

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF MONDAY, AUGUST 16, 2010 MEETING

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

Absent: Michael Lewis.

Also Present: Alfred J. Moscola (General Manager); James Ruggieri, (Outside General Counsel); Henry Kinch; Maureen Neira; Mark Therrien; Ellen Mandly and other members of RIPTA's staff and members of the public whose names are on the sign-in sheet.

Agenda Item 1: Approval of the Minutes of July 14, 2010 meeting

Mr. Rupp called the meeting to order at 1:45 and asked if the Board members had an opportunity to review the minutes of the meeting held July 14, 2010. The members indicated that they had and Ms. Lee moved for approval of the minutes, Mr. Kennedy seconded. Mr. Field suggested that the minutes be proofed more thoroughly as they are the permanent record of the meeting and he found typos. Ms. Mandly said she would correct the typos and have someone proof future

minutes. The minutes were unanimously approved.

Agenda Item 2: General Manager's Report

Mr. Moscola said the new RIde operations and administration building move was complete and the building operational as of July 28th. He gave some details on the move and said in 3 – 4 weeks RIde maintenance will move also and the building will be fully operational. He said it was a big job but went well due to good cooperation.

He said the Department of Motor Vehicles moved into the former RIde building and became operational on August 10th. He described the work staff did to repair and clean the building prior to DMV occupation and said from the first day they were in the building the DMV was busy. Later in today's meeting the Board will consider a proposal for roof repairs to that building.

Mr. Moscola said the bus parking lot on Longfellow Street is under construction and the yard will be split in half for parking for RIPTA and the DMV. He described the work to be done to the parking lot and said it will take 3 – 4 months to complete and will have new fencing, paving, striping, light and guardrails. He invited the Board members to park in the now vacant RIPTA employee spots between this building and the old Melrose administration building.

Mr. Moscola reported on fuel saying the budgeted price for FY 2011 is

\$2.60 and he watches fuel rates closely. The high for the year was \$2.60 and the low was \$2.40. The lock-in price is currently \$2.80, too high to consider locking in. The current fuel contract expires November 30th and he is working with Mike McGrane and Roger Mencarini on new fuel bids and will review specifications this week.

He thanked the Planning Department and Mark Therrien for submitting the TIGGER grant requesting \$5.3 million on August 6th. This grant will be used for a trombe wall on the south side of the Elmwood Building and for conventional solar roof panels for the storage area of the building.

Mr. Moscola said RIDOT has an upcoming groundbreaking ceremony at the new Wickford Junction Train Station which he plans to attend with Mark Therrien. He said the FTA administrator will be speaking and Senator Reed and Governor Carcieri will be in attendance.

He said the previous week he attended a transit and security roundtable in Boston and he described the program and listed the other attendees.

Mr. Moscola said he tried to have the new hybrid trolley on the property for today's meeting but there was a delay due to some numbering issues. He expects the trolley to arrive at the end of the week and the new 40 ft hybrid bus will arrive about a week after that. He will have Henry Kinch put together a ribbon cutting to introduce

the vehicles.

Mr. Moscola answered questions regarding the fuel average, fuel storage capacity, optimal lock-in prices and new lock-in dates.

Mr. Field said the Strategic Planning Committee has been on hiatus since June and will resume meeting on September 2nd. He asked that staff get the documents for the September meeting distributed as early as possible since there will be much to review.

Mr. Scott reported that the new ATMS contract is still being reviewed by staff and counsel and they are very close to finalizing the terms. There are two items still being finalized, the limited liability option and the high performance data ratio and he described the sticking points with each of these issues. Mr. Scott believes the contract will be finalized in about two weeks.

Mr. Field asked how much has been spent on consultants since the Board approved the ATMS contract. Mr. Scott did not have the exact dollar amount but said he would find out. Ms. Lee asked for clarification of the query and Mr. Field said he objects to money being spent on consultants when staff should be able to handle the implementation. Mr. Scott said once the contract is finalized and implementation begins the work will be performed by Paul LaFlamme.

Mr. Rupp asked for clarification on the radio issue and Mr. Scott said we changed from conventional data communications to HPD halfway through this process and our vendor ACS hasn't worked with HPD before therefore ACS is working with Motorola on the issue to ascertain the level of data traffic and confirm the proper coverage needed.

Agenda Item 3: Gilbert Tweed Status Presentation

Mr. Rupp asked Stephanie Pinson to give the Board an update on the CEO search. Ms. Pinson said she has been working hard the past 6 weeks and with good results as the group of candidates for the position is quite impressive.

Ms. Pinson gave an overview of the process saying they have looked on the transit side and on the corporate side as well as looking for people educated in the transit industry and those who can bring innovation and new ideas. Thus far she has received 51 inquiries from the transit side which is a great response. Many candidates are native New Englanders looking to return home. On the private, corporate side there were 73 responses. She expects the inquiries will begin to drop off but at this point there are a number of serious candidates. The candidates are coming from both large and small agencies and from logistics and shipping companies.

Steve Farrell, President of ATU, interjected from the audience and

asked for an introduction to this presentation. Mr. Rupp answered that Gilbert Tweed & Associates is the firm retained by the Board to assist them in their search for a new General Manager/CEO. Mr. Farrell asked Ms. Pinson to speak up.

Ms. Pinson described the method of advertising the position and the publications where the ad ran and said she has also gotten the word out by making direct telephone contact. She said Gilbert Tweed is well known in the industry and because of this they have received voluntary response also.

Ms. Pinson said she has done some preliminary telephone interviews and she is currently working on the compensation parameters based on the population of candidates. She expects there will be a quiet period over the upcoming Labor Day holiday and following this she will set up interviews. Ms. Pinson asked for questions.

Ms. Lee asked for clarification of the term distribution and Ms. Pinson said these are candidates from companies such as UPS and Federal Express. Ms. Lee questioned how moving packages relates to moving people. Ms. Pinson said these candidates have experience in areas such as customer service, quasi regulated industry, marketing and fleet management. Mr. Kennedy asked about salary and Ms. Pinson said they have information on the present salary of the candidates. Mr. Williams asked how many candidates were sourced directly by Gilbert Tweed and Ms. Pinson said 80% or more.

Agenda Item 4: Additional Fare Increase Options/Service Cuts

Agenda Item 10: Public Comment

Mr. Rupp announced that he would move directly to public comment after the presentation. Mr. Therrien and Maureen Neira made the presentation on additional fare increase options and service cuts.

Ms. Neira said the FY 2011 budget deficit as reported in May was made up of two components, the anticipated 2011 deficit and the carryover from 2010 estimated to total about \$1.6 million. She said this estimate was based on what we had seen through 11 months of the fiscal year. Ms. Neira said we are currently being audited for 2010 and have the final figures for July and it appears that the actual carryover deficit may be less than the \$1.6 million anticipated in May though she won't have the actual amount until the end of the audit about the 3rd week in September.

She said at the last Board meeting two items were on the agenda 1) the fare increase which generated almost \$1 million dollars and 2) service cuts totaling about \$650,000 which would have generated the \$1.6 million needed to cover the deficit. Last month the Board approved the fare increase but tabled the service cuts.

Mr. Rupp asked the status of fuel tax and Ms. Neira said she has not received any further information on the fuel yield from the State but

she anticipates getting news next week. The gasoline yield for 2010 was about \$2.3 million per penny but because the final numbers were just received a few days ago she has not yet had a chance to analyze them although the number is higher than was projected in the budget.

Mr. Rupp stated this was reason to be cautiously optimistic.

Regarding additional fare increases, Mr. Therrien said they are looking at additional zones and premium fares and he prepared the two page document distributed in the Board package as a follow-up to the presentation on same given last year by Tim McCormick. This document addresses some of the implementation impediments such as the farebox and various scenarios such as premium service on Route 95 to all park 'n rides that could generate \$192,000 if we charged an additional dollar. He said this would also stop some of the equity conversation regarding Westerly riders.

Ms. Lee asked if the premium service increase is separate from the recently approved fare increase and Mr. Therrien said it is separate and additional. He likely will have to devise a different pass for this service and other premium trips which will require farebox adjustments. Mr. Deller asked the cost of the premium pass and Mr. Therrien said about \$90 dollars. Mr. Deller thought \$90 was reasonable considering the cost to park downtown is about \$150 per month, plus automobile operating costs.

Mr. Therrien answered questions about reprogramming the

fareboxes, ridership assumptions and the modal for the whole country, the most expensive routes and who the riders on those routes are and what type of fare media they use. Mr. Therrien said most daily riders purchase some type of pass and he projected ridership disruption due to the increase conservatively.

Ms. Lee said she worries that riders have choices and if our service becomes less convenient some core riders at the park 'n' rides could be lost and she asked Mr. Therrien when the park 'n' ride data would be available. Mr. Therrien said the data will be available in about 3 months. Mr. Deller asked that the data differentiate between park 'n' rider riders and regular route. Mr. Williams asked if the premium/express trips being discussed are currently in existence. Mr. Therrien said they are existing trips, but they will be titled differently and will get the riders where they are going faster.

The Board members discussed premium service further and the effect on low income and elderly riders. Mr. Field opined that RIPTA has an image problem with the legislature regarding the fares charged to Westerly and park 'n' ride passengers versus those riding from Elmwood Avenue. He said if we are going to ask the legislators to make changes to our funding we have to make changes at our end because in all fairness people at park 'n' rides should be paying more.

Mr. Field suggested that premium service be instituted at a park 'n' ride temporarily for a 3-month pilot program and that market research be done to study the results.

Mr. Rupp suggested that the service reductions be tabled given Maureen Neira's earlier comments regarding the finances and lower than anticipated deficit. Mr. Therrien said he can do a board plan for a second zone and express service and the costs of these and how it would affect other fare media. Mr. Williams said the board needs to see these options before they can make decisions. Mr. Deller asked Mr. Therrien to proceed with the plan and suggested that it should be first vetted in Strategic Planning Committee before bringing it to the Board.

Mr. Kennedy made a motion to table the vote on additional fare increases and service cuts and the Board members proceeded to hear public comments.

Randall Rose identified himself as a member of the RIPTA ridership committee commented that the routes being considered for premium service also has riders who don't board at park 'n rides. Mr. Rose suggested that the changes being contemplated would result in decreased ridership particularly among URI riders who have other transportation options. Mr. Rose voiced his opposition at great length and said these changes would hurt RIPTA's credibility.

Next Sean Joseph of the RIPTA ridership committee commented that he is a URI student and he is skeptical of the modal and numbers discussed today. He feels that any changes could cause a dramatic

decrease in URI student riders who may choose to carpool and simply chose to go to campus less. Mr. Joseph said his group is trying to organize and would like to work with the RIPTA Board on these issues and to help advocate on behalf of RIPTA at the General Assembly.

Marjorie Rogers was recognized and opined that RIPTA should raise the monthly pass price \$10 additional dollars. She feels this will solve the deficit problem.

A gentleman named Andrew was recognized and he said he was also from the ridership committee and he feels people utilize the park 'n rides because they are cheaper and if the fare is raised people will use their cars instead.

Mr. Rupp commented on a recent newspaper article that said Rhode Island is 36th out of the 50 states in transportation funding and if we could move up to 25 there would be no need for this discussion. Next he said riders do have other alternatives, but those alternatives, such as driving a car are also being impacted by rising costs. He noted that at the Board meeting the majority of public commenters said raising fares is preferable to losing the service entirely. He added that the RIPTA Board is working hard to find other funding alternatives.

Steve Farrell spoke as a member of the RIPTA ridership committee

and asked if there are any long range plans to increase express service and add park 'n rides in the State. Mr. Therrien replied that the Metro Study calls for more park 'n ride lots in various areas of the state and he developed a park 'n ride plan which he could give to Mr. Farrell. Mr. Farrell thinks express service from park 'n ride lots is the way to go. Mr. Rupp added that more park 'n rides in outlying areas of the State benefit economic development.

RIPTA employee Paul Harrington spoke and said the head hunter status update should have been done behind closed doors because it was disrespectful to Mr. Moscola.

Molly Clark from the Coalition for Transportation Choices (CTS) spoke and said the CTC is working hard lobbying the legislature to develop a sustainable long term funding strategy for RIPTA. She said they support all efforts to avoid service cuts and improve service for the economic survival of the state and for environmental reasons. Mr. Rupp said the Board is also happy to work with the CTC.

Sean Joseph spoke again about the need to advocate for sustainable, long term funding for public transportation. He said riders are constantly confronted with the issues of fare hikes and service cuts and it undermines the ability of RIPTA to be taken seriously. Mr. Joseph appealed to the Board to work with his group and others to appeal to the general assembly for better funding for this basic public service.

Mr. Therrien said Mr. Kennedy motioned to table the service cuts and Mr. Deller suggested continuing the discussion instead. Mr. Therrien said the issue was put on hold last month and the hold can continue. Mr. Deller said the Strategic Planning Committee meets on September 2nd and this discussion will continue there.

The Chairman called for a 5 minute break.

Agenda Item 10: Executive Session Pursuant to 42-46-5(a)(2) to Discuss Potential Litigation Matters and Pursuant to RIGL 42-46-5(a)(1) for Discussions Relating to the Job Performance, Character or Physical or Mental Health of a Person

After the break Mr. Rupp asked for a motion to convene an executive session as noticed on the agenda under 42-46-5(a)(2) to discuss potential litigation matters and pursuant to RIGL 42-46-5(a)(1) for discussions relating to the job performance, character or physical or mental health of a person. Mr. Durkee read law and made the motion. Mr. Williams seconded the motion to convene an executive session and a roll call vote was taken. The motion to convene to executive session under 42-46-5(a)(2) and 42-46-5(a)(1) passed unanimously.

Following the Board's return to open session Mr. Williams made a motion to seal the minutes of the executive session. Mr. Kennedy seconded the motion, and it passed unanimously.

At this point Mr. Durkee left the meeting.

Agenda Item 5: IFB 10-24 Motor Oils and Lubricants

Mr. Mencarini addressed the Board to discuss the next agenda item for motor oils and lubricants. Mr. Mencarini gave a brief overview of the staff summary for the procurement of this 1-year contract with two renewal options to Schultz Lubricants, Inc. to supply and deliver motor oils, lubricants and associated products to be used in the RIPTA fleet. The estimated 3-year average annual cost is \$561,618.

Mr. Field asked if the State allows for bid to be split so multiple bidders could bid on the various products. Mr. McGrane said they do reserve the option to split the bid based if they chose. Mr. Field moved for approval of the award to Schultz Lubricants, Inc. as recommended by staff. Mr. Kennedy seconded the motion and it passed unanimously.

Agenda Item 6: IFB 10-35 Interior Lighting Upgrade

Next Mr. Mencarini discussed the procurement for interior lighting and said the Board is requested to award a contract to RISE Engineering of Cranston, RI to upgrade the interior lighting at various RIPTA buildings. Mr. Mencarini gave some of the details of the work to be done and said the cost of the contract is \$287,248 and the

project is the result of a joint effort between RIPTA and National Grid and he introduced Chuck Norden from National Grid who helped with specification guidance. Mr. Norden said he would direct mail to RIPTA the rebate in excess of \$47,000. The cost savings to be generated by the new lighting will be about \$115,749.

Mr. Williams noted that two of the three bids received were substantially higher than the RISE bid and wondered why. Mr. Mencarini said RISE specializes in this type of project and are comfortable with that number. He added that the funding for this project comes from a TIGGER grant, part of the stimulus funds.

Following this discussion Mr. Kennedy made a motion to approve the award of the contract to RISE Engineering as recommended by staff. Mr. Williams seconded the motion and the motion passed unanimously.

Agenda Item 7: IFB 10-36 Roof Repairs

Mr. Mencarini addressed the award for roof repairs saying the project entails the removal of the existing roof, abatement of asbestos, and installation of a new adhered roofing system on the roof at 333 Melrose Street, our old Ride building. The cost is \$144,000 and McKenna Roofing Company of Pawtucket was the low

bidder. The

funding for this project is also from ARRA grants.

Following some discussion of the bid and roof repairs Mr. Field made a motion to approve the award of the contract to Patrick J. McKenna Roofing Company as recommended by staff. Mr. Williams seconded the motion and the motion passed unanimously.

Agenda Item 8: Human Services Transportation Study

Mark Therrien and Anne LeClerc addressed the Board to give a report on the Human Services Transportation study contained in the Board package. They began with page 3 of the document and said the HST study was undertaken because this is a critical time to revisit the State's modal for HST program management, service delivery and strategic planning. Mr. Therrien said there is great opportunity to achieve efficiencies and cost savings and there are currently many changes under way in the world of human services transportation.

Mr. Therrien continued on page 4 giving a background of the study and the funding and then he quickly elaborated on the next 9 slides covering the study tasks. He said that staff will be coming to the Board in September with recommendations for changes. He said RIPTA developed the Ride program 20 years ago but never developed a mechanism to include or monitor other types of HST services.

Mr. Therrien discussed page 7 detailing the stats and per trip costs of the Ride program and page 8 which detailed the various costs per provider to provide services. On page 9 Mr. Therrien noted that the \$1.2 million cost for administration and scheduling is totally paid by RPTA. Mr. Therrien said a major problem is that only RIPTA thinks about the capital funding and purchases.

Anne LeClerc continued on page 10 saying there are 39 State programs that fund transportation and 40 federal programs and there is a great deal of complexity involved in managing the programs with each having varying reporting requirements and eligibility. She said data collection is inconsistent across programs and often transportation is not even tracked. The funding drives the service rather than the needs and transportation is often an afterthought.

She said the consultants identified \$61.8 million in State funds being spent on HST but these numbers are incomplete. There are additional costs estimated to be 15% of captured HST costs and she elaborated on the bulleted list on page 11. She said the total spent on HST annually is \$70 million then elaborated on the breakdown of spending on the chart on page 12 and the pie chart of RIPTA spending on page 13.

Ms. LeClerc said there are a lot of programs but not a lot of coordination and then she elaborated on page 14 which discussed the 300 agencies that were identified as providing, purchasing, or

arranging HST. Mr. Therrien said private agencies such as most nursing homes were not included in this study because they were too numerous.

She discussed the key findings on page 15 saying there is general overall satisfaction with the quality of transportation services available but not the amount. She said many agencies use existing RIPTA fixed route services when possible. She discussed page 16 which said there is no clear Statewide HST policy or long-range planning and outreach guidelines and coordination of policies, service delivery provisions and reporting is needed. Mr. Therrien interjected that the current policy encourages people to use the most expensive form of transportation first.

Mr. Field asked if updating HST should be put in the service standards which have not been revised since 1993. Mr. Therrien said we need to work with all human services agencies on new HST policies because it's bigger than RIPTA.

Ms. LeClerc discussed the mode availability on page 17 and the key findings relative to program management on page 18. She said the system is complicated and fragmented, there is a lack of ownership and control over service. Ms. LeClerc said it is imperative that changes are made now due to the aging population of the State and a growing population of people with disabilities and these people want to be able to remain in their own homes.

She talked about recent changes to the Medicaid Program due to the Global Waiver and said it is a huge expense. She discussed page 20 and said RIPTA and DHS have worked cooperatively to reduce Medicaid Program costs and Mark Therrien gave examples. Ms. LeClerc said more structure and support is still needed.

Mr. Williams commented that it will be exciting to get to staff's coordinated recommendation in a couple of months so we can have a coordinated recommendation which will save money for RIPTA and maybe provide us with another revenue source.

Ms. LeClerc said some riders need a higher level of service and others can use the bus and don't require additional assistance. She said we need to explore our whole range of services, how they are used, how people get referred to them and coordinate all of this from entry into the program to the service delivery.

Mr. Field thanked staff and said they gave a good presentation then moved on to the next agenda item.

Agenda Item 9: Providence Core Connector Study

Mark Therrien and Amy Pettine addressed the Providence Core Connector Study. Amy Pettine gave the project background saying it began in December 2009 when the City of Providence completed the

Metropolitan Providence Transportation Study which identified ten recommendations for improving the network of transit services within the metropolitan area. RIPTA and the City are again partnering to evaluate one of these proposals in more detail and have initiated the Providence Core Connector Study.

She said the study will focus on the feasibility, cost and benefit of constructing an urban circulator (AKA a streetcar). She said the connector will connect 3 downtown neighborhoods; downtown proper, College Hill and upper South Providence which includes RI Hospital. The study just began and it was put on today's agenda to make the Board aware of it and to let you know about the alternatives analysis and environmental review happening this fall which has a huge public involvement component. The first of many upcoming public meetings begin in September and she described some of the meetings and invited the Board members to attend.

Ms. Pettine said the study will last one year and the City of Providence and Mr. Deller in particular are very involved in the process along with Director Lewis and RIDOT. She asked the Board to be involved as much as they would like to be. Mr. Moscola asked Ms. Pettine to send the meeting dates to Ms. Mandly so she can keep the Board apprised. Ms. Pettine is also developing an informational website.

A brief discussion of the funding and local match was held and then

Ms. Lee asked that information on the upcoming meetings be made available on RIPTA's website.

Agenda Item 12: Adjournment

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

Respectfully submitted,

Ellen M. Mandly

Recording Secretary