

**REGULAR BOARD MEETING - BLOOMINGTON PUBLIC TRANSPORTATION CORPORATION (BPTC) NOVEMBER 21, 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, Barbara McKinney, City Legal, 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 a discussion of the Salary and Benefits Study. He said the study is completed in draft form and the consultant will present the draft report to the Board tonight. He said the consultant is joining us via conference call and will present a PowerPoint presentation and answer any questions that the Board has. He noted that he would have some comments and suggestions for the Board as well. Mr. May introduced Linda Recio, President of Evergreen Solutions, LLC who joined the Board Meeting by phone. Ms. Recio presented a PowerPoint on the Salary Study for Bloomington Transit and then took questions from the Board.

Vice Chairman McDaniel said he is confused about the consequences if we accept the consultant's recommendation what obligations does that put on us relative to salary ordinances and budgets every year. Secretary McLary echoed Mr. McDaniel's question. Linda Recio said until you do your next study and she does not recommend that you not wait 30 years to do your next study. Vice Chairman McDaniel said how can a study or approving a study obligate us above and beyond a salary ordinance or passing a budget. Mr. May said you are not obligated for more than a year at a time. Vice Chairman McDaniel said then what does it mean. Secretary McLary asked what efforts will we undertake with respect to job duties and responsibilities relative to any restructuring or new positions. Mr. May noted that the plan to is to enlist the help of an outside facilitator to help the management staff to identify where we need help in the

organization in terms of new positions or where we need to restructure duties and responsibilities. Secretary McLary said his question is let's assume there is a comparable position in Fort Wayne and when we put all the job responsibilities together and it doesn't match what we have now then that is really kind of a new position and it could end up with a Tier 10. Mr. May said that could trigger the need for some additional analysis if we restructure positions or if we create new positions. Board Member Hartman asked what the purpose of the study was. Secretary McLary responded saying a year and half ago when we had contract management negotiations with McDonald Transit there were a few issues that came up and the suggestion was made to undertake a workload assessment study as well as a salary study. Secretary McLary noted that it was his feeling that some of the positions were underpaid. He also noted that we may be under-staffed in some areas as well. As such, the Board put into motion an effort to review salaries as part of the City Salary Review and develop a method to review job duties and responsibilities.

He said the City was undertaking a Salary Study and as such it was easy for BT to join that effort with the City. He said there is still another piece that we have referred to and that's the job responsibilities and job duties and what everybody is doing and that is why he raised the question as to where that fits. Mr. May said just to add to that as Linda mentioned at the outset of her presentation, the survey that she did with employees some indicated that they felt like they were underpaid for their positions. Linda Recio said the market clearly showed that in some cases. Mr. May said the question that the Board needs to deal with tonight is a three-fold question. Mr. May said are you in agreement with the proposed grades salaries minimums and maximums for each position as recommended by the consultant; #2 are you in agreement with the salary increase approach which is the class tenure parity approach which takes into account an employee's tenure; and the final question is how do you want to implement the adjustments to salaries. In terms of implementation, Mr. May suggested several possible approaches including a full adjustment retroactive to January 1, 2017; a full adjustment beginning January 1, 2018; a two-year phase in beginning January 1, 2018 continuing through 2019; and lastly, a 3-year incremental approach where 1/3 of the adjustment was provided in each of the 3 years. Board Member Cartwright said is it our choice about when we implement this. Mr. May said yes. Chair Obermeyer said from what you have said it sounds like any of those options are affordable. Mr. May noted they are affordable in light of our reserves. Secretary McLary said he would like to know where people stand now on the 30 year scale. Mr. May said the salaries plus any adjustment as recommended by the study generally indicates where they stand. Mr. May directed the Board's attention to the class tenure worksheet. He said this worksheet shows current salaries by position and you can see how that compares to the minimums, mid-points, and maximums as a way to answer your question.

Vice Chairman said he has been through this type of study a couple of times and he thinks it is a very valuable thing to do and he agrees for the most part we are probably underpaid and under-staffed. He stated his only concern is how much are we tying our hands if we agree with all of this. Board Member Cartwright said it sounds like you are talking more than just the budget. Vice Chairman McDaniel said he was concerned about the budget. Board Member Cartwright said the budget says it is okay. Vice Chairman McDaniel said yes but we will be doing more service on Sunday and all these little things add up and State funding is not increasing very much and Federal funding may decrease. He said that Lew knows this and we are in good shape right

now but how long is that going to last so we need to be very careful. He said he is not trying to throw a wet blanket on this because our people do need to be paid properly.

Mr. May said we need some direction tonight we are approaching 2018 and we need to pass a salary ordinance that establishes maximum salaries for all positions here and that is a two meeting process so we have on the agenda tonight the introduction of the Salary Ordinance. He said what he has done is simply is publish the maximum salary for each position within the ordinance. He said he took the class tenure parity approach that shows the proposed maximums for each position and then put those proposed maximums in the non-bargaining unit positions within the ordinance. He then took the new collective bargaining and put the maximum salaries for each bargaining unit positions and published that within the ordinance. He said we are looking for the Board to at least have Introduction and First Reading of the Salary Ordinance at tonight meeting and then at the next meeting in December we would have a Public Hearing on that Ordinance before you consider final action on that ordinance.

Mr. May said you have three different approaches that have three different costs. He said the class tenure approach has the most expensive cost. Secretary McLary said so really it is a function of how long that person has been here. Secretary McLary said he feels that the Salary Ordinance should have a union and non-union recognition where the union would show the hourly rate and the nonunion would show an annual salary for clarity. Mr. May said the Salary Ordinance you have in front of you reflects the proposed maximums for the class tenure parity. He said that will meet the State Board requirements for purposes of the Salary Ordinance. He said that is one thing that we are seeking from you tonight and hopefully you will give us your approval on the class tenure approach and then just give us some direction as to which way you want to go with respect to implementation. Chair Obermeyer said one thing I would ask you to look at is when you see what some of these salaries are and then you see what the class tenure parity is it looks like some are being underpaid. She said that is what I am looking at when I'm thinking about what to do if you were in the position of a person whose pay was well under the parity for others that are in that same position wouldn't you think that person should get that same salary. She suggested we can do it retroactively in 2017. She noted the second choice is start it in 2018 or we could do it on a 2 or 3 year approach. Secretary McLary said if we jump to the year 3 salary what does it cost. Mr. May said the approximate cost would be \$69,000 to retroactive in 2017. A 2018 start date would likely add a cost of living increase. Secretary McLary said he could not vote on this until he has a better handle on what the costs are. Vice Chairman McDaniel said it is asking a lot to make a big decision and it's not just a one-time decision as this will have a recurring impact on the budget. Secretary McLary said it is a big decision given it's a \$70,000 hit. Chair Obermeyer said on the other hand it means that you are telling the people who work here, the people who contribute and do all the hard work, that we appreciate what you are doing and we know you are underpaid and we want to fix it right now which has a tendency to keep people on board, people who might otherwise leave. Mr. May noted he didn't fully understand Secretary McLary's question and asked him to restate it. Secretary McLary said his question is if we do the 3 year approach what are the costs for each year. Mr. May said the one year phase in is approximately \$69,000 per year, plus any cost of living increase depending on when it's implemented, to take everyone up to where they should be at. Vice Chairman McDaniel said he thinks we should do something but he is not sure what the appropriate next step is. Secretary McLary said he agreed. Vice Chairman McDaniel said

there are a few questions and concerns that he still has. Secretary McLary said he would like to know how much the cost is in the out years. Mr. May suggested doing a new worksheet to better show the costs. Secretary McLary made the suggestion for a new worksheet to show what is the total cost now (2017), what is it with 2 percent added, and what is it with 2 percent plus the class tenure parity doing it in one year. Mr. May said he will provide a revised worksheet at the next Board meeting for continued discussion.

Mr. May said the City went through a process to hire an energy consultant, ESG Energy Systems Group, to install solar panels on most City buildings and facilities. Mr. May introduced Doug Tischbein of ESG and Mitch Thiem with PSG Energy Group, a subcontractor to ESG. He said the City went through a procurement process where they hired ESG and there is a need to get solar panels on all City facilities because of the change in the law that was enacted by the General Assembly. He said the law essentially says that for any solar installation done by the end of this year any electricity sold back to the grid you get the retail rate and for any solar installation done after the first of the year any energy sold back to the grid you get the wholesale rate. He said the City is rushing to get it done on all City buildings and they just happened to include the Downtown Transit Center without thinking that we were a separate entity. Mr. May talked to Mick Renniesen, Deputy Mayor, who apologized for the oversight and encouraged us to look into the possibility of going ahead with the installation at BPTC expense using the City contract. Deputy Mayor Renniesen noted that he would completely understand if we couldn't do this. He said our next call was immediately to FTA and explained the situation. He said we were concerned that this wouldn't follow Federal Procurement Regulations and we were also concerned that there could be a State Historic Preservation (SHPO) issue involved because when we built the Downtown Transit Center we have a property on the National Registry of Historic Places right next door to us. He said we wanted to make sure that we weren't in conflict with any Federal rules. He said when he checked with FTA to see if there would be any problem making such a purchase under the City contract, FTA indicated that it would be permissible since no Federal funding is involved. He said he has been working with Doug and his staff to determine the appropriate path to do this. He said he talked with Christa about this in terms of affordability and impact on our budget. He said the cost to put solar on our building at the Downtown Transit Center is approximately \$400,000. Mr. May again introduced Doug Tischbein with ESG and Mr. Tischbein gave an overview of Energy Systems Group and the solar panel project and specifically the BT element of the project. Mr. May said to formalize BPTC's participation in the City contract with ESG, we propose to amend our Interlocal Cooperation Agreement with the City via the amendment that has been included in the Board packet. Mr. May noted that our attorney, Barbara McKinney, developed the amendment and she was here to address any questions the Board may have. The Board concurred with the idea of installing solar panels on the east/west canopies of the Downtown Transit Center as a way to reduce our carbon footprint and realize savings in our utility bill. He said on the agenda is Resolution 17-18 is included under New Business for the Board's consideration.

Mr. May gave an overview of October ridership. He said October fixed route ridership was down 2.02 percent compared to October of last year. He said year-to-date ridership is down 3.33 percent compared to the same period last year.

Mr. May noted BT Access ridership was down 3.6 percent in October compared to October 2016. He said year-to-date BT Access ridership is up 4.95 percent compared to the same period last year.

Mr. May said included in the Board packet is a proposed 2018 Board meeting schedule. He said the proposed schedule is to continue using the 3<sup>rd</sup> Tuesday of each month as our board meeting date.

### **MESSAGES FROM THE CONTROLLER**

Controller Browning gave an overview of the October Financial Report.

### **PUBLIC COMMENT – ACTION ITEMS**

There was no public comment on actions items.

### **NEW BUSINESS – ACTION ITEMS**

Under New Business, Board Member Hartman moved to approve Resolution 17-18; a resolution approving an amended Interlocal Cooperation Agreement between the Bloomington Public Transportation Corporation and the City of Bloomington in an amount not to exceed of \$412,005. The motion was seconded by Vice Chairman McDaniel. Resolution 17-18 was approved unanimously.

Motion to direct the BPTC General Manager to proceed was continued until the next Board Meeting.

Under New Business, Secretary McLary moved for Introduction and First Reading of Ordinance 17-01; an ordinance amending salary and wage rates of appointed officers and employees of the Bloomington Public Transportation Corporation (BPTC), Monroe County, Indiana for the year 2018. The motion was seconded by Vice Chairman McDaniel.

### **OLD BUSINESS**

There was no Old Business.

### **MINUTES**

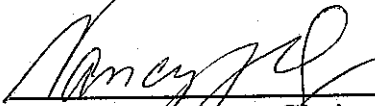
The minutes for October 17, 2017 were presented for approval by Vice Chairman McDaniel and seconded by Secretary McLary. The minutes were approved unanimously.

**CLAIMS**

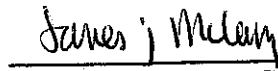
The claims for November 21, 2017 were presented for approval by Vice Chairman McDaniel and seconded by Secretary McLary. The claims were approved unanimously.

**ADJOURNMENT**

**APPROVE:**

  
\_\_\_\_\_  
12-19-17  
Nancy Obermeyer, Chair  
Board of Directors BPTC

**ATTEST:**

  
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12-19-17  
James J. McLary, Secretary  
Board of Directors BPTC