



ROCKFORD MASS TRANSIT DISTRICT

Board of Trustees
BOARD MEETING #916 Minutes
Wednesday, March 28, 2018
7:45 a.m.

RMTD Conference Room
520 Mulberry Street
Rockford, IL 61101

ROLL CALL:

BOARD OF TRUSTEES:

Herbert L. Johnson – Board of Trustees, Chairman
Stephen K. Ernst – Board of Trustees, Vice Chairman
David Sidney – Board of Trustees, Secretary/Treasurer (*Absent*)

STAFF:

Michael Stubbe – Executive Director
Rick McVinnie – Director of Special Projects & Advisor to the RMTD Board of Trustees
Ron Schoepfer – Director of Finance
Denny Hendricks – Operations Manager
Dan Engelkes – Risk Manager
Jim Johnson – Project Manager
Lisa Brown – Marketing & Public Relations Specialist
Paula Hughes – Grants Specialist
Lawrence Tennial – Maintenance Manager
Susan Campbell – Human Resources Manager (*Absent*)
Erin Jenkins – Executive Assistant & Meeting Secretary

ALSO PRESENT:

Brett Schwab, Grant Thornton
Jon Paul Diipla, RMAP

CALL TO ORDER:

The Board Chairman called the meeting to order at 7:47 a.m.

APPROVAL OF AGENDA:

The Board Chairman asked for and received a motion to approve the agenda for March 28, 2018. The motion was seconded and passed.

APPROVAL OF MINUTES:

The General Session and Executive Session Minutes of the February 26, 2018 RMTD Board of Trustees Meeting were reviewed. With no further discussion, the motion was seconded and approved.

A-COMMUNICATIONS:

No Report

B-MATTERS BY THE PUBLIC:

No Matters of the Public.

C-REPORTS OF STANDING COMMITTEES:

No Report

D-RECONSIDERATION OF OLD BUSINESS:

No Report

E-PAYMENT OF BILLS:

- E-1 a) Hinshaw & Culbertson ~ Services Rendered Through January 31, 2018
The above payment of bills were presented for the Board of Trustees review.

F-CONSIDERATION OF NEW BUSINESS:

F-1 DIRECTOR – Michael Stubbe, Executive Director

- (a) Pension Trust Statement of Accounts for: January, 2018
The RMTD Pension Trust Statement of Account Summaries for January, 2018 were presented for the Board of Trustees to review.
- (b) Resolution No. R-18-05 – Amendment to the RMTD IBEW Retirement Plan & Trust Agreement
The Executive Director stated Resolution No. R-18-05 adopts the Amendment to the RMTDs' IBEW Union Employees' Retirement Plan and Trust Agreement of RMTDs' desires to freeze participation in the Plan to only include employees on or before March 14, 2018 and exclude employees hired on or after March 15, 2018. He noted all of this was directed and approved by the RMTD Board of Trustees during IBEW Negotiations. The Secretary/Treasurer asked for and received a motion to approve Resolution No. R-18-05. With no further discussion, the motion was seconded and passed.
- (c) Resolution No. R-18-06 – Amendment to the 457 Employee Deferred Compensation Plan
The Executive Director stated Resolution No. R-18-06 adopts the Amendment to the RMTD 457 Employee Deferred Compensation Plan whereas RMTD desires to provide matching contributions to those employees who are hired on or after November 1, 2016 and are not otherwise eligible to participate in their respective pension plan. Specific participant/employer contributions amounts are outlined in the Plan. The Secretary/Treasurer asked for and received a motion to approve Resolution No. R-18-06. With no further discussion, the motion was seconded and passed.
- (d) Annual Actuarial RMTD Defined Benefit Pension Report – Presented by Grant Thornton
Mr. Schwab presented the 2017/2018 RMTD Annual Actuarial Valuation Report regarding RMTD Defined Benefit Pension Plans. Mr. Schwab provided a brief overview explaining the Annual Actuarial Valuation process and the steps performed to determine the required annual cash contribution and financial reporting. He briefly described the summary of plan provisions. He then explained the Defined Benefit liabilities key measures and their definitions. Mr. Schwab reviewed Funded Status and Future Contributions. Mr. Schwab reviewed the Valuation Results detail as well as a Summary of Changes. A discussion ensued on a recommended Fiscal Year End 6/30/2018 funding contribution for RMTD of \$1.4 Million. The Director of Finance reminded the Board that at the December 6, 2017 Board Meeting, the Board approved RMTD to contribute \$700,000 (which is half of the estimated annual funding to the pension). The Director of Finance stated he is requesting

Board approval to contribute the 2nd portion of \$700,000 immediately to the pension fund. The Chairman asked for and received a motion to approve the contribution of \$700,000.00 to RMTD's Pension Fund immediately. With no further discussion, the motion was seconded and passed.

F-2 FINANCE – Ron Schoepfer, Director of Finance

(a) Unaudited Financial Statements for January, 2018

The Director of Finance presented the Unaudited Financial Statement for January, 2018. The Director of Finance reviewed the Income Statement with Budget Comparison.

(b) RMTD Fiscal Year 2019 Budget Approval

The Director of Finance presented the RMTD Fiscal Year 2019 Budget for the Board's approval. The Director of Finance reported prior to this Board meeting, there was a public hearing (March 28, 2018 at 7:45 a.m.) regarding the RMTD Fiscal Year 2019 Budget. He noted there was no public in attendance for questions or comments at the public hearing. He added that he did not receive any phone calls or communication of any kind concerning the Budget. The Chairman asked for and received a motion to approve the RMTD Fiscal Year 2019 Budget as presented. With no further discussion, the motion was seconded and passed.

F-3 OPERATIONS – Denny Hendricks, Operations Manager

(a) Fixed Route Report for January, 2018

The Operations Manager reported on the Fixed Route ridership summary for the month ending January, 2018. The Operations Manager discussed some of the graphs in his presentation.

(b) Demand Response Report for January, 2018

The Operations Manager reported on the Demand Response ridership summary for the month ending January, 2018. The Operations Manager discussed some of the graphs in his presentation.

F-4 MAINTENANCE – Lawrence Tennial, Maintenance Manager

(a) Report on Fixed Route Buses & Paratransit Vans for January, 2018

The Maintenance Manager presented the report on fixed route buses and paratransit vans for January 2018. The Maintenance Manager provided graphs in his presentation for the Board's review. The Maintenance Manager then reviewed the Average Miles between Road Calls. He stated that there were 43 preventive maintenance inspections performed in January 2018; 18 were fixed route buses and 25 were Paratransit Vans and noted all were done per the maintenance plan. The Maintenance Manager then reviewed the Road Call Summary and Miles Between Road Calls for the Paratransit Vans.

(b) Award Three Medium Duty Paratransit Vehicles IL-2016-017 (IL-16X014)

The Maintenance Manager stated RMTD has the opportunity to purchase three (3) Medium Duty Paratransit Vehicles off of the State of Illinois Contract #22028768. He noted the base price of each vehicle, after ppi adjustment, is \$59,185. Adding a few options/upgrades, the cost per vehicle is \$65,953. For all three (3) vehicles needed, the total cost will be \$197,859. He stated the three paratransit vehicles will be purchased using grant #IL-2016-017 (IL-16-X014) and will be funded with 100% Federal Transit Administration (FTA) funds. No local funds will be needed for this project. He noted these buses will be replacing three Paratransit vehicles which had exceeded their useful life as well as needing extensive repairs. He stated he is requesting that the RMTD Board of Trustees allow staff to award the purchase of the three Paratransit Medium Duty

vehicles to the Midwest Transit Equipment, Inc. in the amount of \$197,859. With no further discussion, the motion was seconded and passed.

F-5 HUMAN RESOURCES - Susan Campbell, Human Resources Manager (*Absent*)

No Report

F-6 MARKETING – Lisa Brown, Marketing & Public Relations Specialist

(a) Advertising Contract(s)

The Marketing & PR Specialist presented the following contracts for Board approval:

- Rock Valley College Dept. of Workforce Development

The Board reviewed the above mentioned advertising agreement. The Board Chairman asked for and received a motion to approve the advertising agreement. With no further discussion, the motion was seconded and passed.

(b) Special Service Request(s) & Communication

The Marketing & PR Specialist presented the following Special Service Request for Board approval:

- Rockford City Market (Event Date: May 18-September 28, 2018)

The Board reviewed the Special Service Request. The Board Chairman asked for and received a motion to approve the special service request. With no further discussion, the motion was seconded and passed.

F-7 GRANTS – Paula Hughes, Grants Specialist

No Report

F-8 PROJECT MANAGER – Jim Johnson, Project Manager

a) Change Order(s) for the Downtown Transfer Center Project:

(1) Additional Electrical and Electronic Features for the Facility

The Project Manager stated during the bidding process, the electrical drawings were some of the last drawings to be submitted to RMTD for review. As a result the review had to be quick and not as complete as was needed due to short window of time before the bid opening. When the Architect provided the set of drawings for review that were to be issued for construction, the Electrical Engineers picked up some missing items that were added to the drawings and the necessary thorough review by RMTD picked up additional items that were also added to the drawings. Nearly all of these additional items are security cameras and power or data outlets.

The Project Manager added the Electrical Subcontractor reviewed these items and requested a change order to cover the additional scope work that was found in the construction set of drawings and specifications. Even though the Electrical Engineer missed these items, this does not constitute a chargeable error or omission because this is simply an expansion of the scope of the work of the original Owner-Contractor Agreement. No cost will be incurring by RMTD other than the approximate cost that RMTD would have had to pay if these items would have been in the original bid documents. (For example, a chargeable omission would have occurred if the concrete floor had been poured and the Electrical Engineer had forgotten to show a needed

recessed floor outlet. In this case, RMTD would have had to pay for all the materials and what the labor would have been for installing this outlet on the gravel base before the concrete floor was poured. The Electrical Engineer would have to pay for the necessary concrete floor demolition, removal, and replacement that would be required to restore the floor to the intended condition that including the recessed floor outlet.)

The Project Manager stated the RMTD staff requests Board approval of the March 15, 2018 Rockford Structures proposal in the not-to-exceed amount of \$78,311.20 for this change order to the current construction agreement. This change order approval should be subject to an RMTD staff cost analysis, the completion of any necessary scope and/or price negotiations that would reduce the not-to-exceed cost, and IDOT Concurrence. The Board Chairman asked for and received a motion to approve the approval of the March 15, 2018 Rockford Structures proposal in the not-to-exceed amount of \$78,311.20 for this change order to the current construction agreement. With no further discussion, the motion was seconded and passed.

(2) Covering Screen Walls and Brick to Match the Renovated Building

The Project Manager stated while this element of the complete Downtown Transfer Center Renovation and Expansion Project was planned as an upgrade for Phase 2 of the project, unit prices for this work were included in the Phase 1 bid submittals just in case bids were low or more funding was received by RMTD. While the bids received were fairly good, the key in this case was that RMTD has received additional funding primarily from the Illinois Department of Transportation when previously frozen grant funds were released.

The Project Manager added to save time later in the project when the Phase 2 work is approved and to have all the brick coming from the same supplier in, as much as possible, the same lots that will be laid by the same masonry contractor, RMTD staff wishes to get this work started as soon as possible.

The Project Manager stated the RMTD staff requests Board approval of the March 21, 2018 Rockford Structures proposal in the not-to-exceed amount of \$181,050.19 for this change order to the current construction agreement. This change order approval should be subject to an RMTD staff cost analysis, the completion of any necessary scope and/or price negotiations that would reduce the not-to-exceed cost, and IDOT Concurrence. The Board Chairman asked for and received a motion to approve the approval of the March 21, 2018 Rockford Structures proposal in the not-to-exceed amount of \$181,050.19 for this change order to the current construction agreement. With no further discussion, the motion was seconded and passed.

NOTE FOR BOTH CHANGE ORDER REQUESTS

RMTD has state and/or federal funding that is sufficient to cover these two change orders plus all anticipated expenses associated with Phase 1 and 2 of this project.

F-9 RISK MANAGEMENT – Dan Engelkes, Risk Manager

(a) Risk Management Update Report – January, 2018

The Risk Manager presented a Risk Management Update Report from January, 2018 to the Board of Trustees for their review.

F-10 MEETING SCHEDULE

- (a) The Board Chairman stated the next RMTD Board of Trustees Meeting is scheduled for Wednesday, April 25, 2018 at 7:45 a.m. This will be the RMTD Annual Board Meeting.

At approximately 8:40 a.m., the Board Chairman asked for and received a motion to enter into Executive Session. With no further discussion, the motion was seconded and passed.

The meeting went back into General Session.

The Board Chairman asked for and received a motion to approve the IBEW 2017-2020 contract with the terms set forth the Executive Director presented. With no further discussion, the motion was seconded and passed.

G-ORDER OF ADJOURNMENT

A motion was made and received to adjourn. The motion was seconded and passed. The Board Meeting adjourned at 9:08 a.m.

Respectfully submitted,

Erin Jenkins
Executive Assistant and Meeting Secretary
Rockford Mass Transit District