



**TAPS PUBLIC TRANSIT
BOARD OF DIRECTORS
SPECIAL CALLED MEETING
March 7, 2016**

MEMBERS PRESENT: Ken Brawley, Spanky Carter, J. D. Clark, H. L. Compton, Leon Klement, Rick Lewis, Kenneth Liggitt, Bill Magers, and Terrence Steele.

MEMBERS ABSENT: Steve Terrell

STAFF PRESENT: Tim Patton, Josh Walker and Troy Frazer

The TAPS Board of Directors met at the TAPS Administrative offices, located at 3400 Texoma Parkway, Sherman, TX 75090 for a regular board meeting.

- I. **CALL TO ORDER:** Chairman Spanky Carter welcomed guests and declared a quorum, calling the meeting to order at 2:30 pm. An invocation was given by Board Member Terrence Steele.

- II. **PUBLIC HEARINGS:** Citizens may speak on items listed on the agenda as Public Hearings. A "Request to Speak Card" should be completed and returned to the Board Secretary before the Board considers the item listed under Public Hearings. Citizen comments on public hearings are limited to three (3) minutes. Chairman Spanky Carter opened the floor and called upon the individuals who submitted a Request to Speak Card.

Mark Ewig, former TMS employee and Union representative addressed the Board stating he has submitted request for information on two prior occasions and has yet to receive the information. He is requesting a report showing how much time all previous employees worked, but have yet to be paid for, as well as the amount of money owed to each of those employees. He did state today he was provided his individual information, but was told due to limited staff at this time, they were unable to provide him additional information. He urged the Board to see that his request would be answered in a reasonable amount of time. Mr. Ewig also stated he is hopeful the transparency he is seeing now with information provided on the company's website, will continue, noting there was a lack of transparency in the past. With his final comment, he asked the Board if the new management company would be responsible for all past due debt, including the payroll owed to all employees and if so, would that be paid at the beginning of their management or at a later date in the future.

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Nancy Knapp, a citizen, addressed the Board stating she has been attending TAPS Board meetings for the past three to four years. Ms. Knapp stated she is concerned about the open Board positions, noting the Bylaws allow for sixteen (16) members. She asked how soon would she know who is going to fill the open positions. She also stated some of the grants require a certain number of Board members and dictate who is appointed.

- III. EXECUTIVE SESSION: Pursuant to Chapter 551 of the *Texas Government Code*, to discuss the following subjects and reconvene to take any action resulting from the Executive Session (the board reserves the right to convene into executive session throughout the meeting):
1. Consult with attorney regarding contemplated litigation. Section 551.071
 2. Discuss the appointment, employment, evaluation, reassignment of duties, discipline, or dismissal of or to hear a complaint against a public officer or employee. Section 551.074

Following the closed Executive Session, the Board of Directors will reconvene in open and public session and take any such action as may be desirable or necessary as a result of the closed deliberations.

Motion was made by Board Member Bill Magers to convene in Executive Session. Board Member Terrence Steele seconded the motion. Motion carried unanimously and the TAPS Board of Directors entered Executive Session at 2:42 pm.

At 4:23 pm, Motion was made by Board Member Bill Magers to reconvene in open session. Board Member Kenneth Liggitt seconded the motion. Motion carried unanimously. No items requiring action at this time.

- IV. CONSIDER AND TAKE ACTION TO RATIFY THE TAPS EXECUTIVE BOARD ACTION REGARDING A RESOLUTION FOR DISPOSAL OF VEHICLES TO THE DENTON COUNTY TRANSIT AUTHORITY (DCTA) – Tim Patton reported on January 6, 2016 the TAPS Board of Directors approved emergency action which included the suspension of service, to accept the assistance of bordering agencies to perform trips and to take appropriate action both financially and operationally to ensure the survival of the TAPS agency.

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Due to the urgency of TAPS financial and contractual matters, the Interim CEO and a subcommittee consisting of the Executive Board would be tasked with taking any appropriate action if needed between Board Meetings. After which, action would be taken by the full Board to ratify any decision taken in the interim.

The TAPS subcommittee consisting of the Executive Board took action on February 19, 2016 to approve the transfer & disposal of vehicles to the Denton County Transit Authority. That transaction has not been completed, as paperwork has been submitted to FTA. However, it was recommended the Board move to approve and ratify the action taken by the TAPS Executive Board ("the subcommittee").

Board Member Bill Magers added the funds obtained from the sale of these vehicles will be used toward the IRS debt.

Motion was made by Board Member Kenneth Liggitt to ratify the action taken by the TAPS Executive Board with regards to the disposal of vehicles to DCTA, seconded by Board Member Rick Lewis and unanimously passed.

- V. CONSIDER AND TAKE ACTION REGARDING THE SUBMISSION OF A REPAYMENT PLAN TO THE TEXAS DEPARTMENT OF TRANSPORTATION FOR UNSUPPORTED REIMBURSEMENTS CITED IN THE 2015 AUDIT – Tim Patton stated the Texas Department of Transportation conducted an audit in 2015 and had significant findings stating TAPS received reimbursements of \$930,000 for which there showed to be insufficient supporting documentation. TAPS was given an opportunity to find and present any supporting documentation, which was completed in January 2016.

On February 23, 2016, the Executive Director, Mr. James M. Bass issued a letter to TAPS with the results of the presented documentation and a final ruling that showed \$234,334 of the original \$930,000 remained without sufficient documentation. Therefore TAPS is required to provide a plan for repayment to TXDOT no later than March 23, 2016.

Mr. Patton stated the following options are available for consideration by the TAPS Board:
(1) A repayment of the full amount can be rendered (2) A payment plan can be offered over a period of time (3) The full balance of the repayment can be taken from the existing allocated funds.



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He noted that in scenario (3), TAPS has already reduced its service level and costs of operations. This allows the organization to address the repayment immediately.

It was recommended the Board take Action to approve the repayment amount of \$234,334 to be taken from TAPS existing TXDOT funding allocations and authorize the TAPS Interim CEO to issue a repayment plan to TXDOT immediately based on these factors.

Motion was made by Board Member Bill Magers to approve the repayment amount of \$234,334 to be taken from TAPS existing TXDOT funding allocations and authorize Mr. Patton to issue a repayment plan to TXDOT immediately based on the factors presented, seconded by Board Member Terrence Steele and unanimously passed.

- VI. **CONSIDER AND TAKE ACTION TO AWARD A CONTRACT FOR TRANSIT MANAGEMENT SERVICES** – Chairman Carter reported TAPS issued a Request for Proposal (RFP) on January 22, 2016 for Transit Management Services in a Fixed and Variable Cost model. Three companies submitted proposals to TAPS by February 19, 2016. Those companies were McDonald Transit, First Transit and TransDev. The review panel consisting of six (6) members who scored and evaluated the costs proposals according to the evaluation criteria listed in the RFP. This panel consisted of Paul Ballard, CEO of Fort Worth Transit Authority, Fred Gilliam, our TAPS consultant, Carl Rosenbach, the Sherman/Denison NPO and Board Members Carter, Magers and Steele. The review panel met on February 28, 2016 and began evaluating the proposals received, taking into consideration several factors including responsiveness to the RF, financial strength of the companies, experience of the management teams, transition and implementation plans, integrated operation plan and price. Interviews were conducted on March 2, 2016 with each of the teams of all three proposers and the evaluation panel. The evaluation panel was to submit its recommendation to the TAPS Board of Directors. Based on that recommendation the TAPS Board of Directors may consider the recommendation and take action to award a five (5) year Transit Management Contract with the vendor of choice.

Chairman Carter reported after evaluating each company, it is the recommendation of the panel to award the contract to TransDev, as they were the company rating the highest with the criteria considered.

Motion was made by Board Member Rick Lewis to award the Transit Management Contract to TransDev, seconded by Board Member Ken Brawley.

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Board Member Terrence Steele stated, as a reviewer on the panel and having prior experience in evaluating RFPs at the Workforce Commission, he was thoroughly impressed with the proposals submitted. He noted, it was not an easy task, as all three proposers were strong and he learned a lot through this process.

Following discussion, the motion was unanimously approved.

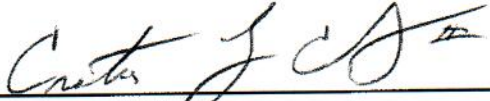
VII. ORGANIZATIONAL ANNOUNCEMENTS

Tim Patton reported it has been a busy past two weeks, working closely with First Transit and with the TTA team on draw downs. Mr. Patton commended the review panel for their hard work in grading and scoring the RFPs and the professional manner in which everything has been handled.

VIII. SCHEDULE NEXT BOARD MEETING: Chairman Spanky Carter announced the next Board meeting will be held on Monday, March 21, at 2:00 p.m.

IX. ADJOURNMENT: Motion was made by Board Member Bill Magers to adjourn the meeting. Board Member Kenneth Liggitt seconded the motion. Motion carried and the meeting was adjourned at 4:34 p.m.

Passed, Approved and Adopted 4-18-16.



Chairman, TAPS Board of Directors

or

Secretary, TAPS Board of Directors