

MEETING MINUTES - REVISED
CARTS Board of Directors
Thursday, March 27, 2014
9:30 am

Board Members Present		Staff Present	
X	Present	X	Present
X	Commissioner Bubba Snowden, Bastrop County	X	David Marsh
	Commissioner Paul Granberg, Blanco County	X	Pearl Jackson
	Commissioner Ronny Hibler, Burnet County	X	Lyle Nelson
X	Commissioner Neto Madrigal, Caldwell County	X	Kristi Urkuski
X	Commissioner Linda Kovar, Lee County	X	Edna Johnson
X	Commissioner James Kubecka, Fayette County	X	Derek Goodall
X	Commissioner Debbie Ingalsbe, Hays County		
	Commissioner Ron Morrison, Williamson County		
	Commissioner Margaret Gomez, Travis County		
X	Edith Moreida, Travis County (Proxy)	GUESTS	
X	City of San Marcos Representative, Kim Porterfield	Vanessa Owens, TxDOT Oscar Hairell, City of San Marcos Rodney Cobb, City of San Marcos Arturo Montemayor, Montemayor Hill & Company P.C.	

Call to Order

Ms. Edith Moreida, Travis County Proxy, affirmed a quorum and called the Thursday, March 27, 2014 meeting of the CARTS Board of Directors to order at 9:30 am. Recorded absent were Commissioner Granberg, Commissioner Hibler and Commissioner Morrison.

Financial Reports

Ms. Moreida requested any comments or corrections to the CARTS financial reports. After discussion, the following motion was made:

*To approve and adopt the financial reports as presented by CARTS' staff
 (Moved by Ingalsbe, second by Kovar; unanimously approved)*

Consideration/Approval of Minutes from Board Meetings held Thursday, January 23, 2014.

Ms. Moreida requested any comments, additions or corrections to the minutes of the last meeting.

After discussion, the following motion was made:

To approve and adopt the minutes of the Board Meeting held Thursday, January 23, 2014.

(Moved by Ingalsbe, second by Kovar; unanimously approved)

Presentation/Discussion of draft plan for adjustments to salary schedule related to the compensation of drivers.

Mr. Marsh presented a draft plan with two options for adjustments to the salary schedule for drivers based on underlying assumptions as: Bringing all drivers up to an hourly base consistent with their tenure, after the initial increase, all drivers next tenure increase will be applied at their anniversary date, any additional pay beyond the base will be the result of individual merit raises and COLAs and at no time will a driver's pay rate exceed the next level base before their anniversary date. He also noted there were further internal discussions on the finer points of the plan underway.

Consideration/Action regarding fare adjustments for San Marcos City Fixed Routes and Interurban Express

Mr. Marsh discussed and presented a strategic planning process of a fare analysis by Nelson Nygaard. He stated the San Marcos fares have not been increased since 1998. Mr. Marsh requested board approval to initiate the public input process for soliciting input on the proposed fare restructuring and policy for San Marcos Transit.

After discussion, the following motion was made:

To provide the General Manager approval to initiate the public input process for soliciting input on the proposed fare restructuring of the fare policy for San Marcos Transit as recommended in the fare analysis.

(Moved by Ingalsbe, second by Kovar; unanimously approved)

Mr. Marsh also discussed the realization of the original price established for the Interurban Express service is 50% higher than the "local" Interurban service which has compromised the ridership potential for students traveling to San Marcos. Mr. Marsh suggested a roll back from a \$6 one-way fare to the \$4 standard on Interurban routes with a \$6 day pass.

After discussion, the following motion was made:

Approval of fare change on the Interurban Express to conform to other Interurban routes reducing the one-way regional fare to \$4 and all day fare to \$6.

(Moved by Kovar, second by Madrigal; unanimously approved)

Discussion/Action regarding the adoption of the amended Drug and Alcohol Policy after technical corrections to the previously adopted policy

Mr. Marsh revisited the previously adopted CARTS Drug & Alcohol Policy from the January 23rd, 2014 meeting. He noted that subsequent to the adoption of the policy and further review, it was determined there was a conflict in the policy between zero tolerance and providing a second chance program. Mr. Marsh resubmitted a revised CARTS Drug & Alcohol policy with a clearer description of what constitutes a second chance program while meeting the FTA and DOT regulations.

After discussion, the following motion was made:

To adopt the updated Drug and Alcohol Policy for CARTS, revised to comply with regulation updates, amendments and changes to the Omnibus Transportation Employee Testing Act of 1991.

(Moved by Kovar, second by Madrigal; unanimously approved)

Discussion/Action regarding the adoption of the updated CARTS Purchasing and Procurement Policy

Mr. Marsh enclosed and updated CARTS Purchasing and Procurement Policy to reflect current state and federal thresholds which have changed since the original adoption of the policy in 2002. Mr. Marsh noted the proposed policy is consistent with state and federal procurement standards.

After discussion, the following motion was made:

To adopt the updated CARTS Purchasing and Procurement Policy to reflect current state and federal thresholds.

(Moved by Kovar, second by Snowden; unanimously approved)

Discussion/Action regarding the dedication and naming of SH71 entrance drive road at Tucker Hill Lane project

Mr. Marsh stated the Cook family wished to commemorate Joe Cook, the patriarch of the family, by dedicating the entrance street name to his memory. Mr. Marsh presented a written request from the family.

After discussion, the following motion was made:

To name the entrance street to the VMC as "Joe Cook Lane" to commemorate Joe Cook, patriarch of the Cook family who was long a fixture on the Bastrop & Travis County rural roads.

(Moved by Snowden, second by Kovar; unanimously approved)

Presentation of the annual Financial Statements and Independent Auditor's report for CARTS finances for fiscal year 2013 by Montemayor Hill and Company, P.C. Consideration / Action for adoption as presented. (Scheduled for 10a)

Mr. Marsh introduced Mr. Arturo Montemayor, Montemayor Hill and Company, P.C., and CARTS' independent auditor. Mr. Montemayor conducted a thorough review of the draft report and answered questions in regards to the results of the annual audit of CARTS finances. Mr. Montemayor also stated the audit was a clean audit. He noted the final bound document will be provided, pending an outstanding response from HHSC.

After discussion, the following motion was made:

Request acceptance of the annual Financial Statements and Independent Auditor's Report for CARTS finances for fiscal year 2013, and authorization for distribution of the report pending the response from HHSC.

(Moved by Porterfield, second by Kovar; unanimously approved)

Update/Discussion/Action as required regarding the VMC construction project and Aqua Water supply of water to the site

Mr. Marsh introduced Mr. Derek Goodall to discuss the water supply at the VMC site. Mr. Goodall gave an explanation in regards to Aqua Water Corporation requiring that a commercial customer fund a study to determine the capacity and other requirements for their supply of water. Mr. Marsh stated that through our civil engineer, 2 studies have now been completed, which the final was presented. Mr. Goodall explained with Aqua Water as the supplier, there is possibility to have an estimated savings of \$140,993 which would be applied to the infrastructure costs resulting in a net increase of about \$87,000. Mr. Goodall also explained this capacity of water will satisfy the complete build-out of the site through all seven phases and is the best long-term solution.

Mr. Marsh spoke of the difficulty of a public entity being expected to pay for services not yet rendered, which Aqua Water requires, and to pay based on an estimate, not actual costs. Mr. Marsh consulted with legal counsel and was recommended that after the legal fee deposit was paid, "an agreement to reserve water supply capacity and to construct an approach main will be drafted", our attorney will contact Aqua to consult with their legal representative to commence discussions on a way to mitigate the requirement.

Mr. Marsh also explained the requirement that we provide a "corporate resolution defining signature authority" is also called for in the Aqua requirements and is presented for consideration, as is the authority for Mr. Marsh to proceed in finalizing an agreement with Aqua Water Corporation to supply water service to the Tucker Hill Lane project site.

After discussion, the following motions were made:

Approval of a resolution providing the General Manager of CARTS signature authority for contract and agreements.

(Moved by Kovar; second by Porterfield; unanimously approved)

To provide the General Manager or his designee the authority to negotiate and execute an agreement with Aqua Water for the supply of water service to the CARTS Tucker Hill Lane Project site.

(Moved by Ingalsbe, second by Kovar; unanimously approved)

Reports/Actions as required on TxDOT Contracts, Projects or Grant Agreements

Mr. Marsh introduced Ms. Kristi Urkuski to review the March 27, 2014, Contracts and Funding Summary Addendum. She provided an updated chart and discussed contracts.

Update on Interlocal Agreement with The Capital Metropolitan Transit Authority to provide transit service in Kyle, TX

Mr. Marsh announced this agreement was executed with an effective date of January 1, 2014 and pointed out the final ILA was in the background for review.

Update regarding CARTS proposals to be filed February 12, 2014 in response to the TxDOT Annual Coordinated Call for Rural and Small urban Public Transit Projects

Mr. Marsh presented the four applications to TxDOT for consideration in their annual Coordinated Call for Projects. He also reviewed the following projects being evaluated: CARTS Lee Dildy Operations Complex / \$6,060,000, CARTS Regional Intercity Bus Service / \$706,682, Necessary upgrade of the CARTS/LCRA Communication System / \$420,000 and Planning Funds / \$100,000. Ms. Vanessa Owens stated there may be results of awards available by the end of May.

Report on CARTS and its Region 7 consortium proposing to provide services pursuant to issuance of HHSC RFP No. 529-15-0002 for Non-Emergency medical Transportation Services

Mr. Marsh discussed the proposal filed by the Region 7 Consortium comprised of the CARTS District, the Brazos Transit District and the Hill Country Transit District, with Brazos as the lead agency. He did not have any results to report, as HHSC had not yet announced any decisions or results from the statewide process.

Consideration / Action regarding application to the Federal Transit Administration (FTA) for US DOT Tiger Grant VI Discretionary Grant Program to complete all phases of the Tucker Hill Lane Project.

Mr. Marsh presented information in regards to the proposal now underway for the TIGER Grant VI. Mr. Marsh discussed last year's proposal and indicated we would like to submit again and focus on the build-out of the Tucker Hill Lane project. He stated TxDOT offered a support letter for our last proposal but declined this year, but that they will likely provide Transportation Development Credits (TDCs) as matching funds for any successful Texas projects.

After discussion, the following motion was made:

To approve the submittal of TIGER grant application to complete the build-out of all phases of the Tucker Hill Lane project.

(Moved by Ingalsbe, second by Madrigal; unanimously approved)

Report on application to CAMPO for available FY14 STP-MM funds for CARTS capital projects

Mr. Marsh stated there has been no further action by CARTS on this item as previously discussed regarding opportunity to apply for capital funding from the STP-MM program.

Report/Update on the CARTS San Marcos Urban Operations and Consideration/Action regarding establishing a transit advisory committee for urban operations in San Marcos, Edna Johnson, Director Urban Operations

Ms. Johnson provided an update on urban operations in San Marcos enclosed reports for review. She also proposed a five member advisory committee representing the public, riders, social service agencies, students and any other citizens interested in serving be established.

After discussion, the following motion was made:

To provide authority to the Director of Urban Operations to establish a transit advisory committee for urban operations in San Marcos.

(Moved by Kovar, second by Snowden; unanimously approved)

Report on CARTS RFP 2013-02-SM, San Marcos Urbanized Area 5-Year Strategic Plan for Transit Development, Edna Johnson, Director Urban Operations

Ms. Johnson also provided an update on the progress of the San Marcos Urbanized Area 5-Year Strategic Plan for Transit Development and presented a report for review.

Report/Update on CARTS Transportation Service Area 12 Medical Transportation Services

Mr. Marsh reviewed the MTP Activity report noticing a 10% increase in trips over the last year and a 6% increase in revenues.

Report/Update regarding the Regional Transportation Coordination Council (RTCC)

Mr. Marsh reported that Mr. Lyle Nelson was elected vice-chair of the RTCC.

Other items as presented for discussion / information

Mr. Marsh welcomed any items for discussion from Board members to be slated for future agendas

Mr. Marsh announced and presented the confirmation of Ms. Kim Porterfield being nominated to represent CARTS on the Lone Star Rail District Board.

Mr. Marsh informed the Board on the upcoming transit conference, the CTAA EXPO, to be held on June 8-14 in St. Paul, MN and announced the CARTS Employee Appreciation Day would be Saturday, May 17th, 2014, inviting Board members to both events.

Commissioner Morrison had earlier requested vehicle auction comparisons between Public Surplus and GovDeals. Ms. Urkuski presented an income evaluation between the two online auctioneers showing more revenue was received from Public Surplus.

Adjournment and set next meeting date and location

Ms. Moreida indicated the next meeting is scheduled for Thursday, May 29th, 2014 at 9:30 a.m.

The following motion was made:

To adjourn the March 27, 2014 meeting and to set the next meeting date to Thursday, May 29th, 2014.

(Moved by Kovar, second by Porterfield; unanimously approved)

Executive Session: The CARTS Board may adjourn into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for Executive Session discussion. An announcement will be made of the basis for the Executive Session discussion. The CARTS Board may also publicly discuss any item listed on the agenda for Executive Session.