

## **Lowcountry Regional Transportation Authority Board Meeting**

November 30, 2011 – LRTA Board Minutes

Fred Harvey offered the Invocation, followed by the Pledge of Allegiance.

Chair Jenny Carter called the meeting to order at 2:04 PM.

Roll: Jenny Carter, Fred Harvey, Dick Stewart, Louise Pinkney, David Blauch and Ginnie Kozak.

Absent: Chris Hutton

Also in Attendance: Rochelle Ferguson and Paula Porter, Palmetto Breeze, Scott Donahue and, Ken Silvers, SCDOT, Lisa Wechsler; Crowley Wechsler & Associates.

### **Approval of Minutes – Sept 28, 2011**

Dick Stewart states there were a couple of clerical errors. He will submit errors to Paula Porter for correction. He asks to make a motion to accept minutes with these minor corrections.

Motion to Accept Minutes was made by Fred Harvey; Second Louise Pinkney. Motion Carried.

### **Action Items:**

1. Ms. Lisa Wechsler presents the financial audit. She reviews the report and reads all the major financial changes. She states she will submit the report to Government Finance Officers Association for this year. The independent auditor's letter states there are no material changes. She reads the statement of net assets and changes in Revenue and Expenses. She states the Management Letter states internal controls and any matters we wanted to bring to your attention. The first one is the transition from QuickBooks to Financial Edge. Because of this transition we recommend that beginning balances in Financial Edge be reviewed for the current year so the balances are accurate going forward. This was not done in previous years and the balances were not correct. There were old items in the sub-ledgers from previous years that were never cleaned up. In addition, with the change of finance staff and computer system, we recommend that the finance manual be updated to reflect all the changes. Chair Carter asks if the audit firm can perform the review of the balances going forward and Ms. Wechsler states yes. Chair Carter asks if all old items have been cleaned up and Ms. Porter states yes. Chair Carter asks when everything is cleaned up if the auditor would come in and check to be sure it is all correct. She asks Dick Stewart as a finance committee member, if he agrees, and he answers yes. He wants the elected officials to be satisfied. Chair Carter asks if this was prior year material and Ms. Wechsler states yes, there were no material issues, but items were handled incorrectly, such as journal entries made into sub ledgers that required correction. Chair Carter said when reading the Workers Compensation finding, she would like to have a pre-audit meeting to clean these things up before the audit. Ms. Porter states that was from the previous

year. Chair Carter states I just want it to be clean as possible going forward. Ms. Wechsler states that the communication letter is attached. It states there were no difficulties or problems in performing the audit and there were no significant changes in policy during the year. We also sent a representative letter for the Board to sign. She asks if anyone has any questions, no one does. Chair Carter thanks Rochelle and Paula for a job well done.

2. Ms. Ferguson states we have contracts to sign. 5310 Allendale and Allendale Scooter from Lower Savannah Council of Governments. It's for Elderly and Disabled and to fund transportation assistance for residents of Allendale County. Also Allendale Barnwell DSN and Allendale COA contracts. We received the money from the LSCOG and we reimburse the transportation providers who provide transportation to these clients for the associated agencies. Dick Stewart asks if there are any materials changes to the contract from last year. Ms. Ferguson states there was a slight increase in the reimbursement amount for 5310 section. Chair Carter states she thinks it's important for the Board to know about significant issues going on with the Allendale Council of Aging. Ms. Ferguson hands out copies of a newspaper article which states there were possible misappropriation of funds in Allendale County COA. She states that she isn't sure how it will affect us in the long term but it may in fact have to increase our responsibilities to this organization. Although I am not sure what is going to happen, everyone should be aware of it. Louise Pinkney states Bob Connelly has until this Friday to resign or he will be terminated. She states that they have no prospects lined up although they may bring Ms. Jones back in the interim. Ms. Ferguson states they are searching for a long term prospect. Chair Carter asks if it's okay to approve the action items all at one time, and the Board states yes. Ms. Ferguson states we also have Beaufort County annual appropriation, which is a bit different than other county allocations. Dick Stewart asks if there was a reduction, Ms. Ferguson answers approximately \$7,000 less than last year. Ms. Ferguson states that we also have purchase of service contracts for Beaufort County Senior Services, Jasper County Council on Aging, Hampton County Council on Aging, and Jasper County Disability and Special Needs, which we has two contracts. These are for regular contract services. We provide transportation services to these agencies for their clients to meal sites and their centers. Chris Hutton usually signs for the Jasper County DSN contract, as Chair Carter cannot sign that particular one as she works for the agency.
3. Chair Carter asks about the motorcoach procurement. Ms. Ferguson asks if we can turn to the SCDOT on this issue. Scott Donahue states that the motorcoach procurement has been approved. We looked back in our records and emails and we realize it was supposed to include two service vehicles at 100% funding. We will honor that commitment to fund these vehicles at 100% and will use our 5309 money along with local state funds. We want you to be aware of this commitment and get this contract out to you. Chair Carter asks how many vehicles, and Scott Donahue states one motorcoach and 2 service vehicles. Ms. Ferguson states Fred Harvey and David Blauch in addition to Chris Rogers, Kyle Hamilton and I have reviewed the motor

coach procurement and believe it to be a good proposal and we are ready to award the contract upon receipt of the SCDOT contract.

4. The next item is renovation of office space. Chair Carter states currently the way the administration offices are set up, Rochelle has an office and the next set of offices is shared with the Finance Director and the Payroll Clerk and right off of that is a big file room. Then next to that is the offices are the Accounts Payable clerk and the Mary Alice Springs, the Mobility Manager. I have been meeting with Paula on behalf of the finance committee to review the financial statements and there is a lot of traffic and it's disruptive. Rochelle agreed we could move the copier out of those offices which is for the copier for the entire office. The other thing is the computer sits in plain view of everyone who is walking in the hall. I am a little sensitive of this as a finance person and I don't think it's a good idea. I think it would be better served if the Accounts Payable and the Payroll person shared that office and the finance person had their own office. After talking with Rochelle, that could be arranged very simply and at a minimum cost by using the current file room as the Finance Director's office. We would close up the locker rooms and use that as a file room. The lockers would be moved into the bathroom themselves. This would be a good idea for the Payroll and Accounts Payable person as well as not having this crazy pattern going through these offices. It would also give the finance person the privacy and the room she deserves to do the business she needs to do. Ginnie Kozak states and the quiet she probably needs to concentrate. Chair Carter states at one point we have tossed around the idea of putting up a permanent wall in the Board room. I have never liked this wall as there is no sound barrier. If a wall was put up and a long narrow office was created and it would take away from the break room, which is enormous. Dick Stewart asks how much will it cost. Chair Carter asks if we can look at it as a Board, Dick says lets approve some number and appoint a committee to discuss with the staff. Fred Harvey, Dick Stewart and David Blauch agree to look at the building and make a recommendation. It is agreed that the file room already has electric and other items that would be needed. Chair Carter asks if after this meeting this subcommittee will look at it and come up with a plan and approve it by the January Board meeting.
5. Ms. Ferguson presents the Zero Lost Time award received from First Transit. This is an award for zero lost time injuries for 2011. It included a letter from the Senior Vice President, Rick Dunning, congratulating us on this prestigious award.

Motion to accept was made by: Dick Stewart; Second Fred Harvey. Motion Carried

### **Informational Items:**

#### **Director's Report:**

Ms. Ferguson states that she will read the highlights of her report. Allendale County Fare Ticketing office has been moved from the Allendale County Council administrative office to the Allendale County Office on Aging as of November 1st. I expressed my concern over this. We are taking care to reconcile

the fares and tickets sold on a monthly basis. We compare what was sold and the money we receive. Chair Carter asks if anyone else could sell them. Louise Pinkney states that it will be fine being sold there. The Director was basically overstaffed and he misappropriated funds to cover this large payroll. Chair Carter states her fear is when you misappropriate funds you can make things up. Ms. Pinkney states they have to report directly to the Board and the Auditor. Chair Carter asks Ms. Pinkney if she is comfortable with this new arrangement and she answers yes. Chair Carter asks her to keep us informed even if you are not sure if there is a problem. Fred Harvey asks what the monetary risk we are taking is. Ms. Ferguson states it's about \$800-\$1200 a month. Dick Stewart asks if we can lose funding because things are loosely handled. Chair Carter states the only risk is in those monthly fares sold.

Ms. Ferguson lists projects completed. A new copier and new Voice over IP phone system has been completed. Mr. Stewart asks if the new phone system saves us money. Ms. Ferguson states, no, it's more monthly, but we had to upgrade and we needed more phone lines, we upgraded from 3 lines for 12. The new server and computers have been installed. She would like to donate the old computers to Allendale County. . We wiped out our old data on them. We did set aside two of them, one for the maintenance department and one as a backup in case of failure. We have a new security system in the shop and parking lot. We have a Quick Reference Guide posted through the offices and each bus operator will have one. Paula did all of the printing and putting it together. Dick Stewart asks what is the PWWG.. Ms. Ferguson answers it is the Public Works Working Group that she meets monthly via telephone and we make recommendations to FEMA for resource and credentialing. She is one of two transit liaisons in the country.

Dave Blauch asks if we are at risk for litigation because of the pedestrian fatality that happened recently. Ms. Ferguson states that the investigation is still ongoing. We have the Palmetto Breeze attorney representing the Authority. The State Insurance Reserve Fund would not assign us an attorney at the time so we requested representation from Patrick Higgins.

Ms. Ferguson states that everyone has a draft of the Palmetto Breeze Annual Report. Please mark it up and get it back to me so we will have the final for the January Board meeting. She tells Mr. Stewart that she hasn't forgotten that he asked for an executive summary of this so he can discuss it with your individual County Councils. Mr. Stewart asks when do you want it by and Ms. Ferguson states by the end of the year.

#### **Finance Director Report:**

Paula Porter presents the October statement of accounts and balance sheet. Chair Carter asks why the budget for the ARRA Grant expenses shows we are 709% over budget. Ms. Porter says she will look at it for the next report.

#### **Chairperson's Report:**

Chair Carter states that she attended the APTA conference in New Orleans. She states it was amazing. Although Craig Forrest encourages us to go, and it was very informative, it was very expensive and she

feels the money would be better spent at a local training for the entire Board. The next Chairperson can decide to continue attending or not. Rochelle was very well thought of and everyone knew her at the conference.

We need to assign a Chair and Vice Chair to the nominating committee to elect a new Chairperson. Chair Carter elects David Blauch as the Chairman and Fred Harvey as the Vice Chairman. Please see the procedure in the by-laws for nominating. We appoint the committee in November and vote on the nominees in January. The new Chairperson takes over in March. She states she will not run again.

### **Committee Reports**

Louise Pinkney goes over the Organizational Development Committee report. Kyle Hamilton was very organized.

David Blauch reviews the Policy and Planning Committee report. No significant repairs. One major failure was a transmission and OC Welch received the contract for the repair. The shop was very clean and organized and even some equipment has been painted.

Chair Carter states the Finance Committee will do its review after this meeting. But last time, everything was in compliance.

Chair Carter asks if we can discuss the Board vacancies. Ms. Ferguson states she has contacted Hampton County and they have had one person submit an application but they are waiting on another appointment on another committee and can't be on ours as well. I am waiting to hear from them, but I have been relentless in contacting them. Ginnie Kozak and I talked about some possible recommendations but I have not been able to get back to her. I did contact Matt Green and his time is limited but will consider it in the future. I will meet with Ginnie. Dick Stewart talks about the Marine Division Study Committee. We did a draft report and gave it to Gary Kubic and Morris Campbell. They asked for some time to review it, and I spoke to them 12 days ago, they are analyzing the total properties on Daufuskie Island because we included time share properties and we shouldn't have, as they wouldn't pay an assessment. Gary asked if we would take no action. I have it set on my calendar that I will follow up with him on December 8<sup>th</sup>. Ms. Ferguson gives Dick Stewart a list of how much a mill is worth in each County which was related to discussion during the last Board meeting. Chair Carter says she is very proud of everyone completing their committee reports and tells Scott Donahue he has to admit no one else has a Board so involved and he agrees.

### **Old Business**

Ginnie Kozak says the Bus Livability grant is not dead. Rochelle and I are putting the bus back into the bus livability grant. We are working on a business/marketing plan. Beaufort County wanted to use the existing Demand Response routes and call that the transit nexus. FTA said no. I looked at working with the Military. I did calculations and we could get up to \$96,000 a month if only 10% of the Marines, sailors and Department of Navy civil servants use the service. Rochelle is going to look at this to see

what we can provide at this level. All Marine, sailor and civil servants would be allowed \$125 a month for a transit benefit under the Transit Incentive Plan (TIP) Program. SCDOT is very committed to this as the grant is actually in their name. They assigned Diane Lackey to work on this. She stated she will do whatever she can to make it work.

Chair Carter asks Ms. Kozak about the Palmetto Breeze Strategic Plan. She said we have requested comments about a month ago, and did not receive them. Basically there were notes from the USCB people, but no rough draft or a strategic plan. Ginnie Kozak states we should have someone help us put it together who understands what goes on in a transit company, one that includes strategies and goals. Chair Carter says we should scrap what we have and look to planning another one with someone who we can get it from quickly and one that understands what's going on. Dick Stewart said we should put it in a folder and work on the Marine Division Study Committee plan and get back to the Strategic Plan when that is done and will have a large impact. Chair Carter states the Marine Division Study Committee had a small portion in the plan, but is now a major portion and it deserves that attention that it has generated. Chair Carter states the old plan isn't valid anymore. Should we put all the materials together and we will incorporate the Marine Division Study Committee plan? Ginnie Kozak states the mobility portion is also a much bigger piece. Chair Carter states let's get the materials you have and Rochelle has and put it in a folder and when we are ready for a new one we will give it to the new people and they can incorporate this material. Ms. Ferguson asks if we can submit it to the Board as an interim plan. Ginnie Kozak states no, it's not even an interim plan. They reviewed what was current a year ago that isn't valid anymore. Chair Carter states it's more of a review and results of a strategic planning session, but not really a plan. Let's get the Marine Division Study Committee behind us and the holidays and we will get back to it.

### **New Business**

Ginnie Kozak states that we received a Veterans and Military Family Transportation Grant for technology to include tablets for buses and a portal. It was for approximately \$129,000. We are the only one in SC and GA to receive the grant. It was a cooperative effort between the LRTA and LCOG.

Following discussion, a holiday party is scheduled on Tuesday December 6<sup>th</sup> at 6 PM at Oldfield. First Transit will be paying for Board members and management staff and their spouses.

### **Announcements**

Next meeting is January 25th at 303 Associates in Beaufort 2:00 PM. Motion to Adjourn: Dick Stewart. Fred Harvey seconds. Adjournment at 4:00 PM.