

**REGULAR BOARD MEETING - BLOOMINGTON PUBLIC TRANSPORTATION
CORPORATION (BPTC) DECEMBER 3, 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, Board Member Hasler and Board Member Obermeyer. Also present were Lewis May, General Manager, Brenda Underwood, Human Resources/Marketing Administration, Christa Browning, Controller, and members of the public Dan Mullis and Evan Umphress, SIHO Director of Employer Services.

PUBLIC HEARINGS

Chairman McConn opened a public hearing to receive public comment on Ordinance 13-01 an ordinance authorizing the BPTC to obtain and execute a temporary easement with Forest Ridge Apartments LLC to provide access for transit service. No one from the public offered any comments or input relative to Ordinance 13-01. Chairman McConn closed the public hearing accordingly.

PETITIONS AND COMMUNICATIONS

Dan Mullis, Bloomington Public Transportation Corporation full-time bus operator, was in attendance to continue his request asking the Board to grant him a hardship waiver and allow him to drop BPTC's healthcare plan with SIHO.

Mr. May noted Evan Umphress SIHO Director of Employer Services was in attendance to answer questions. Mr. May noted that our plan document guides how the plan functions and how the plan is administered especially with respect to qualifying events which are the circumstances that allow an employee to enter or exit the plan at times other than open enrollment. He said normally when you enroll in the plan you enroll for a year unless you have a qualifying event. Chairman McConn asked if the ways to get out of the plan are written down or itemized. Mr. May said there is nothing within our plan that speaks to the availability of a hardship waiver. Mr. Umphress also noted there is not a hardship waiver described within the plan and the BPTC plan uses Section 125 of the IRS Code with respect to what constitutes a qualifying event. Vice Chairman McDaniel asked what is the binding authority behind these regulations for getting off the contract - is it the IRS regulations or is it the way the individual contract reads. Mr. Umphress said the individual contract would abide by the IRS Code even though it may not be specifically listed in the termination section. Mr. Umphress reiterated that the BPTC plan uses Section 125 of the IRS Code to determine what are qualifying events. Vice Chairman McDaniel stated that based on what Mr. Umphress said, the IRS regulations are the authority for these kinds of cases. Chairman McConn asked what specifically does the IRS Code Section 125 say. Mr. Umphress said he looked at the IRS Code relative to this situation and SIHO's legal counsel also reviewed it. As per SIHO's legal counsel, the availability of VA benefits does not meet Section 125 of the IRS Code as a qualifying event. Mr. Mullis said that the VA benefits are not relevant to his request to the Board as he asked for a hardship waiver.

He said per his submitted request he talked with a Shelly and Teresa from SIHO Member Services who advise that SIHO is only administrators of the healthcare plan and that it is up to Bloomington Transit to make any such decision on a waiver. Chairman McConn asked Mr. Umphress what the downside is to letting members off the plan. Mr. Umphress said that the problem would be that employees could request to exit the plan after they have received major health care services. Reinsurance carriers do not like seeing people coming onto a plan simply to receive major health care services and then immediately exiting the plan to avoid paying premiums. Mr. May noted another employee recently asked to exit the plan as well and it would seem that if you grant an exception to one employee you would have to do it for anyone else to be fair. Mr. May said a case could also be made that if you are going to allow people to arbitrarily exit the plan you might have to arbitrarily allow them to enter the plan as well. Vice Chairman McDaniel said he would like for SIHO to check with their legal counsel and let us know what the legal consequences are if we violate Section 125 of the IRS regulations with respect to qualifying events. Mr. Umphress said he will check with their legal counsel and provide the Board with further information.

MESSAGES FROM BOARD MEMBERS

Vice Chairman McDaniel updated the Board on the ITA. He said they attended a sponsored legislative reception for the Senate today with the ITA's lobbyist in Indianapolis. There were five Senators in attendance at the reception and this was a good opportunity to share public transportation issues with these legislators. He noted other businesses were in attendance including Anheuser-Busch, Cook Group and others. He said one other item of interest is an impending study of the State PMTF formula. He said this study as funded by INDOT will look at possible impacts created by the Indy Connect program and a possible BT/IU unification. The study is expected to begin in early 2014.

MESSAGES FROM THE MANAGER

Mr. May noted as previously discussed at the previous Board meeting Route 4 Bloomfield Road provides service on Basswood Drive in both the inbound and outbound directions and turns around in the parking lot of the Forest Ridge Apartments. He said we had the public hearing today there was no public comment so Ordinance 13-01 which is an ordinance authorizing the BPTC to obtain and execute a temporary easement with Forest Ridge Apartments LLC to provide access for transit service. Under this ordinance, BPTC would pay Forest Ridge Apartments \$8,500 annually for transit access to their parking lot. Ordinance 13-01 is on the agenda tonight and Mr. May respectfully asked that the Board adopt the ordinance so we can move forward with continuation of service on Basswood Drive.

Mr. May noted work continues on the construction of the downtown transfer facility. He said there has been some notable progress with the start of limestone installation on the eastern face of the building and will continue around the building over the next few weeks. He noted work on installing the roof is underway and will continue with glass installation to follow over the next few weeks. Mr. May added that we continue to work with the architect and contractor on the review of several change order requests.

Mr. May said on the agenda tonight we have a Resolution 13-29 authorizing the award of contract to Midwest Transit Equipment for the purchase of two BT Access vans under the State

of Indiana Quantity Purchase Agreement program. He said funding for the purchase of two replacement BT Access vans was included in the 2013 budget that will replace two 2008 vans which we acquired from Area 10 Agency on Aging when we took the service in-house. He said we are proposing to acquire the same kind of basic van we have had in service for many years. He said we budgeted \$98,695 and the cost for each van is \$46,878 with total costs for two vans at \$93,756 which is within our budget. Federal 5307 formula grant would provide 80 percent of the cost for these vehicles and BPTC would provide a 20 percent match.

Mr. May said included in the 2013 budget is \$81,125 for the purchase of a small 25-foot body-on-chassis light duty bus. He said this vehicle will serve as a replacement for a 2006 light duty bus of similar design. He said we use this type of bus for our lower volume fixed routes primarily on Route 8 Eastside Local and occasionally on Route 5 Sare Road. He said we have a QPA vehicle that is available to us which is an Elkhart ECII on a Ford Chassis. He said these vehicles typically have a four-year life cycle and as such we propose to purchase a gasoline engine on this vehicle which will result in a capital savings of about \$13,030 compared to a diesel engine. He said Resolution 13-30 authorizing the award of contract to Midwest Transit Equipment for the purchase of one 25 foot transit bus under the State of Indiana Quantity Purchase Agreement Program is on the agenda for the Board's consideration. Cost of the vehicle would be \$60,869.

Mr. May updated the Board on the New Freedom grant project that BPTC applied for and received last year. He said the New Freedom grant was to develop a mobility management and voucher program for persons with disabilities. He said the project was contracted to the Area 10 Agency on Aging who hired a part-time mobility manager to administer the project. He said the voucher program will provide persons with disabilities access to discounted and accessible taxi services assuming they do not have access to regular public transportation provided by BT or Rural Transit. Mr. May said INDOT recently solicited grant applications for the next round of New Freedom funds and in consultation with Area 10 he prepared a new grant application seeking \$20,000 in New Freedom funds to develop a consumer education program that would be developed and implemented to educate persons with disabilities about all the various transportation resources available including BT, Rural Transit, IU Campus Bus, Bloomington Shuttle, Star of America, intercity bus services that serve Bloomington and private non-profit transportation resources. He said the idea is to develop an all encompassing education program that educates consumers with disabilities on all transportation resources available to them. He said this project could be contracted again to Area 10 and they would also provide the local match of \$5,000. He said we have applied for \$5,000 in New Freedom funds to supplement the existing voucher program grant and those vouchers will be used to provide intra-county and possibly even inter-county service using accessible taxis to and from counties contiguous to Monroe County. Area 10 will provide the local match of \$5,000 for this project as well. Mr. May noted that he prepared and submitted a grant application to INDOT for this project and respectfully ask the Board to authorize the filing of the grant application retroactively. He said Resolution 13-31 is on the agenda for the Board's consideration.

Mr. May noted that Resolution 13-32 is on the Agenda to continue the authorization to use vending machine funds for employee events and activities for the upcoming year.

Mr. May noted each year the Board adopts a salary ordinance which establishes the maximum wage rates and salaries for all employees at BPTC. He said usually in our Collective Bargaining

Agreement we have a set percent increase across the board for all positions this year a final CBA has not been agreed to by the parties yet. He said to comply with State Board of Account rules we need to adopt a Salary Ordinance before the end of the year. As such, we propose an ordinance that includes the tentative agreement wage rates that have been negotiated and agreed to between the parties so far. He said if the rates change we would have to consider an amended salary ordinance at a future Board meeting. He said he proposes a Salary Ordinance that includes the things tentatively agreed to with the union so far relative to wages and a copy of the proposed 2014 Salary Ordinance is included in the Board packet. He noted a public hearing will be held prior to the December 17 Board meeting to receive public comment on the proposed 2014 Salary Ordinance before the Board considers adoption of the ordinance.

Mr. May noted that the public transportation corporation provisions of Indiana Code require that the Board elect a Chairman and Secretary annually. He recommended the Board move to nominate and approve officers for Chair, Vice Chair, Treasurer, and Secretary for the BPTC Board.

MESSAGES FROM THE CONTROLLER

Controller Browning noted that Resolution 13-28; a resolution authorizing the use of forms for the expanded general ledger and the check voucher register as generated by Abila (Sage) Fund Accounting.

MINUTES

There were no minutes presented.

CLAIMS

The claims for December 3, 2013 were presented for approval by Vice Chairman McDaniel and seconded by Board Member Obermeyer. The claims were approved unanimously.

OLD BUSINESS

Under Old Business, Board Member Obermeyer moved that Ordinance 13-01; an ordinance authorizing the Bloomington Public Transportation Corporation to obtain and execute a temporary easement with Forest Ridge Apartments LLC to provide access for transit service. The motion was seconded by Board Member Hasler. The motion was approved unanimously.

NEW BUSINESS

Under New Business, Board Member Obermeyer moved to approve Resolution 13-28; a resolution authorizing the use of forms for the expanded general ledger and the check voucher register as generated by Abila (Sage) Fund Accounting. The motion was seconded by Vice Chairman McDaniel. Resolution 13-28 was approved unanimously by all Board Members.

Also under New Business, Vice Chairman McDaniel moved to approve Resolution 13-29; a resolution authorizing the award of contract to Midwest Transit Equipment for the purchase of two (2) BT Access vans under the State of Indiana Quantity Purchase Agreement program. The

motion was seconded by Board Member Hasler. Resolution 13-29 was approved unanimously by all Board Members.

Under New Business, Board Member Obermeyer moved to approve Resolution 13-30; a resolution authorizing the award of contract to Midwest Transit Equipment for the purchase of one (1) 25-foot transit bus under the State of Indiana Quantity Purchase Agreement program. The motion was seconded by Vice Chairman McDaniel. Resolution 13-30 was approved unanimously by all Board Members.

Also under New Business, Board Member Hasler moved to approve Resolution 13-31; a resolution authorizing the filing of an application with the Indiana Department of Transportation under the Federal New Freedom program to fund mobility management services and a voucher program. The motion was seconded by Board Member Obermeyer. Resolution 13-31 was approved unanimously by all Board Members.

Under New Business, Board Member Hasler moved to approve Resolution 13-32; a resolution authorizing the use of revenues from vending machines in BPTC buildings for BPTC employee functions in 2014. The motion was seconded by Board Member Obermeyer. Resolution 13-32 was approved unanimously by all Board Members.

Under New Business Chairman McConn introduced Ordinance 13-02; an ordinance establishing maximum salary levels for appointed officers and employees of the BPTC for Calendar Year 2014. The Board concurred with the introduction of the ordinance.

EXECUTIVE SESSION

An executive session for discussion of strategy with respect to collective bargaining as per Indiana Code 5-14-1.5-6.1(b)(2)(A).

An executive session for discussion of initiation of litigation or litigation that is either pending or has been threatened specifically in writing as per Indiana Code 5-14-1.5-6.1(b)(2)(B).

Upon completion of the Executive Session, Chairman McConn certified that an Executive Session was held for discussion of strategy with respect to collective bargaining as per Indiana Code 5-14-1.5-6.1(b)(2)(A) and for discussion of initiation of litigation or litigation that is either pending or has been threatened specifically in writing as per Indiana Code 5-14-1.5-6.1(b)(2)(B) and that no other topics were discussed in the Executive Session other than allowed by Indiana Code 5-14-1.5-6.1(b)(2)(A) and 5-14-1.5-6.1(b)(2)(B).

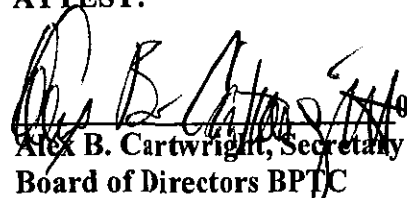
ADJOURNMENT

APPROVE:


Ray McConn, Chairman
Board of Directors BPTC

01-14-14

ATTEST:


Alex B. Cartwright, Secretary
Board of Directors BPTC

01-14-14