



BOARD MEETING MINUTES

Board of Directors Meeting
1401 S. Lafayette Blvd, South Bend, IN 46613
October 15, 2018 at 4:00 PM

1. Opening Items

A. Call to Order

The regular meeting of the Board of Directors of the South Bend Public Transportation Corporation was called to order at 4:04 p.m. by Chairperson Kain.

B. Pledge of Allegiance

C. Roll Call

Quorum was confirmed by Secretary Schlunt.

Present: Jitin Kain, Jill Scicchitano, Don Schlunt, Lucky Reznik, Lynn Collier, Jake Teshka and Ken Kahlenbeck

Members Absent: Amy Coughlin and Oliver Davis

Also Present: Amy Hill, Chris Kubaszak, Terry Allen, Dan Warmoth, Tracy Davis, Laurie Cayia, Jamie Woods

Chairperson Kain welcomed new board member Ken Kahlenbeck and asked that he introduce himself. Chairperson Kain encouraged Member Kahlenbeck to reach out to other board members and staff as needed.

2. Minutes of Previous Meeting

Secretary Schlunt motioned that the minutes of the Board meeting held on September 17, 2018 be approved. Member Reznik seconded the motion and the minutes were approved unopposed.

3. Reports of Management and Staff

3.1 Operations Report

Director Allen provided the Operations report for September noting a fixed route ridership decrease of 1.34% when comparing September 2017 to September 2018. Year-to-date fixed route ridership has decreased by 1.96%. Chairperson Kain inquired about the national averages. General Manager Hill confirmed that Transpo continues fare well when compared to other comparable systems. She will follow-up next month with additional information.

Director Allen continued that Access September 2018 ridership has increased 10.86% over September 2017. Director Allen noted the Access scheduling software will improve overall operational efficiencies. It is anticipated the software installation and training will be completed by January 2019.

September Safety and Passenger Service Reports were reviewed. The full report was included in the board packet.

3.2 Finance Report

Controller Kubaszak provided the Finance report for the month of September, reviewing revenue, expenses and overtime. Passenger Revenue continues to trend below budget due to a decrease in pass sales and the fare increase that was originally included in the 2018 budget. Operating expenses were under budget and should continue through the remainder of the year.

Controller Kubaszak highlighted the overtime trends since 2011 for Operations, Maintenance and Access. FMLA, increased Access ridership and staff turnover continue to impact overtime costs. The full report was included in the board packet.

3.3 Human Resources Report

Director Davis provided the Human Resources report for the month of September, stating there are currently two open positions. Director Davis noted the annual turnover rate at Transpo is 34.9%, while the national average for the industry is 41%. Member Kahlenbeck inquired about high turnover in Access. Director Davis responded it was primarily due to the physical demands and lower pay rate of the position. It was noted the pay rate was increased as part of the new contract. Chairperson Kain asked about the increase and General Manager Hill stated there was a 2% increase for fixed route and 2.5% increase for Access. Access operators were previously not eligible for a retirement savings plan and are now able to participate in the 457(b) Plan. The full report was included in the board packet.

3.4 Maintenance Report

Director Warmoth provided the Maintenance report for the month of September. Upcoming projects include heating system preventative maintenance for winter. The full report was included in the packet.

3.5 Marketing Report

General Manager Hill provided the Marketing Report for the month of September noting web and social media traffic remains consistent. General Manager Hill reviewed the Special Service and Game Day Service, highlighting the Game Day Express ridership has increased significantly. Chairperson Kain asked about Notre Dame's involvement and General Manager Hill responded that this is separate from the contracted service and Notre Dame is not involved in funding the service. The Game Day Express route is fully funded by six community partners (Aloft, Century Center, Courtyard by Marriott, DoubleTree, DTSB, Visit South Bend and U93). The full report was included in the board packet.

3.6 Administration Report

General Manager Hill provided the Administration Report for the month of September. General Manager Hill announced the 2019 budget was approved by the Common Council at the October 8, 2018 meeting.

As a follow-up to last month's meeting, General Manager Hill provided an update on South Street Station. When South Street Station originally opened, there was a coffee shop that operated briefly before closing due to the inability to operate profitably and deter theft. Transpo's broker is exploring all options for leasing the available space. General Manager Hill highlighted the success of IndyGo's Food in Transit pilot program and the potential to replicate at South Street Station. Chairperson Kain recommended exploring grant opportunities and the possibility of "pop-up" holiday shops similar to what the City of South Bend and DTSB have done in the past.

Transpo was awarded the full request of \$4,910,748 through the Buses and Bus Facilities Infrastructure Investment Program. There were 339 applications with 107 projects awarded. This will allow for the replacement of up to 12 buses. Transpo will be responsible for securing the local 20% match which is approximately \$2.5 million. Transpo is working with South Shore Clean Cities and will be applying for the VW Mitigation Trust Fund to use towards the local share.

Transpo met with Berrien County transit representations regarding the "Connect Berrien Transit Service Integration Plan" and the opportunity for collaboration. Vice Chair Scicchitano asked if Cornerstone Alliance was involved and General Manager Hill confirmed they were part of the initiative.

General Hill also announced that Transpo was voted "Best Place to Work" in Michiana for Employee Benefits. The full report was included in the board packet.

4. Introduction to Ordinances and Resolutions

Board of Directors Meeting Minutes

October 15, 2018

Page | 3

ORDINANCE NO. 01-2019

AN ORDINANCE APPROPRIATING MONIES FOR THE PURPOSE OF DEFRAYING THE EXPENSES OF THE SOUTH BEND PUBLIC TRANSPORTATION CORPORATION IN SAINT JOSEPH COUNTY, INDIANA, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2019, AND ENDING DECEMBER 31, 2019

Controller Kubaszak provided an overview of the 2019 Revenue and Expense projections.

Chairperson Kain commented that there will be some adjustments to the budget process going forward so that the board can vote to recommend a budget prior to the Common Council meetings.

Member Teshka thanked General Manager Hill and Controller Kubaszak for attending the October 8, 2018 Common Council meeting approving the budget.

Vice Chairperson Scicchitano motioned to accept Ordinance No. 01-2019, Secretary Schlunt seconded and the motion passed unopposed.

ORDINANCE NO. 02-2019

AN ORDINANCE LEVYING THE TAX AND FIXING THE RATE OF TAXATION FOR THE PURPOSE OF RAISING REVENUE TO FUND THE TRANSPORTATION FUND OF THE SOUTH BEND PUBLIC TRANSPORTATION CORPORATION, SOUTH BEND, INDIANA, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2019

Controller Kubaszak provided an overview of the proposed tax rate which was included in the board packet.

Secretary Schlunt motioned to accept Ordinance No. 02-2019, Member Reznik seconded and the motion passed unopposed.

RESOLUTION NO. 60-2018

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BEND PUBLIC TRANSPORTATION CORPORATION, SOUTH BEND, INDIANA, APPROVING THE FINANCIAL TRANSACTIONS INCURRED DURING THE MONTH OF SEPTEMBER WITHIN THE CORPORATION'S CAPITAL IMPROVEMENT FUND

Investments and payments were made from the Capital Improvement Fund during the month of September 2018. The Corporation's 20% share, which is required by the Federal Government, totaled \$23,907.19.

Vice Chair Scicchitano motioned to accept Resolution 60-2018, Member Schlunt seconded and the motion passed unopposed.

RESOLUTION NO. 61-2018

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BEND PUBLIC TRANSPORTATION CORPORATION, SOUTH BEND, INDIANA, APPROVING THE FINANCIAL TRANSACTIONS INCURRED DURING THE PAST THIRTY DAYS OF

Board of Directors Meeting Minutes

October 15, 2018

Page | 4

SEPTEMBER, WITHIN THE CORPORATION'S PAYROLL AND TRANSPORTATION FUNDS

Any check for an amount of \$10,000.00 or more and any check as a reimbursement to an employee or Board member or to members of their families, regardless of the amount, was not processed until the invoice had been reviewed and signed by Chair or Vice Chair of the Board of Directors and the signature of one other Board member.

There were a total of 61 checks issued September 1-30, 2018 for a total disbursement of \$291,535.60.

Secretary Schlunt motioned to accept Resolution 61-2018, Member Teshka seconded and the motion passed unopposed.

RESOLUTION NO. 62-2018

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BEND PUBLIC TRANSPORTATION CORPORATION AUTHORIZING THE ISSUANCE OF THE TAX ANTICIPATION BORROWING OF 2019

Controller Kubaszak provided an overview of the tax anticipation borrowing which covers the time period between funding payments.

Secretary Schlunt motioned to accept Resolution 62-2018, Member Reznik seconded and the motion passed unopposed.

5. Any Other Motions

None

6. Chairperson's Report

Chairperson Kain provided an update on the General Manager search, stating the search committee has narrowed it down to two finalists. The full board will be invited to participate in the final interviews.

7. All Other Unfinished Business, Including New Business

7.1 General Manager Hill provided an overview of the following items that were brought up by the Council and/or public following the September 24, 2018 budget presentation to the Common Council.

Transpo / South Bend Community School Corporation – As previously discussed Transpo and SBCSC were close to launching a pilot program prior to the start of the school year; however, SBCSC decided to hold off due to the change in start times. Both organizations remain committed to working together to improve transportation.

Board Structure / Bylaws – Jamie Woods commented that board structure has been updated to remove the committee structure and streamline meetings. The bylaws have also been changed to provide better oversight.

Organizational Audits – It was confirmed that a full audit is completed by Crowe annually and a Triennial Review by the FTA.

Mishawaka Transfer Center – There were concerns regarding a section of the sidewalk that was cracked at MTC. Transpo confirmed ownership of the sidewalk and is in the process of obtaining quotes to repair. It appears tree roots may be responsible for the damage. Chairperson Kain recommended contacting the City of Mishawaka forester regarding the tree.

Washington Dunbar Homes – Transpo's Route 2 previously served the Washington Dunbar Homes, but was eliminated as a result of the Comprehensive Operational Analysis completed in 2011 due to low ridership. As part of the COA, Route 4 was adjusted to provide service within 0.3 miles to the location. Transpo is working with MACOG to determine what service options may be feasible within the current route system and budget.

General Manager Hill concluded by inviting board members to attend the Transpo's Annual Veterans Day Chili Luncheon on Friday, November 9 from 10:00 a.m. to 3:00 p.m. in the Operator Breakroom.

8. Privilege of the Floor

None

9. Adjournment

With no additional business, Vice Chairperson Scicchitano motioned to adjourn, Secretary Schlunt seconded and the motion passed. The meeting adjourned at 5:03 p.m.