

FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



Meeting Notice:

The TARC Board of Directors holds a monthly meeting of the Finance subcommittee. The next meeting will be held at:

**TARC's Headquarters, Board Room
1000 W. Broadway, Louisville, KY 40203**

Tuesday, August 15, 2023 at 1:30 p.m.

This meeting is also being held via teleconference as permitted by KRS 61.826.

Pursuant to the Americans with Disabilities Act, persons with a disability may request a reasonable accommodation for assistance with the meeting or meeting materials. Please contact Stephanie Isaacs at 502.561.5103. Requests made as early as possible will allow time to arrange accommodation.

FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



Agenda – August 15, 2023

- | | | | |
|------|--|--|-----------------|
| I. | Quorum Call/Call to Order | | 1:30 |
| | a. | Approval of July Meeting Minutes | |
| II. | Staff Reports and Presentations | | 1:40 – 1:50 |
| | a. | Update on Audit | Tonya Carter |
| III. | Action Items / Presentations for the Board Meeting | | 1:50 – 2:20 |
| | a. | Resolution 2023 – 19
Experimental Shared Mobility on Demand Pilot Project | Carrie Butler |
| | b. | Resolution 2021-43.3 Amendment 3
Management Consulting Services IDIQ | Carrie Butler |
| | c. | Resolution 2023 – 20
Bus Air Suspension Components and Supplies | Maria Harris |
| | d. | Resolution 2023-21
Rear Axle Components | Maria Harris |
| | e. | Resolution 2023 – 22
Excess Workers' Compensation Coverage | Keith Shartzter |
| IV. | Proposed Agenda Items / Procurements | Carrie Butler | 2:20– 2:30 |
| | a. | TARC Performance Scorecard | |
| | b. | Legal Services | |
| | c. | Renovation of 925 W. Broadway facility - CANCELLED | |
| | d. | Energy as a Service | |
| V. | Adjournment | | 2:30 |

FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



July 18, 2023 Finance Subcommittee Meeting Minutes

The Finance Subcommittee of Transit Authority of River City (TARC) met on Tuesday, July 18, 2023 at 1:30 p.m. in person at TARC's headquarters, 1000 West Broadway in the Board Room and virtually via teleconference as permitted by KRS 61.826.

Members in Person

Steve Miller

Members Virtual

Michael Schnuerle

Ted Smith

Gary Dryden

Call to Order

Steve Miller called the meeting to order at 1:31 p.m.

Approved the June Finance Committee Meeting Minutes.

Financial Reports

Tonya Carter presented the May 2023 Financial Summary. See Financials in PowerPoint

Board Resolutions

Aida Copic presented Resolution 2023-15 Bus Stop Access Improvements

Public Works 2023 -26 Bus Stop Agreement. This has been a very successful partnership providing better access to Transit across our community. The Public Works Director has agreed to extend the contract. The resolution would be to expand up to \$1.5 million over three years for sidewalk and access improvements, and the funding is provided by the Federal surface and transportation block grant.

Michael Schnuerle asked: "if the \$750,000.00 is going to come from the Block Grant, where's the other \$750,000 coming from? Is that coming from the other partners?"

Aida explained that we actually have \$750,000 available to be used already. These funds were allocated to Federal Transit Administration to be transferred to TARC. However, we continuously apply for grant funding as the applications become open to TARC. We expect that over the next three years, there will be more opportunities to apply and that we will be successful as we were in the past to receive this funding for transit improvements. So, basically, at the moment, we have half of that amount and will spend it system wide with expectations that more grant funding will be available to us.

Michael Schnuerle had a follow up question: "What happens if you don't get grant funding?"

Aida answered that if we won't receive any grant funding, we will spend as much as we have available at the moment. There is kind of a shared responsibility for sidewalk and access improvements between the property owner, Metro Louisville and TARC. So, this relationship gives us the authority to spend 1.5 million dollars of federal funds with the local match provided by other local entities, but it does not require us to spend 1.5 million dollars.

FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



Aida further explained that TARC was actually very successful submitting grant applications and receiving funding for sidewalks and ADA access improvements.

Discussion continued with the recommendation that Pat Mulvihill review the resolution and add any language necessary for clarification before the full Board meeting next week.

Pat Mulvihill presented Resolution 2020-49 Amendment to TARC Handbook. Back in October 2020, TARC did a major rewrite of the handbook and like any sort of document like this one it is evolving version. We always look for improvement. See TARC Handbook in PowerPoint.

A recommendation was made by the Board that all of the changes should be listed in Resolution 2020-49 Amendment, so Board members can review all the changes before voting and signing at the Board meeting.

Pat Mulvihill agreed to include all of the documentation prior to the Board meeting for review.

Carrie Butler presented proposed agenda items and procurement resolutions:

- TARC Performance Scorecard;
- Renovation of 925 W. Broadway facility;
- Energy as a Service;
- Experimental Shared Mobility on Demand;
- Fuel Bid Procurement;
- JCPS Order for additional tickets; and
- Drug & Alcohol Policy Changes.

Ted Smith made a recommendation for the next meeting: "I think we probably should have some regular check-ins on the financial cliff and the end of Covid funding and what that timeline looks like"

Carrie agreed to include the information moving forward.

Steve Miller ddjournalled the meeting at 2:04 p.m.



MEMORANDUM

To: TARC Board of Directors

From: Carrie Butler, Executive Director

Date: August 22, 2023

Re: Resolution 2023-19 – Experimental Shared Mobility on Demand Pilot Project

TARC has been developing plans to offer new Experimental Service beginning with the 2019 Comprehensive Operations Analysis completed in 2021 and then with the completion of the planning study 'Catalog Options to Exurban Locations' (Resolution 2021-15) eventually re-named the Micro Mobility Plan in 2022. During the development of the Fiscal Year 2024 budget, funds were designated for this service. So, with the studies completed and funds budgeted, the TARC team set out to draft a Request for Proposal for services to operate and manage new experimental service that provides customers with a shared mobility on demand ride.

On March 8, 2023 TARC's procurement department released a Request for Proposal (RFP) seeking qualified bidders to provide operational and management services for a variety of new mobility services, including but not limited to shared-mobility, on-demand, micro transit, and/or other new modes of transportation in the Louisville region. The primary areas of service include those that have been difficult and/or costly to serve with fixed route or are currently underserved by fixed route or paratransit service. On May 26, 2023, TARC received a total of six responses and five (5) were responsive to continue to the next step. A committee of seven (7) evaluators evaluated and scored. Out of the five (5) proposals, only four (4) were within the top range and shortlisted. The proposers that were shortlisted were WHC KY dba zTrip, The Routing Company, UZURV and MV Transportation, Inc.

During the coordination of the Step-2 interviews/presentations phase, The Routing Company removed themselves from the process. The remaining three proposers were interviewed by the committee. Following the interviews, the committee determined unanimously that a multi-vendor award had the highest potential for benefits to the community. Additionally, funds became available from the Indiana Department of Transportation, which allows for service to be provided on both sides of the river for the pilot project. The recommendation is to award to MV Transportation and WHC KY dba zTrip.

The following Resolution is two-fold. First it seeks approval for the Executive Director to negotiate contracts with MV Transportation, and WHC KY dba zTrip, of which the final terms will be brought back to the Board for final approval. Second, it allows the Executive Director to begin the process to review the fare structure for this service and to conduct a Service and Fare Equity Analysis, which will also be brought back to the Board for its approval. Please call me at 561-5100 if you have any questions. Thank you.



RESOLUTION 2023-19

Experimental Shared Mobility on Demand Pilot Project

A Resolution recognizing authorizing the Executive Director to enter into negotiations for a multi-vendor award for Experimental Shared Mobility on Demand and to begin a Service and Fare Equity Analysis.

WHEREAS, TARC seeks a vendor or vendors to provide shared-mobility and on-demand services for TARC; and

WHEREAS, a competitive solicitation, request for proposal (RFP) was issued on March 8, 2023 for such services; and

WHEREAS, TARC received five proposals to its RFP and the Evaluation Committee scored and narrowed down the proposals to four to do second round presentations and interviews; however, one of the proposers removed themselves from the process; and

WHEREAS, from those proposals which TARC conducted evaluations and interviews, TARC found that the proposals from MV Transportation, Inc. and WHC KY dba zTrip, were deemed the most responsible and responsive and wish to award a multi-vendor contract with these two entities; and

WHEREAS, TARC will begin the process to develop a fare structure for this service and to conduct a Service and Fare Equity Analysis; and

WHEREAS, TARC will begin negotiations for the service with the 2 entities listed above to come to terms for a multi-vendor contract; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Transit Authority of River City that:

1. The Executive Director is hereby authorized to enter into contract negotiations for a multi-vendor award; and
2. The Executive Director is authorized to develop a fare structure and service and fare equity analysis process.

ADOPTED THIS 22nd DAY OF AUGUST

Ted Smith, Chair of the Board of Directors



MEMORANDUM

To: TARC Board of Directors

From: Carrie Butler, Executive Director

Date: August 22, 2023

Re: Resolution 2021 - 43.3 Third Amendment Management Consulting Services – Indefinite Delivery-Indefinite Quantity (IDIQ)

In November 2021, Resolution 2021-43 authorized the Executive Director to enter into an agreement with TransPro Consulting for Management Consulting Professional Services under an Indefinite Delivery Indefinite Quantity (IDIQ) services contract. The purpose of the services is for TARC to receive consulting support to examine internal operations with a goal to develop a high functioning and effective leadership team to move the agency forward and thus better serve our riders and community as a whole. A first amendment was awarded in April (Resolution 2021-43.1) for a performance appraisal process that is linked to the agency annual strategic plan. A second amendment was awarded in November 2022 (Resolution 2021-43.2) for a series of tasks including a paratransit assessment, Survey work and facilitation of two workshops. One task, the Board Retreat is in process.

This amendment to Resolution 2021-43 is to further support the work plan tactics in the strategic plan in order to best achieve the success outcomes: Customer Experience, Employee Engagement, Financial Health, and Community Value. The tasks include: Building on the prior paratransit assessment and facilitation of workshops and engagement with riders and interested stakeholders to develop components of the scope of work for the next paratransit contract. Another task is to facilitate the Executive Director's annual performance evaluation, which is linked to the strategic plan and associated outcomes. Another task is to incorporate feedback from the Board of Directors and Management team into the Strategic Plan Update for Fiscal Year 2024, and prepare for the 2025 Strategic Plan. Additionally, a request for staff support for project Management is included for up to three months.

Attached is a resolution requesting the Board of Directors to amend the contract with TransPro to add this additional scope of work for the following not-to-exceed amounts:

- Work Order 8 – Strategic Plan Update for FY 2024: \$ 31,502
- Work Order 9 – Executive Director Performance Evaluation: \$ 19,679
- Work Order 10 – Executive Management Team Workshop for 2025: \$ 9,639
- Work Order 11 – Staff Support for Project Management: \$ 24,410
- Work Order 12 - Phase Two Paratransit Assessment: \$ 45,587

Please let me know if you have any questions. Thank you.



RESOLUTION 2021- 43.3

Management Consulting Professional Services Amendment 3

A Resolution authorizing the Executive Director to amend the Trans Pro contract for Management Consulting Professional Services for a not-to-exceed amount of \$ 130,817.

WHEREAS, TARC seeks a management consulting professional services to provide and assist TARC with its transit organizational management, strategic planning and technical capacity; and,

WHEREAS, a competitive solicitation, request for proposal was issued in July 2021 with responses received from interested firms on September 8, 2021; and,

WHEREAS, TARC entered into an Indefinite Delivery-Indefinite Quantity (IDIQ) contract with TransPro for an Initial Term of one (1) year with an option of two (2) additional one-year terms with TransPro Consulting; and,

WHEREAS, TARC desires to add tasks to the contract for continued work on the performance management, strategic planning, and support staffing efforts for a not-to-exceed amount of \$ 130,817; and,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Transit Authority of River City that:

The Executive Director is hereby authorized to amend the contract with TransPro to allow additional tasks to be performed as set out herein at a not-to-exceed amount for these additional tasks of \$130,817.

ADOPTED THIS 22nd DAY OF AUGUST 2023

Chair of the Board of Directors



MEMORANDUM

To: TARC Board of Directors

From: Carrie Butler, Executive Director

Date: August 22, 2023

Re: Resolution 2023-20 Bus Air Suspension Components and Related Supplies (TB 20231807)

On June 20, 2023, the Procurement Department released an Invitation to Bid 20231807 (ITB) for Bus Air Suspension Components and Related Supplies which included fifteen (15) inventory parts. The solicitation intent is to award the contract to the lowest bidder/s. On July 20, 2023 we received responses from five (5) qualified bidders and evaluated all the bids based on the requirements and lowest bid price proposed. Procurement conducted an independent cost estimate based on prior purchase history and market pricing. It was determined an estimated annual spend of \$113,500 may be expected in the coming years.

Based upon the requirement of the solicitation and the proposed lowest bids, the procurement department evaluated the following proposals as being deemed responsive and responsible. On July 20, 2023, the selection was made by the Procurement Department to award a multi-vendor contract based on lowest price proposed, which was less than the estimated annual independent cost estimate, with the award of such contract being the most favorable to TARC to the following vendors:

- Gillig, LLC
- Muncie Transit Supply.
- Neopart
- The Aftermarket Parts Company (NFI)
- Vehicle Maintenance Program

The Procurement Department proposes a multi-vendor award contract for Bus Air Suspension Components and Related Supplies to the above vendors with a total not to exceed amount of \$220,000 for a term of two (2) years.

This Resolution respectfully requests the Board of Directors to authorize the Executive Director to enter into a contract for two years with Gillig, LLC, Muncie Transit Supply, Neopart, The Aftermarket Supply Company (NFI), and Vehicle Maintenance Program for Bus Air Suspension Components and Related Supplies for a not to exceed amount of \$220,000.

Please call me at 561-5100 if you have any questions. Thank you.



RESOLUTION 2023-20

Bus Air Suspension Components and Related Supplies

A Resolution authorizing the Executive Director to enter into a contract for a two (2) year term with Gillig, LLC, Muncie Transit Supply, Neopart, The Aftermarket Parts Company (NFI), and Vehicle Maintenance Program based upon the attached bid pricing for Bus Air Suspension Components and Related Supplies for a total not to exceed amount of \$220,000:

WHEREAS, TARC seeks a vendor or vendors to supply bus air suspension components for TARC's bus fleet; and

WHEREAS, a competitive solicitation, invitation to bid (ITB) was issued on June 20, 2023 for such parts; and

WHEREAS, TARC received proposals from Gillig, LLC, Muncie Transit Supply, The Aftermarket Parts Company (NFI), Neopart and Vehicle Maintenance Program, which were all deemed responsible and responsive and as such, it was most favorable to TARC to offer a multi-vendor award to these vendors; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Transit Authority of River City that:

The Executive Director is hereby authorized to enter into a two (2) year contract with the vendors set forth above based upon their cost submittals to the ITB for bus air suspension components for a total not-to-exceed amount of \$220,000

ADOPTED THIS 22nd DAY OF AUGUST 2023

Ted Smith, Chair of the Board of Directors



MEMORANDUM

To: TARC Board of Directors

From: Carrie Butler, Executive Director

Date: August 22, 2023

Re: Resolution 2023-19 Bus Rear Axle Components and Related Supplies (ITB 20231806)

TARC currently operates 215 Gillig buses with model years ranging from 2008 to 2022, which contain a rear axle with an expected life of six years or 250,000 miles, whichever comes first. On June 20, 2023, TARC Procurement Department issued an Invitation to Bid (ITB) 20231806 Bus Rear Axle Components comprised of six items from bearings to gear and kits and advertised in TARC's Bonfire procurement portal. Procurement team members conducted an independent cost estimate based on prior purchase history and market pricing. It was determined that an estimated annual spend of \$21,500 may be expected in the coming years for rear axle parts.

Four (4) bids were received from Gillig, NeoPart, Muncie and The Aftermarket Parts Company on the bid opening date, July 20, 2023. The pricing submitted was proportionate with the expiring two-year contract for Bus Rear Axle System (P-2778). The Procurement Department has completed a pricing analysis and compliance verification, and has determined that the bids received were all responsive and responsible. As a result, the Procurement Department recommends a multi-bid award to Gillig, NeoPart, Muncie and The Aftermarket Parts Company.

The contract initial term is two (2) years for a total amount of \$44,992 with three (3) additional option years to exercise at TARC's discretion for a total of \$67,488.29 over the 3-year optional terms for a total not to exceed amount of \$112,480.29 over the entire life of the contract.

At this time, this Resolution requests the Board to grant the Executive Director the authority to enter into a two (2) year initial contract with a three (3) year optional extension with the above vendors for rear axle components for a total not-to-exceed amount of \$112,480.29.

Please call me at 561-5100 if you have any questions. Thank you.



RESOLUTION 2023-19

Bus Rear Axle Components and Related Supplies

A Resolution authorizing the Executive Director to enter into a two (2) year initial term with 3 one-year options with Gillig, Neopart, Muncie, and The Aftermarket Parts Company based upon the attached bid pricing for Bus Rear Axle Components and Related Supplies submitted by these respective companies in their proposals:

WHEREAS, TARC seeks a vendor or vendors to supply bus axle components for TARC's bus fleet; and

WHEREAS, a competitive solicitation, invitation to bid (ITB) was issued on June 20, 2023 for such parts; and

WHEREAS, TARC received proposals from Gillig, LLC, Neopart, Muncie Transit Supply, The Aftermarket Parts Company, which were all deemed responsible and responsive; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Transit Authority of River City that:

The Executive Director is hereby authorized to enter into a contract for an initial term of two (2) year with an option of three (3) one-year additional terms with the vendors set forth above based upon their cost submittals to the ITB for bus axle parts for a not-to-exceed amount of \$112,480.29 over the 5-year term of the contract.

ADOPTED THIS 22nd DAY OF AUGUST, 2023

Ted Smith, Chair of the Board of Directors



MEMORANDUM

To: TARC Board of Directors

From: Carrie Butler, Executive Director

Date: August 22, 2023

Re: Resolution 2023 - 22 Excess Workers' Compensation and Employers Liability Insurance Policy

TARC's Workers' Compensation program currently self-insures the first \$500,000 of any claim, including both medical payments and indemnity benefits. The current policy will expire on August 31, 2023. Due to TARC being a self-insured organization, the Kentucky Labor Cabinet requires that TARC maintain an excess insurance policy.

Charles Taylor (formerly The Underwriters Group) is TARC's third party administrator (Resolution 2022 - 32) for workers' compensation and acts as our agent to get quotes for premiums for any Excess Workers Compensation insurance. The current policy for \$298,373 will expire on August 31, 2023. Last year, there were three quotes and the provider selected was Arch Insurance.

This Policy Year 2023/2024, four companies responded were reviewed:

- (1) Arch Insurance with a self-insured retention (SIR) of \$500,000 and a premium of \$285,050
- (2) Chubb with SIR of \$750,000 and a premium over \$350,000
- (3) Safety National with SIR of \$750,000 and a premium over \$300,000
- (4) Midwest Employers expected SIR of \$750,000 and high premium
- (5) USSU/Start provided no feedback

A review and discussion regarding the quotes were conducted with the Chief Financial Officer, Workers' Compensation Coordinator, Director of Safety and Security, and Executive Director. Charles Taylor recommends staying with Arch, who has been the excess insurer for worker's compensation since September 1, 2017 since they provide the best premium at the \$500,000 SIR.

From that discussion, it is hereby recommended that the TARC Board of Directors authorize the Executive Director to enter into a policy with Arch Insurance Company that has a specific retention by TARC of the first \$500,000 on any claim with an annual premium of \$285,050 beginning September 1, 2023.

Please feel free to contact me at 502-561-5100 if you have any questions. Thank you.



RESOLUTION 2023 - 22

Excess Workers' Compensation and Employers Liability Insurance Policy

A resolution authorizing the Executive Director to enter into an excess insurance policy for Workers' Compensation with Arch Insurance Company for the 2023/2024 policy year.

WHEREAS, Kentucky Administrative Regulation (KAR) 803 25:021 requires self-insured employers to have excess coverage for workers' compensation claims, and;

WHEREAS, TARC received four (4) quotes for the 2023/2024 Policy Year from Arch Insurance, Chubb, Midwest Employers, and Safety National, and;

WHEREAS, based on the recommendation of Underwriters Safety and Claims after discussion with the Chief Financial Officer and Executive Director, the best option and value for TARC is the quote submitted by Arch Insurance for the Excess Workers' Compensation and Employers Liability insurance policy with a premium of \$285,050, which will commence on September 1, 2023 and end on September 1, 2024; and;

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of the Transit Authority of River City that;

The Executive Director is authorized to enter into an insurance policy with Arch Insurance Company for an amount not to exceed \$285,050 for the 2023/2024 Policy Year.

ADOPTED THIS 22rd DAY OF AUGUST 2023

Chair of the Board of Directors