

REGULAR BOARD MEETING - BLOOMINGTON PUBLIC TRANSPORTATION CORPORATION (BPTC) OCTOBER 17, 2017, 5:30 P.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: Chair Obermeyer, Vice Chairman Kent McDaniel, Secretary McLary, Board Member Cartwright, and Board Member Hartman. Also present were Lewis May, General Manager, Christa Browning, Controller, and Brenda Underwood, Human Resource/Marketing Administrator, and there were no members of the public.

PETITIONS AND COMMUNICATIONS ON NON-ACTION ITEMS

There were no Petitions and Communications on Non-Action Items.

MESSAGES FROM BOARD MEMBERS

There were no messages from the Board Members.

MESSAGES FROM THE MANAGER

Mr. May opened the meeting with an item continued from the last meeting which is the discussion and final action on the expansion of the BT Access service area. He said we talked about that two meetings ago and we have done some cost estimates. He said the proposal is to expand service on Sundays to include the entire City rather than just the $\frac{3}{4}$ mile corridor that we currently operate and also on Saturday night after 7:30 p.m. Mr. May said it is difficult to project what the cost is on this given that cost is driven by ridership demand. Staff's best estimate for the first year projects the cost to be somewhere between \$11,000 and \$20,000 annually. He said in the big picture of the annual budget that number even at the high end is fairly small compared to our overall budget of \$9.8 million in 2018. He said we are confident that we can absorb that in our 2018 Budget. He said we can include that additional cost in our 2019 Budget as we prepare the Budget for that fiscal year. He said it is our recommendation as staff that tonight we go ahead and approve the expansion of the service area with one caveat and that caveat would be subject to our ability to get additional BT Access drivers who are able to work on Sundays. He said it has always been a challenge to get BT Access drivers to work on Sunday. He said on January 1 if we don't have more drivers on staff it is probably not a good idea to put this expectation out to the public that we are going to expand the service. He said we might have to put it off for a month or longer depending on how long it takes to recruit and train additional BT Access drivers willing to work on Sundays. He said we will keep you advised as to how we are doing relative to hiring new drivers for BT Access. He said that is the only caveat he would put on this tonight. He said there is under New Business a motion is included to

formally expand the service area on Saturday night and Sundays effective January 2 contingent upon being able to get sufficient drivers to work on Sundays. Secretary McLary said once we expand service he would like the Board to be informed monthly what the impact is in terms of additional Sunday BT Access ridership.

Mr. May gave an overview of September ridership. He said September fixed route ridership was down 10.6 percent compared to September of last year. He said we did have one fewer IU weekday in September compared to September of last year. He said year-to-date ridership is down 3.54 percent compared to the same period last year.

Mr. May noted BT Access ridership was up 1.06 percent in September compared to September 2016. He said year-to-date BT Access ridership is up 6 percent compared to the same period last year. He said our hours are down and productivity continues to be up as a result of our new scheduling software. He said the increased productivity is not without its issues. He said we keep track of how many excessively long trips we carry for ADA tracking purposes and we had about 3 percent of our total trips in September were longer than what it would have taken the same trip to travel on fixed route service. He said that is a number FTA requires you to track. He said that is something we have to watch to make sure that number doesn't go much higher. He said it has also affected our on time performance we are in the low 80s and we are usually in the 90s. He said that is another number we have to keep a close track on for quality control purposes. He said even though our productivity is going up we need to ensure it is not sacrificing quality of service we provide to the public.

Mr. May said he provided an article in your Board packet about UBER and another one that just came out yesterday in the New York Times about UBER and whether or not it is helping or hurting mass transit. The conclusion of the news article is it is hurting mass transit and it is even hurting subway ridership in New York. Secretary McLary suggested we should be looking at ways to partner with Uber. Mr. May said it is a different form of mobility and we are in an era of changing mobility in this country. Mr. May agreed in concept with Secretary McLary's suggestion but expressed concerns about the rate of subsidy per passenger through Uber. He said it is like paratransit in some ways it is a low performing service which means it is a higher subsidy per passenger. Mr. McLary noted if our costs is \$100 per hour and you can buy it for \$30 per hour we could potentially realize savings. Mr. May noted our cost per passenger trip is about \$2 on fixed route. Mr. May said it's hard to imagine how Uber or Lyft could be more competitive with a \$2 per trip cost. Secretary McLary said he just raised the question as to whether we should start talking to some of the other transit managers to see if and how they are doing it. Vice Chairman McDaniel said one of the things that he thinks we should consider as well and not just cost per mile and cost per passenger is liability. He said if these drivers are not being vetted why would we want to expose ourselves to that. Chair Obermeyer expressed great concern that Uber and Lyft employees are making decent wages and that they don't have benefits. She noted she finds that very troublesome. Mr. May said he has always had the concern that the business model of Uber and Lyft is in essence an exploitation of the owner's equity in their cars. He wondered if Uber and Lyft drivers really understand what it cost to own and operate a car and what the return is from driving for these services. Vice Chairman McDaniel said his original complaint was it is not a level playing field when you are running a taxi company there all these rules and insurance requirements. Board Member Cartwright said

do you know of any cities that are venturing into the game of having a public service UBER ride. Secretary McLary said in Austin TX. He said what happened is they told UBER that they must do drug screening and you must do fingerprint and FBI background checks. He said when UBER left some entrepreneurs came in and there are five different companies in Austin that do the same thing UBER does with vetting. Vice Chairman McDaniel asked if they share information. Secretary McLary said it is the right concept but it just needs to be regulated. Chair Obermeyer from that perspective she does not see why cab companies cannot get apps. Secretary McLary said what happened in Indiana two years ago was the state legislature passed a law that said cities cannot regulate transportation management companies (TMC) and UBER said we are not a taxi company we are a TMC. He said when he talked to Mayor Hamilton he said he couldn't do anything about it. Mr. May asked going with your suggestion Jim and developing our own UBER like service would it result in a high cost per passenger using our labor cost model where we have collectively bargained wages/benefits. Secretary McLary said what you would do is use someone like an Uber driver and you would vet him and he would use his own car just like UBER does. Mr. May said that sounds like contracting with independent drivers who would work for themselves rather than for BT. Vice Chairman McDaniel said he likes that idea better than doing anything with UBER.

MESSAGES FROM THE CONTROLLER

Controller Browning gave an overview of the September Financial Report.

PUBLIC COMMENT – ACTION ITEMS

There was no public comment on actions items.

NEW BUSINESS – ACTION ITEMS

Under New Business, Secretary McLary moved to approve the expansion of the BT Access service area to include all areas within the City of Bloomington on Sundays and Saturday nights effective January 2, 2018 contingent upon getting sufficient drivers to provide the service during such times. The motion was seconded by Board Member Cartwright. The motion was approved unanimously.

OLD BUSINESS

There was no Old Business.

MINUTES

The minutes for September 19, 2017 were presented for approval by Vice Chairman McDaniel and seconded by Secretary McLary. The minutes were approved unanimously.

CLAIMS

The claims for October 17, 2017 were presented for approval by Vice Chairman McDaniel and seconded by Secretary McLary. The claims were approved unanimously.

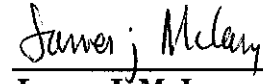
ADJOURNMENT

APPROVE:



11-21-17
Nancy Obermeyer, Chair
Board of Directors BPTC

ATTEST:



11-21-17
James J. McLary, Secretary
Board of Directors BPTC