



# ATA

## AREA TRANSPORTATION AUTHORITY OF NORTH CENTRAL PENNSYLVANIA

Cameron, Clearfield, Elk, Jefferson, McKean, Potter



**ATA**  
1976-2016

**40**  
**Years**  
**40 MORE**

RideATA.com



## **Board of Directors** **November 16, 2016**

**ATA Headquarters**  
**Johnsonburg, Pennsylvania**

*Welcome to the Fall Meeting*





## WHY PUBLIC TRANSIT MATTERS

Alana Semuels - Oct 28, 2016



A world with only private services has other big shortcomings too, namely that the broader population has less say in how these services are run. "There are certain public purposes that can be best served when the institutions are accountable to the public through the medium of elections, and ultimately, through the medium of democracy," Paul Starr, a Princeton sociologist, told me. When a society comes together and agrees to fund services such as schools and public transit, members of that society get to weigh in on how those entities should be governed. They can elect candidates to the school board or the city council, for instance. This democratic process means residents are engaged in the services that their tax dollars provide, and that they work to improve them, said Jason Henderson, a professor at San Francisco State University, ...There is no such process for private companies, which are governed by independent boards and which exist primarily to make money. This can be problematic when the goals of private companies—usually profit maximization—conflict with the goals of the public sector.



**Board of Directors  
November 16, 2016**

**ATA Headquarters  
Johnsonburg, Pennsylvania**



**AREA TRANSPORTATION AUTHORITY  
OF NORTH CENTRAL PENNSYLVANIA**





## **ATA REGULAR BOARD MEETING AGENDA November 16, 2016**

- I. Opening Prayer**
- II. Pledge of Allegiance**
- III. Roll Call**
- IV. Approval of August 17, 2016 Regular Board of Directors Meeting Minutes**
- V. Treasurer's Report**
- VI. Committee Reports**
  - 1. Executive Committee**
  - 2. Personnel Committee – November 8, 2016**
  - 3. Budget Committee**
  - 4. Policy Committee**
  - 5. Joint Executive Committee**
  - 6. Facilities and Equipment Committee**
- VII. Old Business**
- VIII. New Business**
  - 1. ATA Self-Funded Vs. Fully Insured**
  - 2. Adoption of Resolution #9 – 2016 Updated Simplified Acquisition Threshold**
- IX. Chief Executive Officer's Report**
- X. Adjournment**



## **ATA REGULAR BOARD OF DIRECTORS MEETING MINUTES**

**November 16, 2016**

A Regular Board of Directors meeting was conducted on November 16, 2016 at the Authority's Regional Transit Facility, 44 Transportation Center, Johnsonburg, Pennsylvania.

The following members were present:

Rhett Kennedy, Vice Chairman  
Harry Whiteman, Treasurer  
David Wolfe, Secretary  
Kenneth Wingo  
Richard Stover  
William Setree  
John Todd, Jr.  
Richard Castonguay

The following were in attendance:

James A. Meyer	Meyer, Wagner, Brown & Kraus Law Office
Dan Freeburg	Elk County Commissioner
Matt Quesenberry	Elk County Commissioner
Jessica Kosiewicz	Arthur J. Gallagher & Company
Tom Buck	NCPRPDC
Michael Imbrogno	ATA Chief Executive Officer
Coletta Corioso	ATA Chief Financial Officer
Dessa Chittester	ATA Chief Operating Officer
Valerie King	ATA Human Resources Manager
Debbie Addeo	ATA Administrative Secretary

With the absence of ATA Chairman Anthony Viglione, Rhett Kennedy, Vice Chairman presided over the Board meeting. Rhett Kennedy called the meeting to order at 10:32 a.m. The meeting was opened with the Pledge of Allegiance, followed by a prayer led by Jake Meyer.

Debbie Addeo read roll call. Anthony Viglione, (Clearfield County), Chuck Allen (Clearfield County) and Michael Galluzzi (Cameron County) were not present at the meeting. Notification of their absence was given prior to the meeting, as was that of invited guests Tom Wagner ATA Solicitor, Deborah Pontzer, Congressman Glen Thompson's office and Cameron County Commissioner Jim Thomas. Introductions were then given by those present.

The next item on the agenda was the acceptance of the August 17, 2016 Regular Board of Directors meeting minutes. Rhett Kennedy asked the Board members if there were any additions or corrections to the meeting minutes as presented.

With no additions or corrections offered by the members, a motion to accept the August 17, 2016 Regular Board meeting minutes was made by Harry Whiteman. William Setree seconded the motion, with all Board members in favor. *(a copy of the meeting minutes was included in the board packet)*

### **Treasurer's Report**

The next item on the agenda was the Treasurer's report. Harry Whiteman asked Coletta Corioso to give the Treasurer's Report. As of November 7, 2016, ATA had the following balances:

General Fund	\$	5,903,689
Act 26 Account	\$	32,934
Act 3 Account	\$	372,036
MATP Account	\$	157,207
Unrestricted Cash Account	\$	559,695
<b>Cash:</b>	<b>\$</b>	<b><u>7,025,560</u></b>

<b>Accounts Payable:</b>	<b>\$</b>	<b>3,241</b>
--------------------------	-----------	--------------

Accounts Receivable (Total):	\$	<b>294,492</b>
Current:	\$	277,388
30-60 days	\$	146
60-90 days:	\$	2,225
90-120 days:	\$	482
>120 days:	\$	14,251

Coletta Corioso then gave an overview of the Statement of Net Position-Internal Comparative.

A motion to approve the Treasurer's Report as presented was made by Ken Wingo. Richard Castonguay seconded the motion, with all Board members in favor.

The Committee reports were the next item on the agenda.

### **Personnel Committee Meeting Report**

A Personnel Committee meeting was conducted on November 8, 2016. *(a copy of the meeting minutes was included in the board packet.)*

A motion to approve the November 8, 2016 Personnel Committee Meeting minutes as presented was made by Ken Wingo. John Todd seconded the motion with all Board members in favor.

### **Old Business**

There was nothing to report under Old Business.

### **New Business**

#### **ATA Self-Funded Vs. Fully Insured**

A power point presentation titled “ATA-Self-Funded vs Fully Insured” was presented by Jessica Kosiewicz, a representative from Arthur J. Gallagher & Company.

Jessica gave an overview how being self-funded is beneficial over fully insured:

- Self-funded plan not bound by state mandates.
- ATA may choose the amount of risk to retain and the amount to be covered under stop loss protection.
- Protection from monthly swings can be controlled through a Monthly Aggregate.
- There is no premium tax for self-funding.
- The health insurance tax is not applicable for self-funded group health plans.
- The employer holds onto reserves for claims that have occurred but have not yet been paid.
- Insurance companies normally charge 3-10% for margin-under self-funded this component is eliminated.
- ATA has saved almost \$400,000 since 2012/2013 when we went self-funded.

- Overall a savings of 7 to 10% is saved being self-funded.
- Being self-funded is a long term solution.

### **Changes in Overtime Law**

The Board members were given a power point presentation by Valerie King, ATA HR Manager regarding the Changes in Overtime Law.

- This order was signed by President Obama on May 18, 2016 and goes into effect on December 1, 2016, and the key provisions of the Final Rule include:
- Update salary and compensation levels required for Executive, Administrative and Professional works classified as exempt.
- The standard salary level for full-time salaried workers is \$913/per week/or \$47,476 annually.
- Salary levels will automatically be reviewed for potential adjustments every three years.
- ATA will comply with the new law; and, will communicate to affected employees their current status and their continued importance to ATA.
- All changes will take place by December 1<sup>st</sup>.
- Employees exempt from overtime provisions must be paid on a salary basis, must be paid \$47,476/per year, and must fit into one of the “duties tests” (Executive, Administrative or Professional).
- This executive order will impact 23 employees at ATA who are now classified as exempt. They will now be reclassified as Non-Exempt Salaried employees because they do not meet the salary threshold of \$47,476, which means they will receive 1 ½ times their hourly rate based on a 40 hour work week.
- The Call Center will need to change their staff rotation. Currently there are seven full-time employees and three back-ups. We are starting the change a week prior to the order going into effect to make sure we are in compliance.
- Overtime work will have to be approved by immediate supervisor.
- The effected employee’s benefit structure and their annual salary will remain the same.

- Val will be setting up appointments in the next two weeks with each employee that is affected by this and let them know what it's about, what it means to them and to make sure they realize they are still an important part of the team.
- We will create a new classification (Administrative Non Exempt) and reclassify those employees that no longer meet the salary threshold.
- We will update the ATA Benefit Handbook to include the new classification.
- PPTA asked attorney Jill Nagy, to draft a salary basis policy and salary travel policy.

### **Resolution #9 Updating the Simplified Acquisition Threshold Limit**

Rhett Kennedy stated that there is one resolution that needs to be presented and adopted by the Board. *(a copy of the resolution was included in the board packet).*

### **Resolution #9-2016 Resolution of the Area Transportation Authority of North Central Pennsylvania Updating the Simplified Acquisition Threshold Limit**

WHEREAS, the Area Transportation Authority of North Central Pennsylvania (hereinafter referred to as "ATA") adopted Resolution #3-2005 permitting the Authority staff to use the Simplified Acquisition Threshold limit for Small Purchase procurements for purchases that were above the micro-purchase threshold and at or below \$100,000; and

WHEREAS, the Federal Transit Administration has authorized an increase of the small purchase threshold to coincide with the Federal Acquisition Regulation at 48 CFR and authorized by 41 USC 1908, with provisions for future inflationary adjustments, and

WHEREAS, the new threshold is set at **\$150,000** at the time of this proposed resolution and is set to be adjusted in future years through inflationary adjustments;

NOW THEREFORE, with an interest in eliminating excessive costs of small purchase procurements for purchases at or below the Simplified Acquisition Threshold, be it resolved by the Area Transportation Authority

1. ATA hereby adopts a Small Purchase threshold of **\$150,000**, and authorizes the adjustment of this threshold by any subsequent adjustments authorized by applicable federal regulation; and
2. ATA shall obtain written quotes for all purchases that meet the Small Purchase threshold; and document verbal quotes for all purchases at or below the federal or state authorized micro-purchase threshold.

Coletta stated the purpose of this resolution is to increase the level of the threshold to \$150,000 and to allow the threshold to increase as the Federal government mandates.

With no further discussion, a motion to adopt Resolution #9-2016 was made by Ken Wingo. Harry Whiteman seconded the motion, with all Board members in favor.

The last item on the agenda was Chief Executive Officer's Report. Copies of the CEO's report, along with staff director's reports were given to the Board members for their information and review as part of the Board packet. Michael then gave a brief update and highlighted various projects/items that he and the staff have recently completed and/or are still working on.

- The federal government is fully funded until December 9<sup>th</sup>. A meeting will take place between now and December 9<sup>th</sup> to adopt the appropriation to keep the government running.
- Auditor General, Eugene DePasquale took a look at Act 89 and stated that in seven years there is going to be a \$400 million gap in the amount of money PennDot receives to support public transit agencies. If the General Assembly doesn't begin to act now the residents that rely on public transportation could be faced with service cuts that could result in increased fare hikes.
- Local Match request letters have been mailed out to the counties.
- Additional trees that were blocking the microwave dish at the Dill Hill tower were cut.

- Ridership at Clarion University is suffering because of the decline in the University's enrollment.
- A compliance review was conducted on August 25<sup>th</sup>, 2016. The staff is currently working towards implementing the recommendations proposed by PennDOT.
- The Consolidated Operating Grant Application has been okayed.
- The Consolidated Capital Application is still not approved.
- Regarding the Gillig RFP, FTA reported that any major repairs/rebuilds, the final assembly has to be done in the U.S. That rules out MTB which is located in Canada. Michael contacted the Port Authority in Pittsburgh which has a major repair facility, but they are not able to help us out with the repairs. Michael stated we may have to come up with a creative solution for our current situation by ultimately looking at local vendors to perform the repairs.
- The failure rate for MDC's is currently at 26.3% with no spares available.
- Delivery of four (4) Eldorado Dodge Caravans for ATA's MATP is expected this month.
- We are in phase two of the bus wash project at our Bradford facility.
- A survey was developed for McKean and Potter Counties to see if we are meeting the transportation needs for the residents.
- Local Advisory Committee meetings will be conducted on a regular basis.
- Formal procurements for Legislative Service and Architectural & Engineering Services are planned to be issued this year.
- Reviews of the Statistical Report, Statements of Operations Revenue and Expenses, and the Open Capital Projects Report for the end of the fiscal year were given.
- An updated progress report on ATA Performance Measures was also reviewed.

At 12:48 p.m., with no further business a motion to adjourn the meeting was made Richard Stover. William Setree seconded the motion, with all Board members in favor.