

MINUTES OF BOARD MEETING
MEMPHIS AREA TRANSIT AUTHORITY
June 24, 2013

A regular meeting of the MATA Board of Commissioners was held at 3:30 p.m. on Monday June 24, 2013 at 1370 Levee Road in the MATA Board Room.

BOARD PRESENT: Chairman, Sean Healy; Vice Chairman, Marion McClendon
Commissioners: Karl Birkholz; Charles Pickard; Andre Gibson

STAFF: Lawson Albritton; Frances Boyland; Alison Burton; Darryl Covington; Lavelle Fitch; Don Forsee; Tom Fox; William Hudson; John Lancaster; Glen Lockhart; Shelia Maclin; Maury Miles; Gilbert Noble; Marcus North

OTHERS: Betty Anderson, Travel Trainer; Kenneth Bonds, Citizens; Amy Doss, Memphis MPO; Bill Druss, The Daily News; Maria Fuhrmann, City of Memphis; Lyndia Harris, City of Memphis; Aury Kangelos, TDOT; Johnnie Mosley, Citizens for Better Services; Betty Robinson, MBRU; Henry Wilson, Retiree

Chairman Healy called the meeting to order and called for Board roll call. The Board Secretary, Linda Eskridge called the roll. Five Board Members were present, and two Board Members, M. P. Carter and John Vergos were absent. There was a quorum for the meeting. Chairman Healy called for approval of the May 20, 2013 Board Minutes. Mr. Birkholz made a motion for approval. Mr. McClendon seconded the motion and the May Board minutes were unanimously approved.

BUSINESS & REPORTS

A. FINANCE COMMITTEE

1. Resolution to Award a Contract to A & B Construction Co., Inc. for Installation of Bus Shelters - Res. No. 13-21

Discussion: Dr. Fox presented this resolution to the Board. This is the service that the Board approved MATA to purchase a few months ago. We went out for bid, and received four bids. The lowest responsive and responsible bid was from A & B Construction Company, a certified DBE. Our estimated cost is based on 100 shelters installed over 5 years, pouring a new concrete pad, and installing a shelter and bench, which would probably be on the high side of what we will probably actually do. We are asking the Board to authorize \$160,000, but will do it on a case by case basis. This is the company that installed the shelters at Fed Express on Democrat Road, so we knew of their experience in that area. **Mr. Pickard moved that Resolution No. 13-21 be approved. Mr. McClendon seconded the motion and after discussion, the resolution was unanimously approved.**

2. Resolution to Approve Task Order No. 1 to On-Call Engineering Service Contract No. 12-16 to Smith Seckman Reid, Inc. (SSR) for Provision of Professional Engineering Services for Testing and Analysis of Elastomeric Grout - Res. No. 13-22

Discussion: Dr. Fox presented this resolution to the MATA Board. This is the first task order on the on-call engineering contract that was awarded in March. The service is for testing and specification on the grout material on the Main Street and Riverfront trolley lines as it deteriorate over time. They will test the area that needs replacing. SSR is the prime, and most of the work is being done by Parsons Brinckerhoff. DBE percentage is about 10% on this task order. **Mr. Birkholz moved that Resolution No. 13-22 be approved. Mr. Pickard seconded the motion and the resolution was unanimously approved.**

B. SERVICE AND DEVELOPMENT

1. Resolution Authorizing the Disposal of Surplus/Obsolete Parts and Equipment - Res. No. 13-23

Discussion: Mr. Hudson presented this resolution to the Board. The obsolete parts that are listed in Exhibit A are no longer useful to the authority. Staff is asking Board to approve disposal of these obsolete parts. Mr. Hudson stated MATA also has an inventory of old computers that are no longer useful to MATA and would like to include the obsolete computers as an amendment to Resolution No. 13-23. The computers will be included as Exhibit B. If MATA is unsuccessful in disposing of the obsolete parts or computers, they may be sold as scrap or discarded. Personnel employed by Mid-South Transportation Management, Inc. or First Transit, Inc. are not permitted to bid on any of the items sold by MATA. Mr. Pickard asked that we would make the Vance Avenue Collaborative Group that leased the MATA Bus, what is now the "Green Machine", aware of these parts in the event they can use some of them. Or any of the people that have purchased obsolete buses from MATA. MATA cannot donate the parts, but would have to sell them. Mr. Hudson stated that staff will contact them to assure they know when these parts will go on the market. **Mr. Birkholz moved that Resolution No. 13-23 be approved. Mr. Pickard seconded the motion and after discussion, the resolution was unanimously approved.**

2. Resolution to Approve FY13 Section 5309 Bus and Bus Facilities Capital Projects -Res. No. 13-24

Discussion: Mr. Hudson presented this resolution to the Board. The total amount of funds is \$2,712,662 including 20% non-federal matching funds that would be provided by the City of Memphis. The project that the funds will be used for is Main Street that has a transit connection. The Board is asked to give MATA the approval to receive this grant or to submit a grant application. Afterwards, MATA will maintain it and do the work to the satisfaction of the Federal Transit Administration. **Mr. Pickard moved that Resolution No. 13-24 be approved. Mr. McClendon seconded the motion and after discussion, the resolution was unanimously approved.**

3. Resolution Extending the Term of the Appointment of William Hudson, Jr. and President/General Manager -Res. No. 13-25

Discussion: Mr. Healy presented this resolution to the MATA Board. This resolution is to extend Mr. Hudson's appointment for an additional six months, as his present contract is due to expire the end of June, 2013. Considering all that is going on, Mr. Healy feels this is the right approach. There will be no increase in salary, or no other real changes. **Mr. McClendon moved that Resolution No. 13-25 be approved. Mr. Birkholz seconded the motion and after discussion, the resolution was unanimously approved.**

FINANCIAL REPORT

Mr. Gil Noble

11 months of the fiscal year

Mr. Noble reported that expenses are running below budget by about \$1.1MM for the 11 months. They were about \$1.2MM the previous month, so MATA is slightly over budget for the month. The primary factor is that the pension contributions have been significantly lower than when budgeted due to the legislative relief. Our healthcare costs are about \$600,000 over budget, which is about 20% over budget and over the preceding year; primarily on employees as opposed to retirees.

Mr. Noble reported that Revenues are about right on budget, they are slightly ahead because of some early drawdown of grant revenues. The picture has not changed hardly over the past few months.

In addition to the revenue, we have received, during the course of the year, another \$11.5MM in Capital grants, for Capital Expenditures. Primarily on the buses that were purchased during the year, and other capital improvements that were done on the trolley lines, and other MATA properties.

There has been no change since last month on the magnitude of the deficit that we face for FY2014. We are still finalizing cost reductions that we need to make of \$5.4MM in order to have a budget that we can cash flow. A lot is still tied up in waiting for the final City of Memphis conclusion on MATA's grant. We still believe we will be cut by \$2.3 to \$2.5MM dollars, which are all of the preventive maintenance funds that were in the Capital Budget. In addition to that we have reduced federal and state funds that were budgeted for FY2014. Hopefully this week the city resolves the budget, and MATA will be able to finalize its budget for FY2014.

Mr. Pickard asked that when the draft of the budget is sent to the Board, that it be sent to the MBRU as well. He appreciates their input, and would like to have them review it before the meeting. Mr. Hudson stated that he would make it available to the MBRU.

MARKETING REPORT

Alison Burton

JUNE MARKETING REPORT - 2013

Ozone Alert Days – Ozone Days kicked off in May. Our first Ozone days were May 25, and June 15. Both days were Saturdays, and ridership was exceptional. We receive phone calls daily with customers calling to confirm when there will be another Ozone Day. The days are forecasted one day in advance by Michael Goldstein, Air Pollution Meteorologist, of the Shelby County Health Department. This is the 5th year of reduced fares on Ozone Days, and they continue to be very popular with customers.

Trolley Ridership Growth- According to the ridership information provided by the trolley division, trolley ridership set an all-time record for the month of May with 184,365 unlinked trips, surpassing last year's record of 182,956. Through May of FY 2013 we have had 1,313,634 unlinked trips, which is only short of last year's record of 1,382,951 by 69,317. Based on last year's June ridership we should surpass the old record by about 60,000 trips and end with a total FY2013 record ridership of about 1,430,000. Based on this assumption for June ridership, we should experience trolley ridership growth of about 3 to 5% for FY2013.

Trolley Unplugged – This has been amazing the first full month of operation. We are excited that funding has been restored to the Memphis Music Commission who recruits all of the performers for Trolley Unplugged. We receive emails and phone calls about the series and look forward to expanding it to Monday – Saturday, currently artists ride on Tuesday and Saturday evenings.

Books on Buses - will launch in the latter part of July. Ms. Burton took this opportunity to recognize and introduce MATA's three summer interns working through the City of Memphis Internship program.

U-Pass Launch - We are currently having talks with Southwest Community College and LeMoyne-Owen College. Ms. Burton asked the Board if they have contacts with either of these institutions, please let her or Tom know. Marketing have sent out many letters as we are trying to get this initiated in Memphis. They are waiting to hear back from Christian Brothers and the University of Memphis. Ms. Burton stated that she would welcome any help from the Board that might have some contacts with any of these institutions. Mr. Healy asked for copies of the letter that was sent, as well as Maria Fuhrmann, with the City also volunteered her help as well. Mr. Hudson asked that some of these things that we are trying to move forward on be made available to the Memphis City Council as well as the mayor.

Short Range Transit Plan Milestones:

The final draft of the Short Range Transit Plan for MATA was published in June 2012. Designed around a five-year implementation schedule, each June presents a chance to focus on our accomplishments:

- Media Outreach (release and pitch) on year one SRTP accomplishments along with upcoming service changes.

Mr. Healy asked if we have a progress report on completion of recommendations. Ms. Burton stated that this is something that she is working on putting together as a News Release. This will help get the word out to the public on some of the great things that MATA is doing.

O MATA Loves Madison: (new Project)

Revisit and design a campaign specifically around engaging with all businesses and schools along the Madison Trolley Route. This is a month long celebration of Madison.

- Special promotions with Madison Merchants
- Madison Map
- Madison stop art and local signage (reminds of original art event to launch)
- Charity event tied to blood drive, perhaps tied to UT vs. Memphis students
- Visible School music event

Ms. Burton also reported that our North-End Terminal customer service continues to do well in collecting revenue from the passes. MATA experienced another over 10% increase at the NET, which is our main location. She invited the Board to come down and visit MATA's call center at any time.

Chooch stated that he ran into the gentleman that runs the Train and Trolley Museum and thought it would be nice to have a presentation from them. He stated that he had some really great and interesting ideas about the trolley and how to promote it. Ms. Burton stated that she would give them her marketing time for this presentation.

GENERAL MANAGER'S REPORT

William Hudson

Mr. Hudson stated that the city administration hosted the Tennessee Municipal League Conference this past weekend and it turned out very nice. There were a lot of accolades for the conference as well as for MATA who provided the shuttle buses for this conference. Mr. Hudson commended Lawson Albritton and his staff, who stayed down to make sure that everything went well during the conference.

Performance Measures:

Mr. Hudson reported that despite all of the reduction in services for fixed route, MATAplus, and trolley, last fiscal year MATA had about 9.1MM riders, this year we had 9.5MM riders, which means that people are still trying to ride the bus. That represents a 3.9% increase in ridership to the fiscal year with one more month to go. We expect to beat the last fiscal year. Mr. Hudson stated that he is very pleased with the numbers, and is working to show the public that MATA is not as bad as some may think. We are doing some things to try to take care of the core riders that depend on the system. Mr. Hudson they looked very carefully at the core routes, and even though we will have to reduce, it will be looked at in a responsible way and cut first those services that are not productive. Once we find out the final analysis from the Memphis City Council we will know what direction we need to go in.

Mr. Hudson also stated that another thing they are working on is BRT, and will be forthcoming with information about this in the very near future. At present, we are not ready because there is not enough information available to report. Mr. Hudson stated the two corridors that staff chose is the Poplar and Elvis Presley Corridors that would bring in dividends. We are looking to make every improvement that we can with public transit.

Chooch asked about the University of the Memphis and the route that is going to affect them. He stated, in reference to the U-pass, that is a lot of potential choice riders, as well as future choice riders that needs to be considered.

Short Range Transit Plan - We are implementing the plan. Some small changes were made to it and we hope to go back and review all of the changes according to the plan. This would show what direction we are headed and how much progress we actually made. Mr. Hudson stated that we will be back to the Board on this in the very near future.

Operations Issues – There are a few items from the operations standpoint that we are working on: Cell phone usage, Use of seatbelts, texting while driving, and on-time performance. We are very much aware of where MATA needs to go as far as safety.

The Amalgamated Transit Union is hosted a conference here in the city, and Mr. Hudson wanted the Board to know that they have requested some passes, which the Board has already given him the authority to approve some passes, this was just FYI to the MATA Board.

Chairman Healy stated that he feels we have a relatively good story to tell in comparison to the funding cuts, versus route cuts, versus ridership. We all need talking points around these items. It is important to get the untold story out, and talking points to the MATA Board would be a good way to help get the story out.

SPEAKERS: No speakers

OLD/NEW BUSINESS

Chairman Healy, in the absence of Ms. Carter, recognized the visitors that were present by name, and thanked them for their attendance.

Next Board Meeting on July 22, 2013, there will be three Board Members attending the Transit Board Seminar. If all other members are present, we will still have a quorum. If anything changes, we will notify the public via notice and website.

Mr. McClendon moved that the meeting be adjourned, and Mr. Birkholz seconded the motion. The meeting was adjourned.

Sean Healy
Chairman of the MATA Board

NOTE: A taped recording of the MATA Board of Commissioners Meetings is always available in the event of clarity on a particular item.