

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF Monday, October 18, 2010 MEETING

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

Absent: William Kennedy

Also Present: Henry Kinch (Deputy General Manager); Richard Licht (Outside General Counsel); Mark Therrien; Roger Mencarini and other members of RIPTA's staff and members of the public whose names are on the sign-in sheet.

Agenda Item 1: Vote on September 27, 2010 Meeting Minutes at November Board Meeting

Mr. Rupp called the meeting to order and said the vote on the September meeting minutes would be deferred to the November meeting because Mrs. Mandly is on jury duty. Mr. Licht said state statute requires that a draft of the minutes be made available 45 days after the date of the meeting. Mr. Rupp said he would ask Mrs.

Mandy to post a draft within 45 days.

Agenda Item 3: General Manager's Report

Mr. Rupp announced that Mr. Moscola was out of town dealing with union matters and Henry Kinch would be giving the General Manager's report. Mr. Kinch said Mr. Moscola was attending the executive session of the 618 arbitration panel and would be away through Wednesday.

Mr. Kinch discussed the Rlde maintenance area in the new building and said we are in the process of a phase in program to move existing departments in and listed said departments.

He said diesel fuel is running about \$2.62 a gallon against a budgeted price of \$2.60 and through August we are about \$52,000 under budget. The current fuel lock in price is \$2.95 and this issue is being closely monitored.

He said the new building punch list is still ongoing and there are two major areas of concern: technical issues with the new bus wash and a \$30,000 dispute over damaged office furniture purchased from prison industries. He said the new building should come in approximately \$350,000 under budget.

Mr. Kinch reported the good news that Narragansett Electric is giving

RIPTA a \$15,000 credit for the energy efficient equipment installed in the new building, that the second of ten trolleys is being shipped today and that 2 – 3 new hybrid buses will begin arriving each week starting in mid-November. He said DEM changed some regulations regarding certain items such as rags and oil filters which were classified as contaminated waste requiring disposal in a specialized and costly manner. The DEM regulation change will allow us to dispose of these items more easily and result in a cost savings of about \$50,000 annually.

He said the RIPTA Marketing Department is in the process of updating its website and he described the process they are using including reaching out to the public for input. This project will coincide with the new ITS system.

Mr. Kinch reported that recently RIPTA received an inquiry on a one of its excess properties available for sale. We may need to go out to bid again prior to sale, but if successful this sale could generate about \$100,000.

Finally Mr. Kinch commended the staff involved in the ARRA programming. He said that out of the \$33 million dollars dedicated to ARRA projects RIPTA has either obligated or spent \$29+ million dollars of the funds. He said staff did a commendable and professional job handling these funds.

Mr. Rupp noted that page 2 of the financial summary is being substituted and Mr. Kinch explained the adjustment that lead to the substitution. Mr. Kinch answered questions about fuel and year to date revenues and expenses and this completed his General Manager report.

Mr. Williams asked that staff give a more detailed report on the gas tax subsidy and projections and federal revenue at the next meeting.

Mr. Rupp asked Mr. Kinch to give a more detailed explanation of the arbitration process Mr. Moscola is attending. Mr. Kinch briefly described the process and timeline and said Ms. Neira is currently attending via the phone.

Mr. LaFlamme gave the ATMS report and said they continue to work to finalize the contract with the assistance of Steve Richard. He hopes to finalize the contract this week and give the final draft to Mr. Rupp for review.

Mr. Field asked how much had been spent on consultants since the ATMS procurement was approved. Mr. LaFlamme gave an estimate of \$40,000 and Mr. Field asked if he anticipated spending additional money on consultants and Mr. LaFlamme said yes. Mr. Scott said the role of the consultants will diminish greatly once the contract is signed. Mr. Rupp asked for an estimate of consultant fees going forward and Mr. Scott said he will develop a matrix of fees spent and

an ongoing estimate.

Ms. Picchione reported that during the past month RIPTA held a ribbon cutting for hybrid vehicles and submitted the quarterly Section 1512 reports to the federal government. She responded to an earlier question by Mr. Williams about the apparent decrease in federal revenue. She explained that two of the federal revenue lines - Federal Operating Assistance and CMAQ – are below budget due to the timing of several pending federal grants.

Mr. Deller asked about the “Anticipated Costs” line in the ARRA Report and Ms. Picchione said that these are the budgeted costs of projects that have yet to receive a purchase order. The field occasionally includes an item awarded by the board that is undergoing final contract negotiations. Mr. Field asked what the options are for items that come in under budget and she said that the balance could go towards another item in a similar grant category or could be returned to the Federal government. Mr. Field asked specifically about the bus wash, and she said a balance could be redirected to other shop equipment with the concurrence of FTA.

Agenda Item 10: Public Comment

Mr. Rupp moved ahead in the agenda and asked for public comment.

Mr. Rupp recognized Bill McGee a retired RIPTA employee who said

it's nice to see changes coming at RIPTA. He said the mayors of Newport and Cranston are upset that RIPTA has cut service in those cities.

Mr. Rupp recognized Molly Clark from the CTC who asked when the new strategic plan report would be going out for public comment. Mr. Field said the Board will approve a draft of the strategic plan today and asked a staff person to give Ms. Clark a copy of the draft. The draft plan will be circulated for public comment and then the consolidated final draft of the plan will come before the Board for approval.

Mr. Rupp asked if there was further public comment and hearing none, moved on to the next agenda item.

Agenda Item 2: Executive Session 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. Deller made a motion to convene an executive session as noticed on the agenda under RIGL 42-46-5(a)(1) for discussions relating to the job performance, character or physical or mental health of a person. 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 RIGL 42-46-5(a)(1) passed unanimously.

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

Agenda Item 4: Strategic Planning Committee Report

Mr. Deller asked Amy Pettine to give a brief overview on the status of the DRAFT Strategic Plan. Ms. Pettine began by listing the members of the Strategic Planning committee in addition to the RIPTA Board members and the state agencies and organizations they represent. She said the second draft of the plan was presented to the committee at the last meeting and comments were received and incorporated and the most recent draft is before the Board today.

She said the plan outlines five strategic goals for the agency and also outlines some challenges and opportunities and gives an overview of RIPTA in general and the current services which we provide. She then briefly discussed each of the five goals and the estimated state and local funding needed and answered questions.

Ms. Lee asked Ms. Pettine to explain if there were pieces of the Plan that are being given priority without expressly stating so in the Plan. Mr. Deller interjected that following the finalization of the strategic plan we will have to put forth the management of the plan to determine how to actually carry the goals out. The reason the goals are in this order is to first stress the obligation RIPTA has since being legally designated the state's mobility manager. He said the strategic

management plan will be the document that the Board will work with along with staff to determine how we are going to move forward and make the goals a reality and that is where the costing and funding decisions will be made.

Ms. Pettine added that each of the five goals has several objectives associated with them and these objectives have specific action steps.

Ms. Pettine commented that we need to be sure the plan is detailed enough to ensure successful implementation. Mr. Field said the plan is in draft form and comments and suggestions are welcome. Ms. Pettine said the Board will need to decide how often to update the strategic plan in the future. She said the costs are estimates and there are projects included that are already funded in the current capital plan.

Ms. Pettine said that the next step is to vet the plan via a series of community briefings and solicit public input. Staff will then report back to the Strategic Planning Committee in December and then come to the full Board with the final plan for approval. She then listed the various community briefings that have been scheduled.

Ms. Pettine answered questions and then Mr. Field moved that the Board approve the draft for submission to the public for comment. Mr. Deller seconded and the motion passed unanimously. Mr. Field thanked staff for their excellent work thus far.

Agenda Item 5: Paratransit Vans

Mike McGrane addressed the Board to discuss the procurement for paratransit vans. Mr. McGrane said the RIPTA Board is requested to award a contract to Hogle Bus Company, Inc of Monticello, MN for the purchase of 44 paratransit vans and 2 flex service vans at a cost of \$3,935,042.

Mr. McGrane explained that RIPTA obtained a partial assignability contract from the State of Minnesota Material Management Division for the purchase of these vans. The Minnesota Procurement of these vehicles was conducted in accordance with FTA requirements. These vehicles are essentially the same utilized by RIPTA's paratransit division except for the chassis. These vehicles will replace the 2002 and 2004 vehicles which are past the end of their useful lives. Mr. McGrane explained the funding for this procurement.

Staff answered questions regarding the size of the vehicles and following this Ms. Lee made a motion to approve the paratransit vans procurement as recommended by staff. Mr. Durkee seconded the motion and the motion passed unanimously.

Agenda Item 6: IFB 10-28 Bus Wash Rehabilitation

Staff addressed the Board to recommend approval of the award of a contract to Ross & White Company of Cary, IL to rehabilitate RIPTA's

bus washers at the 269 Melrose Street and Newport facilities. The cost of the contract is \$621,405.

Mr. Field moved for approval of this procurement based on Ms. Picchione's earlier ARRA report stating that we are already locked in to the procurement. Mr. Lewis seconded the motion and it passed unanimously.

Agenda Item 7: RFP 11-03 Diesel Fuel

Mike McGrane addressed the Board to discuss they award a contract to Sprague Energy Corporation of White Plains, NY to supply and deliver ultra low sulfur diesel fuel to RIPTA's Providence and Newport facilities. The mark up price is \$0.17200 per gallon above the NY Harbor Low Barge Spot Price as published in Platt's Oligram. This is a nineteen month contract with up to four annual renewal options. Also included in this procurement is award of the diesel fuel consortium to Santa Buckley of Bridgeport, CT. The cost of this portion will be borne by the municipalities and agencies that choose to participate.

Mr. Lewis moved for approval and Mr. Williams seconded. The motion passed unanimously.

Agenda Item 8: IFB 11-07 Research and Planning Consultant

Prior to the presentation of this procurement by staff Mr. Field stated that the concept of RIPTA being the State's mobility manager has been discussed at Strategic Planning Committee meetings and as such trying to assist other elements within the state to reduce their transportation costs. The burden on staff's time to undertake this imitative is cost prohibitive and financial assistance is needed from other state departments. Mr. Field suggested that this consultant award be tabled until such time as the new CEO position is resolved so that they can have input in this selection and determine if it's necessary.

Mr. Therrien gave a brief justification for this consultant request and Mr. Lewis asked the implication of putting it on hold. Mr. Therrien said this procurement provide much needed relief for the members of the planning staff. Mr. Deller said staff has reached out to other agencies for financial assistance and so far have been unsuccessful and reiterated that planning staff has been working very hard on the draft strategic plan and could use the assistance. He suggested a shorter contract period and Mr. Therrien proposed one year. Mr. Field suggested a permanent hire as opposed to a consultant hire. A discussion among staff and the Board ensued.

Following the discussion Mr. Lewis moved that the contract be awarded to Peter Schauer Associates of Boonville, MO to provide on-call research and planning consultant services as recommended by staff. The contract period will be for one year only. Mr. Deller

seconded the motion and it passed unanimously.

Agenda Item 9: 2011 Board Meeting Schedule

Mr. Deller moved approval of the Board meetings for the 2011 calendar year. Mr. Durkee seconded the motion, and the 2011 Board meeting schedule was unanimously approved.

Agenda Item 11: Adjournment

A motion to adjourn the meeting was made by Mr. Deller. The motion was unanimously approved and the meeting was adjourned.

Respectfully submitted,

Ellen M. Mandly

Recording Secretary