

**South Central RTD
Board of Directors Meeting
Wednesday,
July 28, 2021 - 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
Yvonne Flores, City of Las Cruces
Majorie Powey, Village of Williamsburg
Diana Trujillo, City of Anthony
Lynn Ellins, Doña Ana County

MEMBERS ABSENT:

Gerald LaFont, City of Elephant Butte
James "Slim" Whitlock, Village of Hatch
Sharon Thomas, Citizens Advisory Committee

SCRTD STAFF:

David Armijo, SCRTD Executive Director
Sara Vasquez, SCRTD
Adam Shea, SCRTD
Loretta Gallegos, SCRTD

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

Javier Perea called the meeting to order at approximately 1:45.

1. PLEDGE OF ALLEGIANCE (1:30 PM)

ALL STAND FOR THE PLEDGE OF ALLEGIANCE.

2. ROLL CALL

A quorum was determined to be present.

3. CHANGES TO THE AGENDA

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

4. PUBLIC INPUT

There was none.

5. APPROVAL OF AGENDA - Handled via agenda item three.

6. APPROVAL OF SCRTD MEETING MINUTES OF May 26, 2021

There were no changes to the minutes. Motioned by Lynn Ellins, seconded by Nora Barraza. Passed unanimously.

7. EXECUTIVE DIRECTOR'S REPORT

David Armijo gave the Executive Director's report. He first discussed the ridership throughout the district and how it is increasing with comparisons 2019, 2020, and beginning 2021. Mr. Ellins asked for clarification on the Yellow Route. Mr. Armijo explained the Yellow route is the new route into El Paso. Mr. Armijo stated this year they will purchase an administrative vehicle; a small van so staff to use in response to calls and maintenance. The budget also had \$90,000.00 approved for a pilot project for Santa Teresa Industrial Park. Staff will look into the bonds to acquire the two vehicles. Roughly \$40,000.00 from the County contract to help in the operation of the service. There will be three or four stops over six hours; possibly take the larger bus out there to identify the agency in the area.

The City and county have not formalized an agreement or process for transportation for the asylum seekers in 2021. El Calvario has asked staff to give them a price for a contract to provide services; don't expect a need until after Labor Day. Mr. Armijo explained what his understanding of the current asylum seeker situation is; some are going into Yuma, Arizona. Mr. Armijo explained how it happened two years prior with the first asylum seekers. There was discussion on the Greyhound services two years ago and whether there can be coordination with them this year; there has been an effort from the City. The Copper Line connects with the Move It Center and goes to the Greyhound facility in Dona Ana; additional connectivity was discussed.

8. DISCUSSION AND ACTION ITEMS:

a. Approve Resolution Annual Fiscal Year 2022 Amended Budget

Adam Shea gave the presentation. The revenues had an increase of 1.8% from original projections due to capital adjustments. The expenditures had an overall increase of 2.8% from original projections due to decrease in personnel by 5%, increase in fuel by 14.5%, increase in Zia Therapy from \$12,000.00 to \$20,000.00 with help from the City of Las Cruces, added van pool tech support, and other various accounts that were adjusted.

Nora Barraza suggested that in the future they format the finances so they can print them on one or two sheets of paper. There was discussion on

how to read the finance statement. There was discussion on where the additional \$200,000.00 for revenues is coming from; Doña Ana County. There was discussion on changes from FY21 to FY22; additional revenues are coming from membership fees and the county's additional fees. There was discussion on matching money. There was discussion on the expenditures; staff is looking to see what can be cut from costs of cell phones and internet, conferences and seminars were increased, and taxes and licenses increased. GPS and hot spots were \$5,800.00 budgeted for FY21.

There was discussion on personnel wages and employee evaluation; hourly starting salary in 2016 was \$12.25 which is similar to Roadrunner. Roadrunner has since increased their hourly wage to \$13.42. Staff is discussing wage changes. They are not doing a cost of living increase but rather a merit increase. There was discussion of difficulty hiring. There was discussion of the advertising budget; many advertising done in the previous fiscal year. There was discussion on who Zia Therapy are; an outsourced bus usage who accommodate the Orange Route. There were discussions on the changes on the expenditures. There was discussion on increased legal fees; lawyer for the 5307 funding from El Paso conflict. The lawyer may present later in the year.

Motioned by Majorie Powey, seconded by Lynn Ellins. Passed unanimously.

b. Approve Resolution for FY2021 District Inventory

Adam Shea gave the presentation. Anything over \$500.00 has been moved to fixed assets. A list was shown of the current fixed assets with their values. Total purchase price over the years is \$2.5 million with a total net balance less depreciation of \$1.8 million.

Motioned by Yvonne Flores, seconded by Nora Barraza. Passed unanimously.

c. Approve Resolution for Debt Management Policy

David Armijo gave the presentation; developed by a policy similar to the North Central Regional Transit District. Mr. Armijo discussed the NCRTD; two funds for operating and capital both with \$5 million as well as debt service of \$6.1 million due to a new maintenance facility. The policy and resolution are included in the packet. A current challenge is cash flow due to having long wait times of payment from vendors; monthly reports vary from \$83,000.00 to just over \$130,000.00. The debt policy is intended to tap into the cash flow for when purchasing capital equipment until there is enough reserves of \$250,000.00.

Motioned to approve by Yvonne Flores, seconded by Diana Trujillo.

Nora Barraza stated she doesn't like the idea of debt management; the money market account is supposed to be for this. There was discussion on why there needs to be debt when the budget is balanced; opportunities will present themselves where debt management will be needed. The policy specifies that each debt be specifically authorized by the District Board. Majorie Powey asked if the bond consultants and bond council would take the Board out of the situation. Mr. Armijo stated it doesn't as the bond council would be more for a new facility or the like; the Board would be approached for approval first.

Chair Perea stated that he believes not having a policy puts the Board at risk in the future and that they should discuss how much money they would like in reserves. Nora Barraza commented that she still doesn't believe in having debt and they should only spend what they have. Adam Shea stated that the biggest issue the SCRTD has is cash flow; bill out but not receive payments for up to 90 days which can cause issues in bill paying. There was discussion on how often the issues come up; annually. There was discussion on the negative ramifications of delayed payments.

Mr. Armijo believes that they will build up enough reserve in time so they would not necessarily need to rely on the debt management policy; the policy would be modified once that happens. Lynn Ellins asked how long it takes the county to pay their bill. Mr. Shea stated they pay on time. There was discussion of when they get paid by whom.

Motion passed; Nora Barraza voted no.

d. Approve Resolution for Fourth Quarter Fiscal Year Budget

Adam Shea gave the presentation. The fourth quarter revenues stand at 92.8% of the overall budget billed out. Some capital fund transfer to the FY22 for bus appropriations. As of June 30th the money market is at \$10,000.00 which will be replenished. Items that went over budget are colored orange on column I in the packet. Total expenditures was 91.96% of the overall budget for the fiscal year. Those resources will be moved over.

Mr. Shea stated that the fare boxes have not been expended due to reusing old fare boxes; the money was used to cover other overages on other items. The first quarter covered 20% of the overall budget, the second quarter covered 23%, the third quarter covered 25%, and the fourth quarter covered 23%. One of the items that was over budgeted included fuel costs which were over by \$25,000.00; a large increase between the second and third

quarters. Personnel costs were just over budget by \$10,000.00; 1.16%. There was an adjustment made in February moving \$100,000.00 out of what was originally budgeted for that account.

Items that will not be carried over into the next fiscal year are colored green. The facility maintenance cost went over budget primarily due to the increased security at Sunland Park. The remaining revenues are \$295,000.00; the books are very close to perfectly balanced. David Armijo added that the bus that came in late received a special grant that paid 100% of it; \$135,000.00 will be carried over. The numbers will be reconciled when the books close after the audit.

Motion to approve by Yvonne Flores, seconded by Diana Trujillo. Passed unanimously.

e. Discuss FY22 NM DOT Grant Award

David Armijo gave the presentation; he discussed a table of the grant award included in the packet. Last year with local match, state, and federal funds they received roughly \$1,008,295.90 for administration, operating, and capital. They will receive more money in the coming year; \$1,397,080.00. Mr. Armijo discussed funding pros and cons as well as how they were ranked to receive the funding; his goal is to get into the top five. The District was ranked number one for priority funding and administrative and operating cost per vehicle mile. Mr. Armijo discussed how many miles the SCRTD covers; three vehicles at Mesilla Valley Hospital, eight in Anthony, and three in Sunland Park.

Mr. Armijo stated that when the NTD numbers are finished in the next three months year over year they will be close to 100% growth; 60,000 up from 29,560. He is proud of the award from the state and staff is excited. There was discussion on how they compare to other transportation groups; Roadrunner and NCRTD. Yvonne Flores suggested doing an article in Sun News or something similar regarding how successful they have been. Mr. Armijo was invited by the New Mexico Transit Association to do an article; as well as a newsletter and letter to the editor. Yvonne Flores suggested a feature story in the Bulletin or Visit Las Cruces. There was discussion on redoing the signs and poles.

9. BOARD COMMENT

Chair Perea complimented staff and thanked them for everything they've done.

10. ADJOURNMENT - Next meeting August 25, 2021

Juris Luna
Chairperson