

CATS

CAPITAL AREA TRANSIT SYSTEM

Connecting you to what matters.

**MEETING OF THE
BOARD OF COMMISSIONERS OF
CAPITAL AREA TRANSIT SYSTEM
AND
PUBLIC TRANSPORTATION COMMISSION
DECEMBER 17, 2019**

4:30 p.m.

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

MINUTES

I. CALL TO ORDER: Mr. Mark Bellue

Mr. Bellue called the meeting to order.

II. ROLL CALL

All members were present at the meeting, namely Messrs. Bellue, Breaux, Cohran, Lambert, and O’Gorman and Mss. Green, Perkins, and Pierre. Also present were Mr. Bill Deville, CEO; Mr. Charles Odingbe, DCEO; other CATS staff; Creighton Abadie, CATS attorney; and members of the public.

III. APPROVAL OF MINUTES OF NOVEMBER 19, 2019 MEETING

Ms. Perkins moved to approve the minutes of the November 19, 2019, meeting and Mr. Lambert seconded the motion. Mr. Bellue invited public comment and there was none. The motion passed unanimously with no abstentions. Dr. Breaux and Ms. Green were not present for the vote.

IV. PRESIDENT’S ANNOUNCEMENTS

Mr. Bellue reviewed the public comment process.

Mr. Bellue noted that Mr. Brandt’s board replacement would be taken at the February 26, 2020 Metro Council meeting, so it will be the March 2020 board meeting before there is a full complement of nine board members.

Mr. Bellue shared that he would be appointing a Nominating Committee for officer nominations and anyone interested in being on the committee should let Mr. Bellue know.

V. ADMINISTRATIVE MATTERS

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

Mr. Deville noted that CATS provided shuttle service on Thanksgiving Day for St. Vincent de Paul's annual Thanksgiving Day lunch at the Raising Cane's River Center.

Ms. Dwana Williams shared that, in Operations, there are currently 130 active operators. There are 140 total operators and the remaining operators are on FMLA and light duty.

Ms. Williams noted that CATS had 200,579 passenger trips in November. There were 2.0 preventable accidents per 100,000 miles, and 960.25 trips cancelled for the month. The percentage of on-time trips was 58.40%, there were 39.4 customer contacts per 100,000 boardings, and there were 5,287.80 mean miles between road calls for the month.

It was noted that 12 new operators joined in early December and one operator returned from FMLA. There is a new training class with 12 cadets currently in training.

It was noted that there has been a shift in the Maintenance Department and Micah Anthony has been named the Director of Maintenance. One of his goals is to work to improve on-time performance from a maintenance perspective. It was also noted that fleet issues are being rectified by keeping inventory parts in stock.

It was requested that timelines for initiatives to reverse the current trends be provided at the next meeting. Some of the requested timelines include on-time performance, rectifying fleet issues, as well as tracking the number of cadets hired, new training classes, and where the agency is in terms of reaching operator goals.

Mr. Deville shared that the CATS proposed 2020 budget has been posted on the CATS website for public inspection and a number of the board members were able to meet with the CEO and Comptroller to discuss the budget in detail.

Staff held its first meeting following the BRT BUILD grant award with senior staff as well as board members Kahli Cohran, Laurence Lambert, and Kevin O’Gorman. Positive progress was made in defining the path forward that will lead to a CEA between CATS and the City-Parish. That CEA will define funding sources and allocation(s), as well as timelines for major milestones, including NEPA. A determination has been made and agreed by both senior staff and those board members present that CATS should merge the Plank and Nicholson BRT projects while still implementing Plank BRT as Phase One.

The CEO met with FTA Region VI representatives in Fort Worth and were introduced to the BUILD grant award project team, including the assigned management specialist.

BRAC held a one-day Leadership Baton Rouge event with a focus on City and State government on December 10th and the CEO spoke on the CATS mission, its impact on government, and major projects and initiatives.

Some of CATS staff met with BYD’s new Manager of the Central Division and BYD has committed to a policy where no tariffs will be passed on to the buyers.

Mr. Odimgbe shared that staff from Communications and Planning attended a “Mobility for All” webinar with a grant opportunity with a short deadline. Finance and Grants continue to work on ECHOs as reimbursements from previous ECHO draws were incorrectly charted and most have been reconciled.

It was noted that HNTB is assisting with the preliminary work on the North Baton Rouge Transit Center site.

CATS will be meeting with City-Parish engineers to identify who should be in the discussion for the Downtown Transit Center site being used as a bus pull through.

Construction is substantially complete at the Cortana Transit Center and CATS is completing the timeline to begin revenue service.

Mr. Deville shared that, regarding office facilities, the City-Parish will conduct appraisals utilizing their staff and the agency plans to meet with them to finalize next steps for the two properties adjacent to 2250.

GOTECH is preparing a new scope of work to include a master plan for the 2250 site. Part of this assessment will include an alternative site study. Once completed, this information will enable CATS to proceed with seeking funding for the AOM project master plan.

Mr. Cutrone presented the November financials and noted that the total current assets as of November 30, 2019 are \$18,758,768. The total assets are \$48,620,905. The total current liabilities are \$6,872,138 and the total liabilities are \$12,910,174.

The operating expenses as of November 30, 2019 are \$3,076,956.

The total CATS-generated operating revenues as of November 30, 2019 are \$238,499. The total non-federal subsidies are \$1,604,873 and the total federal subsidies are \$492,679. The total operating subsidies are \$2,097,552.

VI. COMMITTEE REPORTS AND ANY ACTION THEREON

1. Finance and Executive: Mr. Mark Bellue

Mr. Bellue referred the members to the highlights of the minutes of the December 12th meeting and shared the highlights. He noted the action items were presented to the F&E Committee. The committee took no action on action item #4 and recommended it come to the full board for approval.

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

Dr. Breaux noted the committee did not meet.

3. Audit: Mr. Cohran

Mr. Cohran noted the committee did not meet.

4. Planning: Mr. Kevin O’Gorman

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

5. Community Relations: Ms. Linda Perkins

Ms. Perkins referred the members to the highlights of the minutes of the December 11th meeting in their packets. Ms. Perkins thanked Mr. Jimmy Thomas and Ms. Dwana Williams for the training that was provided to the Customer Care representatives. She thanked the CATS staff and the CATS customers for their dedication in 2019.

Mr. Cooksey noted that CATS On Demand had 8,603 scheduled trips in November. Of those, 864 were cancellations and 404 were no shows, for a total of 7,335 completed trips.

Mr. Cooksey shared that there were four valid complaints for the month.

The on-time performance for the month was 86.2%.

There were six road calls for the month.

Mr. Deville noted that CATS and MV are working with U-Serve to provide a pilot program for paratransit Microtransit service.

VII. ACTION ITEMS

1. Consideration of approval of purchase of three BYD electric buses

It was noted that CATS had a purchase order with BYD to purchase up to nine electric buses. The original contract was executed on March 6, 2018.

This purchase is for three electric buses and three charging systems. The cost of each bus is \$765,415 and the cost of each charging system is \$28,333.33, for a total cost of \$2,381,245.00.

Mr. Cohran moved that the CEO is authorized to purchase three BYD electric buses and three charging systems for an amount not to exceed \$2,381,245 and under such terms and conditions the CEO deems appropriate. Dr. Breaux seconded the motion. Mr. Bellue invited public comment and there was none. The motion passed unanimously.

2. Consideration of approval of ERP software contract

Paul Simon introduced Mr. Andy Wakefield of Intueor Consulting to provide an overview of the ERP software procurement process. Mr. Wakefield noted that Intueor worked with CATS to develop a scope of work for a finance and human resources ERP software system for the agency.

CATS received three proposals in response to the RPF and after evaluation and consideration by the Proposal Evaluation Committee, it was recommended that the contract be awarded to Tyler Technologies, ERP Software Solutions.

It was noted that the maximum cost for up to eight years of service will be \$1,110,378.00. The contract is for five years with up to three, one-year renewal options.

Mr. O’Gorman moved that the CEO is authorized to enter into a contract with Tyler Technologies for ERO software for a period of five years with up to three, one-year renewal options at a cost not to exceed \$1,110,378, and to renegotiate the contract after year five, and with other such terms and conditions the CEO deems appropriate. Mr. Cohran seconded the motion. Mr. Bellue invited public comment and there was none. The motion passed unanimously.

3. Consideration of approval of Kevin O’Gorman absences

Mr. Abadie noted that this is a requirement of the State Statute and Mr. O’Gorman missed the October and November meetings.

Ms. Green moved that the following resolution be adopted and Ms. Pierre seconded the motion. Mr. Bellue invited public comment and there was none. The motion passed unanimously.

**RESOLUTION OF CATS BOARD OF COMMISSIONERS
APPROVING ABSENCES OF KEVIN O’GORMAN**

WHEREAS, state law in Revised Statutes 48:1456E provides that a member of the CATS Board of Commissioners “shall be deemed to have abandoned his office upon failure to attend two of any three consecutive regularly scheduled board meetings without an excuse approved by a resolution of the board at its next regular meeting”; and

WHEREAS, it was necessary for Kevin O’Gorman to be absent from the board meetings held on October 15, 2019, and November 19, 2019;

BE IT RESOLVED by the Board of Commissioners of Capital Area Transit System that it approves the absences of Kevin O’Gorman from its meetings held on October 15, 2019, and November 19, 2019.

4. Consideration of approval of construction contract for administrative office improvements

Ms. Thomas let the board know that the contract was for interior renovations and ADA improvements to the new administrative office site at 350 North Donmoor. She noted that the original contract with

Honore Companies, LLC was for interior improvements and was under the \$50,000 threshold for CEO approval for contracts. When a determination was made that additional ADA improvements were needed, the amount of the contract exceeded the \$50,000 threshold.

Ms. Perkins moved that the CEO is authorized to issue a change order and/or enter into an amended contract with Honore Companies, LLC for administrative office construction improvements in an amount not to exceed \$86,100.00 and Mr. Cohran seconded the motion. Mr. Bellue invited public comment and there was none. The motion passed unanimously.

5. Consideration of approval and adoption of 2020 budget

Mr. Deville informed the board members that the annual budget three years ago was \$30 million and the agency has been able to reduce expenses over the last several years.

Mr. Cutrone shared the proposed 2020 budget with the board members and noted that the revenue is currently estimated at \$28.9 million to fund expenses of approximately \$28.9 million.

The 2020 operating revenue budget is projected as the following: \$2,930,637 in CATS generated revenue; \$19,554,264 in non-federal revenue, with \$17,780,000 in property tax revenue; \$3,314,597 in federal operating revenue; and \$3,106,386 in FTA capital projects. The total proposed operating revenues are \$28,905,884.

The 2020 operating expenses budget is projected as \$18,593,732 in labor and fringe benefits and total operating expenses of \$28,905,884.

Mr. Abadie noted that \$300,000 is appropriated for the payment of settlements and \$40,000 for the payment of judgments.

Mr. Cohran moved that the following resolution be adopted and Ms. Pierre seconded the motion. Mr. Bellue invited public comment and there was none. The motion passed unanimously.

**RESOLUTION OF CATS BOARD OF COMMISSIONERS
APPROVING 2020 BUDGET**

BE IT RESOLVED by the Board of Commissioners of Capital Area Transit System that the attached document setting forth the 2020 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 or total expenditures be changed without approval of the Board of Commissioners.

VIII. PUBLIC COMMENT

There were no public comments.

IX. ADJOURNMENT

Mr. Bellue wished everyone a Merry Christmas and happy new year.

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



OPERATING AND CAPITAL BUDGET
FOR THE YEAR ENDING DECEMBER
31, 2020



2250 Florida Boulevard
Baton Rouge, LA 70802
PHONE: 225.389.8920



CONTACT

Bill Deville
Chief Executive Officer
bdeville@brcats.com

CATS 2020 Operating Budget Narrative

The revenue for Calendar Year 2020 is currently estimated at nearly \$28.9 million to fund estimated expenses of \$28.9 million.

CATS CY2020 Operating budget is \$28,905,885, compared to CY2019 Operating budget of \$26,999,987; this is an increase of \$1,465,228, or 7.05%.

Highlights:

- CATS construction of its Cortana East Transit Center is expected to be completed by the end of 2019. Revenue service will begin early in the first quarter of 2020.
- CATS, along with the City-Parish and Build Baton Rouge, was awarded a \$15,000,000 BUILD grant in the fourth quarter of 2019, for its Plank-Nicholson Bus Rapid Transit (BRT) Corridor project with NEPA reviews starting no later than the end of the first quarter 2020; categorical environmental exclusion is expected from the NEPA process. The successful award of the BUILD grant helps pave the way for the \$40 million BRT project, and CATS will be seeking to adjust its Capital Budget to reflect the early success of the grant application/award.
- CATS concluded the planning component of the Microtransit project in 2019, via Transloc technology contract, and the agency will be implementing its first Microtransit service pilot for six months, with Phase I beginning by the end of the first quarter of 2020. The proposed service area in North Baton Rouge includes two zones: the Baton Rouge Metropolitan Airport and Southern University, and the City of Baker.
- CATS is nearing the end of the planning phase to implement a pilot ADA paratransit microtransit-type service with the current CATS On Demand provider, MV Transportation. This service is slated to begin in the first quarter of 2020 and will serve a sampling of the elderly and disabled communities across East Baton Rouge.
- CATS began a new Service Improvement Plan that will be implemented in spring 2020.

2250 Florida Boulevard
Baton Rouge, LA 70802
PHONE: 225.389.8920

CONTACT



- CATS will be seeking to begin the process to obtain funding to contract for a formal Comprehensive Operational Analysis (COA) by the end of 2020.
- CATS will continue to work with neighboring parish governments in 2020 to find ways to improve inter-parish transportation planning efforts; one program initiated by the City of Baker in 2019 is its planned Baker Park and Ride project. This project would include a CATS Park and Ride right-of-way within the boundaries of the planned hotel, retail, and housing real estate development; financial support is being led by CRPC for the project.
- CATS has begun looking for ways to strategically invest in improvements and expansion of its 2250 Administration, Operations, and Maintenance (AOM) facility; further planning efforts are expected to take place in 2020, including expansion of sorely needed parking space for employees.
- The CATS Planning Committee has noted its support of the relocation of the current downtown transit center/terminal service to the I-110 Underpass area at Florida Boulevard; it is expected that planning and construction will begin in 2020.
- CATS expects to contract a “bench” of consultants and contractors for its “on call” programs to strategically help the agency with revenue leveraging, the aforementioned COA, and program management of its board approved operating and capital programs.
- FTA concluded its 2019 Triennial Review, and CATS is applying the agreed upon responses in 2020.
- CATS has applied, and will continue to apply, for grants to fund the goal of using electric buses on all BRT routes. The agency received its first three electric buses in the spring of 2019 and plans to replace the aged fleet with smaller, 29-foot electric buses; this is expected to start by the fourth quarter of 2020.

Operating Revenue

Operating Revenues are expected to total \$28.9 million. As indicated by the attached budget and revenue projections, the majority of CATS operating revenues come from the dedicated property tax millage and federal grants,

2250 Florida Boulevard
Baton Rouge, LA 70802
PHONE: 225.389.8920

CONTACT



with the balance coming from Passenger Revenues, the Parish Transportation Fund, Hotel/Motel tax, and Advertising revenues.

Operating Expenses

With 19 Fleet vehicles reaching full life expectancy, CATS is challenged to continue improving comprehensive service and maintenance programs within the confines of the 2020 operating budget, with the goal of continuing and improving service reliability. While there is a national shortage of transit operators, CATS is developing plans to obtain and maintain a full employment of operators. Together with the service improvement plan, CATS expects positive results in improved customer service and service sustainability. In 2020, CATS will continue to upgrade its technology efforts, critical in today's transit world.

Capital Program

CATS rapid transit network plan for East Baton Rouge got a huge push forward with the November 2019 BUILD grant award for \$15 million. The environmental review of all the BRT stations and transit centers located within the Plank Road-Nicholson BRT Corridor will get underway in the first quarter 2020.

The Florida Blvd BRT stations will be included in the environmental review, and CATS will begin reassessing the timing and funding needs for this vital BRT route.

Continuing its efforts to obtain funding at all levels, coupled with the grant and local revenues being received, CATS is positioning itself for the next two to five years with a Board approved Capital Improvement Investment Plan.

CATS is expected to get the final approval to obtain title to proposed North Transit Hub located on Airline Highway adjacent to the new LSU Urgent Care and Health Facilities location.

CATS is planning to begin designing and construction for the relocation of its *Downtown 22nd* and Terminal service to I-110 and Florida in 2020.

Construction of the East Cortana Transit Center is expected to be completed in the fourth quarter of 2019, allowing revenue service to begin early in 2020.

CATS is seeking a proposed site for its South Transit Center, in 2020, with two options becoming available via CATS Board members and the East Baton Rouge and Health District, both are open to entertaining proposals.

Capital Area Transit System

Operating Budget

For the Year Ending December 31, 2020

Draft

Operating Revenues

Description	2020	2019	Dollar
	Budget	Budget	Variance
Operating Revenue			
Passenger Paid Fares	1,726,698	1,701,630	25,068
Special Transit Fares (Contract)	243,330	311,319	(67,989)
ADA/Paratransit Revenue	117,144	92,000	25,144
Advertising Revenue	540,000	732,647	(192,647)
Interest Income	163,453	162,183	1,270
Other Agency Revenue	140,012	179,366	(39,354)
Total CATS Generated	2,930,637	3,179,146	(248,509)
Non Federal Revenue			
Hotel/Motel Tax	1,224,264	1,250,823	(26,559)
Parish Transportation Fund	550,000	550,000	0
Property Tax Revenue	17,780,000	17,608,470	171,530
Total Non Federal	19,554,264	19,409,292	144,972
Federal Operating Subsidies			
FTA - Preventive Maintenance	3,083,512	4,186,549	(1,103,037)
FTA - Project Administration	0	0	0
FTA - Planning	100,000	225,000	(125,000)
FTA - JARC/New Freedom	131,085	0	131,085
Total Federal Operating	3,314,597	4,411,549	(1,096,952)
Total Operating Revenues	25,799,498	26,999,987	(1,200,489)
FTA - Capital Projects	3,106,386	0	3,106,386
TOTAL SOURCES OF REVENUE	28,905,884	26,999,987	1,905,897

Capital Area Transit System

Operating Budget

For the Year Ending December 31, 2020

Operating Expenses

DRAFT

Description	2020	2019	Dollar
	Budget	Budget	Variance
Operating Expenses			
Labor	11,653,980	10,885,580	768,400
Fringe Benefits	6,939,752	6,482,182	457,570
Labor and Fringe Benefits	18,593,732	17,367,762	1,225,970
Casualty and Liability	1,805,525	1,686,478	119,047
Services	1,917,114	1,790,710	126,404
Purchased Transportation	2,408,825	2,250,000	158,825
Materials & Supplies	2,926,174	2,733,238	192,936
Utilities	291,200	272,000	19,200
Miscellaneous Expenses	792,020	739,799	52,221
Leases and Rentals	171,294	160,000	11,294
Total Operating Expenses	28,905,884	26,999,987	1,905,897
NET BALANCE (+/-)	0.00	0.00	