



Birmingham-Jefferson County Transit Authority
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BOARD MEETING MINUTES

Wednesday, August 24, 2011

Opening: The meeting was called to order by Chairman Brian Hamilton, at 12:00 p.m. in the Public Meeting Room, located at Central Station, 1735 Morris Avenue, Birmingham, Alabama 35203.

Members Present: Joyce Brooks, Jack Darnall, Brian Hamilton, Johnnye P. Lassiter, Ronald Lyas, Guin Robinson, and Rev. Patrick Sellers.

Members Absent: None

Others Present: Debra Anderson-Burse, Robert Ballard, Peter Behrman, Christopher Bolling, Anna Brown, Ernestine Cobb, Marva Douglas, Bing Edwards, Martin Edwards-Clark, Johnnie Evans, Butch Ferrell, Jacquese Gary, Judy Gordon, James O. Hill, Lee Jackson, Sgt. S.A. Jackson, Chris Leffert, Dr. Jesse Lewis, Julie McMillan, Kevin Owens, and Solomon Wilson.

A moment of silence was observed.

Mr. Darnall led the assembly in the recitation of the **Pledge of Allegiance**.

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

Adoption of the Minutes: The minutes were adopted by general consent.

Chairman's Report –

Chairman Brian Hamilton thanked everyone who attended the recent Committee of the Whole Meeting. He then appointed a Bus Advertising ad hoc Committee consisting of staff members Jacquese Gary, Chris Leffert, and Martin Edwards-Clark; board members Rev. Sellers, Ms. Lassiter, and Mr. Robinson; Transit Advisory Committee (TAC) president Butch Ferrell; and Dr. Jesse Lewis of The Lewis Group. Mr. Robinson agreed to chair the committee and requested that Debra Anderson-Burse, director of Administration and Risk Management, send a copy of the current policy to all board members and especially the ad hoc committee members.

Mr. Hamilton also appointed an ad hoc Nominating Committee consisting of Mr. Darnall, Mr. Lyas, and Mr. Hamilton to bring forward a recommendation of officers for the FY 2012. Mr. Hamilton will chair the committee.

Committee of the Whole Report –

- A. **Human Relations Committee:** Mr. Lyas reported that the Committee forwarded the evaluation of the executive director to the full board for ratification and/or adoption.
- B. **Finance Committee:** Mr. Hamilton dispensed with this portion of the report. The budget would be discussed today under the executive director's report.
- C. **Program Development Committee:** Rev. Sellers reported that the Committee previously recommended the bus shelter located at 18th Street and 16th Court North in the Fountain Heights area to be named after the late Doris Powell; however, no action was taken by the full board. Mr. Hamilton instructed that staff prepare a resolution for consideration.

Executive Director's Report –

A. Financial Report

Chief Financial Officer Julie McMillan reported that as of July 31, 2011, assets were \$39,852,098.53, while total liabilities were \$9,203,110.76. The Income Statement details year-to-date revenues of \$34,026,261.77 and expenses of \$25,766,534.07, resulting in a difference of \$8,259,727.70. The total cash and cash equivalents were \$7,594,797.87 of which \$6,382,473.04 was the balance in the operating and money market accounts. Total overall variance with the budget is a positive \$3,444,511.12. The major factors for the positive variance in revenues are approximately \$485,000 in Ad Valorem Taxes and \$708,000 in FTA Reimbursements for Preventative Maintenance. The major factors for the positive variance in expenses are reduced salary expense of \$504,000, favorable health claims of \$350,000, and \$1,416,000 in Vehicle Maintenance – External, to be used for the bus rehab program and normal repairs. Other favorable factors include \$115,000 due to using less diesel fuel and \$114,000 budgeted for the production of the new Transit Development Plan.

B. FY2012 Budget

Executive Director Peter Behrman led discussions on the draft budget, which was prepared to reflect the shortages in the approved level of funding from Birmingham. Consideration was given to the \$2.9 million budget reduction, the \$900,000 non-payment for the month of June, and each month operated at full service over and above the City's budget. The total shortfall is approximately \$4.5 million. A table of routes and proposed service cuts within the City was prepared to make up the shortfall. Approximately 60 to 70 positions will be eliminated throughout the organization, including administrative positions and supervisory positions. The cuts will take place the first Monday in October. Reasonable notice will be given to the public and to employees.

Mr. Hamilton responded to Mrs. Brooks that, procedurally, the BJCTA has met with the Mayor's office and has made formal presentations to the City's Committee of the Whole. The official communication will be the resolution requesting reduction in the

workforce and route changes. The official notification to the City of Birmingham will be a request for their approval of the modification in routes.

Mr. Hamilton instructed that the board be polled for a special called meeting to further discuss the draft FY2012 budget that will be revised per the board's directives on this day. Specifically mentioned were: 1) correcting the Maintenance budget amount to reflect a positive number by removing the brackets; 2) addressing the \$800,000 increase on page 15 in Maintenance; and 3) reflecting other line items that do not show a decrease in the budget.

Resolutions for Consideration and Approval:

- A. **Resolution No. 2011-48:** Authorization to Eliminate Transfers and Create a One-Day Pass for BJCTA Patrons was moved by Mr. Robinson, seconded by Mrs. Brooks, and approved by general consent.
- B. **Resolution No. 2011-49:** Authorization for the Executive Director to Exercise the First One (1) Year Renewal Option to the Contract with ESC Fine Janitorial Services was moved by Rev. Sellers, seconded by Mr. Robinson, and approved by general consent.
- C. **Resolution No. 2011-50:** Authorization to Enter into an Agreement with the Birmingham Police Department for Enhanced Security Services at Central Station was moved by Rev. Sellers, seconded by Mrs. Brooks, and approved by general consent.

Discussion: Legal Counsel Bing Edwards advised that there was a minimum requirement of number of security hours scheduled in the contract with Dynamic Security. He suggested that the Executive Director approach Dynamic and condition the renewal option upon some flexibility in the number. In regards to the insurance, there is a requirement in the policy of the Police Department that each officer have \$100,000 of liability insurance with the City listed as an additional insured. Mr. Edwards advised that the BJCTA also be listed as an additional insured.

Staff agreed to approach Dynamic Security as suggested.

Sgt. Jackson was present and reported that the officers would be in full uniform. If any reason should cause the officers to be in plain clothes, approval and the reason must be given.

- D. **Resolution No. 2011-51:** Authorization to Enter into a Contract with McGriff, Seibels, and Williams, Inc. for Liability Insurance Broker Services was moved by Mrs. Brooks, seconded by Ms. Lassiter, and approved by general consent, with changes to include the term of the contract as one year.
- E. **Resolution No. 2011-52:** Authorizing the Implementation of Service and Workforce Reductions was moved by Mr. Robinson, seconded by Mrs. Brooks, and approved by general consent, as written.

- F. **Resolution No. 2011-53:** Authorization to Enter into Contract for Legal Services was moved by Mr. Darnall, seconded by Mrs. Brooks, and approved by general consent, with changes to include the term of the contract as one year.

Originally, Mr. Robinson made the motion which was seconded by Mrs. Brooks; however, he withdrew the motion and Mrs. Brooks withdrew her second. Mr. Robinson then made a motion to move the resolution and include the term of the contract to be one year with the option of renewal. After discussion, Mr. Robinson withdrew his motion.

Mr. Hamilton noted for the record that during the committee meeting, Mr. Edwards was out of the room and did not participate in the discussions.

Old/New Business: - None

Public Comments:

- A. James O. Hill, president of Local Union #725, spoke to the board on behalf of the union and bus riders regarding concerns of transportation in Birmingham. Mr. Hill called for unity in urging officials to support transit. The ATU is planning a rally on September 20, 2011, at Central Station, to voice concerns. Mr. Hill extended an invitation for everyone to attend.

The **Meeting Adjourned** at 2:02 p.m. The next **Regular Meeting of the Board of Directors** will be held **Wednesday, September 28, 2011 at 12:00 PM** Central Station, 1735 Morris Avenue, Birmingham, AL.

Minutes submitted by: Barbara Lawson, Administrative Assistant

Date: _____

Approved by: _____
Brian Hamilton, Chairman

Attest: _____
Johnnye P. Lassiter Secretary/Treasurer