

**CONNECT TRANSIT
BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING – OCTOBER 2, 2018**

The regular meeting of the Board of Trustees of Connect Transit was held at the Connect Transit Board Room #135, 351 Wylie Drive, Normal, Illinois 61761 on October 2, 2018 at 4:30 p.m., which constitutes the regular meeting previously scheduled for September 25, 2018.

TRUSTEES PRESENT: Chairman Mike McCurdy
Vice Chairman Ryan Whitehouse
Trustee Judy Buchanan
Trustee Monica Bullington
Trustee Julie Hile (via telephone conference)

TRUSTEES ABSENT: Trustee John Bowman, Secretary
Trustee John Thomas

CITY MANAGERS: Bloomington City Manager Tim Gleason
Town of Normal Manager Pam Reece

STAFF PRESENT: General Manager Isaac Thorne
Finance Director Patrick Kuebrich
Operations Manager Martin Glaze
Safety/Training Director
Marketing Manager Jeff Holtke
Procurement Specialist Cassie Mosier
Human Resources Director Julie Dockham
IT Manager Steve Stockton
Board Clerk Jill Bower

CONNECT'S ILLINOIS LOBBYIST: Will Cousineau (*Cornerstone Government Affairs*)

Chairman Mike McCurdy called the meeting to order at 4:30 p.m. Roll call was taken.

Chairman McCurdy asked for a *Motion to Allow Trustee Julie Hile to Participate in the Board Meeting via Telephone*. Motion was made by Trustee Judy Buchanan, seconded by Trustee Monica Bullington.

AYE: All

NAY: None

Motion carried and the Board approved Trustee Julie Hile to participate in the Board meeting via telephone.

PUBLIC COMMENTS

There were no public comments.

CONSENT AGENDA

1. Approval of Minutes of Regular Meeting of August 28, 2018
2. Disbursements for the Month of August 2018
3. Financial Report for June and August 2018
4. Capital and Self Insurance Reserve Fund Balances for Month of August 2018
5. Monthly Statistical Report for month August 2018
6. Cardinal Infrastructure Federal Report

Chairman McCurdy called for a *Motion to Approve the Consent Agenda*. Trustee Monica Bullington moved to approve the *Consent Agenda*, seconded by Trustee Judy Buchanan.

DISCUSSION

Trustee Ryan Whitehouse questioned why the Red Bird is down in ridership over the last year.

General Manager Thorne responded that the Red Bird route is one of Connect's highest ridership routes. A down-trend began in December of last year and Staff is trying to figure out why. However, General Manager Thorne said that September ridership should be up. The Red Bird is the most heavily trafficked route in the system. Typically, Connect performs over 600,000 trips a year. The frequency of service could be causing decreases in student ridership. Connect operates Redbird Express from 7:40 am-1:30 pm at a frequency of 5 to 10 minutes; then 20-minute service starting at 1:30pm. Connect will work with ISU on ideas to increase frequency of this route between the hours of 7:30am and 7:00pm.

Chairman McCurdy stated the rest of the numbers look really good. Connect ridership is up 3.8% in August and 4% year to date.

General Manager Thorne stated that Connect saw a very strong ridership from the Green route and the Lime route was up almost 31% over last year and up 22% on the Aqua. The routes that have more frequent service, also have the highest ridership.

There being no additional questions or comments regarding the *Consent Agenda*, the Board voted to approve the *Consent Agenda*.

AYE: All

NAY: None

Motion carried and the *Consent Agenda* was approved by the Board.

OLD BUSINESS

None.

NEW BUSINESS

Recommendation of Downstate Operating Assistance Program Grant Agreement

The General Manager stated that this *Recommendation* is routinely brought before the Board every year for approval. This *Agreement* was submitted to IDOT in early April and Connect has been going back and forth to get the final document so that the Board can approve it. The Chairman and Vice Chairman will both need to execute the document and send it back to IDOT for Connect to receive the first and second quarter payments.

There was no further discussion.

The Chairman then called for *Motion* on the *Recommendation of Downstate Operating Assistance Program Grant Agreement*. Trustee Judy Buchanan made the *Motion*, seconded by Trustee Monica Bullington.

AYE: All

NAY: None

Motion carried and the *Recommendation of Downstate Operating Assistance Program Grant Agreement* was approved by the Board.

Recommendation of Bus Advertising RFP

General Manager Thorne stated that Connect Staff has been working on this *Recommendation* for six (6) months. Connect published three (3) RFPs to attract a firm to place advertising on the buses. One thing discussed in the last budget cycle for FY 2019 was bringing in more revenue. One untapped source is placing advertising on our Connect Mobility buses. Connect received two (2) bid proposals and it is awarding this contract to *Clean Zone Marketing* and by doing so, expects to raise \$91,500 over the next three (3) years. The focus will be on advertising on the Connect Mobility buses.

DISCUSSION

Vice Chairman Ryan Whitehouse questioned whether UberDisplay is not an option for advertising?

General Manager Thorne stated that UberDisplay is still an option. UberDisplay is on five (5) of Connect's fixed-route buses. This proposal is traditional advertising such as decals. The advertising Connect is now recommending to the Board is advertising on the Connect Mobility buses. General Manager Thorne stated the revenue figures are coming directly from the advertising firm.

General Manager Thorne asked Connect's Procurement Specialist, Cassie Mosier, to speak about the references for Clean Zone.

Cassie Mosier Procurement Specialist stated that *Clean Zone* has a long-standing reputation in Indiana and Ohio, now branching into Illinois, and have good success in those markets. Its numbers have proven to be reliable in other markets. Connect Transit stated that *Clean Zone* owns most of the transit market in Indiana; including Gary which is near the Chicago area and *Clean Zone* is branching out there also.

Chairman McCurdy stated that *Clean Zone* takes 50% with no up-front costs so the more money they make Connect receives a 50% revenue share.

Trustee Buchanan asked at what percentage of the given market *Clean Zone* expects to capture and did it look at markets that would be most amenable?

Procurement Specialist Mosier responded that a percentage may have been in the proposal, but *Clean Zone* would do all the research on nursing homes, hospitals, targeting mostly the market that are ADA user-friendly organizations. Ms. Mosier continued that in speaking with a Quincy, Illinois customer of *Clean Zone*, it sold ten (10) bus advertisements within four (4) months which was very attractive to Connect.

After no further discussion, Chairman McCurdy called for a *Motion* on the *Recommendation of Bus Advertising RFP*.

Trustee Judy Buchanan moved to approve the *Recommendation of Bus Advertising RFP*, seconded by Trustee Monica Bullington.

AYE: All

NAY: None

Motion carried and the *Recommendation of Bus Advertising RFP* was approved by the Board.

Recommendation of Construction for Bus Stop Infrastructure

General Manager Thorne stated that this *Recommendation* is the construction of a bus stop infrastructure located at the Wal-Mart in Normal. General Manager Thorne continued by stating that this will prove to be a significant improvement for Connect rider's safety and convenience. At the north side of Parkway Plaza, a cut-out will be created to accommodate two (2) buses in that area. Three (3) quotes were provided and Stark Excavating came in at the lowest bid of \$63,950. Connect has partnered with the Town of Normal to finish the sidewalks at this location.

DISCUSSION

Trustee Ryan Whitehouse asked what did Wal-Mart bring to the table?

General Manager Thorne responded that Connect asked nothing from Wal-Mart due to the length of time it has taken Wal-Mart representatives to agree to an *Easement Agreement*.

Trustee Ryan Whitehouse followed-up with the comment that Connect is providing transportation to the Wal-Mart facility to make money and Wal-Mart is providing nothing?

The Town of Normal Manager, Pam Reece, interjected that Connect is already providing the transportation service, this will make it more convenient for the ridership and they are giving Connect an *Easement*.

General Manager Thorne stated that there is a huge safety concern with Connect buses stopping on Parkway Plaza. That intersection is not easy with all the traffic going in and coming out of Wal-Mart, plus the additional storefront businesses.

For clarification, Trustee Monica Bullington stated that Connect is cutting into the spot where the bus stop is now only the new infrastructure will be closer to the building and inquired whether there were any concerns about on-time or delays?

Chairman McCurdy stated that the infrastructure will be more like a "saw-tooth". Buses will pull into a large parking spot off Parkway Plaza. Connect owes this to our customers to be able to get out of the elements and to make certain ridership is not standing in water. Chairman McCurdy added that Connect appreciates the Town of Normal finishing the sidewalks and it will be better for the system and the customers.

Chairman McCurdy called for a *Motion on the Recommendation of Construction for Bus Stop Infrastructure.*

Trustee Monica Bullington moved to approve the *Recommendation of Construction for Bus Stop Infrastructure*, seconded by Trustee Judy Buchanan.

AYE: Chairman Mike McCurdy
Trustee Judy Buchanan
Trustee Monica Bullington
Trustee Julie Hile (via telephone conference)

NAY: Trustee Ryan Whitehouse

Motion carried and the *Recommendation of Construction for Bus Stop Infrastructure* was approved by the Board.

GENERAL MANAGER'S REPORT

1. Contracts Approved by General Manager

Connect approved a Contract for an electrical engineer, *Keith Engineering and Design*, which represents preparation work for solar and electrical engineering that will take place to accommodate the electric buses. There will be a lot of infrastructure that Connect will need to install to reduce the solar/electrical charging of the buses. The General Manager continued by stating that Connect did not feel comfortable performing a design-build procurement for this project and desired an electrical engineer to come in and tell Connect what it will need to do, helping Connect put together a scope of work for the procurement; and help answer any questions posed by contractors. The General Manager approved the Contract of \$33,800 and the work should be complete by mid-December 2018.

DISCUSSION

Trustee Ryan Whitehouse inquired if it was normal for the General Manager to approve that amount without Board approval?

General Manager Thorne replied that typically these purchases would be taken to the Board for approval; however, the General Manager can approve an amount up to \$50,000 and stated that this action was solely precipitated by a time factor. Connect is trying to use IDOT Operating as capital and this money must be used by the end of this fiscal year. Connect's remaining window to complete this project is now at eight (8) months. General Manager Thorne continued by stating that with the installing solar panels and charging equipment into the maintenance garage, the solar/electrical engineering aspect coupled with a time restraint demanded immediate action by the General Manager.

2. Illinois Legislative Update

General Manager Thorne invited Will Cousineau, Connect's Illinois lobbyist, from *Cornerstone Government Affairs*, to give the Board an update on Connect's Illinois Legislative Agenda. General Manager Thorne and Mr. Cousineau have discussed in length the possibility of a state capital program and the Illinois EPA Volkswagen Settlement Funds.

Mr. Cousineau began by thanking Connect for the opportunity to represent *Connect Transit* in Springfield. There are two (2) main goals: strengthen Connect's relationships; both with local elected officials; and to strengthen Connect's relationships particularly with IDOT officials whether that is at the higher levels of IDOT or within the staff levels where things are able to get done and moved along quickly. Mr. Cousineau also stated that he has met with relevant individuals in Chicago regarding the state capital program of the Illinois EPA Volkswagen Settlement Funds.

Mr. Cousineau continued by stating that the second goal or phase will be obtaining financing of the *Downtown Transfer Center* and stated further that there are two (2) strategies relative to that so if there is a capital bill, making certain Connect is a part of that. It is incumbent upon Connect that if that happens, to put itself in the best position. Mr. Cousineau stated that we, together with Connect, will start the process in January after the new legislature gets into office by talking to members about what exactly Connect wants to do. As the legislature works through their capital projects we are part of those lists. Beyond that, Connect needs to be strategically in place in case the capital bill does not happen. Mr. Cousineau continued by stating that socializing with the members on the front end is great in case there is a capital bill, but it is also good if at the end of the day there is not. Mr. Cousineau continued by stating that around budget time Connect can start making the pitch that it should have some sort of line item in the budget to get this project done and why this project is so important to this community.

DISCUSSION

Trustee Ryan Whitehouse welcomed Mr. Cousineau and stated that it was good to have him onboard. Trustee Whitehouse continued by stating that anything that the Trustees can do as a Board, or work on Mr. Cousineau's behalf as well, put calls in or visits as well, the Board and it's Trustees can also be a part of the team with him on that as well. Trustee Whitehouse then asked if the Board can be given an update on the Volkswagen issue as well?

General Manager Thorne stated that Phase I has already been released which focuses on the Chicago region and the East St. Louis region. Phase II will most likely focus on Central Illinois and McLean County. Connect has already updated its legislative members about its plans to apply for these funds.

Mr. Cousineau stated he has reached out to all of the local members and walked them through what Connect is trying to do and sent them the Application with a support letter enclosed with some of them.

Trustee Ryan Whitehouse stated that the Volkswagen money can go to public transit.

General Manager Thorne said that the money can go to schools and a portion of it to private companies. The big focus is transit and public schools.

3. Fixed Route Customer Training Program

General Manager Thorne stated that staff is creating a *Customer Service Training Program* that allows individuals in the community to learn how to ride the bus network. Many people in the community are intimidated by the bus system and do not know how to ride public transit so Connect is trying to eliminate that barrier by this training program and at that time General Manager Thorne turned the floor over to Connect's Safety and Training Director, Dave White.

Mr. White stated that normally the things Connect hears on a local and national level is that people who are not using public transportation often find something that creates a great bit of fear and anxiety. Over the last couple months with a renewed focus, Connect is putting together a training program where Connect will be able to go out and perform group training in various locations for members of the general public. This training will not cost the general public any money and all they have to do is set aside a couple of hours. Connect will have a presentation for them and have a bus available and will be able to show them what tools are available for trip planning either on the website or downloadable phone app, a rider guide or looking at a paper map or even calling our customer service representatives and asking for assistance. We will walk them through that process and we can take them on board the bus and show them how to use the farebox whether they are paying with money or a one-time ride card or bus pass, and how to use a transfer or requesting a transfer. All of these things they are probably thinking about but are still somewhat hesitant to go out and try it on their own. Connect plans to create and utilize pictographs to communicate the processes or procedures where there might be a language barrier or just a lack of understanding for one reason or another.

The Trustees were interested in the cost of this type of program. General Manager Thorne and Mr. White explained that there is always an internal cost for Connect but both believe the biggest cost would be in scheduling a bus operator to have them present due to the actual "ride-along" drive where people can experience the ride themselves. The program would also include teaching Connect employees how to deal with customers who have cognitive disabilities.

4. Medicaid

General Manager Thorne reported that as part of the FY 2019 budget, Connect included \$100,000 of revenue being generated from Medicaid payments. Martin Glaze, Connect's Operations Manager took the floor and presented an update on the Medicaid payments.

Mr. Glaze reported that last September Connect began setting up a process with Medicaid with the purpose of finding a new source of revenue. Connect applied to the State of Illinois for the "Non-Emergency Transportation". Riders on Connect Mobility who are on Medicaid – Medicaid will provide transportation to medical appointments, doctor's office visits, pharmacy visits; physical therapy appointments; and things of that nature that the State will cover through the *Department of Human Services*. Connect was approved as a "provider" in June. Many of the hoops Connect had to jump through were quite extensive. Monthly paperwork for payment by Medicaid for a customer who requires a "ramp or lift" must be completed by the physician. Through new recent legislation the DHS condensed the participants of Managed Care Operations ("MCO") in Illinois of which there are only six approved MCOs. DHS is pushing enrollees to participate in MCOs which means Connect will need to obtain approvals from each of the approved MCOs. In summary, currently Connect is approved through the State of Illinois but not yet approved by any of the six (6) MCOs. Initial applications have been submitted and Connect's Staff expects to hear back from the MCOs within 30-60 days. Connect has

seen 60 riders within the last 30 days that have actually taken a Medicaid approved trip. Of those 60, 48 were billed through DHS and 12 were through MCOs and Connect found that it could not bill those. Of the 48 billed trips, 222 trips were able to be billed which estimated is \$444 of savings for those riders, not counting premium service charges, keeping in mind that the riders do not pay for these trips, Medicaid pays on their behalf. Billing for the Medicar - which is a lift/ramp used service is \$12.12 per ride and the average daily trips are 15; with billing for a service car it is \$7.06 per ride which is averaging around \$10.00, counting mileage at \$.80 per mile. The first month Connect has estimated \$2,775 in revenue based on a split between \$10-\$15 per trip. If Connect were to stay at the same level of allowable Medicaid billing for the first month, the entire year would bring in an extra \$33,000 in revenue. These numbers were achieved without any advertising to date and currently Connect is planning to send out a mailing to all 700 of its current riders.

In addition, Mr. Glaze stated that Connect is also trying to work with the State of Illinois about monthly passes on our fixed routes. Medicaid will pay for a monthly pass rather than pay for the para-transit service if it is used for a fixed route. Currently, Connect is the only urban transportation in the State of Illinois that is billing through Medicaid on behalf of riders.

5. State and Federal Grant Projects

General Manager Thorne reported that Connect did receive \$6M in grants and Connect will be purchasing electric buses, installing bus shelters and will be placing \$3M towards the Downtown Transfer Center. General Manager Thorne stated that this is one of the largest grants Connect has been awarded. Last year there was \$223M in Bus and Bus Facilities grant program and requests for grants came in at \$2B. General Manager Thorne thanked the Board for their time and support and to Connect Staff, especially Connect's Procurement Specialist, Cassie Mosier and Pat Kuebrich, Connect's Finance Director for all their work on the grant. He further stated that to best utilize the federal and state funding Connect Staff has updated the capital improvement plan for the next five (5) years and Connect will have to make a significant investment in the electrical infrastructure in Maintenance, as well as placing solar construction on the building. Staff is planning on purchasing 4 electric buses initially, but that number will be scaled up to 12 buses which demands a lot of infrastructure and solar panels. Connect has reiterated to the electrical engineer that in beginning this infrastructure must be scalable.

Trustee Ryan Whitehouse expressed his congratulations to the General Manager and Connect Staff on the award of this grant and expressed that our appreciation also goes out to our Congressional delegation, Senators, and Congressman Davis and Congressman LaHood for taking the extra step to make sure that this grant went through and even taking the time to make personal phone calls on behalf of Connect Transit.

TRUSTEE'S COMMENTS

There were no Trustee's comments.

Chairman Mike McCurdy asked for a *Motion* to recess for five (5) minutes.

Trustee Ryan Whitehouse moved that the Board of Trustees recess for five (5) minutes, seconded by Trustee Monica Bullington.

AYE: All

NAY: None

Motion carried. Board of Trustees recessed for five (5) minutes at 5:20 pm.

At 5:25 pm the Board of Trustees reconvened Regular Session and the meeting was called to order by Chairman Mike McCurdy. Roll call was taken.

TRUSTEES PRESENT: Chairman Mike McCurdy
Vice Chairman Ryan Whitehouse
Trustee Judy Buchanan
Trustee Monica Bullington
Trustee Julie Hile (via telephone conference)

TRUSTEES ABSENT: Trustee John Bowman, Secretary
Trustee John Thomas

CITY MANAGERS: Town of Normal Manager Pam Reece

Chairman Mike McCurdy asked for a *Motion* to move into Executive Session to discuss Personnel Matters (ILCS 120/2 (c)(1)).

Trustee Judy Buchanan moved that the Board of Trustees move into Executive Session, seconded by Trustee Monica Bullington.

AYE: All

NAY: None

Motion carried. The Board of Trustees entered into Executive Session at 5:26 p.m.

At 6:15 pm Chairman Mike McCurdy called for the Regular Session to reconvene and rollcall was taken.

TRUSTEES PRESENT: Chairman Mike McCurdy
Vice Chairman Ryan Whitehouse
Trustee Judy Buchanan
Trustee Monica Bullington
Trustee Julie Hile (via telephone conference)

TRUSTEES ABSENT: Trustee John Bowman, Secretary
Trustee John Thomas

CITY MANAGERS: Town of Normal Manager Pam Reece

STAFF: General Manager Isaac Thorne

Chairman McCurdy stated that Trustee John Thomas has resigned as Trustee and he has moved to another location for new employment and will no longer be on the Board of Trustees of Connect Transit.

As the last item on the *Agenda*, Trustee Judy Buchanan moved for *Renewal of the Employment Contract with General Manager Isaac Thorne* and requested that the Board approve a yearly salary increase of 4.5% together with further recognition of an outstanding and successful year that the Board also approve a bonus for the General Manager in the amount of \$4,000, seconded by Trustee Monica Bullington.

AYE: All

NAY: None

Motion carried. The *Renewal of the Employment Contract with General Manager Isaac Thorne*, together with a salary increase of 4.5% in base pay with the addition of a bonus in the amount of \$4,000, was approved by the Board of Trustees.

Chairman Mike McCurdy then asked for a motion to Adjourn.

Trustee Ryan Whitehouse moved to adjourn regular meeting, seconded by Trustee Monica Bullington.

AYE: All

NAY: None

Meeting was adjourned at 6:21 p.m.



Jill Bower – Board Clerk



Secretary John Bowman

