

**Georgia Regional Transportation Authority  
245 Peachtree Center Avenue, NE, Suite 800  
Atlanta, Georgia 30303-1223**

**Operations and Finance Committee  
Meeting Minutes  
May 12, 2010**

**COMMITTEE MEMBERS PRESENT:**

Alton Knight, Chair  
Sonny Deriso  
Dwight Evans  
Mike Byrd  
Charlotte Nash  
Caric Martin

**COMMITTEE MEMBERS ABSENT:**

Narender Reddy

All notice having been duly given, the Operations and Finance Committee of the Georgia Regional Transportation Authority was held at the Georgia Regional Transportation Authority office, 245 Peachtree Center Avenue, Suite 800, Atlanta, Georgia.

Alton Knight called the meeting to order at 10:40 a.m.

**APPROVAL OF COMMITTEE MINUTES OF THE APRIL 14, 2010 MEETING**

Minutes for the meeting of April 14, 2010 were reviewed and approved as circulated.

**APPROVAL OF COMMITTEE AGENDA FOR THE MAY 12, 2010 MEETING**

The agenda for the May 12, 2010 committee meeting has been circulated. The agenda was approved as circulated.

**Monthly Financial Report**

Jim Ritchey gave the financial report. As of the end of March there was \$5,400,000 in the fund balance. There is a small amount of \$25,000.00 showing as accounts payable. The checks have not been mailed to pay these debts. On the budget comparison there are indirect cost charges reflected. When staff is doing work under the federal grants it is charged against federal grants. In the past years the number has always been recorded at year end. Mark Peoples made the decision that to accurately reflect the overhead expenses they would be recorded as they are earned each month. The expenses reflected on the balance sheet are expenses that have been earned through the end of February. Going forward overhead expenses will be recorded on a monthly basis. The fund balance is up with the adjustment.

**Monthly Operations Report**

Jim Ritchey gave the operations report and stated that ridership is down. For the month of March ridership was down 1.3%. The cost of fuel was substantially lower than projected. Recovery ratio is running about 37%. Mr. Ritchey also discussed the Hamilton Mill station. A contract will be awarded for the construction. This will be the first station that GRTA has held the construction contract. The station is part of congestion reduction. The Federal Highway has signed document to convert the HOV to a toll lane. In 2011 when the hot lanes open GRTA is trying to double the parking in three lots: Horizon Parkway, Hamilton Mill and Mall of Georgia. An executive committee meeting will be held before July to approve the contract. A discussion followed the presentation.

**Xpress Service Changes Discussion**

Kirk Fjelstul briefed the board regarding financial problems. Funding will be depleted next year. Service cuts and management of revenues will be critical for operation. The earliest that new funding will be available is 2013. That creates a revenue gap. There was a 27% cut to the operations budget. House Bill 277 gives GRTA additional responsibilities. Work will need to be reprioritized. Jim Ritchey stated that April of 2010 is the first month this year

that we have a year over year gain. April figures show ridership up 3.7%. The amount of county funds used each year has grown. For FY 2011 approximately \$8,000,000 of county funds will be used. If no service changes are made there would be an approximate shortage of \$1,300,000 by June of 2011. Management changes can affect the timing of the shortage. Mr. Ritchey recommended elimination of underperforming services, utilization of AARA operating funds, a distance based fare increase and efficient management of GRTA and PTM. A discussion followed the presentation.

#### **Route 400/411 Service Contract**

Jim Ritchey presented a proposed contract to engage a private operations service provider to operate the existing Xpress Route 400 and the planned new Xpress Route 411. As a result of a competitive procurement, GRTA has chosen American Coach Lines of Atlanta to operate Xpress Routes 400 & 411 beginning in approximately July 2010. American Coach Lines will operate the routes from its facility in Norcross. The contract will be a transit operations contract wherein American Coach Lines will be responsible for all costs associated with the operation of the routes, including personnel, vehicle maintenance and insurance. The term of the contract will be up to five years, which includes a base term of three years plus two optional years. GRTA will also have the option to add routes to the contract in the future. The cost of operating these routes from the Xpress facility in Forest Park is more expensive than other routes due to the large amount of non-revenue hours and miles. A more economical alternative would be to operate these routes from a facility located near their daily origination location. Since neither GRTA nor PTMG have facilities near Cumming or Buford, GRTA issued a Request for Proposals (RFP) to solicit the services of a transit service provider that could operate the routes more economically than PTMG. GRTA received and evaluated proposals from 4 transit service providers. All 4 proposers were local charter bus operators. GRTA interviewed the two top ranked proposers and requested a Best and Final Offer (BAFO) from American Coach Lines. American Coach Lines was both the most qualified service provider and submitted the lowest cost proposal for operation of the routes.

#### **COMMITTEE MOTION:**

Caric Martin moved that the committee authorize the Acting Executive Director to negotiate and the Acting Executive Director and Board Chairman to execute a contract for transit operation services with American Coach Lines of Atlanta for a maximum 5-year contract term. A vote was taken and the motion carried unanimously.

#### **General Obligation Bond Resolutions**

Jim Ritchey reported the purpose of this agenda item is to authorize the Acting Executive Director to sign the revised commitment letter for the GO bonds regarding Project Number: GRTA-1, ROW Acquirement and Xpress Park and Ride Lots at various locations, Georgia Regional Transportation Authority. The revised letter allows GRTA to administer the project in lieu of the Georgia State Financing and Investment Commission (GSFIC). GSFIC is in agreement with the requested revision.

GSFIC requires a revised commitment letter in order to transfer administrative rights for the above-referenced project from GSFIC to GRTA.

#### **COMMITTEE MOTION:**

Caric Martin Reddy moved to authorize the Acting Executive Director to sign the revised commitment letter for the GO bonds. A vote was taken and the motion carried unanimously.

#### **ADJOURNMENT**

The meeting was adjourned at 11:40 a.m.