

REGULAR BOARD MEETING - BLOOMINGTON PUBLIC TRANSPORTATION CORPORATION (BPTC) JUNE 28, 2018, 5:30 P.M.

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

ROLL CALL

Board Members present: Chair Obermeyer, Secretary McLary, Board Member Hartman, and Board Member Cartwright. Also present were Lewis May, General Manager, Brenda Underwood, Human Resource/Marketing Administrator, Eli McCormick, Customer Service Manager, Mike Clark, Operations Manager, Allen Jackson, Maintenance Manager, James Coker, AFSCME President, Perry Maull, IU Campus Bus 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 board members.

MESSAGES FROM THE MANAGER

Mr. May opened the meeting with the INDOT grant award. He noted that we were successful in getting part of the money that we requested to purchase an electric bus, charging station, and installation of the charging station from INDOT. He said we received \$442,276 for the purchase of the bus and our original request was for \$800,000 in federal funding. Thus we received about 55 percent of what we requested. He said there are several other sources that we will pursue to make up the difference. He said we are looking for about \$357,724. He said there is a bus and bus facilities discretionary grant program with proposals due in early August that we will apply for. He said he has had some conversation just this week with the MPO about STP funding for the Jackson Creek Trail that is not going to be able to be used because of deadlines that are approaching on the funding. There is a small chance that the City could lose that funding if they don't reallocate it to another project. At this time, it appears they're going to be able to reallocate it to another project to avoid losing it. He said another possibility is later fall the Volkswagen Emissions settlement money that Indiana gets could be a possible funding source. Secretary McLary asked if the INDOT money could be used for local match. Mr. May said it would depend on whether the Volkswagen funding is considered Federal or State funds. He said we get 5307 funding every year based on our population and population density we have some carryover funding that we could potentially use that to fill the gap as well. Chair Obermeyer said she would like to know how much is the bus verses how much is the charging station and is the charging station something you can use if you got additional buses as well. Mr. May said from what he understands it depends on the type of bus you get whether it is a Proterra or a Gillig. He said the Gillig charging station will charge two buses. He said the bus is about \$800,000 the other \$200,000 is for the charging station and installation. Mr. May further explained that before we could charge a significant number of buses at the same time, we may

have to have some substantial upgrades done to our electrical capacity at the Grimes Lane facility. Many transit systems are learning that they have to incur substantial costs to their electrical infrastructure in order to charge a fleet of electric buses.

Mr. May said we are kicking off the 2019 Budget process. He said included in the notes is the timeline for the budget. He noted that he will bring the budget to the Board on July 17 for review then go to the City Council on August 21 and back to Council in September and October for final approval.

He said some of the assumptions and highlights of the 2019 budget so the Board knows.

- Maintaining existing fare and service levels (minus the Night Owl service)
- Purchase of one electric bus and charging station at \$1 million
- Phase II boiler and controls replacement at \$200,000
- Upgrade of bus tracker and voice annunciator system at \$250,000
- New HR Clerk position at about \$73,000 with benefits
- 1.5 to 2.5 percent increases for bargaining unit positions per the CBA
- 2.0 percent increases for non-bargaining unit positions
- Diesel fuel @ \$2.81/gallon (last year was budgeted at \$2.20/gallon)
- Gasoline fuel @ \$2.50/gallon (last year was budgeted at \$2.00/gallon)
- Possible free youth fare
- Use of \$648,236 in operating reserves to balance the budget
- Auto liability insurance increase about \$55,000 due to allocation change

Mr. May said a budget item we know will have a significant impact the City has changed the way they allocate our share of the auto liability insurance and it resulted in a significant increase to our budget this year. He said Christa has projected a \$55,000 increase as a result of that allocation. Board Member Cartwright said this sounds a little bit nebulous due to an allocation change can you explain it. Mr. May said that's what we asked too and we did not get a very good explanation on it. He said this is a budget item that has gone up and down over the years. He said there have been years where we have seen major decline. He said they had a new carrier and the carrier was insisting in the allocation of the cost and provided the City with some additional information and suggestions on it and as such we realized a large increase. Board Member Cartwright said if you are talking about increase in liabilities that have caused us problem of course that would have come before us but that is a function of what is going on in the marketplace but an allocation change is administrative. Board Member Hartman said have we looked at getting a separate policy. Mr. May said we haven't seriously considered it yet but we could. She said it is always helps to at least get an idea what we would be looking at. Mr. May added that we carry several other lines of insurance including general liability and others off the City's policy. Board Member Hartman said that is really pretty minimal. She said she thinks it would be worth getting a quote on it. Secretary McLary said he agreed. Mr. May said we have been with the City for at least the last 20 years. Board Member Hartman said do we know if they have bid it out recently. Mr. May said yes they bid it every year they have a broker of record who is Hylant. Board Member Hartman said that is what she is talking about the broker because the insurance broker gets a percentage of his fees off of what he brings in so when you are looking at a quote from a broker the fees are hidden you don't really know what their cut is as they don't disclose it. Chair Obermeyer said from your description it almost

sounds as though if the cost is higher they would make more money and so there is less of an incentive to find the most reasonable price. Mr. May said we can certainly get our own broker to shop the market and get us the best possible price. Once we have that we can compare with what we're paying through the City's policy. Secretary McLary said he agrees with Board Member Hartman that we should at least take a look. Mr. May mentioned that one possibility with regard to revenue is the potential to get more Federal Small Transit Intensive Cities (STIC) funding in 2019. As per the FAST Act, STIC funding is supposed to increase from 1.5 to 2.0 percent of the Federal 5307 formula funds. Mr. May noted that he will check to find out what the prospects are for that change actually being appropriated in 2019.

Mr. May said he wanted to solicit the Board's feedback on projects, ideas, or suggestions that the Board may have relative to the 2019 Budget are there things the Board would like for us to be pursuing as part of the 2019 Budget. Secretary McLary said we did not budget the all day Sunday BT Access service as he recalls we just said it is going to minimal so we don't have to worry about it. Mr. May said the Sunday BT Access ridership numbers are in the Board Packet. Secretary McLary said with the route optimization study we have had the benefit of looking at all the proposals and they all did mention some last mile type of service with an UBER or LYFT kind of service he does not know exactly what it will be but we may want to think about some kind of cost savings that could accrue from the study. Mr. May said Secretary McLary mentioned UBER and LYFT partnerships and also included in your packet are some news clippings including an article about microtransit services. Mr. May and Ms. Browning agreed to continue to refine the budget with the goal of further reducing the amount of reserves in order to balance the budget.

Mr. May said next on the agenda is an update of the Route Optimization Study. He said we issued our RFP for the Route Optimization Study and we received a total of 7 proposals in response to our RFP. He said our steering committee consisted of himself, Perry Maull, IU Campus Bus, Board Member Cartwright, and Secretary McLary. The committee narrowed the finalists to three firms including AECOM, Connecticut Transportation Group, and Foursquare ITP. He said the steering committee plans to conduct online interviews with all three firms on July 3. He noted following those interviews the plan is to make recommendation for a consultant. Mr. May added that it is the evaluation committee's recommendation that the Board authorize the General Manager to award a contract based on the recommendation made by the evaluation committee so that we can proceed with contract award and get a head start on the data collection element of the project. He said under new business there is a motion to authorize the General Manager to award a contract to the responsive and responsible firm to undertake the Route Optimization Study based on the recommendation of the evaluation committee.

Mr. May said next on the agenda is the IU Interlocal Agreement. He said over the past few weeks he has been talking with Perry Maull, IU Campus Bus and Julie Bauters at IU about the renewal terms for the 2018-2019 Interlocal Agreement. He said last year we got a 0 percent increase from the university on student transportation revenue which was the second consecutive year that we had a 0 percent increase. At that time he suggested to the Board that we might want to consider elimination of the night owl service on Routes 6 and 9 to make up for that 0 percent increase. He said we asked for 2.5 percent increase last year that was equivalent about \$25,000 and we didn't get it. He said it was the Board's decision that we go ahead and continue to provide the night owl service in spite of not getting additional compensation from the university last year. He said this year the university is again telling us to expect a 0 percent increase on

student transportation revenue for the 2018-2019 school year. He said in his proposal he asked for a 1 percent increase in student transportation revenue; an increase in the faculty staff per ride rate from 67.5 cents to 75 cents; and our actual estimate of the increase in bus wash and fueling cost which is about 10 percent increase for the upcoming school year. He said the university has responded back they are agreeable to the increase in the per ride rate for faculty and staff they are also agreeable to the increase in the bus wash and fueling cost but again they have told us 0 percent increase in the student transportation revenue. He referred to the notes included in the Board packet which shows the past five years history of actual student transportation revenue. He said also included are the per ride cost for faculty/staff over the past five years and the proposal for the 2018-2019 school year. He said also included in the Board packet is a summary of the Night Owl ridership since the inception of the program. He said there is a table that shows the ridership and the most notable thing to take from it is the ridership has been declining steadily especially in the last four years of the program. Night Owl ridership is down about 28 percent in the last four years. He said his recommendation is to eliminate the Night Owl service on Route 6 and 9 with the annual savings projected at about \$25,000. He said under new business for the Board's consideration and approval is Resolution 18-12 which is a resolution approving the elimination of Night Owl service from 10:45 p.m. to 3:25 a.m. on Route 9 and from 11:00 p.m. to 3:34 a.m. on Route 6 on Friday and Saturday nights during the IU spring and fall semesters.

Mr. May said next on the agenda is the Fixed Price Fuel Purchase with IU. He said originally we thought IU would need to solicit new bids for a fixed price fuel contract with bid opening on June 28 as Perry Maull, IU Campus Bus believed our contract had only 400,000 gallons on it. He said the contract was further reviewed by Perry Maull and we actually have 475,000 gallons under contract so we have enough left on the contract to get us through September and for that reason we did not open bids but will do that in September.

Mr. May said next on the agenda is the Workload Assessment Update. He said last month Secretary McLary asked that we provide a summary of duties and responsibilities for all positions, a job description for the new positions being proposed in 2018 and 2019, and an organizational chart. Mr. May presented a PowerPoint on the workload assessment. Included in the Board packets job descriptions for current positions, job descriptions for the two positions proposed to be added in 2018 and 2019, and an organizational chart. Mr. May went through each position and described the primary duties and responsibilities for current positions as well as the estimated costs for each position. Mr. May further described the duties and responsibilities of the two new positions proposed for 2018 and 2019. Mr. May displayed the organizational chart that shows the hierarchy of positions at BT. The Board thanked staff for all the work that went into the workload assessment and directed staff to proceed with the proposed plans to add a new position in each of the 2018 and 2019 years. The 2018 position would be a Planning and Special Projects manager. The 2019 new position would be a HR/Benefits Clerk position to be included as part of the 2019 budget.

Mr. May gave an overview of May ridership. He said May fixed route ridership was down 11.42 percent compared to May 2018. He said part of the decrease in May was due to the calendar as there was one fewer IU class weekday in May 2018 compared to May 2017. Year-to-date fixed route ridership is down 5.41 percent compared to the same period last year.

Mr. May noted BT Access ridership was up 2.86 percent in May compared to May 2017. He said the year-to-date BT Access ridership was down 4.04 percent compared to the same period in 2017.

MESSAGES FROM THE CONTROLLER

Controller Browning gave an overview of the May 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 authorize the general manager to award a contract to a responsive and responsible firm to undertake the Route Optimization Study based on the recommendation of the evaluation committee. The motion was seconded by Secretary McLary. The motion was approved unanimously.

Also under New Business, Secretary McLary moved to approve Resolution 18-11; a resolution approving the Interlocal Cooperation Agreement between the Bloomington Public Transportation Corporation and Indiana University for the 2018-2019 school year and authorizing the Chair to execute the agreement. The motion was seconded by Board Member Cartwright. Resolution 18-11 was approved unanimously.

Under New Business, Board Member Cartwright moved to approve Resolution 18-12; a resolution approving the elimination of Night Owl service from 10:45 p.m. to 3:25 a.m. on Route 6, on Friday and Saturday nights during the IU spring and fall semesters. The motion was seconded by Board Member Hartman. Resolution 18-12 was approved unanimously.

OLD BUSINESS

There was no Old Business.

MINUTES

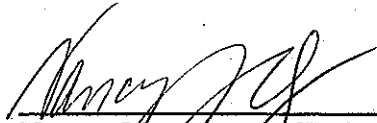
There were no minutes for approval.

CLAIMS

The claims for June 28, 2018 were presented for approval by Board Member Hartman and seconded by Board Member Cartwright. The claims were approved unanimously.

ADJOURNMENT

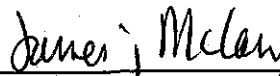
APPROVE:



08-13-18

**Nancy Obermeyer, Chair
Board of Directors BPTC**

ATTEST:



08-13-18

**James J. McLary, Secretary
Board of Directors BPTC**