

**Notice of Public Meeting**

Emergency Board Meeting held virtually via zoom and on Facebook Live on Wednesday February 17, 2021

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| **Board Members Present** | Robert Waggoner | **CIRTA Staff Present** |
| Jerry Bridges | Dan Woo | John Seber |
| Andy Cook | Linda Sanders | Jennifer Gebhard |
| Bill Ehret | Don Adams | DeAndre Rhodes |
| Mark Richards | **Board Members Not Present** | Sarah Troutman |
| Nathan Messer | Christine Altman |  |
| Greg Henneke | Andy Klineman |  |
| Marta Moody | Cam Starnes |  |
| Larry Hesson |  |  |

 The meeting was called to order by B. Ehret at 1:03 PM with a quorum.

1. Introductions/attendees

*B. Ehret called motion to order to start meeting. R. Waggoner calls motion to approve; G. Henneke second’s motion.*

**Resolution # 2021-02-17-01 Resolution of the Board of Directors of the Central Indiana Regional Transportation Authority (CIRTA) Opposing Legislation That May Negatively Impact Regional Transportation**

B. Ehret asks J. Seber to read the resolution dealing with transit in the region and CIRTA’s role.

 J. Seber stated we are dealing with the SB141 Central Indiana Transportation Project also called the Freeman Bill which states: Central Indiana public transportation projects. Requires the budget agency to withhold local income tax revenue from an eligible county if the eligible county fails to raise certain revenues for a public transportation project. (Current law requires eligible countries to raise: (1) 10% of the annual operating expenses of the project from sources other than taxes and fares; and (2) 25% of the annual operating expenses of the project from fares and charges.) Specifies that the amount of local income taxes withheld from an eligible county may not diminish the amount of money distributed to the eligible county for deposit in the eligible county's public transportation fund below the amount required to pay its debt service obligations for bonds issued for purposes of a public transportation project. Prohibits Marion County from creating additional IndyGo bus rapid transit lines if the revenue requirements are not met.

J. Seber continued there has been a lot of information that has come out as recently as yesterday and this morning as far as has IndyGo, in the past, met that 10% and 25% based on ways they felt they have met that. With this bill, is it additional language saying they have not met it and here is a way to add more detailed language as to how that is supposed to be adhered to. J. Seber sent the board this morning a couple of excerpts, a statement from IndyGo and from the media and how they pointed out a couple of things. He is still on the fence with this because he’s not sure it’s super clear. He believes there are some politicians or senators out there that are saying the funding at IndyGo is stating they applied to this 10% and 25% that does not meet the original requirements and of course IndyGo is saying it does. That is why in our resolution it’s a little more neutral in our position with the way it’s written.

B. Ehret opened up the floor for questions or comments regarding our support and they we will take a vote.

G. Henneke asked the foundation language for creation of 10% non-grant money was in the original bill that allowed Marion County to vote for property tax increase. And then the foundation never got set up and they were slow getting out of the gate at IndyGo and then this attack on that started last year and got lucky it went away but then this year it is back. He is confused about whether it’s a requirement to have certain percentages of money come from non-fare and non-fees and whether or not the federal grants should count or not.

R. Cockrum stated the statute background on that is in 2014 a senator was the co-author of the bill and he wanted to put a corporate income tax on the bill because the Chamber was supportive, and the business community was supportive, and the House said No. This was added to “give businesses some skin in the game”. It is referred to in discussion in committee as an agreement. Possibly inside the legislative body. It does say taxes. IndyGo’s argument says they have complied with the 10% using state and/or federal money. I don’t know how they get around that’s not a tax, but I’ve not been part of those conversations. So, the language in 2014 had no penalty provisions and what Senator Freeman has been trying to do for the last two years is put a penalty provision in for lack of enforcement.

G. Henneke stated so I understand it right, because the legislator was not going to allow for a business taxes to be part of this additional funding for IndyGo, they said to create a foundation and the business at the Chamber and CICP need to step up and support IndyGo with the 10%. That would be the only fair way for these property taxes to be levied on everyone else. The businesses have to do their part.

R. Cockrum stated yes, but income taxes not property taxes. That seemed to be the conversation around the language at the time. If business community wants this then they need to have some skin in the game, and this is how we are going to do it.

G. Henneke asked is it fair to say then our statement of opposition really has to do with not putting anymore restrictions on this agency of IndyGo, they are already trying really hard to make this happen. Let’s don’t make it even harder for them.

R. Cockrum stated that is how I read it. Additionally, they’re not just hurting IndyGo you are hurting everybody in the transportation system.

J. Bridges asked that requirement was put on every system in the state correct?

R. Cockrum answered no it was just put on this bill.

J. Bridges asked just Marion County?

R. Cockrum answered I believe so, but it might apply to the other units if they were to adopt it going forward. I will go back and look at 176.

G. Henneke stated so if they adopted an income tax, they would be in it too but no one else has.

R. Cockrum answered yes. The summary says eligible counties so that means any county that was on the original 176 legislation.

L. Hesson stated he was under the assumption that it was a poison pill put in the legislation against mass transit. The more I think about it the more I think what a great idea to be applied toward state government.

R. Waggoner stated he was on an internal call with IndyGo and they explained some of the stuff to us as employees and the one thing that was not brought up was the impact on the employees themselves. We’re going to have and reduction of services if this goes through which will require some reduction of employees as well. I wonder if we can amend it to include employees as well as employers.

R. Cockrum asked if they happened to describe what revenue source, they were saying complied with this 10%?

R. Waggoner answered he sent John some information and he can share it. I think they’re saying that the federal grants are being applied towards it.

R. Cockrum stated I think the proponents of the 141 would argue it’s federal grants, it tax dollars.

R. Waggoner stated I don’t disagree. Unfortunately, most of the people that were with IndyGo when that was implemented are no longer here, so we don’t have corporate memory from that prospective.

J. Bridges stated for everyone’s information IndyGo meets the threshold on the farebox return but most systems that are smaller than Indianapolis almost never meet the 25% threshold for farebox returns. It’s almost non-viable. I think I remember correctly that when ITA testified against the original bill, they noted that the national average was not that. Large systems make it; small ones don’t. It doesn’t mean small systems are not needed. The bill in general is just to hurt transit in general.

B. Ehret stated these were all great discussion points. Is there a motion to pass?

J. Bridges asked if we have in the resolution not only against the bill, but we are against anything that reduces service on the street?

B. Ehret clarified that our resolution states we oppose legislation that continue to negatively impact.

J. Bridges stated okay because has Robert stated, if you have to cut back service you will have to cut back staff and also back people who need to get to work.

R. Cockrum state the original draft of the resolution was to be broad enough to cover other attempts to hurt local funding and to not be bill specific. If it comes back next year you won’t have to adopt a new resolution.

 **M. Moody motioned to approve with M. Richards seconded.**

**Adjournment**

*Motion to adjourn meeting by J. Bridges and seconded by M. Moody at 1:20 pm.*

*All in attendance were in agreement.*

The Next Regularly Scheduled Meeting:

**April 13, 2021**

**TBD**

Guests are reminded that the CIRTA Board meets in public, but it is not a public hearing. Questions or comments from the public can be submitted in writing to info@cirta.us. Questions or comments may be made at meetings upon recognition by the Chair. Please reserve comments for the appropriate time.

In the event of inclement weather, CIRTA meetings follow the determination of the Indianapolis Public School Corporation. If IPS is cancelled, the meeting is postponed to a new date. If IPS is delayed, the meeting occurs at its originally scheduled time.

Agenda is subject to change without notice prior to the meeting.

Questions regarding this agenda may be directed to Jennifer Gebhard: 317-327-7433 – jgebhard@cirta.us