



SOUTH CENTRAL REGIONAL TRANSIT

DISTRICT BOARD OF DIRECTORS

**Board Meeting
AGENDA**

Wednesday, September 26, 2018, 1:30 PM

The following is the agenda for a meeting of the Board of Directors of the South-Central Regional Transit District to be held Wednesday, September 26, 2018 at 1:30 PM, at the Dona Ana County Government Center, 845 North Motel Boulevard Las Cruces, New Mexico 88007.

Digital recordings and/or minutes will be made and will be available on request.

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Call to Order

1. Pledge of Allegiance
2. Roll Call
3. Changes to the Agenda
4. Public Input
5. Approval of SCRTD Meeting Minutes of August 22, 2018
6. Financial Report for the Period Ending August 31, 2018 – Velma Navarrete
7. Executive Director's Report- David Armijo
8. Discussion items:
 - a. McCune Grant Submission
 - b. Short Range Transit Plan Grant
 - c. City of Las Cruces Transportation Committee Membership
 - d. Z-Trans Contract Extension
9. Action items:
 - a. A Resolution approving the Financial Statements as of August 31, 2018.
 - b. A Resolution approving the submission of a grant for a Short-Range Transit Plan
 - c. A Resolution approving the submission of a McCune Grant for Promotoras Training
 - d. A Resolution approving the contract extension of the Z-Trans Grant
10. Board Comment
11. Adjourn

ITEM 5: Minutes

**South Central RTD
Board of Directors Meeting
Wednesday, August 22, 2018 - 1:30 PM
Dona Ana County Government Center
845 N. Motel Blvd., Las Cruces, NM 88007**

MINUTES

MEMBERS PRESENT: Javier Perea, RTD Chair, City of Sunland Park
Nora Barraza, RTD Vice Chair, Town of Mesilla
Jack Eakman, City of Las Cruces
Billy Garrett, RTD Secretary, Dona Ana County
Gerald LaFont, City of Elephant Butte
Diana Trujillo, City of Anthony
Steve Green, City of T or C
Majorie Powey, Village of Williamsburg, attending by telephone

MEMBERS ABSENT: James "Slim" Whitlock, Village of Hatch

SCRTD STAFF: David Armijo, SCRTD Executive Director
Velma Navarrete, Finance Manager

OTHERS PRESENT: Sharon Thomas
Becky Baum, RC Creations, LLC, Transcriptionist

CALL TO ORDER

Perea: Well good afternoon everyone. Welcome to this regular meeting of the South Central Regional Transit District. Today is August 22, 2018. It is 1:32 p.m. This session is now in order.

1. PLEDGE OF ALLEGIANCE

Perea: We can please rise for the Pledge of Allegiance. Mayor Barraza if you could lead us please.

ALL STAND FOR THE PLEDGE OF ALLEGIANCE.

2. ROLL CALL

Perea: And we move on to the roll call.

Armijo: Mayor Perea.

Perea: Present.

Armijo: Nora Barraza.

Barraza: Here.

Armijo: Jack Eakman.

Eakman: Here.

Armijo: Billy Garrett.

Garrett: Here.

Armijo: Gerald LaFont.

LaFont: Present.

Armijo: Diana Trujillo.

Trujillo: Here.

Armijo: Steve Green. Absent. Majorie Powey.

Powey: Here by phone.

Armijo: Thank you. And James Whitlock. Not here. We have a quorum.

Perea: Fantastic.

3. CHANGES TO THE AGENDA

Perea: All right. Then we move on to item number three, changes to the agenda. Are there any changes to the agenda order? Seeing ...

Garrett: You need a motion?

Perea: Yes sir.

Garrett: So, moved.

Perea: A motion to approve the agenda order.

Barraza: Second.

Perea: A motion on the floor by Commissioner Garrett, the second by Mayor Barraza. Any discussion? Seeing none. All those in favor say "aye."

MOTION PASSES UNANIMOUSLY.

Perea: All opposed say "nay." Abstentions. Motion carries unanimously. Agenda order has been approved.

4. PUBLIC INPUT

Perea: We move on to item number four, public comment. Seeing none. Public comment is now closed.

5. APPROVAL OF SCRTD MEETING MINUTES OF JULY 11, 2018

6. APPROVAL OF SCRTD MEETING MINUTES OF JULY 18, 2018

Perea: We'll move on to item number five, approval of the SCRTD meeting minutes of July 11, 2018.

Barraza: Mr. Chair.

Perea: Madam Mayor.

Barraza: I'd like to make a motion that we approve the minutes of July 11, 2018 and the minutes of July 18, 2018.

Perea: Okay I have a motion.

Powey: I need to make a correction. Hold on. On the 11th I was not there, and I am listed as attending by phone under members absent. I wasn't attending by phone and I was absent.

Perea: Okay, and that's for the minutes on the 11th, is that correct?

Powey: Yes, that's correct. I was totally absent.

Barraza: Totally.

Powey: Not even absent by phone.

Eakman: With that administrative correction I will second the motion.

Perea: So, with that change I do have a motion on the floor, the motion has been seconded. Any other discussion? Seeing none. All those in favor of approving the minutes for July 11th and July 18th say "aye."

MOTION PASSES UNANIMOUSLY.

Perea: All opposed say "nay." Abstentions? Motion carries unanimously. The minutes for July 18th and July 11th have been approved.

7. FINANCIAL REPORT FOR THE PERIOD ENDING JULY 31, 2018

Perea: Moving on to item number seven, financial report for the period ending July 31, 2018.

Armijo: I'm going to go ahead and do that. I'd like to introduce Velma Navarrete, she's our new Finance Manager. I will have her in the presentation when we come back to describe a little more about her. Thank you. All right, so on the Finance Report and for Velma she started this past Monday this week, so I did the report. If I may start first on the expenditure page. So, as you can see on the expenditure page the year-to-date is \$64,160.95 of true but not paid I show \$15,000, however since this was done last week we made two payments, so we paid the fuel cost which is \$8,100, we paid the first of our liability insurance which would be about \$2,100. Most of that \$15,000 has now been paid. This leaves remaining balance of \$993,000 for the year which includes the capital costs of a bus that we won't expend for several more months. Any questions on expenditures before I move onto revenues?

Perea: Questions?

Armijo: Okay, now we're working on it and we'll put that over there. Okay. Thank you, Mr. Garrett. I notice my totals didn't show up. I'm sorry because I tried to do the year-to-date, so it should've shown the year-to-date at the bottom on that so it's running

pretty much on track for our numbers. The fuel costs of \$8,166 is down about \$1,000 from the previous number that we got. So, the previous month was the \$9,100 that was that year-to-date, would've been June but we're right on track for where we should be.

Moving on to revenues. We did very well in July. A lot of payments came in. Most of the membership fees have come in to the bank so we have \$103,063.98, remaining balance of \$89,000 so about 10% of our year-to-date has come. What's been accrued and the money that is as we always go month-to-month, the two biggest ones are Doña Ana County Grant and we submitted that invoice last Tuesday. It's been just over a week. That's \$29,000. And the New Mexico DOT, the online for that's \$33,000 for the month. So as those come in that's about \$60,000. Cash on hand, and I've been talking to Velma because she's new and we're talking about how we might be able to do this a little better in the future, so we're going to kind of work through that because right now our actual cash is what we have in the bank. So, in the bank I have \$61,800, plus we have left over, carryover from South West Bank, so about \$63,000 available that's not shown here. So, we're doing very well. The one thing, I appreciated Katherine's efforts is, we did three things before Katherine left last month with the COG. We closed out all our books for June which means we paid everything off. There are no debts off the books. Everything's paid. We have cash available at our Southwest Bank. I don't think that's more than about \$1,400. That will roll in next month when we close that account. Then the third thing is we were able to start the audit. So, the auditors are working on the books now, we'll be bringing that to the Board here in the next 60 days. Assuming all goes well, we've had two clean audits in the first two years, I think we'll be back on track as we go forward. So, we're really in better shape than we were currently last year. I think a lot of it has to do with the membership fees coming in, in a timelier effort has helped us and then as we continue to craft and get the grants much more quickly, will be helpful. I think those will come over the next 10 days and so for the month of August we'll be able to show those revenues coming in as you see on the sheet close to \$70,000.

Garrett: Mr. Chair.

Perea: Commissioner Garrett.

Garrett: Is the audit a July to June audit?

Armijo: Yes.

Garrett: Okay. Thank you.

Armijo: Yes. One thing I want to add to that, as I having this discussion illustrating some of the things we do to our new Finance Manager, one of the things the auditors did well for us last year is looking at our assets and that's something we really haven't clearly presented to this Board and I apologize for that. We'll do a better job this time. What they did for us last time is they took all of our assets which right now are buses and looked at what we had and I think when we closed the books last year we had about \$33,400 of cash, but we had with the vehicles the valuation and this is done by our auditor using what's available on the books was \$354,000, so we're still a small little agency growing but we're actually starting to build and as we get this new vehicle and we put that on the books we'll actually be able to add on to the books a cash value more than zero as I go into the presentation later. So that will probably add another \$25,000 to \$40,000 on the books. It's net value. So, it's a very good deal that we got that for free. Any questions on this report for July? Again, this is the first month of the fiscal year.

Eakman: Mr. Chairman.

Perea: Councilor Eakman.

Eakman: I do not see a line item for bonding of our own financial person or I'm not sure it might be covered in D&O or general liability. I was wondering how we are covered on that.

Armijo: It is, but again and that's another discussion I was having with our Finance Manager. This is a good high level, but it's missing a lot of detail. We spent about \$74,000 a year in insurance which includes D&O, auto liability, and so on. In fact, over the next 4 months we're going to pay half of our auto liability insurance paying it month-by-month as we go forward, and it will pay the balance of it in the second half of the year. So, we do pay a lot of money for insurance, but we can bring a breakdown, that can be a report to just show what all that is and that's in that \$74,000.

Eakman: So, at this moment I can be assured that we have adequate insurance for that.

Armijo: Yes.

Eakman: Thank you.

Barraza: Mr. Chair.

Perea: Madam Mayor.

Barraza: What line item is that under, the budget, the finance report on page 21? Where was that plugged in to?

Armijo: Go to the page 21, the first page of the Finance Report, it's going to be the D&O that you see right there and that's \$2,640. That generally covers me and the staff. We did provide, and we did do a separate billing when we brought on Ms. Navarrete. That was what we billed into the year so that number may go up because of the additional cost for that person, but we do have the insurance and we do have her covered and that's what's been paid. So that's what I'll show. I'll bring a bit more definitive. I'll show all those insurance ones, but it's a very good question. Yes, we do have that coverage.

Barraza: Okay. Thank you. And I understand Councilor Eakman's concern, making sure that we do have those insurances covered. And you did say it was going to be about \$7,400 so we are going to have to do a budget adjustment to increase that.

Armijo: No, not \$7,400. It's about \$74,000 for all our insurance. Right now, it's \$2,600 for myself and some other staff that's included in that. I think the premium I saw the other day was about \$1,300 for additional. So, we'll catch up on that. That will be in the August report for next month.

Barraza: Thank you.

Garrett: I have a question Mr. Chair.

Perea: Commissioner Garrett.

Garrett: In terms of the reserve, are we going to show that on a monthly? We've got \$57,000 for the reserve and I'm just curious why we don't set something aside and show that for this.

Armijo: That's a very good question. We show it as a target, so you're correct. As I said right now we have cash on hand of over \$60,000, so we could certainly break that out by month and in fact it's something we could do beginning of August and we can retro it for July and then take a portion of it, that way it's off the books.

Garrett: Right.

Armijo: I think that's what you're looking for. We can do that. So about \$5,000, \$4,500, something like that. That's a good idea. Great.

Perea: Any other questions? Seeing none.

8. EXECUTIVE DIRECTOR'S REPORT

Perea: Moving on to the next item which is item number eight, Executive Director's report.

Armijo: Good afternoon. For the record, David Armijo, Executive Director. This report is going to be, what you see here are the overview. I tried to get a little creative on it, so you don't just see a little outline. So, I'm going to talk a little bit about and introduce our new Finance Manager, talk about the August service change that we just did two weeks ago, a little bit about our ridership growth. I like the little box. Talk about our new bus. The Anthony facility operation, how that's working in to the new year and we rolled out on August 6th with that. The Gadsden Summer School Leadership Program that goes to New Mexico State University. And recent Santa Teresa Legislative tour which are working with the folks at the border index down there, and then I had a meeting last week with Stampede as we discussed briefly last month.

Our new Finance Manager which you can see to my right. Some of you already know her and some do not. Her name is Velma Navarrete. She's a long-term resident of Anthony, New Mexico. I did put down University of Phoenix, but I believe that's her undergraduate, her actual graduate was New Mexico State University in accounting. So just got her Master's Degree here in Doña Ana County. Very much involved with the community. Does a lot of work with her school and church and so on and has got a very avid I think it's a soccer player or volleyball? Volleyball. He's a teenager so she's busy with that one. Work experience includes City of Anthony. She was I believe the original City Clerk. She just recently worked with Mayor Trujillo so thank you very much for letting us have this asset. I know you're going to have fun replacing her. Also St. Paul Parish

and Sun News and other things that she's worked with has been, and in fact has been her own employer for several years, so she's very entrepreneurial. So, we're looking forward her. The fact that she's local makes it a lot easier for us because there are a lot of things we're still doing with the new facility that is very challenging for us, so it's good to have somebody with boots on the ground. I've spent most of time the last couple of weeks in that office. In fact, before I go on, are there any questions of Velma that the Board may have that I didn't cover.

Garrett: I'd just like to say thank you and welcome.

Perea: Welcome.

Armijo: Thank you.

Eakman: Mr. Armijo. What is the appropriate title? Is it Finance Manager?

Armijo: Finance Manager.

Eakman: Okay. Thank you.

Armijo: Thank you. So, August service change. We didn't do any route changes. So, when I say no route changes I'm really talking about the map. I do have some extra schedules if anybody would like to see one. So basically, what we did is we did a little summer change in May, took some early morning trips, afternoon trips out that went to some of the schools and then went forward. We were able to add in a couple of trips on our Turquoise line and Purple, and then when we came back into service for the fall we kept those in, and so where we normally have five buses out in the morning and afternoon, we have six in the morning, five in the afternoon. So, with eight buses in the fleet currently that allows us to have two spares essentially during the day. We keep one in Cruces and one in Anthony so if there any kind of a breakdown or problem we can respond to those two locations. Having a facility in Anthony has been huge improvement to our responsiveness. We're so much closer to Chaparral and Sunland Park and Santa Teresa that we're able to respond much more quickly. So again, we added the trips. I tweaked the afternoon trips.

We've seen improved connections, the adjustment, we talked about this before, that we did on the Blue route has really worked very well; ridership's up overall. Again, people in the Mesquite area do very well and being able to get back

and forth. I was over at Chope's yesterday. I didn't do the Taco Tuesday, but I was going over La Clinica and passing out schedules, got that stuff done and the Post Office, we hit those as well. So again, schedules have been put out. We still have a few more locations to reach. Also, we still have everything on the website and so we're continuing to move forward with that. I'm a little disappointed that the Google map thing has been delayed, but I wish the folks from RoadRUNNER were here because they're having the same problem. Google's become much more bureaucratic than the other two times I've dealt with. So basically, because we have summer schedule and now we have a fall schedule they basically put a hold on us until they have the new schedules for August going forward. We've communicated to Google, we're not making any more changes. The maps are the same. The times are the same. Please put this stuff in and give us our app so we can go forward with it, because I think it really will improve our ability to respond because we get a lot of calls.

The 22-month trend. The last time I did this in June it was 20-months, so we've had a couple of months because we had July and June come through. So, ridership continues to grow. We've carried year-to-date we're at 24,364, already about 6,000 over last year with two months to go. If we can hold to what we did last year at this time, August and September, we'll come around 29,000 for the year which is a jump of about 10,000 to 11,000 which is about 50, 55% or more. Statistics can always be misleading because you look at the red on the top you can see this huge drop, so yes, we had lower in July but so did we last July when we were at 1,600, so we're still 700 rides over a year over year. So, the ridership is still up considerably. I assume that we'll jump back up with the schools being back in service in August and some of the adjustments we have there. Hopefully we'll get as high as 2,700. Hopefully we'll get back to where we were in June at 2,900 and so we're kind of moving forward. Again 30,000 and I continue to keep that number up. I think the next coming year, so we did 160% growth a year ago, we're going to show about 55% growth in the following year, and I think going forward which is next October through September, I think we're going to be looking at about 20% or better so we kind of get to a more reasonable baseline. But I think we will be looking at about 34,000, 36,000 next year and hopefully we can increase that even further.

This is the individual ridership. Again, some of the numbers came down. Still very interesting to see, we had a big drop off in the Turquoise, a lot of that had to do with school trips, so we're going to be watching closely to see what's going on with that. But I'm very impressed with the Purple that's continued to jump back as it's challenging the Red as we're getting more ridership from that end. Yes. Let me go back.

Garrett: So, we've got through May 2018, but we don't have anything for June or July of 2018?

Armijo: Which one are you looking at, the one before that?

Garrett: I'm looking at the, no, the bottom two lines.

Armijo: Those numbers are right, it's just 2018. Those are ... I carried over from the previous year. So, I'll change those. They should say June and July 2018 and August and September.

Garrett: I just wanted to make sure.

Armijo: Good catch. I missed those. See that's a problem when you do this late at night. But the numbers are accurate, it's just the form is wrong. Yes, because I carried over from the previous fiscal year form that we use.

So new bus. We obtained a 2013 Aerotech bus. I like the Aerotech. It's a very well-built bus. I've used those many times in other environments. Eighteen passenger bus, two wheelchair lifts and tie down, obviously meet ADA. This was used primarily for paratransit service. One of the reasons they retired it so early is they felt that they used it on some pretty rough miles up in the San Bernardino area, but that was the same reason they gave for the other two that we picked up and those had more miles, so we actually picked those up with 70,000, 80,000 miles and they're doing very well. I'm optimistic this will do well. Actually, talked to the maintenance manager for, Don Chalmers, I think that's the Ford manager up in Albuquerque, the biggest one up there. So, they work on this bus for four years. So, they're very familiar with it. They're prepping the vehicle. He doesn't think it'll need more than an oil change, but our plan is to go up and pick it up this weekend and bring it down. Other than an oil change, it's a small cost, it should be pretty good to us. Waiving the local match clearly saved us from what we paid last year was about \$5,600. The value on this vehicle, I think book value will be somewhere around \$25,000 to \$30,000, so it's a real good thing. Now on the other hand we're on the hook for the Federal part of it. So, the Federal part until it's finally retired would become our liability, so we would be responsible for those dollars that the Federal government gave to Rio Metro. But when the time comes, and we do retire it, then that would retire out and it shouldn't be any cost to us back to the Federal government. They're happy with us using the bus. They think we're going to get more miles out of it is a better value to the Federal Government that we were able to make better use of this equipment.

The fleet now will increase from eight buses to nine. This gives us the original five buses we got from the State of New Mexico Legislative session, those larger 28 passenger, 32-foot buses, so that gives us those five, the two that we got before from Rio Metro now goes to three, all mid-sized 18-passenger vehicles, and then one smaller vehicle we got from El Paso through the 5310 grant which is a 14-passenger vehicle. Works well for us. So that brings us to nine and then we

still have one more, we have new money to purchase when the new fiscal year begins in October. Any questions on this?

Barraza: Mr. Chair.

Perea: Madam Mayor.

Barraza: And forgive me, I don't recall approving purchasing a new bus. I remember we had discussion about it. I just don't remember the Board approving the purchase of a new bus. Can you enlighten me?

Armijo: At the time I brought this to the Board about five or six months ago, that would have cost us about \$11,000 and so we put a hold on that because we didn't want to make that expenditure. This opportunity came up this week when the folks at Rio Metro were going to their board last Friday to approve transitioning two other buses and they asked us "Would you want us to include one for you?" because they knew we were on the list, at no cost. And I thought well I think that'll work fine. So, I guess what we're doing today is I'm not asking for approval because I got the vehicle for no cost. I didn't know that we needed approval but if the Board would prefer an approval and delay this for a month we can certainly do that.

Barraza: There is no cost to the RTD for the?

Armijo: Correct.

Barraza: So, they're giving us.

Armijo: They're waving the local match which would've been about \$5,600. Last time it was \$11,000 but that was a different bus. This one's a little bit less.

Perea: A free bus.

Barraza: I mean I don't have a problem with that.

Armijo: We are paying to prep it. We will pay for the oil change and if there's anything else that comes up. They did mention something about a side mirror and I'm working with them on that. That could cost us a couple hundred dollars and we might have to do that locally. It can be driven safely. It's been sitting for 12 months, but they pulled the file, they looked at it, and after their initial review the maintenance manager told me at Don Chalmers on Tuesday, he had gotten the vehicle Monday night, that's when I got the call Monday and I was shocked that it moved this quickly. But anyway, he couldn't see anything basically if there is anything will let us know and so obviously if there's something wrong with it we'll move differently. Most important thing for me, the tires, I asked about that, drive safely. Last time we went up there to get the buses we had problems with one of the batteries, but the bus had been sitting there for a while and we had to replace the battery before we could leave. We were delayed a couple of hours to do that. And then we had to fuel them, so we'll bring a fuel card this time. Didn't do that last time. I had to pay for the gas. But otherwise I think it's a good opportunity for us. Now I think at any given time, and especially as we move the fleet to six buses in the peak, in the morning, with only two spares, this gives us a third spare, really does give us some flexibility to work within the bus fleet.

Barraza: Thank you.

Perea: You're not getting punked Mayor.

Armijo: So, I guess by extension of that I hope I have approval to get the bus.

Perea: All right. Yes, Commissioner.

Garrett: Mr. Chair and Mr. Armijo. Would you explain the South Central Regional Transit District accepting the remaining portion of the Federal grant?

Armijo: Sure.

Garrett: What does that mean? Does that just show up on our books in a certain way?

Armijo: It does. As I mentioned to you earlier, I didn't bring my list. On-line we have all these things when we mess with DOT and so even though the buses are not Federally funded, they're State funded or something else, we still list them, and they track the life of the bus including the titles and so on. So, what they look for

is to make sure that the bus if it was bought with Federal money, these were bought with Federal money, that they've reached the years of retirement. So, a bus can go in two different ways, they can go straight line based on just simple miles or they can do it by years. Big heavy duty buses, some of the ones you see here in town with RoadRUNNER, those typically have a 12 year life, even though they're 35-foot long, or 10-year life, and so they'll track that. The smaller vehicles that are mid-sized like what we have typically have a five-year life or they have so many miles. This bus is interesting to me because it was 2013, they took it out of service in 2017 at four years and now it's five years, so now it qualifies by age to be retired which means the Federal money just goes away. What it means for us to keep track of it is, now we're on the stick to make sure when we do retire the bus that we retire it through the process of working through the New Mexico DOT, we show that the title, we show the years, then it meets all these requirements. So basically, Rio Metro is giving us the bus, but it's also saying, "But now you're responsible for that." So, we must do the paperwork. I'm not concerned about it. I've been doing this for years. I think we're fine. But it does require the paperwork.

Perea: Answer your question Commissioner?

Garrett: Right. I'll have some other comments as we get to that action item. But yes, I think this makes sense and I was just looking, this is a resolution approving the acquisition, so that's the way it's on the agenda. So, I appreciate your initiative and I appreciate the fact that we're still in charge.

Armijo: Yes, thank you. Well I did remember the resolution. So, I'm sorry I wasn't clearer on that. It is in there for that. Thank you. But these are all good questions, very important, because these are challenges. I've done piggybacks where we bought new buses from other systems and that's another process of paperwork. So, knowing the process and doing it. But yes, by this action and with the resolution, yes, we're accepting responsibility.

Barraza: Mr. Chair. Why would they give up a 2013 bus? I'm just curious. Is it coming with problems? I mean why has it been sitting there for a year? Those are my concerns.

Armijo: Okay, let me tell you, that's a very good question. I asked the same question a year ago, so here's the deal. The State of New Mexico has been very generous as money has come through to try to help Albuquerque Rio Metro being the biggest agency for the state, carries a lot of people and so on and so forth. So as the money comes in and they're able to provide buses and so on, they've been approving the buses and going out there. The problem has been, and this is

something that's indicative of both the transit industry in general but more importantly to New Mexico as a smaller state with fewer operators. There is difficulty in having the maintenance requirement and companies to do it. Don Chalmers for example as a Ford dealership is the only one that's doing maintenance for Albuquerque Sun Metro and by extension even North Central Regional Transit District up in Santa Fe. So, because of that and this is also true of RoadRUNNER locally, the transit agencies in this State have a very high spare ratio. Specifically, what spare ratio means is having more buses than you need to run service. Because when buses go down, we saw this when we lost an engine, it can take two months or longer. When we had a little bit of body damage on the bus, six weeks by the way could still run into service but we wouldn't want to do that, we had to spend a month waiting for the approvals, for the accident, and it got paid for by the other company that hit us, and then we had to spend another three to four weeks to get the parts, and then the guys here locally in town took less than two weeks over here on Valley View to fix it, but all and all the bus was out of service for 10 weeks. So, when you have situations like that, you have more buses, so specifically the answer is what's in it for Rio Metro for us to do this? If we take the bus out of their list of fleet inventory, then they can qualify to get another new bus with their grants from New Mexico DOT. New Mexico DOT capped Rio Metro and some of the systems when they got above 50% spare ratio. So, we're helping Rio Metro taking it off their books. But it's a very good question. As you well know that's what's in it for them.

Barraza: My other concern would just be why are they not bringing money into the southern part of the state to allow us to have the same opportunities as the northern part of the state. I'm sure that's politics for you.

Armijo: And on the books if they can get newer vehicles it will lower their average age of their fleet, it's a cost effective benefit because they get warranty on newer vehicles. For us we don't have the warranties, we're having to make expenses and so on. I think it only works for us if we get a good value out of the vehicle. If we're getting somebody else's problems, that doesn't work.

Perea: All right.

Armijo: All right. I don't think that's one of our bus drivers, but it's what I could throw up there. I have a picture of the bus.

Perea: Stock footage.

Armijo: And this a pre-photo of the Anthony facility I just used. But essentially, we took over the facility the middle of July, saved us a little bit of money because we really didn't need the facility until August, but I needed to prep the facility so we're ready to go in. So we saved a little bit of money, about \$1,000 by coming in the middle of the month and then on August 6th we were able to move the buses into the facility, kind of transition them from Anthony over to City Hall where we had them for the last year, and then we're able to start operating the service here and then using the facility a little more officially. We also moved our administrative staff into that front area. There's enough room for two offices in there and a waiting area. It's also been very helpful because the riders are across the street, sometimes if they have an hour or so layover they will come over to our office, we have restrooms and we have a couch in there, so we have some amenities that we can offer them for that aspect of it. So, at this point we have five of the eight buses are either parked or operating out of that facility and we still have three vehicles here in Las Cruces. Any questions on that?

Barraza: One question, Mr. Chair. Have you moved over there, or you still have your office here in Las Cruces?

Armijo: I spend most of my time over there. We ended up with an extra desk because when they delivered the desk they caused damage to it. We learned a lesson that when you buy from Staples you get a good deal. Everything is nowadays having to be put together so we had to contract out to assemble them. So, they gave us, that tells you a lot about a \$500 desk, it tells you a lot that when the desk has got very minor damage, it was cheaper for Staples to give us the desk than to come get it.

Barraza: Are you going to continue the office that you have here in Las Cruces?

Armijo: Yes. In fact, we're using our dispatcher at this location which works out very well because the dispatching for RoadRUNNER is right in the same office and they really work well together. Sometimes we get their calls, they get more of our calls I think. So, they're able to communicate. So, I continue to do that. I do almost all my meetings out of that office, great conference room upstairs. I expect to split my time between the two facilities.

Now transportation. This is an interesting opportunity. We got a call from Jerry Pacheco about a group of folks looking at some of the transportation facilities down in Santa Teresa, both FedEx and Union Pacific. We do make a couple of other stops down there. We are happy to do that, and Jerry picked up the cost for our buses being out there for like three hours. So that worked out very well. It was very interesting to see what FedEx is doing and how big that facility is, it's way under-used, so they expect a huge growth market for Santa Teresa. So, it's

something to be seen. It's also interesting that FedEx is contracting with other providers to deliver FedEx which I thought was kind of interesting, all the way to Silver City to this location, so I thought that was interesting. So, a lot of partnering going on with that.

Union Pacific is an enormous facility. If you hadn't had the opportunity to see that, what they're going down there, it's amazing to see where the future's going for that. A lot of jobs, a lot of companies out there. At some point when we're ready it would be interesting to have transportation up there, we're clearly not ready to do that now. I see one of the challenges they have in that community with over 110 companies and thousands of employees, that they probably need mobility or shuttle within the area, so I think there's a lot more discussions would have to happen before we get there. I'm more into looking at what we could do for carpool or vanpool up into that location. Then the number of different shifts that they do is also very challenging, so it's going to be an interesting dynamic, but I think what we've seen in the last 10 years up there, no, I think it's going to be much more aggressive than that. The next 10 years are going to be very different. They're certainly positioned, and they've made a huge investment, both companies, to go up in that area.

Gadsden's running a leadership program. I'm not doing the right name for it, but they started last summer, they're going to do it again this coming year and we're vying for the contract to operate the services. In this case they had nobody to provide service on Fridays, I think they were using Boone transportation, so we went ahead and picked that up for them. They handled the fairs for the kids. We had like 28 kids riding and they would come up on our Purple route and some came over from Chaparral on the Turquoise, anyway they would meet at Anthony and from Anthony as well and then they would take a bus directly to New Mexico State University. We did that during the summer. So, we carry a lot of people, it was like 8:00 in the morning and then at noon coming back, so half a day. So, we'll look at doing some of that. they have funding that provide this service and they pay for it, so we're looking at what we could do that may be augment and work whatever the private sector can't provide, we might do ourselves for that. Then we have another service we look at doing this fall and spring which I'll bring to the Board next month if we do a contract with them which would be one Saturday per month doing the same thing, up to New Mexico State. I like the idea that we can help partner with the education community to provide this opportunity for some of these kids and of course these are high school level kids and so are advanced to that end, but it's great to see that they're doing this for New Mexico State. Any questions on this? Anyway, so this is good for us because if we can get a return investment where they pick up the costs because if we don't run service on Saturdays, so if we run it we would need to charge a little bit.

Stampede. I took this off their website, so I didn't get them all together for the photo-op. They're not here yet. And in fact, the only person is the plant manager. They have 300 perspective employees on a list. They're looking to start up October 1st with one shift per day which I think they said was going to be, I want to say 6:00 to 2:30, something like that, in the morning, early. Then they're

looking at second shift which will go into the evenings, that would start up, target is March. A lot of the employees that are on the list that they're already scanning through are former employees and many of them already trained to do much of the work they have. A lot of the employees live in the Riverside area and never moved, they took on other jobs in El Paso and Las Cruces and elsewhere. So initially they're not too concerned that they'll have transportation problems, but they really won't know until after October. They'll bring some employees on as early as the second week of September as they begin training and ramping it up. Facility looks great. I was inside it. They have a lot of work to do. I would say come October 1 unless there's a miracle, a lot of people working weekends. Just the dust that they have on the property is unbelievable. It looks like something happened there, those movies, dirt and stuff. There are a few people working, they're all contract employees. The only employee was the plant manager. But it does look positive. They want to work with us and really appreciated Davin's help with Movida to set up the meeting and to work on this and I think these types of meetings and opportunities for the district is important and we'll certainly want to work with them going forward. Any questions? Sorry there aren't more specifics on this one. This is the best I can tell you. But I did look forward, it was a good meeting. I think more details in the future. That ends my presentation. Are there any other questions?

Perea: Any questions from the Board? Seeing none. Fantastic. Thank you, sir.

9. DISCUSSION ITEMS

a. SCRTD Credit Card Policy - Bank of the West

Perea: Okay, we go on to item number nine, discussion items. Item 9(a), SCRTD Credit Card policy, Bank of the West.

Armijo: Okay, so on this one I came in with a very nearly focused policy. I think to do this and maintain control would be to have the one person, which is our Finance Manager, to use the card. One example where we have small opportunities. In the past our previous bank, Bank of the Southwest, didn't have either a credit line or a bankcard. Most everything we do we think we can do it on-line or working through our normal PO process, but there are times, like this weekend if I go get the bus on Saturday, and I have to pay for whatever we have as a billable for let's say the oil change or something like that which could be as little as \$50, \$100, that's not something that Don Chalmers normally does a PO for so they're looking for a credit card or some way to pay that, or write them a check and we can do that because we have checks from the account. So, we're looking at stuff that would be a little bit out of the ordinary and small. Most everything else we have accounts,

like with Staples or with FedEx or whatever and we just pay the invoice. I think this is just something we'd like to see that we think we can manage simply as one more thing that we can do for the bank account.

Barraza: Mr. Chair.

Perea: Madam Mayor.

Barraza: The only question I have is I don't see a limit as to what can be charged on the credit card. I think most organizations have a limit in terms of what we can charge on our credit cards and I don't know if we want to include that in this policies and procedures.

Armijo: Under item three, fourth bullet point, it's \$1,000. So maybe I didn't say it right in the right way, but did I say an expense more than \$1,000 should be preapproved, so \$1,000 is really the cap. I think anything above that we would have to go to the Board Chair or somebody else to sign off on it or we would look at a PO.

Barraza: Okay. And I think we just need to put that wording in there.

Armijo: We can clean that up.

Barraza: If we could at least, I mean if everyone else is in agreement.

Eakman: Mr. Chair. I would appreciate all the "should" becoming "shall"

Armijo: Okay. That works.

Eakman: There are five of them.

Armijo: Could we then on item four, well somehow, we put the "shall" in there for the \$1,000 should be preapproved or we just say \$1,000 is the max, shall be \$1,000 instead of preapproved., just take that out.

Perea: I'm okay with \$1,000. That's my limit at the City of Sunland Park. Our accounts payable is \$40,000.

Barraza: Well and I think is just trying to have control on not purchasing big items or charging big items over \$1,000, and if we could go through the purchase order process I think that just is cleaner for the organization.

Perea: I think a thousand is fine for simple expenses. We'll make those formal changes at the action item. Okay.

Barraza: Mr. Chair. And I guess I don't know if we want to limit that to per month, \$1,000 per month versus going and purchasing \$1,000 at a time. Right.

Perea: Right.

Barraza: So, per month.

Armijo: Yes, that's fine.

Perea: Any other discussion on the SCRTD credit card policy?

b. Obtain mid-size bus from Rio Metro

Perea: How about 9(b), obtain mid-sized bus form Rio Metro. That was pretty much explained already.

Armijo: I think so.

10. ACTION ITEMS

a. A Resolution approving the Financial Statements as of July 31, 2018

Perea: Let's go ahead and jump over to item 10(a) a resolution approving the Financial Statements of July 31, 2018.

Barraza: Mr. Chair I make a motion we approve the Financial Statement.

Perea: So, I have a motion on the floor made by Mayor Barraza to approve the Financial Statements for July 31, 2018.

Eakman: Second.

Perea: The motion has been seconded by Councilor Eakman. Any discussion? Seeing none. All those in favor say "aye."

MOTION PASSES UNANIMOUSLY.

Perea: All opposed say "nay." Abstentions. Motions carries unanimously. Item number 10(a) has been approved.

Barraza: Mr. Chair. On a resolution you don't need a roll call vote?

Perea: Yes. My apologies. Let me have a roll call vote.

Armijo: Javier Perea.

Perea: Yes.

Armijo: Nora Barraza.

Barraza: Yes.

Armijo: Jack Eakman.

Eakman: Yes.

Armijo: Billy Garrett.

Garrett: Yes.

Armijo: Gerald LaFont.

LaFont: Yes.

Armijo: Diana Trujillo.

Trujillo: Yes.

Armijo: And Majorie Powey.

Powey: Yes.

Armijo: Thank you.

Perea: Fantastic, motion carries unanimously. Item 10(a) has been approved.

b. A Resolution approving SCRTD Credit Card Policy - Bank of the West

Perea: Okay, item 10(b), a resolution approving SCRTD credit card policy, the Bank of the West. So, I'll entertain a motion to approve item 10(b).

Garrett: So, moved.

Perea: I have a motion made by Commissioner Garrett. Is there a second?

Eakman: Second.

Perea: The motion has been seconded by Councilor Eakman. Yes sir.

Garrett: Mr. Chair. I think we can do this as an amendment to change all the "shoulds" to "shalls" and with the fourth bullet to be explicit that there's a limit of \$1,000 on charges.

Perea: And that's per month.

Garrett: And it's per month.

Perea: Okay, I do have an amendment on the floor made by Commissioner Garrett. Is there a second?

Barraza: I will second.

Perea: The motion has been seconded. Any discussion on the amendment? Seeing none, all those in favor of the amendment say "aye." Roll call.

Barraza: Roll call.

Garrett: Roll call.

Perea: Well the main motion requires.

Garrett: Okay.

Perea: The amendment's flexible. But we still have to reflect the vote on that. So the amendment, all those in favor of the amendment say "aye."

MOTION PASSES UNANIMOUSLY.

Perea: All opposed say "nay." Abstentions? Motion carries. The amendment has been approved. We're back at the main motion, the credit card policy. Any other discussion on the policy? Seeing none. Let me have a roll call vote on the resolution please.

Armijo: Javier Perea.

Perea: Yes.

Armijo: Nora Barraza.

Barraza: Yes.

Armijo: Jack Eakman.

Eakman: Yes.

Armijo: Billy Garrett.

Garrett: Yes.

Armijo: Gerald LaFont.

LaFont: Yes.

Armijo: Diana Trujillo.

Trujillo: Yes.

Armijo: Majorie Powey.

Powey: Yes.

Armijo: Thank you.

Perea: Motion carries unanimously. Item 10(b) has been approved.

c. A Resolution approving the acquisition of a bus from Rio Metro

Perea: Moving on to item 10(c) a resolution approving the acquisition of a bus from Rio Metro.

Barraza: Mr. Chair. I make a motion we approve a resolution approving the acquisition of a bus from Rio Metro.

Perea: I do have a motion on the floor. Is there a second?

Eakman: Second.

Perea: The motion has been seconded by Councilor Eakman. Any discussion by the Board?

Garrett: Mr. Chair.

Perea: Commissioner.

Garrett: I want to suggest some significant rewording.

Perea: Okay.

Garrett: I think that in order to be very clear about the fact that this is a resolution approving the acquisition that there's some wordsmithing that's needed and if you will humor me, I'll just read this through. I've got it, so we can get it into the record.

Perea: Okay.

Garrett: On the first paragraph I would just say "That the Transit Board of Directors met on Wednesday, August 22," rather than "met at a meeting." So that's just a small editorial thing. Then I would introduce a second paragraph that would say "That the SCRTD Board of Directors is authorized to acquire capital equipment to support transit services in accordance with approved plans."

Perea: Whereas statement.

Garrett: That's a whereas.

Perea: Okay.

Garrett: So that establishes our authority. The third paragraph which is the second on our draft would change the subject, so this is "Whereas the Rio Metro Regional Transit District has an 18-passenger transit bus in good condition and is willing to transfer the vehicle to SCRTD in conjunction with the remaining portion of the Federal grant;". So that establishes that Rio Metro has the bus and is willing to transfer it to us. Then the fourth paragraph would be "Whereas Rio Metro Regional Transit District is also willing to transfer to," they're not transferring the local funding, they are absorbing or forgiving the local funding. Okay, so that deals with that.

Perea: So, can you repeat that one for me.

Garrett: Yes. "Whereas the Rio Metro Regional Transit District is willing to forgo the local funding of the transit bus." So that takes care of that. And then the fifth paragraph would say "Now therefore be it resolved as the Board of Directors of the South Central Regional Transit District does hereby approve the acquisition of one transit bus from Rio Metro Regional Transit District." Rather than "accept."

Perea: Is that an amendment?

Barraza: Mr. Chair. I'm a very visual person. Can you run that through us again? So, I can kind of try to visualize this whole thing.

Garrett: I'd be happy to. Sure. So just to be clear, we have four paragraphs, three "Whereas" and then the "Now therefore." I'm adding an additional "whereas" after the initial one. So it would read "Whereas the South Central Regional Transit District Board of Directors met on Wednesday, August 22nd in the Doña Ana County Offices at 845 N. Motel Boulevard, Las Cruces, New Mexico; and Whereas the South Central Regional Transit District Board of Directors is authorized to acquire capital equipment to support transit services in accordance with approved plans; and Whereas the Rio Metro Regional Transit District has an 18-passenger transit bus in good condition and is willing to transfer the vehicle to SCRTD in conjunction with the remaining portion of the Federal Grant; and Whereas the Rio Metro Regional Transit District is also willing to forgive the local funding of the transit bus at no cost to South Central Regional Transit District; Now therefore be it resolved that the Board of Directors of South Central Regional Transit District does hereby approve the acquisition of one transit bus from Rio Metro Regional Transit District."

Barraza: Thank you.

Perea: So, let me entertain that as an amendment.

Garrett: Yes, so moved.

Perea: So, I have a motion on the floor made by Commissioner Garrett. Is there a second?

Barraza: I will second.

Perea: The motion has been seconded by Mayor Barraza. Any discussion on the amendment? Seeing none. All those in favor say "aye."

MOTION PASSES UNANIMOUSLY.

Perea: All opposed say "nay." Abstentions? Motion carries unanimously. The amendment has been approved. We're back at the main motion. Any other discussion on the motion? That's pretty much the entire amendment, isn't it?

Barraza: Just one small typographical correction. Very minor. On the very first paragraph where it says, "The resolution approving acquisition of one transit bus" instead of "buses."

Perea: All right.

Garrett: And one other minor thing Mr. Chair, and that is Doña should always be with a tilde. That's just a friendly amendment.

Perea: What is that alternate 163?

Garrett: That's just a friendly amendment.

Perea: I do have a motion on the floor, is that correct?

Barraza: Yes.

Perea: All right. Okay. Let me have a roll call on the matter please.

Armijo: Javier Perea.

Perea: Yes.

Armijo: Nora Barraza.

Barraza: Yes.

Armijo: Jack Eakman.

Eakman: Yes.

Armijo: Billy Garrett.

Garrett: Yes.

Armijo: Gerald LaFont.

LaFont: Yes.

Armijo: Diana Trujillo.

Trujillo: Yes.

Armijo: And Majorie Powey.

Powey: Yes.

Armijo: Thank you.

Perea: Fantastic, motion carries unanimously. Item 10(c) has been approved.

11. BOARD COMMENT

Perea: Moving on to item number 11, Board comments.

Eakman: Mr. Chair.

Perea: Yes sir.

Eakman: Could we revisit the policy for the credit card? Or is that closed?

Perea: Well we can, I mean with a motion to reconsider we can open it back up.

Eakman: My purpose for doing so is that in light of the changes we made and amendments I'm not sure policy number four is applicable because it states "Payments, late fees, and interest related to unauthorized or undocumented charges shall be the responsibility of the employee." And since they shall be approved I don't understand why we would have something like that, so that would be the reason I bring it up. I see Commissioner Garrett has a point.

Garrett: Mr. Chair.

Perea: Yes sir.

Garrett: If I could. I was looking for that. I was looking for four and five both. In my previous life I actually had to deal with disciplinary actions on employees who misused cards. And I read this as saying here are all the restrictions, but if you don't do this, I mean this tells you what happens if somebody does something they shouldn't do. It says you're now responsible for it and you're going to pay for it. And I think that we need that in there for both four and then five. They cover two different aspects of that. One has to do with the financial responsibility and the second has to do with potential prosecution and termination.

Eakman: Well I understand that. I'm uncomfortable with it.

Garrett: Why is that?

Eakman: It seems like a person might seek forgiveness rather than ask permission. And so, I can understand the intent, if that's the intent of the Board and things of that nature, just understand I am uncomfortable with it.

Garrett: Mr. Chair.

Perea: Yes sir.

Garrett: If I could, that was exactly why I agreed with you that we needed to change the "shoulds" to the "shalls" because that means if you didn't follow this, then you're in violation. If it was a "should" then there's a judgement call about, "Well I thought it was okay." And that's why I think this was immensely strengthened by making that change from "shoulds" to "shalls."

Perea: So, I mean the only thing I can offer at this point is maybe a motion to reconsider if you want to change your vote. Then we can go back and discuss this matter and we can revote on the matter.

Eakman: Well my vote was on the resolution.

Perea: Right.

Eakman: Not the policy in my opinion. I'm not sure we had a vote on the policy.

Armijo: That's a good question.

Perea: I shall read this again. Now, hereby approve the SCRTD credit card policy as of August 22nd. Now therefore it be resolved by the Board of Directors of the South Central Regional Transit District thus hereby approved the SCRTD credit card policy as of August 22, 2018.

Eakman: So, by passing the resolution we passed the policy.

Perea: That was my understanding.

Eakman: Okay. I would like to reconsider my vote on this resolution then.

Perea: So, I have a motion to reconsider item number 10(b). Is there a second?

Barraza: I will second.

Perea: The motion has been seconded by Mayor Barraza. Let me have a roll call vote on the motion to reconsider.

Armijo: Okay.

Powey: Can I ask a question?

Perea: Let me ... This discussion is with regards to the reconsideration at this point.

Powey: Okay.

Perea: So, let me have a roll call on the motion to reconsider.

Armijo: Javier Perea.

Perea: Yes.

Armijo: Nora Barraza.

Barraza: Yes.

Armijo: Jack Eakman.

Eakman: Yes.

Armijo: Billy Garrett.

Garrett: Yes.

Armijo: Gerald LaFont.

LaFont: Yes.

Armijo: Diana Trujillo.

Trujillo: Yes.

Armijo: Majorie Powey.

Powey: Yes.

Perea: Okay. So, there's a motion on the floor, the motion has been seconded. The motion to reconsider has been passed unanimously. So that puts us back at the resolution at 10(b), Resolution of SCRTD credit card policy and Bank of the West. Okay. So, we're back at this item.

Eakman: Discussion.

Perea: Yes sir.

Eakman: In essence a person who has just done this as committed insubordination to the management or the Board in this policy which results, insubordination is usually termination and at termination there would probably be a Sheriff's report or a Police report on theft of property in some of their cases. I don't want to stretch this out too much or make it unrealistic but in my opinion I'm uncomfortable that this gives leeway to violating the policy to not taking the extra step to an unauthorized use of the credit card. So that's my comment. I continue to be uncomfortable with such a thing that a person is responsible for, yes, they're responsible for it, they violated a policy and they stole from the SCRTD in my opinion.

Barraza: Mr. Chair.

Powey: This is Majorie Powey, can I ask a question?

Perea: Go ahead.

Powey: First of all, who is going to have this credit card? Who has access to it, number one? And what kind of accountability do you have to bring your bills? Because I've seen the same thing that you're talking about. We had fraud when I was at the senior center and it was nasty and messy. And so, the question is who can use this credit card, and do you have to bring the bills back so that the Board can look at what the expenditures were? In my opinion the bills for the credit card should come back to the Board.

Barraza: Yes.

LaFont: The Director, not the Board.

Armijo: Well first it's only one employee. Excuse me Majorie this is ...

Powey: Yes, but if the Director ...

Armijo: I'm trying to answer your question. The only person that'll be authorized on the card would be the Finance Manager and the only reason why we would use the card is if we could not find a way to either use a PO or some other system and we needed to deal with it and of course it's going to be capped at a \$1,000 for the charge.

Barraza: Mr. Chair.

Perea: And also, just wanted to, the policy here does state documentation of each expense shall be submitted as soon as possible, no later than 10 days from the date of purchase.

Barraza: Mr. Chair. Now that I'm reading into this more I understand and sincerely appreciate Councilor Eakman's concern regarding this and Majorie Powey. Two

people are going to be using this credit card which is Finance Manager and the Executive Director. The Finance Manager is the one that pays the bills so if it's being misused the Finance Manager's the one that's going to be paying the bills so there's no one really to question unless it comes to the Board for a second pair of eyes I guess, and it's not to say that our Finance Manager nor the Executive Director are going to abuse it, but we have to cover ourselves in the event that it were to occur, that how are we going to have stricter accountability regarding the use of the credit card and I agree with Majorie Powey in terms of seeing misuse of credit cards within municipalities.

Perea: I'm trying to capture all of it here. So, the issue you have is with item number four.

Eakman: Exactly. That's all.

Perea: Payments, late fees, interest ...

Eakman: Is the issue back on the floor again?

Perea: Yes, with the motion to reconsider brings the agenda item back to.

Eakman: May I add an amendment to see what my fellow Board Members think?

Perea: Let me just for my comfort, so did you have an issue with item five as well?

Eakman: No.

Perea: So not five. Okay. So just four.

Eakman: So, my motion to amend would be to delete item four and make item five number four.

Perea: Okay so there's an amendment on the floor. Is there a second?

Barraza: I'll second.

Perea: The motion has been seconded by Mayor Barraza. Now I mean would it be wise to maybe consolidate those two, any violation of this policy, with regards to unauthorized payments, late fees, or interest charges shall be the responsibility of the employee.

Barraza: Mr. Chair. I agree with Councilor Eakman on this. If we have someone that is not authorized or isn't documenting charges, then that should result in disciplinary action including termination of employment or prosecution. I mean you just don't give employees second chances, third chances to misuse that credit card. And so, I agree with Councilor Eakman that I think item number four should be deleted and violations, it's very specific, violations meaning payments, late fees, interest related to unauthorized or undocumented charges are violations of the credit card policy, so I don't see why we even need that statement in there.

Perea: So, is the SCRTD still responsible for making payments for these late fees, for this interest charges that were incurred by the employee?

Barraza: Yes.

Perea: So, the SCRTD still covers that?

Barraza: Because it's an internal, it's not the credit card companies.

Perea: Right.

Barraza: Fault that this employee has misused or not used the credit card, is authorized to use it in that manner, so I think the agency is required to pay it, but we must take internal disciplinary action to rectify the problem.

Eakman: Commissioner Garrett wishes to be recognized.

Perea: Commissioner Garrett.

Garrett: We have in this policy a combination of conditions. The restrictions on use have to do with administration of the card and of the procurement process. And we've changed that to all being "shalls." What we're not questioning is that in terms of the use of the card that it's being used for inappropriate purposes. Okay so part one is there's a process to be used to make sure it's appropriate. But if you go up to three, the first bullet, it says "No personal or private expenditure shall be charged to a company account."

Barraza: Correct.

Garrett: If you have somebody who has legitimately, let's just say they must go to Albuquerque and the only way to pay for the repairs on something is with a credit card and that's authorized. But while they're there they decide to buy a T-shirt for their kid. Okay. That is not approved and that is in violation of the rest of three, all right. So, the question in a way, I mean you can decide if you want to fire somebody because they bought, they didn't have cash on them and they wanted to buy a present because it was their kid's birthday or whatever. You say "No, that was inappropriate, even if you thought you could repair it." That's what I've heard time and again in dealing with disciplinary situations. As people use public cards thinking they could repay it, all right. So, the question is, it's our decision about what our disciplinary standards are and whether it's a second chance or a third chance or if no chances at all. But the way you're interpreting this is "any violation automatically you're presuming it means termination." That's what I'm hearing. Number two is, if you used it for personal use, without number four we have no basis of saying "You've got to pay us back for the T-shirt." So, I don't see we gain a thing by deleting four. I just can't grasp that and part of it is I guess my own personal experience having to do with enforcement of this kind of thing with Federal credit cards.

Eakman: If may Commissioner Garrett. Your example seems to be on all fours with taking money out of petty cash to buy a T-shirt and the idea that in the next day or week before it gets counted again you're going to resupply the petty cash. I consider that theft. I do not consider that anything less. I'm very open to having a difference of opinion on this but I'm very open to it.

Perea: And I just want to add, I brought the City of Sunland Park's policy as well just, so I can compare and my Council actually they wanted to make it clear that we're not going to put up with this. So, it's a violation of our policy, it's an immediate termination and that's the extreme that they wanted. They don't want the issue of, "Okay well when so and so got away with it and they don't to give the executive staff the leeway to discipline however they saw fit. So, for our policy, and we have similar language, but it's immediate termination.

Barraza: Mr. Chair.

Perea: Go ahead.

Barraza: And I think if Commissioner Garrett on number five we were to add after "Shall result in disciplinary action which may include termination of employment or prosecution." If we just add another word or two to include that. But in my opinion too if they misuse a credit card, I just have issues with it.

Garrett: Okay. With number five, we're talking about number five in addition to number four.

Perea: Well the amendment I did have on there. The amendment is to remove item number four.

Garrett: Right.

Perea: Do we want to remove number four?

Garrett: I don't. And again, part of it is that if you're saying that you want to recover anything that is owed to the company, if you don't have that in there, I don't know how you can go after the former employee for the abuse of the card and get the money and the late fees and whatever, the interest. So, I think leaving four in is appropriate. I think, I'm just going to, because four and five are actually connected I think in this discussion it sounds like an option is to leave four as is and change five to "Violations of the District's credit policy shall result in immediate termination of the employment and/or prosecution." See here's the problem I have with prosecution. Again, this has to do with just my personal experience. You're going to have a hard time getting somebody to prosecute, to prosecute as a crime for something that's under \$100. So, you can say that you're going to do that.

Powey: You can't.

Garrett: But I don't know that we can. You can terminate, and you could say "Shall result in immediate termination of employment and prosecution if appropriate" or some

other kind of thing like that for five. But I think that covers the conditions that I'm hearing. I just don't understand why we wouldn't want to get the money back from the people who stole it as you say?

Eakman: If I might.

Garrett: Go ahead.

Eakman: Then number four should become number five and number five should become number four. Because it's sounds like we're giving permission to take it if you give it back and then when you take it and give it back we're going to fire you.

Garrett: I wasn't reading that at all. I don't have a problem reordering it.

Powey: Okay. I have a question. Do you guys go, when you travel by the state standards of how much you're going to pay to stay in Albuquerque, Santa Fe, etc., because this does not, I mean having a lot of times these credit cards are used when you go to something overnight that you're going to a work shop or something like that, but I don't see any limitation in the credit card for where you're allowed to stay or where you're allowed to eat, etc., etc. And you could go out and have a \$200 meal for two people and that to me is fraud. Where I come from its fraud but there aren't any limitations built in to here for travel policy, for a work shop policy, and maybe that needs to be addressed differently.

Perea: I think the travel policy is, I mean with the City of Sunland Park we have a per diem policy, that we get from the State.

Powey: Right.

Perea: So that has limitations. Either you can get the per diem or you can actuals and that's preapproved. With us it's preapproved by the Mayor.

Powey: Right.

Perea: So, I mean they can spend. There's also a limit as to how much you can spend on actuals for daily expenses. You can't get \$600 hotel on an actual, so there's still a limitation on that. But I think that's separate from this policy.

Powey: Well I understand that but what I'm saying is since you're going to be charging meals etc. on this, do we need another policy to address what can be spent when you're traveling? Or are there no limits?

Perea: Commissioner Garrett.

Garrett: We can certainly nail that down if we needed to, but the bullet here relative to travel experiences, the way we have changed this says, "That travel experiences shall be submitted for payment via purchase order or expense reimbursement and I would say 'period' instead of "whenever possible."

Powey: Yes.

Garrett: In the exceptional case when a credit card is used for such expenses, the conference and travel expense shall be preapproved by the appropriate authority. So, it's either going to be the Finance Manager, I would assume, the Director, or the Board. And we ought to know what the standards are that are applicable in that case.

Powey: That's what I'm asking.

Garrett: I think that there's an accountability that's built into this by having the requirement for the approval. And, that to me, same thing with the expense reimbursement or the purchase order.

Perea: Okay, so let me go back here. I do have an amendment on the floor and the amendment is to remove item number four. So, any other discussion on removing that number four. No. Okay, let me have a roll call vote on that please?

Armijo: Javier Perea.

Perea: Nay. No.

Armijo: Nora Barraza.

Barraza: Yes.

Armijo: Jack Eakman.

Eakman: Yes.

Armijo: Billy Garrett.

Garrett: No.

Armijo: Gerald LaFont.

LaFont: Yes.

Armijo: Diana Trujillo.

Trujillo: No.

Armijo: And Majorie Powey.

Powey: No.

Armijo: Four "no's," three "yeas."

Perea: The item remains on there. Okay, we're back at the main resolution.
Commissioner Garrett.

Garrett: Mr. Chair I move an amendment to the policy that reorders number four and number five, and that rewords number five to say, "Violations of the District's credit card policy shall result in immediate termination of employment and prosecution if appropriate."

Perea: Okay.

Garrett: And one other thing, and that is that the fifth bullet down on three would say that "Travel expenses shall be submitted for payment via purchase order or expense reimbursement." Well let's just leave that because then the next sentence addresses if there's an exception. So, we'll just leave that wherever possible leave that in because the next sentence addresses the condition. So, in that case it's just reordering and then rewording number five.

Perea: Okay. Is there a second to that amendment?

Eakman: I will second that amendment.

Perea: The motion has been seconded by Councilor Eakman. Any other discussion on the amendment? Seeing none. Let me have a roll call vote on the amendment please.

Armijo: Javier Perea.

Perea: Yes.

Armijo: Nora Barraza.

Barraza: Yes.

Armijo: Jack Eakman.

Eakman: Yes.

Armijo: Billy Garrett.

Garrett: Yes.

Armijo: Gerald LaFont.

LaFont: Yes.

Armijo: Diana Trujillo.

Trujillo: Yes.

Armijo: Majorie Powey. Majorie Powey?

Perea: Trustee Powey are you still on the line?

Armijo: It has passed.

Perea: The motion carries. Let the record show Trustee Powey's not on the line, it's 2:52 p.m. Just one more thing that I was thinking, requesting to be added is also that "The cardholders will be required to sign an agreement indicating the acceptance of the terms of this policy" if they obtain a credit card.

Armijo: We do that as a sign on for anybody when we do things for the district, we can include that.

Perea: Okay. Perfect. That works. My apologies. Any other, we voted on the amendments, that correct? Now we're back at the main motion. Any other discussion? Seeing none. Now let me have a roll call vote on the main motion.

Armijo: Thank you. Javier Perea.

Perea: Yes.

Armijo: Nora Barraza.

Barraza: Yes.

Armijo: Jack Eakman.

Eakman: Yes.

Armijo: Billy Garrett.

Garrett: Yes.

Armijo: Gerald LaFont.

LaFont: Yes.

Armijo: Diana Trujillo.

Trujillo: Yes.

Armijo: Majorie Powey.

Powey: Yes.

Armijo: There we go. Motion passes.

Perea: She's back, 2:53.

Powey: Yes, they keep dropping me, the phone company.

Perea: All right so motion carries unanimously. Item has been approved.

Armijo: Back to Board comments.

Perea: We're back to Board comments. Any more comments? Madam Mayor.

Barraza: Mr. Chair. I'm so sorry, I don't mean to prolong this. I just have a quick question. What is the salary for the Finance Manager?

Armijo: It's \$49,500 per year, annually.

Barraza: Thank you.

Perea: Any other questions?

Eakman: Mr. Mayor.

Perea: Yes sir.

Eakman: I just wanted to assure the Board and staff that my comments on the policy had nothing to do with the incumbents or the integrity of the incumbents. It was totally about the philosophy about that and our future when these incumbents might not be here. Thank you.

Perea: Absolutely. Thank you. And I appreciate the lively conversation from the Board. It's a clear indication that we can have disagreements, but we can still be very civil, and I think that should translate everywhere we go. Fantastic. Any other comments? Seeing none. Once again welcome on board and welcome to the SCRTD, to this lively meeting for today.

12. ADJOURNMENT (2:55 PM)

Perea: If there are no objections this meeting is now adjourned. I do have 2:55 p.m.

Chairperson

ITEM 6: Financial Report

FY19 Budget - Aug, 2018						
Descriptions	Budget	Revision Request		Accrued but not paid	% Y_T_D	Remaining Balance
<i>Personnel Services</i>						
Salaries	390,833.60		\$ 56,163.50		14%	334,670.10
<i>Employee Benefits</i>						
FICA/Medicare Tax	29,898.00		\$ 6,033.16		20%	23,864.84
State Unemployment Tax	10,002.90		\$ 1,117.53		11%	8,885.37
Workers' Comp Insurance	22,481.00		\$ 5,844.00		26%	16,637.00
Health Insurance	52,962.00		\$ 7,465.14		14%	45,496.86
Retirement - PERA	26,048.00		\$ 1,137.76		4%	24,910.24
<i>Travel</i>						
Travel - Reimbursement	4,000.00				0%	4,000.00
FUEL	78,000.00		\$ 15,263.40		20%	62,736.60
Maintance on Vehicles	40,000.00				0%	40,000.00
<i>Supplies</i>						
Supplies	6,800.00		\$ 2,534.26		37%	4,265.74
<i>Insurances</i>						
General Liability	2,376.00				0%	2,376.00
Automobile Insurance	74,000.00		\$ 7,001.41		9%	66,998.59
D&O Insurance	2,640.00				0%	2,640.00
<i>Contractual Services</i>						
Professional Fees/Audit	9,500.00				0%	9,500.00
Legal Fees	2,500.00				0%	2,500.00
Cont. Services ADP FEES/Janitoria	4,366.00		\$ 602.06		14%	3,763.94
SCCOG	5,000.00				0%	5,000.00
STS, NM	98,500.00		\$ 18,446.37		19%	80,053.63
Zia Therapy	12,000.00		\$ 2,000.00		17%	10,000.00
Camino Real	4,500.00				0%	4,500.00
FineLine Graphics	2,500.00				0%	2,500.00
<i>Operating Cost</i>						
Advertisements	150.00				0%	150.00
Conf/Seminars/Training	250.00				0%	250.00
Postage	50.00				0%	50.00
Office Equipment	500.00		340.00		68%	500.00
Subscription/Dues	500.00		80.00		16%	420.00
Asset Management	700.00				0%	700.00
Telephone	7,200.00		\$ 1,209.85		17%	5,990.15
Reserve	57,427.79		9,571.29		17%	47,856.50
Bus Rental	600.00				0%	600.00
Rent- City of Anthony	650.00		\$ 350.00		54%	300.00
Bus Facility Lease	23,400.00		\$ 2,925.00		13%	20,475.00
<i>Capital Assets</i>						
Capital Assets	87,780.55				0%	87,780.55
Total Expenses	\$ 1,058,115.84		\$ 138,084.73	\$ -	13%	920,031.11

FY18-19 REVENUE							
South Central Regional Transit District							
Aug-18							
Support & Revenue	Revenue	Revision Request Increase/ (Decrease	Y-T-D Received PMT	Invoiced But Not Received	% Y_T_D	Remaining Balance	Revenues over Expenses
Membership Dues							
CITY OF LAS CRUCES	\$ 49,980.00		49,980.00		100%	0.00	
DONA ANA COUNTY	\$ 43,164.00		43,164.00		100%	0.00	
SUNLAND PARK	\$ 7,208.00		7,208.00		100%	0.00	
TOWN OF MESILLA	\$ 1,124.00		1,124.00		100%	0.00	
VILLAGE OF HATCH	\$ 843.00		843.00		100%	0.00	
City of Anthony	\$ 3,510.00				0%	3510.00	
CITY OF ELEPHANT BUTTE	\$ 732.00		732.00		100%	732.00	
CITY OF TRUTH OR CONSEQ	\$ 3,315.00	-			0%	3315.00	
TOWN OF WILLIAMSBURG	\$ 229.00	-	229.00		0%	0.00	
Dona Ana County GRT	350,000.00	-	58,333.34		17%	350000.00	
NM DOT 5310	70,224.44				0%	70224.00	
NMDOT 5311	127,453.35		52,882.80		41%	74570.55	
NMDOT 5311*	382,333.05				0%	382333.05	
Bus Fares/Ticket Sales	12,000.00		1,465.98		12%	10534.02	
Advertisement Revenue	6,000.00				0%	6000.00	
Misc. Revenue							
TOTAL REVENUES	\$ 1,058,115.84	\$ -	\$ 215,962.12	\$ -	20%	\$ 842,153.72	\$ (77,877.39)
* Funding Begins October 1st, 2019							

ITEM 7: Executive Director's Report- Oral Presentation

ITEM 8: Discussion items:

- a. McCune Grant Submission

SUMMARY

The McCune Foundation’s core values support deep engagement with diverse New Mexico communities, both as recipients of services and as collaborators whose voices inform the kinds of services received and how these are provided, including the design, development and implementation of programs and approaches.

The project is to recruit Promotoras to train individuals to ride the bus. This effort will assist the community in learning more about SCRTD and to use transit as transportation mode to travel to work, school and health care appointments and other destinations.

The grant is for \$25,000.

- b. Short Range Transit Plan Grant

SUMMARY

The City of Las Cruces RoadRUNNER transit system and the SCRTD have taken steps to secure transportation funding to develop a coordinated short-range transit plan for both RoadRUNNER Transit and South Central Regional Transit District (SCRTD) to guide both entities for the next five to ten years. The majority of the funding, over \$100,000 will be provided by the state of New Mexico via the Transit and Rail Division with funding from a federal grant fund. Local match funds will be \$25,000 split between the city and the District.

The grant is for \$125,000.

- c. City of Las Cruces Transportation Committee Membership

SUMMARY

The city of Las Cruces has established a committee that reviews policy and programs that effect and support transportation. As such, the committee has approved the addition of both the MPO and SCRTD to join the committee.

The Committee meets by monthly.

d. Z-Trans Contract Extension

SUMMARY

Z-Trans operates the Orange route under contract to the Transit District. This service has been in place since 2013. The District funds the grant with \$12,000 in District funding. Z-Trans receives funding from other governmental entities. The District pays for about 12 percent of the cost of the service and has not raised funding since 2015. The extension would increase funding to \$20,000 annually for 20 percent of the service cost and would include 100 percent of the ridership reporting. This would increase District ridership and move the District closer to expanding its service area into Otero county.

The Z-Trans annual contract would be \$20,000.

ITEM 9: Resolutions

South Central Regional Transit District

Resolution Number: _____

A Resolution approving the Financial Statements and Budget as of August 31th, 2018.

WHEREAS, the South Central Regional Transit District Board of Directors met in a meeting Wednesday, September 26th, 2018 in the Dona Ana County Offices, 845 N. Motel Blvd., Las Cruces, N.M.; and,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Central Regional Transit District does hereby approve the Financial Statements and Budget as of August 31st, 2018.

ADOPTED AND APPROVED THE 26th DAY OF SEPTEMBER 2018.

Javier Perea, SCRTD Board Chair

ATTEST:

David Armijo, Executive Director

South Central Regional Transit District

Resolution Number: _____

A Resolution approving the approving the submission of a McCune Grant for Promotoras training of a grant.

WHEREAS, the South Central Regional Transit District Board of Directors met in a meeting Wednesday, September 26th, 2018 in the Dona Ana County Offices, 845 N. Motel Blvd., Las Cruces, N.M.; and,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Central Regional Transit District does hereby approve the submission of the McCune grant as of August 31st, 2018.

ADOPTED AND APPROVED THE 26th DAY OF SEPTEMBER 2018.

Javier Perea, SCRTD Board Chair

ATTEST:

David Armijo, Executive Director

South Central Regional Transit District

Resolution Number: _____

A RESOLUTION APPROVING AN AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND THE SOUTH CENTRAL REGIONAL TRANSIT DISTRICT TO FUND A CONTRACT FOR PROFESSIONAL SERVICES FOR COORDINATED SHORT-RANGE TRANSIT PLANS FOR ROADRUNNER TRANSIT AND THE SOUTH CENTRAL REGIONAL TRANSIT DISTRICT

WHEREAS, there is a mutual need for coordinated short-range transit plans for RoadRUNNER Transit and South Central Regional Transit District (SCRTD) to guide both entities for the next five to ten years, and

WHEREAS, transit plans on a short- and long- term basis are highly recommended by the Federal Transit Administration (FTA) and the New Mexico Department of Transportation (NMDOT), Transit and Rail Division, and

WHEREAS, The NMDOT, Transit and Rail Division has made FTA funding available for this planning effort, and

WHEREAS, this collaborative regional approach to planning will result in regional public transportation that is better coordinated and more effective and efficient.

NOW, THEREFORE, Be it resolved the South Central Regional Transit District approves does hereby approve the submission of funding in support of Short Range Transit Grant as of September 26th, 2018.

ADOPTED AND APPROVED THE 26th DAY OF SEPTEMBER 2018.

Javier Perea, SCRTD Board Chair

ATTEST:

David Armijo, Executive Director

South Central Regional Transit District

Resolution Number: _____

A Resolution approving the Contract Extension for Z-Trans to operate transit service for SCRTD

WHEREAS, the South Central Regional Transit District Board of Directors met in a meeting Wednesday, September 26th, 2018 in the Dona Ana County Offices, 845 N. Motel Blvd., Las Cruces, N.M.; and,

WHEREAS, the South Central Regional Transit District Board of Directors contracts for service on the Orange Route that operates from Alamogordo to Las Cruces with intermittent stops and operated via an annual contract with Z-Trans for an amount not to exceed \$20,000,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Central Regional Transit District does hereby approve the extension of the Z-Trans Contract from October 1, 2018 to September 30, 2019.

ADOPTED AND APPROVED THE 26th DAY OF SEPTEMBER 2018.

Javier Perea, SCRTD Board Chair

ATTEST:

David Armijo, Executive Director