
**MINUTES OF PVTA'S
ADVISORY BOARD MEETING
November 15, 2017**

The Advisory Board Meeting of the Pioneer Valley Transit Authority was held on Wednesday, November 15, 2017 at the Pioneer Valley Transit Authority Office located at 2808 Main Street in Springfield, MA, at 12:00 P.M.

1. ROLL CALL

	<i><u>Present (46.53 vote)</u></i>	<i><u>Not Present (15.46 vote)</u></i>
Agawam		Richard Theroux
Amherst	Douglas Slaughter	
Belchertown		Brian O'Leary
Chicopee		Steve Huntley
East Longmeadow	Carolyn Brennan	
Easthampton		Mayor Karen Cadieux
Granby	Jessica Langlois	
Hadley	David Moskin	
Hampden		Becky Moriarty
Holyoke	Mayor Alex Morse	
Leverett		Peter D'Errico
Longmeadow	Mark Gold	
Ludlow		Brian Mannix
Northampton	Mayor David Narkewicz	
Palmer	Paul Burns Johnson	
Pelham		William Martell
South Hadley	Marilyn Ishler	
Springfield	Anthony Wilson	
Sunderland	Sherry Patch	
Ware	Nancy Talbot	
West Springfield	Jim Czach	
Westfield	Peter Miller	
Wilbraham	Paula Dubord	
Williamsburg		J.M. Sorrell
ADA Representative		TBD
Rider Representative	Patrick Burke	

A quorum of 31.01 majority vote being present, Chairman Mayor Narkewicz called the meeting of PVTA's Advisory Board to order at 12:02 PM; majority vote of 46.53 present.

2. PUBLIC COMMENT

Chairman Mayor Narkewicz opened the floor for public comments. No Public Comments were made.

3. APPROVAL OF MINUTES

Chairman Mayor Narkewicz asked for a motion from the Advisory Board to approve the meeting minutes from the Regular Advisory Board Meeting on September 20, 2017.

Motion: Moved and seconded (Talbot/Gold) to approve the meeting minutes from the Regular Advisory Board Meeting on September 20, 2017.

Chairman Narkewicz asked if the Board had any discussion. Hearing none. Chairman Narkewicz asked all those in favor to say aye.

Paul Burns abstained

Motion passed by a majority vote.

4. REPORT OF THE FINANCE & AUDIT COMMITTEE

David Moskin, member of the Finance & Audit Committee reported the following:

The Finance & Audit Committee met on Monday, November 13th at 10:00am. The committee voted to approve the Finance & Audit Minutes of September 20, 2017 and voted to recommend creation of an OPEB (other post-employment benefits) Trust to the Board.

The committee received a report on the 5-year capital budget and the 5-year operating budget from the Chief Financial Officer.

The committee also received a presentation on fare increase scenarios and service reduction scenarios.

Chairman Mayor Narkewicz asked if the Board had any discussion. Hearing none. Chairman Mayor Narkewicz asked for a motion from the Advisory Board to accept the report of the Finance & Audit Committee.

Motion: Moved and seconded (Wilson/Talbot) to accept the report of the Finance & Audit Committee.

Chairman Mayor Narkewicz asked if the Board had any discussion. Hearing none, asked all those in favor to say aye.

Motion passed by a unanimous vote.

5. REPORT OF THE ROUTE COMMITTEE

Jim Czach, member of the Route Committee, reported that the route committee met on Monday, November 13th at 11:30am. The committee did not have a quorum, and met for informational purposes.

Chairman Mayor Narkewicz asked for a motion from the Advisory Board to accept the report of the Route Committee.

Motion: Moved and seconded (Talbot/Ishler) to accept the report of the Route Committee.

Chairman Mayor Narkewicz asked if the Board had any discussion. Hearing none. Asked all those in favor to say aye.

Motion passed by a unanimous vote.

6. REPORT OF THE PARATRANSIT COMMITTEE

Carolyn Brennan, Chairperson of the Paratransit Committee, reported that the Paratransit Committee met on Wednesday, November 15th at 10:30am. The Committee did not have a quorum and met for informational purposes.

Chairman Mayor Narkewicz asked for a motion from the Advisory Board to accept the report of the Paratransit Committee.

Motion: Moved and seconded (Burns/Talbot) to accept the report of the Paratransit Committee.

Chairman Mayor Narkewicz asked if the Board had any discussion. Hearing none, asked all those in favor to say aye.

Motion passed by a unanimous vote.

7. OPEB TRUST

Chief Financial Officer, Patricia O’Leary reported the following:

Other Post-Employment Benefits (OPEB) refer to benefits other than pensions that employees receive after they retire. By far, the most significant of these is health insurance, but may also include life insurance, dental or other benefits paid after an employee’s retirement.

Similar to an employee’s pension benefits, OPEB are earned during the employee’s active working career, but are not actually paid until after the employee retires. GASB directed that these future costs no longer be accounted for on a pay-as-you-go basis, but rather these liabilities must be recognized as they are earned.

The growing impact of OPEB disclosure on the PVTA financial statements has been a concern for some time. Last year, in anticipation of GASB Statement 75, PVTA began to develop the framework for a long-term strategy to appropriately address the growing concerns of these liabilities. Pursuant to the effective date of the Massachusetts Modernization Act on November 7, 2016 which updates OPEB Trust Fund guidelines of MGL Chapter 32, Section 20 and provides an expanded definition of "governmental unit" to include any political subdivision of the Commonwealth. PVTA has been planning the initial formation of an OPEB trust prior to June 30, 2018 (the effective date of Statement 75), based on a variable funding strategy, which we expect to reduce the costs of the current pay-as-you-go plan along with its associated balance sheet liability over the long term.

The primary reason to form an OPEB Trust is to harness investment returns to help pay for benefits. In the absence of a dedicated trust fund, PVTA pays for OPEB benefits on a “pay as you go” basis as eligible participants retire and receive those benefits. Once a trust is established, the PVTA can fund the OPEB benefits each year while the participant is working, and those accumulated contributions, together with investment returns compounded over the participant’s career, are designed to fully pay for the OPEB benefits that the participant is expected to enjoy during retirement.

Mark Gold: Are there guidelines for if, when, and how to withdrawal funds and to what extent.

CFO O'Leary: Koppelman & Paige, P.C. has drafted the OPEB document included in your Board packet.

Mark Gold: There should be a policy giving guidelines for OPEB and I would ask our Finance & Audit Committee to put together a policy of withdrawing funds.

Doug Slaughter: The primary reason is the liability on the balance sheet looks better. We would need to decide the amount of operating funds to put in the trust.

CFO O'Leary: There will be a policy before any funds are ever put in the trust.

Nancy Talbot: Glad we are doing this, it looks favorable for borrowing.

Chairman Narkewicz asked for a motion from the Advisory Board to form an OPEB Trust with further work to be done establishing policy guidelines.

Motion: Moved and seconded (Moskin/Ishler) to form an OPEB Trust with further work to be done establishing policy guidelines.

Chairman Mayor Narkewicz asked if the Board had any discussion. Hearing none, asked all those in favor to say aye.

Motion passed by a unanimous vote.

8. PUBLIC PARTICIPATION PLAN

David Elvin of the Pioneer Valley Planning Commission (PVPC) stated that PVTA piggy backed on PVPC's Public Participation Plan (PPP). FTA guidelines are stricter for PVPC; some of the information included does not apply to PVTA.

This public participation plan that was included in your Board Packet was developed and adopted through the following process:

- PVTA's current public hearing policy (adopted September 23, 2015) was reviewed for consistency with peer agency policies, best practices, and lessons learned from prior iterations of the policy. A revised version of the PVTA public hearing policy was developed and presented to the Advisory Board with this plan. The proposed revised policy is included as Appendix 1.
- The Public Participation Plan of the Pioneer Valley MPO, which has functioned as PVTA's public participation plan, was reviewed to determine which elements were relevant and applicable to PVTA's service area and legal obligations. These sections were retained for inclusion in this plan.
- PVTA consulted with the following local agencies and community based organizations to review a draft of this plan so that their comments could be incorporated:
 - Pioneer Valley Regional Coordinating Council
 - Joint Transportation Committee of the Pioneer Valley MPO
 - Arise for Social Justice

- PVTA posted the full copy of this draft plan on the PVTA website (www.pvta.com) along with a summary.
- Email notifications of the availability of the draft PPP for review were sent to all PVTA Advisory Board Members, Town Clerks, relevant agencies, and others.
- A telephone comment line was set up to receive recorded messages of up to 3 minutes about the plan.
- A dedicated email address was set up to receive comments about the draft PPP.
- Four public meetings and listening sessions were held to offer additional opportunities for in-person feedback.
- A rider survey was conducted in October which received 161 responses.
- A summary of public comments received and revisions made to the draft PPP in response to comments was presented to PVTA Advisory Board.

Chairman Narkewicz asked if the Board had any discussion.

Paul Burns: We should have notices in additional languages beyond English and Spanish to be more proactive to hit all the demographics.

Chairman Narkewicz asked if the Board had any opposition to adding that additional language to PVTA's Public Participation Plan and appendices. Hearing none.

Chairman Narkewicz asked for a motion from the Board to approve PVTA's amended Public Participation Plan that includes added language that notices posted are in additional languages beyond English and Spanish.

Motion: Moved and seconded (Burns/Talbot) to approve PVTA's amended Public Participation Plan that includes added language that notices posted are in additional languages beyond English and Spanish.

Chairman Mayor Narkewicz asked if the Board had any discussion. Hearing none, asked all those in favor to say aye.

Motion passed by a unanimous vote.

9. PUBLIC HEARING POLICY

Chairman Narkewicz asked for a motion from the Board to approve PVTA's amended Public Hearing Policy that includes added language that notices posted are in additional languages beyond English and Spanish.

Motion: Moved and seconded (Burns/Talbot) to approve PVTA's amended Public Hearing Policy that includes added language that notices posted are in additional languages beyond English and Spanish.

Chairman Mayor Narkewicz asked if the Board had any discussion. Hearing none. Asked all those in favor to say aye.

Motion passed by a unanimous vote.

10. PVTA DISPARATE & DISPROPORTIONATE IMPACTS POLICY

David Elvin stated the following:

PVTA defines a disparate impact as a situation in which a proposal for a fare change or fare media change or service reduction or alteration or new construction project would have an adverse impact or impacts that would likely be experienced by a proportion of PVTA customers of color that is 20% or more larger than the proportion of white PVTA customers who could also be expected to experience the same adverse impact or impacts.

PVTA defines a disproportionate impact as a situation in which a proposal for a fare change or fare media change or service reduction or alteration or new construction project would have an adverse impact or impacts that would likely be experienced by a proportion of PVTA customers considered to have low-incomes that is 20% or more larger than the proportion of non-low-income PVTA customers who could also be expected to experience the same adverse impact or impacts. Low-income is defined in this policy as recommended by FTA Circular 4702.1B as people who report on PVTA customer surveys or are estimated by best available demographic data to have individual annual incomes less than the federal poverty level as established by the U.S. Department of Health and Human Services in the year the analysis is performed.

If a Title VI Equity Analysis finds that a proposal would likely have an adverse an impact that would be experienced by 20% or more of PVTA customers of color and/or customers considered to have low incomes, as compared to the local or regional averages, then PVTA must evaluate whether there are features of the proposal, or alternatives or modifications to it, that would likely achieve outcomes that are more fair and equitable for all. If no feasible alternatives or modifications to mitigate a proposal's anticipated adverse impacts on customers of color or with low incomes, PVTA will:

- Demonstrate that a legitimate business purpose of the proposal cannot otherwise be accomplished, and;
- Identify measures that will mitigate to the greatest extent possible the anticipated adverse impacts of the proposal on customers of color and/or with low incomes, and;
- Demonstrate that the proposal with mitigation is the least discriminatory approach available.

These numbers can be revisited if the Board desires.

Patrick Burke: is low income level a federal law?

David Elvin: It's set by the Board, which we use the poverty level.

Mayor Alex Morse: David suggested we revisit this. Are you suggesting we change this?

David Elvin: That decision is up to the Board. The lower the number the less discriminatory we are.

Mayor Morse made the motion to lower the discriminatory impact threshold from 20% to 10%.

Motion: Moved and seconded (Mayor Morse/Burke) to lower the discriminatory impact threshold from 20% to 10%.

Chairman Narkewicz asked if the Board had any discussion.

Paul Burns: Would like to understand the benefits of changing the threshold before we vote to lower it.

Mayor Morse withdrew his motion and made a new motion to table consideration of adopting PVTA's Disparate & Disproportionate Impacts Policy presented until the next Board meeting and keep the current policy in place until then.

Motion: Moved and seconded (Mayor Morse/Talbot) to table consideration of adopting PVTA's Disparate & Disproportionate Impacts Policy presented until the next Board meeting and keep the current policy in place until then.

Chairman Narkewicz stated there is a new motion on the floor and asked if the Board had any discussion.

Mayor Morse: Would like to see the impacts of different percentages; 5%, 10%, 15%.

Chairman Mayor Narkewicz asked if the Board had any further discussion. Hearing none, asked all those in favor to say aye.

Motion passed by a unanimous vote.

11. FARE IMPACT STUDY

David Elvin gave a presentation on PVTA's Fare Impact Study and reported the following:

The purpose of this study is to help create a better understanding of what is likely to happen to PVTA's ridership and fare revenue if the prices of bus and van fares are raised.

This study follows a commonly used method to estimate what will happen to PVTA's ridership and fare revenue if the prices of the fares and passes to ride buses and paratransit vans were to be increased by 20%, 25%, or 50% in the coming fiscal year (FY2019). This study also presents a possible schedule of fare prices and increase implementation dates for the coming seven years to what regular fare increases of 5% and 10% per year were to be approved as part of a one-time fare increase for FY2019.

It is important to remember that revenue from the fare box is a small part of the total cost of a trip on one of PVTA's buses or vans. An average bus trip costs about \$2.97 per customer; therefore, the current \$1.25 full adult fare is only 42% of the full cost of the trip. An average van trip costs about \$28.00, so the \$2.50 fare that PVTA now charges is about 9% of the trip cost. The remaining costs are paid from state contract assistance (SCA); the annual assessments paid by PVTA member communities based on mileage and ridership; and limited federal sources.

Fare change options for FY2019 were developed to be comparable with the size of PVTA's fare increases in the past (15% in 1997; 33% in 2003; and 25% in 2008).

In addition to increasing the fare for FY2019, the Board has the option of increasing fares in future years on a regular and predictable basis as part of a single fare increase action.

A full copy of this presentation has been filed with the minutes of this meeting.

12. FY19 SERVICE CHANGES DISCUSSION

Sandra Sheehan introduced Krystal Oldread, PVTA's new Operations & Planning Director to the Board.

Krystal Oldread reported the following:

PVTA has come up with general approaches to help frame decision-making about upcoming service changes. We are looking for direction from the Board to determine which method to focus on. The different approaches are:

- **Prioritize Geographic Coverage:** Focus on strategies to maintain bus routes and paratransit van services over larger, less densely populated outlying geographic areas. Budget savings are achieved by reducing service frequencies and spans on high ridership bus routes in core urban areas and to major institutions that now operate more frequently.
- **Prioritize High Ridership:** Focus on strategies to maintain service levels on high ridership bus routes in urban core areas and to major institutions by reducing service and/or eliminating routes in outlying suburban and rural areas with low ridership. Budget savings are achieved by reducing service on low performing routes with high costs per rider.
- **Address Costs of Non-Mandated Paratransit Services:** On paratransit services that are not federally required or monitored (ADA beyond ¼-mile and Senior “dial-a-ride” Service), focus on strategies to control and reduce costs commensurate with fixed route reductions, especially in areas where customers have other mobility alternatives.

(South Hadley Designee left at 1:15pm)

Doug Slaughter: With regards to which approach to take, I think the best method will be a blend of these.

Mayor Morse: Every community depending on who we represent is going to have a different perspective.

(Springfield Designee left at 1:17pm.)

Chairman Narkewicz notified the Board that PVTA no longer has a quorum present.

PVTA lost a quorum at 1:17pm. 30.63 votes present, 31.36 votes not present. The meeting of the PVTA Advisory Board ended at 1:17pm.

A TRUE RECORD

ATTEST:


BRANDY PELLETIER

Documents filed with Board Meeting packet:

- Regular Advisory Board Minutes of 9-20-17
- OPEB Trust documents
- Public Participation Plan
- Public Hearing Policy
- PVTA Disparate & Disproportionate Impacts Policy
- Fare Impact Study
- FY19 Service Changes approach

Minutes Approved: January 24, 2018