

REGULAR BOARD MEETING - BLOOMINGTON PUBLIC TRANSPORTATION CORPORATION (BPTC) MARCH 26, 2013, 5:30 P.M.

In the Edward J. Kuntz Board Room of the Bloomington Transit Operating Facility, 130 W. Grimes Lane, Chairman McConn convened the regular meeting of the Board of Directors of the Bloomington Public Transportation Corporation.

ROLL CALL

Board Members present: Chairman McConn, Vice Chairman McDaniel, Secretary Cartwright, and Board Member Obermeyer. Also present were Lewis May, General Manager, Brenda Underwood, Human Resources/Marketing Administrator, Christa Browning, Controller, and members of the public Barry Collins, City of Bloomington.

PETITIONS AND COMMUNICATIONS

There were no petitions and communications.

MESSAGES FROM BOARD MEMBERS

There were no messages from Board Members.

MESSAGES FROM THE MANAGER

Mr. May opened with an update on the downtown transfer facility. He noted our Construction Oversight Representative, Barry Collins from the City of Bloomington was present. Mr. May presented pictures of the excavation from the downtown construction site that showed underground storage tanks, soils, and rubble that had to be removed. He noted all of tanks have been removed and cleaned. He added that during the tank removal process there was a release of tank product into the soil when a tank collapsed and rainwater seeped into another tank in the ground and caused it to overflow its contents. He said we reported the release to IDEM and we have taken soil and ground water samples after the tanks were removed. He said the samples were sent to the laboratory for test results and the results will be shared with IDEM who may require us to do additional testing or take other measures. He said IDEM will have to provide us with a Site Status Letter indicating the status of our site once they have evaluated the testing data. There is some concern about how quickly IDEM will move on the matter. He noted that the delay is adding cost to the project as our contractor is already mobilized on the site. Further, he noted that the most important issue is getting the project underway again in order to spend our ARRA grant funds for the project which are \$1.7 million or roughly about 33 percent of the construction total. These funds have to be used by September 30 or we would lose that money. He said we do have an extension request into FTA where it has been for 9 months. FTA has assigned us a consultant to provide technical assistance to help ensure we can spend the ARRA funds by September 30, 2013. Mr. May said after we get the test results we may need to make a hard decision as to whether to go ahead and fill the hole waiting for IDEM's direction or do we wait however long it takes to hear from IDEM.

Mr. May said that next on the agenda is employee health insurance. He said the employee health insurance plan year runs from May 1 to April 30 each year. He said we recently received our briefing, claims experience and premium equivalents from SIHO for the upcoming year. Mr. May reminded the Board that our health insurance is partially self-funded. He described how the partially self funded plan worked relative to purchasing reinsurance on every employee of \$30,000 with occasionally some employees being lasered at higher amounts. He noted that SIHO provides the physician/pharmacy network along with claims processing. BPTC directly pays medical claims submitted by employees through SIHO. When claims on an individual exceed the \$30,000 amount, reinsurance provides reimbursement for the amount over \$30,000. Mr. May shared that maximum annual exposure and projected medical claims calculated by SHIO are projected to increase by 5.4 percent in the upcoming plan year. He said we have had a relatively good year in terms of claims this year as compared to some previous plan years. He noted in the Board packet is a summary of the proposed insurance rates for the upcoming plan year. Mr. May said our recommendation is the continuation of the partially self-funded health insurance and to increase premiums 6 percent on the employee only contribution for the HSA plan and 8 percent on the PPO plan for employee only coverage. He noted that the employee share for dependant care coverage would in some cases increase much higher than the 6-8 percent increases for employee only coverage. This was due to the cap of \$1,030/month that is included in Collective Bargaining Agreement for employer contribution to health insurance. He said on the agenda is Resolution 13-08 under New Business for the Board's consideration to authorize the continuation of partial self-funding of group health insurance for BPTC employees and to authorize a continued contract with SIHO for the provision of third party administrative services and to authorize the purchase of specific and aggregate claims reinsurance from SIHO through IOARe with a stop loss of \$30,000 per employee with the possibility of certain employees being lasered at higher specific amounts and to authorize the continued use of a medical claims account to fund and pay for employee medical claims and other related group health insurance expenses within the parameters of the plan design and to authorize the establishment of new employer/employee contributions for the May 1, 2013 to April 30, 2014 plan year.

Mr. May our diesel fuel contract expires March 31, 2013. He said IU Campus Bus recently has received bids for diesel fuel. He said IU restructured the term of the contract this year to align with the IU fiscal year which runs July 1 to June 30. He said they had to do two contracts one that runs from April 1 to June 30, 2013 and the other running from July 1, 2013 to June 30, 2014. Two separate bids were opened for each period on separate days. He said two bids were received for the first contract which goes from April 1 to June 30, 2013 and Jackson Oil was the low bid at \$3.0977. He said three bids were received for the second contract which goes from July 1 to June 30 and Petroleum Traders was the low bid at \$3.0389. Mr. May explained that we had 1 hour to lock in the bid prices after bids were opened. Mr. May contacted the Board Chair by phone seeking authorization to lock in the bids as it was felt the bids would provide us with budget certainty over the remainder of 2013 and into the first half of 2014. Our budgeted cost for diesel fuel in 2013 is \$3.30/gallon. Mr. May explained that today's action would formally approve the decision to commit to the purchase. Mr. May asked the Board to consider approval of Resolution 13-09 under New Business.

Mr. May said on the agenda is the Proposed 2013 Program of Projects which is the things that will go into our federal grants for this fiscal year. Mr. May presented a PowerPoint displaying the 2013 preliminary Program of Projects that included the replacement of 2 Paratransit Vans

Tires/Engine and Transmission Rebuilds Replacement of 1 25-foot Bus Next Bus Vehicle Locator Technology Downtown Transit Facility Furnishings Equipment and Signage and Operation Assistance.

Mr. May noted Bloomington Parks and Recreation has requested bus passes for their summer Kid City program for 2013. He said that under new business action is needed by the Board authorizing the continued exchange of passes for the Kid City program in return for discounted health club memberships for BPTC employees at the Twin Lakes Recreational Center.

Mr. May gave an overview of February ridership noting that fixed route ridership was up 2.74 percent in February 2013 on a weekday to weekday basis even though overall ridership for the month was down. The decrease was due to having fewer weekdays in February 2013 compared to the same month last year. Fixed route ridership is up slightly less than 1 percent year to date. He noted BT Access was down 15 percent in February 2013 compared to the same period last year. He said the year-to-date BT Access ridership is down 6.67 percent.

MESSAGES FROM THE CONTROLLER

There were no messages from Controller Browning.

MINUTES

The minutes for March 12, 2013 were presented for approval by Board Member Obermeyer and seconded by Board Secretary Cartwright. The minutes were approved unanimously.

CLAIMS

The claims for March 26, 2013 were presented for approval by Board Member Obermeyer and seconded by Secretary Cartwright. The claims were approved unanimously.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

Under New Business, Board Member Obermeyer moved to approve the provision of Summer Fun Passes in 2013 to the City of Bloomington Parks and Recreation Department Kid City Program in exchange for credits that can be used to provide BPTC employees with discounted memberships at the City of Bloomington's Twin Lakes Recreation Center. The motion was seconded by Secretary Cartwright. The motion was approved unanimously.

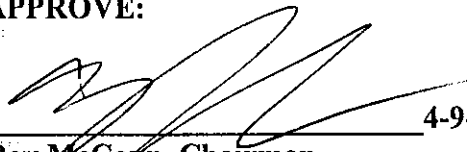
Under New Business, Vice Chairman McDaniel moved to approve Resolution 13-08; a resolution authorizing the continuation of partial self-funding of group health insurance for BPTC employees and a contract with SIHO for the provision of third party administrative

services, the purchase of specific and aggregate claims reinsurance from SIHO through IOARE with a stop loss of \$30,000 per employee with the possibility of certain employees being lasered at higher specific amounts, the continued use of a medical claims account to fund and pay for employee medical claims and other related group health insurance expenses within the parameters of the plan design, and the establishment of the employer/employee contributions for the May 1, 2013 to April 30, 2014 plan year. The motion was seconded by Board Member Obermeyer. Resolution 13-08 was approved unanimously.

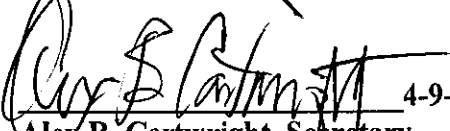
Under New Business, Secretary Cartwright moved to approve Resolution 13-09; a resolution authorizing the BPTC General Manager to purchase fuel through participation and commitment of the BPTC with Indiana University Campus Bus in a fixed price fuel purchase agreement with Jackson Oil for the period April 1, 2013 through June 30, 2013 and with Petroleum Traders for the period July 1, 2013 through June 30, 2014. The motion was seconded by Vice Chairman McDaniel. Resolution 13-09 was approved unanimously.

ADJOURNMENT

APPROVE:


4-9-13
Ray McConn, Chairman
Board of Directors BPTC

ATTEST:


4-9-13
Alex B. Cartwright, Secretary
Board of Directors BPTC