

Minutes

Greater Dayton RTA Board of Trustees Public Board Meeting

May 7, 2019

- Trustees: Sharon Hairston, President
David P. Williamson, Vice President
Adrienne L. Heard
Franz Hoge
Sharon D. Howard
John Lumpkin
Thomas Weckesser
- Excused: Vince Corrado
Belinda Matthews-Stenson
- Staff: Mark Donaghy, Chief Executive Officer
Chris Cole, Chief Operating Officer
Christopher Conard, Coolidge Wall, Co. LPA
Cathy Garner, Sr. Executive Administrative Assistant
Brandon Policicchio, Chief Customer & Business Development Officer
Bob Ruzinsky, Chief Capital Officer
Mary K. Stanforth, Chief Financial Officer
- Others: Interested citizens (see attached sheet)

Call Meeting to Order

Ms. Hairston called the meeting to order at 3:00 p.m. A quorum was present and proper notice of the meeting had been given.

PLEDGE OF ALLEGIANCE

Ms. Hairston led attendees in reciting the Pledge of Allegiance.

Greater Dayton Regional Transit Authority

ROLL CALL

Roll call was taken:

Mr. Corrado	Excused	Mr. Lumpkin	Yes
Ms. Hairston	Yes	Ms. Matthews-Stenson	Excused
Ms. Heard	Yes	Mr. Weckesser	Yes
Mr. Hoge	Yes	Mr. Williamson	Yes
Ms. Howard	Yes		

APPROVAL OF CONSENT AGENDA

Ms. Hairston stated Greater Dayton RTA (RTA) By-Laws require Board Trustees approval of today's Board Meeting Agenda. Ms. Hairston stated the Board Agenda was mailed in advance, however, since that time two modifications are required. Ms. Hairston stated Agenda Item #10 – New Business Item #1 will be removed and the second modification includes adding a request for Executive Session.

MOTION MADE by Ms. Howard and SECONDED by Ms. Heard to ACCEPT the revised Agenda with the stated updates.

MOTION CARRIED by voice vote.

Ayes: Seven

Nays: None

APPROVAL OF APRIL 4, 2019 MEETING MINUTES

Ms. Hairston asked if anyone desired a reading of the minutes or if there were any corrections to the minutes? Upon hearing no requests or corrections, Ms. Hairston declared ACCEPTANCE of the April 4, 2019 Meeting Minutes.

PLANNING COMMITTEE REPORT (SHARON HOWARD)

Ms. Howard reported the Finance/Personnel and Planning Committees met for a jointly held meeting on April 16th and as a result the Planning Committee is recommending one (1) Action Item for the Board's consideration.

ACTION ITEM #2 – MAAS FARE PAYMENT SOLUTION

Ms. Howard stated RTA intends to replace its existing cash and tickets-based automated fare collection system with a new fare payments solution. The payments solution will be an integral part of a mobility-as-a-service platform planned for the Greater Dayton region. The provider of RTA's mobility-as-a-service platform is Transit app.

The recommended fare payments solution vendor Masabi, will deliver increased access to all, including low-income, unbanked, and underbanked customers, thereby fulfilling RTA's core value of Quality Service for all customers. In addition, the system will provide agency benefits to include system cost reductions, a more streamlined operating process, and greater customer and operational efficiencies.

Key goals of the solution include: (1) providing an open and nonproprietary architecture, (2) enhancing ease of use for customer convenience through universal design, ensuring all customers have the ability to access, (3) increase operational efficiencies, (4) provide a seamless integration with Transit to allow fare purchasing in the app, and (5) phasing out and ultimately eliminating all on vehicle cash transactions.

The solution will allow customers to purchase and pay for fares through the Transit app and Masabi's online portal, order or load smart cards, manage their accounts online, enable fare capping benefits, utilize open payment options like Google and Apple pay, and purchase or load smartcards from numerous retail locations throughout the area. Instead of traditional fare boxes, the fares are read by electronic validators that will be onboard all RTA fixed route and Connect vehicles.

MOTION MADE by Ms. Howard and SECONDED by Mr. Hoge to AWARD Masabi, LLC a five year CONTRACT with an estimated grand total cost not to exceed \$1,721,888.

MOTION CARRIED by voice vote.

Ayes: Seven

Nays: None

DISCUSSION ITEMS TO MENTION

Ms. Howard stated at the committee meeting, Mr. Policicchio provided a summary document of recent activities in the Customer & Business Development Department. These activities included the launch of RTA's employee app – Info Hub, What Drives You campaign updates, and plans for the 2019 Drive Less, Live More campaign.

Other updates included recognition of RTA's Chief Capital Officer, Bob Ruzinsky, who was bestowed the Leonard Ronis Award at the 2019 Ohio Public Transit Association's annual conference. Ronis was the founder and first president of the association and was known for his strong vision and devotion to public transit. Mr. Ruzinsky was the recipient due to his tireless efforts behind the scenes helping transit systems navigate the funding quagmire, and not just at RTA. The award was a surprise to Mr. Ruzinsky, who was recommended for the award by the Ohio Department of Transportation and other transit agencies within the state.

FINANCE/PERSONNEL COMMITTEE REPORT (JOHN LUMPKIN)

Mr. Lumpkin stated the Finance/Personnel and Planning Committees met on April 16th and as a result the Finance/Personnel Committee is recommending one (1) Action Item for approval by the Board of Trustees.

ACTION ITEM #3 – FLEET GASOLINE PURCHASING AND REPORTING SYSTEM

Mr. Lumpkin stated that RTA recently sought out firms interested in providing a Fleet Gasoline Purchasing and Reporting Program. This RFP covers RTA's para-transit and non-revenue vehicle unleaded gasoline requirements only; other products and services such as batteries, tires, motor oil, transmission fluid, repair services and car washes will not be a part of this procurement. This procurement is necessary to ensure all RTA vehicles are properly fueled and operational for daily service needs. This procurement also involves a reporting function to allow RTA to monitor spending and track costs associated with gasoline. These costs are highly variable and understanding their fluctuation patterns are essential to operating within budget.

MOTION MADE by Mr. Lumpkin and SECONDED by Ms. Heard to AWARD a CONTRACT to WEX Bank for the Fleet Gasoline Purchasing and Reporting Program for a three (3) year period not to exceed \$4,012,788. The actual award amount may vary due to the fluctuation of fuel prices and usage over the contract period. This procurement is consistent with RTA's core values of Safety, Stewardship, and Quality Service as we demonstrate our commitment to our customers' needs to ensure timely deliverables and adequate tracking of RTA's funding and usage of tax dollars. This procurement will be funded with 100% operating funds.

MOTION CARRIED by voice vote.

Ayes: Seven

Nays: None

DISCUSSION ITEMS TO MENTION

January 2019 Sales Tax Update

Mr. Lumpkin stated that during the committee meeting, Ms. Julie Beard reported January 2019 Sales Tax receipts equal \$2,818,084, which is up from January 2018 by \$90,909 or 3.3%. As compared to the January 2019 budget, we are up \$96,000 or 3.5%. This is a very good start to 2019!

March 2019 Financial Statements

Mr. Lumpkin stated Ms. Beard reported for the Month of March, 2019 the Net Income before federal and state depreciation is \$176,000. This is \$197,000 better than the budgeted loss of \$21,000. The overall positive variance is largely due to lower wages & benefits, lower materials & supplies, and the net fair value gain on investments.

The year-to-date March, 2019 Net Loss before federal and state depreciation is \$772,000. This is \$652,000 better than the budgeted loss of \$1.424 Million. The overall positive variance is largely due to lower wages & benefits, lower materials & supplies, lower fuel & lubricants, and the net fair value gain on investments.

INVESTMENT ADVISORY COMMITTEE REPORT (TOM WECKESSER)

Mr. Weckesser stated the Investment Advisory Committee met on April 18th for an informative financial presentation from Meeder Investment Group. The Committee is not bringing forth any Action Items today; however, there are important informational items to share.

Financial Presentation

Mr. Weckesser stated Ms. Eileen Stanic presented an Economic Update. With regard to U.S. Domestic Growth, the Federal Reserve Median Projection is 2.1% for 2019. At our February 14th Committee meeting, the Projection was 2.3% for 2019. Both of these percentages are lower than 2018's actual growth of 3.0%. The provisions of the New Tax Act, Slowing Global Demand and downward signs in the Transportation Index are contributing factors to the lower Domestic Growth projection. Looking out, the Federal Reserve Median Projection is 1.9% for 2020 and 1.8% for 2021.

Oil and Diesel Fuel pricing has been volatile over the past 6 months:

- October 2018 averaged \$2.50 per gallon,
- January 2019 averaged \$1.00 per gallon,
- February 2019 averaged \$1.50 per gallon,
- March 2019 averaged \$2.00 per gallon.

Ms. Stanic noted Oil and Diesel Fuel pricing is now supportive of the fracking industry which is a positive for the U.S. economy.

When looking at Historic Yield Curve Inversions over the past 35 years, we see there is a chance the U.S. could slip into a recession in the near future.

Ms. Stanic presented the Federal Open Market Committee's (FOMC) March 2019 meeting highlights:

- The Committee voted to keep the fed funds target at the current range; 2.25% - 2.50%,
- The decision at the March meeting was a unanimous decision in favor of keeping rates unchanged,
- The FOMC noted "Inflation remains near 2 percent while market-based measures of inflation have remained low in recent months",

- The FOMC noted “Labor market remains strong, but growth of economic activity has slowed from its solid rate in the fourth quarter”,
- The Fed’s statement was dovish, and it signals FOMC members are anticipating no hikes in 2019, down from the previous dot-plot projection of three rate hikes in 2018,
- The Fed will phase out shrinking its balance sheet in May, dropping the redemptions from the current \$30 billion to \$15 billion and halt drawdowns in September.

Regarding the U.S. Unemployment Rate, we continue to have a full employment state with employers finding it difficult to hire qualified employees. The National Unemployment rate is currently just under 4% and Ohio’s rate is 4.6%.

RTA’s Portfolio Summary

Ms. Stanic reported the par value of RTA’s investment portfolio at March 31, 2019 is \$30.88 Million and carries a weighted average maturity of 1.60 years. The weighted average yield on the portfolio is 1.72% and 2019 Annual Interest Income is projected to be \$531,170. The 2019 annual interest income budget is \$500,000.

Meeder’s recommendations to the Committee include:

- Recent trends in inflation and slowing global growth support the Federal Reserve’s position of maintaining the current Federal Funds Rate. The market is anticipating no increases in 2019 and an increased probability of a rate cut in 2020. Given this outlook for rates, Meeder recommends extending the core portfolio, cash flow permitting.
- Commercial paper continues to provide excess yield to the portfolio over alternative short-term products, therefore Meeder recommends continuing to build the allocation to commercial paper.

Committee members unanimously agreed with Meeder’s above stated recommendations. This will be the path followed until the next Committee meeting.

Discussion Item – Montgomery County Sales Tax Receipts

Mr. Weckesser stated that Ms. Stanforth reported January 2019 receipts are \$96,000 or 3.5% *higher* than budget. This is an excellent start for the New Year!

As compared to January 2018, receipts are up \$91,000 or 3.3%.

Other Business

Mr. Weckesser stated the next Committee meeting is tentatively scheduled for Thursday, July 18, 2019. Please note this meeting may be cancelled.

CHIEF EXECUTIVE OFFICER'S REPORT

Mr. Donaghy stated he has several informational items to share. Mr. Donaghy commented that a couple of 1951's have arrived. Mr. Donaghy asked the audience what is a 1951? These vehicles are the first of the NexGen Production Buses. Mr. Donaghy commented these buses have to go through a series of tests before they can be released onto the streets. RTA decals must also be applied. Mr. Donaghy stated that seventeen (17) of the 1901 diesel buses have also arrived. These buses are greatly needed in order to replace RTA's aging fleet. Mr. Donaghy stated indeed good things are happening at RTA!

Mr. Donaghy communicated that we have an employee in the audience today who is retiring after 30+ years at RTA. Ms. Michele Conley, Planning Manager, will be retiring at the end of the month. Mr. Donaghy, Mr. Brandon Policicchio, Chief Customer and Business Development Officer and former Director, Marketing and Planning, Mr. Frank Ecklar all congratulated and shared stories regarding Ms. Conley. Ms. Conley thanked everyone for their friendship during her years at RTA!

Mr. Donaghy stated that he was pleased to announce that Dr. Brenda Thomas is back on the job at RTA. Dr. Thomas is the new Director, Human Resources. Mr. Donaghy commented that after an intense search for the right person for this position Staff was thrilled that Dr. Thomas was able to return to RTA. Mr. Donaghy thanked Mr. Chris Cole, Chief Operating Officer and Mr. Robert (Bob) Stevens,

Interim Human Resources Director, during the lengthy search for the Human Resources Director position.

Ms. Hairston welcomed Dr. Thomas back to RTA!

OLD BUSINESS

Ms. Hairston asked Mr. Donaghy to provide his findings on the complaint from one of RTA's patrons, Ms. April Easterling, from last month's Board meeting.

Mr. Donaghy commented that he would be happy to. Mr. Donaghy stated there were five concerns from the public last month, and as in all complaints it is Staff's duty to follow-up. Mr. Donaghy stated that while 4 of the 5 concerns were straight forward and have already been addressed, he would address the fifth and remaining concern from Ms. April Easterling who expressed concerns from being picked up from her dialysis treatment center stating that she'd had been on a vehicle for more than two hours. This was technically not the case, stated Mr. Donaghy. Mr. Donaghy commented that while Ms. Easterling did have a return trip totaling 57 minutes, which is longer than Staff would have liked it to be from pick-up to drop-off. However, Mr. Donaghy stated this trip was certainly ADA compliant. Mr. Donaghy commented by ADA compliant he is referring to being equal to what a fixed route trip would be even if the trip included a transfer. Mr. Donaghy stated that technically RTA was compliant, however, Staff is looking at additional ways to improve travel time for mobility customers so that instances such as this is not repeated.

NEW BUSINESS

None

PUBLIC COMMENT

None

**BOARD MEMBER COMMENTS
- ANNOUNCEMENTS**

Mr. Hoge commented that earlier Mr. Williamson stated Sweden's Transit System is already utilizing a cashless fare system and possibly in the near future United States Transit Systems may also become cashless. Mr. Hoge stated when

that happens, he will encourage everyone to give him their extra cash. ☺

Ms. Heard stated that she is already cashless. ☺

EXECUTIVE SESSION

Ms. Hairston stated there is a request to go into Executive Session for the purpose of reviewing negotiations and bargaining sessions, no ACTION will be taken.

MOTION MADE by Ms. Heard and SECONDED by Ms. Howard to RECESS into Executive Session for the purpose of discussing ATU labor updates.

Roll call was taken:

Mr. Corrado	Excused	Mr. Lumpkin	Yes
Ms. Hairston	Yes	Ms. Matthews-Stenson	Excused
Ms. Heard	Yes	Mr. Weckesser	Yes
Mr. Hoge	Yes	Mr. Williamson	Yes
Ms. Howard	Yes		

The meeting recessed at 3:35 p.m.

MOTION MADE by Mr. Lumpkin and SECONDED by Mr. Weckesser to RECONVENE into regular session.

Roll call was taken:

Mr. Corrado	Excused	Mr. Lumpkin	Yes
Ms. Hairston	Yes	Ms. Matthews-Stenson	Excused
Ms. Heard	Yes	Mr. Weckesser	Yes
Mr. Hoge	Yes	Mr. Williamson	Yes
Ms. Howard	Yes		

The meeting reconvened at 4:12 p.m.

Ms. Hairston reminded everyone that the next Board of Trustees meeting will be held on Tuesday, June 4, 2019 at 3:00 p.m.

ADJOURNMENT

MOTION MADE by Mr. Williamson and SECONDED by Ms. Heard to ADJOURN the meeting.

MOTION CARRIED by voice vote.

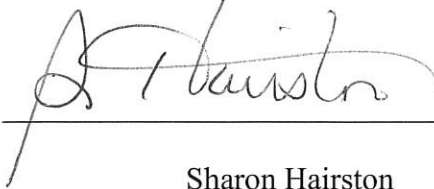
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Ayes: Seven

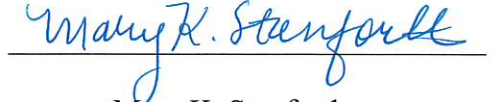
Nays: None

The meeting adjourned at 4:13 p.m.

ATTEST



Sharon Hairston
President
RTA Board of Trustees



Mary K. Stanforth
Secretary/Treasurer
RTA Board of Trustees

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