

CHATHAM AREA TRANSIT
AUTHORITY

BOARD MEETING

OF

August 13, 2010

10:15 A.M.

CHAIRMAN LIAKAKIS: I like to call to order the Chatham Area Transit Authority and call on Patricia to do the roll call now.

MS. CLARK: Good morning. Mr. Liakakis

CHAIRMAN LIAKAKIS: Here

MS. CLARK: Dr. Thomas

DR. THOMAS: Here.

MS. CLARK: Ms. Stone

MR. HOLMES: She's absent, but she's here.

MS. CLARK: Mr. Holmes

MR. HOLMES: Here.

MS. CLARK: Mr. Shay

MR. SHAY: Present.

MS. CLARK: Mr. Farrell

MR. FARRELL: Here

MS. CLARK: Mr. Odell

MR. ODELL: Present

MS. CLARK: Mr. Gellatly

MR. GELLATLY: Here

MS. CLARK: Mr. Kicklighter

MR. KICKLIGHTER: Here

MRS. CLARK: Mr. Broker

MR. BROKER: Here

MS. CLARK: Mr. Russell

MS. CLARK: Mr. Dawson

MR. DAWSON: Here

MS. CLARK: Mr. Oakley.

Also present at the meeting was Ty Butler, Charles I. Odingbe, Russ Abolt and Patricia Clark.

CHAIRMAN LIAKAKIS: CHAIRMAN LIAKAKIS: Okay so you can make a note of this, Mr. Oakley's not present because he has turned in his resignation so Patricia if you would put that in your records. And we will be having to get another nomination to fill the CAT Board. For everybody's information that is here that he as accepted a position with Goodwill out of Orlando, Florida one of the largest Goodwill functions in the entire country and now because of the wonderful job he's done in our area he's going to Orlando. So that's the reason why he has resigned his position from the CAT Board. Okay all of the members of the Authority have been distributed the approval of minutes and – excuse me, have been distribute the minutes and we'll need approval a motion on the floor to approve the minutes that has been distributed from the previous meeting.

MR. HOLMES: So moved

MR. DAWSON: Second.

CHAIRMAN LIAKAKIS: Have a motion on the floor and a second all in favor please raise your hand. Motion passes. Under Item IV: New Business the Executive Director's report and Veolia activities Charles.

MR. ODIMGBE: Thank you Mr. Chairman. First thing I want to talk about this morning is our ridership. Seems like our ridership continues to improve month to month and year to year, for the month of July we did carry about – we did provide about 361,000 rides and that's about a 2.8% increase when compared to the year before. However, I want to point out that on the fixed route side the ridership went up about 5.1% so this is a very encouraging thing for us because in our business its all about ridership. So I'm very encouraged by that and hopefully we are gonna continue to work towards improving ridership for Chatham Area Transit. On the Transit Terminal project I know the Board is going to be recessing to an Executive Session and I will let Pat Monahan talk to you about the issues that he wanted to bring up regarding the property that we have and the landmark historic district other than that there have been no new developments with this project. We are still waiting to hear from DOT regarding the total grants that we have for this particular project. There was an inquiry by Commissioner Odell regarding what we

are doing with the bus stop advertising program and the paint signs program. We kind of put this on the back burner, not because its not an critical program, but last month I was really tied with the transitioning of all Chatham Area Transit employees to Veolia. We've finished this transition now and we have all of this new software that came in that we have to train staff on so that kind of took up a lot of our time. However, I'm here to let the Board know that we will be coming to the Board next month to ask your permission to release an RFP to that effect and I'll be working with the Board and I'll be working with you Mr. Odell on any issue that you want to specifically address regarding this particular project, but the reason why there has been no activity is that there's just so much going on at CAT right now.

MR. ODELL: May I ask a question. I understand that, I've been a part of it smally. From when you come back next month until we make a final decision, what time period is that? How much time if you come back next month to a decision point is that 3, 6 months?

MR. ODIMGBE: My yardstick to measure a RFP process about 90 days. Its takes about 90 days to get it from the time I get your permission to release an RFP, you know we have to advertise it, get the RFP's, review the RFP's and then come back to the Board with our recommendation and then if you decide that that's a good recommendation then we adopt it. I always time it out to be about a 90 day process.

MR. ODELL: Thank you.

MR. ODIMGBE: On Veolia activities like I said we've been going through the transition of all employees and that has gone very well actually and I'm very impressed at how staff has totally embraced this new concept and began to work -to see themselves a little differently. Some of the stuff that we've done is we've installed the RTA what they call the RTA software. The RTA software is a software that is going to help us track all maintenance activities. I mean everything maintenance is being tracked down to the hours that each technician works everyday, how long it took for them to complete the job that they were assigned. All of our inventories are tracked electronically and we report - and we can tell every month how successful we've been for the month in terms of what happens. We've completed the installation of JD Edwards and that is the finance software and in fact with JD Edwards we set up another account for Chatham Area Transit so there's gonna be a Veolia and Chatham Area Transit account and the Board will be looking at the quires from the JD Edwards on a monthly basis once we finish inputting on the data and we test out the data and its coming out correctly. Veolia just completed the VDS installation. The training for the VDS is not going to be until October. The VDS is a software that helps us manage our dispatching

everyday and all of the bus operators so there's just been so many stuff going on. I just want the Board to understand that we are beginning to track our key performance indexes on a daily basis. So everyday there's a report that comes back to me from Chicago that told me how I performed the day before in terms of activities that happened at CAT. With that report I can go back and make some adjustments if I need to, pat my staff on the back if they did a wonderful job, or so on and so forth. So the Board is looking forward to having a very very comprehensive system being put in place right now and as time goes on you will find out you have very very good controls and information coming out of Chatham Area Transit back to you. And the item #4 is just an excerpt of some of the stuff that the Board will start seeing in terms of what is happening daily or monthly at CAT and that will kind of give you an indication of where we are headed. If anything is going wrong you should be able to flag it right away and ask questions right away so I'm very excited and looking forward to this process. Also Veolia being a company that prides itself with supporting, you know local events, Veolia has praised upon my request, \$3,500 towards support of one of the City's little league football teams. Again I was the one made the request and they were very forthcoming in terms of supporting my request. This money will be spent towards purchasing approximately 75 football helmets for these young kids ranging in ages from 8 to 12. So I'm really very happy I can tell you right now until I get to item #4, I'm very happy with the way things are going, I'm very happy with the way staff has responded to the change. We were expecting some kind of a conflict but that didn't materialize. I think staff is embracing it very well so far and I'm hoping that the feedback that the Board is getting is consistent with my reporting to the Board. That's all I have.

CHAIRMAN LIAKAKIS: Charles let me ask you since you're your report now, how many locations do you have with the new type of benches?

MR. ODIMGBE: We haven't deployed any yet.

CHAIRMAN LIAKAKIS: None yet?

MR. ODIMGBE: No we haven't deployed any yet the RFP should be coming to the Board next month and then we will. And we are talking about the benches that have the advertisements that go with it and I believe it was Mr. Kicklighter that introduced Mr. Mency to me and we came and talked to the Board about it. The Board wanted us to expand the search to include other people and that's what we intend to do with the RFP process.

CHAIRMAN LIAKAKIS: Thank you item 2; request Board approval to host the 2011 Georgia – 2012 either the 2011 or 2012 Georgia Transit Association Annual Conference.

MR. ODIMGBE: Thank you Mr. Chairman. This is a – just to let the Board know this is something that Savannah Chatham County has always hosted. I believe Chatham County has been the destination for all previous GTA conferences and sometime the last 2 or 3 years GTA decided to open it up to other areas. And I believe after they tried every other place that wanted to host it they found out very quickly you just can't beat Chatham County so this is another opportunity for us to propose to host it. What I'm asking the Board today to do is to authorize me to actually apply to host it for 2011 and 2012. In the staff report we did outline some of the benefits and there's not gonna be any direct cost to the Board. There will be some indirect cost because my staff will be working directly into putting together all of the activities, but most of the direct cost will be born by the Georgia Transit Association so we are recommending that the Board approve the submission of this proposal to host the 2011 and 2012 GTA Annual Conference.

MR. ODELL: Move for approval.

DR. THOMAS: Second.

CHAIRMAN LIAKAKIS: And that's great for our economy to have all of those people come in to spend their money here plus having this good conference. Dean.

MR. KICKLIGHTER: Thanks Mr. Chairman. I just want to point out real quick what a beautiful public private partnership we have with Veolia and if you look under issue on this. Issue says CAT is a member of this organization and could use such an event to garner attention to the Authority's recent improvements and bring quality tourist business to the Savannah area. That's really good for us as the County and its also good for Veolia which is the hired private public partner for you to expose yourselves and possibly make more money because public private partnerships the private person is suppose to make a little money so good job. I support it whole heartedly.

CHAIRMAN LIAKAKIS: Alright we have a motion on the floor and a second all in favor please raise your hand. Motion passes. Item 3; request Board approve a purchase order authorizing approval for the purchase of 3 cut-away buses the shuttle vans.

MR. ODIMGBE: Thank you Mr. Chairman we have – (interrupted)

MR. KICKLIGHTER: Move for approval.

DR. THOMAS: Second.

CHAIRMAN LIAKAKIS: I have a motion on the floor and a second and we've been distributed information on that also in our pack so all in favor raise your hand. Motion passes. Item 4; this is the key performance index, ridership data, year to date, US House of Representative and Senate advance fiscal year 2011 appropriation bill and accident analysis report. We've gotten some of that but you wanna comment on some of it.

MR. ODIMGBE: Yes Mr. Chairman I just wanted to point the attention to the Board to a couple of items. I'm looking at the first item on the agenda which is the KPI's for April 2010 to June 2011. The top boxes the very top boxes are the thresholds that we set for ourselves and those thresholds were based on what was happening at CAT when I got here and then all of the months below that is how we are performing and you should be comparing it to what was happening at CAT. Two items that I really would like to explain is on the missed trips; if you looked at we started very well in April but in July all of a sudden we jumped to 13 missed trips for the month. And the reason is - I really want the Board to understand we are applying very different thresholds to what these are. Today whenever a bus breaks down on the road and for some reason we missed a couple of stops because we had to send another bus out. I have to report that as a missed trip. It didn't use to happen. Its not that the numbers were low previously, its just that today a totally different threshold to measure missed trips so I just want to bring that to the Board's attention. If you look at the preventive maintenance section the number for the PMI's is going down. Its trending the wrong direction in terms we should have more PMI's but we don't have them. We are at 77%; we should be at least 98% on a monthly basis we haven't gotten there yet. That is one thing that we are working on. This is really very critical. I really want the Board to understand some of the challenges in terms of scheduling staff. I have so much vacation on the books that it would take me - it takes me to schedule 4 people everyday to get maybe 1 or 2 to come to work because of the vacation that they have in their books. Its not their fault because these are times that are accrued to them and they have a right to use them any which way they want and I can't stop that. So anyway just to let you know it would take me to schedule 4 to 5 technicians to have 2 working. I was here last Saturday before I went on my trip and on Saturday I had 4 people scheduled to work and I had only 1 mechanic and 1 technician showed up. The other 3 were off for very legitimate reasons ranging from the birth of a new child which of course I would never discourage him from going and the rest are vacations.

MR. ODELL: Charles is it our policy that without prior notice you can take and use vacation at the employee's discretion?

MR. ODIMGBE: No if you want to take extended vacation it has to be approved.

MR. ODELL: In advance.

MR. ODIMGBE: In advance yes.

MR. ODELL: In what time in advance?

MR. ODIMGBE: I think its 7 days in advance.

MR. ODELL: Okay so if – I not understanding then how you make out a schedule and have to over book if you already know who's on vacation.

MR. ODIMGBE: That is the sticky part of it. The schedules are (in audible) because of CBA issues we have to make out a schedule and that's what it is. When staff members apply to use legitimate time off – I mean we can't push back and say no you're not gonna get the time off because I need the staffing but the question is how long can you do it and what does that do to your bottom line. You still continue to accrue all of these vacations which would cost you more as days go by because they accrue at a lower rate but you end up paying at a higher rate. So the issue is we can start rejecting all of their vacations but from my perspective its not good for them and my staff numbers is finite.

MR. ODELL: Oh no, no, no. I don't want this to go out as I'm saying that we should reject vacation. Most companies have scheduled vacations for their employees.

MR. ODIMGBE: That is correct.

MR. ODELL: It's not unique with CAT. My point is that vacations the simple fact employee accrue vacation does not say that the company cannot predict and project his work force. You can't – you got to. And not just CAT, but every company.

MR. ODIMGBE: That's true.

MR. ODELL: Gulfstream employees have vacation but vacations are based upon the company remaining in existence.

MR. ODIMGBE: That's true. Everything you said is absolutely correct however, in the case of Chatham Area Transit when I'm talking about the

vacation balances on their book is the accumulative balances over the years because they do have enough vacations and they don't take them all every year so it just keeps accumulating and accumulating and accumulating. Most of the systems that I've worked for do control that because you do not carry anything over. When I was in Canton at the end of the year we back every vacation that you have left on your books except for 40 hours that we allow you to carry over every year. With CAT its different. Whatever you have in your book balance you carry it over year to year to year to year and pretty soon you can have enough accumulative vacation that you can be gone for half of the year legitimately. And that is the challenge and during the delegated management negotiations the vacation balance on our books now is over a million dollars and that's how that's how huge this liability is and rising everyday.

MR. ODELL: My gut concern is that if you have a system that does not limit accrual it's a system that's ultimately gonna be flawed with people who utilize sick leave and other off day when they're in fact going to Jacksonville Beach or other places. Maybe yall don't have that problem but –

MR. ODIMGBE: And I think and that's the point I'm trying to make. The point I'm trying to make here is that the vacation accruals the way its currently written is just that staff can accrue time and they have a legitimate right to take up to 6 months in a year for vacation and for me it would take me – I mean the one way to combat this issue is to hire more staff so that I can schedule more to come to work so that I can be able to absolve this shock of all – of people going on these legitimate vacations.

MR. ODELL: Or we can at some point bite the bullet, pay the – document and then pay the accrual and then from here until eternity only allow a limited amount of carry over.

MR. ODIMGBE: And I've tried to recommend that several times. I really think part of what the Board should be looking at is just buying back these vacation times, clean the books and then letting us manage and go on forward and there has to be a system and I'm not just talking about today, I'm talking about tomorrow, I'm talking about 20 years from today. Somebody there has to be a way of managing these vacations because we keep creating this burden that we get passed along. It flies under the radar but it's still a huge burden. When I started delegated management negotiations is was \$900,000 by the time I finished these negotiations 15 months later it was \$1.1 million and its still counting. Its not gonna get any smaller so I just want to make sure that the Board is aware that that's an issue out there that needs to be addressed and I'm looking at

the impact. Now that we have these new ways of doing business the technicians are truly, truly being over worked because we are requiring them to do a whole lot more than they use to without enough people to do it and I just don't have the resources to hire more staffing and I can just do what I can do. It's just a very difficult situation but we try to live through it.

MR. ODELL: When you do your report on buy back as oppose to our paying for additional employees to meet the workload you know, there's some other things that generally needs to be noted and that is our buses are not breaking down as much as they use to. I mean I could literally on a daily basis before you all got here, drive to some location and 2 buses any day I mean we don't have that problem and we don't have that problem because of the intense maintenance, purchasing additional buses, but also the benefit of not having more staff is that we don't pick up the additional benefit; the health insurance and all that. It may be a stimulus but it's a cost that quite honestly we can't afford. It is cheaper for us to literally buy their time.

MR. ODIMGBE: In the long run yes. It is cheaper to buy their time and manage that holiday accruals than continue to hire staff. You are absolutely correct and also I will say this I really will give the credit to my staff the technicians they've really stepped up to the plate eventhough we have limited resources and they continue to do their jobs. All we did was give them the resources to able to maximize whatever potentials that they have. So I give them all the credit, but I concur with you on that its cheaper to buy back the time eventhough the money seem to be a huge amount of money in the long run it'd be cheaper for this Board to buy back this time, allow us to properly schedule staff and manage the vacations over time. Because if you took a poll in the industry its very few systems that still maintain what we do; every system almost zero out your vacations at the end of the year. Its not habitually, there is a cost to you every year but at least you paying at the cost that you accrued the liability not at a much higher cost later on as the years progress.

MR. ODELL: Right. If you 5 years ago accrued a vacation day and you're making \$11 and hour then you accrue it and 5 years later you're making \$17 and hour that's a big difference. You accrued it at one rate you're being paid at another. The only people who continue to do that are in a public sector. There are no private companies that do that.

MR. ODIMGBE: I would really encourage this Board to look at that issue and see how we can minimize that because its truly, truly impacting the bottom line. I see CAT as a system that could be world class but we really need to find a way to work on these structural issues that we have or challenges so we can move forward. The other issue that

I wanted to point out to the Board is the last item which speaks to the accidents again, if you look at the accidents for the month for the current month we have 21 but if you look at the same accident for the previous year we had 13 and you wonder why the jump. The reason for the jump is very simple; we've again changed the threshold for how we record accidents. Every accident to us is an accident. It doesn't matter if it's a fender bender, a scratch on the bus or scratch on the mirror its still an accident that potentially could have been something that would cost us a lot of money. That's the way that we looked at it. We've changed the way that we access preventability of accidents. I was just talking to my staff about it and I let them know that they need to understand that over 90% of accidents are preventable and that's the threshold that we are applying so its all about as professional Bus Operators that we should be aware of where we are everyday more so than the average person. So I just wanted to make sure that I point those things out and from July moving forward the Board should begin to watch that number and see if the number 21 begin to trend down which is where we want it to trend down, but the reason there is such a dramatic jump is just because we are changing the way we record accidents.

CHAIRMAN LIAKAKIS: Okay, alright Patrick.

MR. SHAY: A couple of quick questions; the key performance index draft that you provided to us for Chatham Area Transit that total ridership that's ridership on CAT or does that also include Teleride numbers?

MR. ODIMGBE: All of the modes, CAT, Teleride, the ferry system.

MR. SHAY: Global?

MR. ODIMGBE: Yes.

MR. SHAY: Okay and you already covered my question about preventable accidents because that number look like it was really high. Another thing is in prior years Chatham Area Transit has had representation in Washington, DC through the services of a professional Lobbyist and Jane Terry I believe was her name. I think she's taken a job in the public sector since then. It was a shared contract with Hurt Norton if I'm not mistaken. Is that service ongoing and being provided?

MR. ODIMGBE: Yes we retained it for 2011 yes.

MR. SHAY: Well one of the things that I'd like to see in our reports periodically maybe not every month but maybe every month, I don't know, is a report from them as to what they see happening in Washington, DC you know we have basically 2 Americas. We have the

America that inside the beltway and the rest of us out here in the real world and we need reports almost like we would have an ambassador to that other America to find out what's going on in there because its important to us. Its big trend in federal policy right now to try and help public transit and mass transit in general and I think it would be a really good thing if that lobbyist in addition to doing the things that they do its an ongoing service would also send us reports back here in the real world okay.

MR. ODIMGBE: I'll work with him. And one more thing, I looked at the farebox recovery for CAT and we projected about 18.9% for the year and when you look at the trend we are pretty much on the money in terms of our farebox at least up to the month of July so we are doing okay in terms of farebox recovery.

CHAIRMAN LIAKAKIS: Charles on that ridership data that has been given to us and all, has the CAT sent out these public service announcement there's over 12 radio stations in town especially we've got 4 TV stations, have they been sent some dynamite messages to go to all of the radio stations so that that will encourage – because one of the things that people that are in public relations and do commercials and all they tell you its more effective if it continuously go on and on. Those are things that are really necessary so want to find out have you done that yet and if not I'll talk to you about some of the station managers I know so that we can get that out because once people – when you say in there how you gonna save money, how efficient the bus system is, that you can find routes to a good many of the places where you are working many many things in there and you don't have to stay in lines of traffic and all of that Charles. I think that's really important because here's a free way to get that message out that doesn't cost CAT any money whatsoever.

MR. ODIMGBE: We've done some but we haven't been consistent and I would like to speak to you about that and see how we need to get consistent about getting the messages out.

CHAIRMAN LIAKAKIS: Okay alright thank you. Item 5; request Board approve a memorandum of agreement with Chatham County to provide contract management and oversight for the Veolia transportation services contract to approve an amended fiscal 2011 annual budget for Chatham Area Transit to approve depository authorization and agreement certificates with a related signature cards for Wachovia Bank and to authorize redirection of authority tax revenue.

MR. ABOLT: Mr. Chairman members of the CAT Board I'm taking the opportunity to introduce something that is very unique and very different

given the past relationship between my staff and the CAT Authority and the CAT staff up until this we have been very passive in our relationship. We have created some gratis support to the CAT Board leading up to the executions of a very exemplary contract with Veolia. The next step would create checks and balances for this Authority. I'm offering as an option an intergovernmental with Chatham County that allows some of key staff to be available to you to perform 28 tasks to create that proper relationship between Veolia and always insure that this Authority is kept not only in the loop but also understand where the money is going and coming from and it creates very sincere and direct and extremely high priority oversight between my staff and particularly through Mr. Kaigler and Mr. Odimgbe. We would ask approval. It would also involve in the alternatives when we're recommending 4 separate items including the Memorandum of Understanding which is attached, the amendments to the CAT budget, the depository authorization as the Chairman mentioned in the title and then direct authorization to tax (in audible) to collect taxes. And the reason for this is we have now a private company and we have to set the arms length relationship between the private company and this CAT authority.

CHAIRMAN LIAKAKIS: Helen.

MS. STONE: Thank you Mr. Chairman. I think I asked most of my questions in the pre meeting, but this intergovernmental agreement how often is this renewed?

MR. ABOLT: It certainly be at the pleasure of the CAT Board and the County Commission, but I mean it would stay in effect until you tell us to change it.

MS. STONE: But if we needed if we felt like it was not working what are the solutions to --

MR. ABOLT: Oh absolutely one meeting and one motion.

MS. STONE: That's all I needed to know. Thank you.

CHAIRMAN LIAKAKIS: Harris and then --

MR. ODELL: I gone make a motion to approve.

MR. GELLATLY: Second.

CHAIRMAN LIAKAKIS: Okay I have a motion to approve. You got anything Patrick? And one of the things needs to be mentioned. This is a check and balance for the CAT Board to have that because we see that

all the things that Charles has done and Veolia and all, but by putting this in here and having our staff oversee this we won't be in that bind like we were before and costing the County monies and a lot of heartaches. So we have a motion on the floor and a second all in favor raise your hand. Motion passes. Okay next item we have an Executive Session we need a motion on the floor to recess for Executive Session – Charles on the items or Ty.

MR. ODIMGBE: Real property acquisition.

CHAIRMAN LIAKAKIS: Okay property acquisition.

MR. ODIMGBE: Mr. Chairman, before the motion I just – I know I spoke to you before the pre meeting about this item. MPO they are seeking a support letter from CAT regarding applying for a grant to do some studies on the streetcar project and just want to inform the Board that we'll be forwarding the letter to you to review and sign in support of this grant application but the grant is coming from the MPO the CORE MPO.

MR. SHAY: Do you need a motion?

MR. ODIMGBE: I talked to Ty about it. I don't think we – I did talk to Ty. We don't need a motion, I just want to make sure that the Board understands that the Chairman will be reviewing and signing that letter.

MS. STONE: I make a motion to go into Executive Session.

MR. DAWSON: Second.

CHAIRMAN LIAKAKIS: All in favor signify by raising your hand. Okay lets go to Executive Session. And after that it will be a short Executive Session and we will reconvene as the Chatham County Commission.

CHAIRMAN LIAKAKIS: The Executive Session for property matters there was no vote taken so now the CAT Board now is over with and we are adjourning now and will reconvene as the Chatham County Commission.

Meeting adjourned at 11:05 a.m.

Respectfully Submitted by:

Patricia R. Hawkins, Secretary-Treasurer
Chatham Area Transit Authority