



AGENDA

Work Session of the Connect Transit Board of Trustees

May 2, 2017

4:30 P.M.

**Uptown Station
11 Uptown Circle, 4th Floor
Normal, IL 61761**

- A. Call to Order
- B. Roll Call
- C. Public Comments
- D. New Business
 - 1. Recommendation - Illinois State University Universal Access Agreement
- E. Budget Work Session
- F. Adjournment



MEMO

May 2, 2017

TO: Board of Trustees

FROM: Isaac Thorne, Interim General Manager

Subject: Universal Access Agreement with Illinois State University (ISU)

RECOMMENDATION: The Illinois State University Universal Access Contract for fiscal year 2018 and 2019 be approved.

BACKGROUND: The Universal Access Agreement allows students, faculty, and staff of Illinois State University to ride Connect Transit fixed route buses free of charge upon swiping their valid identification card. Connect has been providing universal access to ISU since 2006.

FINANCIAL IMPACT: The ISU summer service will be eliminated, starting on May 14th. This reduction in service hours will save Connect \$64,713 in FY17 and \$129,426 in FY18 and FY19. In FY18 the contract amount will be \$535,000 for 6,480 revenue hours and FY19 the contract amount will be \$545,000 for 6,480 revenue hours. Connect and ISU will continue to meet over the next year to discuss the cost structure of future contracts.

**AGREEMENT BETWEEN THE BLOOMINGTON-NORMAL
PUBLIC TRANSIT SYSTEM AND
ILLINOIS STATE UNIVERSITY FOR
FACULTY, STAFF AND STUDENT TRANSIT SERVICES**

This Agreement is made by and between the Board of Trustees of Illinois State University (ISU) and Bloomington Normal Public Transit System (Connect Transit).

ARTICLE 1 - RECITALS

Whereas ISU and Connect Transit have agreed that benefits accrue to both parties in providing a means by which ISU may provide for fare prepayment for members of the ISU community utilizing the Connect Transit fixed route buses and,

Whereas ISU and Connect Transit have agreed to terms, which will allow members of the ISU community to use the fixed route services of Connect Transit without the requirement to pay the posted fare.

Whereas Connect Transit provides bus service open to the public on a regular basis, along fixed routes, during published hours and at published frequencies; and

Whereas Connect Transit service provides a satisfactory means of transporting many members of the ISU community to and from their place of residence and the University campus; and

Whereas the use of Connect Transit services by members of the ISU community is advantageous to the University as well as the cities of Bloomington and Normal, Illinois.

Therefore, be it resolved that the following responsibilities be carried out by the parties to this agreement as set forth below.

ARTICLE II – RESPONSIBILITIES OF CONNECT TRANSIT

2.1. Connect Transit shall honor the University photo identification card and/or other approved credential when presented by current members of the ISU community to Connect Transit agents and bus drivers and regard it as a Connect Transit bus pass. It is understood by the parties that during the term of this Agreement, Connect Transit may install or operate electronic card readers in buses to read and/or scan the faculty, staff and student photo identification card upon entry of an ISU passenger to a bus. Notwithstanding the implementation of any such system, the parties agree that mere presentation of the card by members of the ISU community, regardless of whether the card is scanned, shall be sufficient for Connect Transit agents and bus drivers to regard the photo identification card as a Connect Transit bus pass.

2.2. a. Connect Transit shall provide established and regularly publicized Bloomington-Normal citywide public transportation service including, but not limited to: service through the ISU Campus on the bus route known as the Redbird Express. Appendix A provides a comprehensive list of the hours and frequencies of service and transit stop locations currently

provided for the Redbird Express. All transit services described in this paragraph are provided to members of the ISU community upon presentation of their University photo identification card and/or credential provided by the University. Service will be provided to all others according to a fare schedule established by Connect Transit. Connect Transit Board of Trustees reserves the right to change ISU Campus bus routes. Except as provided in Section 2.9, any adjustments to routes will be noted and added to the service description at least 60 days prior to the effective date of any change. Appendix A includes the current and proposed comprehensive list of the hours and frequencies of service and transit stop locations currently provided for the Redbird Express route. In the event adjustments to ISU Campus bus routes constitutes a reduction or increase in the transit stop locations, hours of service, or frequency of services, the parties agree the monthly payment in Section 3.3 is subject to renegotiation.

b. In the event that Connect Transit service is not provided for a period of more than (5) days during the Term for any reason (other than Force Majeure event under 12.3), ISU shall not be responsible for paying fees incurred for that time period. In such case, The University's monthly payment described in Article 3 shall be reduced pro rata based on the time period during which service is terminated. Such termination of service shall also be considered a material breach under 7.2 and subject to cure provisions.

2.3. In providing the public transit services described in sections 2.1 and 2.2 of this Article, Connect Transit shall act as an independent contractor and not as agents or employees of the University. Additionally, the University shall not have, and shall not exercise any control over Connect Transit operations in connection with providing the public transits services described in sections 2.2 and 2.3 of this Article. The University shall not have and shall not exercise any control or supervision whatsoever over drivers providing transit service. All bus drivers will be employed by Connect Transit, shall constitute Connect Transit's employees only, shall not constitute agents or employees of the University, and shall be subject solely to the supervision and control of Connect Transit.

2.4. Connect Transit shall provide ISU with a detailed breakdown of ridership numbers on a monthly basis for members of the ISU community by route for all Connect Transit routes. This information shall be sent monthly to Illinois State University, c/o Director of Parking and Transportation, 709 N. Main Street, Normal, Illinois 61790-92500.

2.5. Connect Transit shall provide audited financial statements annually, when the audit is complete, generally by November. This information shall be sent to Illinois State University, c/o Director of Parking and Transportation, 709 N. Main Street, Normal, Illinois 61790-92500.

2.6. Connect Transit shall provide in-house telephone information services to callers seeking information about the evening bus service.

2.7. Connect Transit shall provide a detailed breakdown to ISU for the budgeted cost of transit services provided under the terms of this agreement, including hourly operating expense rates, before and after the application of the Downstate Operating Assistance Program (DOAP) subsidy.

2.8 Connect Transit shall notify ISU of the percentage and contract amount of the DOAP subsidy they are granted in FY2018 and FY2019.

2.9 This contract is contingent upon and subject to the availability of funds to Connect Transit. Connect Transit, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty, if the Illinois General Assembly fails to make an appropriation sufficient to pay such obligation and Connect Transit does not have sufficient operating capital to sustain operations under the Agreement, provided that Connect Transit provides at least 30 days prior written notice prior to any such termination or suspension of service. The University may consider any such notice a material breach and cure provisions under Section 7.2 and reduce any such payments owed as provided in Section 2.2(b).

ARTICLE III – RESPONSIBILITIES OF THE UNIVERSITY

3.1. RIDER IDENTIFICATION. University shall identify current members of the ISU community at the Bloomington-Normal campus of the University through the issuance of a photo identification card, and/or an approved alternate credential. As necessary, University agrees to provide mutually agreed upon information regarding current members of the ISU community at the Bloomington-Normal campus that may be required to enable the operation of electronic systems to scan the University photo-identification cards. Connect Transit agrees to abide by the terms of the Data Security Addendum (Appendix B) with respect to any data or electronic information provided by ISU.

3.2. Contract Payment Terms

3.3. The University shall pay Connect Transit a monthly amount of \$44,583.33 over a twelve month period beginning July 1, 2017 and ending June 30, 2018. This amount will be the total of all transit servicing the ISU community.

The University shall pay Connect Transit a monthly amount of \$45,416.66 over a twelve month period beginning July 1, 2018 and ending June 30, 2019. This amount will be the total of all transit servicing the ISU community.

3.4. The University shall process payments to the Connect Transit upon receipt of invoices submitted to the Office of Parking & Transportation Services, c/o, Director of Parking & Transportation Services at, 709 N. Main Street, Normal, Illinois 61790.

3.5 Availability of Appropriation (30 ILCS 500/20-60): This contract is contingent upon and subject to the availability of funds to the University. The University, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation. The University shall give Connect Transit prompt immediate notice of any funding problem affecting the payment for services provided by Connect Transit. Connect Transit may consider any such notice, or any non-payment by the University a material breach under Section 7.2. Connect Transit may suspend services during any period of time the University is unable to pay for services provided.

ARTICLE IV – LIABILITY AND RISK

4.1 INSURANCE. Connect Transit shall provide for a Certificate of Insurance to be issued naming the Board of Trustees of Illinois State University as an additional insured with respect to general liability. The required insurance coverage shall be provided by an insurance company that has a current Best's Rating of B+: IV, or better, or is approved by Illinois State University. This Certificate of Insurance must be received and approved before commencement of operations. The Certificate must evidence the following coverage in at least the limits stipulated. Connect Transit agrees to maintain such insurance for the duration of the project or the term for which services will be rendered.

- I. Workmen's Compensation (including Occupational Disease) under the terms of the Illinois Workmen's Compensation Act.
- II. Employer's Liability: \$500,000.
- III. General Liability: \$1,000,000 per occurrence.
- IV. Automobile Liability: \$5,000,000 per occurrence.

4.2 LIABILITY. Neither party shall be legally liable for any negligent or wrongful acts, either of commission or omission, chargeable to the other, unless such liability is imposed by law. This Agreement shall not be construed as seeking to either enlarge or diminish any obligation or duty owed by one party against the other or against third parties.

ARTICLE V – MARKETING AND INFORMATION

Each party shall, through the various means available to each, publish agreed upon information regarding the services provided pursuant to this Agreement. Each party shall bear its full cost of publishing such information in its own publications. Neither party will use the name of the other in any form of advertising or publicity without the express written permission of the other party.

ARTICLE VI – PUBLIC SAFETY

6.1 The Parties agree to promptly notify each other of any known safety concerns arising out of the delivery of services pursuant to this Agreement. The Parties also agree to cooperate and collaborate in good faith on public safety initiatives, as mutually agreed by the parties and subject to any limitations set forth in this Agreement or otherwise required by law.

6.2 Connect Transit shall maintain driver qualification records in accordance with requirements of state and federal law and shall make such records available for purposes of pending litigation to the University or its agents for inspection and copying upon reasonable notice and during normal business hours.

ARTICLE VII – TERM AND TERMINATION

7.1. This Agreement shall be in effect from July 1, 2017 through June 30, 2019.

7.2. In the event of an alleged material breach, the aggrieved party shall so advise the other party by written notice indicating in specific detail the nature and basis of the alleged breach. The alleged breaching party shall cure the breach within One-Hundred-Twenty (120) days from its receipt of notice; if the breach is not remedied to the reasonable satisfaction of the aggrieved party within the cure period, the aggrieved party may terminate this Agreement upon One-Hundred-Twenty (120) days written notice.

7.3. All accounts shall be settled on a pro-rated basis in the event of termination of this Agreement prior to its full term.

ARTICLE VIII – AMENDMENTS

This Agreement may be modified or renewed only by a written instrument signed by both parties. Fixed route hours and compensation (except as provided in Section 2.9) may be modified to this Agreement at any time by amendment. It is understood and agreed by the parties that compensation for suspension or termination of service due to lack of funding shall be reduced as provided in Section 2.2(b), but shall not require an amendment.

ARTICLE IX – COOPERATION

The parties agree to meet quarterly during the term of this agreement to discuss any aspects of the service, including but not limited to routing, service periods, and frequencies. The parties agree to meet in the month of January 2018 and 2019 to discuss the status of any potential budgetary issues. While the parties recognize the importance of consultation and cooperation in the evaluation of decisions relating to public transit services and agree to collaborate whenever possible and permissible, final decisions relating to public transit services, and in particular Article II, shall be the sole and exclusive responsibility of Connect Transit.

Except as provided in Section 2.9, Connect Transit shall give notice to ISU regarding any changes to routing, service periods and frequencies no later than (60) days prior to the implementation of the changes. Notice shall be directed to the Office of Parking & Transportation Services, c/o, Director of Parking & Transportation Services at 709 N. Main Street, Normal, Illinois 61790.

ARTICLE X – NOTIFICATION

All communications required or permitted under this Agreement, except as otherwise noted, shall be in writing and shall be sent by registered or certified mail, return receipt requested, or by overnight courier service to the party's representative listed below.

Notices to the University shall be sent to: to the Office of Parking & Transportation Services, c/o Director of Parking & Transportation Services at, 709 N. Main Street, Normal, Illinois 61790-9250.

Notices to Connect Transit shall be sent to General Manager, Connect Transit, 351 Wylie Drive, Normal, Illinois 61761.

ARTICLE XI – MISCELLANEOUS

11.1. **PARTY STATUS.** Neither party is agent, employee, legal representative, and partner or considered a participant of a joint venture of the other. Neither party has the power or right to bind or commit the other.

11.2. **NO BENEFICIARIES.** The parties do not intend for this Agreement to create any rights, or rights of enforcement, in third parties.

ARTICLE XII - SEVERABILITY

12.1. **SEVERABILITY.** If a court of competent, jurisdiction finds any provision of this Agreement legally invalid or unenforceable, such finding will not affect the validity or enforceability of any other provision of this Agreement and the parties will continue to perform. If the Agreement cannot be performed in the absence of the provision, this Agreement will terminate upon one-hundred-twenty (120) written notice by one party to the other party.

12.2. **ASSIGNMENT.** This Agreement shall bind, and inure to the benefit of, the parties and any successors to substantially the entire assets of the respective party. Neither party may assign this Agreement without first obtaining the prior written consent of the other party. Any attempted assignment without consent is void.

12.3. **FORCE MAJEURE.** Each party will be excused from performance of the Agreement only to the extent that performance is prevented by conditions beyond the reasonable control of the affected party. The party claiming excuse for delayed performance will promptly notify the other party and will resume its performance as soon as performance is possible. Termination of service due to lack of funding is not considered to be a Force Majeure event.

12.4. **EFFECT OF WAIVERS.** No waiver of any right, remedy, power or privilege by any party shall be effective unless made in writing. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or of any other provision of this Agreement.

Appendix A

Appendix B



Date: April 28, 2017
To: Board of Trustees
From: Isaac Thorne, Interim General Manager
Patrick Kuebrich, Finance Director
Subject: FY2018 Budget Scenarios

Connect staff has provided the Board of Trustees with multiple budget scenarios that will help address financial challenges that Connect Transit faces over the next three to five years with the capital and operating budgets.

The budget scenarios give the Board of Trustees a framework to discuss a status quo budget or decrease in revenue hours for the FY2018 budget. A decrease of 8,000 or more revenue hours in FY2018 budget, would decrease federal funding and allow Connect Transit to maintain service into FY2022. However, Illinois Downstate Operating Assistance Program would need to reimburse Connect for expenses during this time period.

The federal funding that is not used for operating will be used to purchase new fixed route buses. Connect has the current funding to replace six buses in FY2018 and will be applying for federal discretionary bus replacement funding through the Bus and Bus Facilities and Low or No Emissions grants. In the next few months Connect will be applying for five light-duty replacement buses through the Illinois Consolidated Vehicle Procurement Program.

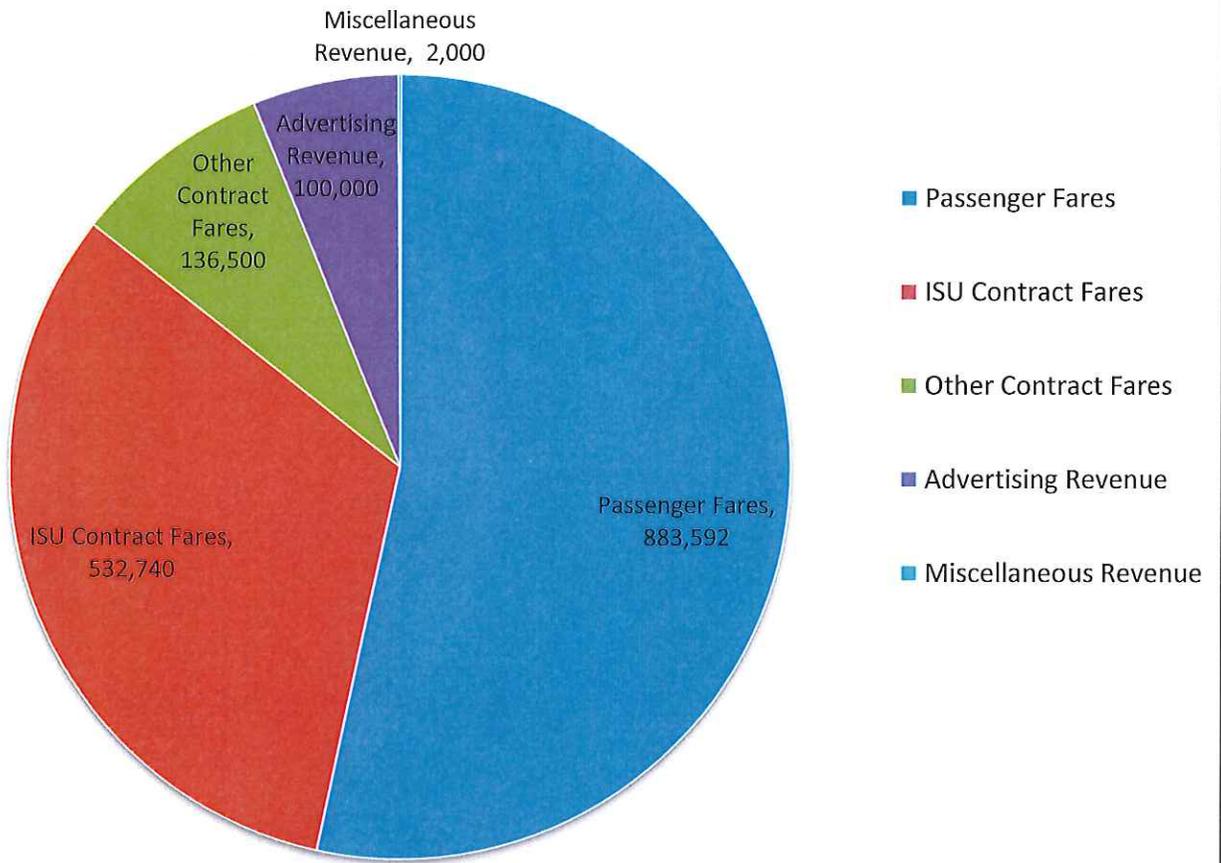
In addition to federal and state funding, staff is seeking additional advertising revenue on the displays inside the buses, shelters, and a partnership with Uber Displays. The additional advertising revenue is included in the budget scenarios at \$150,000, but this could increase after FY2018.



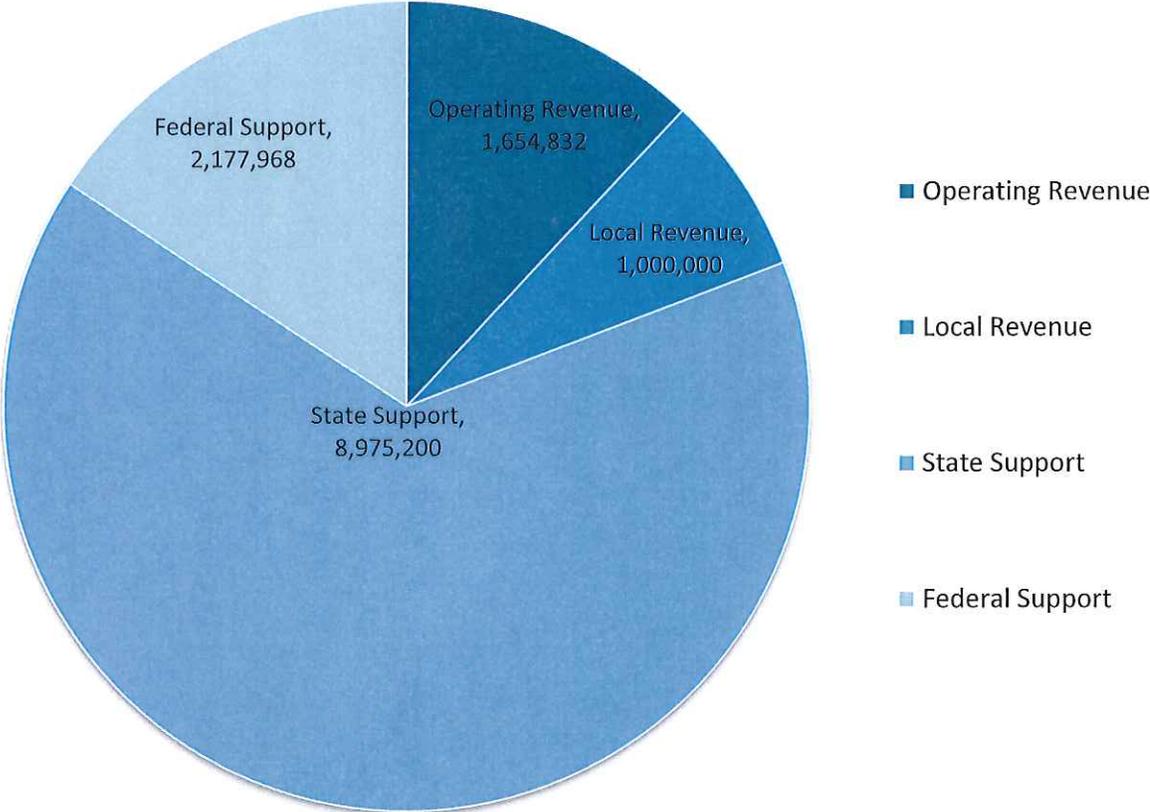
	FY 2017 Projected Year End	FY 2017 Annual Budget	FY 2018 Status Quo Revenue Hours	FY 2018 8,000 less Revenue Hours	FY 2018 16,000 less Revenue Hours	FY 2018 24,000 less Revenue Hours
Operating Revenue						
Passenger Fares	639,002.07	883,592.00	650,000.00	630,850.00	622,250.00	613,650.00
ISU Contract Fares	532,740.00	532,740.00	535,000.00	535,000.00	535,000.00	535,000.00
Other Contract Fares	80,000.00	136,500.00	80,000.00	80,000.00	80,000.00	80,000.00
Advertising Revenue	120,788.57	100,000.00	285,000.00	285,000.00	285,000.00	285,000.00
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Total Operating Revenue	1,377,453.73	1,654,832.00	1,552,000.00	1,532,850.00	1,524,250.00	1,515,650.00
Operating Expenses						
Operations Wages	5,208,772.68	5,585,314.00	5,681,664.00	5,487,430.00	5,279,142.00	5,071,217.00
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	1,281,200.00	1,281,200.00	1,281,200.00
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	1,023,100.00	1,023,100.00	1,023,100.00
Employer Payroll Tax Expense	547,924.66	636,792.00	648,727.00	633,868.10	617,934.06	602,027.80
Retirement Plan	281,444.78	439,852.00	399,299.00	389,587.30	379,172.90	368,776.65
Group Insurance	1,646,686.19	1,760,000.00	1,917,100.00	1,838,220.00	1,759,340.00	1,680,460.00
Uniform Expense	33,175.85	36,600.00	36,600.00	34,968.00	33,336.00	31,704.00
Professional Services	204,623.86	227,936.00	208,936.00	208,936.00	208,936.00	208,936.00
Outside Repair - Labor	126,464.55	118,365.00	118,365.00	111,701.00	105,037.00	98,373.00
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	121,100.00	121,100.00	121,100.00
Custodial Services	13,468.73	15,500.00	15,500.00	15,500.00	15,500.00	15,500.00
Employment Expenses	17,593.49	21,000.00	21,000.00	21,000.00	21,000.00	21,000.00
Fuel	835,328.34	1,286,020.00	1,186,020.00	1,111,220.00	1,036,420.00	961,620.00
Lubricants	49,651.92	44,252.00	45,212.00	42,220.00	39,228.00	36,236.00
Tires	91,736.63	96,240.00	96,240.00	90,800.00	85,360.00	79,920.00
Bus Repair Parts	205,081.73	187,900.00	206,500.00	193,920.00	181,340.00	168,760.00
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	57,000.00	57,000.00	57,000.00
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	7,500.00	7,500.00	7,500.00
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	145,500.00	145,500.00	145,500.00
Utilities	130,600.09	133,600.00	139,100.00	139,100.00	139,100.00	139,100.00
Corporate Insurance	266,128.65	277,000.00	277,100.00	277,100.00	277,100.00	277,100.00
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	48,004.00	48,004.00	48,004.00
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	268,000.00	268,000.00	268,000.00
Total Operating Expenses	12,497,297.35	13,808,000.00	13,948,767.00	13,546,974.40	13,129,349.96	12,712,134.45
Operating Revenue	1,377,453.73	1,654,832.00	1,552,000.00	1,532,850.00	1,524,250.00	1,515,650.00
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
State Support	8,123,243.29	8,975,200.00	9,066,698.55	8,805,533.36	8,534,077.48	8,262,887.39
Federal Support	1,986,585.43	2,177,968.00	2,330,068.45	2,208,591.04	2,071,022.48	1,933,597.06
Total Revenue and Support	12,487,282.41	13,808,000.00	13,948,767.00	13,546,974.40	13,129,349.96	12,712,134.45

FY2017 Annual Budget

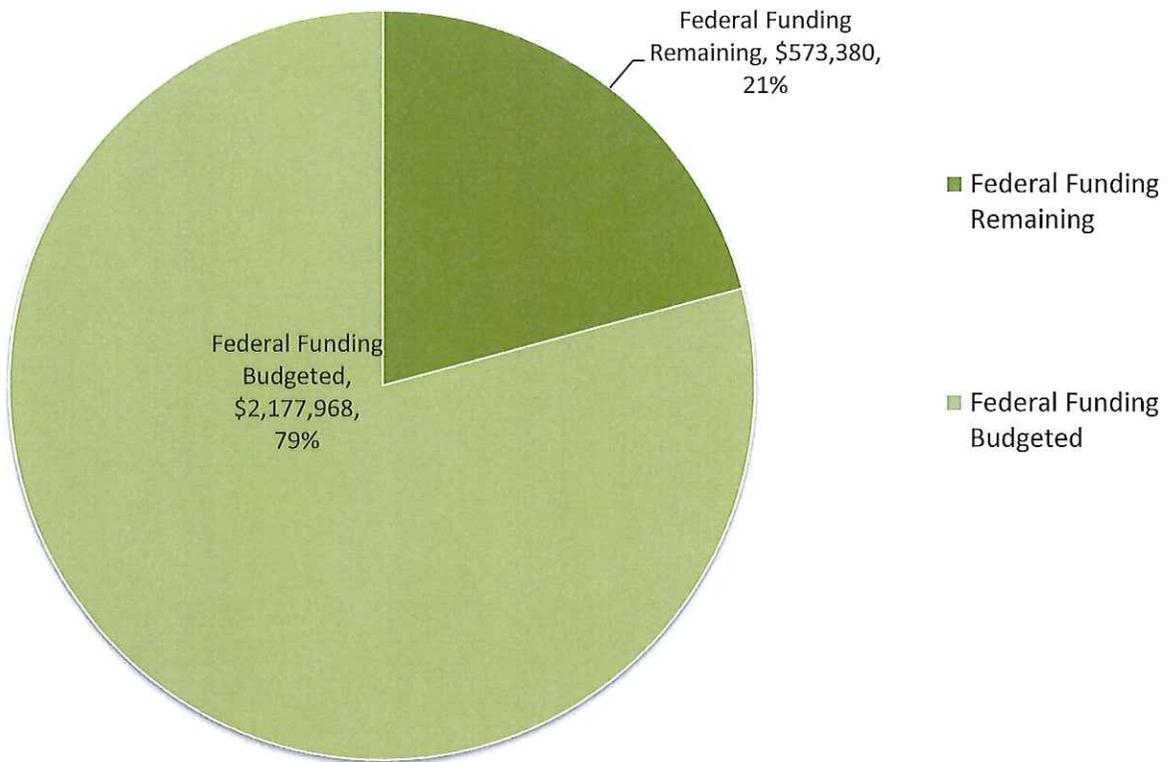
FY2017 Budgeted Operating Revenue



FY2017 Budgeted Revenue and Support



FY2017 Budgeted Federal Funding





	FY 2017 Projected Year End	FY 2017 Total Annual Budget	Status Quo FY 2018 Proposed Budget	Status Quo FY 2018 Budget \$ Change From FY 2017	Status Quo FY 2018 Budget % Change From FY 2017
Operating Revenue					
Passenger Fares	639,002.07	883,592.00	650,000.00	(233,592.00)	-26.44%
ISU Contract Fares	532,740.00	532,740.00	535,000.00	2,260.00	0.42%
Other Contract Fares	80,000.00	136,500.00	80,000.00	(56,500.00)	-41.39%
Advertising Revenue	120,788.57	100,000.00	285,000.00	185,000.00	185.00%
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	-	0.00%
Total Operating Revenue	1,377,453.73	1,654,832.00	1,552,000.00	(102,832.00)	-6.21%
Operating Expenses					
Operations Wages	5,208,772.68	5,585,314.00	5,681,664.00	96,350.00	1.73%
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	144,075.00	12.67%
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	(97,500.00)	-8.70%
Employer Payroll Tax Expense	547,924.66	636,792.00	648,727.00	11,935.00	1.87%
Retirement Plan	281,444.78	439,852.00	399,299.00	(40,553.00)	-9.22%
Group Insurance	1,646,686.19	1,760,000.00	1,917,100.00	157,100.00	8.93%
Uniform Expense	33,175.85	36,600.00	36,600.00	-	0.00%
Professional Services	204,623.86	227,936.00	208,936.00	(19,000.00)	-8.34%
Outside Repair - Labor	126,464.55	118,365.00	118,365.00	-	0.00%
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	(25,600.00)	-17.45%
Custodial Services	13,468.73	15,500.00	15,500.00	-	0.00%
Employment Expenses	17,593.49	21,000.00	21,000.00	-	0.00%
Fuel	835,328.34	1,286,020.00	1,186,020.00	(100,000.00)	-7.78%
Lubricants	49,651.92	44,252.00	45,212.00	960.00	2.17%
Tires	91,736.63	96,240.00	96,240.00	-	0.00%
Bus Repair Parts	205,081.73	187,900.00	206,500.00	18,600.00	9.90%
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	1,000.00	1.79%
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	300.00	4.17%
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	1,000.00	0.69%
Utilities	130,600.09	133,600.00	139,100.00	5,500.00	4.12%
Corporate Insurance	266,128.65	277,000.00	277,100.00	100.00	0.04%
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	-	0.00%
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	(13,500.00)	-4.80%
Total Operating Expenses	12,497,297.37	13,808,000.00	13,948,767.00	140,767.00	1.02%
Operating Revenue	1,377,453.73	1,654,832.00	1,552,000.00	(102,832.00)	-6.21%
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	-	0.00%
State Support	8,123,243.29	8,975,200.00	9,066,698.55	91,498.55	1.02%
Federal Support	1,986,585.43	2,177,968.00	2,330,068.44	152,100.44	6.98%
Total Revenue and Support	12,487,282.41	13,808,000.00	13,948,767.00	140,767.00	1.02%

Assumptions

We assumed \$150,000 in Advertising Revenue from Uber Displays

We assumed there would be no change to number of service hours

We assumed a slight increase in total passenger fares on FY 2018. We assumed a slight increase from ISU and a 41% decrease from Heartland.



	FY 2017 Projected Year End	FY 2017 Total Annual Budget	8,000 less Rev. Hours FY 2018 Proposed Budget	8,000 less Rev. Hours FY 2018 Budget \$ Change From FY 2017	8,000 less Rev. Hours FY 2018 Budget % Change From FY 2017
Operating Revenue					
Passenger Fares	639,002.07	883,592.00	630,850.00	(252,742.00)	-28.60%
ISU Contract Fares	532,740.00	532,740.00	535,000.00	2,260.00	0.42%
Other Contract Fares	80,000.00	136,500.00	80,000.00	(56,500.00)	-41.39%
Advertising Revenue	120,788.57	100,000.00	285,000.00	185,000.00	185.00%
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	-	0.00%
Total Operating Revenue	1,377,453.73	1,654,832.00	1,532,850.00	(121,982.00)	-7.37%
Operating Expenses					
Operations Wages	5,208,772.68	5,585,314.00	5,487,430.00	(97,884.00)	-1.75%
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	144,075.00	12.67%
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	(97,500.00)	-8.70%
Employer Payroll Tax Expense	547,924.66	636,792.00	633,868.10	(2,923.91)	-0.46%
Retirement Plan	281,444.78	439,852.00	389,587.30	(50,264.70)	-11.43%
Group Insurance	1,646,686.19	1,760,000.00	1,838,220.00	78,220.00	4.44%
Uniform Expense	33,175.85	36,600.00	34,968.00	(1,632.00)	-4.46%
Professional Services	204,623.86	227,936.00	208,936.00	(19,000.00)	-8.34%
Outside Repair - Labor	126,464.55	118,365.00	111,701.00	(6,664.00)	-5.63%
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	(25,600.00)	-17.45%
Custodial Services	13,468.73	15,500.00	15,500.00	-	0.00%
Employment Expenses	17,593.49	21,000.00	21,000.00	-	0.00%
Fuel	835,328.34	1,286,020.00	1,111,220.00	(174,800.00)	-13.59%
Lubricants	49,651.92	44,252.00	42,220.00	(2,032.00)	-4.59%
Tires	91,736.63	96,240.00	90,800.00	(5,440.00)	-5.65%
Bus Repair Parts	205,081.73	187,900.00	193,920.00	6,020.00	3.20%
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	1,000.00	1.79%
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	300.00	4.17%
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	1,000.00	0.69%
Utilities	130,600.09	133,600.00	139,100.00	5,500.00	4.12%
Corporate Insurance	266,128.65	277,000.00	277,100.00	100.00	0.04%
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	-	0.00%
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	(13,500.00)	-4.80%
Total Operating Expenses	12,497,297.37	13,808,000.00	13,546,974.40	(261,025.61)	-1.89%
Operating Revenue	1,377,453.73	1,654,832.00	1,532,850.00	(121,982.00)	-7.37%
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	-	0.00%
State Support	8,123,243.29	8,975,200.00	8,805,533.36	(169,666.64)	-1.89%
Federal Support	1,986,585.43	2,177,968.00	2,208,591.03	30,623.03	1.41%
Total Revenue and Support	12,487,282.41	13,808,000.00	13,546,974.40	(261,025.60)	-1.89%

Assumptions

We assumed \$150,000 in Advertising Revenue from Uber Displays

We assumed an 8,000 hour decrease to service hours

We assumed a slight decrease in total passenger fares on FY 2018. We assumed a slight increase from ISU and a 41% decrease from Heartland.

We assumed a decrease in Operations' Wages, P/R Taxes, Health Insurance, Group Insurance, Uniforms, Outside Repairs, Diesel, Lubricants Tires, and Bus Parts based on a reduction of 8,000 hours.



	FY 2017 Projected Year End	FY 2017 Total Annual Budget	16,000 less Rev. Hours FY 2018 Proposed Budget	16,000 less Rev. Hours FY 2018 Budget \$ Change Form FY 2017	16,000 less Rev. Hours FY 2018 Budget % Change Form FY 2017
Operating Revenue					
Passenger Fares	639,002.07	883,592.00	622,250.00	(261,342.00)	-29.58%
ISU Contract Fares	532,740.00	532,740.00	535,000.00	2,260.00	0.42%
Other Contract Fares	80,000.00	136,500.00	80,000.00	(56,500.00)	-41.39%
Advertising Revenue	120,788.57	100,000.00	285,000.00	185,000.00	185.00%
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	-	0.00%
Total Operating Revenue	1,377,453.73	1,654,832.00	1,524,250.00	(130,582.00)	-7.89%
Operating Expenses					
Operations Wages	5,208,772.68	5,585,314.00	5,279,142.00	(306,172.00)	-5.48%
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	144,075.00	12.67%
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	(97,500.00)	-8.70%
Employer Payroll Tax Expense	547,924.66	636,792.00	617,934.06	(18,857.94)	-2.96%
Retirement Plan	281,444.78	439,852.00	379,172.90	(60,679.10)	-13.80%
Group Insurance	1,646,686.19	1,760,000.00	1,759,340.00	(660.00)	-0.04%
Uniform Expense	33,175.85	36,600.00	33,336.00	(3,264.00)	-8.92%
Professional Services	204,623.86	227,936.00	208,936.00	(19,000.00)	-8.34%
Outside Repair - Labor	126,464.55	118,365.00	105,037.00	(13,328.00)	-11.26%
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	(25,600.00)	-17.45%
Custodial Services	13,468.73	15,500.00	15,500.00	-	0.00%
Employment Expenses	17,593.49	21,000.00	21,000.00	-	0.00%
Fuel	835,328.34	1,286,020.00	1,036,420.00	(249,600.00)	-19.41%
Lubricants	49,651.92	44,252.00	39,228.00	(5,024.00)	-11.35%
Tires	91,736.63	96,240.00	85,360.00	(10,880.00)	-11.31%
Bus Repair Parts	205,081.73	187,900.00	181,340.00	(6,560.00)	-3.49%
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	1,000.00	1.79%
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	300.00	4.17%
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	1,000.00	0.69%
Utilities	130,600.09	133,600.00	139,100.00	5,500.00	4.12%
Corporate Insurance	266,128.65	277,000.00	277,100.00	100.00	0.04%
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	-	0.00%
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	(13,500.00)	-4.80%
Total Operating Expenses	12,497,297.37	13,808,000.00	13,129,349.96	(678,650.04)	-4.91%
Operating Revenue	1,377,453.73	1,654,832.00	1,524,250.00	(130,582.00)	-7.89%
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	-	0.00%
State Support	8,123,243.29	8,975,200.00	8,534,077.48	(441,122.52)	-4.91%
Federal Support	1,986,585.43	2,177,968.00	2,071,022.48	(106,945.52)	-4.91%
Total Revenue and Support	12,487,282.41	13,808,000.00	13,129,349.96	(678,650.04)	-4.91%

Assumptions

We assumed 150,000 in Advertising Revenue from Uber Displays

We assumed a 16,000 hour decrease to service hours

We assumed a slight decrease in total passenger fares on FY 2018. We assumed a slight increase from ISU and a 41% decrease from Heartland.

We assumed a decrease in Operations' Wages, P/R Taxes, Health Insurance, Group Insurance, Uniforms, Outside Repairs, Diesel, Lubricants Tires, and Bus Parts based on a reduction of 16,000 hours.



	FY 2017 Projected Year End	FY 2017 Total Annual Budget	24,000 less Rev. Hours FY 2018 Proposed Budget	24,000 less Rev. Hours FY 2018 Budget \$ Change From FY 2017	24,000 less Rev. Hours FY 2018 Budget % Change From FY 2017
Operating Revenue					
Passenger Fares	639,002.07	883,592.00	613,650.00	(269,942.00)	-30.55%
ISU Contract Fares	532,740.00	532,740.00	535,000.00	2,260.00	0.42%
Other Contract Fares	80,000.00	136,500.00	80,000.00	(56,500.00)	-41.39%
Advertising Revenue	120,788.57	100,000.00	285,000.00	185,000.00	185.00%
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	-	0.00%
Total Operating Revenue	1,377,453.73	1,654,832.00	1,515,650.00	(139,182.00)	-8.41%
Operating Expenses					
Operations Wages	5,208,772.68	5,585,314.00	5,071,217.00	(514,097.00)	-9.20%
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	144,075.00	12.67%
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	(97,500.00)	-8.70%
Employer Payroll Tax Expense	547,924.66	636,792.00	602,027.80	(34,764.20)	-5.46%
Retirement Plan	281,444.78	439,852.00	368,776.65	(71,075.35)	-16.16%
Group Insurance	1,646,686.19	1,760,000.00	1,680,460.00	(79,540.00)	-4.52%
Uniform Expense	33,175.85	36,600.00	31,704.00	(4,896.00)	-13.38%
Professional Services	204,623.86	227,936.00	208,936.00	(19,000.00)	-8.34%
Outside Repair - Labor	126,464.55	118,365.00	98,373.00	(19,992.00)	-16.89%
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	(25,600.00)	-17.45%
Custodial Services	13,468.73	15,500.00	15,500.00	-	0.00%
Employment Expenses	17,593.49	21,000.00	21,000.00	-	0.00%
Fuel	835,328.34	1,286,020.00	961,620.00	(324,400.00)	-25.23%
Lubricants	49,651.92	44,252.00	36,236.00	(8,016.00)	-18.11%
Tires	91,736.63	96,240.00	79,920.00	(16,320.00)	-16.96%
Bus Repair Parts	205,081.73	187,900.00	168,760.00	(19,140.00)	-10.19%
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	1,000.00	1.79%
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	300.00	4.17%
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	1,000.00	0.69%
Utilities	130,600.09	133,600.00	139,100.00	5,500.00	4.12%
Corporate Insurance	266,128.65	277,000.00	277,100.00	100.00	0.04%
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	-	0.00%
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	(13,500.00)	-4.80%
Total Operating Expenses	12,497,297.37	13,808,000.00	12,712,134.45	(1,095,865.55)	-7.94%
Operating Revenue	1,377,453.73	1,654,832.00	1,515,650.00	(139,182.00)	-8.41%
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	-	0.00%
State Support	8,123,243.29	8,975,200.00	8,262,887.39	(712,312.61)	-7.94%
Federal Support	1,986,585.43	2,177,968.00	1,933,597.05	(244,370.95)	-11.22%
Total Revenue and Support	12,487,282.41	13,808,000.00	12,712,134.45	(1,095,865.55)	-7.94%

Assumptions

We assumed \$150,000 in Advertising Revenue from Uber Displays

We assumed a 24,000 hour decrease to service hours

We assumed a slight decrease in total passenger fares on FY 2018. We assumed a slight increase from ISU and a 41% decrease from Heartland.

We assumed a decrease in Operations' Wages, P/R Taxes, Health Insurance, Group Insurance, Uniforms, Outside Repairs, Diesel, Lubricants Tires, and Bus Parts based on a reduction of 24,000 hours.



	FY 2017 Projected Year End	FY 2017 Annual Budget	FY 2018 Status Quo Revenue Hours	FY 2019 Status Quo Revenue Hours	FY 2020 Status Quo Revenue Hours	FY 2021 Status Quo Revenue Hours	FY 2022 Status Quo Revenue Hours
Operating Revenue							
Passenger Fares	639,002.07	883,592.00	650,000.00	669,500.00	689,585.00	710,272.00	731,580.00
ISU Contract Fares	532,740.00	532,740.00	535,000.00	545,000.00	555,000.00	565,000.00	575,000.00
Other Contract Fares	80,000.00	136,500.00	80,000.00	82,500.00	85,000.00	87,500.00	90,000.00
Advertising Revenue	120,788.57	100,000.00	285,000.00	385,000.00	385,000.00	385,000.00	385,000.00
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Total Operating Revenue	1,377,453.73	1,654,832.00	1,552,000.00	1,684,000.00	1,716,585.00	1,749,772.00	1,783,580.00
Operating Expenses							
Operations Wages	5,208,772.68	5,585,314.00	5,681,664.00	5,852,113.92	6,027,677.34	6,208,507.66	6,394,762.89
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	1,319,636.00	1,359,225.08	1,400,001.83	1,442,001.89
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	1,053,793.00	1,085,406.79	1,117,968.99	1,151,508.06
Employer Payroll Tax Expense	547,924.66	636,792.00	648,727.00	668,188.81	688,234.47	708,881.51	730,147.95
Retirement Plan	281,444.78	439,852.00	399,299.00	411,277.97	423,616.31	436,324.80	449,414.54
Group Insurance	1,646,686.19	1,760,000.00	1,917,100.00	2,108,810.00	2,319,691.00	2,551,660.10	2,806,826.11
Uniform Expense	33,175.85	36,600.00	36,600.00	37,698.00	38,828.94	39,993.81	41,193.62
Professional Services	204,623.86	227,936.00	208,936.00	215,204.08	221,660.20	228,310.01	235,159.31
Outside Repair - Labor	126,464.55	118,365.00	118,365.00	121,915.95	125,573.43	129,340.63	133,220.85
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	124,733.00	128,474.99	132,329.24	136,299.12
Custodial Services	13,468.73	15,500.00	15,500.00	15,965.00	16,443.95	16,937.27	17,445.39
Employment Expenses	17,593.49	21,000.00	21,000.00	21,630.00	22,278.90	22,947.27	23,635.69
Fuel	835,328.34	1,286,020.00	1,186,020.00	1,221,600.60	1,258,248.62	1,295,996.08	1,334,875.96
Lubricants	49,651.92	44,252.00	45,212.00	46,568.36	47,965.41	49,404.37	50,886.50
Tires	91,736.63	96,240.00	96,240.00	99,127.20	102,101.02	105,164.05	108,318.97
Bus Repair Parts	205,081.73	187,900.00	206,500.00	212,695.00	219,075.85	225,648.13	232,417.57
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	58,710.00	60,471.30	62,285.44	64,154.00
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	7,725.00	7,956.75	8,195.45	8,441.32
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	149,865.00	154,360.95	158,991.78	163,761.53
Utilities	130,600.09	133,600.00	139,100.00	143,273.00	147,571.19	151,998.33	156,558.28
Corporate Insurance	266,128.65	277,000.00	277,100.00	285,413.00	293,975.39	302,794.65	311,878.49
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	49,444.12	50,927.44	52,455.27	54,028.92
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	276,040.00	284,321.20	292,850.84	301,636.36
Total Operating Expenses	12,497,297.35	13,808,000.00	13,948,767.00	14,501,427.01	15,084,086.52	15,698,987.49	16,348,573.32
Operating Revenue	1,377,453.73	1,654,832.00	1,552,000.00	1,684,000.00	1,716,585.00	1,749,772.00	1,783,580.00
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
State Support	8,123,243.29	8,975,200.00	9,066,698.55	9,425,927.56	9,804,656.24	10,204,341.87	10,626,572.66
Federal Support	1,986,585.43	2,177,968.00	2,330,068.45	2,391,499.45	2,562,845.28	2,744,873.62	2,938,420.66
Total Revenue and Support	12,487,282.41	13,808,000.00	13,948,767.00	14,501,427.01	15,084,086.52	15,698,987.49	16,348,573.32

Assumptions

\$150,000.00 increase in Advertising Revenue from Uber Displays in FY 2018; \$250,000 in FY 2019 - 2022

3% increase in passenger fares every year

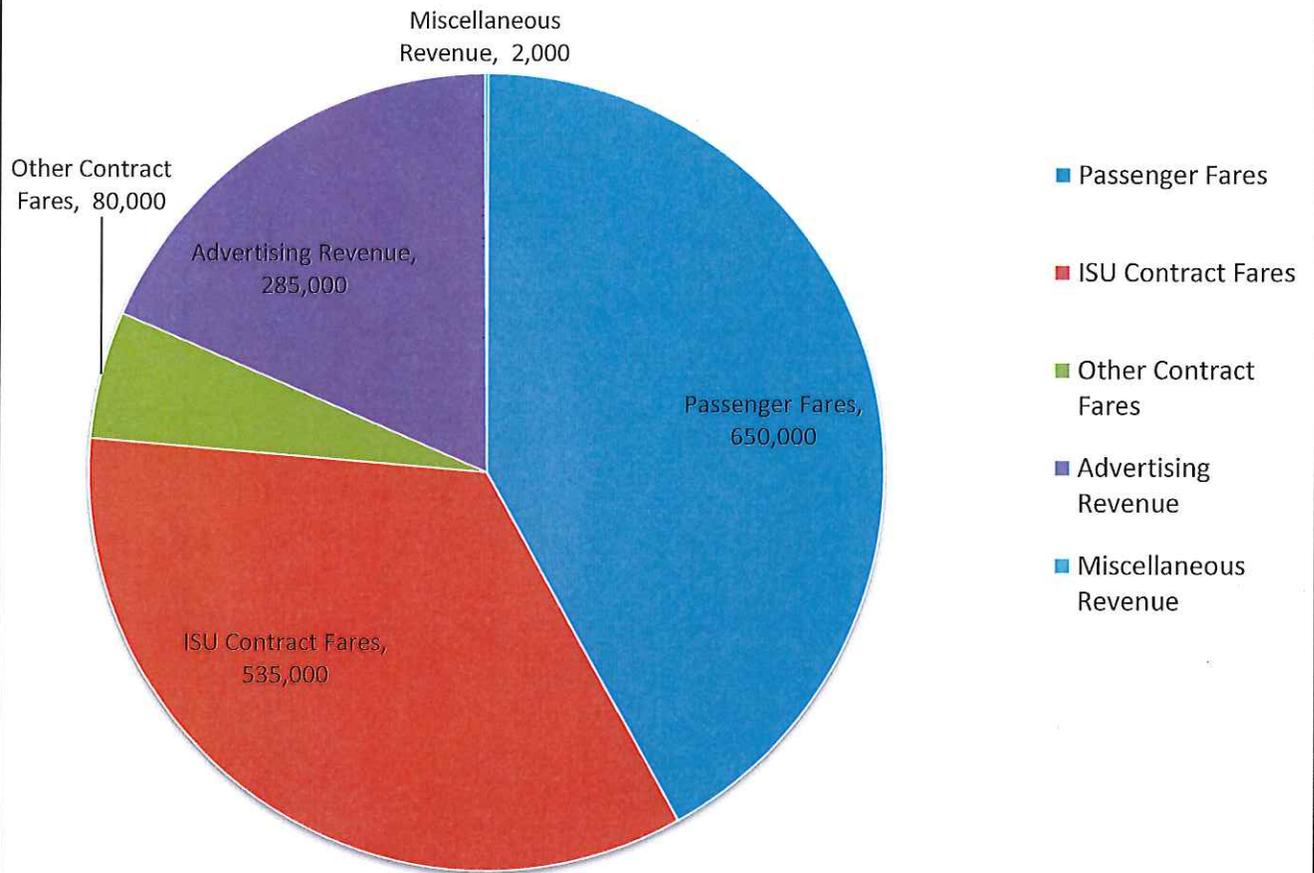
\$10,000.00 increase per year ISU

\$2,500.00 increase per year Heartland Community College

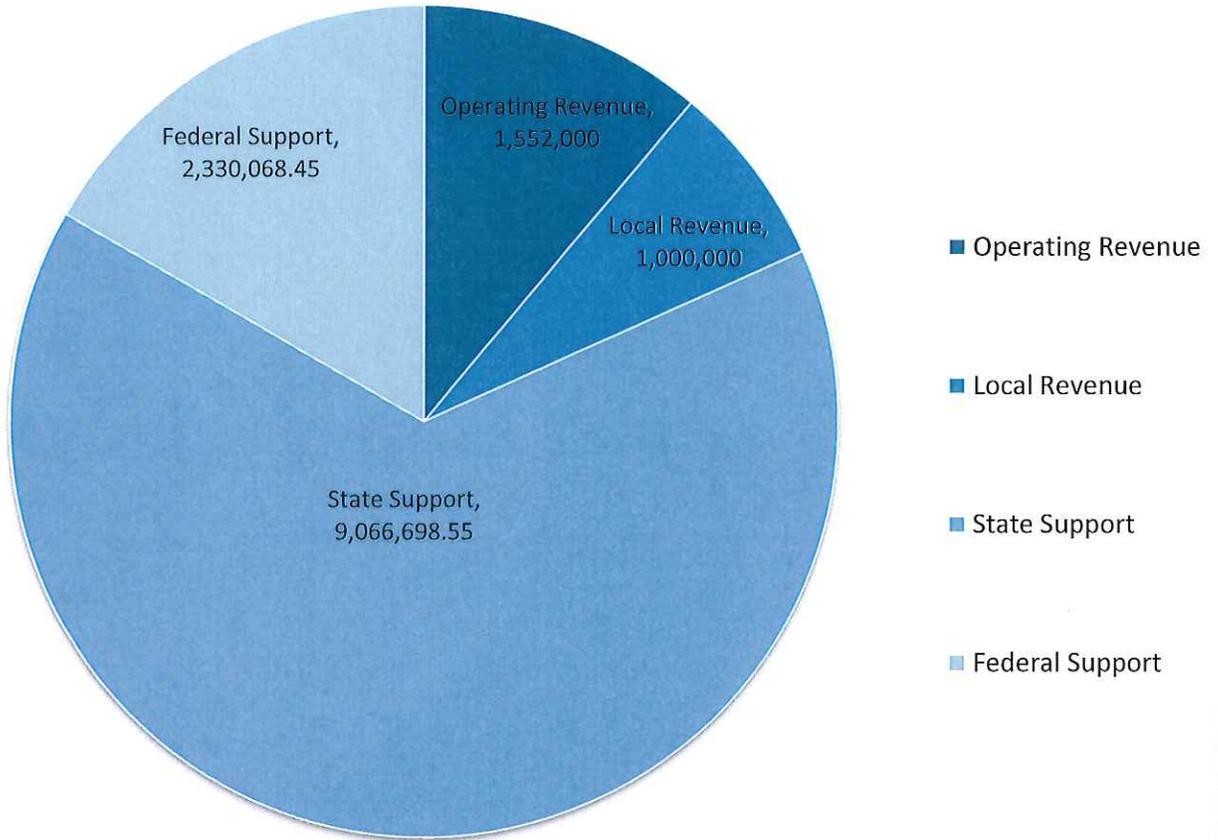
10% increase in Group Insurance, 3% increase in all other expenses every year

FY2018 Annual Budget Status Quo Revenue Hours

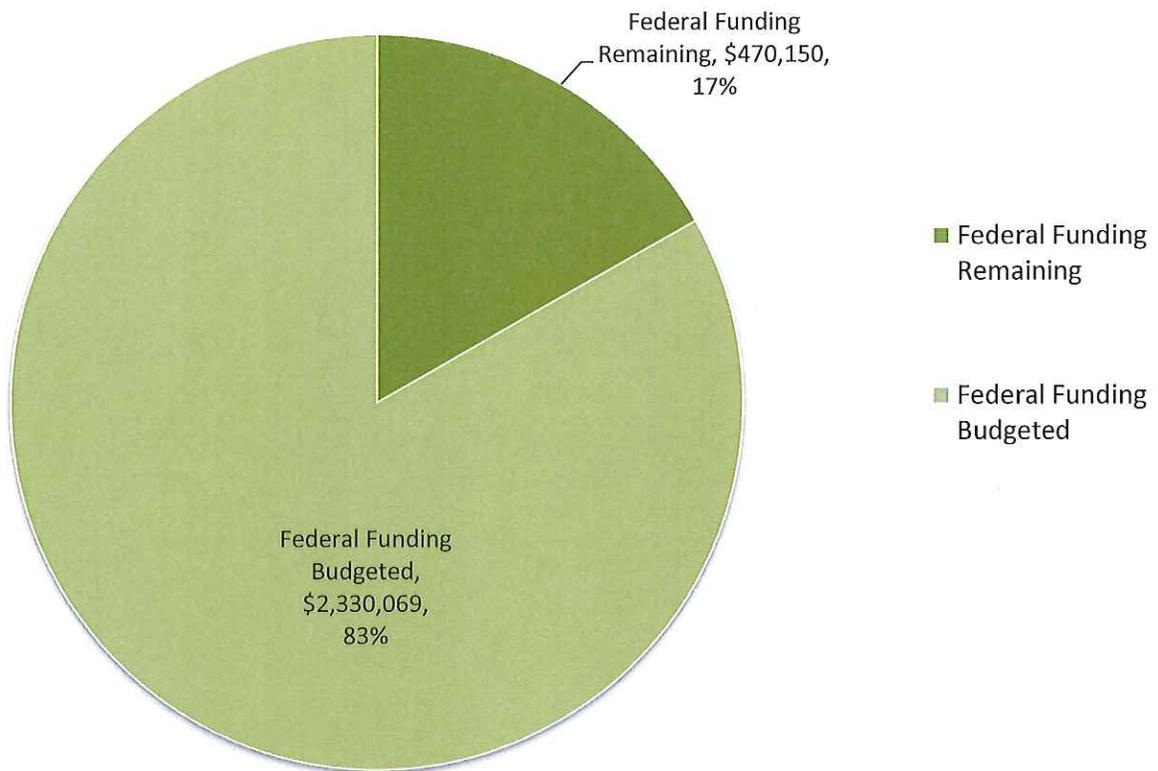
FY2018 Status Quo Budgeted Operating Revenue



FY2018 Status Quo Budgeted Revenue and Support

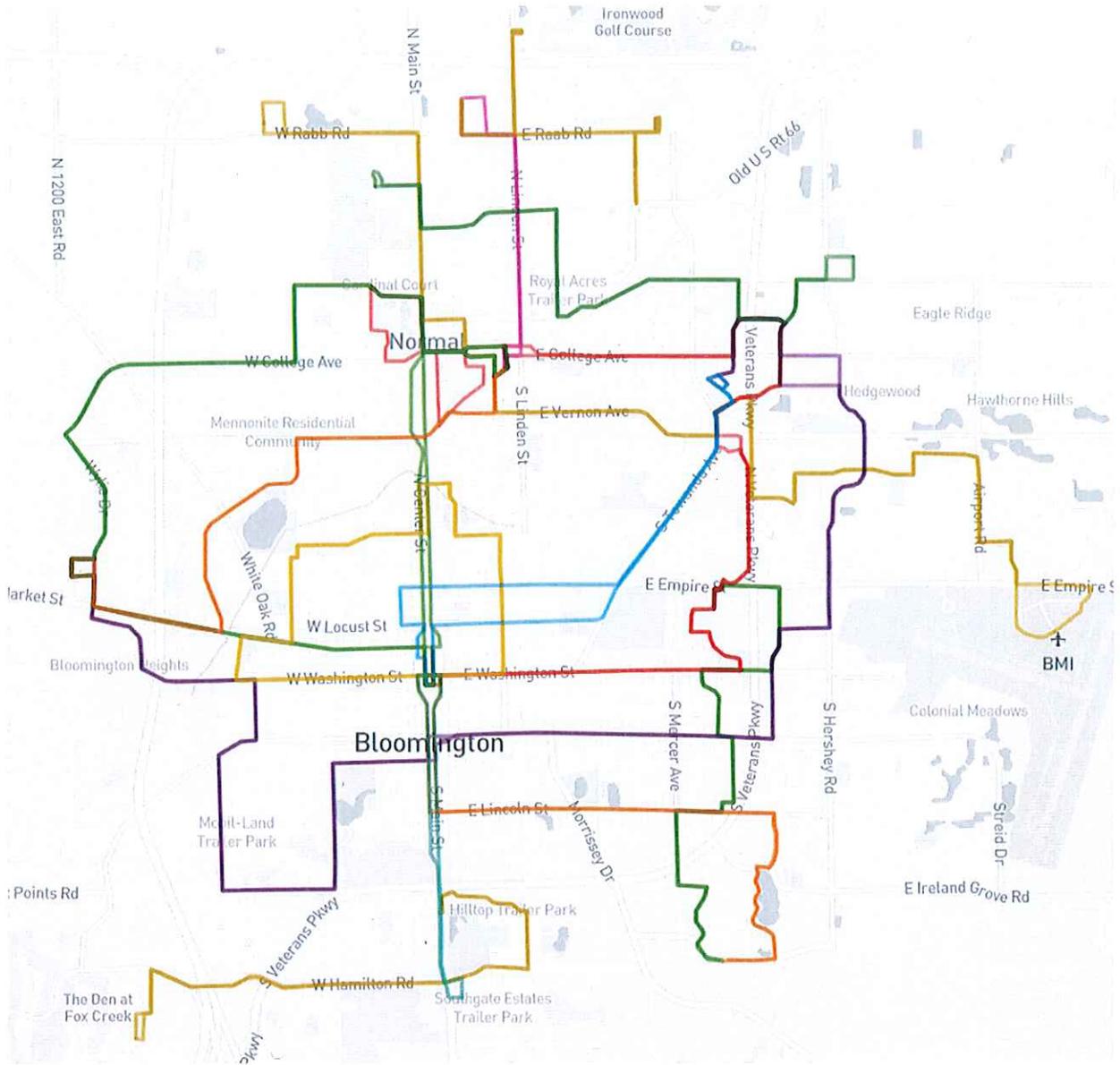


FY2018 Status Quo Budgeted Federal Funding



Connect is allocated \$2,800,219 of federal funding in 2018 under the current Fixing America's Surface Transportation Act (FAST) legislation. With a status quo budget scenario Connect would use \$2,330,069 or 83% of our federal allocation.

Current Route System Map





	FY 2017 Projected Year End	FY 2017 Annual Budget	FY 2018 8,000 Less Revenue Hours	FY 2019 8,000 Less Revenue Hours	FY 2020 8,000 Less Revenue Hours	FY 2021 8,000 Less Revenue Hours	FY 2022 8,000 Less Revenue Hours
Operating Revenue							
Passenger Fares	639,002.07	883,592.00	630,850.00	649,775.50	669,268.77	689,346.83	710,027.23
ISU Contract Fares	532,740.00	532,740.00	535,000.00	545,000.00	555,000.00	565,000.00	575,000.00
Other Contract Fares	80,000.00	136,500.00	80,000.00	82,500.00	85,000.00	87,500.00	90,000.00
Advertising Revenue	120,788.57	100,000.00	285,000.00	385,000.00	385,000.00	385,000.00	385,000.00
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Total Operating Revenue	1,377,453.73	1,654,832.00	1,532,850.00	1,664,275.50	1,696,268.77	1,728,846.83	1,762,027.23
Operating Expenses							
Operations Wages	5,208,772.68	5,585,314.00	5,487,430.00	5,652,052.90	5,821,614.49	5,996,262.92	6,176,150.81
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	1,319,636.00	1,359,225.08	1,400,001.83	1,442,001.89
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	1,053,793.00	1,085,406.79	1,117,968.99	1,151,508.06
Employer Payroll Tax Expense	547,924.66	636,792.00	633,868.10	652,884.14	672,470.66	692,644.78	713,424.13
Retirement Plan	281,444.78	439,852.00	389,587.30	401,274.92	413,313.17	425,712.56	438,483.94
Group Insurance	1,646,686.19	1,760,000.00	1,838,220.00	2,022,042.00	2,224,246.20	2,446,670.82	2,691,337.90
Uniform Expense	33,175.85	36,600.00	34,968.00	36,017.04	37,097.55	38,210.48	39,356.79
Professional Services	204,623.86	227,936.00	208,936.00	215,204.08	221,660.20	228,310.01	235,159.31
Outside Repair - Labor	126,464.55	118,365.00	111,701.00	115,052.03	118,503.59	122,058.70	125,720.46
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	124,733.00	128,474.99	132,329.24	136,299.12
Custodial Services	13,468.73	15,500.00	15,500.00	15,965.00	16,443.95	16,937.27	17,445.39
Employment Expenses	17,593.49	21,000.00	21,000.00	21,630.00	22,278.90	22,947.27	23,635.69
Fuel	835,328.34	1,286,020.00	1,111,220.00	1,144,556.60	1,178,893.30	1,214,260.10	1,250,687.90
Lubricants	49,651.92	44,252.00	42,220.00	43,486.60	44,791.20	46,134.93	47,518.98
Tires	91,736.63	96,240.00	90,800.00	93,524.00	96,329.72	99,219.61	102,196.20
Bus Repair Parts	205,081.73	187,900.00	193,920.00	199,737.60	205,729.73	211,901.62	218,258.67
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	58,710.00	60,471.30	62,285.44	64,154.00
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	7,725.00	7,956.75	8,195.45	8,441.32
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	149,865.00	154,360.95	158,991.78	163,761.53
Utilities	130,600.09	133,600.00	139,100.00	143,273.00	147,571.19	151,998.33	156,558.28
Corporate Insurance	266,128.65	277,000.00	277,100.00	285,413.00	293,975.39	302,794.65	311,878.49
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	49,444.12	50,927.44	52,455.27	54,028.92
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	276,040.00	284,321.20	292,850.84	301,636.36
Total Operating Expenses	12,497,297.35	13,808,000.00	13,546,974.40	14,082,059.03	14,646,063.74	15,241,142.88	15,869,644.13
Operating Revenue	1,377,453.73	1,654,832.00	1,532,850.00	1,664,275.50	1,696,268.77	1,728,846.83	1,762,027.23
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
State Support	8,123,243.29	8,975,200.00	8,805,533.36	9,153,338.37	9,519,941.43	9,906,742.87	10,315,268.68
Federal Support	1,986,585.43	2,177,968.00	2,208,591.03	2,264,445.16	2,429,853.54	2,605,553.18	2,792,348.21
Total Revenue and Support	12,487,282.41	13,808,000.00	13,546,974.40	14,082,059.03	14,646,063.74	15,241,142.88	15,869,644.13

Assumptions

\$150,000.00 increase in Advertising Revenue from Uber Displays in FY 2018; \$250,000.00 in FY 2019 - 2022

3% increase in passenger fares every year

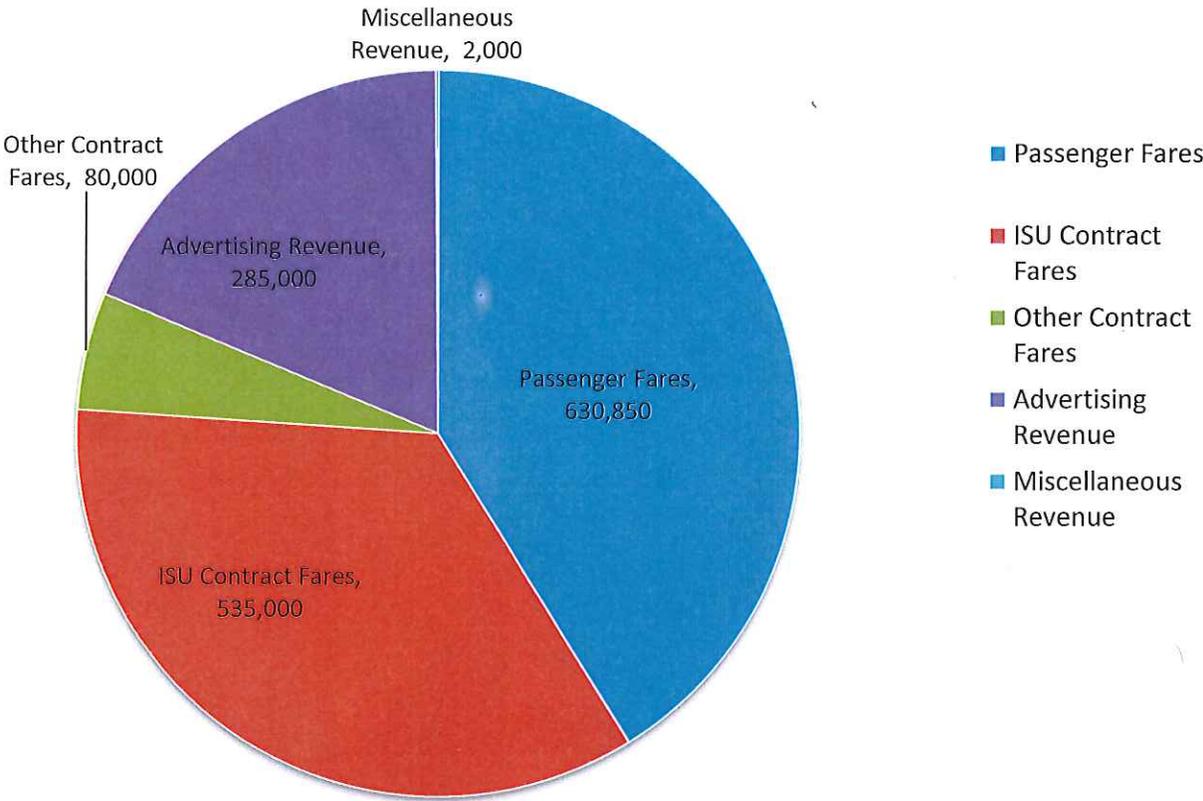
\$10,000.00 increase per year ISU

\$2,500.00 increase per year Heartland Community College

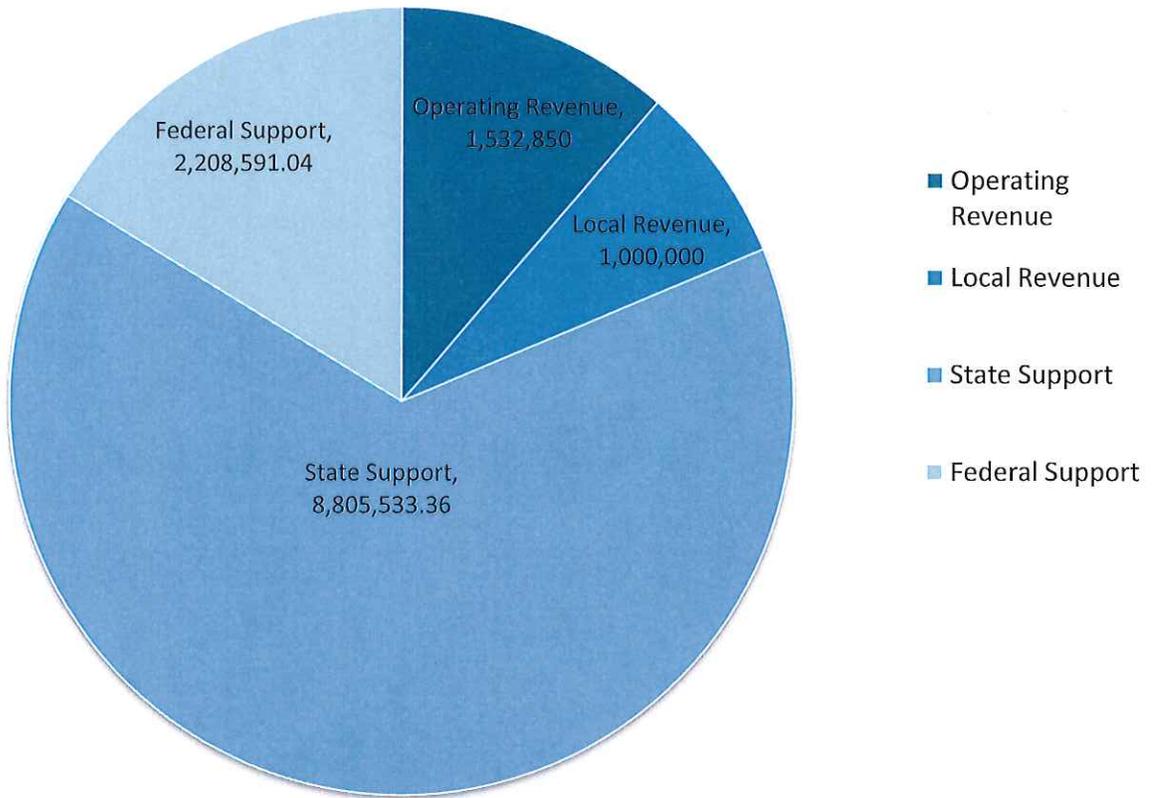
10% increase in Group Insurance, 3% increase in all other expenses every year

**FY2018 Annual Budget
8,000 Less Revenue Hours**

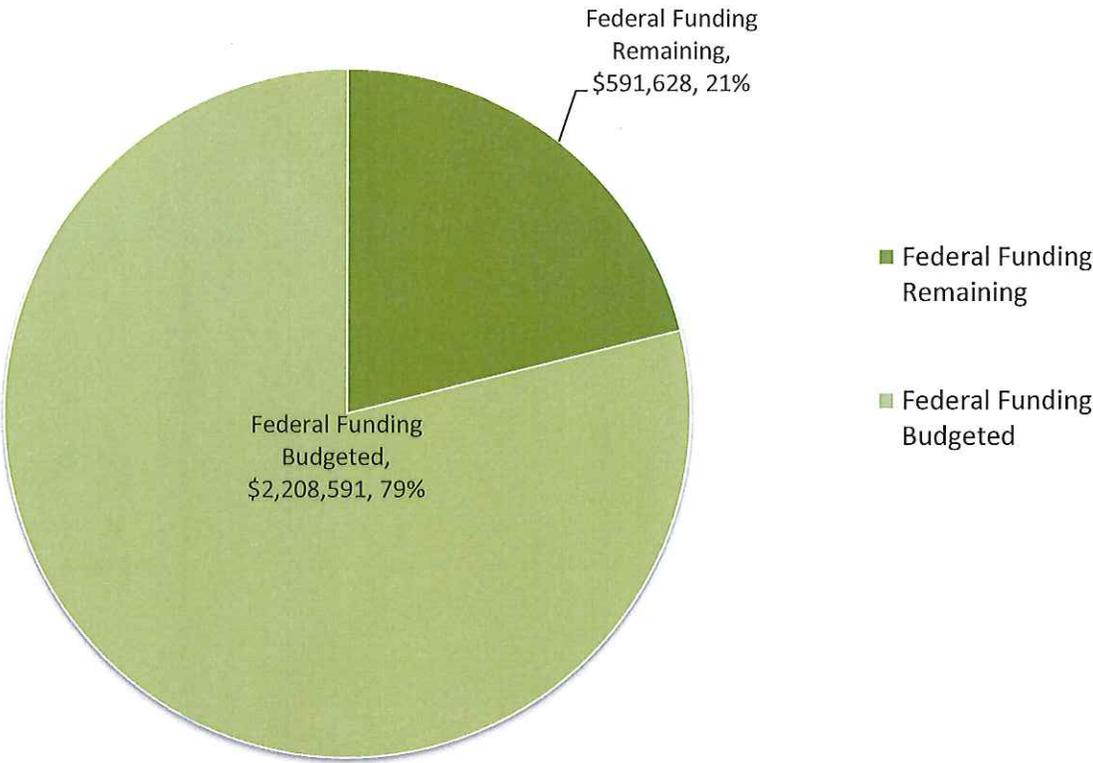
**FY2018 Budgeted Operating Revenue 8,000 Less
Revenue Hours**



FY2018 Budgeted Revenue and Support 8,000 Less Revenue Hours

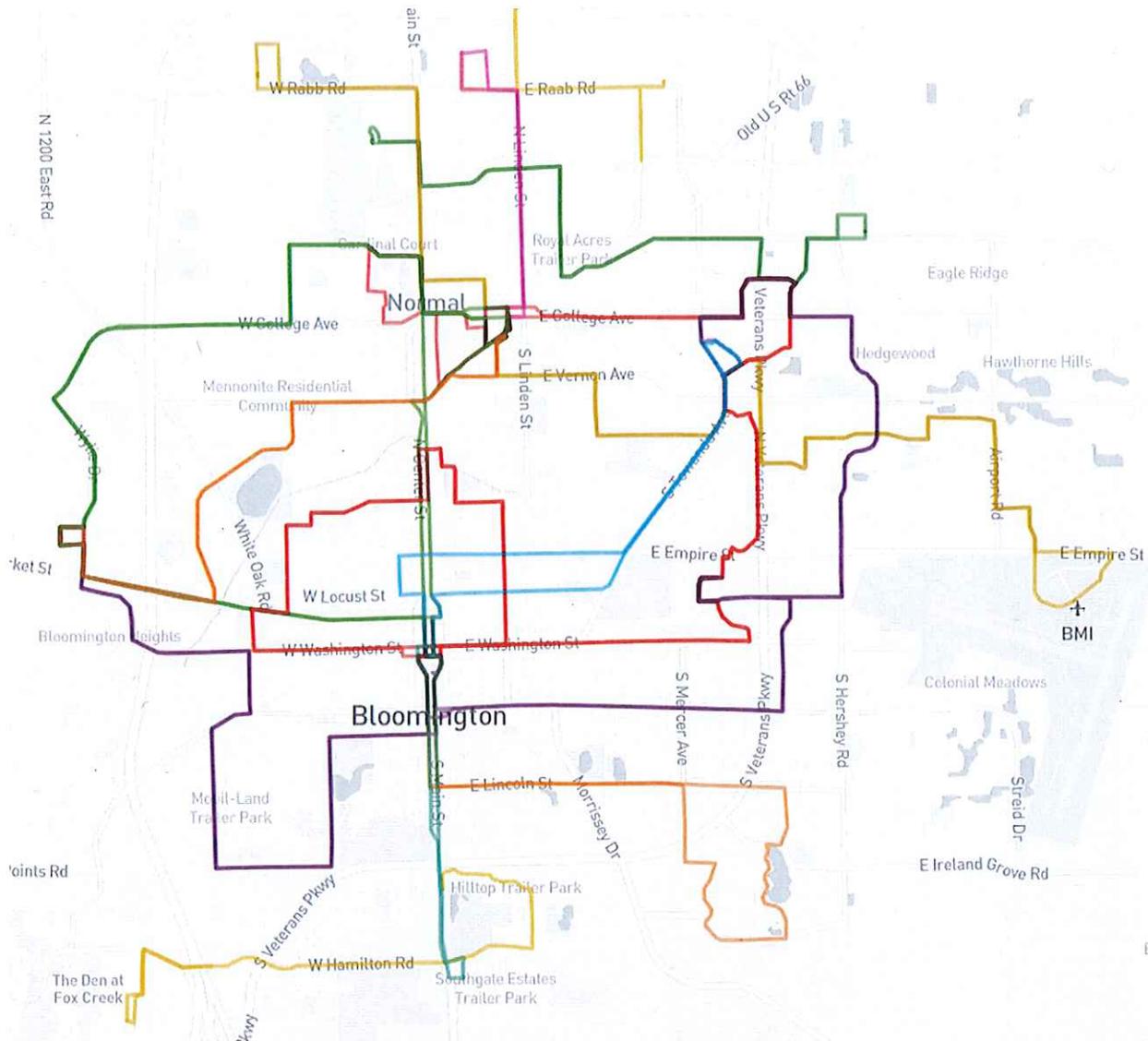


FY18 Budgeted Federal Funding 8,000 Less Revenue Hours



Connect is allocated \$2,800,219 of federal funding in 2018 under the current Fixing America's Surface Transportation Act (FAST) legislation. With a budget scenario of 8,000 revenue hour decrease, Connect would use \$2,208,591 or 79% of our federal allocation.

Route System Map with 8,000 Less Revenue Hours



Under this scenario Connect would consolidate the Teal route using the Purple route. The Purple route would travel to Downtown Bloomington and near Eastland Mall. Aqua route would have twenty minute service. This would allow us to provide fifteen minute service on Yellow route during the Heartland Community College spring and fall semester.

Connect Mobility service is operating past fixed route service hours and this is not a American Disabilities Act requirement. Connect Transit would only operate Connect Mobility service during the same hours that fixed route service is being operated.



	FY 2017 Projected Year End	FY 2017 Annual Budget	FY 2018 16,000 Less Revenue Hours	FY 2019 16,000 Less Revenue Hours	FY 2020 16,000 Less Revenue Hours	FY 2021 16,000 Less Revenue Hours	FY 2022 16,000 Less Revenue Hours
Operating Revenue							
Passenger Fares	639,002.07	883,592.00	622,250.00	640,917.50	660,145.03	679,949.38	700,347.86
ISU Contract Fares	532,740.00	532,740.00	535,000.00	545,000.00	555,000.00	565,000.00	575,000.00
Other Contract Fares	80,000.00	136,500.00	80,000.00	82,500.00	85,000.00	87,500.00	90,000.00
Advertising Revenue	120,788.57	100,000.00	285,000.00	385,000.00	385,000.00	385,000.00	385,000.00
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Total Operating Revenue	1,377,453.73	1,654,832.00	1,524,250.00	1,655,417.50	1,687,145.03	1,719,449.38	1,752,347.86
Operating Expenses							
Operations Wages	5,208,772.68	5,585,314.00	5,279,142.00	5,437,516.26	5,600,641.75	5,768,661.00	5,941,720.83
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	1,319,636.00	1,359,225.08	1,400,001.83	1,442,001.89
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	1,053,793.00	1,085,406.79	1,117,968.99	1,151,508.06
Employer Payroll Tax Expense	547,924.66	636,792.00	617,934.06	636,472.08	655,566.25	675,233.23	695,490.23
Retirement Plan	281,444.78	439,852.00	379,172.90	390,548.09	402,264.53	414,332.47	426,762.44
Group Insurance	1,646,686.19	1,760,000.00	1,759,340.00	1,935,274.00	2,128,801.40	2,341,681.54	2,575,849.69
Uniform Expense	33,175.85	36,600.00	33,336.00	34,336.08	35,366.16	36,427.15	37,519.96
Professional Services	204,623.86	227,936.00	208,936.00	215,204.08	221,660.20	228,310.01	235,159.31
Outside Repair - Labor	126,464.55	118,365.00	105,037.00	108,188.11	111,433.75	114,776.77	118,220.07
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	124,733.00	128,474.99	132,329.24	136,299.12
Custodial Services	13,468.73	15,500.00	15,500.00	15,965.00	16,443.95	16,937.27	17,445.39
Employment Expenses	17,593.49	21,000.00	21,000.00	21,630.00	22,278.90	22,947.27	23,635.69
Fuel	835,328.34	1,286,020.00	1,036,420.00	1,067,512.60	1,099,537.98	1,132,524.12	1,166,499.84
Lubricants	49,651.92	44,252.00	39,228.00	40,404.84	41,616.99	42,865.49	44,151.46
Tires	91,736.63	96,240.00	85,360.00	87,920.80	90,558.42	93,275.18	96,073.43
Bus Repair Parts	205,081.73	187,900.00	181,340.00	186,780.20	192,383.61	198,155.11	204,099.77
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	58,710.00	60,471.30	62,285.44	64,154.00
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	7,725.00	7,956.75	8,195.45	8,441.32
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	149,865.00	154,360.95	158,991.78	163,761.53
Utilities	130,600.09	133,600.00	139,100.00	143,273.00	147,571.19	151,998.33	156,558.28
Corporate Insurance	266,128.65	277,000.00	277,100.00	285,413.00	293,975.39	302,794.65	311,878.49
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	49,444.12	50,927.44	52,455.27	54,028.92
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	276,040.00	284,321.20	292,850.84	301,636.36
Total Operating Expenses	12,497,297.35	13,808,000.00	13,129,349.96	13,646,384.26	14,191,244.97	14,765,998.42	15,372,896.08
Operating Revenue	1,377,453.73	1,654,832.00	1,524,250.00	1,655,417.50	1,687,145.03	1,719,449.38	1,752,347.86
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
State Support	8,123,243.29	8,975,200.00	8,534,077.48	8,870,149.77	9,224,309.23	9,597,898.97	9,992,382.45
Federal Support	1,986,585.43	2,177,968.00	2,071,022.49	2,120,816.99	2,279,790.71	2,448,650.07	2,628,165.77
Total Revenue and Support	12,487,282.41	13,808,000.00	13,129,349.96	13,646,384.26	14,191,244.97	14,765,998.42	15,372,896.08

Assumptions

\$150,000.00 increase in Advertising Revenue from Uber Displays in FY 2018; \$250,000.00 in FY 2019 - 2022

3% increase in passenger fares every year

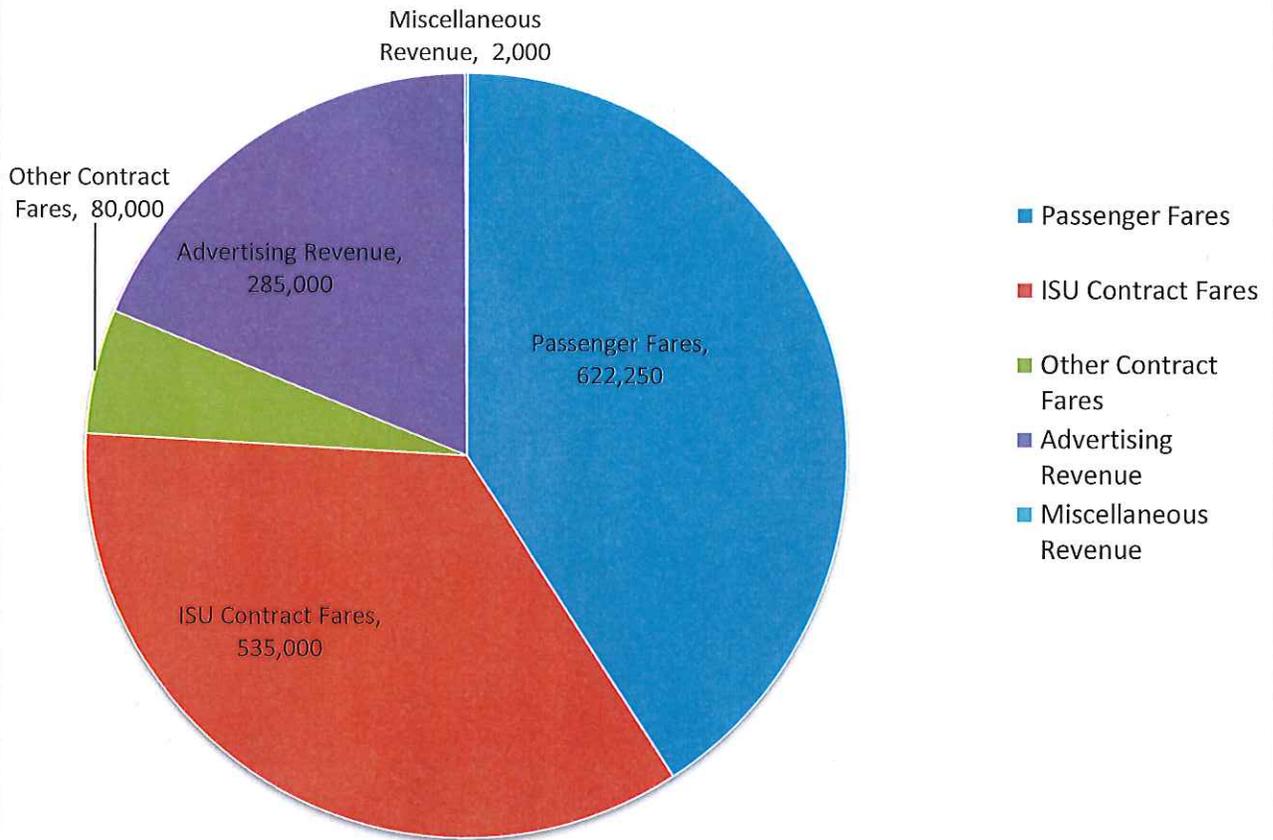
\$10,000.00 increase per year ISU

\$2,500.00 increase per year Heartland Community College

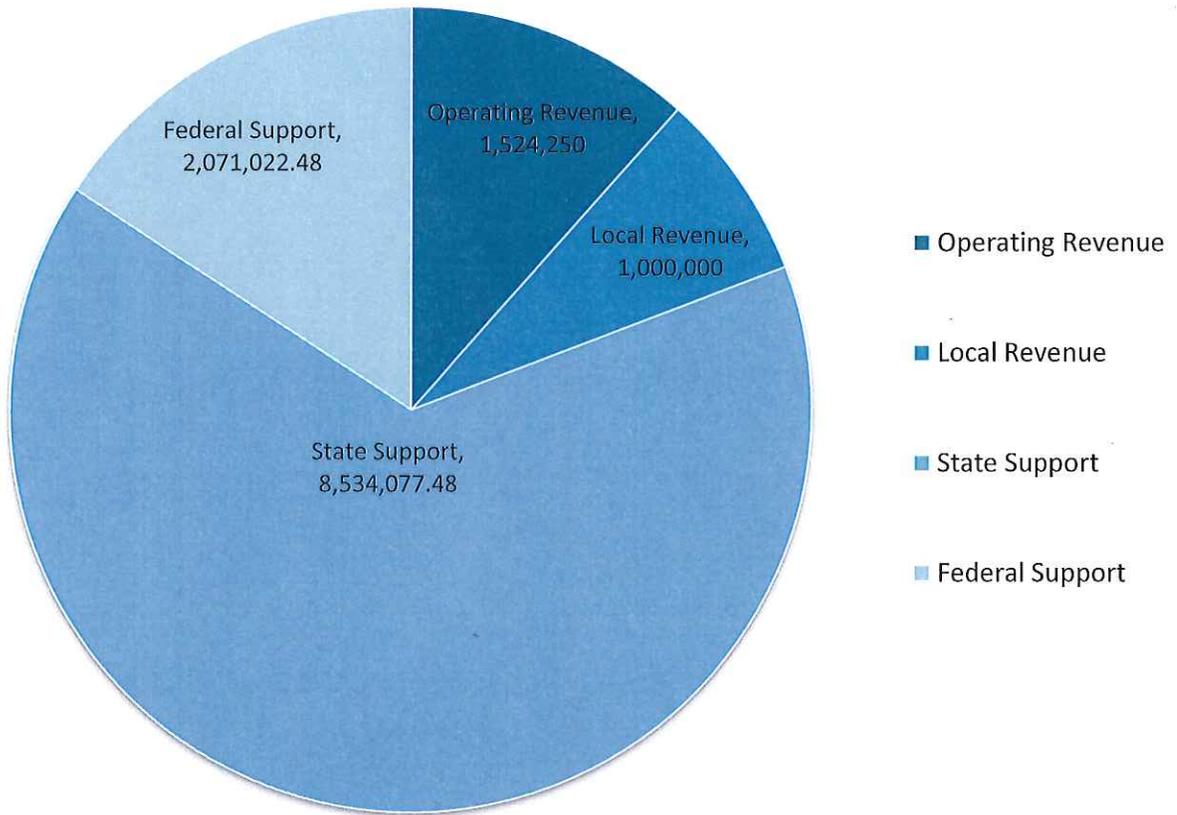
10% increase in Group Insurance, 3% increase in all other expenses every year

FY2018 Annual Budget 16,000 Less Revenue Hours

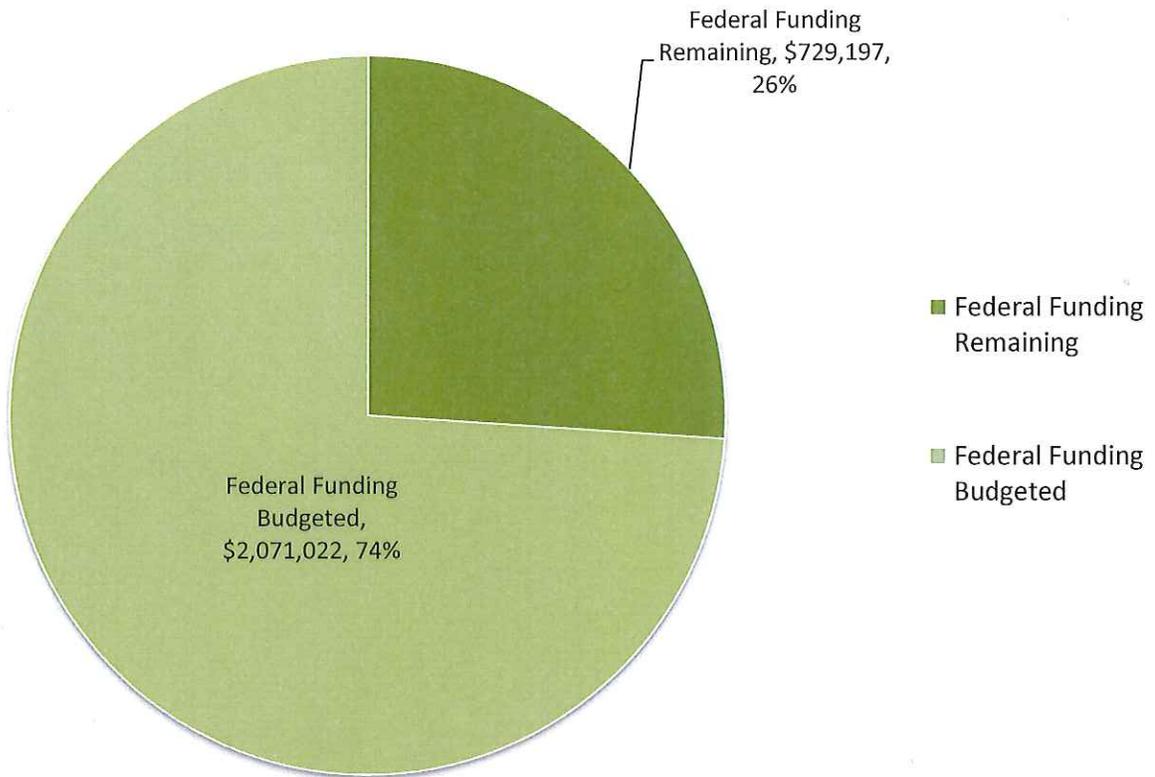
FY2018 Budgeted Operating Revenue 16,000 Less Revenue Hours



FY2018 Budgeted Revenue and Support 16,000 Less Revenue Hours

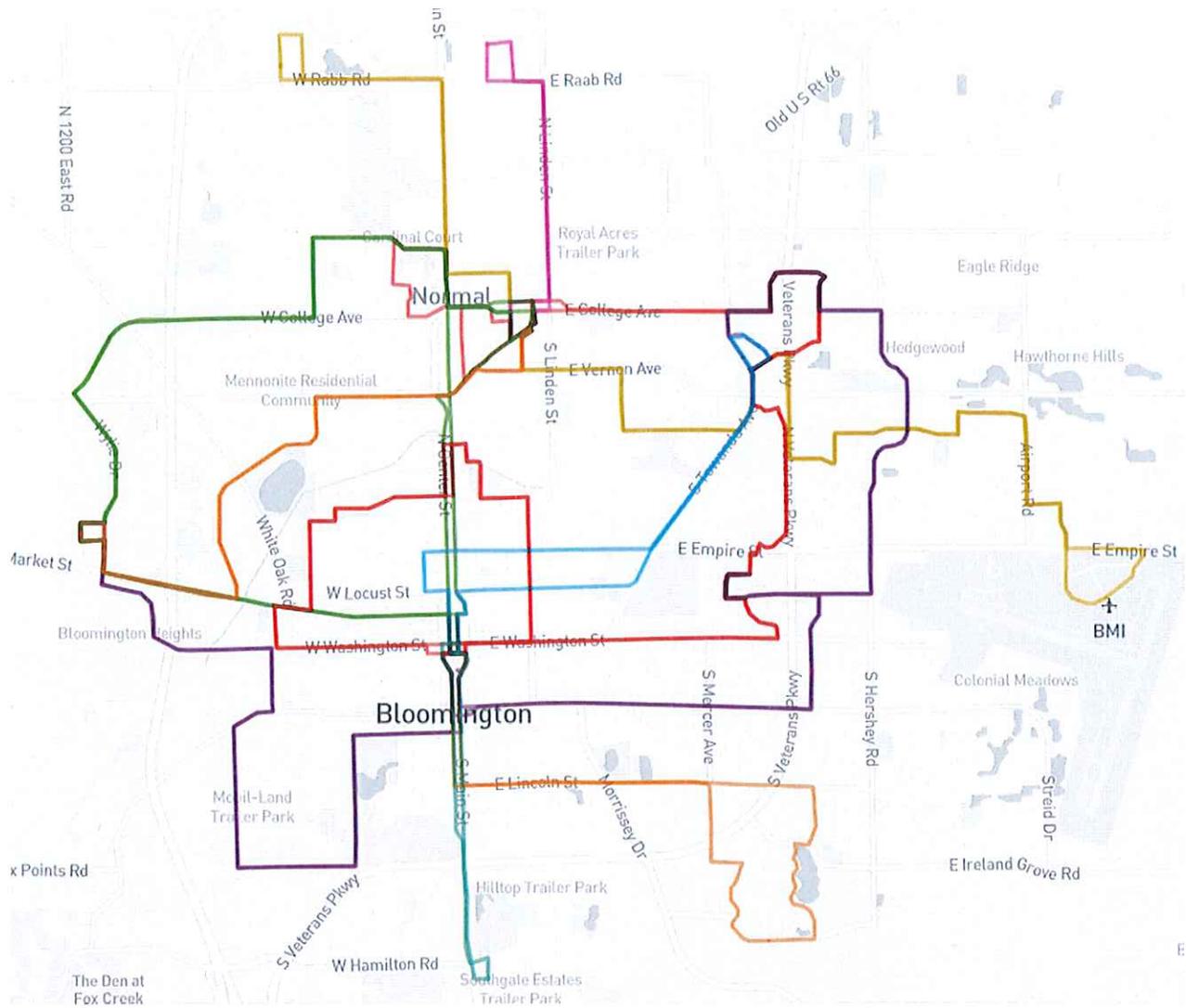


FY18 Budgeted Federal Funding 16,000 Less Revenue Hours



Connect is allocated \$2,800,219 of federal funding in 2018 under the current Fixing America's Surface Transportation Act (FAST) legislation. With a budget scenario of 16,000 revenue hour decrease, Connect would use \$2,071,022 or 74% of our federal allocation.

Route System Map with 16,000 Less Revenue Hours



In addition to the 8,000 hour revenue decrease above, Connect would eliminate the Bloomington and Normal Trippers, Olive route, and Brown and Tan route peak service.



	FY 2017 Projected Year End	FY 2017 Annual Budget	FY 2018 24,000 Less Revenue Hours	FY 2019 24,000 Less Revenue Hours	FY 2020 24,000 Less Revenue Hours	FY 2021 24,000 Less Revenue Hours	FY 2022 24,000 Less Revenue Hours
Operating Revenue							
Passenger Fares	639,002.07	883,592.00	613,650.00	632,059.50	651,021.29	670,551.92	690,668.48
ISU Contract Fares	532,740.00	532,740.00	535,000.00	545,000.00	555,000.00	565,000.00	575,000.00
Other Contract Fares	80,000.00	136,500.00	80,000.00	82,500.00	85,000.00	87,500.00	90,000.00
Advertising Revenue	120,788.57	100,000.00	285,000.00	385,000.00	385,000.00	385,000.00	385,000.00
Miscellaneous Revenue	4,923.09	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Total Operating Revenue	1,377,453.73	1,654,832.00	1,515,650.00	1,646,559.50	1,678,021.29	1,710,051.92	1,742,668.48
Operating Expenses							
Operations Wages	5,208,772.68	5,585,314.00	5,071,217.00	5,223,353.51	5,380,054.12	5,541,455.74	5,707,699.41
Maintenance Wages	1,079,627.98	1,137,125.00	1,281,200.00	1,319,636.00	1,359,225.08	1,400,001.83	1,442,001.89
Administration Wages	1,089,107.00	1,120,600.00	1,023,100.00	1,053,793.00	1,085,406.79	1,117,968.99	1,151,508.06
Employer Payroll Tax Expense	547,924.66	636,792.00	602,027.80	620,088.63	638,691.29	657,852.03	677,587.59
Retirement Plan	281,444.78	439,852.00	368,776.65	379,839.95	391,235.15	402,972.20	415,061.37
Group Insurance	1,646,686.19	1,760,000.00	1,680,460.00	1,848,506.00	2,033,356.60	2,236,692.26	2,460,361.49
Uniform Expense	33,175.85	36,600.00	31,704.00	32,655.12	33,634.77	34,643.82	35,683.13
Professional Services	204,623.86	227,936.00	208,936.00	215,204.08	221,660.20	228,310.01	235,159.31
Outside Repair - Labor	126,464.55	118,365.00	98,373.00	101,324.19	104,363.92	107,494.83	110,719.68
Contract Maintenance Services	151,626.97	146,700.00	121,100.00	124,733.00	128,474.99	132,329.24	136,299.12
Custodial Services	13,468.73	15,500.00	15,500.00	15,965.00	16,443.95	16,937.27	17,445.39
Employment Expenses	17,593.49	21,000.00	21,000.00	21,630.00	22,278.90	22,947.27	23,635.69
Fuel	835,328.34	1,286,020.00	961,620.00	990,468.60	1,020,182.66	1,050,788.14	1,082,311.78
Lubricants	49,651.92	44,252.00	36,236.00	37,323.08	38,442.77	39,596.06	40,783.94
Tires	91,736.63	96,240.00	79,920.00	82,317.60	84,787.13	87,330.74	89,950.66
Bus Repair Parts	205,081.73	187,900.00	168,760.00	173,822.80	179,037.48	184,408.61	189,940.87
Other Materials and Supplies	55,110.16	56,000.00	57,000.00	58,710.00	60,471.30	62,285.44	64,154.00
Shelters/Signs/Shop Tools	12,669.65	7,200.00	7,500.00	7,725.00	7,956.75	8,195.45	8,441.32
Computer and Office Supplies	129,403.99	144,500.00	145,500.00	149,865.00	154,360.95	158,991.78	163,761.53
Utilities	130,600.09	133,600.00	139,100.00	143,273.00	147,571.19	151,998.33	156,558.28
Corporate Insurance	266,128.65	277,000.00	277,100.00	285,413.00	293,975.39	302,794.65	311,878.49
Dues/Subscriptions/Fees	47,601.71	48,004.00	48,004.00	49,444.12	50,927.44	52,455.27	54,028.92
Printing/Marketing/Training	273,467.74	281,500.00	268,000.00	276,040.00	284,321.20	292,850.84	301,636.36
Total Operating Expenses	12,497,297.35	13,808,000.00	12,712,134.45	13,211,130.68	13,736,860.02	14,291,300.79	14,876,608.27
Operating Revenue	1,377,453.73	1,654,832.00	1,515,650.00	1,646,559.50	1,678,021.29	1,710,051.92	1,742,668.48
Local Revenue	999,999.96	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
State Support	8,123,243.29	8,975,200.00	8,262,887.39	8,587,234.94	8,928,959.02	9,289,345.51	9,669,795.37
Federal Support	1,986,585.43	2,177,968.00	1,933,597.06	1,977,336.24	2,129,879.72	2,291,903.35	2,464,144.41
Total Revenue and Support	12,487,282.41	13,808,000.00	12,712,134.45	13,211,130.68	13,736,860.02	14,291,300.79	14,876,608.27

Assumptions

\$150,000.00 increase in Advertising Revenue from Uber Displays in FY 2018; \$250,000.00 in FY 2019 - 2022

3% increase in passenger fares every year

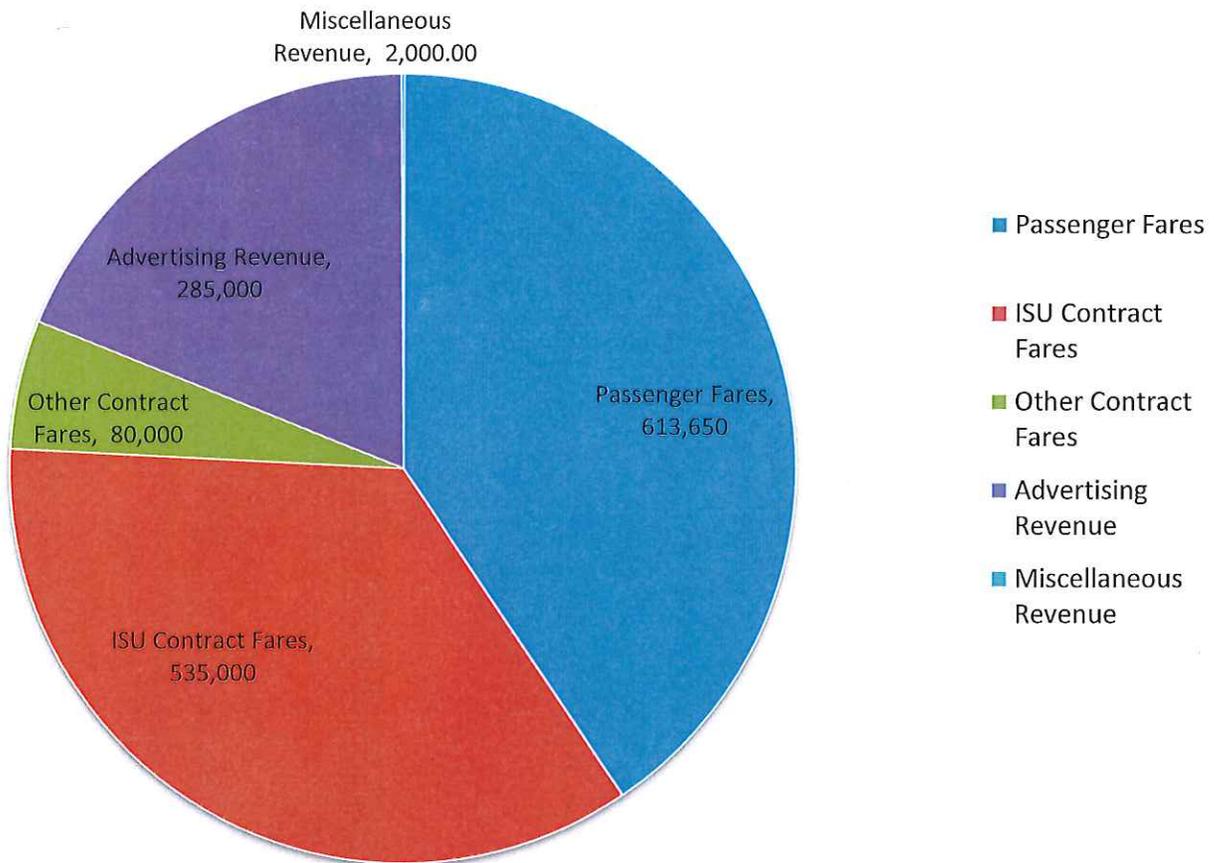
\$10,000.00 increase per year ISU

\$2,500.00 increase per year Heartland Community College

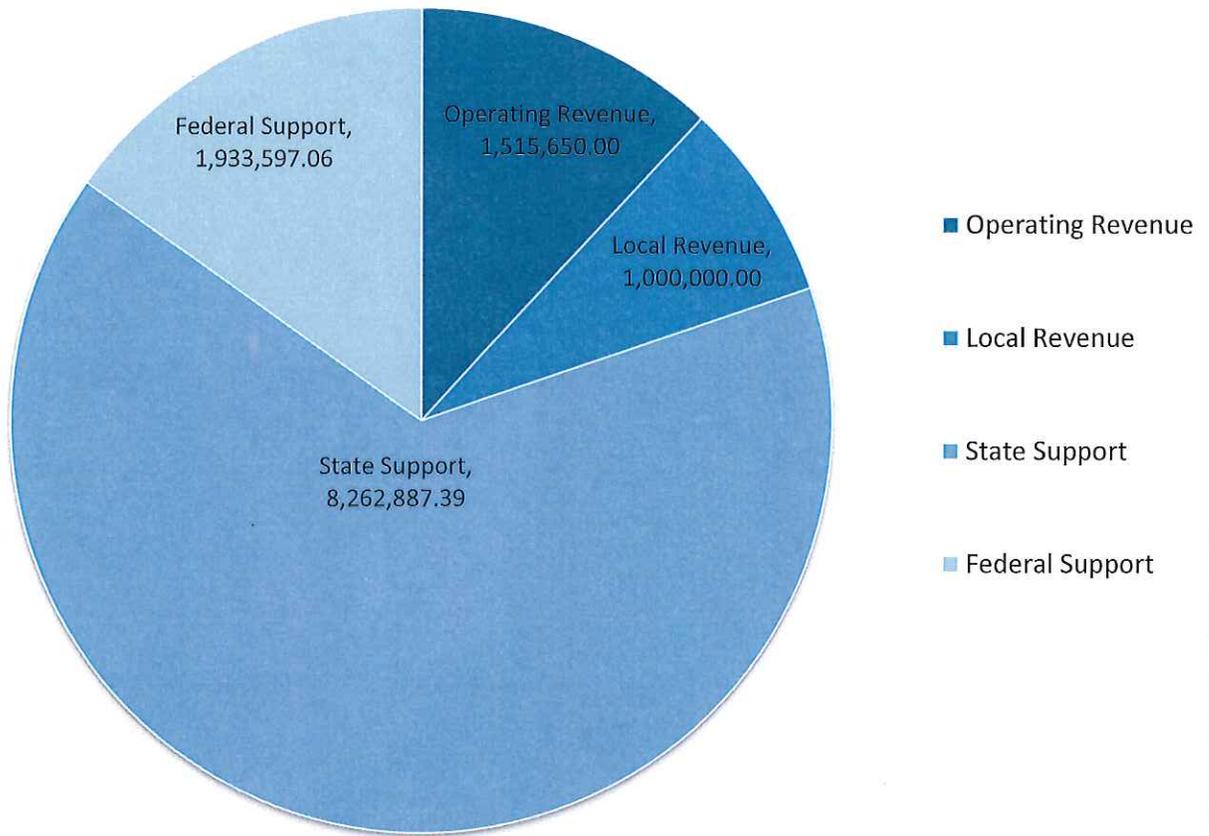
10% increase in Group Insurance, 3% increase in all other expenses every year

FY2018 Annual Budget 24,000 Less Revenue Hours

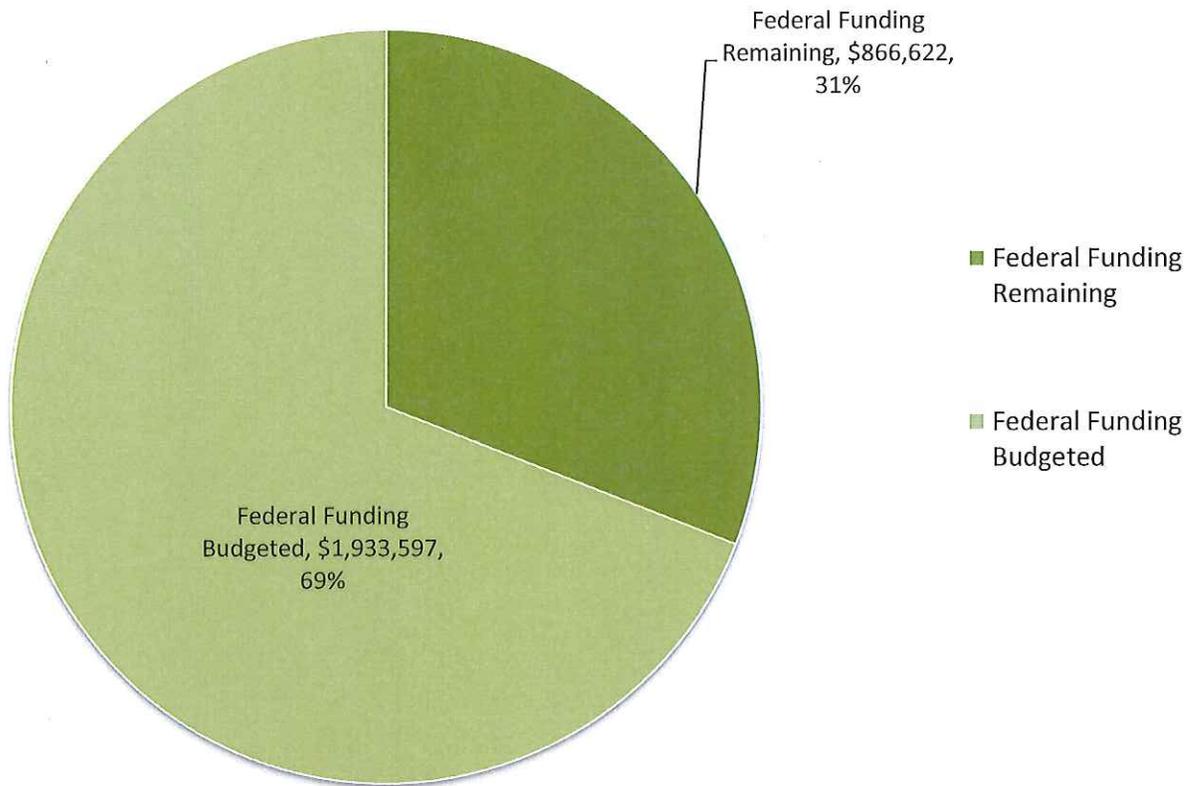
FY2018 Budgeted Operating Revenue 24,000 Less Revenue Hours



FY2018 Budgeted Revenue and Support 24,000 Less Revenue Hours

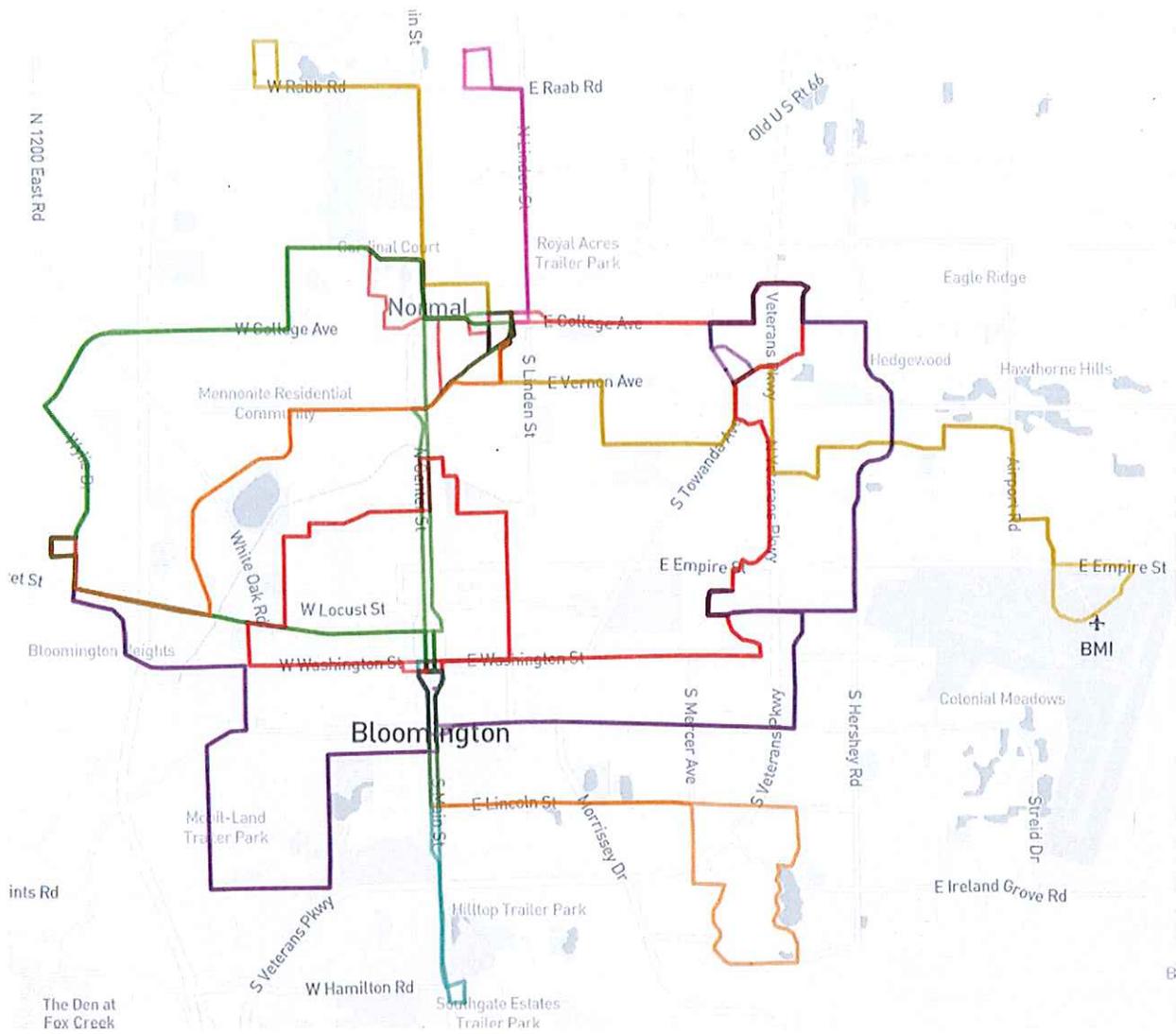


FY18 Budgeted Federal Funding 24,000 Less Revenue Hours



Connect is allocated \$2,800,219 of federal funding in 2018 under the current Fixing America's Surface Transportation Act (FAST) legislation. With a budget scenario of 24,000 revenue hour decrease, Connect would use \$1,933,597 or 69% of our federal allocation.

Route System Map with 24,000 Less Revenue Hours



In addition to the 8,000 and 16,000 revenue hour decrease, Connect would eliminate the Blue route.



MEMO

May 2, 2017

TO: Board of Trustees

FROM: Isaac Thorne, Interim General Manager

Subject: Universal Access Agreement with Illinois State University (ISU)

RECOMMENDATION: The Illinois State University Universal Access Contract for fiscal year 2018 and 2019 be approved.

BACKGROUND: The Universal Access Agreement allows students, faculty, and staff of Illinois State University to ride Connect Transit fixed route buses free of charge upon swiping their valid identification card. Connect has been providing universal access to ISU since 2006.

FINANCIAL IMPACT: The ISU summer service will be eliminated, starting on May 14th. This reduction in service hours will save Connect \$64,713 in FY17 and \$129,426 in FY18 and FY19. In FY18 the contract amount will be \$535,000 for 6,480 revenue hours and FY19 the contract amount will be \$545,000 for 6,480 revenue hours. Connect and ISU will continue to meet over the next year to discuss the cost structure of future contracts.

**AGREEMENT BETWEEN THE BLOOMINGTON-NORMAL
PUBLIC TRANSIT SYSTEM AND
ILLINOIS STATE UNIVERSITY FOR
FACULTY, STAFF AND STUDENT TRANSIT SERVICES**

This Agreement is made by and between the Board of Trustees of Illinois State University (ISU) and Bloomington Normal Public Transit System (Connect Transit).

ARTICLE 1 - RECITALS

Whereas ISU and Connect Transit have agreed that benefits accrue to both parties in providing a means by which ISU may provide for fare prepayment for members of the ISU community utilizing the Connect Transit fixed route buses and,

Whereas ISU and Connect Transit have agreed to terms, which will allow members of the ISU community to use the fixed route services of Connect Transit without the requirement to pay the posted fare.

Whereas Connect Transit provides bus service open to the public on a regular basis, along fixed routes, during published hours and at published frequencies; and

Whereas Connect Transit service provides a satisfactory means of transporting many members of the ISU community to and from their place of residence and the University campus; and

Whereas the use of Connect Transit services by members of the ISU community is advantageous to the University as well as the cities of Bloomington and Normal, Illinois.

Therefore, be it resolved that the following responsibilities be carried out by the parties to this agreement as set forth below.

ARTICLE II – RESPONSIBILITIES OF CONNECT TRANSIT

2.1. Connect Transit shall honor the University photo identification card and/or other approved credential when presented by current members of the ISU community to Connect Transit agents and bus drivers and regard it as a Connect Transit bus pass. It is understood by the parties that during the term of this Agreement, Connect Transit may install or operate electronic card readers in buses to read and/or scan the faculty, staff and student photo identification card upon entry of an ISU passenger to a bus. Notwithstanding the implementation of any such system, the parties agree that mere presentation of the card by members of the ISU community, regardless of whether the card is scanned, shall be sufficient for Connect Transit agents and bus drivers to regard the photo identification card as a Connect Transit bus pass.

2.2. a. Connect Transit shall provide established and regularly publicized Bloomington-Normal citywide public transportation service including, but not limited to: service through the ISU Campus on the bus route known as the Redbird Express. Appendix A provides a comprehensive list of the hours and frequencies of service and transit stop locations currently

provided for the Redbird Express. All transit services described in this paragraph are provided to members of the ISU community upon presentation of their University photo identification card and/or credential provided by the University. Service will be provided to all others according to a fare schedule established by Connect Transit. Connect Transit Board of Trustees reserves the right to change ISU Campus bus routes. Except as provided in Section 2.9, any adjustments to routes will be noted and added to the service description at least 60 days prior to the effective date of any change. Appendix A includes the current and proposed comprehensive list of the hours and frequencies of service and transit stop locations currently provided for the Redbird Express route. In the event adjustments to ISU Campus bus routes constitutes a reduction or increase in the transit stop locations, hours of service, or frequency of services, the parties agree the monthly payment in Section 3.3 is subject to renegotiation.

b. In the event that Connect Transit service is not provided for a period of more than (5) days during the Term for any reason (other than Force Majeure event under 12.3), ISU shall not be responsible for paying fees incurred for that time period. In such case, The University's monthly payment described in Article 3 shall be reduced pro rata based on the time period during which service is terminated. Such termination of service shall also be considered a material breach under 7.2 and subject to cure provisions.

2.3. In providing the public transit services described in sections 2.1 and 2.2 of this Article, Connect Transit shall act as an independent contractor and not as agents or employees of the University. Additionally, the University shall not have, and shall not exercise any control over Connect Transit operations in connection with providing the public transits services described in sections 2.2 and 2.3 of this Article. The University shall not have and shall not exercise any control or supervision whatsoever over drivers providing transit service. All bus drivers will be employed by Connect Transit, shall constitute Connect Transit's employees only, shall not constitute agents or employees of the University, and shall be subject solely to the supervision and control of Connect Transit.

2.4. Connect Transit shall provide ISU with a detailed breakdown of ridership numbers on a monthly basis for members of the ISU community by route for all Connect Transit routes. This information shall be sent monthly to Illinois State University, c/o Director of Parking and Transportation, 709 N. Main Street, Normal, Illinois 61790-92500.

2.5. Connect Transit shall provide audited financial statements annually, when the audit is complete, generally by November. This information shall be sent to Illinois State University, c/o Director of Parking and Transportation, 709 N. Main Street, Normal, Illinois 61790-92500.

2.6. Connect Transit shall provide in-house telephone information services to callers seeking information about the evening bus service.

2.7. Connect Transit shall provide a detailed breakdown to ISU for the budgeted cost of transit services provided under the terms of this agreement, including hourly operating expense rates, before and after the application of the Downstate Operating Assistance Program (DOAP) subsidy.

2.8 Connect Transit shall notify ISU of the percentage and contract amount of the DOAP subsidy they are granted in FY2018 and FY2019.

2.9 This contract is contingent upon and subject to the availability of funds to Connect Transit. Connect Transit, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty, if the Illinois General Assembly fails to make an appropriation sufficient to pay such obligation and Connect Transit does not have sufficient operating capital to sustain operations under the Agreement, provided that Connect Transit provides at least 30 days prior written notice prior to any such termination or suspension of service. The University may consider any such notice a material breach and cure provisions under Section 7.2 and reduce any such payments owed as provided in Section 2.2(b).

ARTICLE III – RESPONSIBILITIES OF THE UNIVERSITY

3.1. RIDER IDENTIFICATION. University shall identify current members of the ISU community at the Bloomington-Normal campus of the University through the issuance of a photo identification card, and/or an approved alternate credential. As necessary, University agrees to provide mutually agreed upon information regarding current members of the ISU community at the Bloomington-Normal campus that may be required to enable the operation of electronic systems to scan the University photo-identification cards. Connect Transit agrees to abide by the terms of the Data Security Addendum (Appendix B) with respect to any data or electronic information provided by ISU.

3.2. Contract Payment Terms

3.3. The University shall pay Connect Transit a monthly amount of \$44,583.33 over a twelve month period beginning July 1, 2017 and ending June 30, 2018. This amount will be the total of all transit servicing the ISU community.

The University shall pay Connect Transit a monthly amount of \$45,416.66 over a twelve month period beginning July 1, 2018 and ending June 30, 2019. This amount will be the total of all transit servicing the ISU community.

3.4. The University shall process payments to the Connect Transit upon receipt of invoices submitted to the Office of Parking & Transportation Services, c/o, Director of Parking & Transportation Services at, 709 N. Main Street, Normal, Illinois 61790.

3.5 Availability of Appropriation (30 ILCS 500/20-60): This contract is contingent upon and subject to the availability of funds to the University. The University, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation. The University shall give Connect Transit prompt immediate notice of any funding problem affecting the payment for services provided by Connect Transit. Connect Transit may consider any such notice, or any non-payment by the University a material breach under Section 7.2. Connect Transit may suspend services during any period of time the University is unable to pay for services provided.

ARTICLE IV – LIABILITY AND RISK

4.1 INSURANCE. Connect Transit shall provide for a Certificate of Insurance to be issued naming the Board of Trustees of Illinois State University as an additional insured with respect to general liability. The required insurance coverage shall be provided by an insurance company that has a current Best's Rating of B+: IV, or better, or is approved by Illinois State University. This Certificate of Insurance must be received and approved before commencement of operations. The Certificate must evidence the following coverage in at least the limits stipulated. Connect Transit agrees to maintain such insurance for the duration of the project or the term for which services will be rendered.

- I. Workmen's Compensation (including Occupational Disease) under the terms of the Illinois Workmen's Compensation Act.
- II. Employer's Liability: \$500,000.
- III. General Liability: \$1,000,000 per occurrence.
- IV. Automobile Liability: \$5,000,000 per occurrence.

4.2 LIABILITY. Neither party shall be legally liable for any negligent or wrongful acts, either of commission or omission, chargeable to the other, unless such liability is imposed by law. This Agreement shall not be construed as seeking to either enlarge or diminish any obligation or duty owed by one party against the other or against third parties.

ARTICLE V – MARKETING AND INFORMATION

Each party shall, through the various means available to each, publish agreed upon information regarding the services provided pursuant to this Agreement. Each party shall bear its full cost of publishing such information in its own publications. Neither party will use the name of the other in any form of advertising or publicity without the express written permission of the other party.

ARTICLE VI – PUBLIC SAFETY

6.1 The Parties agree to promptly notify each other of any known safety concerns arising out of the delivery of services pursuant to this Agreement. The Parties also agree to cooperate and collaborate in good faith on public safety initiatives, as mutually agreed by the parties and subject to any limitations set forth in this Agreement or otherwise required by law.

6.2 Connect Transit shall maintain driver qualification records in accordance with requirements of state and federal law and shall make such records available for purposes of pending litigation to the University or its agents for inspection and copying upon reasonable notice and during normal business hours.

ARTICLE VII – TERM AND TERMINATION

7.1. This Agreement shall be in effect from July 1, 2017 through June 30, 2019.

7.2. In the event of an alleged material breach, the aggrieved party shall so advise the other party by written notice indicating in specific detail the nature and basis of the alleged breach. The alleged breaching party shall cure the breach within One-Hundred-Twenty (120) days from its receipt of notice; if the breach is not remedied to the reasonable satisfaction of the aggrieved party within the cure period, the aggrieved party may terminate this Agreement upon One-Hundred-Twenty (120) days written notice.

7.3. All accounts shall be settled on a pro-rated basis in the event of termination of this Agreement prior to its full term.

ARTICLE VIII – AMENDMENTS

This Agreement may be modified or renewed only by a written instrument signed by both parties. Fixed route hours and compensation (except as provided in Section 2.9) may be modified to this Agreement at any time by amendment. It is understood and agreed by the parties that compensation for suspension or termination of service due to lack of funding shall be reduced as provided in Section 2.2(b), but shall not require an amendment.

ARTICLE IX – COOPERATION

The parties agree to meet quarterly during the term of this agreement to discuss any aspects of the service, including but not limited to routing, service periods, and frequencies. The parties agree to meet in the month of January 2018 and 2019 to discuss the status of any potential budgetary issues. While the parties recognize the importance of consultation and cooperation in the evaluation of decisions relating to public transit services and agree to collaborate whenever possible and permissible, final decisions relating to public transit services, and in particular Article II, shall be the sole and exclusive responsibility of Connect Transit.

Except as provided in Section 2.9, Connect Transit shall give notice to ISU regarding any changes to routing, service periods and frequencies no later than (60) days prior to the implementation of the changes. Notice shall be directed to the Office of Parking & Transportation Services, c/o, Director of Parking & Transportation Services at 709 N. Main Street, Normal, Illinois 61790.

ARTICLE X – NOTIFICATION

All communications required or permitted under this Agreement, except as otherwise noted, shall be in writing and shall be sent by registered or certified mail, return receipt requested, or by overnight courier service to the party's representative listed below.

Notices to the University shall be sent to: to the Office of Parking & Transportation Services, c/o Director of Parking & Transportation Services at, 709 N. Main Street, Normal, Illinois 61790-9250.

Notices to Connect Transit shall be sent to General Manager, Connect Transit, 351 Wylie Drive, Normal, Illinois 61761.

ARTICLE XI – MISCELLANEOUS

11.1. PARTY STATUS. Neither party is agent, employee, legal representative, and partner or considered a participant of a joint venture of the other. Neither party has the power or right to bind or commit the other.

11.2. NO BENEFICIARIES. The parties do not intend for this Agreement to create any rights, or rights of enforcement, in third parties.

ARTICLE XII - SEVERABILITY

12.1. SEVERABILITY. If a court of competent, jurisdiction finds any provision of this Agreement legally invalid or unenforceable, such finding will not affect the validity or enforceability of any other provision of this Agreement and the parties will continue to perform. If the Agreement cannot be performed in the absence of the provision, this Agreement will terminate upon one-hundred-twenty (120) written notice by one party to the other party.

12.2. ASSIGNMENT. This Agreement shall bind, and inure to the benefit of, the parties and any successors to substantially the entire assets of the respective party. Neither party may assign this Agreement without first obtaining the prior written consent of the other party. Any attempted assignment without consent is void.

12.3. FORCE MAJEURE. Each party will be excused from performance of the Agreement only to the extent that performance is prevented by conditions beyond the reasonable control of the affected party. The party claiming excuse for delayed performance will promptly notify the other party and will resume its performance as soon as performance is possible. Termination of service due to lack of funding is not considered to be a Force Majeure event.

12.4. EFFECT OF WAIVERS. No waiver of any right, remedy, power or privilege by any party shall be effective unless made in writing. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or of any other provision of this Agreement.

Bloomington Normal Public Transit System Approvals:

FOR: Bloomington Norman Public Transit System Board of Trustees

By:

Date:

Mike McCurdy, Vice Chairman

Date:

Ryan Whitehouse, Secretary