

CONNECT TRANSIT
BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
March 26, 2013

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 on March 26, 2013 at 4:45 p.m.

TRUSTEES PRESENT: Judy Buchanan, Chairman
John Thomas, Vice Chairman
John Bowman, Secretary
Mike McCurdy
Mary Caisley
Ryan Whitehouse
Bill Wilson

TRUSTEES ABSENT:

STAFF PRESENT: Andrew Johnson, General Manager
Michelle Ferguson, Human Resources Director
Roy Rickert, Operations Director
Carl Rokos, Maintenance Director
Trish Tilton, Administrative Assistant

OTHERS PRESENT: Felicia Shaw, Newly appointed Trustee to begin April 2013
Jennifer Sicks, McLean County Regional Planning
Keith Dobralinsky, Assurance Insurance Agency
Deb Stegall, Attorney
David Calhoon, ATU Local 752
Charles Smith, Rider & CEFT Member
Janet Shobe, Rider & CEFT Member
Hope Darby, Rider & CEFT Member
Cary Supalo, Rider
Tracie Holt, Rider

CITY MANAGERS: David Hales, City of Bloomington
Mark Peterson, Town of Normal

Call to Order

Chairman Judy Buchanan called the regular meeting to order at 4:45 p.m. and roll call was taken. Chairman Buchanan welcomed everyone and introduced Ms. Felicia Shaw.

Ms. Shaw has been appointed to take the seat of Ms. Mary Caisley who is has turned in her resignation. Ms. Shaw will begin her duties as a Trustee of the Board April 1, 2013.

Request for Executive Session to Discuss Personnel Matters

On a motion by Chairman Buchanan, and a second by Mr. Mike McCurdy, the Trustees voted to adjourn the public meeting and begin an executive session to discuss personnel matters at 4:50 pm.

Reconvene

Subsequently, the Board voted to adjourn the executive session and reconvene the public meeting at 5:45 pm.

Public Comments

Chairman Buchanan announced two people were present who have public comments they wish to make, Mr. Charles Smith and Mr. Cary Supalo. Chairman Buchanan reminded everyone public comments are limited to three minutes and the Board takes all comments seriously and under advisement, however the Trustees will not engage in a two way conversation at this time.

Mr. Smith had two comments. First, the CEFT (Committee to Ensure Fare Transit) has drawn up a transit survey, which was passed out to the Trustees. Mr. Smith announced CEFT members would be distributing the surveys out to the community next week by contacting riders on the buses or at transfer centers. After a week or so the surveys will be collected and reviewed. Mr. Smith added CEFT is more than happy to share the data with Connect Transit in an effort to cooperate with the Transit and build a better bus system for everyone.

Second, Mr. Smith continued, CEFT has a concern and requests the Open Houses are advertised and locations, dates, and times are advertised and made public well in advance of the events. Mr. Smith stated it is very important to make the public aware of these open houses well in advance and announce the fact they are about the route restructuring so the public have the opportunity to attend. Mr. Smith stated if Transit needed the assistance of CEFT all Transit needs to do is ask, as the members are ready and more than willing to help in any way they are able. Again, Mr. Smith stressed the advertising for the open houses needs to be well in advance of the dates so people can plan and arrange to attend.

Chairman Buchanan asked the Trustees to complete the surveys and turn them in to Ms. Trish Tilton, Administrative Assistant for later tabulation. Chairman Buchanan thanked Mr. Smith and asked Mr. Supalo to step forward to make his comments.

Mr. Supalo greeted everyone and stated he wished to comment on a negative experience he had while taking the NiteRide on Sunday night. Mr. Supalo explained he was standing on the corner of North and Fell Streets at 11:14 pm on Sunday night waiting to catch the bus home. He lives at College Station Apartments. It was snowy, cold, and dark and he was standing by the bus stop sign. The bus came down Beaufort Street, made a right turn to travel north bound on Fell and when it got to the corner of North and Fell it stopped and then proceeded to make a left turn to go west on North Street, which is typically not what that route does. Then the bus stopped and sat there from 11:21 until 11:24 pm and then it proceeded onward westbound on North Street to where ever it was going. Mr. Supalo stated that since the bus was off route it must not have been his bus and he just continued to stand there waiting for his bus, which did not come until 11:55 pm. Mr. Supalo explained when he was at the bus stop he waived his cane and held his hand up being emphatic that he wanted that bus. The driver must not have been paying attention. By the time Mr. Supalo got home his fingers and toes were numb. Mr. Supalo stated it was not a pleasant evening to say the least. Mr. Supalo just wanted the staff and Board to know what happened and that the driver must have some issues. Mr. Supalo does not want to know who the driver was that was driving, but staff needs to know.

The other comment Mr. Supalo wanted to make was about the seats at the front of the bus which face the isle. Typically, at Transits, these seats are reserved for the disabled and elderly, however others may sit there as well. One day when Mr. Supalo made that statement on the bus, the gentleman driver said, "no that's not the way it is, those seats are for anyone." Mr. Supalo always thought those seats were given priority to senior citizens or people with disabilities. When Mr. Supalo boarded the bus this morning, there were people already seated at the front of the bus and all the seats were full. Mr. Supalo reported he ended up sitting at the back of the bus. Mr. Supalo asked the Green A driver to call out his stop at College and School. Mr. Supalo never heard the driver call out the stop and Mr. Supalo ended up getting off the bus somewhere other than where he wanted to be. The only thing he knew was that he was somewhere in Normal. It was not a pleasant morning, nor a good way to start the day. Mr. Supalo asked if this message could be passed on to the drivers. If it is Transit policy to make the front seats available for disabled and seniors and to call out the stops for those visually impaired riders then the drivers need to be reminded of those policies. Mr. Supalo thanked the Board for allowing him to speak.

Chairman Buchanan thanked Mr. Supalo for his comments.

Approval of Minutes

Chairman Buchanan noted a correction on the minutes of the January 12, 2013 Special Meeting of the Board. In paragraph one the minutes stated Chairman Buchanan resumed the meeting. That sentence should read Chairman Buchanan called the special meeting to order.

Chairman Buchanan asked for questions, changes, or corrections for the minutes of the February 26, 2013 regular meeting of the Trustees. None were stated.

On a motion by Mr. Mike McCurdy, and a second by Mr. John Bowman, the Trustees voted to approve the minutes of the January 12, 2013 Special Meeting with the above mentioned correction and the minutes of the February 26, 2013 Regular Meeting as presented.

Items Removed From Consent Agenda

Consent Agenda

On a motion by Mr. Bowman, and a second by Mr. John Thomas, the Trustees voted to approve the consent agenda as presented including the following items:

- 1. Review and Approve March Disbursements**
- 2. Review and Approve January Financial Statements**
- 3. Review and Receive February Monthly Ridership Report**

Consent Agenda Discussion

Mr. Ryan Whitehouse commented about the disbursements, found on page eighteen, made for the rental of the rooms for the Listening Sessions. Mr. Whitehouse found it disturbing that with the partnership and intergovernmental cooperation the Transit has with Heartland Community College and Illinois State University they should charge such high fees to rent the rooms at their facilities. Mr. Whitehouse stated the fees seemed very high, especially with ISU, for room rental.

Ms. Mary Caisley agreed with Mr. Whitehouse and explained the ISU Union is not under the direction of the university, but is managed separately. In any case, Mr. Whitehouse continued it was an expensive bill to rent a room for a couple hours. Ms. Caisley added the Normal Public Library would have been available for free. Mr. Andrew Johnson, General Manager, stated it would have been a nice gesture for Parking and Transportation to offer to pick up the bill since Transit is such a big part of student and faculty life. Chairman Buchanan added the Transit will begin having quarterly discussions with ISU shortly and this will be added to the list of items up for discussion. Mr. McCurdy commented from his own personal experience, free rooms are very difficult to find in these towns. The public libraries are difficult to find available to reserve unless the room is scheduled far in advance. Also, the room rented at ISU was one of the larger rooms available in the Union.

Ms. Caisley asked if we have started the tire lease yet, because she can see a large amount being paid to Don Owen Tire Service this past month. Mr. Johnson replied that lease will begin April 1, 2013.

Chairman Buchanan inquired about the ICMA Retirement payment. Mr. Johnson explained that was for the employee 457 plan and it is a large amount to cover two payrolls during the month time frame.

Ms. Caisley stated it would be very helpful to have year to date comparisons for last year and this year and show where we are in the budget for the financial statements. Mr. Johnson agrees with Ms. Caisley and explained since we have switched to a new accounting software system we can't quite get an exact comparison because each year is in a different software format. Mr. Johnson can get a more summarized form if the Board would prefer.

Mr. Johnson explained we are digging out of the situation created when the Treasurer took an unexpected leave of absence. The January reports are here for you today. We will have February and March ready for you by the April meeting and we will be caught up. The efforts of our temporary employee, Mr. Patrick Kuebrich, have been nothing short of heroic. He has taken the ball and just run with it. His efforts are very much appreciated. Also, Mr. Isaac Thorne, Procurement Director, and Mr. Jim Cochran, Accountant, have done a great job as well. Mr. Thorne, especially, has taken on the responsibility that things get done. Mr. Thorne was the one who had to cover the last time this happened in 2011. Mr. Thorne has stepped up once again and is making sure nothing is missed and keeping those in the finance department informed of issues that must be dealt with and the time frames for different items. We are also working closely with our software vendor to put together better reports for the Trustees. That is another situation that has moved quite slowly due to some other issues that were going on in that department. Mr. Johnson wants to provide the Board with better and more logical summaries that are easy and quick to understand. Mr. McCurdy inquired if next year we will be able to get those comparison reports all on the same software. Mr. Johnson replied that is correct and in 2014 we will have much more data to compare.

Old Business

New Business

1. Review and Approve Corporate Insurance Renewals

Mr. Thorne explained to the Trustees prior to hiring the Assurance Agency we had individual insurance accounts, all with different brokers, and all being renewed at different times throughout the year. Since we hired the Assurance Agency we now have one common renewal date with one brokerage firm to cover our auto, property, and workers compensation insurance plans. Our workman's compensation insurance is with United Heartland and our general liability and property insurance is with OneBeacon Insurance.

Connect Transit awarded Assurance a three year contract for brokerage services in 2011. Assurance marketed the coverage and received quotes from multiple

insurance companies with a common renewal date. Last year we saved roughly \$72,000.00 on renewal. This year we have added some new vehicles, our expected payroll will increase, and we have added an additional \$3 million to the current \$2 million umbrella liability policy thus increasing our premiums. Mr. Thorne introduced Mr. Keith Dobrolinsky with the Assurance Agency.

Mr. Dobrolinsky passed around a report to all the Trustees summarizing the insurance plans and premiums. Mr. Dobrolinsky conveyed his account manager, Mr. Lucas Winters, sends his greetings and regards to everyone. Mr. Winters has done an excellent job, with Mr. Thorne, on this program.

Mr. Dobrolinsky indicated that page one shows the insurance coverage structure diagram for the Transit System. The diagram shows the various coverage, limits, and deductibles. Atlantic Specialty Insurance is OneBeacon covering general liability, auto liability, employment benefits liability, public official's errors, omissions and employment practices. United Wisconsin or United Heartland covers worker's compensation. All these areas fall under the Umbrella Liability with Atlantic Specialty Insurance Company with a \$5 million per occurrence/aggregate. Coverages that fall outside of the umbrella are fiduciary, property, equipment breakdown, inland marine, crime, sexual abuse and molestation. The sexual abuse and molestation coverage has been added to fill a large gap in the program.

Mr. Dobrolinsky noted the improvements made since hiring Assurance: all policies are now written on a common renewal date (April 1st), there is an improved relationship with the workers' compensation carrier due to the Early Return to Work program which was favorably received, enhanced sublimits on package lines of coverage with Atlantic Specialty Insurance Company (OneBeacon), and the elimination of gap in coverage by adding sexual abuse and molestation coverage. Having one renewal date eliminates the stacking of limits with the umbrella. This eliminates a concurrency problem with liability limits should limits be exhausted in a given period of time. Mr. Dobrolinsky commended the Transit System for developing a good working relationship with workers' compensation carrier. A great deal of work with loss control and the Early Return to Work program really made a big difference. Mr. Dobrolinsky congratulated the human resources department and the whole team for putting that together. That was the decisive point on keeping the workers' compensation coverage with United Heartland due to their serious concerns regarding our current coverage.

Mr. Dobrolinsky reviewed the exposure summary. There is a 25.77% estimated payroll increase by over \$1 million for 2013-2014 from 2012-2013. There was no change in the total property values or square footage in property. Mr. Dobrolinsky mentioned a recent independent appraisal of the building indicated a slight drop in the valuation of the building which could result in another \$2,000.00

in savings. The Transit has increased the auto fleet by six vehicles which created a 14.29% increase. The increase in assets went up 4.24% and the increase in the umbrella limit went from \$2,000,000.00 to \$5,000,000.00 making an increase of 150%.

The premium summary shows a grand total of \$435,046.00. The premiums based on the Transit's exposures and experience going forward into this new period are as follows: Worker's Compensation is \$243,146.00, Property (including Crime), Equipment Breakdown, Inland Marine is \$12,985.00, General Liability is \$6,573.00, Automobile Liability (including Automobile Comprehensive) is \$128,149.00, Umbrella is \$36,148.00, D & O, EPLI is \$3,798.00, and Fiduciary is \$4,247.00.

The premium changes for worker's compensation increased due to an increase in the experience mod (.02), an increase in payroll (\$1,031,137.00), and previous losses trending up resulting in decrease in credit by United Heartland. Experience mod considers good and bad risks as well as the frequency and severity of claims over the past three years. The more we can do to stop claims the better. The loses in this area are trending up so we can no longer get the scheduled credits that we did last year. The Transit currently has outstanding claims in this area which adds to the detriment as well. Mr. Johnson added the payroll is an estimate. There have been no additional permanent personnel put in place that the Board has not approved. Payroll is currently running under budget so there will potentially be a correction once the audit is completed.

The premium changes for auto liability increased due to the additional six vehicles added.

The property premium is more industry driven. There has been a change in the market place. Mr. Dobrolinsky did propose dropping the contractor's equipment from \$500,000.00 to \$50,000.00, which would result in a savings of \$1,784.00.

The excess liability increased in limit from \$2 million to \$5 million resulting in an increase from \$36,148.00 to \$39,369.00. This amount puts Connect Transit more in line with peer transits on this item.

Mr. Dobrolinsky stated, moving forward, we need to examine how we control the overall costs of risks. It is very important to continue to monitor previous worker's compensation claims to make certain they are closed. Closed claims will not affect the Mod and allow United Heartland to offer improved scheduled credits. It is also important to continue to build solid partnership with United Heartland in regards to loss control. Again, the Early Return to Work Program is a tremendous step in the right direction. In 2014 we need to seek dividend plan options from United Heartland. Connect Transit can utilize new appraisal data as it becomes available.

Mr. Dobrolinsky stated Assurance will continue to introduce new carriers to Connect Transit on a semi-annual basis. It is also important to introduce the Assurance Safety 360 program to aid in reducing the Experience Mod which will help to drive down worker's compensation cost. This is a new program Assurance is offering to help identify risk issues and offer suggestions. One other program to implement is the Assurance Certificate Tracking service to properly transfer third party vendor risks

Mr. Bowman asked if there were any retroactive premiums going forward. Mr. Dobrolinsky responded there will be if the audit indicates a change in the numbers, which would result in a savings.

Chairman Buchanan asked about the dividend possibilities. Mr. Dobrolinsky responded many of the carriers are giving the scheduled credits up front. There is a loss sensitive program where a percentage would be paid back and also there is a true loss sensitive program where a business could end up paying more. It would be best to find a program that would rest in the middle of the two extremes.

Mr. Bill Wilson stated we need to protect areas of risk appropriately. Mr. Wilson was surprised the Transit had to add sexual abuse and molestation. The dividend plan is a great tool. Mr. Dobrolinsky is trying to get the Transit the scheduled credit and the dividend if possible. There is no guarantee, but that is the goal. Mr. Wilson asked why the Liability was increased from \$2 million to \$5 million. Mr. Dobrolinsky stated our peers around the State are up to \$5 million. Mr. Thomas added three years ago ISU demanded Transit to double the coverage to \$2 million at the time, because that was their minimum. Mr. Wilson is concerned it creates a deeper pocket, because the limits are so high. Mr. Johnson added, as General Manager of the System, we have to look at it as full buses, standing room only. If one of those buses gets in an accident we are looking at the potential liability of sixty people. That will add up to more than \$2 million very quickly, in legal and medical indemnity. Mr. Dobrolinsky gave an example of a terrible sixteen passenger van accident involving two deaths and multiple grave injuries which went over \$15 million.

Mr. Mark Peterson asked about the auto liability, if it is combined single limit. Mr. Dobrolinsky responded it is occurrence, without each accident. Mr. Peterson added the State is driving the cost of worker's compensation up. The weight seems to be more on frequency vs. severity.

Mr. Dobrolinsky thanked everyone and reiterated if there are any further questions or concerns to please contact him or Mr. Thorne.

On a motion by Mr. Thomas, and a second by Mr. Bowman, the Trustees voted to approve the Recommendation for Auto, Property, and Worker's Compensation Insurance Renewal.

2. Review and Approve Engine and Transmission Replacements

Mr. Isaac Thorne, Procurement Director, reported Connect Transit applied for and received a Federal Transit Administration State of Good Repair grant for \$245,400 in October 2012 to rebuild 2004 and 2005 buses. The 2004 and 2005 buses have an average of 454,861 miles per vehicle. These buses average 55,000 miles per year. In FY 13 Connect Transit replaced six transmissions and four engines due to failure. We did receive FTA authorization to begin this process. An RFP went out and we received interest from three vendors, but two of the vendors did not submit proposals. The strict territories and ability to offer proper warranties and name brand replacement parts really narrows down the possible vendors who can even submit a proposal.

This contract with Cummins Mid-State Power is for a firm-fixed price, not to exceed \$341,042.00 to replace engines and transmissions on ten buses. This will replace the engine and transmission on six buses and engine only on four buses. The contract will reduce the number of buses that need an engine or transmission replacement from fourteen to four buses. It will allow Connect Transit to operate the vehicles for another four to five years in revenue service. The project will start in April and conclude by December 2013. Connect Transit will purchase a three year or 300,000 mile warranty for the engines and the Voith transmissions come with an eighteen month or 150,000 mile warranty. The Cummins engine and Voith transmission will be factory authorized reconditioned replacements.

The contract will not exceed \$341,042.00. The grant will cover \$254,400.00 of the total cost. \$58,642.00 will have to be paid out of the Local Capital account. All of the warranty costs of \$28,000.00 for the engines will come out of operating budget. Some of the warranty cost will be expensed in the FY 13 budget, but the majority will be expensed in FY 14.

On a motion by Mr. Thomas, and a second by Mr. McCurdy, The Board voted to approve the Award of Reconditioned Engine and Transmission Purchase and Installation RFP#13-01 to Cummins Mid-State Power as outlined.

3. Review and Approve Cable Advertising Program

Mr. Johnson reported staff has studied various ways to advertise the value of Transit in Bloomington-Normal. Television ads would be prohibitively expensive and target more the areas central to the various stations such as Peoria, Springfield, Decatur, Champaign. Cable television will allow us to focus our

message in our service area. We will be keeping the message in our service area and keep the money and the message going to the people that use the service and whose tax dollars pay for the service. This will give us the opportunity to be flexible with our message for example; back to school, restructuring, or brand awareness. Mr. Johnson reported this is the type of advertizing that was done at his previous transit, with good results.

Comcast Cable has tailored a program for Connect Transit that will last twelve months. We will be able to maintain a constant monthly on-air presence and also have the flexibility to increase our advertising when we have new initiatives to push, such as a new route structure. This contract also offers a video on demand and web component that is accessible right from a viewer's TV that will provide more in-depth information about the Transit System. Comcast will take care of all advertising production and placement as part of the \$2,516.00 per month package. This will allow anywhere from 150 to 300 ads per month. We will be able to change the channels we wish to be on. This program will promote positive awareness of the Transit System at a time when the system is enacting sweeping changes.

Mr. McCurdy asked what percentage of the marketing budget is this contract. Mr. Johnson responded it takes up 66% of the present year's budget, but it will spill over into the next year's budget as well.

Chairman Buchanan inquired if we are looking into any other options. Mr. Johnson replied radio hasn't really worked well for Transit in the past and the same with the local newspaper. There are just too many limits. Cable will hit the large numbers. We have touched the surface with the social media. Chairman Buchanan was impressed with the number of people who have no car or only one car, but subscribe to Xfinity Cable in Bloomington.

Mr. McCurdy suggested looking at other mediums and not be limited to just one. That way the message gets out to a number of different places, where ever the customer turns. Look at radio, look at print and see what else might be possible in conjunction with the cable. Mr. McCurdy believes it is more effective than just picking one mode of medium. Mr. Johnson stated at his previous transit they would sponsor the traffic report, but Bloomington-Normal does not have a traffic report. Mr. McCurdy reported that several years ago the Transit did run some ads on public radio and those ads did reach the riders and those who did not ride. Mr. Thomas recommended checking out ads on the small billboards around town. Mr. McCurdy emphasized we don't want cable to be the only tool in the toolbox. He suggested using the cable message and putting it inside all the buses as well. Mr. Peterson added using the new branding everywhere.

Mr. Bowman suggested inserts in utility bills or even a survey enclosure.

Mr. Peterson stated the Town of Normal does four newsletters to residents per year. The Town could add an article about the Transit in a newsletter for exposure. Chairman Buchanan added Bloomington does something similar as well.

Ms. Caisley asked about using social media and demographic data. Mr. Johnson explained we do not have much demographic information on riders as we would like. We are behind on this partly because of lack of software. We need to start a survey and gathering information. Mr. McCurdy agreed with Ms. Caisley stating the social media is cheap and a quick and easy way to get a message out.

Mr. Johnson added the RFP for a new web design is going out this week. The cable ads will help promote our new web site.

Mr. Peterson added, don't give up on radio. Public radio, WGLT, has an audience that is very receptive to our message. We used to advertise on WJBC, but it has been a while. Mr. Johnson added we are just looking for another way to get our name out to the public. Ms. Felicia Shaw mentioned her station WXRJ and perhaps the station could do a segment on the Transit on their program "What's going on in McLean County". Mr. McCurdy suggests pushing one good message out there in as many different ways possible so everywhere the rider looks the message is there, the exposure is there.

On a motion by Mr. McCurdy, and a second by Mr. Bowman, the Trustees voted to approve the Cable Advertising Program.

4. Review and Approve Cash Farm Lease

Mr. Johnson explained to the Trustees in 2009 the Transit purchased seven additional adjoining acres for possible future expansion. Five of those acres are tillable. The past several years we have leased those acres to Mr. Mark Thompson to farm. The lease states Mr. Thompson agrees to mow the roadways and spray fence rows for weeds. The lease saves the Transit from having to maintain the property and provides some revenue.

Mr. Ryan Whitehouse commented that \$200.00 per acre was low for renting farmland in McLean County. Mr. Thompson reports the land produces fair to average yields due to the fact it sits rather low and does not properly drain because of some tile damage. Mr. Johnson added next year more research will be done and we will put this out for bid.

On a motion by Mr. Bill Wilson, and a second by Ms. Caisley, the Board voted to approve the Cash Farm Lease as presented.

5. Review Transit System By-Laws Update

Chairman Buchanan announced the Trustees each have been sent an email with both the Intergovernmental Agreement (IGA) and the By-Laws, which were last updated in 1980. There are a number of suggestions included in the email. We will not go into these tonight. We are seeking both an auditor and legal opinion as to what we should do to update some of the sections. These will be discussed in length later.

General Manager's Report

1. Legislative Conference Report

Mr. Johnson stated the APTA Legislative Conference was in Washington, D.C. at the beginning of March overlapping the "One Voice" Conference. Mr. Johnson reported the conference went well and we used public transit everywhere we possibly could. It was a bit distressing to hear everyone from FTA, DOT, and Congress talking only about rail. It seems that buses are being overlooked. The Map-21 harmed the bus program for small operators in that you can't even buy a bus anymore with the money they are willing to give you. We have our work cut out for us to talk to our delegates and reiterate that buses are the backbone of transit. There still is a great deal of concern and confusion as to how public transit is going to be funded going forward in 2014. After Map-21 (Transportation Bill, "Moving Ahead for Progress in the 21st Century") there is no designated way set up for funding transportation. We have a new Transportation and Infrastructure Committee Chairman, Mr. Bill Shuster. He is the son of a former Committee Chairman. No one is sure if he is going to try to put a new multi-year bill through to replace Map-21 or craft something new. Mr. Shuster has a lot of people he needs to try to keep happy. We do have a new Congressman, Mr. Rodney Davis, who is on the committee which will be helpful. We are trying to get Mr. Davis here to tour our facility and ride a bus. The overall consensus in Washington is they want to hear what we want in the next bill but they don't have a clue what's going to happen between now and then. It is going to take a great deal of communication to make sure our concerns remain front and center. The American Public Transportation Association Reauthorization Task Force is definitely concerned with the lack of buses in Map-21 and moving forward.

Mr. Johnson had an opportunity to visit with the President and Vice President of Gillig while in D.C. He reported they had a good discussion about the plan proposing 100% buy America in buses by 2017. That is not possible. Mr. Johnson feels a good impression was made with the company who makes the buses we are hoping to purchase and get moved up in the production line.

2. Used Bus Purchase Update

Mr. Johnson reported we have received our first (of 8) delivery of the used San Mateo 1998 buses. The second will be coming soon. The maintenance department is busy preparing the bus to go out on the street, new farebox, radio, laminate on the outside, destination signs, etc. Once the new used buses get out on the street we will be able to rebrand some of our other buses. Currently, we cannot afford to take one bus off the street to get this accomplished.

Mr. Wilson asked if the \$47,583.12 listed in the disbursements under Capital II Account is for the used buses. Mr. Johnson indicated it was. Shipping the used buses here will run roughly \$4,300.00 per bus being brought in on a flat bed trailer. Shipping will be paid as each bus arrives.

3. New Bus Purchase Update

Mr. Johnson reported the plan to purchase new buses using a "piggyback" contract has run into a major road block. Staff has been working with IDOT to get concurrence for the five new buses the Board approved in October. We were getting very close and then two things happened. The first issue is that the federal government has decided to take a very hard look at "Piggy Backing". They have re-interpreted how the process works and transits can no longer purchase buses using a previous contract that intentionally added extra buses on the contract for the sole purpose of "piggy backing", instead the extra buses must be unintentional extra buses. This throws many contracts into doubt. We thought there might be a fighting chance to get buses with the contract we had, except it has taken so long to get where we are that they have run out of buses on that contract.

Now we either need to find another contract which will pass the new guidelines and get FTA approval and start over with getting approval from IDOT or we will have to start from scratch with an RFP to purchase buses. If we do an RFP we would include the extra buses we expect we will be able to buy as a result of getting the IDOT Downstate Capital Grant money. This would be a significant number of buses which we would purchase over three to four years.

"Piggy Backing" allows you to standardize the fleet and allows you to get the type of bus you are used to purchasing. Starting with our own RFP will run the risk of getting a different manufacturer. This always creates the opportunity for flawed procurement in the process. Fortunately we have the staff on hand to handle the RFP, some transits do not. Also, there are some manufacturers out there that you just don't want their buses. If they win the proposal then that is the company we have to work with. It will be a very lengthy process. This process almost always creates a protest from one of the losing bidders. The FTA Administrator changed the "piggy backing" rules as the result of some problems

that had occurred in Ohio and Florida. This made FTA take a stricter look at "piggy backing" and a "Dear Colleague" letter was sent out. Now transits which have used "piggy backing" could run the risk of owing for the buses should FTA decide not to participate in the purchase.

Mr. McCurdy asked if a letter to our Congressional Representatives on this subject would help. Mr. Johnson stated it is something we can bring up as a concern. This could be more an administrative reaction to some things that have happened. The manufacturers like "piggy backing". Mr. Peterson suggested perhaps the smaller manufacturers have voiced concerns and disapproval of "piggy backing". Mr. Johnson continued it is up to the FTA to make the decision.

The Regional Planning Commission is having the 2013 Informational Forum with guest speaker Ms. Janet Kavinoky. Ms. Kavinoky is the Director of Transportation Infrastructure in the Congressional and Public Affairs division of the U.S. Chamber of Commerce. The topic for the Forum is "Expanding Transit to Help Meet Future Travel Demands". This is an early morning breakfast meeting on Thursday, April 18, 2013 at 7:30 a.m. If anyone wishes to attend, please contact Mr. Johnson so he can make reservations. Mr. Johnson stated Ms. Kavinoky is an excellent speaker and really understands transportation. Ms. Jennifer Sicks stated the meeting should end in time for people to get to work, around 8:30 a.m.

Mr. Johnson continued the statements of economic interest have gone out to everyone. Be sure to get those turned in to the County Clerk before the deadline and retain your receipt. This is the responsibility of each Trustee and administrator. Mr. McCurdy asked about the Open Meeting Act required training. Mr. Peterson stated the training is mandatory and the certificates of completion should be kept on file at the Transit office. Mr. Johnson will send out the on-line training link to Mr. McCurdy and Ms. Shaw.

Mr. Johnson reported he will be meeting with ISU on April 1st to begin negotiations on the new universal access agreement. We will be speaking with higher ranking administrators this time and hopefully that will eliminate all the shuttling back and forth with middle men and speed up the process. Mr. Johnson is looking forward to this being productive and completed sooner than the last agreement.

Correspondence and Media

Trustee Comments

Chairman Buchanan asked everyone to join her in the celebration this evening as well as a farewell. Today marks the conclusion of an eight year term of someone who has continually demonstrated dedication, focus, and leadership. Ms. Mary Caisley has a rich history in this community in public service both as a volunteer and as an elected member. Ms. Caisley joined the Trustees in 2005. Ms. Caisley led the Board through many challenges, and demonstrated her leadership relative to funding, planning, and setting a course for where the Board is today. The Board is more professional and can take pride with the accessibility and availability we are trying to create for our community. The Trustees want to honor and thank Ms. Caisley tonight for all her service to the Board of Trustees.

Mr. Peterson read from a special document that was issued this afternoon. It is Mr. Peterson's pleasure and honor to represent Mayor Koos in presenting this Proclamation. The proclamation stated Ms. Mary Caisley was appointed to the Bloomington-Normal Public Transit System (currently known as Connect Transit) Board of Trustees in May 2005 by Mayor Chris Koos of the Town of Normal. Ms. Caisley was elected Chairman of the Board in July 2008 and continued in that leadership position until December 2010. Ms. Caisley served as a Trustee and Board Chair during a period of tremendous change and improvement in the Transit System. Many of the changes and improvements were initiated by Ms. Caisley. While Board Chair, Ms. Caisley presided over the construction of new Transit System's headquarters building including an administrative office building, bus storage building, and bus maintenance facility. Ms. Caisley carefully and adeptly guided the Transit System through a myriad of personnel and operational changes during her service on the Board and during her tenure as Board Chair. Ms. Caisley initiated a planning process which resulted in the first ever Strategic Plan for the Transit System. Ms. Caisley's generous and dedicated service as an appointed Trustee for the Connect Transit System's Board serves as yet another example of her dedication to the community in which she resides and of the many selfless and generous acts of community volunteerism that she has undertaken over the many years that she and her spouse, Mr. Bill Caisley, have lived within the Bloomington-Normal area. After eight years of service to the Connect Transit System, Trustee Ms. Mary Caisley has decided to resign from the Board effective March 31, 2013. "Now therefore I, Chris Koos as Mayor of the Town of Normal, Illinois do hereby proclaim Wednesday, tomorrow, March 27th as Mary Caisley Appreciation Day!" And that all residents join me, the members of the Normal Town Council, the members of the Connect Transit System Board of Trustees and Staff to congratulate and thank Mary Caisley for her many years of outstanding service to the citizens of both Normal and Bloomington as part of the Connect Transit System Board of Trustees.

Ms. Caisley thanked everyone very much. All in attendance applauded.

Chairman Buchanan presented Ms. Caisley with a commemorative plaque and stated for everyone, "we honor you, we are grateful for all your service, and we are going to miss you. Come back and visit us anytime. Thank you again!"

Ms. Caisley commented it has been a "real trip"! Ms. Caisley continued it has been most enjoyable, very educational, and she has learned and gained more than anyone can ever believe. Thank you!

Adjournment

There being no further public business, on a motion by Ms. Caisley, and a second by Ms. Buchanan, the Trustees voted to adjourn the public meeting at 7:20 p.m.

John M. Bowman, Secretary