

**TEXOMA AREA PARATRANSIT SYSTEM
MINUTES OF THE BOARD OF DIRECTORS
REGULAR MEETING
January 29, 2018**

MEMBERS PRESENT: Bill Magers, H.L. Compton, Michael Baecht, Creta Carter, Rick Lewis, Kenneth Liggett and Pamela Howeth

MEMBERS ABSENT: J.D. Clark, Rick Lewis, Leon Klement

STAFF PRESENT: Josh Walker, Shellie White, Melissa Frank, Karen Kemp, Joe Penson and Shellie Cherry

GUESTS PRESENT: Michelle Treschwig, Ernie Gelpi, Richard Hose, Mark Ewig, Bill Fox, Craig Price and Michael Hutchins

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 Creta Carter welcomed guests and declared a quorum, calling the meeting to order at 2:00 pm. Councilman H.L. Compton gave the invocation.

- 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.

There were no speakers.

- III. **APPROVAL OF BOARD MINUTES:** Chairman Judge Creta Carter presented minutes from the December 18th Board meeting for approval. Judge Kenneth Liggett made a motion to approve the minutes as presented. Councilman H.L. Compton seconded the motion. The motion was carried unanimously.

- IV. **ANNUAL AUDIT REPORT:** Michelle Treschwig from Kushner LaGraize presented the Single Audit report. Mrs. Treschwig announced that for FY 2017 TAPS received an Unmodified (Clean) Opinion on the financial statements, which is the best opinion that can be received. This is the Independent Auditor Report. On the second report of Governmental Auditing Standards of financial reporting, TAPS received no findings. The prior year TAPS

had one finding on this. The third report is a report on Uniform Guidance which is the testing over TAPS' grants. This report also received an Unmodified (Clean) Opinion. Michelle commended the Board and the staff for such a great job. Michelle did point out that TAPS still has a net deficit of \$1.9 million however TAPS was able to reduce their operation loss. In 2016 the operation loss was \$2.3 million and currently it is down to \$861,000 which is very good. Hopefully in the future TAPS will be able to increase their revenues and decrease their expenses to chip away at the \$1.9 million net deficit. Mrs. Treschwig congratulated the Board/staff for working together and so diligently in such a short period of time (two years) and come this far by having a clean audit. If TAPS continues to have Unmodified Opinions that will open up more doors for more grant funding. Mrs. Treschwig states that the continuation of open communication with TXDOT and FTA is very crucial to the success for TAPS.

Vice Chairman Judge Bill Magers wanted to clarify with Mrs. Treschwig and make sure the board knew that the operation loss is from depreciation and not actual cash, which she clarified as correct.

Vice Chairman Judge Magers made a motion to accept the Single Audit report. Judge Kenneth Liggett seconded the motion. Motion was carried unanimously.

- V. **DRUG AND ALCOHOL AUDIT STATUS:** Transdev General Manager Josh Walker let the board know about TAPS' January 18th deadline to get corrective action items submitted to the Reviewer. These items have been submitted and we are waiting for feedback. The board will continue to be updated monthly until this audit is closed out.

- VI. **REVISED DRUG AND ALCOHOL POLICY:** Josh Walker presented the revised Drug & Alcohol Policy with the revisions that are required and in accordance with federal regulations. The revised policy presents the testing of opioids which went into effect January 1, 2018. Councilman H.L. Compton made a motion to adopt the revised policy. Secretary/Treasurer Michael Baecht seconded the motion. Motion was carried unanimously.

- VII. **MEMORANDUM OF UNDERSTANDING:** The Memorandum of Understanding (MOU) is a signed document of understanding between the Sherman-Denison MPO, TAPS and the State of Texas acting through the Texas Department of Transportation. This is MOU is amended after the MPO received feedback from the state that it needed to contain more information. Mr. Walker requested the Board to adopt and execute the attached MOU regarding public participation. Judge Kenneth Liggett motioned to adopt the MOU as

presented. Councilmember Pamela Howeth seconded the motion. Motion was carried unanimously.

VIII. **MONTHLY FINANCIAL UPDATE:** Transdev Finance Manager Shellie White discussed the FY 2018 Financial Report. The Transdev invoice for December was \$212,259 which was paid today (1/29/18). Mrs. White explained the MTD verses YTD variance on the 2018 Budget Variance Report. In December, TAPS received \$171,333 from TXDOT and December bank reconciliations were completed on January 3rd. All quarterly reports for TXDOT and FTA were completed on January 16th. Following today's Board meeting the single audit report will be submitted to the Federal Clearinghouse.

IX. **OPERATIONAL UPDATE:** Josh Walker discussed the Quarterly Management & Compliance Report which consists of monthly maintenance information (roadcalls, fleet miles, PM inspections, etc), drug and alcohol information (pre-employments, randoms, post accidents, etc), safety information including accidents and injuries, and any Civil Rights complaints (Americans with Disabilities Act (ADA) and Title VI).

For the month of November, TAPS had an on time performance rating of 94%; there were a total of 2,788 actual trips taken and 486 trips were denied. 424 of these trips were urban. Trips were slightly down for December because of the holidays. Mr. Walker and Operations Manager Karen Kemp will be working with staff to reach a goal of completing three (3) trips per hour.

Mr. Walker also mentioned that he is still working on the DBE plan and will have that ready to present soon.

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 Judge Liggett to convene to Executive Session. Councilman Compton seconded the motion. Motion carried unanimously and the TAPS Board of Directors entered Executive Session at 2:22 pm.

At 2:59 pm, Motion was made by Councilman Compton to reconvene in open session. Vice Chairman Bill Magers seconded the motion. Motion carried unanimously.

Judge Liggett made a motion to ratify the amended contract with Transdev. Councilmember Pamela Howeth seconded the motion. Motion was carried unanimously. Judge Kenneth Liggett wanted to clarify that TAPS is not changing the contract with Transdev, just extending the length of the contract.

Secretary/Treasurer Michael Baecht made a motion to ratify the settlement agreement with First Transit. Councilmember Pamela Howeth seconded the motion. Motion was carried unanimously.

Councilman H.L. Compton made a motion to ratify the settlement agreement with Conway. Councilmember Pamela Howeth seconded the motion. Motion was carried unanimously.

- XI. **SCHEDULE NEXT BOARD MEETING:** The next board meeting is scheduled for Monday, February 26, 2018 at 2:00 pm
- XII. **COMMENTS BY TAPS BOARD OF DIRECTORS:** Councilman H.L. Compton thanked the Transdev staff and Executive Committee for a clean audit. Vice Chairman Bill Magers thanked Chairman Creta Carter for his leadership. Chairman Creta Carter stated two years ago that TAPS would still be around and we are still here and have more miles to go.
- XIII. **ADJOURNMENT:** The Board meeting was adjourned at 3:02 pm.

Passed, Approved and Adopted at Board meeting held on February 26, 2018.