

DULUTH TRANSIT AUTHORITY

2402 West Michigan Street * Duluth, MN * (218) 722-4426

Board of Directors Meeting

Wednesday, November 30, 2016

DTA Board Room

Approximately at 5:30 p.m.

MINUTES

Committee Present: John Brostrom, President Wayne Nelson, Secretary/Treasurer Thomas Griffin	Rondi Watson Deb Putney Leslie Evans	Committee Excused: Don Simons Aaron Bransky, Vice President	Committee Absent:
DTA Staff Present: Dennis Jensen, General Manager Carla Montgomery, Director of Finance Rod Fournier, Director of Operations	Nancy Brown, Procurement Manager Lisa Paczynski, Administrative Assistant Heath Hickok, Director of Marketing		
Others Present:			

Call to Order: President Brostrom called the meeting to order at 5:27 p.m.

Approval of Minutes

- * October 26, 2016 Board of Directors & Committee Meetings Minutes: A motion was made by Director Watson and seconded by Director Griffin to approve the October 26th Board of Directors & Committee Meeting minutes. Motion carries.
- * November 17, 2016 Special Board of Directors Meeting Minutes: A motion was made by Secretary/Treasurer Nelson and seconded by Director Griffin to approve the November 17th Special Board of Directors Meeting minutes. Motion carries.

Action Items

- * Resolution No. 151 – Purchase Agreement with Sterling Properties Michigan Street Ramp LLC: A motion was made by Secretary/Treasurer Nelson and seconded by Director Griffin to approve the Board of Directors November 30, 2016 Resolution No. 151 concerning the purchase Sterling Properties' interest of the Michigan Street Ramp LLC. Resolution carries.

NOVEMBER 2016 - RESOLUTION NO. 151

A Resolution approving the terms and conditions of the Purchase Agreement and the Parking Rights Agreement and all other necessary documents for the purchase of the interest of Michigan Street Ramp LLC and authorizing DTA staff to finalize the payment for this purchase

Whereas; the Duluth Transit Authority and Sterling Properties LLLP have established the Michigan Street Ramp LLC; and

Whereas, Sterling Properties LLLP has indicated a desire to sell its interest in the Michigan Street Ramp LLC to the Duluth Transit Authority; and

Whereas, DTA staff have determined that the 100% ownership of the Michigan Street Ramp LLC to be of long term benefit to the financial and operating interests of the DTA; and

Whereas, terms and conditions of the purchase have been negotiated to the satisfaction of both parties; Now, therefore, be it resolved that the Duluth Transit Authority Board of Directors approves the terms and conditions of the Purchase Agreement and related documents, and

Be it further resolved that the Duluth Transit Authority Board of Directors authorizes DTA General Manager Dennis E. Jensen to initiate payment in the amount of \$2,600,000 to Sterling Properties LLLP to complete the purchase of the interest of Michigan Street Ramp LLC.

PASSED AND ADOPTED THIS 30TH DAY OF NOVEMBER 2016 BY THE BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

- * Resolution No. 146 – First Transit Management Contract Approval: A motion was made by Director Evans and seconded by Director Griffin to approve the Board of Directors November 30, 2016 Resolution No. 146 concerning the award of a contract for DTA Management services to First Transit. Resolution carries.

NOVEMBER 2016 - RESOLUTION NO. 146

Concerning the Management Services Contract with First Transit Inc.

Whereas, pursuant to Resolution No. 142 adopted on October 26, 2016, the Duluth Transit Authority (“DTA”) awarded Management Services work to First Transit, Inc.; and

Whereas, the parties have now negotiated all the terms of the Management Agreement.

Now, therefore, be it resolved, that the DTA hereby ratifies the Amendment to Management Agreement, in the form of that attached hereto, with First Transit, Inc. extending the term of the existing Management Agreement with First Transit for a period of one month, until November 30, 2016.

Be it further resolved, that the DTA hereby authorizes the Management Agreement, in the form of that attached hereto, with First Transit, Inc. for a five-year term beginning December 1, 2016, with an option for the DTA to extend the term for an additional five years.

PASSED AND ADOPTED THIS 30TH DAY OF NOVEMBER 2016 BY THE BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

- * Resolution No. 147 – Surplus Bus (4 Qty.) Disposal Authorization: A motion was made by Director Watson and seconded by Secretary/Treasurer Nelson to approve the Board of Directors November 30, 2016 Resolution No. 147 concerning the disposal of four 2004 Gillig regular route buses.

NOVEMBER 2016 - RESOLUTION NO. 147

Concerning the disposition of four 2004 model Gillig regular route buses.

Whereas: the buses have met their 12-year useful life and have been replaced by new buses; and

Whereas; the value of the buses is less than \$5,000.00 each; and

Whereas, leasing surplus buses to other transit agencies provides income to the DTA and assists those properties in meeting their customer needs;

Whereas, the terms of the lease will be for a sum of \$4,999.00 each with an option for a lump sum payment at any time during the term of the lease;

Whereas, upon payment of the lease terms, the ownership of the bus will transfer to the lessee;

Now, therefore, be it resolved that the DTA hereby approves leasing four 2004 model Gillig regular route buses to other transit agencies in need of buses.

PASSED AND ADOPTED THIS 30TH DAY OF NOVEMBER 2016 BY THE BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

- * Resolution No. 148 – Transit Master Software Upgrade: A motion was made by Director Watson and seconded by Secretary/Treasurer Nelson to approve the Board of Directors November 30, 2016 Resolution No. 148 concerning the approval of an upgrade to the Transit Master Software. Secretary/Treasurer Nelson asked if these upgrades should be purchased right up front. Staff person Brown replied software is continually changing and it is best for IT to determine whether or not an upgrade is necessary before purchasing it. Manager Jensen added it is normal to purchase software and upgrades are required soon after.

NOVEMBER 2016 - RESOLUTION NO. 148

Concerning Upgrading the Transit Master Software.

Whereas, the DTA is currently on an older version of Transit Master and is not able to fully utilize the software; and

Whereas, the DTA has a sole source IDIQ contract with Trapeze Group,

Whereas, the DTA staff has analyzed the costs of the upgrade and determined them to be fair and reasonable;

Now, therefore, be it resolved, that the DTA hereby awards the Transit Master upgrade to Trapeze Group in the amount of \$101,508.34.

PASSED AND ADOPTED THIS 30TH DAY OF NOVEMBER 2016 BY THE BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

- * Resolution No. 149 – DTA Advertising Policy Approval: A motion was made by Secretary/Treasurer Nelson and seconded by Director Watson to approve the Board of Directors November 30, 2016 Resolution No. 149 concerning the approval of the DTA advertising policy. Resolution carries.

NOVEMBER 2016 - RESOLUTION NO. 149

Concerning the approval of the DTA Advertising Policy.

Whereas, the DTA has an active transit advertising program;

Whereas, the DTA wishes to establish standards for advertising on DTA properties;

Whereas the DTA Board of Directors and the City Attorney have reviewed the DTA Advertising Policy;

Now, therefore, be it resolved that the DTA hereby adopts the DTA Advertising Policy as presented.

PASSED AND ADOPTED THIS 30TH DAY OF NOVEMBER 2016 BY THE BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

- * Resolution No. 150 – Electrical Equipment Installations Approval: A motion was made by Director Evans and seconded by Director Griffin to approve the Board of Directors November 30, 2016 Resolution No. 150 concerning the award of a contract for electrical equipment installation. Resolution carries

NOVEMBER 2016 - RESOLUTION NO. 150

Concerning award of Electrical Equipment Installations.

Whereas, the DTA properly bid this out;

Whereas, the DTA received three responsive and responsible bids for door assists and pay machine installations, and two responsive and responsible bids for camera installations.

Whereas, the DTA staff has analyzed the costs of the installations and determined them to be fair and reasonable;

Now, therefore, be it resolved, that the DTA hereby awards the door assists to Benson Electric in the amount of \$20,500.00, and pay machine installation and camera installation to Hunt Electric in the amount of \$39,562.00. Total of these awards are \$60,062.00.

PASSED AND ADOPTED THIS 30TH DAY OF NOVEMBER 2016 BY THE BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

- * Resolution No. 152 – New Year’s Eve Services and Free Fares Approval: Manager Jensen explained that in past years, the DTA has partnered with Miller Brewing to provide this service as a way of promoting safe and responsible driving during the New Year’s holiday. Miller Brewing will compensate the DTA for this expanded service and lost revenue. In answer to Director Watson, there were over 2,000 passengers that utilized this service last year. A motion was made by Director Watson and seconded by Director Griffin to approve the New Year’s Eve services and fares. Resolution carries.

NOVEMBER 2016 - RESOLUTION NO. 152

Concerning the New Year’s Eve Services and Fares.

WHEREAS, the DTA will be expanding late night bus operations and offering free fares after 5:00 P.M. on New Year’s Eve, and

WHEREAS, the DTA will be compensated by Miller Brewing for the expanded service and lost revenue. NOW, THEREFORE, BE IT RESOLVED, That the DTA Board of Directors hereby approves expanding services on New Year’s Eve, and

BE IT FURTHER RESOLVED, That the DTA Board of Directors hereby approves free fares on New Year’s Eve after 5:00 P.M.

PASSED AND ADOPTED THIS 30TH DAY OF NOVEMBER 2016 BY THE BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

- * Motion to Approve Christmas Eve Services Curtailment: A motion was made by Director Evans and seconded by Director Griffin to approve the curtailment of Christmas Eve services, which is the last bus on each route that departs downtown prior to 7:10 p.m. Motion approved.

Old Business

- * Grocery Bins: In response to Secretary/Treasurer Nelson, bus operators have reported the curbside bin sticks out a bit, and passengers tend to lean or grab it, thus causing it to crack. DTA staff removed the cracked curbside bins and have decided to not replace them. Also, signs had to be posted that the bins are intended to store only groceries. The number of passengers using the bins is non-significant and has not increased ridership. The Tuesday before Thanksgiving the grocery route recorded record ridership (double the normal ridership). However, the service does not see high ridership on a regular basis.

New Business

- * Teamster’s Local 346 Contract: The DTA received a letter from the Teamsters officially opening union contract negotiations. DTA staff will keep Board members informed as discussions progress.

- * DTA Employee Information: Manager Jensen reported the pedestrian that was struck and killed by a car last Friday was the daughter of DTA employee, Shelly Amos. The funeral was held today.
- * DTC Dedication: Last week, a plaque was presented to Manager Jensen dedicating the Duluth Transportation Center in his name. Manager Jensen thanked the Board for this recognition and is honored.

Public Comment

- * None.

Announcements

- * December Employee of the Month: The Employee of the Month Committee has selected Bus Operator, Tom Muntean, as the DTA Employee of the Month for December of 2016. Tom has maintained excellent attendance and safety records and recently received a commendation from UMD students for his helpfulness at the beginning of the new school year. He was hired as a part-time Bus Operator in November of 2011 and was promoted to full-time in December of 2012. This is Tom's first DTA Employee of the Month Award. Being born and raised in St. Paul, Tom attended Harding High School and graduated in 1972. Upon graduation, he enrolled at the 916 Vo-Tech School in White Bear Lake where he studied horticulture. He received a certificate of completion from there in 1976 and began working at a plant nursery soon after. In 1978, Tom accepted a position with the MN Department of Natural Resources (DNR) and moved to the North Shore of Lake Superior to work at the Temperance River State Park. He worked there for the DNR through 1990. In 1991, Tom began working at the LTV Steel Mining Company in Taconite Harbor. He held this position through 2001. Then, Tom received his Charter Fishing License after attending school at Superior Marine Training. After that, he was a charter fishing boat captain in Duluth from 2001 through 2011 before joining the DTA. Tom currently resides in Two Harbors where he has lived in a house on the scenic North Shore Drive for almost five years. He has one adult child, Emily, who is 24 years old and lives in Silver Bay. She recently had a little girl named, Rorie, who is now three months old. In his spare time, Tom enjoys fishing for lake trout and salmon on Lake Superior in his 24 foot Hewes Craft aluminum boat. He also likes to snowmobile in the winter months on the North Shore Trail. In the summertime, you'll find Tom riding his Honda Goldwing motorcycle along the South Shore of Lake Superior on his way to Bayfield. He also loves to camp in Herbster, Wisconsin and in the Superior National Forest. Tom really appreciates his position at the DTA. He is a people person who tries to make every single day enjoyable for his passengers. "I like to just make my passengers smile," said Tom. "Working at the DTA is a good job." Tom continued. The DTA commends Tom Muntean for his dedicated professionalism and congratulates him on being selected Employee of the Month for December of 2016!
- * The next Board of Directors and Committee Meetings are scheduled for December 28, 2016.

Adjournment

With there being no further business, a motion was made by Director Griffin and seconded by Director Evans to adjourn the November 30, 2016 regular Board of Directors and Committee Meetings. The motion was unanimously carried – meeting adjourned at 5:58 p.m.

Respectfully submitted,

Lisa Paczynski