

**TEXOMA AREA PARATRANSIT SYSTEM
MINUTES OF THE BOARD OF DIRECTORS
REGULAR MEETING
February 6, 2017**

MEMBERS PRESENT: H.L. Compton, Leon Klement, Kenneth Liggett, Bill Magers, Terrence Steele and Ken Brawley

MEMBERS ABSENT: Creta Carter, J.D. Clark and Rick Lewis

STAFF PRESENT: Josh Walker, Shellie White, Karen Kemp, Joe Penson, Katrina Heineking and Shellie Cherry

GUESTS PRESENT: Frank Tobey, Richard Hose, Warren Handy, Nancy Ward, Mark Ewig and Misty Walker

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:** Vice Chairman Bill Magers welcomed guests and declared a quorum, calling the meeting to order at 2:05 pm. An invocation was given by Secretary/Treasurer Terrence Steele.

Vice Chairman Bill Magers introduced Transdev Southwest Regional Vice President Katrina Heineking to the Members of the Board. TAPS location was put under the Southwest Region in October 2016.

- 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.

Former TLS employee, Nancy Ward, stated to the Board she still hasn't received her paycheck from when she was laid off in November 2015. She is upset that she cannot get an answer from the Board of when she can expect her owed pay. She also asked the Board why her social security was not reported to the Social Security Administration for 2015. The social security office told her she only earned \$22.00 for the 2015 calendar year

but worked 11 months. She feels someone needs to answer for this. Vice Chairman Bill Magers asked Ms. Ward which company employed TAPS Access and she stated TLS.

Former TLS employee, Warren Handy, stated he worked with Nancy in the call center. He stated that when he was hired, he thought he worked for TAPS. When he became an employee, a TAPS Human Resources employee hired him, a TAPS training employee trained him and his uniform had TAPS in the logo. He stated when he answered the phone, his script read, "Thank you for calling TAPS ride assist, how may I help you?" He was not aware he was actually employed by Translogistics. Vice Chairman Bill Magers asked Mr. Handy if he was also employed by TAPS Access and Mr. Handy stated that he was.

Former TMS employee and Union Representative, Mark Ewig, stated it was brought to his attention within the last ten (10) days that social security earnings were not reported to the Social Security Administration. Mr. Ewig passed around a handout for each Board member that lists all the former TMS employees that did not have their social security earning reported to the Social Security Administration (SSA). Mr. Ewig stated he took his W-2 up to the SSA and was told that several former employees have come up there concerning this same issue. Vice Chairman Bill Magers asked Mr. Ewig if First Transit has paid all the TMS employees. Mr. Ewig stated that from the list he provided, some have been paid and some have not and he isn't sure what determines who gets paid and when. Most of the former TMS employees that have been paid filed wage claims with TWC but six (6) different individuals Mr. Ewig has spoken with did not file wage claims.

A citizen of the community, Richard Hose, speaks about the social security earnings for TMS and TLS not being reported. He wants to know why the TAPS employees' earnings were reported but not the other two companies.

- III. **APPROVAL OF BOARD MINUTES:** Vice Chairman Bill Magers presented minutes from the December 12, 2016 Board meeting for approval. Board Member Kenneth Liggett made a motion to approve the minutes as presented. Board Member H.L Compton seconded the motion. The motion was carried unanimously.
- IV. **ANNUAL AUDIT REPORT:** Michelle Treschwig and her staff were scheduled to make their presentation to the Board and answer any questions they had. Unfortunately, their flight was cancelled and they were not able to attend. The executive committee and staff had a conference call with Ms. Treschwig and her staff during the lunch hour. General Manager Josh Walker stated that TAPS is making progress in the right direction and asked Finance Manager Shellie White to give more details. Ms. White explained how from October 2015 through March 2016, TAPS had seven (7) findings, which was before Transdev took over service. From March 2016 through September 2016, TAPS had only

two (2) findings. The auditors had stated that if TAPS keeps moving forward in the right direction as they have been since March 2016, we should have an *unqualified opinion* for the 2017 fiscal year. Currently we have a *qualified opinion* based on the first five (5) months of the 2016 fiscal year. The exit conference was completed with the Executive Committee via phone conference. Ms. Treschwig and her staff will be present at the next Board meeting to give their presentation. No action taken at this time.

- V. **FTA FISCAL YEAR 2017 CERTIFICATIONS AND ASSURANCES:** General Manager Josh Walker discusses FTA's requirements for grantees to execute an agreement providing Certifications and Assurances to program requirements prior to awarding grant funds. Mr. Walker requested the Board's approval and consideration of authorizing Board Chairman Spanky Carter to execute the agreement. Board Member H.L. Compton made a motion to approve the documents. Secretary/Treasurer Terrence Steele seconded the motion. Motion was carried unanimously.
- VI. **RECEIVE UPDATE ON PUBLIC COMMENT RELATED TO DRAFT POLICY ON LATE CANCELLATION, NO SHOW AND CLIENT CONDUCT:** General Manager Josh Walker updated the Board on public outreach and public comment concerning the proposed policy. To date, no public comment has been made. Under the Board's direction, staff made contact with those that will be impacted by this policy via certified mail. There were fifty (50) clients that were mailed letters and a copy of the draft policy. Of the fifty (50), staff was able to confirm forty-three (43) mailing addresses and thirty-three (33) mailings were successfully delivered. By putting this policy into place, staff is hoping it will elicit more cooperation from clients. Once a pattern of no shows and/or late cancellations is established, we may restrict access to service. Mr. Walker requested the Board to implement this policy effective March 13, 2017. A motion was made by Board Member Leon Clement. Board Member Ken Brawley seconded the motion. Motion was carried unanimously.
- VII. **TAPS BANK ACCOUNT SIGNATURE AUTHORITY:** General Manager Josh Walker presented three (3) Board Resolutions concerning the TAPS' bank accounts and their signature authority. Resolution 1-2017 and Resolution 2-2017 currently only require one signature. Mr. Walker requests that both accounts require two signatures; the General Manager of TAPS and a Member of the Board who has been approved by the Board to act in such capacity. Resolution 3-2017 authorizes Member of the Board signature authority to Chairman Judge Creta Carter, Vice Chairman Judge Bill Magers and Secretary/Treasurer Councilman Terrence Steele. Board Member Kenneth Liggett made a motion to approve

the resolutions presented. Board Member Leon Clement seconded the motion. Motion was carried unanimously.

VIII. **TAPS FACILITY MAINTENANCE PLAN:** Maintenance and Facilities Manager Joe Penson presented a Facility Maintenance Plan for funded assets and facilities, which meets the requirements of FTA. Staff requested the Boards' consideration and adoption of this plan. Board Member Kenneth Liggett made a motion to adopt this policy. Board Member Ken Brawley seconded the motion. Motion was carried unanimously.

IX. **MONTHLY FINANCIAL AND OPERATIONAL UPDATE:** Finance Director Shellie White presented the FY 2017 Financial and Budget Variance Reports. Ms. White also mentioned staff has submitted for preliminary Requests for Reimbursement (RFRs) For September through December for Transdev Invoices. The December bank reconciliation was completed on January 4th and the January bank reconciliation was completed on February 6th. Vice Chairman Bill Magers asked Ms. White how much is currently owed to Transdev. She stated the amount owed is \$970,000 due to cash flow. Staff has been working diligently with TXDOT to get funding to pay the September through December invoices. Other financial items presented in packet were December 2016 and January 2017 Board reports and bank details. Operational items presented in packet were December 2016 and January 2017 scheduled and actual trip information and YTD summary; and TAPS Quarterly Management and Compliance Report.

X. **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):

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 Ken Brawley to convene in Executive Session. Secretary/Treasurer Terrence Steele seconded the motion. Motion carried unanimously and the TAPS Board of Directors entered Executive Session at 2:50 pm.

At 4:11 pm, Motion was made by Board Member Ken Brawley to reconvene in open session. Board Member H.L. Compton seconded the motion. Motion carried unanimously.

Vice Chairman Bill Magers formally announced Josh Walker as the new Transdev General Manager for TAPS. Board Member Kenneth Liggett made a motion to approve this

announcement. Board Member Leon Klement seconded the motion. Motion was carried unanimously.

- XI. **SCHEDULE NEXT BOARD MEETING:** Vice Chairman Bill Magers announced the next Board meeting will be held on Monday, March 20, 2017 at 2:00 pm.

- XII. **ADJOURNMENT:** Board Member H.L. Compton made a motion to adjourn the meeting. Board Member Ken Brawley seconded the motion. Motion carried unanimously and the Board meeting was adjourned at 4:13 pm.

Passed, Approved and Adopted at Board meeting held on March 20, 2017.