

Lowcountry Regional Transportation Authority Board Meeting

July 31, 2013 – LRTA Board Minutes

Chairman Dick Stewart called the meeting to order at 2:00 PM.

Roll: Chairman Dick Stewart, Vice Chairman David Blauch, Barbara Childs, Fred Harvey, Louise Pinkney arrives at 2:28

Absent: Lynette Harley, Jenny Carter, Ginnie Kozak, Chris Hutton

Also in Attendance: Paula Porter and Rochelle Ferguson, Palmetto Breeze, Craig Forrest, SCDOT Commissioner.

Approval of Minutes – May 29, 2013

Motion to approve; Vice Chairman David Blauch, second; Fred Harvey. Motion carried.

Action Items:

Ms. Ferguson states she has LSCOG Memorandum of Understanding. They cover the phone calls for the Allendale County Scooter Transportation program for the general public. Palmetto Breeze does not have a mobility manager in Allendale anymore, so the Lower Savannah Council of Governments receives the phone calls for us and then dispatches them to Allendale County COA and Allendale Barnwell County DSN. This will be our third year doing this, and this year the cost is \$9,100.00.

Ms. Ferguson states she has the Finance Audit agreement with Crowley Wechsler Associates. The firm is in process of completing the audit. It is an annual agreement contract that lists the expectations, roles, responsibilities and the work of the auditors. Chairman Stewart states he doesn't want to vote on this as this firm is tenants of his in the building he owns.

Ms. Ferguson has a SCDOT contract modification of our regular operating grant. We moved \$15,000 from Capital to Operations.

Ms. Ferguson states she does not have the Purchase of Service contract yet with LCOG. The person who was to prepare the contract was involved in an accident and has not had an opportunity to finalize the contract. This item will be tabled for the next Board meeting.

Ms. Ferguson has the Hampton County Vehicle Lease for the County Office of Aging. We have two new transportation contracts with them and need to lease vehicles from the COA until we can get our own vehicles. Vice Chairman Blauch asks how many vehicles and Ms. Ferguson states two. Fred Harvey asks what type of vehicles are they? Ms. Ferguson states two 15 passenger vans. Mr. Harvey asks if a Cutaway would be better. Ms. Ferguson replies that at this time they don't have vehicles that are wheelchair accessible and those vehicles are more expensive. We are trying to buy our own vehicles from another transit system.

Ms. Ferguson states she has the Beaufort County DSN transportation contract which started this week, one in the St. Helena area and one in the Beaufort area. We are transporting their clients to the center. This is a great opportunity and it all falls under the mobility management/coordinated transportation concept. We offer contracted services and then we open up seats on these routes to the general public.

We have a new smoking policy which is a result of a First Transit meeting. Chairman Stewart asks what the change is. Ms. Ferguson states no smoking near the building doors and windows. Chairman Stewart asks if it states around vehicles. Ms. Ferguson states that you cannot smoke in a vehicle at all. Chairman Stewart states what about around a vehicle, Ms. Ferguson replies, we didn't get that far. Chairman Stewart states Beaufort has adopted that and he thinks Port Royal may have as well, we might want to think about that.

The next item for approval is the personnel policy. Changes include payroll changes, high visibility vest, clarified sick and vacation accrual which Steve Richard, Payroll Clerk, recommended and health insurance changes. We are required to offer health insurance benefits right after an employee starts instead of a six month waiting period. We also added the smoking policy to the personnel policy.

Paula Porter presents the revised budget for fiscal year 2013-2014. We received notification from SCDOT that we are going to receive more funding than expected in the rural 5311 grant and the small urbanized area grant. I had made a calculation error, listing Allendale Local match in two places, I added in the additional health insurance expense since we now have to offer it immediately to new employees. We had extra funds so I put it towards various items but the biggest one is a new bus wash, as ours is very old and falling apart. Chair Stewart asks how much was the additional funds we are going to receive. Ms. Porter states \$208,000 for the rural area and \$13,000 for the small urbanized area.

Motion to approve items 1,3,5,6,7,8 and 9; Fred Harvey, second; Barbara Childs. Motion carried. Motion to approve item 2, Financial Audit management agreement; Barbara Childs, Second; Fred Harvey. Motion carried.

Informational Items

Director's Report:

Ms. Ferguson states the passenger count is up 12.4% over last year. We have had no preventable accidents in a recent 90 days period. Fred Harvey and Louise Pinkney, Organizational Development Committee will host a cook out for everyone to recognize the 90 day period on August 5th. The vehicle operators are doing a good job as well as the operations team members. Moral is up as a result of changes in personnel on the operations team.

Finance Director's Report:

Ms. Porter states the budget variance report is similar to the previous months. I would like to note because it's fairly significant, the maintenance department budget was a total of \$8,000 under budget for the year. This does not include the salary for the bus detailer/mechanic position that has been open for the last year. We were much more than \$8,000 under budget, but I took this off, and we are still

under budget by \$8,000. Chris Rogers and I worked very closely every month to keep items within budget. Vice Chairman Blauch states the maintenance inspections have been 100% on time for the last six months. I think keeping up with the preventative maintenance reduces the amount of reactive maintenance, something failing while running out in the field.

Ms. Porter states if you look at the statement of accounts, even administration was only 1% over budget. Operations were over in some areas, but over all we did very well keeping within budget. Chairman Stewart states do you think it's also because you are more familiar with the budget. Ms. Porter states absolutely, having a better handle on creating the budget helps keep it more accurate. Vice Chairman Blauch states at one time we had a concern that overtime was over budget, but that seems to have been held under control. The overage that we had on the overtime was all at the beginning of the year. Ms. Porter states correct, we haven't had much overtime in operations except for Demand Response, and that is the nature of that route and cannot be helped.

Chairperson's Report:

Chairman Stewart states that a few municipalities have passed the resolution that LRTA will have a representative on the policy board of the MPO.

Beaufort County has agreed to put us on our own line item on their budget, removing us from the human service agency line item. That's pretty important for us because it takes us out of a hodge podge of things the County Council sees as competing for funds. We are more in a business like footing and less of a compassion footing with some of the other human service agencies. Ms. Childs states that you can see the budget online now.

Committee/Project Reports

Fred Harvey states the Organizational Development Committee met via teleconference. We encourage drivers to be proactive with accidents and they did reach their 90 day goal of no preventable accidents. All items are on schedule and any issues were resolved. We are in compliance with drug testing. Vice Chairman Blauch presents the Policy and Planning committee report. PMI's are 100% on time for May and June. There was one equipment failure to report, but only that it was returned to service as that is when we record equipment failures, when they are returned to service, not when they fail. The shop was cleaned for the recent open house, so it was in great condition. The recent operations safety meeting was mostly for drivers, so there is no training to report. The only exception that came up with the building inspection was the bus washer. It is scheduled for replacement.

Barbara Childs states the Finance Committee review was done today with Paula. The auditors were here this week and they had some of the paper work but Paula was able to bring me everything I needed. The only thing that came up in my review was how the deposits are being handled. Employees are bringing them to the bank. They are very heavy to carry, sometimes there is a lot of coin, and there is a dangerous liability here. I asked Paula to find out what an armored car service costs to bring them to the bank. Ms. Porter states the deposit are anywhere from \$1,200 to \$2,500 at the very highest. However it's a lot of coins and the person who takes them to the bank uses a pull cart to carry them to her car.

Chairman Stewart asks if we wait for them to count them. Ms. Porter states no, the bank counts it and we pick up the deposit slip the next day.

Chairman Stewart reports on the Marine Division. He had a conversation with four Beaufort County Council members. A real estate holder on Daufuskie Island will donate land for a dock if the County will commit to the Ferry service. LRTA was named in this proposal as we have been involved in previous discussions but I stated we would not take on any additional liabilities but would be happy to assist in any way we could. The County felt they should explore that on their own for awhile. The dock permits are already in their hands. My suggestion would be to have enough acreage to have a station that we could put in things that might produce revenue. I believe this Board isn't interested in getting involved in anything that doesn't have a steady stream of revenue. Ms. Ferguson asks Chair Stewart if he saw that Beaufort County has approved \$50,000 to do a plan on this Ferry system. Chair Stewart replies I did, but I didn't want to insert LRTA in there at this time and be responsible for producing the plan. I did hear Gary put it into the budget, but that doesn't mean he is authorized to spend it.

Old Business

Chairman Stewart states that two cities have approved the motion to have the Chairman of LRTA on the Policy Committee of the MPO and the Director to serve on the Technical Committee.

Ms. Ferguson states we had one meeting of the Technical Committee and Kimley Horne Associates, which is the consulting firm that was chosen, about a month ago. They are working towards developing the LATS plan. They also laid out a public participation plan for review by the technical committee. It looked really great and covered all the bases. Ginnie Kozak can fill us in next time on the comments of the others on the Technical Committee. Everything seems to be moving along well. Vice Chairman Blauch asks what are the cities or townships that are in the MPO now. Ms. Ferguson states on the policy committee there is the town of Hilton Head, Bluffton, the cities of Beaufort and Port Royal, Jasper and Beaufort County, and Hardeeville. Chairman Stewart asks does the MPO represent all these areas. Ms. Ferguson replies it does. Ms. Porter hands out a map that shows the boundaries of the MPO. Ms. Ferguson states the transit component only encompasses Hilton Head Island and part of Bluffton. I believe the line is near Rose Hill. Ms. Porter states the boundary for the Small Urbanized Area is at the Baptist Church right after Eagles Point Development on 278 west bound. Chairman Stewart asks if we could get a map of this area and hang it possibly in the Board room. Ms. Ferguson states she have one displayed.

New Business

Ms. Ferguson states we had an open house last week for all the human service agencies and partner agencies. It was very successful. At the previous coordination meeting we raved about the open house we had for the government officials and they asked if we could have one for them. We had our Coordination meeting here before the open house. The next coordination meeting will be back at Point South on September 19th at 10:30 AM at the LCOG offices. A North Carolina transit agency manager, ICPTA, will attend to speak about coordination efforts at his transit system.

Chairman Stewart states he asked for a description of the additional work that will be required of the Finance Department due to the direct Federal funding we will receive. We will have to keep track of two separate books and audit issues etc. Ms. Porter states she typed up a list of new items that will be required and hands out copies. She states Diane Lackey from SCDOT also submitted a good background on everything the new funding has required from us. Hers is more of a background on everything that has to take place to get us here, but mine is a list of extra duties that will be required mostly for me. Ms. Porter distributes that as well. Ms. Porter states as you know we are receiving separate funding which is coming directly from FTA. It will require me to draw down funds on a completely different system, which is called TEAM. It is a very complicated system, not at all like SCDOT's system which only requires two forms to fill out. We had a webinar on this system quite a while ago. Rochelle will have a part on this also, as it requires milestones to be tracked, even grant requests go through here. There is also tracking of two separate fiscal years; they don't operate under the same fiscal year as SCDOT or LRTA. Chairman Stewart asks how we will track vehicles costs once they cross those boundaries. Ms. Porter states there is only one vehicle that operates solely within the small urbanized area. The other vehicles that run in both the rural and small urbanized area will require a cost allocation based on mileage or hours. This will be a big chunk of the additional work required from me. Ms. Ferguson states, as per Diane Lackey, this allocation will also apply to joint capital projects. Vehicles purchased for both systems can be used in the urbanized and non urbanized area. Ms. Porter says there are annual and monthly reporting requirements that she is not familiar with at this point. She read a 160 page document to find out what the requirements are for this list as we haven't even touched on many of them yet. I have had to create policies such as a Disadvantaged Business Enterprise (DBE) policy and a Title VI on the Civil Rights policy. We were able to operate under SCDOT policies with the Rural funding, but now I have had to create our own with the new funding. An Asset Management plan has to be in place. I've taken a few webinars on this already and have discussed it with Rochelle and Chris Rogers, Maintenance Supervisor. I've had to create a five year financial forecast. This is still being tweaked and worked on. Chairman Stewart asks if it is possible that since we have a certain amount of money for the rural area and a certain amount for the small urbanized area that we may have to reconfigure our routes because of the amount of money we have to spend in each of these areas. Ms. Porter states no, I don't think so. Chairman Stewart says but if we spend some funds that were allocated for one area on another, will we get into trouble with SCDOT or FTA? Ms. Porter says I don't think that will happen. First, we have only one route that runs in the small urbanized area currently. Those expenses are easy to track. The other commuter fixed routes that come through the small urbanized area, is pretty clear. They pass through the boundary and we know how many miles it is within the small urbanized area and those costs can easily be allocated to that area. The mileage doesn't change on a daily basis, it's a set route. It's pretty cut and dry and clear. Chairman Stewart states he doesn't want anyone coming to us at the end of the year asking us to pay it back because we used the wrong funds. Fred Harvey says or the opposite, not tapping into funds we have. Ms. Ferguson states we have a little over \$700,000 allocated for the small urbanized area that we can't tap into right now because the MPO work has not been done for the TIP and LRTP. This money can only be spent in the small urban area not the rural area. We will have to define in the future how we will spend that money and that goes back to what Paula was saying about tracking the miles (or hours). It will also be dependent on if SCDOT decides to reduce, increase, or keep our section 5311 rural funding the same or not. So far there hasn't been any

indication of what may happen. Ms. Porter states the fear at the beginning was we will receive new Small Urbanized area funding, but we will have our 5311 rural funding reduced. We only really have one route and one vehicle that runs completely in the Small Urbanized area. Chairman Stewart asks if the year-end closing with the audit will cause any problems. Ms. Porter states she doesn't know, she hasn't even thought of that. She would have to speak to the auditors on that and what it would cost to do an extra audit. Chairman Stewart states it would be nice to take this information and put it in a presentation format so we can take it to our municipal partners, particularly those in the MPO, because it will affect the internal work on our part and it will persuade them to see why we may need some additional resources to support some of those activities. I assume this will get bigger as we go forward. Ms. Porter states she feels it will be simple enough starting out in the hopes it will get more complicated as we move forward, get more routes and grow. Chairman Stewart states one thing that could happen is they set up one company who handles the rural and one that handles the urbanized area. That would create problems as well as we have capital equipment that runs in both. It would be good to have this written out so we could present it to a busy County Council in three minutes. I would be happy to do this and when Jenny Carter has time, as she chairs the Finance Committee, she can help as well.

Announcements

Louise Pinkney states Allendale County COA has a new office manager, Sonya Capers.

Commissioner Craig Forrest states that SCDOT has an additional \$150 million in funding. Some of this is recurring. \$50 million of this is from the state infrastructure bank and bonds for interstate widening and bridge work. Commissioner Forrest stated he doesn't want to be ungrateful but with a \$29 billion shortfall over 20 years, how are we going to close that gap and have sustainable income. It must be a continuing conversation in the legislature.

There is an executive session to discuss personnel and contractual issues. Rochelle Ferguson and Paula Porter were asked to leave.

Adjournment

Following the Executive Session the Chairman adjourned the meeting and there was no objection by the Board at approximately 3:30 PM.