



**MEETING OF THE
BOARD OF COMMISSIONERS OF
CAPITAL AREA TRANSIT SYSTEM
AND
PUBLIC TRANSPORTATION COMMISSION
MARCH 21, 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

Present were Messrs. Brandt, Breaux, Cohran, and O’Gorman and Ms. Perkins. Messrs. Bellue and Cutrera and Mss. Collins-Lewis and Pierre were absent. Also present were Mr. Bill Deville, CEO; Mr. Conner Burns, CFO; 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 FEBRUARY 21, 2017 MEETING

Ms. Perkins moved to approve the minutes of the February 21, 2017, meeting and Dr. Breaux seconded. Mr. Brandt invited public comment and there was none. The motion passed unanimously.

V. PRESIDENT'S ANNOUNCEMENTS

Mr. Brandt discussed the protocol for public comments at board meetings. He reminded the public that comments are welcomed and let them know they should complete a comment card with Ms. Greenlee prior to speaking.

All committees have been filled for 2017. Ms. Perkins will continue to chair the Community Relations Committee and there may be an additional member added; Mr. 'Gorman will continue to chair the Audit Committee; Dr. Breaux will continue to chair the Technical Policies and Practices Committee; Mr. O'Gorman will be the new chair of the Planning Committee, and Messrs. Bellue and Cohran will be joining that committee; and Mr. Brandt will continue to chair the Finance and Executive Committee, and the at-large position on this committee will be filled once the new board members are appointed.

Mr. Brandt reminded the board members that the retreat is planned for April 27-28th. This will also be a strategic planning session.

There will be a new board member orientation for the recently appointed members prior to the board retreat.

VI. ADMINISTRATIVE MATTERS

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

In Human Resources, Mr. Darrell Brown noted that CATS made the following hires in February: Operations – 1 Operator and 5 Cadets; and Maintenance – 1 Utility Technician.

Mr. Brown reported that, in Maintenance, preventive maintenance inspections (PMIs) are at 97%. He shared that the first of the twelve 2017 Gillig buses went into production on March 6th and that there is an air conditioner campaign ongoing in the Maintenance Department to ensure all ACs are operational for the upcoming warm months.

Mr. Brown reported that the performance measures are being reviewed to ensure that all numbers presented are accurate. Mr. Deville added that all numbers are being reviewed, including the performance measures, financials, and other numbers reported to the board and the public.

Mr. Deville shared that the service enhancement plan is underway and meetings are being held with stakeholders to share the information. The plan will come before the board for approval. Mr. Deville noted that plans for the modified BRT are ongoing.

Mr. Deville updated the board on the hubs. The South Baton Rouge hub currently located at the Mall of Louisiana is still slated to be permanently located at the future

site of the Our Lady of the Lake Children's Hospital. The work for the purchase of the North Baton Rouge hub site from LSU is continuing.

Mr. Deville commented that work progresses on the new website, and the strategic plan will be discussed at the upcoming CATS board retreat.

Mr. Deville shared that he recently traveled to Washington, D.C. to meet with both SWTA and Congressional leaders.

Mr. Deville concluded by noting that Mr. Rod Goldman would be assuming the role of Chief Operations Officer beginning in April. Mr. Goldman comes to CATS with decades of experience and worked with CATS for two years as a consultant with MV Transportation.

2. Financial Statements: Mr. Conner Burns

Mr. Burns shared that the certificate of indebtedness is complete. The money that was borrowed from Red River Bank was repaid. The Board restricted reserves were replenished and are frozen at \$3,000,000.

Mr. Burns described the highlights of the written report contained in the members' packets showing the status of grants. The balance of grant funds remaining was \$3,538,941.

He then discussed the highlights of the financial statements. The 2017 year-to-date property tax monies received was \$12,326,475, and the amount expended from that source was \$3,401,895. February operating revenues were \$213,139 and governmental revenues were \$2,364,479, for a total source of funds of \$2,577,618. The total direct operating expenses were \$2,455,658.

The year-to-date operating expenses break down as follows: Operations – 50%, Maintenance – 22%, ADA – 10%, Administration – 11%, Customer Care/Facility – 3%, Security – 2%, and Project Administration – 2%.

Mr. Brandt moved to amend the order of the agenda to have action items taken ahead of committee reports in order to keep a quorum of the members. Dr. Breaux seconded the motion. Mr. Brandt invited public comment and there was none. The motion passed unanimously with no abstentions.

VII. ACTION ITEMS

1. Approve one year renewal of contract with FuelTrac for diesel and gasoline

Mr. Burns noted that this is a second renewal option on the existing contract. CATS participates in a contract initiated by the City-Parish with FuelTrac. Mr. Brandt noted this was unanimously recommended for approval by the F&E Committee.

Dr. Breaux moved that the CEO is authorized to renew the contract with FuelTrac for diesel and gasoline for one year and Mr. O’Gorman seconded the motion. Mr. Brandt invited public comment and there was none. The motion passed unanimously with no abstentions.

- 2. Approve renewal of building lease with Mid-City Tower for one year**

Mr. Burns shared that the proposed lease would be a one-year lease with two, one-year renewal options. The lease terms were investigated and deemed to be a competitive cost per square foot. Mr. Brandt noted that this was unanimously recommended for approval by the F&E Committee.

Ms. Perkins moved that the CEO is authorized to renew the building lease with Mid-City Tower for one year at the rate of \$1.13 per square foot for the fifth floor and \$1.22 per square foot for the ninth floor and under such terms and conditions as the CEO deems appropriate. Mr. O’Gorman seconded the motion. Mr. Brandt invited public comment and there was none. The motion passed unanimously with no abstentions.

- 3. Select the lender for financing of the 2017 Gillig buses and authorize the CEO to enter into a contract with the chosen lender**

Mr. Burns noted that a Request for Proposals was done. He shared that twelve institutions were solicited, advertisements were placed, and the RFP was placed on the CATS website. The Proposal Evaluation Committee is recommending Banc of America Public Capital Corporation as the lender for the ten 2017 Gillig buses that are being financed.

Details include a term of seven years and an interest rate of 2.3%.

The two remaining buses will be paid with cash by CATS. Mr. Brandt noted that this was unanimously recommended for approval by the F&E Committee.

Dr. Breaux moved that Banc of America Public Capital Corporation be declared the successful proposer for the financing of the 2017 Gillig buses and that the CEO be authorized to enter into a contract with Banc of America Public Capital Corporation as set forth in the RFP and proposal by Banc of America Public Capital Corporation and under such terms and conditions as the CEO deems appropriate. Mr. Cohran seconded the motion. Mr. Brandt invited public comment and Mr. Chris Huddleston asked which banks were provided the RFP. The motion passed unanimously with no abstentions.

- 4. Authorize the CEO to enter into an amended contract with Reliant Transportation for paratransit services to increase rates paid to Reliant Transportation**

Mr. Deville noted that CATS needs to develop a new RFP for paratransit services as this has not been done in many years. In the interim, Reliant has requested a rate

increase that CATS has determined to be a fair increase. It is imperative that CATS continue providing this service while a new RFP is developed. Mr. Brandt noted this was unanimously recommended for approval by the F&E Committee.

Ms. Perkins moved that the CEO is authorized to enter into an amended contract with Reliant Transportation Group to increase the rates paid to Reliant Transportation Group to \$39.35 per hour and Mr. Cohran seconded the motion. Mr. Brandt invited public comment and there was none. The motion passed unanimously with no abstentions.

5. Set the CEO's contract authority including authorizing the CEO to execute contracts on behalf of CATS for matters involving \$50,000 or less annually

Mr. Brandt noted that this is the same policy that has been in place since 2013.

Mr. Abadie shared that this authority was given to Mr. Deville as the Interim CEO and simply needed to be extended to him as the permanent CEO. Mr. Brandt noted this was unanimously recommended for approval by the F&E Committee.

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

RESOLUTION REGARDING THE CEO'S CONTRACT AUTHORITY

BE IT RESOLVED by the Board of Commissioners of Capital Area Transit System that the CEO or his designee is authorized to execute contracts on behalf of CATS or to obligate CATS to agreements, without approval from the Board of Commissioners, for (a) matters involving \$50,000 or less annually, or (b) vehicle parts, provided that non-vehicle matters involving \$20,000 to \$50,000 shall be reported to the Board.

Mr. Brandt noted that the next action item involved pending litigation and should be considered in executive session. He therefore moved that the board enter into executive session to consider the pending litigation. Ms. Perkins seconded the motion. Mr. Brandt invited public comment and there was none. The motion carried passed unanimously with no abstentions.

VII. ACTION ITEMS – CONTINUED

6. Authorization for the CEO to settle the claim of Marie Travis 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, but no suit has been filed; the date of the accident is April 14, 2016; and that Marie Travis is the plaintiff and Capital Area Transit System is the defendant.)

Upon returning from executive session, Mr. O’Gorman moved that the CEO is authorized to settle the claim of Marie Travis for the sum of Fourteen Thousand Four Hundred and 00/100 (\$14,400.00) Dollars under the terms and conditions of the settlement and judgment payment policy adopted by the Board on July 20, 2004 as amended. Ms. Perkins seconded the motion. Mr. Brandt invited public comment and there was none. The motion passed unanimously with no abstentions.

VIII. PUBLIC COMMENTS

Mr. Brandt invited public comments and there were none.

IX. COMMITTEE REPORTS AND ANY ACTION THEREON

1. Finance and Executive: Mr. Brandt

Mr. Brandt referred the members to the minutes of the committee’s March 16th meeting in their packets. He shared the highlights of the meeting and noted that there the action items had already been covered. Mr. Brandt shared that Covalent Logic provided an update and review of the Communications Plan that has been in progress with Covalent and the CATS staff. He noted this update was done at his request. He also provided an update on the status of the CATS website and shared that the project was progressing on time.

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

Dr. Breaux noted the committee did not meet.

3. Audit: Mr. O’Gorman

Mr. O’Gorman referred the members to the minutes of the committee’s March 16th meeting in their packets. He shared the highlights of the meeting and noted that a theft of fare box receipts was discussed. It was noted that as soon as the theft was discovered, the proper steps were taken and the proper authorities were notified. CATS is following the recommendations made by the auditor regarding process controls to reduce the possibility of this occurring in the future.

4. Planning: Mr. O’Gorman

Mr. O’Gorman referred the members to the minutes of the committee’s March 10th meeting in their packets. He noted that the existing members – himself, Mr. Brandt, and Dr. Breaux – were joined by new board members Mark Bellue and Kahli Cohran on the committee. He shared the highlights of the meeting and noted that the committee reviewed the 2016 Measures of Success and gave a brief overview for the new members. There was also discussion of the development of a strategic plan.

5. Community Relations: Ms. Linda Perkins

Ms. Perkins referred the members to the minutes of the committee's March 15th meeting in their packets. She shared the highlights of the meeting and noted that there was an in-depth discussion of ongoing training that is underway to ensure customer service is being prioritized.

Mr. Morgan Landry of Reliant Transportation reported that Reliant provided 6,182 completed rides in February and 92% were on-time. There were 3,950 total hours and zero valid complaints.

X. ADJOURN

Before adjourning the meeting, Mr. Brandt noted that he would be absent from the April board meeting and that Ms. Perkins would lead the meeting in his absence.

Ms. Perkins moved to adjourn the meeting. Mr. O'Gorman seconded the motion, and the motion passed unanimously with no abstentions.