

CONNECT TRANSIT
BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
July 30, 2013

The regular meeting of the Board of Trustees of Connect Transit was held at the Bloomington City Hall, Council Chambers, Bloomington, Illinois on July 30, 2013 at 5:00 p.m.

TRUSTEES PRESENT: Judy Buchanan, Chairman
Bill Wilson, Vice-Chairman
Mike McCurdy, Secretary
John Thomas
John Bowman
Felicia Shaw
Ryan Whitehouse

TRUSTEES ABSENT:

CITY MANAGERS: David Hales, City of Bloomington

STAFF PRESENT: Andrew Johnson, General Manager
Roy Rickert, Operations Director
Dave White, Safety and Training Director
Ami Armitage, Executive Assistant Labor Relations
Jenifer Clark, Human Resources Director
Isaac Thorne, Procurement Director
Patrick Kuebrich, Finance Director
Tom Crouch, Maintenance Supervisor
Chris Wold, Operations Supervisor
Trish Tilton, Administrative Assistant

OTHERS PRESENT: Andrew Moore, ATU 752
Bill W. Stone, ATU 752
Joan Fenton, Phoenix Towers
Jacqueline Jones, Anglers Manor
Shannon Fofar, Bloomington
John Corey, Bloomington
Jerry Purkey, Clare House
Stephanie Purkey, Clare House
Janet Shobe, CEFT
Charles M. Smith, CEFT
Marilyn J. Evans, CEFT

LeAnn M. Hibler, LMH Certified Reporting
Kim Tarkowski, Life CIL
Rickielee Benecke, Life CIL
Donna M. Toney, Bloomington
Regina Madison, Phoenix Towers
Orhan Brian Enata, ATU 752
David R. Calhoun, ATU 752
Byron Blotcky, Commerce Bank
Mick Ferrell, ATU 752
Jennifer Sicks, McLean County Regional Planning
Rachel Wells, Pantagraph
Haley BeMiller, WGLT
Zach Dietmeier, WJBC

Call to Order

Ms. Judy Buchanan, Chairman, called the meeting to order at 5:00 p.m. Roll call was taken.

Public Comments

No one in attendance wished to make a public comment. Chairman Buchanan thanked everyone for attending the Public Hearing just previous to this meeting and thanked those who attended our Listening Sessions and Open Houses over the previous months. Chairman Buchanan stated the route restructure has been a very instructive and productive process and she thanked everyone for their participation.

Approval of Minutes

On a motion by Mr. Mike McCurdy, and a second by Mr. John Bowman, the Board voted to approve the Board Minutes for June 25, 2013 as presented.

Items Removed From Consent Agenda

Consent Agenda

On a motion by Mr. Ryan Whitehouse, 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 July Disbursements**
- 2. Review and Approve June Financial Statements**
- 3. Review and Receive June Capital and Self-Insurance Reserve Fund Balances**
- 4. Review and Receive June Monthly Ridership Report**

Consent Agenda Discussion

Old Business

Mr. Andrew Johnson, General Manager, stated there is no old business.

New Business

1. Request for Approval of Proposed Connect Transit Route Restructuring

Mr. Johnson stated Connect Transit introduced a revised route restructure proposal at the Open House Phase and subsequently took concerns, questions, and input. A Public Notice was published to announce the Public Hearing and that brings us here today. Mr. Johnson explained there are three changes to the proposal that staff is going to recommend the Board take under advisement.

Mr. Johnson continued the community wishes to keep service on G.E. Road. Staff has concluded the request can be met, so the Board is requested to leave the Teal J service on G.E. Road.

Mr. Johnson stated staff has decided the Late Nite Green A service that was slated to be dropped should be left in place due to ridership. Staff is requesting the Trustees leave the Late Nite Green A service in place.

Mr. Johnson explained changes to the Blue E route are not planned at this time. The main reason is to allow study of the route that runs through the mobile home park. It has not yet been determined how buses will turn around there. The route will stay intact while it's examined further.

Mr. Johnson requested the Trustees approve the current proposal with these three changes.

Chairman Buchanan asked for questions from the Trustees.

Mr. McCurdy stated the process was highly inclusive. It was very open. Mr. McCurdy added he appreciated being able to meet many of the riders who came to the Open Houses. Mr. McCurdy said it was nice to participate in dialogue about Transit in general as well as the specific route changes. This was a great process and Mr. McCurdy stated he will vote to approve the route restructuring proposals based on the input we have received at the Open Houses and the Public Hearings. Mr. McCurdy added he would like to commend Transit and staff for the process.

Chairman Buchanan agreed with Mr. McCurdy. Chairman Buchanan stated that all the Transit Board members agree that Transit and staff should be commended. Chairman Buchanan stated the Trustees' job is to do what is best for our riders. This route restructuring is an effort to improve the system for the riders and the drivers. Many of the other improvements that have been mentioned are tied to revenue and that is something that the Board and staff continue to look at all the time. No one knows where additional funds will come from to allow Transit to do an even better job. The Trustees are having ongoing conversations with entities in the community and hopefully Transit will be able to make some of the improvements that you are asking about. The Trustees are embarking upon a strategic planning process soon, which will add to our vision of the future as well. Again, Chairman Buchanan thanked everyone for their participation and comments.

Mr. Whitehouse stated he reiterates what Mr. McCurdy said and he appreciates the staff and Board for their work and efforts on this process. Mr. Whitehouse asked staff to follow up and make sure the website is available for individuals with disabilities so they are able to read or see what the changes are and have access to the entire website. Mr. Whitehouse is certain staff will be sure to see that is done. Mr. Whitehouse suggested staff could talk with individuals about the driveways at Phoenix Towers and Woodhill Towers and see if Transit can get some shelters and look at possibilities in the future budget to see if some kind of assistance can be provided to individuals this change affects most. Mr. Whitehouse acknowledged standing outside is very uncomfortable. Mr. Whitehouse thanked the riders for bringing this issue to the Trustees' attention. Mr. Whitehouse stated the Board and staff really do pay attention to the riders' concerns.

Chairman Buchanan asked if there were any other comments or if anyone was ready to make a motion.

Mr. Bowman stated he appreciated the thought that went into this process. The fact that this proposal is a much more incremental approach than the previous route restructuring proposal makes the system more accessible to the people who have used it all along, which is obviously important. Mr. Bowman commended the staff for the work they did putting together the proposal. Mr. Bowman continued he wants to thank the drivers on all our buses as well. They are the folks who put those routes into context for the riders. Mr. Bowman sees that as he rides the buses on a regular basis in the community. Mr. Bowman said he appreciates our drivers and the work they do to help make the routes and any changes a little less complicated for the riders.

On a motion by Mr. Bowman, and a second by Mr. Thomas the Trustees voted to approve the route restructure proposal as presented.

Mr. Johnson added he would like to single out a few people who worked on this tirelessly. The lead architect of this revised proposal and all of our proposals is Mr. Dave White, Safety and Training Director. Mr. White received a great deal of assistance from Mr. Roy Rickert, Operations Director, and Mr. Chris Wold, Operations Assistant. Mr. Johnson continued how important it was that drivers participated in this restructure. In fact, in the 11th hour Union President, Mr. Mick Ferrell, was out with Mr. White to run proposed route modifications just to see if it would work. Mr. Johnson stated the process worked by getting all the input from the community, putting it into action, and testing it to see if would work. Mr. Johnson said we had to start somewhere and people weren't necessarily thrilled with where we started in the fall of 2012, but it got the conversation going. Mr. Johnson believes everyone learned a great deal from this entire process. Mr. Johnson stated going forward it is not necessarily going to be less controversial at times, but it is going to be much more inclusive and much more collaborative as we work together to figure out how to make this Transit System run the best for everyone involved. Mr. Johnson thanked the staff and the Board for supporting the proposal process. Mr. Johnson also thanked the community for being patient with the "rough start" at the beginning and staying involved and engaged. Mr. Johnson stated he sincerely hopes the public continues to be engaged with Transit to help make it the most efficient and effective service for everyone.

Mr. McCurdy inquired where the process goes next and when the restructuring is going to be in place.

Mr. Johnson responded the system has switched to a phased-in approach. The first proposal was very sweeping and included almost every route. He said routes not looked at before will be reviewed. At the same time, the system will undertake a study for bus stops, bus shelters, and transfer points to make them better, to provide more amenities, and determine the safest and most effective places for them. This will also be a collaborative effort with the community and employees. There is much to be done over the winter. Mr. Johnson stated no route changes will be implemented during the cold weather months. During that time staff will be working to come up with any and all proposals that can be enacted in the warm weather months. Mr. Johnson added other areas of Transit will be looked at very closely, stating the system will take a very realistic approach. He said that the magnitude change in 2014 will be determined. That would include Phase II of route restructuring. A Phase III and quite possibly a Phase IV could be necessary.

Mr. Johnson stated Connect Transit will keep talking to the community and we sincerely hope that everyone shows up to those Listening Sessions because that is where the conversation begins.

Mr. McCurdy inquired about the target start date for the route restructure that was just approved.

Mr. Johnson responded August 12th will be the implementation date.

Mr. Whitehouse asked when the public can expect to get new maps.

Mr. Johnson answered we should have new maps August 9th.

2. Resolution to Authorize Execution and Amendment of Downstate Operating Assistance Grant Agreement

Mr. Johnson explained every year the Transit receives operating assistance from the State of Illinois. Every year the Board must authorize execution of a grant contract with the state. Connect Transit puts in an application for a grant through the state every year following the approval of our budget. This year the state sent our grant contract very quickly. Mr. Johnson added we are fully funded for fiscal year 2014. This is a standard annual process. Mr. Johnson requested the Board authorize execution of fiscal year 2014 Downstate Operating Assistance Grant Agreement.

On a motion by Mr. Thomas, and a second by Ms. Felicia Shaw, the Board voted to approve the Resolution to Authorize Execution and Amendment of Downstate Operating Assistance Grant Agreement.

3. Request for Approval of Agreement with Amalgamated Transit Union Local 752 Covering New Unit Members in Dispatch and Administration

Mr. Johnson explained this is not the total collective bargaining agreement. In the beginning of 2013 the dispatch unit as well as several of administrative employees organized, as was their right to do. They organized with Amalgamated Transit Local 752 which represents operators and maintenance personnel. On March 15th that organization was certified with the state and then management entered into collective bargaining with union members. The process took several months and was very amicable. Mr. Johnson said the contract is fair for both sides. The contract doesn't change much for the employees. It does adjust wages for dispatch and administrative staff. It adopts many of the clauses in the other collective bargaining agreement. There are several items such as health insurance and sick time that remain as they were prior to being represented. This contract will terminate on January 2014. The reason for that early date is because management will enter into collective bargaining this fall on the entire contract, which terminates January 2014, for the total workforce represented by the union. This agreement will be combined with that contract as one going forward. Mr. Johnson asked the Board to approve this

agreement. Mr. Johnson added the contract was unanimously ratified by the union members.

On a motion by Mr. Thomas, and a second by Mr. Bowman, the Trustees voted to Approve the Agreement with Amalgamated Transit Union Local 752 Covering New Unit Members in Dispatch and Administration.

4. Request for Approval for Renewal of Employee Health Insurance

Mr. Johnson stated every year management is faced with increases for employee health insurance renewals. Last year the increase was 30% and through work with the broker and union the increase came down considerably. System employees have a high utilization of health insurance. This puts the system at a disadvantage in the market. This year the plan will increase the premium by 8.5%. In the grand scheme of things 8.5% is not a big increase. Mr. Johnson continued, at this point, it is not worthwhile to go back out into the market. The system is more than budgeted for this 8.5% increase. It is less than anticipated. Mr. Johnson stated the broker might be able to bring it down to 5% or 6% increase, but that is not a great deal of money saved for all the work and time required for the process. Mr. Johnson asked for the Trustees' approval on the Renewal of the current Employee Health Insurance with Health Alliance at an increase of 8.5%.

Mr. McCurdy inquired what are the factors required to have improved performance. Mr. Johnson responded that last year the Transit System was hit with several catastrophic illnesses. He said there is nothing you can do to predict that or to guard against it. Since then, there has been lower utilization, which helps improve performance. The system will work with all employees on wellness initiatives to help improve performance.

On a motion by Mr. McCurdy, and a second by Ms. Shaw, the Board voted to approve the Renewal of Employee Health Insurance.

General Manager's Report

1. Introduction of New Human Resources Director

Mr. Johnson introduced Ms. Jenifer Clark, the new Human Resources Director. Mr. Johnson stated Ms. Clark started last Friday and comes to Connect Transit from Xpac in East Peoria, which is a tier one supplier to Caterpillar. We are very excited to have her here.

2. Personnel Update

Mr. Johnson stated now that we have our Human Resources Director we will be jump starting the search for a new Maintenance Director. We also intend to start posting the new positions that were approved by the Board with the budget starting with the External Affairs Manager and Information Technology Manager. Those postings will be happening very soon and we hope to be filling those positions, which are critical to the functioning of this organization, as soon as possible with quality people.

3. Annual Financial Audit

Mr. Johnson explained every year Connect Transit has an independent financial audit. This year the audit will be conducted by the same firm as last year; Martin, Hood, Friese, and Associates. This is the last year on the contract with this firm. They will be here in August doing preliminary work, return in September for the audit, and will present the final report later in the fall. Mr. Johnson does not expect they will have a great deal of interaction with the Board, but he stated the Trustees should be aware the auditors may be contacting them in September.

4. Compressed Natural Gas Initiative

Mr. Johnson stated there is an initiative in Bloomington-Normal area to explore the potential of moving municipal fleets such as ours to compressed natural gas. Mr. Mike O'Grady of the Economic Development Council is spearheading the effort. Mr. Johnson said he is cautiously talking about the idea with Mr. O'Grady. It is a very expensive proposition, but one that will ultimately be required. California has already started the conversion to natural gas with municipal fleets. The writing is on the wall that it is just a matter of time and Illinois will be following suit. Conversion will take time, whether it is to electric or natural gas. Fleets of buses cannot be replaced overnight. We are exploring what the costs and the requirements are. Connect Transit would not be able to finance such a conversion on our own. This presents an opportunity for public/private partnership and we are willing to listen and see what might transpire.

Mr. Whitehouse inquired about a cost estimate for such a conversion. Mr. Johnson responded he believes it would run somewhere between \$60,000 and \$80,000 a bus for compressed natural gas. The main issue is the fueling station, which could run \$3 to \$4 million. Mr. Whitehouse asked if it is more of an economic or an environmentally friendly issue. Mr. Johnson replied it is a little of both. Probably initially it is more of a sustainability issue. It is not something where you will get a return on the investment for a very long time. The natural gas will ultimately be cheaper, but it will take a long time to offset the huge cost for the required infrastructure. There is also the problem that you can't work on a

natural gas bus in the same facility as a regular diesel bus. These buses would require a separate maintenance building. If there is the potential for private investment that makes sense for the public entity we would be willing to hear it and give it fair consideration. There is no economic way possible way for Connect Transit to do it all by ourselves.

Mr. McCurdy inquired if Mike O'Grady is fielding an offer or if there is something on the table they are looking at. Mr. Johnson responded it is in the very preliminary stages and primarily driven by Nicor right now. Mr. Johnson stated he has another meeting about this later in the month with the Economic Development Council. The plan is at a future meeting of the Board, Nicor and the EDC would make a presentation and present more details. The idea seems to be similar to what the Town of Normal has done with the electric vehicle charging stations. Bloomington-Normal is mid way between St. Louis and Chicago so we could be a refueling stop for over the road trucks. People are looking at where is the best place to start just to get the ball rolling and in the beginning quite possibly a public refueling station may be part of the design. That would come with another list of concerns and questions. Mr. Johnson explained starting out the Transit System may be the most logical place to begin. Transit will be replacing most of the current fleet in the next five years, so the timing could be perfect. That would be the optimum time to obtain grants and funding.

Mr. Thomas inquired if this would be an undertaking at the municipal level for fueling stations. Mr. Johnson responded they are looking for some entity that can take on and support an enterprise such as this and the Transit System is a logical option. We have almost 40 heavy duty buses, which fits the scale they are looking for. Mr. Johnson stated he is not sold on the idea yet, there are still many questions, and many things to take into account. Mr. Johnson continued he wants to be as progressive as possible and keep the Trustees up to date on the related discussions. Whether any of us are around in the next 10, 15, to 20 years when this happens, we don't want to be the last ones left holding the bag when diesel fuel is no longer available.

Mr. McCurdy inquired if this concept makes economic sense and responds to environmental issues as well. Mr. McCurdy is in favor of exploring this prospect if it makes sense on both counts. Mr. Johnson answered it responds to both economic and environment sustainability issues. Mr. McCurdy asked if it is possible to retro-fit an old bus. Mr. Johnson responded it is very difficult to retro-fit an old bus.

Mr. Bowman asked if any federal funds or grants would be available for this type of enterprise. Mr. Johnson stated he was under the impression the clean fuel funds were over and done, but lately he has heard there is some money still

available and evidently there is going to be more clean fuel money becoming available soon.

5. Strategic Planning

Mr. Johnson has recently received a list of proposed dates from the strategic planning consultant. Mr. Johnson passed the list out to the Trustees and explained the dates are not concrete. The dates are a starting point, showing the progression, listing if staff or Board attendance is required, the topics that will be covered, and what will be accomplished. Mr. Johnson asked the Trustees to email or call him with their availability and any questions they may have. More information will be forthcoming once the dates are finalized.

6. Washington, D.C.

Mr. Johnson stated he was in Washington, D.C. last week attending the "Fly-In" with Congressman Aaron Schock. It was a very rewarding experience. It was an opportunity to hear from some very good speakers from the House, the Senate and around the world. There was opportunity to ask questions on a wide range of subjects including immigration, economics, and of course transportation. Congressman Rodney Davis was also there. Congressman Davis is on the Transportation Infrastructure Committee and he feels very confident that representatives are working on finding a funding source to keep the transportation program going beyond 2014 and strongly believes they will roll out a new transportation bill next year. Mr. Johnson added things can change in a heartbeat in Washington, but it is good to know discussions and hearings are happening and work is being done for transportation. Most importantly on that trip, a solid connection was made with our new Congressman.

Mr. McCurdy inquired about the motor fuel tax. Mr. Johnson responded the motor fuel tax is a short term solution to get transportation funding through the 2014 crisis. Motor fuel tax will not be able to support anything in the near future because with the improved vehicle fuel economy standards people are buying less fuel. No one has figured out how to do vehicle mile tax or something similar. Hopefully the pressing issues such as immigration will be solved soon and the representatives can focus on the infrastructure of the country.

Mr. Whitehouse commented politically the chances of a motor fuel tax increase are very unlikely.

Correspondence and Media

Chairman Buchanan commented there are several articles in the Board Packet covering the proposed changes in the routes. Chairman Buchanan pointed out one article from

the Pantagraph commending the Board for the holding the Listening Sessions, Open Houses, and organizing the Study Group "to make sure the system can provide the service the riders need". Chairman Buchanan stated it is always good to have the media covering the changes and progress of Connect Transit.

Trustee Comments

Request for Executive Session to discuss Collective Bargaining Matters and review Minutes of Previous Executive Session

Chairman Buchanan stated there will be no discussion on collective bargaining matters as the agenda indicates. The Trustees will only be reviewing the minutes of a previous executive session during the executive session.

On a motion by Mr. Wilson, and a second by Mr. Bowman, the Trustees voted to adjourn the public session of the Board meeting at 5:30 p.m. and commence an Executive Session to review and discuss Minutes of Previous Executive Session.

Reconvene

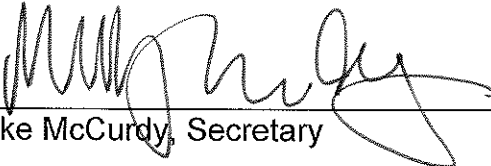
On a motion by Mr. Thomas, and a second by Mr. Bowman, the Board voted to adjourn the Executive Session and reconvene the public session at 5:50 p.m.

Chairman Buchanan reconvened the public meeting and requested a motion on the minutes of the February 28, 2012 Executive Session.

On a motion by Mr. McCurdy, and a second by Ms. Shaw, the Trustees voted to approve the release of the minutes of the February 28, 2012 Executive Session.

Adjournment

There being no further public business, on a motion by Mr. McCurdy, and a second by Ms. Shaw, the Trustees voted to adjourn the public meeting at 5:55 p.m.



Mike McCurdy, Secretary