

SOUTH CENTRAL REGIONAL TRANSIT DISTRICT
BOARD OF DIRECTORS

Board Meeting

AGENDA

Wednesday, June 22, 2022, 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, June 22, 2022, at 1:30 PM, a virtual meeting via WebEx.

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

The SCR TD 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@scrttd.org. The information will be provided to the Transit District Board.

BOCC is inviting you to a scheduled Webex meeting.

Wednesday, June 22, 2022,

1:30 PM | (UTC-06:00) Mountain Time (US & Canada) | 3 hrs.

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**SOUTH CENTRAL REGIONAL TRANSIT DISTRICT
Board Meeting
Wednesday, June 22, 2022 – 1:30 PM (MST)
Doña Ana County Government Center
845 North Motel Boulevard Las Cruces, New Mexico 88007**

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Approve agenda
5. Public Input
6. Approval of SCRTD Meeting Minutes of May 25, 2022
7. Executive Director’s Report – David Armijo
8. Discussion and Approval of Revised Resolution Authorizing the filing of Section 5307 application with the Federal Transit Administration – David Armijo
9. Discussion of FY2023 NM DOT 5311 Award for Funding – David Armijo
10. Discussion and Resolution Approving Preliminary FY2023 Budget – Adam Shea
11. Discussion and Resolution Approving Human Resources Manual 2022 – Sara Vasquez
12. Discussion of the Correspondence of City of Elephant Butte withdrawal from SCRTD
13. Board Comment
14. Adjourn - **Next Meeting July 25, 2022**

ITEM #6 May 25 Minutes

**South Central RTD
Board of Directors Meeting
Wednesday,
May 25, 2022 - 1:30 PM**

MINUTES

MEMBERS PRESENT:

Nora Barraza, RTD Vice Chair, Town of Mesilla
Majorie Powey, Village of Williamsburg
Lynn Ellins, Doña Ana County
Diana Murillo, City of Anthony
Yvonne Flores, City of Las Cruces

MEMBERS ABSENT:

Javier Perea, RTD Chair, City of Sunland Park
Edna Trager proxy for Cathy Harmon, City of Elephant Butte
Peter Atencio, Village of Hatch
Sharon Thomas, Citizens Advisory Committee

SCRTD STAFF:

David Armijo, SCRTD Executive Director
Sara Vasquez, SCRTD
Cristina Gamboa, SCRTD
Adam Shea, SCRTD

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

1. CALL TO ORDER

Nora Barraza called the meeting to order at approximately 1:35.

2. PLEDGE OF ALLEGIANCE

ALL STAND FOR THE PLEDGE OF ALLEGIANCE.

3. ROLL CALL

A quorum was determined to be present.

4. APPROVAL OF THE AGENDA

There were no changes to the agenda. Motioned by Councilor Flores, second by Diana Murillo. Passed unanimously.

5. PUBLIC INPUT

There was none.

6. APPROVAL OF SCRTD MEETING MINUTES OF April 27, 2022

There were no changes to the minutes. Motioned by Councilor Flores, seconded by Diana Murillo. Passed unanimously.

7. EXECUTIVE DIRECTOR'S REPORT

David Armijo gave the Executive Director's report. Ridership continues to be record making each of the past three months. The free fares have made a big difference; took a while for people to realize that. The first week of May there was almost 2,000 rides. Ridership is now projected at 8,200 for the month. Assuming June is the same ridership could hit 75,000 or 76,000 rides for fiscal year; the NTD fiscal year runs until September so the numbers could be even higher. The Red Route almost did 1,000 rides which has never happened before. The Turquoise Route was the worst route but has seen good growth. The Green Route is also seeing good growth and the local Copper Route is doing very well as it is approaching 100 rides when it's barely begun. Mr. Armijo hopes that in the next few years it will catch up to the Green Route in ridership. It seems that ridership may hit an annual record.

The grant applications will be requesting for three buses and capital money for the facility from the 5309 grant. Many buses that were acquired in 2015 are reaching the end of their life cycle; some can go to 10 years but would require new engines and transmissions. It would work except that the engines don't necessarily exist anymore. Many vehicles need to be replaced in 2023. After taking the chart of the buses Mr. Armijo made a zero emissions plan. There will be more gas buses coming in due to ordering them in 2020 and taking so long to come in. Next year if everything goes well five vehicles will be able to be retired; only grow the fleet by one. By 2031 the entire bus fleet will be zero emission. As the buses go forward, the battery operated buses go from zero to 105,000 miles then in 2032 it should be 420,000 miles. Currently they are doing 448,000 miles with gas or diesel vehicles. Electric vehicles will also create significant cost savings at the gas pump.

A year ago, the SCRTD asked the county for \$628,000 and during the course of the year there was record number of fuel cost. The county gave the SCRTD to come in mid-year and do a modification; adjusted the contract and increased to \$725,000. That was the baseline for this year's budget but another \$100,000 was added to specifically go to capital bus purchases with the electric buses.

8. DISCUSSION AND APPROVAL OF RESOLUTION AUTHORIZING THE FILING OF SECTION 5307 APPLICATION WITH THE FEDERAL TRANSIT ADMINISTRATION

David Armijo gave the presentation. He and Adam Shea had a conference call with the Federal Transit Administration's District 6 office in Fort Worth roughly three weeks ago. They gave support to begin the process of starting as a direct grant recipient and a new

recipient in the process for the FTA. To apply directly they will have to submit everything that's ever been done on grants over the coming months; much of this is getting the correct paperwork. Mr. Armijo is asking the Board is for a form and the resolution would be submitted to the FTA's office after today's meeting to allow them to codify and say Mr. Armijo and Mr. Shea are certified to begin the process of beginning the grant application. The FTA indicated that it could take roughly three months or longer to do depending on how quickly the paperwork gets to them.

Staff is also working on another document with their local lawyer and attorney in D.C. that will also help identify the process. The first item of the legal authority is the resolution today. Next the documents from the attorney's will be brought to the Board hopefully next month and the Board will be asked to support the efforts again. There will be a lot of documentation over the next few months.

Motioned by Councilor Flores, seconded by Diana Murillo. Passed unanimously.

9. DISCUSSION AND APPROVAL OF RESOLUTION TO APPLY FOR FEDERAL FUNDING FOR THE FY2022 LOW OR NO LOW EMISSIONS GRANT PROGRAM

David Armijo gave the presentation; it was presented last month as well. The resolution identifies the cost for three Gillig buses that are 100% electric, includes the associated charging stations, the training for employees to the sum of \$50,000, delivery cost, and etcetera. The total is just over \$3 million. It identifies the federal funds and the local match; lion share of local match would come from the county as well as the \$200,000 from the state legislature. This will be done over the course of two years; local match is \$600,000 and staff has half of it already; the other half wouldn't be needed until 2024 and so they can ask legislature to help with that in the next session. The amount applied for will be \$3,040,354 with a match of \$608,071 to purchase the three electric buses to replace the existing vehicles.

Motioned by Councilor Flores, seconded by Diana Murillo. Passed unanimously.

10. DISCUSSION AND APPROVAL OF RESOLUTION TO APPLY FOR FEDERAL FUNDING THROUGH THE FY2022 SECTION 5339 (b) GRANT PROGRAM

David Armijo gave the presentation. This is the same grant application as previous but has one caveat. It includes roughly \$700,000 for the facility improvements that would happen at Sunland Park. The government normally has \$180,000 a year for the program and this past year the program had \$1.1 billion for both programs. The federal government asked SCRTD to apply for both twice for the same buses; the federal government wants to provide at least 250 projects around the country to be funded. They also want to provide roughly 25% of those to be rural; select which bucket they would fund SCRTD from. If larger funds for the facility is received, then staff would need to get more funding from legislature or own funds to match.

Nora Barraza asked where they will get the additional funds if it's more than the \$608,000 match. Mr. Armijo clarified that it would be either or, not in addition to; only an additional \$140,000. They also may not be awarded the entirety which means the match would be lower.

Both will need to be submitted; Mr. Armijo has one done and will finish the other tonight. Majorie Powey asked what would happen if they didn't receive the matching funds. Mr. Armijo stated that there is a provision as to what the sustaining part of the project would be. He ran the numbers at a lower rate for a backup; one less bus. With changes after elections, it's difficult to know what changes will occur in legislation.

Motioned by Councilor Flores, seconded by Diana Murillo. Passed unanimously.

11. DISCUSSION AND RESOLUTION APPROVING PRELIMINARY FY2023 BUDGET

Adam Shea gave the presentation. For budget fiscal year 2023 revenue would increase by 29.2% over fiscal year 2022; expenditures would increase by 38.7%. Mr. Shea did a breakdown of personnel services, employee benefits, travel and maintenance, supplies, insurance, projects, contractual services, and operating expenses. Capital appropriations have an increase of 35.4%. Considering the zero emissions goal this is essential to gain new buses and enhance the capital. Lynn Ellins asked if the 29.2% revenue increase was just from fares or other funding. Mr. Shea clarified that it is specifically to the membership dues, grants, agreements, and other sourced revenues. There was discussion on why travel and maintenance are together; it's how it's shown in the budget. Mr. Shea can break it out if the Board would like. Mr. Armijo added that it includes fuel as well. Mr. Shea stated that expenditures as related to travel is roughly \$5,000 of the total amount requested; everything else is maintenance and fuel.

The increase of revenue is due to the 5307 funds. Those funds won't become available until the grant application is approved by the FTA. The funds are programmed in the budget which begins in July but access to the funds won't happen for several more months. Nora Barraza commented on the significant increase in membership dues. Mr. Shea commented that it was approved last Board meeting; increased by \$29,000 or so based on population figures. There is an anticipated salary increase for existing staff by 3.5%; last year it was 2% merit increase. There is not a cost-of-living increase which is why it was left at the 3.5% merit increase; managers can approve up to that figure but isn't always that amount. Councilor Flores asked if there was a regulatory cost of living adjustment for employees. Mr. Shea doesn't know of one; it's up to the company to determine that. Typically, companies would look at cost of living as it exists and then approve an amount in their budget. The company in this situation would be SCRTD and the Board. Councilor Flores believes there should be a cost of living adjustment.

Mr. Shea clarified that typically a company would have one or the other; cost of living adjustment or merit increase based on performance. The cost of living increase depends a lot on inflation; currently it's 8%. Councilor Flores has a concern about employees where prices have increased exponentially, and employees have to go elsewhere to afford things; it's more expensive to hire new employees than keep them. She recommends Mr. Armijo and Mr. Shea look into doing a cost of living adjustment increase but merit increases should also be encouraged. Mr. Shea agrees with Councilor Flores to have a separate cost of living adjustment as well as a merit increase. As this is the preliminary FY23 budget he can add in a line item for the cost of living adjustment specifically for the final presentation in June; he just needs to know what percent. Nora Barraza agrees that it would be helpful and appreciated

due to inflation. Balancing the budget will be the trick. She recommends starting with a 3.5% cost of living adjustment.

Majorie Powey commented that sometimes the merit increase can depend on the relationship between the employee and the supervisor. She's seen it be used in punitive ways. She would rather see a 3.5% increase across the board and see the standards for merit increases. Mr. Shea stated that in every company he's worked for in private industry has a merit base; primarily to give the power to the supervisor to evaluate the employees accurately. Councilor Flores stated that if they have both increases, they will need standards on the merit increases. The COLA happens at the beginning of the year and the merit increase happens on the employee anniversary date after an evaluation. Mr. Shea added that each position is measured differently; a bus driver is evaluated on different criteria than a mechanic. There is an evaluation form that is used which is in depth and covers a wide range of areas.

Mr. Armijo stated that they didn't have two numbers in place when creating this preliminary budget; the numbers from the county have now been received. However, the number from the state of New Mexico hasn't been awarded yet. Currently they hope the numbers that were programed last year with the state will be approved. If they are approved there would be a substantial windfall of resources. This issue will probably be addressed better in a month from now. Currently they are comfortable with programing 3.5%. Increasing it to 5% would be a challenge without knowing the awarded money. Mr. Armijo added that there was an assumption of bringing up the lowest level staff to \$15 an hour which the county is doing. For the county to do that, it will add \$500,000 into the budget in the coming year; even small increases can add up to a very large amount. Staff will bring up the employees to \$15 an hour at SCRTD as well.

Nora Barraza stated that she would rather see a COLA than a merit pay increase; equal across the board and would help everyone. If then there's room for merit increase in the budget it would be nice. She recommended a 4% increase in COLA; if merit pay is added then it would make the increase up to 7% which is significant. She added that minimum wage is increasing within two years and so the Board needs to look to the future and find a way to sustain those increases also. Majorie Powey agreed that she would prefer the COLA to the merit. Councilor Flores agreed as well but would also like to see Mr. Shea and Mr. Armijo make it both rather than either or have an analysis on what that would look like. Mr. Shea stated he will change the 3.5% to a COLA, add a 3.5% merit increase, and show the difference. Nora Barraza asked for 4% COLA increase as well; Mr. Shea will add that one as well. Mr. Shea stated that the amount requested from the state was submitted last year and no one anticipated an 8% inflation increase or the gas increases. Personnel is the biggest expense.

MOTION DID NOT PASS DUE TO LACK OF QUORUM.

12. DISCUSSION AND RESOLUTION APPROVING HUMAN RESOURCES MANUAL

Due to lack of quorum the Board decided to postpone this discussion until next meeting.

13. BOARD COMMENT

There were none.

14. ADJOURNMENT – Next meeting June 22, 2022

The next meeting will be held at the Doña Ana County Government Center.

Chairperson

The report will be provided at the board meeting.

Board Reports:

ITEM #8 Discussion and Approval of Revised Resolution Authorizing the filing of Section 5307 applications with the Federal Transit Administration – David Armijo

The report will be provided at the board meeting. The resolution will be revised to improve clarity of the federal and local funding requirements for the grant.

ITEM #9 Discussion of FY2023 Grant Award Section 5311 Rural & Intercity Funding

The funding for the next year is lower than the previous two years with the expiration of Cares Act funding in conjunction with the pandemic. The State uses evaluation measures to determine the level of funding. The evaluation measures listed below show how well the district did. We are now ranked number four in the state for ridership and number one in the following three categories: Prioritization for funding, administration/Operating budget expanded at 100% and number one for the overall funding distribution index. SCRTD now moves 11 percent of the state’s ridership with 4.2 percent of the state funding.

I am requesting more funding from the Intercity program which is needed to maintain our service levels. That state has awarded additional funds for the next year. This will help offset the shortfall in annual funding for Section 5311.

2023 NMDOT GRANT AWARD - Evaluation Measures

<i>Criteria</i>	<i>Rank</i>	
Ridership	4	61398
Admin/Operating Ratio	11	
Cost Per Passenger Trip	2	\$ 14.22
Cost Per Vehicle Mile	2	\$ 2.32
RTPO Prioritization	1	HIGH
Admin/Operating Budget Expended	1	100%
Admin/Operating Award	2	11%
Funding Distribution Index	1	3.29

ITEM #10 Discussion and Approval of Preliminary Budget for FY2022-2023 – Adam Shea

The report will be provided at the board meeting with recommendation for next year’s budget. The budget was not approved in May due to lack of a Quorum. However, the budget will be updated to reflect the NM DOT Section 5311 Rural and Intercity funding for the next fiscal year. Additionally, the District will show the Section 5307 Urban funds that are available in the coming

fiscal year. The combination of the two funding sources will help bring the District budget into balance with a small budget surplus projected.

ITEM#11 Discussion and Resolution Approving Human Resources Manual – Sara Vasquez

The report will be provided at the board meeting with recommendation for changes to the Human Resources Manual. This is the first update in three years and better reflects the current challenges in recruitment and administration of personnel related issues.

ITEM #12 Discussion of the Correspondence Received from the City of Elephant Butte regarding their withdrawal as a member from SCRTD

The district received correspondence from City of Elephant Butte regarding their decision to withdraw as a member of the district. This action serves as the City's intent to no longer participate from District activities.

ITEM #Resolutions

Resolution No. 2022 - 25

Resolution authorizing the filing of application(s) with the Federal Transit Administration, an operating administration of the United States Department of Transportation, for federal transportation assistance authorized by 49 U.S.C. Chapter 53; title 23, United States Code, or other federal statutes administered by the Federal Transit Administration.

WHEREAS, the Federal Transit Administrator has been delegated authority to award federal financial assistance for a transportation project.

WHEREAS, the grant or cooperative agreement for federal financial assistance will impose certain obligations upon the applicant and may require the applicant to provide the local share of the project cost.

WHEREAS, the applicant has or will provide all annual certifications and assurances to the Federal Transit Administration required for the project.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CENTRAL REGIONAL TRANSIT DISTRICT

1. That David Armijo is authorized to execute and file an application for federal assistance on behalf of South Central Regional Transit District with the Federal Transit Administration for federal assistance authorized by 49 U.S.C. Chapter 53, title 23, United States Code, or other federal statutes authorizing a project administered by the Federal Transit Administration. (If the applicant is requesting Urbanized Area Formula Program assistance authorized by 49 U.S.C. 5307, either alone or in addition to other federal assistance administered by the Federal Transit Administration, the resolution should state whether the applicant is the designated recipient as defined by 49 U.S.C. 5307(a)(2), or whether the applicant has received authority from the designated recipient to apply for Urbanized Area Formula Program assistance.)
2. That the Executive Director or their designee is authorized to execute and file with its applications the annual certifications and assurances and other documents the Federal Transit Administration requires before awarding a federal assistance grant or cooperative agreement.
3. That the Executive Director or their designee is authorized to furnish such additional information as the Federal Transit Administration may require in connection with such application(s).
4. That the Executive Director or designee is authorized to execute grant and

cooperative agreements with the Federal Transit Administration on behalf of South Central Regional Transit District.

5. That South Central Regional Transit District commits necessary funds as local non-federal match required for participation in federal assistance programs administered by the Federal Transit Administration.

6. That the Executive Director or their designee is authorized to submit and approve requests for reimbursement from the Federal Transit Administration or otherwise draw against available grant funding.

PASSED, APPROVED AND ADOPTED BY THE GOVERNING BODY OF THE SOUTH CENTRAL REGIONAL TRANSIT DISTRICT ON THIS 22nd DAY OF JUNE 2022.

CERTIFICATION

The undersigned duly qualified Chairman of the South Central Regional Transit District, acting on behalf of the South Central Regional Transit District, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the South Central Regional Transit District Board of Directors held on June 22, 2022.

Javier Perea, SCRTD Board Chair

ATTEST:

David Armijo, Executive Director

South Central Regional Transit District

Resolution Number: FY22- 26

A Resolution approving a preliminary budget for FY2022-2023

WHEREAS, the South Central Regional Transit District Board of Directors met in a meeting Wednesday, June 22nd, 2022, in the Doña Ana County Offices, 845 N. Motel Blvd., Las Cruces, N.M.; and,

WHEREAS, Staff provided details on amending the annual budget to better reflect the budget categories in the annual budget; 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 June 22nd, 2022.

ADOPTED AND APPROVED THE 22nd DAY OF JUNE 2022.

Javier Perea, SCRTD Board Chair

ATTEST:

David Armijo, Executive Director

South Central Regional Transit District

Resolution No. 2022-27

A Resolution approving a Human Resources Manual

WHEREAS, the South Central Regional Transit District Board of Directors met in a meeting Wednesday, June 22nd, 2022, in the Doña Ana County Offices, 845 N. Motel Blvd., Las Cruces, N.M.; and,

WHEREAS, Staff provided details on amending the Human Resources Manual to better reflect the changes needed to keep the plan up to date; 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 June 22nd, 2022.

ADOPTED AND APPROVED THE 22nd DAY OF JUNE 2022.

Javier Perea, SCRTD Board Chair

ATTEST:

David Armijo, Executive Director