SOUTH CENTRAL REGIONAL TRANSIT DISTRICT BOARD OF DIRECTORS

Board Meeting

AGENDA

Wednesday, November 25, 2020, 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, November 25, 2020 at 1:30 PM, a virtual meeting via Zoom.

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

The SCRTD does not discriminate based on race, religion, sex, sexual orientation, gender identity, color, ancestry, serious medical condition, national origin, age, or disability in the provision of services.

**PUBLIC INPUT:**

**Prior to and during the meeting, for the duration of public input, please use the following email link to submit your input:** **admin@scrtd.org****.  The information will be provided to the Transit District Board.**

**JOIN ZOOM MEETING**

<https://us02web.zoom.us/j/86324135041?pwd=WFk2VGhPaGhCVkZqWFQzU0xpNHpjZz09>

Meeting ID: 863 2413 5041

Passcode: 201277

**JOIN BY PHONE**

Phone: 1 346 248 7799

**SOUTH CENTRAL REGIONAL TRANSIT DISTRICT**

**Board Meeting**

**Wednesday, November 25, 2020 – 1:30 PM (MST)**

**Dona Ana County Government Center**

**845 North Motel Boulevard Las Cruces, New Mexico 88007**

**Zoom Meeting**

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**AGENDA**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Changes to the agenda
5. Public Input

1. Approval of SCRTD Meeting Minutes of October 28, 2020

**CLOSED SESSION**

1. Limited Personnel Matters
	1. Discuss personnel matters regarding the Executive Director.

 **OPEN SESSION**

1. Consideration and action to approve a contract between the SCRTD and the Executive Director.
2. Board Comment
3. Adjourn - **Next Meeting TBD**

THE DISTRICT MAY CONVENE IN CLOSED SESSION to discuss personnel matters as authorized by the Open Meetings Act, § 10-15-1 (H)(2) and (5) (NMSA 1978).

THE DISTRICT MAY CONVENE IN OPEN SESSION to take action, if any, on the closed session items.

**Item #6 - October Minutes**

**South Central RTD**

**Board of Directors Meeting**

**Wednesday,
October 28, 2020 - 1:30 PM**

**Dona Ana County Government Center**

**845 N. Motel Blvd., Las Cruces, NM 88007**

**MINUTES**

**MEMBERS PRESENT:**

 Nora Barraza, RTD Vice Chair, Town of Mesilla

 Majorie Powey, Village of Williamsburg

 Diana Trujillo, City of Anthony

 Gerald LaFont, City of Elephant Butte

 Yvonne Flores, City of Las Cruces

**MEMBERS ABSENT:**

 Javier Perea, RTD Chair, City of Sunland Park

 Manuel Sanchez, Doña Ana County

 James "Slim" Whitlock, Village of Hatch

**SCRTD STAFF:**

 David Armijo, SCRTD Executive Director

 Sara Vasquez, SCRTD

 Adam Shea, SCRTD

**OTHERS PRESENT:** Sharon Gilsdorf

Joe Hardin

Nora Barraza called the meeting to order at approximately 1:30.

1. **PLEDGE OF ALLEGIANCE**

ALL STAND FOR THE PLEDGE OF ALLEGIANCE.

1. **ROLL CALL**

Four Board Members are present at roll call. Majorie Powey joined during discussion of changes to the agenda

1. **CHANGES TO THE AGENDA**

Nora Barraza asked to remove Item 12: closed session, from the agenda in the event that Javier Perea could not attend and reschedule that for the next regularly scheduled meeting.

Yvonne Flores stated on Items 7 and 8, she does to have a copy of the Executive Report and she does not have the First Quarter Financial report. She asked if there were separate reports from the agenda packet. David Armijo stated the financial report is located in the packet on page 25-27. Today's presentation is a PowerPoint that was sent to Board Members this morning as a .pdf to help guide through that. Additionally, the Executive Director's report is a verbal or oral report. He sent a copy of that report, the slides of the presentation he will be doing today which are also in a .pdf file.

Motioned by Yvonne Flores, second by Diana Trujillo. Passed unanimously.

1. **PUBLIC INPUT**

There were none.

1. **APPROVAL OF SCRTD MEETING MINUTES OF August 26, 2020**

There were no changes to the minutes. Motioned by Yvonne Flores, seconded by Gerald LaFont. Passed unanimously.

1. **APPROVAL OF SCRTD MEETING MINUTES OF September 23, 2020**

There were no changes to the minutes. Motioned by Yvonne Flores, seconded by Gerald LaFont. Passed, Diana Trujillo abstained.

1. **FIRST QUARTER FINANCIAL REPORT FOR FISCAL YEAR 2021**

David Armijo gave the first quarter financial report which includes the months of July 1 through September 30th. Cash on hand $161,977.84, with the money market at $75,701,52. Up about $20,000.00 from last month.

On the first quarter expenses, Personnel services is at 18.3%, with remaining budget of $745,084.73. October will be the first month that begins to look at the new services from Sunland Park with the new contract into downtown El Paso, which will include more labor costs. FICA/Medicare Tax is at 28.47% which his little high above the 25%, so it will need to be adjusted between now and midyear. In the Retirement account at 31.24% which is above the 25%. Health insurance and Life is under by 18.62% so 7 points down. Some of these monies will be moved to balance that out at the end of the year. Insurance, NM Municipal League is at 16.98%, so low. This is paid twice a year and the next payment is January. They expect to come in under budget leaving some dollars to move around. From a historical point of view, they were paying about $130,000.00, and now with the state they are paying less than half. Under Contract Services, second to last which is Services ADP/Janitorial/RC Creations, a little bit high here because there is more labor, more staff. ADP fees are coming in higher than projected and this will be adjusted at midyear and to look at moving forward. The budget projected 25 staff members which is the current number today, but the percentage per employee might have been lower than they should have been using. They will go through that through time. Nothing out of the ordinary with other items. They are under budget in most items. Total expenses are at 18.26%, usually around 25%.

On revenues there are three members fees outstanding, City of Anthony, City of Elephant Butte, and Village of Williamsburg. Also not reimbursed on the Pilot Project from Doña Ana County and are hopefully going to get paid this week. Year to date on revenue is 27%, so above the 25%. Other Source Revenue, Bus Fares/Ticket Sales, because of COVID-19 they have been operating services with no fare box, not charging for fares. This was expected to start in October but has been delayed as serious issues in both Doña Ana County as well as El Paso and the use of cash becomes problematic. They would like to begin fares again next month but need to work closely with the Health Department and other agencies. El Paso Sun Metro has begun collecting revenues but other agencies in our region are not collecting revenues. Without the revenue from fares there will be a large shortfall because budgeted was $84,000.00, with the largest from the new Yellow Route into El Paso.

David Armijo stated when they do the presentation and the Board approves the resolution, he sends that out to the State and the State reviews. SCRTD just received a letter of approval for the budget from the State. The State received the last quarter report and waiting on the finalization of accepting that. He hopes today's report, if approved, out to the State this week. So that would be on track with all the projects with the State. The August budget revision was also sent to the State.

Yvonne Flores stated first quarter revenues, stated they are short $20,498.80 and a balance of $1,230,491.16. If the $20,498.80 revenues do not come in, there is a shortage of $376,024.62. She asked if COVID CARES Act is going to reimburse the district for the bus fares of $84,000.00. David Armijo stated there are other sources of funding as they are a sub-grant recipient to the State of New Mexico, under the CARES Act they are not getting funds from the State of New Mexico for the shortfall of fare revenue. That will have to be supplanted with other sources. SCRTD is getting additional resources for matching of the services from the State which helps the budget. They do receive CARES Act money on a monthly basis in lieu of the matching that they would have with some of the other grants, which has given more revenues from the State, but does not include the fare box. Yvonne Flores asked if they not anticipating having any bus fares. David Armijo restated they expect to be collecting funds beginning next month, and this was delayed due to the COVID surge in the Las Cruces and El Paso area. Yvonne Flores asked if most of the deficits then are in the other source revenue. David Armijo stated there is no deficit. Yvonne Flores asked if the possible the projected revenues will not come to fruition and we will have a deficit and what is being done for that possibility. David Armijo stated they are under the budget to the tune of about 6.5% through the first 90 days, which is $60,000.00 to $70,000.00 in the year, and this may be enough to offset the possible shortfall in the fare box. Nora Barraza stated the budget is all projects and at midyear there is a deeper look at revenues and expenditures and if revenues are down then adjustments to the budget can be made. David Armijo stated the shortfall right now is really small but there will be a potential liability to be addressed, probably within the next 30-45 days. Yvonne Flores asked if money in line items could be moved around. David Armijo stated the are under their budget in several line items which by midyear they can access those funds and realign the budget for the second half of the year. The actual budget is not going to change, the line items would have some changes within the budget.

1. **EXECUTIVE DIRECTOR'S REPORT**

David Armijo gave the Executive Director's report including; ridership, challenges with the new bus route down south, facility opening, and grants.

The ridership on the new Yellow route from Sunland Park to El Paso through the casino added about 750-800 a week. Came in at 5,587, a huge jump up. May was the lowest number, up to 2,098 which is 56% increase from the bottom. With the new service the numbers are at record highs. A lot more people, more operators, and more buses. This service is seven days a week, so at night and on weekends.

Challenges, Fourth Street and Santa Fe in downtown El Paso in front of the streetcar building, is the bus terminal/transit center. Sun Metro has not given authority to continue to operate the service in the terminal. SCRTD asked to move in front of the building where there is a limited bus service but that was denied. Moved across the street at a bus zone on Fourth Avenue and enough room for five to six buses on both sides of the street. Sun Metro keeps asking for SCRTD to relocate. SCRTD is in discussions with the City of El Paso and Sunland Park to find a resolution.

Grand opening of the facility with ribbon cutting. Diana Trujillo and Javier Trujillo attended.

Grants. They have been getting most of their money from New Mexico DOT and getting rural funding for transit district. This year that started October 1st able to get additional $67,000.00 so really helped and gave more money for administrative and operations. Grown from a quarter million up to about one million from the State. Continue to fall short funding to be able to bring service up to Sierra County. The members in the County account for about half a million, close to $600,000.00, budget is almost $1.7 million. Able to get some money from El Paso MPO coming into the service on the southern side. Picked up two hydroelectric buses that will be coming in soon. Picked up a bus about three years ago that has been used down south and elsewhere. Because our service has continued to grow, we have been going in and out of El Paso from Chaparral, Turquoise line into North Gate, and Purple route has been historically going into the West Side. The opportunities into El Paso has put the service into the urbanized area. The ongoing service provided by Sunland Park contract to the City of El Paso has added quite a bit of ridership and a lot of service into downtown. As a result of all the funding and ridership from this area, the district is now eligible for funding from the urbanized area that is part of the El Paso Metropolitan Planning Organization. Those funds are over a half million a year. Right now, it is $504,000.00 from 2019 and 2020 another $540,000.00. The way this is being split between southern New Mexico and El Paso, Texas, we are in the federal register so getting program funding from

Congress. 5307 urbanized funds are a little different than the rural funds. Those funds are available. He has had discussed with the Federal Transit Administration and the State of New Mexico and the State of Texas being very helpful to help us move to the next step to get to those funds. To get to those funds the district has to choose a path, so far there are two paths to go. One is to submit to be a new grant recipient, so designated grant recipient, so funds that normally go through El Paso would flow to El Paso and to SCRTD. That sounds clean but in fact requires both the State of New Mexico's Governor and the Texas Governor to approve that transition through the Federal Transit Administration, making this a very political process, but it could work and does work elsewhere in the U.S. and in the region. The second premise is to remain a subgrant recipient as we are now, one of 23 that work through the State of New Mexico. That has been working, albeit with challenges. We could extend the current agreement with the State of New Mexico and allow them to be the representative for SCRTD with Texas, this might be the faster approach. The next step is having a meeting with all the funding partners.

Next would be how to use the funds. The way urban funds are used has not changed in the area that you get money based on population and ridership. With COVID the ridership is lower. David Armijo believes they will change the way the funds are baselined. The funds are to be used for capital, not operations, but can use the formula for maintenance; fuel, mechanics, labor, parts, and insurance. From there be able to use those funds for operating systems. About $300,000.00 would be as operating every year going forward. To be able to get $500,000.00 or more every year and be able to get 40% of that to go into a fund for capital would be very helpful. Right now, they are leveraging funds from the legislature and from the State to get enough money and it is just not enough for capital. If they could do this, they now start to look pretty good and plan on those funds.

Lastly is that these funds are not just a one-year deal, they are five-years. They have not had that benefit yet. What this means is they realign the budget on the capital operating. If money is freed up then there will be a discussion and a probably a big part of the 10-year plan: Increase frequency of service, want to realign and leverage some of the County funds to do some of the matching, and by doing that do we now free up enough money to go to Sierra County. This will come down to discussions with the State, El Paso MPO. Puts SCRTD in area to be more competitive.

Nora Barraza is happy we are able to continue the services, but with the COVID it has been difficult to see the future.

1. **DISCUSSION AND ACTION ITEMS**

**a. Approve Resolution for First Quarter Financial Report for Fiscal Year 2021**

 Motion by Diana Trujillo, second by Gerald LaFont. Passed unanimously.

**b. Approve Resolution for Annual Audit FY2019**

Nora Barraza asked if David Armijo will provide the Board in writing a response to all the findings and how the RTD will be responding to those findings.

Motion by Gerald LaFont, second by Yvonne Flores. Passed unanimously.

**c. Approve Resolution for Zia Therapy Contract, for FY2021**

David Armijo the two key points, because of the CARES Act on the match, the funds they would normally give Zia Therapy for Z-Trans service have been picked up by the State of New Mexico. They do not need to pay that and that is a savings to SCRTD. Because of COVID and the fare box, they are asking for some help on that, and that is what these funds are for. Lastly, we want to come back at the budget process in February and then begin talking about whether or not to go forward with a contract that in the following fiscal year starting October 2021-2022 and would we be able to get support financially from the City as they did a year ago. Nora Barraza asked if the CARE Act was taking care of 100% and then Zia Therapy is asking for additional. David Armijo stated they are paying the local match we would normally pay, but the CARES Act to the rural operators does not include the fare box, so as a result they estimated the shortfall is the fare box so we are helping them through this agreement to pay for that fare box.

Yvonne Flores asked if Zia Therapy is the contractor. David Armijo stated they are the contractor for the service that is called Z-Trans. Z-Trans provides the rural public transit and they have an agreement with the state to provide services from Otero County into Doña Ana County. And they have asked SCRTD to provide additional because those grants require a local match, so the local match is coming from Otero County, the City of Alamogordo, and then us. Historically SCRTD has shared the match with the City of Las Cruces. SCRTD picked up and shares the match with the City at 60/40. Yvonne Flores asked why it was called "therapy." David Armijo stated they provide nonprofit services to people in need throughout the community and it is a multifaceted program. Sharon Gilsdorf stated that Zia Therapy does community services organization, nonprofit. Provide services for five major programs, and one of the major programs is transportation. At the time there was a want for transportation to Las Cruces and to return to Alamogordo. The CARES Act takes care up to a certain amount and then there is a short fall of $78,000.00 and that is split 6% between all the partners which is the City of Alamogordo, Otero County, Mescalero/Apache Tribe, Zia Endowment, Ruidoso Downs, Ruidoso Village, and Mescalero Pride to Pride. The shortfall of $1,466.27 comes in for October 1, 2020 until September 30, 2021.

Motion by Diana Trujillo, second by Yvonne Flores. Passed unanimously.

1. **BOARD COMMENT**

There were none.

1. **ADJOURNMENT**

Next meeting. Discussion with Javier Perea was about combining November/December meeting at a different date. David Armijo will send a query to see which is the best day. He stated all contracts and agreements are completed.

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Chairperson