



Birmingham-Jefferson County Transit Authority  
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## **Report to the Board Finance Committee**

Wednesday, January 19, 2011

**Opening:** The meeting was called to order by Committee Chairman Frank Galloway at 8:35 a.m. in the Executive Briefing Room, located at Central Station, 1735 Morris Avenue, Birmingham, Alabama 35203.

**Members Present:** Frank Galloway, Brian Hamilton, and Johnnye P. Lassiter

**Members Absent:** None

**Others Present:** Debra Anderson-Burse, Peter Behrman, William Copling, Jacquese Gary, Barbara Lawson, Chris Leffert, Dr. Jesse Lewis, and Richard Nardecchia

**Adoption of the Agenda:** The agenda was adopted by general consent.

### **Items for Information and/or Discussion:**

#### Budget and Cash Flow

Chief Financial Officer Richard Nardecchia explained that this item pertained to the funding situation of the City of Birmingham. The commitment of \$900,000 per month through March 2011 appears to be very solid. Mayor William Bell's recommendation is waiting approval of City Council.

#### Update on Brighton, Lipscomb, and Midfield

**Brighton:** There has been no response from the City of Brighton to the letters of notification, invoices, or any telephone calls. Mr. Galloway instructed staff to proceed with the next step of terminating service.

**Lipscomb:** Mr. Behrman talked to the mayor of Lipscomb and the response was that the City would try to come up with some payment and notify the BJCTA as soon as possible of what could be done. Mr. Galloway requested that Mr. Behrman try to have a response in time for the next board meeting.

**Midfield:** Mr. Behrman referred to the letter from the City of Midfield on page 34 of the committee packet. Payment for services is expected no later than February 28, 2011.

**Resolutions for Consideration & Recommendation –**

- A. **Resolution No. 2011-10:** Authorization for the Executive Director to Execute a Contract with Banks, Finley, White & Co. to Conduct an Independent Audit was moved by Brian Hamilton, seconded by Johnnye P. Lassiter, and recommended to the full Board for its consideration.

*Discussion:* Mr. Galloway requested that wording in the staff summary, 5.0, be changed from “shall not exceed” to “shall be”. Mr. Hamilton requested to see a copy of the terms and conditions.

- B. **Resolution No. 2011-12:** Authorization to Amend Resolution No. 2010-24, the Award of Contract to Transit Resource Center to Provide Inspection Services for BCTA’s Fixed Route Buses to include additional payment of \$3,480 was moved by Brian Hamilton, seconded by Johnnye P. Lassiter, and recommended to the full Board for its consideration.

*Discussion:* Grants and Revenues Officer Chris Leffert explained that there was a conflict in the resolution and contract presented to the Board in July 2010. The build time was estimated at 45 days but the build took 53 days to complete. The contractor is due \$435 per day that exceeds the estimated period. Mr. Hamilton stated that there should never be an approval of a resolution and a contract where the amounts do not agree.

- C. **Resolution No. 2011-13:** Authorization to Renew Health and Dental Insurance Coverage with Blue Cross Blue Shield of Alabama Related to the Collective Bargaining Unit was moved by Brian Hamilton, seconded by Johnnye P. Lassiter, and recommended to the full Board for its consideration.

*Discussion:* Mr. Galloway suggested word changes in Section 1 of the resolution to read as: “That the Executive Director is hereby authorized to renew the BJCTA’s contract with Blue Cross Blue Shield of Alabama for it to serve as BJCTA’s third party administrator for BJCTA’s self insured medical insurance and dental insurance for its collective bargaining employees.” He requested a breakdown of cost be included in the next to last recital of the resolution and also the contract period. In the staff summary, the first line of 5.0 should read: “In March of 2010, due to...” The footnote of the monthly amount should be corrected. Mr. Nardecchia suggested that Ms. Burse make a request to learn if anyone audits the claims and costs, such as those submitted to the BJCTA.

- D. **Resolution No. 2011-14:** Authorization to Obtain Aggregate and Specific Excess Loss Coverage with \_\_\_\_\_ Related to the Collective Bargaining Unit Health Program was tabled.

**Old/New Business:**

In response to Ms. Lassiter, Mr. Nardecchia referred to the Employee Overtime Report on page 19, which reflects that overtime has decreased in comparison to this time last year.

Ms. Lassiter inquired about the Memo of Understanding (MOU) to the participating municipalities and whether or not the dollar amounts and number of service hours have been included in the MOUs. She requested that the BJCTA finance team accompany her to the Bessemer planning meeting on the second Tuesday of February. Mr. Behrman responded that he and others would be happy to attend the meeting. Mr. Hamilton recommended that the BJCTA have representation at all meetings where BJCTA money matters are to be discussed. He referred to his recent meeting with Ms. Kim Fort at UAB regarding BJCTA services and discussed the importance of interacting with BJCTA clients. Dr. Jesse Lewis, The Lewis Group, agreed to work up a outreach plan that Mr. Behrman could present to the Board.

**Adjournment:** The meeting was adjourned.

Minutes submitted by:      Barbara Lawson, Executive Administrative Assistant

Date: \_\_\_\_\_

Approved by: \_\_\_\_\_  
Frank C. Galloway, Jr., Committee Chairman