

**REGULAR BOARD MEETING - BLOOMINGTON PUBLIC TRANSPORTATION CORPORATION (BPTC) DECEMBER 31, 2015, 10:30 A.M.**

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

**ROLL CALL**

Board Members present: Chairman Obermeyer, Vice Chairman McDaniel, Secretary Hasler, Board Member Cartwright and Board Member McLary. Also present were Lewis May, General Manager, Christa Browning, Controller, Marilyn Conn, Union President AFSCME Local 613, and there were no other members of the public present.

**PETITIONS AND COMMUNICATIONS ON NON-ACTION ITEMS**

Mr. May introduced Marilyn Conn, a Bloomington Transit fixed route driver who was recently elected union president for AFSCME Local 613. He noted we will be working with Marilyn over the next year in our monthly labor management meetings and look forward to a fruitful and productive relationship. Marilyn said she realizes that it may be unusual for her to attend these meetings but she understand that decisions are made at the Board Meetings that affect drivers and she wants to be aware what those are and what goes into those decisions. She noted she does not know if she will be at all of the meetings but she will try. Board Member Cartwright noted these meetings are open to all whether you say anything or not. He reiterated that you are always welcome to attend and that goes for any other union member or the public.

**MESSAGES FROM BOARD MEMBERS**

There were no messages from Board Members.

**MESSAGES FROM THE MANAGER**

Mr. May opened the meeting with an action item for award of purchase two BT Access vehicles. He said in the 2015 budget we have funds for the purchase of two replacement BT Access vehicles and typically the practice in making these purchases has been to use the State QPA contract for such vehicles. He said INDOT through the Indiana Department of Administration has a contract with Midwest Transit Equipment for cutaway vehicles that can be used by other local entities such as transit systems, cities, towns and counties. He said we have found that to be one of the best ways to purchase these types of vehicles. He said last year we purchased two medium size cutaway vehicles which were delivered this past summer. He said we are looking to buy two very similar type vehicles this year with a couple of minor changes to the vehicle. These changes would include adding a modesty panel just immediately in front of the rear seats on the driver side and slightly widening the modesty panel on the other side immediately behind the wheelchair lift. These changes would provide additional containment security for passengers that would be sitting behind the panels. He said the other thing we will add to the vehicle is an assist or grab handle on the outside of the vehicle as they step up onto the running board so they

have something to grab a hold of to help them get in and out of the vehicle. He said the cost of the vehicle is \$56,489.50 each and that is up about 3.8 percent from last year which covers inflation and the cost of the additional features. The total for the two vehicles would be \$112,979 and these will replace two of our 2008 BT Access vans. He said we have Resolution 15-30 on the agenda under New Business for the Board's consideration. Vice Chairman McDaniel said since passengers are required to wear seat belts if they refuse do you refuse service. Mr. May said yes but I don't think we have ever had that happen. He said there could be a rare case of a customer who is extremely large and has a difficulty fitting in the seatbelt. In such cases, we can provide seatbelt extenders that help to accommodate them. He said he cannot recall a situation where we have had someone refuse to use a seatbelt. Vice Chairman McDaniel asked who BT deals with now that Bill Fraser at Midwest Transit Equipment is retired. Mr. May noted that Dan Setty is our new representative with Midwest in their Zionsville office. He said Midwest Transit Equipment has the QPA contract with the state and they are the distributor for the vehicles. He said the vehicles are manufactured by Elkhart Coach in Indiana. Board Member McLary asked what does QPA stand for. Mr. May said Quantity Purchase Agreement. Vice Chairman McDaniel agreed. Board Member Cartwright said when he saw the addition of this driver hand hold assist he wondered if there was some particular problems that gave it rise but you are saying that it was a request from drivers. Mr. May said drivers had suggested this change given that some of our older vans had this feature.

Mr. May said in this year's budget we have included funds for the purchase of a flatbed truck for our maintenance department as well as a sport utility vehicle for our supervisory and administrative functions. He said we issued an invitation for bid in early December on both these vehicles as part as the same bid package. We received four bids back on the truck and the SUV. He noted that as we reviewed the truck bids it was apparent that all four bidders did not bid a truck that met the specifications completely. He said all four of them missed certain things in their bids. For example, some did not include a crankdown spare tire and wheel on the underbody of the truck; some included the wrong storage box on the back of the truck behind the cab; some bid all terrain tires rather than all-season tires; and one bidder did not bid a heavy duty 200 amp alternator. He said given that it was a fixed bid, bids were due on a certain date and you cannot change certain elements of the bids after they are submitted. Mr. May noted that after consultation with legal counsel, he recommended rejection of all four of these bids. He further suggested that we rebid this vehicle to give everyone the opportunity to get it right. Board Member Cartwright noted that as such we can't encumber those funds in the 2015 budget. Mr. May said we are not going to be able to encumber those funds into the 2015 budget without awarding a contract or purchase order. Mr. May noted however, that we are going to have to do an additional appropriation ordinance next year to add the new INDOT grant for bus discretionary funding which was just approved. As such, we could include the truck in the additional appropriation ordinance for 2016 and then rebid it after the ordinance is approved. Board Member Cartwright asked if we could carryover the project. Mr. May said you don't carry over the project. Controller Browning clarified that unless you have a contract awarded you can't encumber the funds in the 2015 budget. Board Member McLary asked if we could separate the award and award the SUV and not the flat bed. Mr. May said he consulted legal counsel on this question who indicated we could award the SUV. He said we also got four bids from the same bidders on the SUV and we have gone through the specifications there and the low bidder did meet the specifications. That low bidder is Pearson Ford located in Zionsville. He said the bid was \$23,776.74 so we are comfortable recommending award to Pearson Ford for that purchase of the SUV in that amount. He recommended the Board reject the four bids for the

flatbed truck as being non-responsive to our invitation for bids. Board Member McLary asked if the warranty work can be done here in Bloomington. Mr. May responded yes.

Mr. May this was a good segue for a related topic. He said under our current procurement policies any purchase \$25,000 and under is considered a small purchase and rather than preparing a formal bid document we could simply gather quotes for such purchases. He said the FTA ceiling on small purchases is \$150,000. He noted it would be easier to quote a truck than doing a formal bid because quotes that are missing a certain specification or feature can be revised while bids cannot. He said we will come back to the Board at some point in the near future with a revision to our procurement policy to change the small purchases threshold. Controller Browning said she thinks the State ceiling on such purchases is \$50,000 so that is probably what we would ask the Board to considering changing. Board Member McLary asked if perhaps the easiest way to address this would be rather than formally change the threshold, instead just deal with each purchase on a case by case basis. Mr. May said he thought that would be acceptable. Secretary Hasler asked what the difference between a bid and a quote. Mr. May said a bid is where we issue a formal document that has bid requirements, specifications, federal contract clauses, a due date, and sometimes an approved equals process. He contrasted that with gathering quotes where we would simply put out a set of basic specifications to several potential bidders known to supply that product and ask them to submit a quote. This gives staff a chance to review the quote and something is obviously in error staff can go back to quoting firm and have them revise the quote. Costs quoted would always be kept confidential until such time that a recommendation for award is made. Board Member McLary asked if staff planned to quote the truck or rebid it. Mr. May said assuming the Board gives us the authority to do a small purchase up to \$50,000 it, then the easier method of procurement would be to quote rather than do a formal invitation for bids. Board Member McLary said my experience is they would have made those changes for no cost change. Board member McLary asked if there was a Quantity Purchase Agreement for the truck. Mr. May said not for this particular truck or this type of SUV. Mr. May said we have bought support vehicles off of the State QPA when there were things there that we thought met our needs. Board Member McLary suggested granting an exception to the Procurement Policies to allow staff to quote the truck rather than do a formal invitation for bids. Board Member McLary suggesting leaving the ceiling at \$25,000 and then have the Board consider an exception on a case by case basis if staff desires using the quoting method of procurement.

Mr. May said we received good news from INDOT relative to approval of our discretionary 5339 grant request in the amount of \$695,200 federal which will provide 80 percent of the cost for the purchase of two 40-foot diesel buses. He said as he has discussed before we have a total of 15 buses to replace over the next few years. The first such bus was ordered in 2014 and has just been received. Two more buses are on order and will received next year. With this latest award of 5339 funding plus the STP funding that MPO has approved for 2016, we have sufficient funding for three vehicles that can be awarded and ordered in 2016. In 2017, we have sufficient STP funding programmed for an additional 4 vehicles. As such, a total of 10 vehicles out of the 15 that will need to be replaced have been funded. So we are well on the way to getting this major replacement of vehicles completed. He said the 5339 funding is not included in our 2016 budget so we will to present an additional appropriation ordinance to the City Council for consideration in early 2016 to get that funding into the budget. At the same time they will include budget authority in the ordinance for the flatbed truck as well as for another item that Mr. May would discuss next. Vice Chairman McDaniel asked if the Section 5339 is it

the same as the former 16(b)(2). Mr. May said it is not the same as 16(b)(2). Under MAP-21, some discretionary funding known as 5339 funding is allocated to the State DOT's for distribution. Indiana gets about \$2 million of this funding. He said last year you may recall we got a similar award. Board Member Cartwright asked if we have any buses on order. Mr. May said yes that we have two that are on order that should be here by the end of next year.

Mr. May said moving to the next item on the agenda we have the paratransit scheduling and vehicle tracking procurement update. He said back in mid-November we issued the RFP for this project. He said this is to replace our paratransit scheduling software as well and if there are sufficient funds to add vehicle tracking to the BT Access vehicles. He said we received four proposals for the project from TripSpark, Ecolane, Route Match and HB Software Solutions. He said we have an evaluation committee that met recently including Mr. May, Eli McCormick, and Board member Jim McLary. He said it was apparent after the first meeting that proposals were fairly complex and we felt like we needed more time to carefully review the proposals, to potentially ask questions of the proposers, to review responses that we got back from them, and maybe to even see demonstrations of the software. Given the short time frame before year end, it simply wasn't possible to accomplish all those tasks in a few weeks before the end of the year. He said knowing that we were going to be doing an additional appropriation ordinance for other revenue and projects, the idea was that we could probably add this project into that ordinance. This would give us additional time to make a more prudent and diligent decision as to who we would think would be the best proposer on this project. He said the consensus of the evaluation committee was that this was the best approach. Staff has asked all four proposers if they would extend their proposals offers for an additional 120 days and all four have agreed. Board member McLary said that he agreed with Mr. May's recommendation that we should be diligent in our review and the additional time would help us to make the best possible decision. The Board concurred with Mr. May's recommendation to extend the evaluation process and to include this budget item in the additional appropriation ordinance for the Council to consider in 2016.

He said the next item is another procurement action item the fuel management procurement update. He said this is one where originally we thought we would use the RFP method of procurement. As we got into the research for the project, it was apparent that it was a relatively simple project and that perhaps quotes would be a better approach. He said we received three quotes for the project. One of the quotes was well above our budget of \$25,000 for this project as it was based on a wireless fuel management system. Mr. May noted we would have loved to have such a system but it simply wasn't affordable under our current budget. Mr. May received two other quotes for a more traditional cabled type of system. He said he was not asking any action on this award since it is under \$25,000. As such, staff can make this award. He said the low quoter is a local company known as Peace Tree Inc. and they were quoting a FuelMaster Fuel Management System. It is the same fuel management system that the IU Motor Pool and the City of Bloomington are using. Mr. May briefly explained how the cabled system works and there cost analysis of the two quotes. The explanation included the up-front capital costs as well as the warranty/technical support costs which are done on an ongoing annual basis. The cost analysis showed that Peace Tree would be lower in cost over the life of the project compared to Trak Engineering's quote.

Mr. May said the last item is the November ridership. He said fixed route ridership was up in November 2.8 percent compared to November of last year. He said with that gain in November we basically were at the breakeven point on a year-to-date. He said we were down .02 percent

which is about 500 passengers year-to-date. He said unfortunately the month of December we will have one less class weekday and on such days we typically carry 17,000 to 19,000 passengers. Thus we are likely to finish 2015 with fixed route ridership that is down about one half of one percent.

Mr. May said BT Access ridership continues to climb very rapidly A it was up almost 30 percent in November compared to November of last year. Year-to-date we are up about 17 percent on the BT Access side. He said if you combine BT Access and fixed route on a year-to-date basis we are up about 4,000 passengers for the year OR about .12 of 1 percent.

### MESSAGES FROM THE CONTROLLER

Controller Browning gave an overview of the November Financial Report noting that through November we have expended about 78 percent of the annual operating budget plus the 2014 encumbrances. Thus we are under budget for the year as about 92 of the year has been completed.

Board Member McLary said he and Controller Browning talked about the RFP for the management services and there were a couple of issues to discuss with the Board. Mr. McLary asked Mr. May to leave the room which he did. Board Member McLary said there are two things in the management services agreement that we should consider changing. He said right now we are paying the General Manager's travel and cell phone expenses as we would for any BPTC employee through the budget. He suggested that this should be changed to be billed by the General Manager to the management firm who would then bill BPTC. Vice Chairman McDaniel said the bottom line is it doesn't make any difference. Controller Browning said the main concern is compliance with IRS rules and whether the General Manager is considered a contractor or an employee. Controller Browning said we pay the General Manager's travel expenses when he travels on business related to BPTC. Board Member McLary said it would be a net zero sum change in cost to BPTC and would simply be a change in how we process these charges. Controller Browning said they would be billed to us by whichever management firm we select. Vice Chairman McDaniel said we are actually creating more work though. Controller Browning expressed her desire to clarify this in a way that there was no possible violation of IRS rules. Board Member McLary said based on his past experience in the industry that Ms. Browning's suggestion was a good one. Vice Chairman McDaniel voiced his support for this change in the RFP. Board Member Cartwright asked what the possible IRS issue might be. Controller Browning said her concern is if we issue a check to reimburse the General Manager's travel expenses normally you would issue a 1099 and we don't do that. Vice Chairman McDaniel said he is sure that whatever management firm is selected will be willing to handle it this way. Board Member McLary concurred as well. Controller Browning said it wouldn't be necessary to issue the General Manager a BPTC credit card if the process is changed. Vice Chairman McDaniel said the management firm would likely do that. Controller Browning asked the Board if they agreed that a cell phone for the General Manager should be handled in a similar manner. Board Member McLary said the same process should be followed with the phone. Board Member McLary noted that Christa would make changes to the RFP to revise these processes as discussed.

Board Member McLary said the second issue for discussion was the process for the selection of the General Manager. He said the Board has the final decision but then as for the selection of the manager he would like to include BPTC staff input in the decision process. Controller Browning suggested clearer language in the RFP that gives the Board full and final say on the candidate for the General Manager. Board Member McLary said this is really not changing the ultimate decision which will still rest with the Board. Vice Chairman McDaniel concurred. Board Member McLary said he just wanted to clarify that. Controller Browning suggested an evaluation committee that included some of the staff when evaluating proposals. Vice Chairman McDaniel asked what the timeline on issuing the RFP was. Controller Browning said she hoped to get it out next week. Vice Chairman McDaniel said he did not have a problem with either of those changes. Board Member McLary said we will send all Board members a copy of the RFP before we issue it.

### **PUBLIC COMMENT – ACTION ITEMS**

There were no comments from the public.

### **NEW BUSINESS – ACTION ITEMS**

Under New Business, Board Member Cartwright moved to approve Resolution 15-30; a resolution awarding a contract to Midwest Transit Equipment for the purchase of two (2) BT Access vehicles through the State QPA method of procurement. The motion was seconded by Secretary Hasler. Resolution 15-30 was approved unanimously.

Also under New Business, Board Member McLary moved to reject the four bids that were received for a flatbed truck in accordance with the invitations for bids dated December 4, 2015. The motion was seconded by Secretary Hasler. Resolution 15-31 was rejected by all Board Members.

Under New Business, Board Member McLary moved to make an exception to our procurement policy and give the General Manager the authority seek quotes to do a small purchase up to \$50,000 for a flatbed truck subject to approval of this item in the additional appropriations ordinance. The motion was seconded by Secretary Hasler. The motion was approved unanimously.

Under New Business, Board Member Cartwright moved to approve Resolution 15-32; a resolution awarding the purchase of a sport utility vehicle to Pearson Ford in accordance with the Invitation for Bids date December 4, 2015. The motion was seconded by Chairman Obermeyer. Resolution 15-32 was approved unanimously.

Also under New Business, Secretary Hasler moved to approve Resolution 15-33; a resolution authorizing the BPTC Board Chair to execute a grant contract with INDOT for Section 5339 Federal Capital Assistance in the amount of \$695,200 for the purchase of two (2) 40-foot buses. The motion was seconded by Board Member Cartwright. Resolution 15-33 was approved unanimously.

**OLD BUSINESS**

There was no Old Business.

**MINUTES**

The minutes for November 24, 2015 were presented for approval by Secretary Hasler and seconded by Board Member Cartwright. The minutes were approved by all Board Members.

The minutes for December 8, 2015 were presented for approval by Secretary Hasler and seconded by Board Member Cartwright. The minutes were approved by all Board Members

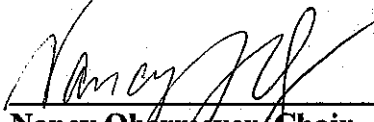
**CLAIMS**

The claims for December 31, 2015 were presented for approval by Secretary Hasler and seconded by Board Member Cartwright. The claims were approved unanimously.


**ADJOURNMENT**

**APPROVE:**

**ATTEST:**

  
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Nancy Obermeyer, Chair  
Board of Directors BPTC

2-09-16

  
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Gloria Hasler, Secretary  
Board of Directors BPTC

2-09-16