



**TAPS PUBLIC TRANSIT
BOARD OF DIRECTORS
REGULAR MEETING
December 7, 2015**

MEMBERS PRESENT: Spanky Carter, H. L. Compton, Leon Klement, Rick Lewis, Kenneth Liggett, Bill Magers and Terrence Steele

MEMBERS ABSENT: Chuck Branch, Ken Brawley, J. D. Clark, Randy Pogue and Steve Terrell

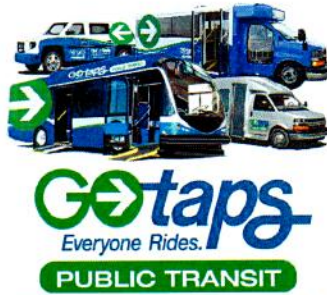
STAFF PRESENT: Tim Patton, Josh Walker, Leah Campbell, Troy Frazer, Grace Odum, Sarah Hendricks and Cathy Perkins

GUESTS PRESENT: Mark Ewig, Bill Fox, Misty Walker, Deborah Howard, Nancy Ward, Warren Handy, Richard Hose, Sunil John, Tina Tomlinson, Lisa Miller, Heather Robertson, Michele Daniel, Ken Daniel, David Riner, Todd Rumsey, Sheila Rumsey, Deb Robertson, Matt Hunt, Alison Comes, Daniel Kever, Syreeta Hall, Taylor Sales, Chrystal Groves, Daniel Kiever and Nancy Knapp.

The TAPS Board of Directors met 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 2:01 pm.
- II. **INVOCATION:** The invocation was given by Board Member H. L. Compton.
- III. **PUBLIC COMMENTS:**
Chairman Spanky Carter clarified that the Public Comment portion of the Board meetings are to provide an opportunity for the public to address the Board and be heard, but is not intended for communication in which the Board is required to provide a response.

Daniel Kiever, a concerned citizen and previous TAPS rider, addressed the Board stating he has relied on TAPS for his transportation and since he is unsure if he will be able to get the necessary service, he will be relocating to Dallas. He wished TAPS well during this difficult time.



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Richard Hose, a concerned citizen addressed the Board with concerns for the delinquent payroll and payroll taxes due, his concerns with Management and the Board of Director, noting he feels any Board members that have been on the TAPS Board for greater than one year, need to be replaced.

Crystal Groves, a former Access employee, addressed the Board stating she feels Tim Patton should resign as Interim CEO, stating she has no faith or trust in him, as well as any Board members that have been on the Board during the period of time in which financials were not monitored properly.

Mark Ewig, former TMS employee and Union representative, asked the Board if they have received a firm date of when First Transit might be pulling out. He noted if there is no management company here, federal money will cease. He also stated he realizes prior Board meeting agendas and minutes have been posted on the website, but he encouraged more disclosure to the public, such as weekly operating expenses, fixed expenses and any payment plans that have been scheduled with vendors. He stated this type of information will indicate progress and that we are truly moving forward. He stated he has posed questions to the Board during Public Comments and requested he receives feedback and answers.

Tina Tomlinson, former Access Call Center Supervisor, stated the current situation TAPS is facing is because the company has been "robbing Peter to pay Paul". She encouraged the Board to remove Tim Patton as Interim CEO.

Lisa Miller, former Access Call Center employee, stated it is the Board's responsibility to hire and set the salary of the CEO. She stated the position of CEO should be one of Duty, Care, Loyalty and Obedience to the Board's direction. By failing to pay previous employees, she feels this is a criminal offense. She also stated she feels the Board owes Matt Hunt and Shawn Minter, the owners of Access, a formal public apology. Ms. Miller requested Tim Patton resign his position as Interim CEO.



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Heather Robertson, former TAPS employee expressed the hardship she and other former employees are facing from not being paid their final payroll checks. Ms. Robertson recommended the Board remove Tim Patton as Interim CEO.

IV. ORGANIZATIONAL UPDATE:

1. Current Staffing Levels – Leah Campbell, Organizational Development/Human Resources Director presented information regarding the current staffing levels following the recent layoffs. She reported there are 26 TMS employees remaining and 20 TAPS Administrative employees, for a total of 46 employees. Ms. Campbell provided a current Organizational Chart for Board review (Page 6 of the Agenda packet). She also distributed information regarding outstanding payroll (Handout A), noting there is currently \$371,300 owed. The oldest payroll is from 11/13/15 and owed to the Access staff and the TAPS bi-weekly staff. Ms. Campbell noted of the reimbursement that has been received, there are not large lumps sums, so we are continuing to maintain an accurate roster of monies owed to all employees and will be paying based on seniority and tenure. She noted until funds begin to arrive regularly, we can only pay as the money becomes available.
2. Operational Costs – Troy Frazer, Senior Data Analyst discussed Primary Operating Expenses by day (Page 7 of the Agenda packet). He noted without payment to First Transit, the daily operating expenses are \$7,830.62, minus any repair expense. Tim Patton noted because we cannot pay vendors for past due invoices, our maintenance staff are pulling equipment from other vehicles to keep the primary vehicles running. Troy Frazier discussed how Preventative Maintenance cost were calculated (oil and tires) and stated the total PM cost per day is \$264.90. He shared the financial system we in disarray with literally hundreds of thousands transactions to review and the team from NCTCOG is working hard to go through all the information to identify potential reimbursements.



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Board Member H. L. Compton stated he thought the goal was for the daily operating expenses to be \$5,400. Mr. Patton stated that figure was an estimate created by Ben Herr from First Transit.

Troy Frazier discussed the current service being provided and provided a snapshot from the most recent week (11/30/15-12/4/15). The average number of trips scheduled per day is 150, with the average number of trips completed per day being 94. He noted the difference between the number scheduled and number completed can be attributed to customers cancelling, lack of drivers and lack of resources. The peak days have been identified as Monday, Wednesday and Friday with 19 drivers, as compared to 9 drivers on the non-peak days of Tuesday and Thursday.

Board Member Kenneth Liggitt asked about the status of buses in Montague and Clay counties. Mr. Frazer noted the numbers he quoted were where the buses are stationed out of, but still running services.

Josh Walker, Safety and Security Director, noted we have reduced the amount of insurance we need to carry since there are less employees. He went onto discuss that City Bus in Lubbock has contacted us in dire need of vehicles. Mr. Walker stated two of our buses were purchased with McKinney UZA funds, so aside from those two vehicles, we still have 14 buses that may potentially be able to be leased to City Bus. He noted we are still waiting on Fair Market Value (FMV) estimates from National Bus Sales. By leasing these buses, we could reduce vehicle insurance by \$30,000 annually. Mr. Walker also reported they have identified forty (40) vehicles at end of life, that need to be disposed of, noting we must obtain independent cost analysis prior to auctioning or scrapping. That analysis is scheduled for Wednesday. With regards to NCTCOG buses, Mr. Walker has spoken with Jessie Huddleston and once the Board determines the service levels we will be operating at, NCTCOG may take some of those buses back.



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Board Member Bill Magers inquired what the expected timeline was for decisions regarding vehicles. Josh Walker stated once the FMV estimates are received, the information will be provided to TXDOT for titles and this will take approximately two weeks.

Mr. Patton noted there are annual opportunities for Capital Investments to build the program back as service builds up.

3. Funding Updates – Mr. Patton reported as discussed, we are hopeful for positive response from the TXDOT. He stated the NCTCOG team has been very engaged and are validating to ensure we are not requesting duplicate reimbursement. He stated receipt of nearly \$45,000 is expected by the end of next week from reimbursements submitted. Mr. Patton stated FTA funds remain on hold and it will be crucial that we receive FY16 funding to resume full operation. Ms. Campbell discussed the anticipated FY16 FTA funds, as well as NCTCOG, TXDOT and HHSC monies. She noted the total revenue while receiving HHSC monies was 16.9 million annually and without HHSC, we are expecting 6.7 million.

Ms. Campbell also discussed local and in-kind income, noting we need \$648K in match. She stated when we begin to talk with the Cities and Counties, we will discuss the match and what we can expect to receive from each.

V. ACTION ITEMS:

1. Chairman Spanky Carter announced resignations of Board Members Chuck Branch and Randy Pogue were received. Board Member Bill Magers made a motion to accept the resignations. Board Member Rick Lewis seconded the motion. The motion carried unanimously.
2. Tim Patton discuss the need to authorize NCTCOG to procure technical planning assistance on TAPS behalf, stating they will reimburse TAPS 100%. Motion was made



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by Board Member Kenneth Liggitt and seconded by Board Member Leon Klement.
Motion carried unanimously.

3. Tim Patton stated on November 13th, we took action to reduce to medical trips only. He stated NCTCOG, FTA and TXDOT have voiced support of this cap and to align with FTA Circular, we are capping at 120 actual trips per day and will continue to review on a monthly basis. It has been recommended however, that we modify our service to the elderly and disabled in the 120 per day cap. Board Member Bill Magers made a motion to authorize staff to modify service levels and implement a service level cap of 120 per day to the elderly and disabled. Board Member Leon Klement seconded the motion. The motion carried unanimously.
4. Chairman Carter discussed the need for a Bylaws Committee of the Board to review and revised the Bylaws as necessary. He announced the appointment of Ken Brawley, Leon Klement and H. L. Compton. All three Board Members accepted the appointment as announced. A copy of the current Bylaws was provided on pages 8-12 of the Agenda packet.
5. Service levels in Collin County – Tim Patton appealed to the Board for direction on whether to continue service in Collin County. He noted with all operations now being stationed out of Sherman, a trip to the lower Southeast portion of Collin County takes approximately 1 ½ hours and the determination of whether the resources are available depends on logistics and driver availability at this time. Board Member H. L. Compton inquired if we are contractually obligated to continue the service. Mr. Patton stated there is no funding to support the service. Board Member Terrence Steele made a motion to suspend service to Collin County until further notice, effective immediately. Board Member Bill Magers seconded the motion. The motion carried unanimously.
6. Legal Services Agreement – Chairman Carter presented the Legal Services Agreement between Bennett White and TAPS for review and approval. (Pages 13-17 of the Agenda packet). Board Member Bill Magers made a motion to approve the agreement



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as presented. Board Member Terrence Steele seconded the motion. The motion carried unanimously.

- VI. 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 Leon Klement to convene in Executive Session. Board Member Kenneth Liggitt seconded the motion. Motion carried unanimously and the TAPS Board of Directors entered Executive Session at 3:07 pm.

At 5:00 pm, Motion was made by Board Member Bill Magers to reconvene in open session. Board Member Terrence Steele seconded the motion. Motion carried unanimously. Chairman Spanky Carter reported there was nothing from Executive Session requiring action be taken.

- VII. SCHEDULE NEXT BOARD MEETING: Chairman Spanky Carter announced the next Board meeting will be held on Wednesday, December 16, 2015 at 2:30 pm.



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- VIII. ADJOURNMENT: Motion was made by Board Member Bill Magers to adjourn the meeting. Board Member Rick Lewis seconded the motion. Motion carried and the meeting was adjourned at 5:01 p.m.

Passed, Approved and Adopted 5/23/16.

Chairman, TAPS Board of Directors

or



Secretary, TAPS Board of Directors