

**South Central RTD
Board of Directors Meeting
Wednesday,
November 29, 2023 - 1:30 PM**

MINUTES

MEMBERS PRESENT:

Javier Perea, RTD Chair, City of Sunland Park
Nora Barraza, RTD Vice Chair, Town of Mesilla
Majorie Powey, Village of Williamsburg
Yvonne Flores, City of Las Cruces
Manuel Sanchez, Doña Ana County

MEMBERS ABSENT:

Diana Murillo, City of Anthony
Robert Martinez, James "Slim" Whitlock, Village of Hatch
Sharon Thomas, Citizens Advisory Committee

SCRTD STAFF:

David Armijo, SCRTD Executive Director
Sara Vasquez, SCRTD
Cristina Gamboa, SCRTD
Loretta Gallegos, SCRTD
Veronica De La O, SCRTD
Adam Shea, SCRTD
Crystal Gomez, SCRTD

OTHERS PRESENT:

Becky Baum, RC Creations, LLC, Transcriptionist

Javier Perea called the meeting to order at approximately 1:35.

ALL STAND FOR THE PLEDGE OF ALLEGIANCE.

QUORUM WAS DETERMINED TO BE PRESENT.

CONSENT AGENDA

- A. APPROVE AGENDA**
- B. MINUTES OF AUGUST 23, 2023**

There were no changes to the minutes or agenda. Motioned by Nora Barraza, second by Yvonne Flores. Passed unanimously.

SIERRA COUNTY BUS ROUTE PRESENTATION - (ARMIJO)

David Armijo presented the progress on the project. He had maps of the proposed route and stops as well as estimated costs. Funds and a vehicle have been secured now. The plan was to have a transfer point in Hatch with the Green Route to allow for several runs a day in Sierra County. There are already some benches and things in Williamsburg that could be used for bus stops and improved as time goes on. Mr. Armijo and Sharon Thomas had gone out to various government offices to make presentations over the past few years. Mr. Armijo also sent out letters in September to ask these governments to put him on the agenda for presentations to their city/town boards. As the managers have not responded, he plans to ask the mayors. Board Member Powey reported that in the past these cities had paid into the bus route but not received any service, so they may be avoiding joining the District because they feel taken advantage of. Mr. Armijo had done some preliminary work on finding out what sort of routes are required, the interest was mostly in getting to Las Cruces, to the university and hospitals, etc. Service costs about \$100,000 a year and the State Government has provided half of that. District members pay a portion of the remainder with their dues, but most of that is paid with other State funds, fares, and advertising revenue. A suggestion was made to connect with the veterans' facilities in Sierra County and then perhaps be able to receive funding from the State Veterans Department. Mr. Armijo reported that the stops will be added in whether funding is received or not, as there are many veterans in the state that are dependent on volunteers to get around. The New Mexico DOT grant covers a little more than 50% of the cost of running the District, and Mr. Armijo reports that the US Government has paid the \$365,000 that was owed over the last ten days. To increase the service area, more drivers will need to be hired and more stops and signs will need to be installed. This Board can institute service in Sierra County whether or not their government bodies rejoin the District. There is funding available once the paperwork is finished in the next few days. Mr. Armijo is requesting direction from the Board about where to start the route and other logistical items that will need to be done. Mr. Armijo hopes that the route can be ready to start in March or April 2024. Mr. Armijo reports that he has already started preliminary work on next year's budget. He plans to bring on board a planner/grants person to help him increase and improve the passenger amenities and other things. Adding this route will slightly reduce the funding available for local amenities. Currently he is looking at changing the route setup in Mesilla to an as-needed small-vehicle service, so people with mobility challenges can just call for a ride. Board Members are strongly in favor of at least

trying a one-year pilot program in Sierra County. Elephant Butte is also interested in having a summer shuttle available between the lake and town, to reduce the number of large motor homes on the city streets. It would be possible for the Board to create an ad hoc committee for nonpaying municipalities in Sierra County to help with the decision-making process.

1. FIRST QUARTER BUDGET AMENDMENT #1 - (SHEA)

Adam Shea presented the proposed first-quarter adjustment based on actual funding received. He requested an additional \$79,264.80 for health and life insurance employee benefits. Half of this is due to an additional employer assessment from the insurance company and the other half is from an increase in benefits that began about a month ago. The City has been advised to hold off on paying the additional assessment because the New Mexico Municipal League plans to sue the State regarding this extra charge, as it was not brought to the municipalities' attention beforehand. Mr. Shea reported that he has already paid that invoice and he was advised to contact the self-insurers and check with Clinton to see if the money can be recouped. Board Members are in favor of simply approving this adjustment and then seeing what can be done to recoup the funds. Mr. Shea requested an increase in the revenue portion of \$432,720.68 which includes moving \$300,000 from the capital column into the operating column until such time as the District begins to expend capital resources. The rest is simply increases and decreases based on the actuals of what has been received for the fiscal year. Much of this is related to decreases, especially with the operation of the rural and inner city. There is an increase of \$216,000 under 5310 and the second portion under the 5307 is the adjustment to the FY22 funds that were received from Region 6 FTA. A smaller amount of \$8,026.66 is miscellaneous items year-to-date including interest accrued in the money market and claim checks received from auto insurance. Mr. Shea requested an increase of \$432,720.68 for operating. Mr. Armijo reminded the Board that funds have been received in the past few months to increase 5310 and 5307 so that overall, the expenses total roughly \$2.7 million and revenues roughly \$3.1 million. Mr. Shea requested a decrease in the capital column of \$549,967.10. These are the actual amounts that have been or will be incurred for this fiscal year.

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

2. FREE FARE POLICY INITIATIVE - JANUARY 2024 THROUGH JUNE 2024 - (ARMIJO)

David Armijo reported that this discussion began earlier this fall and suggested the staff for consideration. The City of Las Cruces RoadRUNNER provides free fares already. The ridership for the District has grown to over \$100,000 rides a year and the fare box totals about \$6,000 a month. Projected revenues based on this are roughly \$60,000 a year but Mr. Armijo expects at least \$70,000. This money can then be used as match grants and other things. He suggested offering free fares as a marketing project and also to help

people who need it. The resources are available to support six months of free fare. The City buses have seen a different clientele using the buses when fares are free, so security is needed. Mr. Armijo expected that the unruly riders would be minimal as the RTD is more rural and there are fewer of that type of clientele. Currently base fare is \$1 for adults and \$0.50 for students, disabled people, and seniors. A suggestion was made to have security staff on the public transportation anyway due to possible liability issues. Making agreements with partner municipalities to provide law enforcement officers to help out was discussed. A suggestion was made that Board Members should ride the buses for a few days to assess the actual situation or poll the staff regarding their feeling of safety or how charging fares or not may affect their routes. Mr. Armijo was asked if there have been complaints or reports of trouble from the staff. He reported that there is a protocol for collecting the fare boxes that includes several different staff members to keep things secure. He reported that people do observe the money changing hands and it could be dangerous for the staff members to carry the money. The drivers do infrequently have to handle situations with the clients. The pros for the free fare from that point of view are that people can board more quickly without having to deal with paying and the staff does not have to deal with the revenue. The last time fares were free, there was about a 15% bump in ridership. Mr. Armijo felt that there were probably more people in favor of free fares than against.

Nora Barraza had to leave, and the Board bid her farewell and thanked her for her service and all her hard work and wished her good luck in the future.

Motioned by Yvonne Flores, second by Manuel Sanchez. Passed unanimously.

3. EXECUTIVE DIRECTOR'S REPORT/COMMENTS

David Armijo reported that ridership last year was 101,756 trips. Red Route had 11,848 trips; 6,074 on Purple Route; 7,330 on Turquoise Route; 59,460 on the Yellow Route which runs six days a week and has a longer service day than the others; Green Route had 6,064; Blue had 457 as the special events route; Silver Route had 8,991; Copper Route is growing at 1,532 and Mr. Armijo feels that it would do better with free service. The Federal Grant funds were received about ten days ago and another grant has been submitted for FY23. Mr. Armijo hopes to receive more money to grow the RTD's reserve fund. Senator Heinrich has been trying to help speed up the grant funding with the FTA, as there is \$5.6 million tied up which was applied for in June 2021. Mr. Armijo has worked hard to prepare and submit the grants, find contractors and consultants to prepare the projects, and now has reached the NEPA evaluation process. This has now been approved and now a lawyer must submit the offer to purchase the property. The offer will be presented before the end of this week. The grant is still with the State of New Mexico and hopefully, the funds will be available in late December or early January. Mr. Armijo discussed the NTD report from FY22. The first statistic showed a ridership of 85,000; next was annual revenue miles which grew quite a bit after taking over Yellow Route; vehicle

revenue hours represented the labor involved with drivers' hours, mechanics' hours, and so on; and operating expense per revenue hour stayed fairly steady, perhaps with a small decrease. Operating costs have increased and if capital and a few other things were removed the budget would be near \$2.1 million. Unlinked trips give an idea of how many people per hour ride the buses at roughly 3.85; the national standard for a rural transit system is 3.5 to 5 per hour. The second unlinked trip gives the number of people per mile on the bus and shows the four-year overall data. This shows that ridership has grown over the past four years. Mr. Armijo expects a 10% to 15% increase in the next year based on this report. He plans to bring a report showing more defined goals and costs to the next meeting for discussion.

4. FUTURE AGENDA ITEMS/BOARD COMMENTS

Commissioner Sanchez is excited for the near future with the new funds coming in, electric buses, increased ridership, and all the things that are coming up.

Mr. Armijo reported that tomorrow morning staff will install the bus shelter at the Anthony Transfer Station. The garage improvements have begun, the parking lot was done a year and a half ago. He plans to do a case study to see what worked and did not. Passenger amenities improvements will continue, including many in the public right-of-way. This means that there will need to be a working relationship with the County and State.

Chair Perea reminded the Board that documentation for the Legislature needs to be sent out. Mr. Armijo will get that done and will make a presentation at the first meeting of 2024. Chair Perea thanked the staff and everyone else for their hard work and the great year.

There will probably not be a meeting in December, as it is during Christmas week. The next meeting will be on January 24, 2024, at 1:30 p.m.

Board Member Powey asked what happened with the BMO. The money has been deposited and the RTD is earning interest on it.

5. **ADJOURNMENT - The meeting adjourned at 3:19 p.m.**


Chairperson