

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**

Wednesday, August 20, 2025 at 10:00 a.m.

This meeting may also be 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 20, 2025

- | | | |
|---|---------------------|-------------|
| 1. Quorum Call/Call to Order, Meeting Minutes | Justin Brown, Chair | 10:00 |
| a. Approval of July Meeting Minutes | | 10:00-10:05 |
| 2. Action Items | | 10:05-10:30 |
| a. Resolution 2025-32 Printer & Copier Purchase | Brian Cassady | |
| b. Resolution 2025-33 Worker's Comp Excess Policy | Keith Shartzner | |
| c. Resolution 2025-35 Dan Franklin Continued Contract | Ozzy Gibson | |
| d. Resolution 2025-36 Spectrum Secondary Internet | Joe Triplett | |
| 3. Staff Reports and Presentation | | 10:30-10:35 |
| a. Crowe LLP Audit Update | Matt Abner | |
| 4. Proposed Agenda / Procurements | | 10:35-10:40 |
| a. Procurement Calendar | Matt Abner | |
| 5. Executive Session | Justin Brown | 10:40-10:55 |
| a. Employee Issue | | |
| b. Potential Real Estate Opportunity | | |
| 6. Adjournment | | 11:00 |

FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



July 16, 2025 Finance Committee Meeting Minutes

The Finance Committee of Transit Authority of River City (TARC) met on Wednesday, July 16, 2025 at 10:00 a.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
Alice Houston

Members Virtual

Justin Brown
DuWayne Gant
Michael Schnuerle

Declined

Christy Ames
Ted Smith
Abbie Gilbert

Call to Order

Steve Miller called the meeting to order at 10:02 a.m.

Approved the June Finance Committee Meeting Minutes.

Action Items

Alex Posorske presented Resolution 2025 - 28 Clark & Riggs Printing Facility wide printing services.

- TARC has a myriad of printing needs that stretch across all departments, and represent everything from maintenance forms, to pocket schedules, promotional posters, bus shelter signage, and more.
- To fulfill those needs, TARC entered into a contract (20221763) with Clark and Riggs, a commercial printer based in Louisville, in February 2023 to provide a full range of printing services.
- The final year of the initial three (3) year term is scheduled to expire in February 2026.
- TARC also anticipates that the not-to-exceed amount of the initial contract will be reached in Fall 2025.
- For these two reasons, TARC staff would like to exercise the two additional optional years on the contract with Clark and Riggs and add \$403,000 amount to the contract which will make the new total NTE amount \$653,000.
- TARC has been satisfied thus far with the services provided by Clark and Riggs. In the initial bidding process for the contract in 2022, Clark and Riggs Printing received the highest score of four total proposals. Since taking over the contract, Clark and Riggs has been responsive and prompt on all orders and inquiries.
- TARC is seeking to enter into an agreement with Clark and Riggs printing for facility-wide printing services for the two optional years of the contract 20221763 with an additional \$403,000 added to the NTE amount, for a total of \$653,000 for the five-year life of the contract from February 6, 2023 to February 5, 2028.

The Resolution will move on to the Board.

FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



Alex Posorske presented Resolution 2025-29 Task for New TARC Network Implementation Project Manager and Associated Implementation Activities under Contract 20221780.

- With the June 20, 2025 board approval of the framework for the new TARC network, TARC staff now turns to implementation of the New TARC Network.
- Implementation of a network redesign is a complicated, multi-month, multi-department process with many moving parts. Best practice learned from other transit agencies that have successfully implemented network redesigns is designating and empowering a project manager who can devote most of their time to the effort is critical.
- While TARC has many talented staff members who could technically fulfill this role, no existing staff roles have the flexibility to be able to devote the time necessary, nor does TARC as an agency have prior experience implementing a network redesign.
- Staff recommends contracting with the team that has led the consulting effort for the TARC 2025 process under contract 20221780 A&E consulting services and designate Jarrett Walker + Associates (JWA), as the lead planning consultant for the TARC 2025 process.

The Resolution will move on to the Board.

Melissa Fuqua presented Resolution 2025-30 Brokerage Consulting of Employee Benefits Program Services.

- Since 2020, TARC's benefits program had been managed and coordinated through our third-party brokerage firm, Mercer.
- The contract has been in place since October 2020 and will expire in September 2025.
- Prior to the release of the solicitation, the Procurement Department conducted an independent cost estimate to get an idea of the compensation value.
- Our current contract annual not-to-exceed spend amount is \$150,000 in the form of base commissions funded through insurance carriers and reimbursed by TARC.
- Two (2) brokerage firms, Mercer and Houchens, out of the 4 proposals received garnered the highest scores and were deemed the most responsive and responsible.
- Best and Final Offers were requested from each of the two final proposers.
- Pricing analysis was conducted and the best value proposal price from Mercer was deemed fair and reasonable.
- TARC seeks to negotiate and enter into a contract with Mercer for TARC's Brokerage Consulting Services for Employee Benefits Program Services in the form of commission and funded through insurance carriers and reimbursed by TARC at an initial term of four (4) years with a not to exceed total amount of \$424,000.

DuWayne Gant requested information regarding the process of collecting bids and the review be sent to him.

The Resolution will move on to the Board.

FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



Shirley Dean presented Resolution 2025-31 Bus Electrical Components and Related Supplies.

- The Procurement Department issued an Invitation to Bid (ITB) 20251912 for Bus Electrical Components and Related Supplies that included fifty-one (51) inventory parts.
- TARC received four (4) proposals from the following qualified vendors: Kirk's Automotive, MCI Service Parts, Muncie Transit Supply, and Neopart Transit LLC.
- The Procurement Department conducted an independent cost estimate and found that the lowest pricing for these vendors was less than the estimated annual independent cost estimate.
- The Procurement Department proposes a multi-vendor award contract to Kirk's Automotive, MCI Service Parts, Muncie Transit Supply, and Neopart Transit LLC.
- All companies lowest bid price was determined to be the most favorable to TARC.
- TARC seeks enter into a two (2) year contract with Kirk's Automotive, MCI Service Parts, Muncie Transit Supply, and Neopart Transit LLC with a not-to-exceed amount of \$183,214.

The Resolution will move on to the Board.

Staff Reports and Presentations.

Tonya Day presented the Triannual Review Update.

Tonya Day presented the Procurement Calendar.

Steve Miller adjourned the meeting at 10:31 a.m.

ADOPTED THIS 20th DAY OF AUGUST, 2025.

Steve Miller, Chair of the Finance Committee

MEMORANDUM

To: TARC Board of Directors

From: Ozzy Gibson, Executive Director

Date: July 23, 2025

Re: Resolution 2025 – 32 PRINTER PURCHASE AND SERVICE (RFQ 20251928)

For the past decade, TARC has utilized Lang Company as our printer and copier service provider. In July 2024, Lang Company was acquired by Marco, a national printer and copier provider out of Minnesota, and has since increased its pricing.

This past June, the Procurement Department issued a Request for Quote (RFQ) 20251928 for the purchase and servicing of TARC's printer and copier equipment and was advertised in TARC's Bonfire. The department conducted an independent cost estimate to forecast the cost of the printer purchase and support services. On June 21, 2025, TARC received proposals from six (6) responsive and responsible vendors. Staff from several departments evaluated and independently scored the six proposals. Four (4) proposals were short-listed. The four vendors short-listed were Prosource, Visual Edge, Marco Technologies, and Konica Minolta.

A request for clarification in the form of a survey of technical features and functionalities were requested from the short-listed proposers. After a review of the technical survey questionnaire, the evaluation committee once again rated the four proposals. Factors considered during the evaluation process included features and functionality, references, and costs. Additionally, a Best and Final Offer (BAFO) was requested from each of the four (4) short-listed proposers. After scoring and careful consideration, the evaluation committee unanimously recommends an award to Prosource for an initial term of three (3) years with two (2) optional one-year renewals. The total term life of the contract is five (5) years.

Prosource's proposal presented a significantly more cost-effective and best value solution to TARC. Prosource pricing includes the following:

1. Initial three (3) year term service and maintenance include all toner supplies \$102,220.
2. Optional two (2) year term service and maintenance include all toner and supplies \$68,146.
3. Printer and copier equipment purchase and replacement pricing refer to Exhibit B-Pricing Form.

This Resolution seeks approval for the Board of Directors to authorize the Executive Director to negotiate and enter into a contract for an initial term of three (3) years in the amount of \$102,220 with an option of two (2) one-year renewals in the amount of \$68,146. A total of not-to-exceed amount of \$170,366 is expected over the life of the contract.

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

RESOLUTION 2025-32 PRINTER PURCHASE AND SERVICE

A Resolution authorizing the Executive Director to negotiate and enter into a contract with Prosource for an initial term of three (3) years in the amount of \$102,220 and an option of 2 one (1) year renewals in the amount of \$68,146 with a total life of the contract not-to-exceed \$170,366. Printer and copier equipment purchase and replacement pricing as agreed upon by both parties.

WHEREAS, TARC seeks a qualified provider to furnish new printer equipment and provide ongoing service and maintenance for its printer and copier fleet; and

WHEREAS, six (6) responsive proposals were received from providers of printer and copier equipment and services; and

WHEREAS, an evaluation committee comprised of knowledgeable TARC staff from relevant departments evaluated and scored each of the proposals; and

WHEREAS, four (4) proposals were shortlisted and progressed to Step-2; and

WHEREAS, following the Step-2 procurement and completion of the technical questionnaire, the evaluation committee evaluated and scored the four (4) proposals, which were determined to fall within a competitive range, and thus were deemed fair and reasonable; and

WHEREAS, Best and Final Offers were requested from each of the shortlisted proposers; and

WHEREAS, the evaluation committee recommends an award to Prosource as the best value solution for TARC; 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 negotiate and enter into a contract with Prosource for an initial term of three (3) years in the amount of \$102,220 and an option of two one (1) year renewals in the amount of \$68,146 with a total life of the contract not-to-exceed \$170,366. Printer and copier equipment purchase and replacement pricing as agreed upon by both parties.

ADOPTED THIS 26TH DAY OF AUGUST 2025

Abbie Gilbert, Chair of the TARC Board of Directors

MEMORANDUM

To: TARC Board of Directors

From: Ozzy Gibson, Executive Director

Date: August 26, 2025

Re: Resolution 2025-33 Workers' Compensation Excess Insurance Policy (20251956)

TARC's Workers' Compensation Excess Insurance Policy currently self-insures the first \$500,000 of any claim, including both medical payments and indemnity benefits. Due to TARC being a self-insured organization, the Kentucky Labor Cabinet requires that TARC maintain an excess insurance policy. Higginbotham is our insurance agent for workers' compensation excess insurance claims acquiring premium quotes on our behalf. The current policy of \$288,877 will expire on August 31, 2025.

Higginbotham provided four (4) quotes to TARC. Based on quotes received from Midwest Employers, Safety National, Arch, and Chubb, Arch provided the best value we are seeking. A pricing analysis was conducted comparing the four (4) quotes received. A review and discussion regarding the quotes were conducted by Finance, Executive and Safety Security staff. Arch has presented the most economical and viable estimate; thus, staff is recommending to award the contract to Arch, who have been the excess insurer for workers' compensation since September 1, 2017. TARC has deemed \$384,796 annual premium price as being fair and reasonable.

This Resolution seeks approval for the Board of Directors to authorize the Executive Director to negotiate and enter into a policy agreement with Arch Insurance Company that has a specific retention by TARC of the first \$500,000 on any claim with an annual premium of \$384,796 beginning September 1, 2025.

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

RESOLUTION 2025-33

WORKERS' COMPENSATION EXCESS INSURANCE POLICY

A Resolution authorizing the Executive Director to negotiate and enter into a policy agreement with Arch Insurance Company that has a specific retention by TARC of the first \$500,000 on any claim with an annual premium of \$384,796 beginning September 1, 2025.

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

WHEREAS, based on the recommendation of Higginbotham Insurance agent, and after discussion with the department staff, TARC has deemed \$384,796 annual premium price as fair and reasonable based on the pricing analysis conducted of the four (4) quotes (20251956) acquired and provided by Higginbotham; and

WHEREAS, Arch Insurance Company provided the best value to TARC for the Workers' Compensation Excess Insurance Policy which shall commence on September 1, 2025 and end on September 1, 2026;

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 negotiate and enter into a policy agreement with Arch Insurance Company that has a specific retention by TARC of the first \$500,000 on any claim with an annual premium of \$384,796 beginning September 1, 2025.

ADOPTED THIS 26TH DAY OF AUGUST 2025

Abbie Gilbert, Chair of the TARC Board of Directors

MEMORANDUM

To: TARC Board of Directors

From: Ozzy Gibson, Executive Director

Date: August 26, 2025

Re: Resolution 2025-35 Professional Service Agreement #20241897

In November of 2024, TARC entered into a one-year agreement with Dan Franklin to be a Senior Advisor of Operations (no. 20241897). On August 12, 1998, Dan started at TARC as the Director of Safety and was then promoted to Director of Transportation on August 29, 2005. He retired in 2018 after 20 years of service. Due to his wealth of knowledge and history, we sought his guidance to help steer TARC and the Transportation Department in a more effective direction. While serving as the Senior Advisor, we asked him to step into the Interim Director of Transportation role due to the position being vacant (Amendment no. 1 to Agreement no. 20241897). The Director of Transportation position remains open and, as a result, while TARC continues looking into filling the position, we ask for Board approval to enter into an amendment to the original contract no. 20241897 to amend the duration and the not to exceed amount of such contract, beginning September 10, 2025.

Since Dan has been at TARC, TARC has made 100% pull out daily and there has been a drastic drop in missed miles as seen in monthly Board meetings. On time performance continues to improve and be in line with peer agencies. He has streamlined line processes and worked with the team to be more efficient. He continues to work with the team on training, coaching, looking at routes to improve on time performance and working toward our organizational goals for this coming year. TARC would like to amend the current agreement with an additional \$70,000 with a new annual not to exceed amount of \$170,000 for a one-year term with the option to exercise two (2) one (1) year extensions through a properly executed amendment.

This Resolution seeks approval for the Board of Directors to authorize the Executive Director to amend contract no. 20241897 with Dan Franklin to be a one-year contract with the option of two (2) additional one (1) year extensions for an annual not to exceed amount of \$170,000. This would cover full time projects or special projects based upon the scope and hourly amounts agreed to by both parties as he continues to assist TARC.

Please call me at (502) 561-5100 if you have any questions. Thank you.

RESOLUTION 2025-35 PROFESSIONAL SERVICE

A Resolution authorizing the Executive Director to amend the current contract with Dan Franklin for Senior Advisor to an annual not to exceed amount of \$170,000.

WHEREAS, TARC seeks his professional services and knowledge on different levels and scopes;

WHEREAS, Dan Franklin is currently serving as the Interim Director of Transportation until the position is filled; and

WHEREAS, the original not to exceed amount of contract no. 20241897 has been exceeded;

WHEREAS, it is in the best interest of TARC to amend his current contract and enter into a one-year agreement with the option of two (2) one (1) year extensions for a new annual not to exceed amount of \$170,000; and

WHEREAS, Dan Franklin continues to make improvements and assist TARC as seen in the monthly reports to the Board; 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 current contract with Dan Franklin and enter into a one-year contract with the option of two (2) one (1) year extension for an annual not to exceed amount of \$170,000 for professional services beginning September 10, 2025.

ADOPTED THIS 26TH DAY OF AUGUST 2025

Abbie Gilbert, Chair of the TARC Board of Directors

MEMORANDUM

To: TARC Board of Directors

From: Ozzy Gibson, Executive Director

Date: August 26, 2025

Re: Resolution 2025-36 Spectrum Secondary Internet Connection and Two Point-to-Point Fiber Connections - Single Source #20251963

The purpose of this resolution is to provide updated authority for TARC to enter into an agreement with Spectrum, a single source procurement, to move our current fiber connection between Union Station and our 29th St. facilities. TARC has utilized Spectrum for the current connection since 2016. The original procurement included another provider such as AT&T. Based on cost and service deliverables, Spectrum provided the best value to TARC and pricing was deemed fair and reasonable. In 2020, as Single Source procurement, Spectrum provided a secondary Internet connection as a failover/backup to TARC's primary Internet connection through Lumen.

While meeting with Spectrum to discuss moving our current connection between Union Station and the NIA Center, we also discussed the possibility of a second connection between Union Station and our Car Hoist facility at 925 W. Broadway. This fiber connection would replace the current wireless bridge providing a more reliable connection and faster speeds.

Spectrum reviewed the possibilities of moving the current connection and running the second connection. Spectrum provided multiple proposals and after reviewing the options the staff elected the following options:

- Spectrum to move the current connection from the NIA Center to TARC's facility at 2905 W. Broadway, while increasing the connection speed from 1GB to 2GB.
- To replace the wireless bridge with a fiber connection between Union Station and the Car Hoist facility. Increasing the speed of our failover/backup Internet connection to 2GB.
- Total cost of installation on all location is \$850.00
- Monthly subscription of \$3,790.00 for all of the changes listed
- Total monthly savings of \$239.00 and estimated contract term total savings of \$14,340.00

This Resolution seeks approval for the Board of Directors to authorize the Executive Director to enter into a five (5) year agreement with Spectrum Business to provide the services as described with a total not-to-exceed amount of \$240,000.00.

Please call me at 502-561-5100 if you have any questions. Thank you.

Resolution 2025-36 Spectrum Secondary Internet Connection and Two (2) Point-to-Point Fiber Connections - Single Source

A Resolution authorizing the Executive Director to enter into a five (5) year agreement with Spectrum Business to provide the services as described with a not-to-exceed amount of \$240,000.00.

WHEREAS, Transit Authority of River City (TARC) seeks to move their connection between Union Station and our 29th St facilities; and

WHEREAS, TARC initiated a renewal single source procurement and pricing analysis for Spectrum's services; and

WHEREAS, TARC seeks to award a single source contract for five (5) years of scheduled pricing from Spectrum that was deemed fair and reasonable; 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 single source contract of a term of five (5) year agreement with Spectrum Business based upon the scheduled pricing not-to-exceed amount of \$240,000.00.

Adopted this 26th day of August 2025

Abbie Gilbert, Chair of the TARC Board of Directors

The Procurement Calendar will be available during the Finance Committee Meeting.