

**TOMPKINS CONSOLIDATED AREA TRANSIT, INC.  
BOARD OF DIRECTORS MEETING**

Thursday, July 24, 2014  
4:00 PM TCAT Conference Room  
737 Willow Avenue, Ithaca, NY

Attendees: K. Whang, J. Dotson, K. Herrera, D. Howe,  
S. Murtagh, K. Page, F. Proto, P. Stein

S. Brock, M. Albanese, R. Andrascik, A. Eccleston, N. Oltz, P. Poist,  
D. Tome, D. Swarts, M. Yarrow, T. Wright, S. Persons/Recording Secretary

Also Attended: F. Howells, A. Gallegos

**Agenda**

**I. Call to Order**

K. Whang called the meeting to order at 4:01 PM, and welcomed everyone to the July 24, 2014 TCAT, Inc. Board of Directors Meeting.

**II. Board Member Items**

P. Stein stated he wrote a resolution having to do with TCAT finances, ridership, Cornell ridership and non-Cornell ridership, how much money should be paid by Cornell, fundamentally it tries to address the future of TCAT. P. Stein made a motion to add the resolution to the agenda; F. Proto seconded. Motion to add the resolution to the agenda passed unanimously.

**III. Public Comment**

F. Howells stated he was assigned by the UAW international to request the FOIL contact within your agency and to also inquire if there is a form to use to obtain specific information from the TCAT organization. He stated he doesn't know who he would approach with that, but he would appreciate knowing the proper process so that they can obtain information.

K. Whang asked him what type of information he is looking for.

F. Howells stated that the FTA assures them the information that they are requesting during the contract falls under the FOIL law and has directed them to pursue it through that venue while they are awaiting the National Labor Relations Board to decide on the issue of not receiving the information during TCAT bargaining.

S. Brock stated TCAT is a private entity, so freedom of information laws do not apply to it.

F. Howells stated the FTA doesn't whole heartedly agree with that and they have asked me to get the information through the FOIL. We are just requesting how we go about doing that, if you don't have any information I will respond back to them.

S. Brock stated she would talk to him after the board meeting.

K. Herrera stated it would be helpful as a board member to know what the full process is.

S. Brock stated we are a private entity so FOIL is not applicable to us, so sometimes we get a freedom of information request and very often we give people the information they are looking for because it is information that we can provide. It may be information that is already in the public sphere because our meetings are open and we share a lot of information with Cornell, the County and the City. I don't know exactly what he is looking for. We do not have to create records where they do not exist, under the request for information leading up to collective bargaining. There may be some issues like that, but I don't know what specifically he is looking for, so I can't speak to that.

#### **IV. Approval of the minutes from June 26, 2014 Board of Directors Meeting**

The motion to approve the minutes from June 26, 2014 was made by F. Proto; seconded by K. Herrera. The motion to approve the minutes passed unanimously.

#### **V. Chairperson's Report**

K. Whang reported that we do have an executive session today. He stated he also wanted to let the Board know he received a letter from a resident of Northway again; P. Poist drafted a letter to send back to them, it's the same response we have been giving. The other item he wanted to bring up is we have the TCAT budget presentation coming up on August 5<sup>th</sup>, we sent out an email reminding everyone to RSVP so we can get a good headcount on who will be there and we still don't have a good number of who's going to be there or not. He stated if you haven't done so please let Sara know and please remind your colleagues to RSVP.

#### **General Manager's Report**

- **Monthly Operating Reports** – A. Eccleston presented the Monthly Operating Reports for June 2014. She reviewed the details of the Riders, Miles & Hours Statistics, Service Changes & Special Events, Maintenance Statistics, Accidents & Other Incidents, Finance, Human Resources, Marketing Initiatives, & Customer Communications.

#### **VI. Action Items from Staff**

Consider approval of Resolution {2014-07} Directing Development of Proposals to Service Changes and Cornell Fares. K. Whang presented resolution {2014-07} Directing Development of Proposals to Service Changes and Cornell Fares.

#### **RESOLUTION 2014 - 07**

## **DIRECTING DEVELOPMENT OF PROPOSALS RELATED TO SERVICE CHANGES AND CORNELL FARES**

Whereas, the TCAT Board has reviewed the initial draft for both the 2015 Operating and Capital Budgets, and

Whereas, the initial draft Operating Budget contains a \$740,000 deficit, which is projected to double in the next four years (by 2018) if no changes are made to TCAT's income and expense profile, and

Whereas, these operating deficits largely reflect the successful expansion of TCAT service to the community, and growth in ridership without a commensurate rise in revenues to offset the increased cost of service, and

Whereas, two significant factors the Board can exercise locally to bring the budget into a sustainable balance are reductions in service and increases in revenues through changes in passenger fare income, and

Whereas, Cornell's bus pass program accounts for 70% of the system's current ridership, and the growth in Cornell's rides has risen from 2,400,000 to 3,100,000 rides per year (29% increase) in the last five years, while Cornell's payment for the passes it issues has grown from \$2,500,000 to \$2,600,000 (4% increase) in the same period, making them a major stakeholder in any changes to the service provided or changes to the fare income that may be proposed or adopted by the Board, now therefore be it

Resolved that the Board directs staff to develop proposals for:

1. Service changes as a major component in the \$740,000 in budget adjustments needed to bring the 2015 Operating Budget into balance, and
2. A Memorandum of Understanding with Cornell University, developed with Cornell's Director of Transportation, regarding Cornell's Bus Pass Program, as an element of Cornell's Traffic Demand Management Program, which ties fare payment to TCAT directly to rides taken under that program,

and that these proposals be presented to the Board for its review and adoption, or review and negotiation (if required) in the case of the Memorandum of Understanding.

The resolution to direct development of proposals to service changes and Cornell fares was moved by F. Proto; seconded by S. Murtagh. Discussion followed.

P. Stein stated in a certain sense he was planning on moving his resolution as a substitute motion for this but when he got it and read it, it is not a substitute resolution, it expands on this, he stated he has nothing against anything that is said here, but the resolution he has makes more specific exactly how this understanding should play out to a certain extent. He stated he certainly will support this and doesn't consider it in any way conflicting with the other one.

K. Whang stated his understanding is this came out of the budget committee.

D. Howe stated we brought it up in budget committee.

K. Whang stated I think Peter's resolution is more specific, the first resolution is saying that there needs to be a MOU with Cornell which ties fare payment to TCAT. Right now there is nothing formal between Cornell and TCAT on what Cornell fares should be. He stated he thinks that is what Peter's resolution is addressing, he is being very specific that it needs to be tied to \$1.00 a ride, find a way to restore Cornell per rider reimbursement to \$1.00 a ride without significantly reducing the number of Cornell ID rides. So that's the difference.

K. Whang asked if we should move the second resolution to get it on the table for discussion.

Consider approval of Resolution Achieving TCAT's Goals.

#### ACHIEVING TCAT'S GOALS

WHEREAS, a discount of up to 1/3 off the adult base fare for multiple-ride or bulk-volume fares is common within the public transit industry, and

WHEREAS, 70% of TCAT boardings are paid for by swiping a Cornell ID, and

WHEREAS, the adult Zone 1 base fare has always been \$1.50, and

WHEREAS, at the rate of \$1.00 per ride, the monthly cost of a round trip fare each weekday is approximately the cost (\$45.00) of TCAT's zone 1 monthly pass, and

WHEREAS, for the above reasons, the directors and staff of TCAT a decade ago generally agreed that the appropriate reimbursement for each Cornell ID ride was \$1.00, and

WHEREAS, from 2006 to 2010, the average reimbursement paid to TCAT by Cornell was \$0.996 for each Cornell ID ride, and

WHEREAS, the reimbursement paid to TCAT by Cornell ID fares for the years 2011, 2012 and 2013 was \$0.94, \$0.89 and \$0.83 respectively, and

WHEREAS, the financial difficulty for TCAT generated by the decreasing reimbursement per Cornell ID fares has been exacerbated by the increasing fraction of TCAT rides paid for by Cornell, and

WHEREAS, the TCAT financial projections for 2015 show an expected deficit which will require TCAT to reduce its expenditures by about \$400,000 which will result in a noticeable reduction in transit services for many TCAT customers, and

WHEREAS, this expenditure cut and its resulting reduction in services would not have occurred had Cornell been reimbursing each Cornell.ID ride by \$1.00, and

WHEREAS, there is no known source of State or Federal funds to fill the gap generated by the decreasing Cornell per ride reimbursement, and

WHEREAS, both the City and the County are facing steadily increasing pressure from the State government to reduce local taxes, which in turn makes it extremely difficult for them to increase their Partner Contributions, and

WHEREAS, the fundamental goal of TCAT is to provide high quality transit services that satisfy the needs of as many County residents as possible consistent with the resources available, THEREFORE

BE IT RESOLVED that the TCAT directors respectfully ask Cornell to work with TCAT to find a way to restore the Cornell per ride reimbursement to \$1.00 per ride in 2015 without significantly reducing the number of Cornell ID rides, and

BE IT FURTHER RESOLVED that in the years that follow, the directors will work together to maintain as best they can the 2014 Cornell and non-Cornell ridership levels, and thereby ensuring the financial stability of TCAT, a stable Cornell ID reimbursement expenditure for Cornell, and the widely admired quality and level of service that TCAT currently provides.

The resolution achieving TCAT's goals was moved for discussion by P. Stein; seconded by F. Proto.

J. Dotson stated she is mindful of the point that K. Whang just made about the difference between the two resolutions which is true but she's mindful of the fact that when we are sitting in this room we are not representing anybody else, we are representing TCAT, we are affiliated with everybody else, but as a TCAT director I look at Peter's resolution and think, TCAT respectfully asks Cornell to work with TCAT to find a way to restore the Cornell per ride payment to \$1.00 per ride without significantly reducing the number of Cornell rides. I think it's important that it says respectfully asks it's not forcing but I think it pretty accurately describes what we've been working toward in this room and maybe success is not guaranteed but I think that a lot of us have worked really hard to get to that point, I think it's appropriate that we say that we are asking them to really try and considered whether they can figure out how they can afford it because I think it's important to TCAT. So while I agree with the difference it doesn't feel inappropriate to me. Discussion followed.

F. Proto made a motion to postpone action on each of these resolutions until the August Board Meeting and to refer them to the Budget Committee for further work that reflects the discussion at the July TCAT board meeting. S. Murtagh seconded. The motion to postpone action on both resolutions passed with 7 votes in favor, 1 opposed (K. Herrera).

Approval for Corporate Authorization Resolution for Elmira Savings Bank: The motion to approve the resolution for Elmira Savings Bank was moved by F. Proto; seconded by J. Dotson.

S. Brock recommended a change under the Powers Granted, number 3, where it says 1 less than \$5,000 and 2 over \$5,000; 2 needs to say "equal to or over \$5,000". Discussion followed. The motion as amended passed unanimously.

Approval for Bank Resolution by Corporation for Tompkins Trust Company Accounts: The motion to approve the resolution for Tompkins Trust Company Accounts was moved by J. Dotson; seconded by D. Howe.

S. Brock recommended a change under the Powers, number 2, where it says 1 less than \$5,000 and 2 over \$5,000; 2 needs to say "equal to or over \$5,000". Discussion followed. The motion as amended passed unanimously.

F. Proto requested that A. Gallegos be allowed to provide his public comment as his shift ended after the start of this meeting and he was unable to speak during the public comment.

A. Gallegos stated this coming August he'll be celebrating his 10<sup>th</sup> year anniversary here at TCAT, he was on the City side for a year and a half before TCAT incorporated and merged so he got to experience a lot of things that happened at that time and are current up to date. He drives around Cornell all the time, he drives in the county and in the city, so he gets to meet a lot of people and one of the things that came to his mind when you start talking about the figures that you're talking is it reminds him of when we used to do the Alumni weekend and we'd have set classes of who we'd drive, he stated he actually had people that were donating \$80 million. What sparked from that is he actually met people that were gift officers, it's their job to contact these people and try to get these people to give more money, and as a parent he can't help but think that if he was in that situation and his kids were going to this school that he would want them to have the best bus service, he would want them to be able to get from point A to point B safely and the main reason why would be because of the weather. It would be kind of neat to have a gift officer from TCAT or get Cornell's permission to actually go when they do their presentations to say hey we need money for buses. He stated Frank and he actually got involved in the lobbying committee so they were actually able to go to Albany and meet the legislatures and actually do lobbying for certain issues. It's almost as if TCAT needs a lobbyist more than we need a recruiter because to be honest with you, part of our high turnover rates that we experience here is because it has become very hard, because of our hours and everything that needs to be done to keep things safe, it is a big challenge for us right now. As far as the money that's the thing you need the most, and the reason why is because with increased ridership our schedules are getting tighter and tighter.

## **VII. Committee Reports**

- **Executive Committee**

K. Whang reported that the Executive Committee met on July 23<sup>rd</sup> and discussed TCAT UAW negotiations, forensic audit update and status, Board of Realtors survey and TCAT, vanpool contract update, ITS RFP released on 7/14, TCAT yearbook, passenger survey update and budget presentation update.

- **Budget Committee**

F. Proto reported that the Budget Committee met on July 15<sup>th</sup> and discussed Revenue Expenditure Report June 30, 2014, Fuel Report, 2015 Operating Budget, 5 year Operating Budget, 2015 Capital Budget, and 5 year Capital Budget and the budget presentation details.

- **Transit Service Committee**

D. Howe reported that the Transit Services Committee met on July 3<sup>rd</sup> and discussed update on Enfield park and ride, passenger miles traveled '14 survey, IC night service year-end report, summer intern projects and continued planning the

public input process for service standards plan in light of anticipated reductions in service.

- **Human Resources Committee**

The Human Resources Committee did not meet. A. Eccleston reported that we received confirmation from the FTA that our EEO program was approved.

- **Planning Committee**

J. Dotson reported that the Planning Committee met on July 24<sup>th</sup> and discussed review of the facility assessment and prioritization and discussion on needs and capacity planning assessment project.

### **VIII. Next meeting**

K. Whang announced the next meeting date of August 28, 2014 at 4:00 PM.

### **IX. Executive Session**

K. Whang asked for a motion to enter into executive session to discuss collective bargaining negotiations with UAW and two personnel matters. The motion was made by J. Dotson; seconded by D. Howe. The motion passed. The Board entered into Executive Session at 5:55 PM. The Board arose from Executive Session at 6:15 PM. No action was taken.

### **X. Adjournment**

The motion to adjourn the meeting was made by F. Proto; and seconded by K. Page. The meeting adjourned at 6:15 PM.