

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF Monday, December 21, 2009 MEETING

Board Members Present: John Rupp, Chair; Thomas Deller; Edward Field; Rochelle Lee; Jerome Williams; Michael Lewis; William Kennedy; and Stephen Durkee.

Also Present: Alfred J. Moscola (General Manager); Richard Licht (Outside General Counsel); Andrew Prescott (Outside Labor Counsel); Henry Kinch; Maureen Neira; Mark Therrien; Ellen Mandly and other members of RIPTA's senior staff and members of the public whose names are listed on the meeting sign-in sheet.

Agenda Item 1: Approval of the Minutes of November 16, 2009 meeting

Mr. Rupp called the meeting to order at 1:35 and asked if the Board members had an opportunity to review the minutes of the meeting held November 16, 2009. The members indicated that they had and Mr. Field made a motion to approve the minutes with the suggested edits he gave Ms. Mandly prior to the meeting. Mr. Kennedy seconded the motion and the minutes were unanimously approved as

amended.

Agenda Item 2: General Manager's Report

Mr. Moscola reported that 24 of the new Gillig busses costing \$349,891 each had arrived and should be on the on the road by the end of the week.

Next Mr. Moscola discussed the ribbon cutting ceremony held at Kennedy Plaza on December 14th to celebrate the completion of the asphalt repaving project and to showcase the new Gillig bus. He said John Rupp acted as master of ceremonies and in attendance were: Senator Jack Reed, Lt. Governor Elizabeth Roberts, Attorney General Patrick Lynch, FTA Regional Director Dick Doyle, representatives from Senator Whitehouse's and Mayor Cicilline's offices, members of the RIPTA Board and representatives from the contractor JH Lynch.

Mr. Moscola reported on RIPTA's response to the blizzard which occurred over the weekend and thanked certain members of the RIPTA staff for their hard work. He also thanked Mr. Rupp for mentioning same at the JPB meeting. He noted the difficulties involved in moving the RIde vehicles around in order to clean them and plow out the parking lot. This will be the last winter we will have to deal with this time consuming job he said because next winter we will be in the new RIde facility.

Mr. Rupp reiterated his thanks to the RIPTA staff and said he personally received calls commending RIPTA on its continued service throughout the storm. He noted that RIDOT had a similarly commendable response and gave kudos to Mike Lewis.

Next Ed Scott addressed the Board to report on the letter from RIPTA Rlde passenger Almas Kalafian which was distributed by Bob Batting at the November meeting during the public comment period. Mr. Scott read excerpts from her letter listing 5 things she felt were wrong with the Rlde program. Mr. Scott read his response to each of the 5 complaints from his letter reply to Ms. Kalafian and copied to the Board members. Mr. Scott answered questions from the Board on same.

After answering questions Mr. Scott completed his report on this matter by saying that at the time of implementation there were some initial problems with the system, but those problems were addressed and overall Rlde customers are quite happy with the new system.

Mr. Rupp asked that Ed Scott and Mark Therrien give the Board an overview of the Rlde program system and objectives and an update on the new software at the next meeting.

Mr. Kennedy said he has received complaints from Rlde employees regarding their schedules and promotions. He said these employees said they were afraid to complain. Messrs Moscola and Scott began

to address the alleged issues, but Mr. Durkee interjected that the conversation might be better suited to executive session. Mr. Rupp agreed and the discussion ceased.

Mr. Deller noted page B1 of the General Manager's report and asked question about fuel consumption. Mr. Rupp asked Mr. Moscola to do a fuel trend analysis and Mr. Moscola replied that Mike McGrane already does a quarterly analysis for each type of fuel used by the Authority. Mr. Moscola said he uses the analysis to help in determining the most fiscally opportune time to top off the fuel tanks. Mr. Rupp asked that Mr. Moscola give a report to the Board on fuel consumption at the next Board meeting as fuel directly impacts the budget.

Mr. Rupp asked if the Authority had saved any money by making human resources and payroll forms available on the RIPTA website. Ms. Neira said we had not, that this feature was implemented to make accessing the forms easier for RIPTA employee's who work in Kennedy Plaza and Newport and on evening shifts. Rather than come to Elmwood to get the forms, employees can now download them and mail them in.

Agenda Item 3: House Separation of Powers Recap

Mr. Rupp reported on the House Separation of Powers meeting held on Tuesday, December 15th. He said the Committee asked question

on three topics: the General Manager contract extension and new CEO search, the metropolitan transit study and new bus inspections in California.

Mr. Rupp said the Committee was very cordial saying their intention was to remain informed. Staff briefed the Committee on federal bus inspection regulations and answered questions. The Committee asked questions relative to RIPTA's Finance Committee and the newly formed Strategic Planning and Management Committees and the metro transit study. Mr. Rupp said comments were made about privatizing transit services and Mr. Durkee voiced disagreement. Mr. Rupp opined that these comments are due to the state's dire economic situation. He reminded the Committee that RIPTA was created because private providers were going out of business.

Mr. Rupp said there was discussion on the binding arbitration letter but he would make his remarks when giving the Management Committee report later in today's meeting. Next he said the Committee asked about the metro transit study after reading press about same and wondered why they were not included and asked where the funding to implement the study recommendations would come from. Mr. Therrien admitted that more outreach on the study is needed and he said he will work on this through the Strategic Planning Committee.

Mr. Rupp completed his report by noting the Committee supported

giving RIPTA an increased share in the gas tax revenue and they are tasked with managing the state's purse. He commented that oversight is necessary.

Agenda Item 4: Senate Task Force on Small Business

Steve Durkee reported on the Senate Task Force on Small Business attended by him and RIPTA staff and held on December 16th. Mr. Durkee described the meeting as very friendly and said Mark Therrien presented with him and elucidated on the Powerpoint presentation which was included in the Board package.

Mr. Moscola commented that Senators Connors and Miller are strong transit advocates and that Mr. Therrien would follow up with Senator Metz on a question he raised. He said that there were not many questions regarding RIPTA's presentation, which he complimented Mr. Therrien on. Senator Connors also complimented RIPTA on its presentation. Mr. Rupp commented that small business must be encouraged.

Ms. Lee then asked how communication and dialog from the Board should be made. Mr. Rupp said RIPTA's communications are pretty good, but when publicizing initiatives such as the metro transit study we need to be certain to get the word out. Mr. Lewis commented that it is important that the Authority have a single voice rather than having individual spokespersons, the RIPTA message should be

channeled through the Chairman and General Manager. Mr. Deller agreed with his comment. Ms. Lee said that this is an important issue as RIPTA is in the process of changing course.

Agenda Item 5: Metropolitan Transit Study

Mark Therrien and Amy Pettine addressed the Board to discuss the Metropolitan Transit Study. Ms. Pettine commented on the press conference kickoff which Mr. Moscola remarked on earlier and thanked the Board members for attending. She said that RIPTA and the metro study received favorable press as a result of the kickoff event. Ms. Pettine passed out an outline of next steps saying the study is coming to a close and now we need to make things happen.

She discussed some of the next steps described in her handout such as introduction of new transit hubs, initiating rapid bus service, building a Providence streetcar system and intermodal connections. She discussed the handout describing these next step initiatives and answered questions.

Next Ms. Pettine distributed pictures of innovative shelter designs and discussed involving students and the communities where the new shelters will be located in the design process. Mr. Rupp said that branding of the shelters is important and Mr. Durkee suggested different colors for different bus routes to distinguish them. All the Board members agreed that protection from the elements is key. Ms.

Lee set standards should be set for weather protection, branding, etc then these should be included in the overall theme. Mr. Lewis supported the idea of branding but said we need to keep within the budget. Ms. Pettine agreed with all these comments and said they also plan to look at other transit agencies to tap on their expertise.

Mr. Field commented that the Finance Committee had discussed extending green lights on certain routes and asked for the help of Mr. Lewis and RIDOT. Mr. Therrien added that they intend to ask Bob Rocchio for assistance and report back to Finance. Mr. Lewis asked that any meetings be coordinated through his office.

Mr. Field questioned the expense of \$3million for traffic signal prioritization consultant saying that amount could be better spent. He added that the shelters shouldn't be overpriced either. Mr. Lewis reiterated that he would like to be involved in the traffic signal meetings and would report back to the Board on the discussion. Mr. Field suggested also reaching out to other city's and the DOT for signal expertise. Mr. Rupp agreed with Mr. Field's comments and stressed that the first priority in the shelter design should be protection.

Mr. Durkee commented that coordinated signals are essential to the success of the BRT. Mr. Lewis elaborated on some of the issues and challenges of signal prioritization.

Next Ms. Pettine elaborated on the streetcar section of her handout and said the streetcar idea has been resoundingly well received. She then discussed different grants available and said this issue will be vetted in more detail in Strategic Planning Committee. She then discussed the bullets relative to intermodal connections and said they are working with Steve Devine on this.

Finally Ms. Pettine discussed communications and the 50+ people from various transit initiatives involved in and actively working to support and implement the recommendations in the metropolitan transit study. Mr. Rupp said he didn't want to be the bad guy, but he reiterated comments made at the recent house separation of powers hearing questioning the priority of implementing the study recommendations when faced with operating subsidy deficits. Mr. Rupp suggested doing a better job of communicating the benefits.

Mr. Deller said he understood his concerns, but noted that a good transit system is vital to attracting new business and spurring economic growth. He said this needs to be communicated better we need to highlight the importance of transit and connecting to south county, aquidneck island, rail service and the airport to promote economic growth.

A brief discussion ensued on how to communicate the importance of transit to economic development and how to fund further study and implementation. Mr. Field suggested that Ms. Pettine and Mr.

Therrien continue to report to the Board and work through the Strategic Planning Committee and he suggested that the also keep the House and Senate apprised on important developments.

Agenda Item 6: Management Committee Report

Mr. Rupp reported that the Management Committee met on December 7th and he asked Jerry Williams to give the update. Mr. Williams said it was a good meeting and that the Committee is working hard to move the agency forward. He said they reviewed the overall organizational structure and looked at each job descriptions for the nonrepresented positions to assess how they fit into the overall structure. Mr. Rupp said they were also looking at the job descriptions to understand how some jobs overlap and how some positions interact.

Mr. Williams said the Committee also reviewed a draft letter to Representative DeSimone on interest arbitration. Mr. Rupp said this letter opinion was requested twice by the oversight committee. The Board members held a brief discussion of the letter which was sent in their Board package. At the conclusion of this discussion, the Board determined that no vote was required and simply gave their approval to Mr. Rupp to sign and send the letter on behalf of the Authority.

Agenda Item 7: Finance Committee Report

Mr. Field reported that the Finance Committee met with members of the staff on Wednesday, December 16th and most of the discussion was regarding the Ride RFP which is on today's agenda as item #9. He said that the Finance Committee had previously asked staff to examine and recalculate RIPTA's costs to try to achieve a better hourly rate. Staff did as requested and came back to the Committee with revised figures. The Committee came to the conclusion that this is the best rate we can offer under the circumstances and recommends going forward with the procurement when it comes up for a vote later in the meeting.

The Committee also discussed a proposed Ride building lease to the DMV and determined that commercial real estate professionals should be consulted to determine the real price per square foot market value. After some discussion staff was given further direction and asked to report back to the Committee with more information.

Next Mr. Field said the Rite Solutions unsolicited proposal was on the agenda, has it has been many times. He said since there is already a RIPTA RFP out and since Rite Solutions is an unsolicited proposal, they asked Henry Kinch to spearhead an RFP for tracking senior citizens in particular and the population in general, who get left, lost or misplaced. He said Mr. Kinch will put together an RFP that Rite Solutions and others can respond to which will focus on tracking passengers.

The Committee discussed balancing the FY 2011 budget without ARRA funds for operating assistance. Ms. Neira prepared a list of action that could be taken to achieve short term savings such as paper and scrap recycling, deferring or freezing job openings, using on line purchase orders, and a fuel contract extension. These short term savings would occur in the next six months.

She then listed long term savings which would be implemented in 2011 such as, a review of safety programs and long term employee absences, printing less schedules, TIGGER grant lighting installation, tort liability cap and senior and disabled fares, which would require legislative approval and service modifications and fare increases which would require public hearings. Ms. Neira gave the Committee approximate cost savings for each suggestion.

Mr. Field then distributed to the Board and certain members of RIPTA staff a report he authored regarding ATMS (ITS) system for RIPTA.

Mr. Lewis asked a question regarding collection of gas receipts and how same could affect RIPTA's budget at year end. Ms. Neira stated that at four months into the budget, RIPTA is actually under budget by approximately \$400,000. Ms. Neira said she heard that the gas tax yield might be changed based on projections made by the Paul Dion at the Department of Revenue (the revenue estimating conference no longer calculates the gas tax yield as they have in years past). Ms. Neira said she was shocked by Mr. Dion's projections as her budget

actual to not support them.

After hearing Ms. Neira's comments on the gas tax yield, Mr. Lewis suggested that she and Mr. Moscola meet with representatives from his office, the Department of Revenue and the State Budget Office to determine whose estimates are correct. After a brief discussion of among the Board members of the issues and impacts related to the dissenting views on the gas tax yield, Mr. Moscola asked Ms. Mandy to coordinate setting up this meeting.

Mr. Lewis then commented that he is hearing rumors from Washington that there may be an ARRA II coming including a Main Street jobs program. Mark Therrien may need to lead a meeting to determine if any funds could be directed to RIPTA.

Agenda Item 8: ARRA Program Update

Mark Therrien and Lilly Picchione addressed the Board to give the ARRA Program update. Ms. Picchione began her report by saying we are awaiting the Governor's signature on the TIP. She said that the grant applications for the balance of Phase I ARRA grants have been submitted and the remainder is connected to the portion of funds still held by RIDOT. She said the TIGGER lighting grant was submitted the previous Friday.

Agenda Item 9: RFP 10-03 Paratransit Service Provide

Ed Scott and Mike McGrane addressed the Board to discuss the Paratransit Service Provider Update procurement. Mr. McGrane said the Board is requested to award contracts to provide Ride Paratransit service as detailed in the staff summary. This is an 18 month contract commencing on January 1, 2010 and ending on June 30, 2011. The base contract period was designed to coordinate with the State's fiscal year. This contract includes an annual rate adjustment beginning July 1, 2010, which is based upon the Consumer Price Index or 3%, whichever is lower. This contract also includes up to three annual renewal options to be exercised at the sole discretion of the Authority.

Mr. Deller moved to award the contract as recommended by staff. Mr. Kennedy seconded the motion and it passed unanimously. Mr. Rupp asked if staff had notified the other service providers and Mr. Scott said they had.

Agenda Item 10: IFB 10-10 Orion Bus Repower

Roger Mencarini and Mike McGrane addressed the Board to discuss the Orion Bus Repower procurement. Mr. Rupp asked why engines on 5-year old buses needed to be replaced. Mr. Moscola said the original Detroit Diesel engine design had an inherent problem and he wants to replace the engines in an effort to push past the normal 12-year life cycle of the engines in order to get our money's worth.

Mr. Rupp asked what Detroit Diesel was doing to address the design problem and Mr. Moscola replied nothing. He said the company could not fix the problem and no longer manufactures this particular engine. Mr. Rupp asked Mr. Moscola if he had pursued legal remedies and Mr. Moscola said he had not, but he could look into it. Mr. Mencarini said that there have been complaints and claims nationwide. Mr. Rupp said he supported moving this particular procurement forward, but wants it noted that this action does not preclude RIPTA pursuing legal remedies. Mr. Lewis suggested checking with other transit agencies that purchased this engine to see how they handled the situation. Mr. Deller suggested that a caveat be made with the motion.

Mr. Moscola answered additional questions on the engine defect and the average engine life cycle and an enhanced engine life cycle. He said that repowering the engine is a good investment as the bodies of the buses are in good shape. Additionally, if we wait to repower the engines while pursuing legal remedies we could run into emissions issues.

Following this discussion Mr. Kennedy moved that the Orion Bus Repower procurement be approved as recommended by staff and with Mr. Deller's suggested caveat that RIPTA expressly retains all legal rights and remedies pursuant to the original engine defect. Mr. Deller seconded the motion and it passed unanimously.

Agenda Item 11: RFP 10-02 Low Floor Bus

Roger Mencarini and Mike McGrane addressed the Board to discuss the Low Floor Bus procurement. Mr. Moscola passed out photographs of the buses RIPTA intends to purchase.

Mr. McGrane said staff recommends the Board approve an award of a contract to Gillig, LLC of Haywood, California to supply and deliver Low Floor Bus Rapid Transit buses to the Authority at a first year cost of up to \$39,312,378. This cost is based upon purchasing approximately 63 buses – 55 hybrids and 8 clean diesels. The final mix of hybrid vs. clean diesel will be determined based on the final allocation of ARRA funds which is anticipated in early 2010.

Mr. Deller asked if the Board approves this recommendation today how staff will later determine how many hybrids vs. diesels to purchase. Mr. Moscola said he has until March to make the final decision and he will first discuss this with the Finance Committee. Mr. Moscola then discussed his methodology for making today's recommendation to purchase the vehicles and some adjustments in warranties which affected the purchase price of the vehicles.

Following this discussion Mr. Deller moved to award the contract as recommended by staff. Mr. Kennedy seconded the motion and it passed unanimously.

Agenda Item 12: Board Member Training On Open Meetings Act

Richard Licht introduced himself to the Board and said he would give a Powerpoint presentation (which he distributed in hard copy) on the Open Meetings Act. He prefaced his presentation by saying that RIPTA and transit is key to economic development in Rhode Island.

Mr. Licht then discussed each slide in the presentation and commented on the topics which included the RIPTA Enabling Act, public policy, public bodies, meetings, quorums including rolling or walking quorums, open forums, executive sessions, telephone communications, notices, and minutes.

Mr. Licht answered questions and elaborated on the rules pertaining to public comments, executive sessions, roll call votes and the sealing, and unsealing of minutes and rolling quorums.

Agenda Item 13: Public Comment

Mr. Rupp asked for public comments, and hearing none moved on to the next agenda item.

Agenda Item 14: Executive Session Pursuant to 42-46-5(a)(2) to Discuss Collective Bargaining

Next Mr. Rupp asked for a motion to convene an executive session as noticed on the agenda under 42-46-5(a)(2) to discuss Collective Bargaining and Mr. Deller made that motion. Mr. Kennedy seconded Mr. Deller's motion and a roll call vote was taken to convene an executive session under 42-46-5(a)(2). All members voted unanimously to convene an executive session.

Following the Board's return to open session Mr. Lewis made a motion to seal the minutes of the executive session, and Mr. Durkee seconded the motion, which passed unanimously.

Agenda Item 15: Adjournment

A motion to adjourn was made by Ms. Lee. Mr. Williams seconded the motion and it passed unanimously.

Respectfully submitted,

Ellen M. Mandly

Recording Secretary