

BOARD OF TRUSTEES
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY

MINUTES OF: Regular Meeting of the SORTA Board of Trustees

DATE: Tuesday, May 17, 9:00 a.m.
SORTA/Metro Mt. Adams Board Room
602 Main Street
Cincinnati, Ohio 45202

BOARD MEMBERS

PRESENT: Jason Dunn, Brendon Cull, Gregg Hothem, Mary Miller, Ron Mosby, Jack Painter, Gwen Robinson, Karl Schultz, Daniel St. Charles, Brad Thomas

BOARD MEMBERS

ABSENT: Maurice Brown, Kreg Keesee, Ken Reed

STAFF MEMBERS: Dwight Ferrell, Richard Bannon, Phil Beiting, Donna Adkins, Michelle Cantor, David Churchill, Matt Conover, Bill Desmond, John Gardocki, Butch Gaut, Paul Grether, Darryl Haley, Sallie Hilvers, Brandy Jones, Olivia Jones, Ted Meyer, Wright Parkes, Alan Solomon, Thomas Stringer, Vance Thomas

OTHERS: Nick Vehr and Darcy Schwass; Vehr Communications, Nick Sunyak; City of Cincinnati, Troy Miller; ATU Local 627, Aaron Herzig; Taft, Stennius, & Hollister, LLP, Derek Crider and Stuart Geltman; AECOM; Chris Wetterich; Cincinnati Business Courier

CALL TO ORDER

Mr. Dunn, SORTA Board Chair, called the meeting to order.

PLEDGE OF ALLIGANCE

The Pledge of Allegiance was recited.

HEARINGS FROM CITIZENS

Mr. Dunn asked if there were any citizens present who would like to address the Board; there were none.

APPROVAL OF APRIL 19, 2016 REGULAR MINUTES

Mr. Thomas made a motion that the minutes of the April 19, 2016 regular meeting be approved as previously mailed and Ms. Robinson seconded the motion. By voice vote, the Board approved the minutes.

COMMITTEE REPORTS

Finance Committee

Mr. St. Charles reported on the Finance Committee meeting held on May 10, 2016 and proposed the following to the Board for approval:

Proposed Resolution No. 2016-12: Approval of Joint Cooperative Agreement with OKI Regional Council of Governments for Fiscal Year 2014

Mr. St. Charles moved for adoption. Mr. Mosby seconded the motion. This resolution approves an agreement with the Ohio-Indiana-Kentucky Regional Council of Governments (OKI) regarding SORTA's responsibility for the management of 5310 Federal Transit Administration (FTA) funding ("Enhanced Mobility of Seniors and People with Disabilities") to be used to cover eligible preventive maintenance activities and the vehicle procurement for non-profit agencies, particularly in rural areas. By roll call vote, the Board unanimously approved Resolution 2016-12.

Mr. Dunn addressed the Board; he noted that Mr. Hothem will be leaving the Board after several years as a dedicated Board member and he applauded him for his years of service to SORTA. Mr. Hothem thanked the Board and the staff for this opportunity.

Planning & Operations Committee

Mr. Thomas reported on the Planning & Operations Committee held on May 10, 2016 and proposed the following to the Board for approval:

Proposed Resolution No. 2016-13: Approval of Proposed Sublease at Anderson Towne Centre Park & Ride

Mr. Schultz moved for adoption. Mr. Thomas seconded the motion. This resolution approves a two (2) year agreement with Anderson Town Centre to sublease 50 spaces from the Anderson Township Park and Ride lot at a total cost of \$500 per month. By roll call vote, the Board unanimously approved Resolution 2016-13.

Proposed Resolution No. 2016-14: Approval of Contract for Mobile Ticketing Application

Ms. Miller moved for adoption. Mr. Schultz seconded the motion. This resolution approves a three (3) year contract with Passport for a mobile ticketing application at a total cost not to exceed \$253,600. Mobile ticketing will be used to purchase fare media not only on Metro buses and Access vehicles, but on the Cincinnati Streetcar as well. By roll call vote, the Board unanimously approved Resolution 2016-14.

Proposed Resolution No. 2016-15: Approval of Letter with Holland Knight for Federal Grant Writing Services

This resolution would approve a letter of agreement with Holland Knight for federal grant writing services at an estimated cost of \$12,500 to \$30,000 for up to two (2) grants at a total cost not to exceed \$60,000. As a prior letter of engagement was signed with Holland Knight in January 2016 for representation costs of \$97,200, this additional expenditure for federal grant writing brings Holland Knight's total costs to a maximum of \$157,200.

The Board discussed SORTA's needs in terms of specific grants, federal funding, public relations, and lobbying efforts in Washington, D.C. Mr. Cull said that he would like to see a full picture of SORTA's legislative strategy and what SORTA is doing to engage the community. Mr. Ferrell stated that he would brief the Board on that the following month.

Mr. Mosby made a motion that this resolution be brought to the Community and Government Relations Committee next month in order to have adequate time to review the cost of the grants associated with the letter of engagement. Mr. Schultz seconded the motion. By voice vote, the Board agreed to move the Resolution to the June Community & Government Relations Committee for further review.

Proposed Resolution No. 2016-16: Approval of Contract for Ticket Vending Machine Maintenance Services

Mr. Mosby moved for adoption. Mr. Hothem seconded the motion. This resolution approves a three (3) year contract with Link2Park, Inc. ("Linkology") for Ticket Vending Machine Maintenance

Services at the 24 ticket vending machines SORTA owns at Cincinnati Streetcar stops and Metro Park and Ride locations at a total cost not to exceed \$489,000. By roll call vote, the Board unanimously approved Resolution 2016-16.

Strategic Planning

Ms. Miller presented an update on the Reinventing Metro Strategic Plan, which covers the years 2017- 2021. The plan noted the eight workshops that involved close coordination between the Strategic Plan Committee and more than 65 employees from all levels at SORTA, the new mission and vision statements, and the balanced scorecard system.

DISCUSSION

Mr. Dunn explained that as a follow-up to the Metro Futures Task Force Report, there would be several presentations made, including an Overview of Revenue and Expenses and an AECOM Update and afterward, the Board would have open discussion.

In response to the motion made by Mr. Painter during the Executive Committee on April 7th, 2016, Mr. Ferrell presented an Overview of Revenue and Expenses.

Overview of Revenue and Expenses

Mr. Ferrell explained that SORTA has both a revenue issue and an expense issue. He discussed the contributing factors, such as decreases in ridership, no funding for capital requirements, and decreases in federal, state, and local subsidies. Mr. Thomas noted highlights in operating revenue and local capital, as well as total expenses and capital needs over the years 2006 to the present, and projected to 2025; he made emphasized during the years 2008 and 2010, when fare increases and service cuts at SORTA were made.

Mr. Thomas also explained that while SORTA has a balanced budget in 2015 and 2016, that by 2019, total expense requirements (including capital needs) will exceed total revenue and discretionary funds. Mr. Haley noted that these capital needs, specifically aging infrastructure, will not be able to be replaced even by grants. Mr. Thomas provided potential ways to address shortfall projections, such as fare increases and small buses. He noted that fare increases have historically resulted in a loss of ridership.

The Board discussed fare increases and ridership, making note of how these would align with the strategic plan.

AECOM Update

Mr. Conover introduced Derek Crider and Stuart Geltman of AECOM to assist and answer any questions regarding his presentation, which provided an updated service plan for SORTA over a ten-year period. Mr. Conover stated the different components that this plan addresses: more riders, meeting minimum standards, flexible timetables, service that matches demand, and simpler service. He explained frequency (how often does the bus come), span (how often does it run, what are the start/end times), productivity, farebox recovery, and cost per passenger. He noted two new types of service as part of this proposed plan: Limited/Plus (similar to the existing Metro*Plus without the capital investment) and the Circulator service, which would use small vehicles to service low density and neighborhood areas.

The AECOM plan consists of two series, each of five phases, dependent on funding. Series 1 would build out SORTA's service to serve up to 77% of Hamilton County's jobs. Series 2 would take SORTA's service to serve up to 90% of Hamilton County's jobs.

The Board discussed demographic and technology changes that may affect the proposed service plan and ridership over the next ten years.

Metro Futures Task Force Discussion

Mr. Vehr reiterated the three recommendations made by the Metro Futures Task Force related to changing SORTA's major local funding source. He explained that the attached report, in collaboration with Taft Stennius & Hollister and SORTA's legal counsel, explained the four possible mechanisms available to SORTA in order to do so.

The Board discussed the four mechanisms in detail.

Ridership Report for March 2016

Monthly ridership for March 2016 was presented at the May 10, 2016 Planning & Operations Committee and, due to time constraints, a written update was provided to the Board.

March 2016 Financial Report

The March 2016 financial report was presented at the May 10, 2016 Finance Committee. Due to time constraints, a written update was presented to the Board.

RAIL REPORT

Due to time constraints, Mr. Grether's written April 2016 Cincinnati Streetcar update was provided to the Board and he did not give an oral presentation.

BOARD UPDATE

Mr. Ferrell's written April 2016 update was provided to the Board. Due to time constraints, he did not give an oral presentation.

NEW BUSINESS

Mr. Thomas moved to adjourn the meeting and Mr. Hothem seconded. The meeting adjourned at 10:35 a.m.

NEXT MEETING

The next regular meeting of the SORTA Board of Trustees is scheduled for Tuesday, June 21, 2016 at 9:00 a.m., the SORTA/Metro Board Room, 602 Main Street, Suite 1200, Cincinnati, Ohio.

APPROVED:

Jason Dunn
Chair, SORTA Board

ATTESTED:

Dwight Ferrell
CEO & General Manager