

CATS

CAPITAL AREA TRANSIT SYSTEM

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**MEETING OF THE
BOARD OF COMMISSIONERS OF
CAPITAL AREA TRANSIT SYSTEM
AND
PUBLIC TRANSPORTATION COMMISSION
DECEMBER 19, 2017**

4:30 p.m.

**BREC Administration Building
6201 Florida Boulevard
Baton Rouge, LA 70806**

MINUTES

I. CALL TO ORDER: Mr. Jim Brandt

Mr. Brandt called the meeting to order.

II. ROLL CALL

All members were present, namely Messrs. Bellue, Brandt, Breaux, Cohran, O’Gorman and Thomas and Mss. Green, Perkins, and Pierre. Also present were Mr. Bill Deville, CEO; Mr. Rod Goldman, COO; Mr. Darrell Brown, CAO; other CATS staff; Creighton Abadie of Lindsay Abadie, A.P.L.C., CATS attorney; and members of the public.

III. INVOCATION

Ms. Perkins gave the invocation.

IV. APPROVAL OF MINUTES OF NOVEMBER 14, 2017 MEETING

Ms. Perkins moved to approve the minutes of the November 14, 2017, meeting and Mr. Thomas seconded the motion. Mr. Brandt invited public comment and there was none. The motion passed unanimously with no abstentions.

V. PRESIDENT’S ANNOUNCEMENTS

Mr. Brandt reviewed the public comment policy.

Mr. Brandt took a moment to extend holiday greetings to the CATS board members, staff, contractors, and most especially the CATS customers.

Mr. Brandt shared this appreciation and admiration for the CATS operators and staff that worked the snow day on December 8th and noted that all routes had bus service—with no accidents— thanks to their dedication and efforts.

VI. ADMINISTRATIVE MATTERS

1. Executive and Financial Report: Mr. Bill Deville and Executive Staff

Before the executive report was reviewed, Mr. Deville wished everyone a Merry Christmas and a Happy New Year.

Ms. Bowie shared that the following hires were made in November: Maintenance – 2 Utility Technicians.

The following employees celebrated service anniversaries in the fourth quarter: one year – Agnes Brown, I'Vian Bernadette Robinson, Renee Tiner, Demichael Robertson, Darrell Brown, Brandi Renee Parker, Mary Smith, Brandi Wiggins, Candice Tucker; five years – Hunter Causey, Erica Charles, Roland Thomas, Jere Quinn, Jr.; ten years – Edward Grayson, Emily Efferson, Lori Cage; 28 years – Margo Kimble; and 33 years – Linda Square.

Mr. Goldman shared that, in Operations, there are currently 139 Operators on the roster and 135 are active. The Operators of the Month for November were Cotina Waker and Bonnie Johnson.

Mr. Goldman reported that ridership for November was 233,149. He noted the mean miles between mechanical failures were 1,452.4; the mean miles between road calls were 4,609.8. He noted the slight dip was partially due to winterization of the vehicles. There were 340 trips cancelled in November of the approximately 3,500 total and 99% of trips operated. The on-time performance metric is measured by both current and new metrics, but by the current measurement, CATS was at 85.5% on time. There were 1.9 preventable accidents per 100,000 miles in November. There were 25.7 complaints per 100,000 boardings in November; there were 60 total complaints for the month, and 21 that required corrective action.

Mr. Goldman noted that supervisors in Operations would be assigned certain routes in an effort to increase service quality.

Mr. Deville noted that two contracts under \$50,000 were executed by him in November: CK Associates for the Phase One Environmental Site Assessment for the LSU Property; and Victorious Gold for the temporary CFO services and assistance in hiring the Finance Director.

Mr. Deville shared that the paratransit RFP process is ongoing and the staff will have a recommendation for the board in January.

Mr. Deville reiterated Mr. Brandt's statements regarding the job well done by the operations and maintenance staffs on December 8th in providing much needed service to our customers in the snow.

VII. COMMITTEE REPORTS AND ANY ACTION THEREON

1. Finance and Executive: Mr. Jim Brandt

Mr. Brandt referred the members to the minutes of the committee's December 14th meeting in their packets. He shared the highlights and noted that the action items would be considered later in the meeting. He noted that all action items had been unanimously recommended by the F&E Committee for adoption.

2. Technical, Policies and Practices: Dr. Peter Breaux

Dr. Breaux referred the members to the minutes of the committee's December 7th meeting in their packets. He shared the highlights and noted that the two policies brought before the committee were unanimously recommended for adoption and sent to the F&E Committee.

3. Audit: Mr. Kevin O'Gorman

Mr. O'Gorman noted that the committee did not meet.

4. Planning: Mr. Kevin O'Gorman

Mr. O'Gorman noted that the committee did not meet but had been regularly meeting to work on the Strategic Plan. He thanked the board and staff for their combined efforts to bring the plan to completion.

5. Community Relations: Ms. Linda Perkins

Ms. Perkins referred the members to the minutes of the committee's December 13th meeting in their packets. She shared the highlights of the meeting and noted that the staff is continuing their efforts to enhance customer service for all CATS customers.

Mr. Rob Miller of Reliant Transportation reported that Reliant provided 6,133 rides in November and 97% were on time. There were 4,148 total service hours and zero valid complaints.

VIII. ACTION ITEMS

1. Consideration of adoption of CATS Policy Creation Guidelines

It was noted that this is policy that will guide the agency in its efforts to formalize, revise, and in some cases create policies that are both needed and required.

Mr. Deville thanked Ms. Jeanette Eckert for her commitment to establishing the necessary policies.

Mr. Brandt reiterated that this was considered at both the TPP and F&E Committees and was unanimously recommended for adoption by both.

Mr. Brandt moved that the CATS Policy Creation Guidelines be adopted and Ms. Perkins seconded the motion. Mr. Brandt invited public comment and there was none. The motion carried unanimously with no abstentions.

2. Consideration of adoption of Ethics Policy

It was noted that this item is a requirement of the Louisiana Legislative Auditor.

Mr. Brandt reiterated that this was considered at both the TPP and F&E Committees and was unanimously recommended for adoption by both.

Ms. Perkins moved that the CATS Ethics Policy be adopted and Dr. Breaux seconded the motion. Mr. Brandt invited public comment and there was none. The motion carried unanimously with no abstentions.

3. Consideration of adoption of CATS Strategic Plan

Mr. Deville shared that CATS staff has been working for the better part of the year to develop the Strategic Plan and thanked both them and the board members for all the tireless work that went into the successful endeavor.

Mr. Brandt noted that the plan is one for the entire agency and provides not only priorities but also organizational goals and specific metrics. He added that there is much to do at the agency and this will be the guide for the successful implementation of the work remaining.

Ms. McNaylor noted that the staff had worked diligently to bring the plan to fruition and shared that the work could not have been done without the leadership and contribution of the CATS board, particularly Messrs. Brandt and O’Gorman.

Ms. Pierre moved that the CATS Strategic Plan be adopted and Mr. O’Gorman seconded the motion. Mr. Brandt invited public comment and there was none. The motion carried unanimously with no abstentions.

4. Consideration of adoption of 2018 budget

Mr. Deville shared that the proposed 2018 budget is \$26.1 million and is a \$1.7 million reduction in expenses from 2017.

Mr. Deville thanked the staff and the finance department in particular for their perseverance in the creation of the budget.

Mr. Brandt noted that it was a remarkable feat to bring a budget with \$1.7 million reduction in spending while maintaining—at a minimum—the same service levels as 2017; there will actually be higher service levels with the addition of the modified BRT lines.

Mr. Brandt shared that a portion of the board reserve fund had been used in order to meet expense needs at the beginning of January as CATS does not receive its first property tax check before January 15th each year. Once the property tax money is received, the board reserve will be replenished.

Mr. O’Gorman moved that the following resolution be adopted and Ms. Perkins seconded. Mr. Brandt invited public comment and there was none. The motion carried unanimously with no abstentions.

**RESOLUTION OF CATS BOARD OF COMMISSIONERS
APPROVING 2018 BUDGET**

BE IT RESOLVED by the Board of Commissioners of Capital Area Transit System that the attached document setting forth the 2018 budget for the Capital Area Transit System, which has been made available for public inspection and presented to the Board, is hereby approved.

BE IT FURTHER RESOLVED that the agency's Chief Executive Officer shall have the authority to make changes to the line item amounts of the operating budget without the approval of the Board of Commissioners if the change does not exceed 10% in either direction. If the change exceeds a 10% variance in either direction, the agency's Chief Executive Officer shall have to return to the Board of Commissioners for approval. In no event may the amounts for total revenues to total expenditures be changed without approval of the Board of Commissioners.

Mr. Brandt moved that the board enter into executive session to discuss the pending litigation and Ms. Perkins seconded. Mr. Brandt invited public comment and there was none. The motion carried unanimously with no abstentions.

5. Authorization for the CEO to settle the claim of Robert Wilson under the terms of the settlement and judgment payment policy adopted by the Board on July 20, 2004 as amended. (This matter might possibly be discussed in executive session. As required by the Open Meeting Law, notice is hereby given that this claim is pending in the 19th Judicial District Court and is Suit Number 601,545, Sec. D; and that Robert Wilson is the plaintiff and Capital Area Transit System is the defendant.)

Mr. Brandt moved that the CEO is authorized to settle the claim of Robert Wilson for the sum of fifty thousand and 00/100 (\$50,000) dollars under the terms and conditions of the settlement and judgment payment policy adopted by the Board on July 20, 2004 as amended. Ms. Pierre seconded the motion. Mr. Brandt invited public comment and there was none. The motion carried unanimously with no abstentions.

6. Authorization for the CEO to settle the claim of Katie Duplantis under the terms of the settlement and judgment payment policy adopted by the Board on July 20, 2004 as amended. (This matter might possibly be discussed in executive session. As required by the Open Meeting Law, notice is hereby given that this claim is pending in the 19th Judicial District Court and is Suit Number 664,934, Sec. 22; and that

Katie Duplantis is the plaintiff and Shavis Smith, Capital Area Transit System, Theron Foster, and GEICO are the defendants.)

Mr. Brandt moved that the CEO is authorized to settle the claim of Richard Andre for the sum of fourteen thousand and 00/100 (\$14,000) dollars under the terms and conditions of the settlement and judgment payment policy adopted by the Board on July 20, 2004 as amended. Mrs. Perkins seconded the motion. Mr. Brandt invited public comment and there was none. The motion carried unanimously with no abstentions.

IX. PUBLIC COMMENTS

There were no public comments.

X. ADJOURNMENT

Ms. Perkins moved to adjourn the meeting and Mr. Cohran seconded the motion. The motion passed unanimously with no abstentions.



OPERATING AND CAPITAL BUDGET
FOR THE YEAR ENDING
DECEMBER 31, 2018



The CATS Operating and Capital Budget reflects the organization's commitment to the delivery of valuable transit services that are focused on the needs of our community. The Agency's service commitment has been continued as we have simultaneously focused on the efficient use of public resources that have been entrusted to us. We are pleased to announce that these efforts will permit the Agency to maintain our service hours as we lower our total direct operating expenses by almost \$2 million year over year. At the same time we will be able to introduce expanded electric bus services that are sensitive to the environment in our community. We are proud of this effort and want to recognize the commitment of our group of transit professionals.

Operating Expenses:

The CATS 2018 budget results from our efforts to review and justify all of our expenses. The CATS team seeks to position the organization for continued service enhancements. Several adjustments will be introduced in 2018. Steps have been planned in an effort to take advantages of opportunities to restructure the management to reduce costs and improve focus. Costs have been shifted and consolidated to bring new focus and efficiencies to our risk management function. Insurance, security and safety programs have been centralized. Expanded staffing has been included in order to improve service reliability and reduce overtime expenses. Additional economies result from updated personnel policies. The result of these efforts is that CATS will deliver the same services to the Baton Rouge community in 2018 at a cost that is almost \$2 mil below our costs in 2017.

Operating Revenues:

For 2018 the CATS team has focused on the efficient use of the public resources that we are entrusted with. We anticipate that \$4 mil of Federal funding will be available to underwrite the costs of the services we provide to our community. In addition, 15% of our costs will be underwritten by our riders and community partners in 2018 vs 10% in 2017. The balance of our operating revenue will come from local sources.

Capital Programs:

The introduction of new electric buses will be the most visible element of our capital program. But during 2018 CATS will move forward on important projects that will enhance mobility in our community. We will be working on the introduction of new BRT services & transit hubs that will be available in subsequent years. CATS has been active in efforts to attract Federal grant funding to move these projects forward.

CAPITAL AREA TRANSIT SYSTEM
Operating Budget
For the Year Ending December 31, 2018

2017 Operating Revenues				
2018	Budget	2017	Projected	Dollar Variance
Operating Revenues:				
Passenger Paid Fares	1,800,000		1,709,677	90,323
Special Transit Fares (Contract/Events)	328,228		338,493	(10,265)
ADA/Paratransit Revenue	110,000		99,349	10,651
Other Agency Revenue (Misc)	87,690		67,098	20,593
Advertising Revenue	500,000		498,016	1,984
Interest Income	50,000		14,103	35,897
Total CATS Generated Revenue	2,875,918		2,726,736	149,182
Non Federal Subsidy				
Hotel/Motel Tax	1,300,000		1,320,481	(20,481)
Parish Transportation Fund 145	550,000		550,000	-
Property Tax Revenue	16,925,000		16,925,000	-
Medicaid - NEMT	-		-	-
Total Non Federal Subsidy	18,775,000		18,795,481	(20,481)
Federal Operating Subsidy				
FTA - CMAQ Operating	-		1,723,797	(1,723,797)
FTA - Project Administration	90,000		88,362	1,638
FTA - Planning	229,305		105,007	124,298
FTA - Preventive Maintenance	4,118,291		3,750,000	368,291
FTA - JARC/New Freedom	-		165,625	(165,625)
FTA - Other Formula	-		-	-
Total Federal Operating Funds	4,437,596		5,832,791	(1,395,195)
Total Sources of Revenue				
	26,088,514		27,355,008	(1,266,494)

CAPITAL AREA TRANSIT SYSTEM
Operating Budget
For the Year Ending December 31, 2018

2016 Operating Expenses			
2018 Budget		2017 Projected	Variance

Operating Expenses:

Administration	3,906,588	3,071,707	834,881
Operations	12,111,667	13,631,164	(1,519,497)
Maintenance	4,772,982	5,378,853	(605,871)
ADA Paratransit	2,854,720	2,901,656	(46,936)
Project Admin & Planning	309,799	561,941	(252,142)
Customer Care	643,484	680,311	(36,827)
Facility Maint	410,727	546,690	(135,963)
Security	225,000	224,208	792

Total Direct Operating Expenses	25,234,967	26,996,530	(1,761,563)
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Nonoperating Revenues (Expenses):

Federal Capital Subsidy			
FTA - CMAQ Electric Buses Cost	2,887,734	-	
FTA - Grant money	(2,310,187)	-	
Local Match	577,547		
FTA - Bus Lease Payments	656,274	328,137	
FTA - Bus Lease Grant	(410,274)	(205,137)	
Local Match	246,000	123,000	
FTA - Other/Interim Hub Improvements	150,000	1,034,499	
Less Grant Funds	(120,000)	(827,598)	
Local Match	30,000	206,901	

Total Local Match for Capital Projects	853,547	329,901	
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Net Operating	26,088,514	27,326,431	
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NET SURPLUS/(DEFICIT)	\$ -	28,577	
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