



MINUTES of 7/16/2015 ADVISORY BOARD MEETING

ATTENDANCE

Name

Representing

PRESENT

William Lehtola
Mark Binnall
Doug Belanger
Jarrett Conner
Dennis Lipka
John Ostrosky
Robert Spain
Rudy Heller

Spencer
Auburn
Leicester
Worcester
Holden
Shrewsbury
Millbury
Brookfield

ABSENT

Kelly Burke
Leon Gaumond Jr.
Alyssa Graveson
Nancy Lucier
Timothy McInerney
Kevin Mizikar
Daniel Morgado
Michael Pantos
Jacob Sanders
David Schiller
Luz Vega
Michael Ward
Sharon Yager

Northborough
Sturbridge
Douglas
West Boylston
Grafton
Grafton
Shrewsbury
Rutland
Worcester
Charlton
Regional Ridership
Clinton
Shrewsbury

1. Chairman Lehtola called the meeting to order at 8:30 a.m.

2. **Attendance**

3. Acceptance of Minutes

- Mr. Heller entered the meeting at 8:32 a.m.
- Mr. Lehtola asked for a motion to accept the minutes for June 18, 2015.
- **Motion: I move the board accept the minutes of June 18, 2015.** Mr. Belanger made the motion and Mr. Heller seconded. All board members voted in favor. The motion was accepted.

4. Business from the Public

- Mr. Lehtola called for any business from the public and no one responded.

5. Business from the Board

- Mr. Lehtola called for any business from the board members and no one responded.

6. Administrator Report

- Mr. O’Neil introduced Mr. Clermont from the Center for Transportation and the Environment, the firm handling the electric bus deployment project for the WRTA. He described how CTE was hired by the WRTA as a result of the grant it received for the purchase of the all-electric buses. Mr. O’Neil stated they provide the WRTA with an objective analysis on our all-electric buses. This presentation will show the key performance indicators from September 2013 to May 2015.
- The minutes contain a summary of the presentation given. The full presentation can be viewed by clicking on the following link: [WRTA KPI Presentation July 16,2015.](#)
- Mr. Clermont introduced himself and stated the purpose of their analysis is to track the performance of the all-electric buses. They then compare it to the other buses in the WRTA fleet. Mr. Clermont explained CTE is a nonprofit organization founded about 20 years ago to help organizations obtain federal funding for these types of projects. We work with all-electric and low emission vehicles. As part of helping attain those services we also help manage those projects. The WRTA’s particular grant was a “clean fuels grant” and we worked with Mr. O’Neil and Mr. Coyne to write applications for the Proterra buses. We are a member-based organization and Proterra is a member as well as New Flyer and BYD. The membership fees are used to lobby Congress in regards to educating them on alternative fuel technologies and to encourage them to put out grant solicitations for these types of vehicles. It is federal money that helps these businesses grow and become viable so as to make it into the open market. Basically, it assists with the development of a market for the product. The learning curve the WRTA experienced with the buses is expected as the product is being refined for the market.

- Mr. Clermont stated since our last meeting your buses have been going back to Proterra for series of quality assurance efforts and various system upgrades. This factor has left your electric fleet down one (1) to two (2) buses, therefore during that period, the key preference numbers show a slight dip in performance. We capture the data within six (6) month periods. Mr. Clement indicated going forward you should see more stability in the numbers as the all-electric fleet's availability rises.
- The total electric miles per month for the six (6) all-electric buses should be between 10,000 to 12,000 miles per month. As a result of the vehicles being serviced, the numbers are between 6,000 and 10,000 per month. The availability by month is climbing since the Proterra adjustments. Mr. Clermont commented on the fact that most RTA's with all-electric buses are running close to 95 percent in their availability numbers. Mr. Clermont explained when the buses were first purchased the figures showed dips due to their on-going mechanical issues. More recently the dips are reflective of the all-electric buses limited availability. This was due to their rotation back to the manufacturing plant for the necessary quality assurance efforts and upgrades. The upgrades mainly happened in the last quarter of FY`15.
- Mr. Clermont spoke about two (2) other factors; the weather and usage charging rates. He stated the weather effects fuel efficiency as the needed heating and cooling of the buses draws more energy. In regards to saving comparisons, the winter and summer will show decreases while the spring and fall show the better results. The other buses in the fleet generally get between six (6) miles for diesel hybrids and four (4) miles for diesel to the gallon compared to about 18 from the electric. The all-electric bus savings depend to some degree on the following factors; consistent use, higher and lower efficiency months, and the cost of electricity to charge them. The fleet average fuel cost per mile on the all-electric buses is an average of \$0.19/kWh versus \$2.7783 per gallon. The WRTA has a lower cost per gallon then the average, so you lower the benefit numbers against the kilowatt cost per mile. The all-electric buses still show a greater savings. When the fleet is totally operable a more realistic pattern will emerge. Total diesel reduction was 41,000 gallons from September 2013 to May 2015. The total carbon dioxide reduction for the same time period was 283 tons. Mr. Clermont credited Mr. Coyne for his inquiry concerning projected benefits versus real figure savings. We estimated the fuel savings to date as 34,000 dollars over diesel and projected a lifetime savings at about 100,000 dollars per life of a bus. These figures were based on fuel costs when the report was made.
- Mr. Conner asked how the availability factor applies to the demand charge. Mr. Clermont explained the fewer miles run the higher the cost per mile goes up. The demand charge comes from the highest consumption rate within a 15 minute time period. If you charge once or twice during those 15 minutes it becomes set at that rate, which is then applied to all consumption during the rest of the month. If you were to use half the power the rest of the month you would still be paying the higher rate. Mr. Conner asked if there was a way to manage the applying of the cost of the demand charge factor. Mr. Clermont replied there is no "good scenario" for working something out based purely on cost saving. He suggested running the all-electric buses as much as possible to get the

full benefit of the bus. Mr. Binnall asked how many years the WRTA can get out of the all-electric buses. Mr. Clermont replied they are designed for a 12-year life cycle similar to other types of buses. Mr. Clermont addressed the issue of the charger by stating the WRTA has one (1) on the platform and another will be installed at the new operations and maintenance facility. The life span of a charger is estimated at twelve (12) years. Mr. Binnall commented on the higher feel of the interior floor of the all-electric buses. Mr. Clermont stated Proterra's all-electric buses are considered a low floor buses.

- Mr. Clermont indicated their analysis does not factor in the benefits from maintenance savings or emissions reductions. Mr. Spain asked about the cost of an all-electric bus versus a diesel hybrid. Mr. O'Neil replied the cost of the Proterra bus is 850,000 dollars and the diesel hybrid is about 560,000 dollars. Mr. Spain cautioned against purchasing more all-electric buses as it may not be as economical as the hybrid diesel. Mr. Lehtola agreed looking at whole picture would be the most beneficial. The board members discussed the intangible benefits of the all-electric bus and the greater impact they provide in a tight urban environment like Worcester. Mr. Lipka spoke on the topics of zero emissions and walkable downtowns as being all part of creating an urban environment. Mr. Lehtola agreed that the cost alone should not be the only factor when determining additional bus purchases. Mr. Belanger brought up the benefits our marketing and progressive branding has achieved since the purchase of our all-electric buses. Mr. Belanger asked if a report was done to compare the all-electric to our other buses in terms of maintenance and service. Mr. Carney stated he did made a presentation to the board showing significant savings. His presentation was a computation of the knowledge the WRTA obtained from having the all-electrics buses, his accumulated knowledge of the diesel industry, and input from Proterra. They were then able to develop a measured program of maintenance. He stated they will save significant money over the lifetime of these buses. His only concern was the stability of Proterra in the market, but that did not seem to be an issue anymore.
- Mr. Lehtola asked if CTE should wait until all the all-electric buses are back in the WRTA fleet before they start the next reporting cycle. Mr. Clermont stated there is no cost savings to delaying the analysis. Mr. Clermont closed by stating the quality assurance mediation when completed shows tremendous improvement in all aspects of the service that the all-electric buses provide.
- Mr. O'Neil stated at our last meeting the city asked for more time to study the proposals and the recommendation regarding the sale of 287 Grove Street. Mr. O'Neil informed the board that he and Mr. Mancini of Kelleher & Sadowsky Associates, met with City Manager Augustus and his staff. The city manager was happy to hear about the recommendations and wanted to check into some of the details. Mr. O'Neil asked if Mr. Conner would like to make a statement regarding this matter. Mr. Conner replied he had no comment. Board members discussed the sites environmental issues and both Mr. O'Neil and Mr. Mancini weighted in with assurances that the 287 Grove Street site was not anywhere in the same league as the 42 Quinsigamond Ave site. Mr. O'Neil explained the environmental issues have been identified and documented through the DEP for at least a seven (7) year period. Mr. O'Neil stated the site presents asbestos and hydraulic

fluids as the main issues and they have been monitoring the wells on the site. The site has no off-site migration and the site will be sold “as is”.

- Mr. Mancini commented that the LSP environmental has been very well documented. The buyers also had a chance to meet with the WRTA's LSP, which in his opinion, adds a layer of assurance to this issue. Mr. Mancini commented on the fact that the buyers did not get a physical inspection of the property, so as to figure what's actually in the building materials of the building itself. It is understood that asbestos, PCBs, and a lead paint exists. The buyers guessed what those amounts might be and the buyer will have a due diligence period to go in and inspect the property. Their inspection during that period will assist them in validating their assumptions as it relates to the purchase. If something is awry or missed you should be prepare but this is only if something is actually different than what was actually expected. Mr. Mancini stated he feels Galaxy Development is the most qualified and capable buyer for the site. Galaxy Development has purchased property in Cranston R.I. with a much higher level of contamination then your site. They appear to have the depth and the expertise to understand the variables within these conditions. Mr. O'Neil commented that Mr. Mancini from Kelleher & Sadowsky Associates did an excellent job on managing the sale of the property. Mr. Lehtola agreed the number was impressive for the sale of the site.
- Mr. O'Neil stated he prepared an order for the purpose of a vote to accept the recommendation for the \$3.8 million proposal and for the administrator to prepare a purchase and sale agreement with Galaxy Development.
- **Motion: The Worcester Regional Transit Authority's advisory board accepts the recommendation from the administrator on the ranking of the four proposals submitted to the authority on the sale of 287 Grove Street. Additionally, the advisory board approves the administrator's recommendation of accepting the proposal of Galaxy Development as it either met or exceeded all the requirements in the request for proposals and it offered the highest amount for the property at \$3,800,000. Further, the advisory board authorizes the administrator to prepare a purchase and sale agreement with Galaxy Development.**
- **Mr. Belanger made the motion and Mr. Spain seconded. All other board members voted in favor. The motion was accepted.**
- Mr. O'Neil informed the board he would ask Attorney Reich if it was necessary to go into executive session in regards to the labor agreement report. Attorney Reich stated it was not necessary to go into executive session for the purpose outlined in the presentation. Mr. O'Neil congratulated Mr. Carney for his efforts during the contract negotiations. In the past years, the relationship with the union has grown stronger and stronger and a lot of the credit goes to Mr. Carney and to the Union President Mr. Kephart for his part. Mr. O'Neil introduced Mr. Carney who summarized the collective

bargaining agreement to the board. The minutes contain a summary of this report. The full report can be viewed by clicking on the following link: [CS Board Briefing 7.16.2015.](#)

Agreed to amend the worker's compensation language so those employees are required to come in every two (2) weeks to give updates and pay insurance premiums & dues.

Agreed to a light duty policy where eligible employees will be assigned work that is supplemental to work usually performed by other employees such as cleaning interior bus windows, dashboards and operator seats and the surrounding area.

Agreed to change regular runs to straight runs and that straight runs shall comprise no less than 82% of all runs. The current contract requires that 75 jobs out of 107 have to be 8 hours or less which would change to 55 jobs out of 107 jobs.

Add language requiring drivers/starter/inspectors and maintenance personnel to wear safety vest while in the new maintenance and operations center or when out of a vehicle on the right of way due to a vehicle accident or breakdown. In addition, maintenance employees will be required to wear safety glasses when working on vehicles or while in the yard moving/servicing vehicles.

Agreed to change hourly rate scale for the accounts receivable clerk and payroll clerk to specialist rate – 109% of the top operator rate. Also, agreed to require educational requirement of Associate’s Degree in accounting or finance and company reserves the right to have the position bonded.

Agreed to change the schedule for Day after Thanksgiving to a Saturday schedule for the city and van division. Community division will operate on a weekday level of service and maintenance will be manned at Saturday level.

Agreed to amend contract pension language which will allow the pension fund to go from running out of funds in 15 years to reducing the unfunded liabilities to \$19,819,105 in 40 years. The chart below shows the progression.

Contract	Year	Funding Ratio	Unfunded Liabilities
Current	2030	-1.8%	\$35,907,599
Proposed Contract Changes			
	2030	23.4%	\$26,060,428
	2055	55.4%	\$19,819,105

Changed contribution for employee’s with more than 5 years of service to 10.5% as of 7/1/2015 and to 11.5% as of 1/1/17. 1% equals \$114,000 therefore the company and the union would be increasing their contribution to \$228,000 over the three year period.

Employee's with less than 5 years of service will contribute 9.5% until they reach the top operator rate 5 year salary progression.

Change contributions from post-tax to pre-tax.

Final average salary will be based on the highest 5 years out of the last 10 rather than 3 out of 8.

Employee with less than 30 years of service, has less than 85 points and are under 65, will have an actuarial reduction prior to age 65.

Employees who retire due to disability will have a reduction for pre-60 retirement.

Rule of 85 points retirement is only available for those hired prior to July 1, 2010.

Employee who retires within three years from Jan 1, 2016 will have the option of his/her highest 3 years out of the last 8 years.

- The contract settlement total cost details are detailed on a separate sheet (please see attached) or it can be viewed at the link: [CS Board Briefing 7.16.2015](#). Mr. O'Neil commented the increase is 9% and is broken down as: year one 2.5%, year two 2%, year three 2.5% and the fourth year is an extension at 2%. These rates also apply to CMTM, PBSTM, and CSC. The chairman stated there was no vote needed as it was approved with the budget for FY`16.
- Mr. O'Neil announced to the board his last day as administrator will be August 7, 2015. He stated we have accomplished a lot over the last eight (8) years and it could not have been done without the support and guidance of this advisory board. He thanked the board for all it has done. He explained he was retiring from public service after 38 years and would be moving into the private sector. Mr. Belanger commented on how no one is perfect, and he acknowledged vast improvements that the WRTA has seen under Mr. O'Neil's leadership. Mr. Belanger stated he knows the board plays a role in this but if Mr. O'Neil did not take the realm we would not be where we are today. He did not think any board member would have bet someone else's money on the improvements that have been made under Mr. O'Neil. He also thinks that hopefully we learned from some things and it is unfortunate through negotiations and other things that we let Mr. O'Neil become a free agent. He truly thinks Mr. O'Neil is an all-star and that he deserved probably more than we had given him.
- Mr. Belanger finished by stating he wishes him nothing but the best and regrets the inability to keep him. Mr. Spain stated the mark of any leader of an organization's success is to ask the question "is the organization better off today than when it started?" Mr. Spain answered "yes it is" and he thanked Mr. O'Neil for all his work. Mr. Conner commented there was going to be some awfully big shoes to fill and that the board

doesn't have a lot of time to fill them. He further commented on the areas of better finances and better customer service all under Mr. O'Neil's leadership. The rest of the board members thanked him and wished him well. Mr. Lehtola identified how Mr. O'Neil has made his job so much easier. He stated Mr. O'Neil was "always on top of everything, all of the time". He never had to worry about anything because Mr. O'Neil was always there and always took care of everything. In his opinion, "Mr. O'Neil is simply the best and I appreciate everything he has done".

- The board members discussed the meeting schedule for choosing an interim administrator. They opted to have a special advisory board meeting on July 23, 2015 to consider and/or act on appointment of an interim administrator with the possibility of an executive session for negotiations in regard to compensation for an interim administrator.
- Mr. Belanger asked that the board convey recognition to the Lusignan Security Agency in regards to the outstanding work done by their employee Darren Seroter. Mr. Belanger commented that he witnessed him handling a panhandling issue with professionalism and the necessary persistence.
- Mr. Lehtola reminded the board members of the site visit to take place after August's advisory board meeting. Mr. Lawson of CDR Maguire stated the board members will be able to walk the buildings perimeter and see the steel work in progress at the 42 Quinsigamond Ave site.
- Mr. Lawson informed the board they will start the joint venture with Eversource to clean the tank foundation holder that straddles the WRTA property. The cost for clean-up of this tank will be split fifty-fifty with Eversource.
- Mr. O'Neil asked the chairman if the board would be voting next to move to executive session, and Mr. Lehtola indicated the board would be doing so.

7. Executive Session - The board went out of open meeting at 9:37 a.m.

- In open session, the Board voted to meet in executive session for the purpose to discuss strategy with respect to litigation and further to consider the purchase, exchange, lease or value of real property at 42 Quinsigamond Ave. The motion for this action was as follows:
- **Motion: I move the Board meet in executive session for the purpose to discuss strategy with respect to litigation if an open meeting may have a detrimental effect on the litigating position of the public body and the chair so declares, and further to consider the purchase, exchange, lease or value of real property, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the WRTA, with the Board returning to open session and then to adjournment. A roll call vote was taken to allow the executive session meeting.**

- **Mr. Belanger made the motion and Mr. Lipka seconded.** A roll call vote was taken to approve this action: 9:35 a.m.

Rudy Heller	yes
John Ostrosky	yes
Mark Binnall	yes
Bob Spain	yes
Jarrett Conner	yes
Doug Belanger	yes
Dennis Lipka	yes
William Lehtola	yes

- Mr. Belanger left the executive session and thereby the board meeting at 9:39 a.m.
- Mr. Ostrosky left the executive session and thereby the board meeting at 9:55 a.m.
- The Board Members went into open session meeting at 10:11 a.m.

8. Adjournment

- Mr. Lehtola asked for a motion to adjourn.
- **Motion: I move the board adjourn. Mr. Conner motion to adjourn and Mr. Spain seconded.** All voted in favor and the motion to adjourn was accepted. The meeting adjourned at 10:12 a.m.

9. Next Meeting Date

- The next board meeting will be on August 20, 2015 at 8:30 a.m., located at the hub 60 Foster Street, Worcester, MA 01608 3rd floor.