEAN”

Ms. Reed distributed a copy of the Alternative Trolley Service Brochures to the MATA Board.

PERFORMANCE MEASURES REPORT (May)

Dr. Fox reported on May’s performance report. We monitor 20 performance measures each month, and this was a difficult month. We exceeded our performance measure on 6 of the 20. We were within 10% on 3 of the measures; and below our target on 11 measures. We had a bad month in the area of accidents, as we doubled in the target on all modes on both preventable and non-preventable. That was our biggest problem in May. Dr. Fox stated that we made a change to the way we measure on-time performance, those numbers have gone down. We went back to the way we previously measured performance about a year ago, which we feel is more consistent with industry standards. A bus that departs a time point within one minute early to five minutes late on fixed route and trolley, would constitute an on-time trip. On MATAplus the measure is 30 minutes for on-time. With the June sign-up now in place, we are checking on the pilot test of the re-coding of the new time points. Next month we should know for sure if that is our solution to that data problem. Chooch questioned the trolley accident data. The data is based on per 100,000 miles. He requested that we show trolley’s raw numbers of accidents as well as the rate. Dr. Fox stated that we would separate the numbers.

INTERIM GENERAL MANAGER’S REPORT

Dr. Fox forwarded a copy of the general manager’s report to the Board prior to the Board Meeting. He addressed a few highpoints from the report.

Customer Code of Conduct

A first draft of the Customer Code of Conduct was sent out for external review to include, MCIL, MBRU, Betty Anderson, Johnnie Mosely, and STAC Committee. This included a list of things that would be a violation either at the facilities or on buses. Today, June 23, 2014 a second piece was sent out to that same group to include the process that we would use to expel or suspend a person, as well as the appeals process. Dr. Fox stated that staff would like to get the Code of Conduct finalized within a week or two. This is one of the documents that would be included in the security guard’s contract.

Budget

The Memphis City Council did approve the MATA budget, and we received an additional \$2.3MM over last year, an 11% increase. This brings us to the point of having just a \$2MM gap to fill. In speaking with Mr. Noble, staff can bring a complete budget by the August Board Meeting. Dr. Fox stated that if the Board would like to have a finance committee meeting or a series of meetings before then, we are willing to meet as the details are developed. Chairman Healy stated that having a meeting prior to the August Board Meeting would perhaps be the better way. Andre Gibson is chairman of this committee, and will coordinate this with Board and staff.

Trolley Service

We are running Hybrid Electric Buses and are in the process of securing specialized expertise to assist with the re-inspection of the trolleys, as well as updating our maintenance manuals. We have some candidates identified and plan to bring them in on a consultant basis, with the intent to get a certain number of the trolleys recertified as safe and back in service within three to six months.

Game Shuttles

We have had meetings with all the venues and they are all considering their options. Staff is requesting another month to finalize this. Tom feels that some will be willing to pay the advertising cost to keep the services going. We do plan to have this resolved by July 28th Board Meeting.

Update on Complaints

Dr. Fox addressed a question from last month's meeting regarding a breakdown of types of complaints. Dr. Fox distributed a copy of the way complaints are currently being categorized; however staff realizes there is a need to have more categories. The "Miscellaneous" category will be broken down in more detail by next month. Chooch also asked that we break up the categories of cleanliness to buses versus facilities.

Mr. Pearson stated in regards to the trolley we have currently gone through two trolleys assessing the actual needs of the trolleys and re-pricing the cost to do the refurbishing on them. Mr. Pearson anticipates have at least seven trolleys ready in about a six-month period.

Specialized Transportation Advisory Committee Presentation (STAC)

Josue Rodriguez

This presentation was to update the Board on the background and purpose of the STAC Committee, as well as state some concerns from the committee.

Mr. Rodriguez stated it has been around since 1984, and their main purpose is to discuss, advise and make recommendations to MATA staff on transportation services needed to persons with disabilities. Mr. Josue stated his concern is the committee recommendations do not carry any weight as it can be chosen to be accepted or dismissed. He would also like to see more connection with the MATA staff as well as working with the Board. As chairman of the STAC committee, he would like to sit down and reevaluate some of the concerns. He wants to make the committee stronger and work more with MATA to see how we can assist in addressing a lot of the issues of riders/people with disabilities. He discussed some of the things the committee is currently doing, such as appreciation day for MATApplus, fixed route and trolley drivers, and the appeal process for MATApplus applications, but would like to see more collaboration with MATA. He wants to see the committee grow, but in doing outreach, he wants to assure that he has some support from MATA. He wants to go over the present bylaws for improvement and revisions with the MATA staff and the Board.

If some of these changes are not made, there is really no reason for recruitment from the community and different organizations. Mr. Russell Jones, Vice Chairman of the STAC Committee agreed with Mr. Rodriguez's remarks as well. As a former operator of both MATApplus and fixed route, Mr. Jones stated he has a lot of ideas that he feels could work well to alleviate some of the current problems with all modes of transportation. Ms. Anderson, Chairperson for the Memphis Transportation Advisory Committee, stated she feels that this committee works with MATA and feels they have done a good job of getting together and working out issues. It is an opportunity, and within their bylaws one of their goals is to improve the relations with MATA between seniors and people with disabilities and get the information out as much as possible. Josue said it was stated that we would have a MATA representative at every STAC meeting; however, that has not happened. Chooch stated that we did have a MATA representative at the last meeting. Mr. Pearson asked for a schedule of the meetings, and he would assure a representative from the MATA staff is present. He would like for the STAC Committee to be perceived as under the leadership of MATA, other than an outside organization. Ms. Coleman commented and offered her assistance to work with STAC. Chairman Healy stated that he feels the best way to handle these recommendations is to work with the ADA Committee to review all recommendations and bring forth in the form of a resolution. Chairman Healy stated, and speaking for the Board, they certainly appreciate all that the STAC Committee is doing and want to be partners to help improve the committee. Chairman Healy committed that MATA staff, as well as the Board, will use the committee structure to be more effective as a Board.

Bus Advertising Presentation - Gary Crawford

Mr. Crawford, Senior Manager of Transit Advertising, gave a review of how MATA handles its transit advertising. Our goal is to bring in money for the agency so we can provide better service and amenities. Our advertising sales since bus advertising was brought in-house two years ago, is \$900,002. It has averaged 450,000 per year, an 80% increase in the revenue to MATA compared to the previous contracting arrangement.

With regard to bus shelters, MATA contracts with Clear Channel giving them the right to put out shelters with advertising and pay MATA a portion of the revenues. Mr. Crawford stated that all that the shelters put in by Clear Channel or MATA has met ADA regulations.

The price for advertisement on a bus is based on the type of advertising that is requested. Mr. Crawford explained the different types of bus advertisements, as well as the pricing for each type. Some strategies that we are looking at for future advertising are: 1) Audio Advertising (on buses and trolleys)- this feature would advertise specials in the area of the stops; 2) Smaller interior ads at the terminals; this is to give customers more options to know when buses are arriving; and 3) a new website that will embrace social media. We will have Linked In, Twitter and Facebook. This is not an overnight process; however, we do need to start working on it now. MATA has already begun working on an app.

Mr. Crawford also gave an update on the shelters. As of Friday, we have installed 40 new shelters. This includes 12-foot and 8-foot lengths. We have also installed two refurbished shelters. They cost of a refurbished trolley is about \$1,700. We have our new super shelters for the new super stops, and they are 20 foot long. There are two installed, one on each side of Cleveland just north of Poplar. We have one other shelter in storage awaiting installation. Mr. Gibson asked if there were any special advertising rates for non-profits. Mr. Crawford says we do have special rates for anything that falls in that category. Chairman Healy thanked Mr. Crawford for a good report.

SPEAKERS:

Mr. Bill Appling, 296 Angelus, Memphis, TN 38112 - RE: University of Memphis Basketball Shuttle - Mr. Appling read an article from the Commercial Appeal Editorial section written by his parents requesting the continuation of the U of M shuttle. About 30 people (along with his parents) meet at Halle Station to catch the shuttle and a lot of these individuals have disabilities. Most of them have been using the services for 12 to 15 years.

In taking away this service, they feel one of the highlights of their golden years have been taken away. He attended the Board Meeting in support of his parents who are in their 80's and all the other 30+ people that ride this shuttle. He appreciates the opportunity to express this for his parents and other riders as well.

Mr. Ray McClanahan, MBRU - Mr. McClanahan stated the purpose of the public transportation is to provide service for the people. The people of Memphis are suffering because of the poor transportation service in Memphis. In October 2013 he spoke to the Board about no transportation service on Saturday nights for the people that want to go out and enjoy themselves. There are also young people that have jobs that need after hours service. This has been going on for years and years. He stated that he approached Dr. Fox about this and Dr. Fox promised him that we would extend this service, but it would have to wait until June. As of June 1, 2014 there have been no changes in the service. Meanwhile, there is standing room only on the 36 Lamar in the evening. He talked about the Goodlett Farms route that no one ever rides; however it continues to run. He feels this is unnecessary money being spent; meanwhile people are suffering. Mr. McClanahan stated that money is being wasted on the 5 Central as well. Mr. McClanahan urges the MATA Board to make the right choice when it comes to selecting a general manager. Dr. Fox stated that he did not promise Mr. McClanahan that he would extend the Poplar service. He did tell Mr. McClanahan that he would look into it as we are still trying to figure out how to add some late night Saturday trips. Part of the problem is we would have to add more service than the Poplar route. We have not totally dismissed this request, but there were no promises this service would be in place in June.

OLD/NEW BUSINESS

Chairman Healy updated the Board on the general manager's search. KL Executive Search was able to secure 45 potential candidates, and the list has been narrowed down to 5 candidates. The Board have conducted interviews, as well as follow ups with some of the candidates. All of the candidates have other jobs, and for confidentiality, we will not mention their names. Seven of the Board Members participated on the interview panel, and comments from the Board are that all five candidates are very strong and from all parts of the United States. Chairman Healy stated that his commitment to the Board and staff is by the July 28, 2014 Board Meeting we should have a resolution to bring forward on the new general manager. This process came in the middle of a change out of several members of the Board, and we wanted to make sure we had all new Board Members in place before we take the final steps to hiring a general manager.

Hudson Transit Center Concerns

Mr. Pickard stated that he was invited by the bus riders union to visit the Hudson Transit Center as they had several concerns about the condition of the facility, as well as some deferred maintenance issues that need to be addressed. Mr. Pickard stated that he would like to form a committee to work with Mr. Alvin Pearson to go down and visit the terminal in an effort to get some of the issues of the bus riders union resolved. Mr. Pickard showed some photos of the condition of the men's restroom. He also expressed their concern about needing a camera inside the security guard's holding area housed inside the facility. There is no roof on the holding area, so staff could possibly put a camera on the column. Also there are no outlets for people to charge their phones. He feels this is something that can be provided at a low cost. We also need to find other ways to utilize the monitors other than for bus schedules. The outside of the facility is not being maintained. Mr. Pearson stated that he would schedule a time that those interested parties could go down and review the facilities and give their input on maintaining it.

Bike-share Eligible for Transit Funds

Dr. Fox updated the Board on an email he received from Bike/Pedestrian coordinator on the bike-share language in the potential bill that is being circulated around in the U.S. Senate. The coordinator suggested that Mayor Wharton is supportive of the language that would possibly be inserted in the Transportation Reauthorization Bill allowing bike-share programs to be an eligible expenditure on the FTA Formula Grant Program. Dr. Fox asked the Board's feelings on MATA supporting this possible change in federal law to allow transit money to be used for bike-share program. Dr. Fox also explained the definition of the bike-share program, as well as stated that he feels that both capital and operating expenses would be eligible. The language would be inserted in the bill that provides the formula funds for MATA.

Dr. Lipinski stated that there are some projects in the works now that would be very amenable to the bike-share program. Chairman Healy asked if there are any objections to the Board adding our support for the bike-share program. There were no objections.

U of M Basketball Shuttle

Dr. Fox stated that he received an email stating that the University of Memphis is committing to the cost of advertising in the amount of the projected losses for the basketball games. This was welcomed news.

Vice Chairman Nomination

Mr. Andre Gibson nominated himself to serve as vice-chairman of the MATA Board of Commissioners and Chairman Healy seconded the motion. The nomination was unanimously approved by the Board.

Ms. Eskridge stated the next Board Meeting will be July 28, 2014 at 3:30 p.m. at 1370 Levee Road Board Room.

Chairman Healy recognized all staff and guests that were present at the meeting and stated he appreciates everyone that takes the time to attend the MATA Board Meetings. He then called for a motion for adjournment. Mr. Pickard motioned that the Board Meeting be adjourned. Mr. Gibson seconded the motion and the MATA Board Meeting was adjourned.

Mr. Sean Healy
Chairman of the Board