CALL TO ORDER:

A regular meeting of the North Central Regional Transit District Board was called to order on the above date by Mayor Dan Barrone, Chair, at 9:03 a.m. at the Jim West Regional Transit Center, Española, New Mexico.

1. Pledge of Allegiance

2. Moment of Silence

3. Roll Call

Ms. Trujillo called the roll and it indicated the presence of a quorum as follows:

<table>
<thead>
<tr>
<th>Members Present</th>
<th>Elected Members</th>
<th>Alternate Designees</th>
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<tbody>
<tr>
<td>Los Alamos County</td>
<td>Councilor Pete Sheehy</td>
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<tr>
<td>Rio Arriba County</td>
<td>Commissioner Alex Naranjo</td>
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<td>Taos County</td>
<td>Commissioner Jim Fambro</td>
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<tr>
<td>Town of Taos</td>
<td>Mayor Dan Barrone, Chair</td>
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<tr>
<td>Santa Fe County</td>
<td>Commissioner Ed Moreno</td>
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<td>Nambé Pueblo</td>
<td>Lt. Gov Arnold Garcia</td>
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<td>Ohkay Owingeht</td>
<td>Absent</td>
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<tr>
<td>Pojoaque Pueblo</td>
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<td>Councilwoman Elizabeth Duran</td>
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<tr>
<td>Santa Clara Pueblo</td>
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<td>Ms. Mary Lou Valério</td>
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<tr>
<td>City of Santa Fe</td>
<td>Councilor Joseph Maestas</td>
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<td>San Ildefonso Pueblo</td>
<td>Ms. Lillian Garcia</td>
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<tr>
<td>Tesuque Pueblo</td>
<td>Absent</td>
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<tr>
<td>City of Española</td>
<td>Councilor Tim Salazar</td>
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<td>Town of Edgewood</td>
<td>Councilor Chuck Ring</td>
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<td>Rio Metro (ex officio)</td>
<td>Ms. Elizabeth Carter</td>
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</tbody>
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**Staff Members Present**

Mr. Anthony J. Mortillaro, Executive Director  
Ms. Jackie Trujillo, Executive Assistant  
Ms. Stacey McGuire, Projects and Grants Specialist  
Mr. Troy Bingham, Finance Director  
Mr. Peter Dwyer, Legal Counsel  
Ms. Dora Anaya, HR Director  
Ms. Delilah Garcia, Transit and Facilities Operations Director  
Mr. Jim Nagle, Public Information Officer

**Others Present**

Mr. Carl Boaz, Stenographer  
Mr. Austin Fisher, Rio Grande Sun  
Mr. James Martínez, Santa Fe Trails  
Mr. Ray Matthews, Santa Fe County  
Mr. Marcos López  
Mr. Elmer Padilla

4. INTRODUCTIONS

Those present introduced themselves to the Board. Councilor Sheehy said he would soon be replaced by Councilor Antonio Maggiore.

5. APPROVAL OF AGENDA

Commissioner Fambro moved to approve the Agenda as presented. Councilor Salazar seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambe Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

6. APPROVAL OF MINUTES – January 13, 2017

Commissioner Naranjo moved to approve the minutes of January 13, 2016 as submitted.
Councilor Maestas seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

7. PUBLIC COMMENTS

There were no public comments.

PRESENTATION ITEMS:

There were no presentation items.

ACTION ITEMS:

A. Discussion and Consideration of Adoption of a Resolution No. 2017-06 Amending the Procurement Regulations

Mr. Mortillaro said the last modification of the procurement regulations was in Dec 2012. This amendment clarifies the exemptions. After a Rail and Transit Division technical review conducted in October, 2016 there were some requested modifications for procurement regulations to align with FTA procurement rules. Mr. Bingham and Mr. Dwyer worked on them.

Mr. Dwyer said the main change is on page 17 of the packet, to indicate the general authority under our own statutes to have our own regulations. This position is that the District is an independent authority for adoption of its own laws but they comply with State and Federal government procurement requirements and best practices. Since the District deals with federal funds it must follow both statutes which don’t always agree, so these regulations are a hybrid.

The additional exemptions placed in this policy are not in state law but believed to be legal. Most are small purchases under State law. The District tries to comply with the state audit. There were a few lingering concerns on processes such as handling protests and concerns to clarify various other processes already in the code.

Mr. Bingham said the biggest change is in the packet, page 33 (page 17 of the policy) to clarify the small purchase thresholds. There is some hindrance in doing our duty and state levels would be advantageous. The 12-B federally funded threshold is still $3,500. For any vehicle maintenance cost that is higher, the District must get multiple quotes or have a contract. We follow state contracts where possible. Anything outside of vehicle maintenance and advertising would fall under the small purchase level (under the raised threshold of $20,000). For over that amount, it is up to the chief procurement officer to find the most appropriate way to go out for procurement. For towing, it is the closest tow company - not 3 bids in the state. But anything over $20,000 requires three quotes. That is sometimes difficult but that is what the State requires.

Emergency purchase is sole source. Maintenance of software is the vendor. Sole source purchases are posted 30 days on the web site and emergency procurements are irregular and are posted as soon as
the emergency is known.

Exemptions are shown on page 18 for things like office supplies. The State once put out pricing agreements to avoid bids but decided not to do that any longer. Intergovernmental agreements don't fall under procurement regulations.

Towing is shown on page 20. The District uses one of three towing companies with big rigs, broken out by community area.

The other issue he pointed out was bid and performance bonds on page 37. On construction, the previous threshold was $50,000 and is proposed now at $250,000. In northern New Mexico, it is not common to get bids so this would allow the District to avoid having to teach them about the bid bond market, the payment bond market and the performance bond market. It does introduce some risk and is up to the chief procurement officer. To do so, requires more money and a search so this would give more leeway.

Commissioner Fambro asked how many contracts the District has under $250,000.

Mr. Bingham said there is only one now - for 9 bus stops, and only 3-4 since he came.

Commissioner Fambro asked what would be done if the District had a contractor who didn't pay their sub-contractor if the District was not happy with the work.

Mr. Bingham said they would consider performance bonds if that was suspected it might happen.

Mr. Dwyer said the District can do bonding selectively. For the generator, the cost of the bond was too expensive. This change gives us more flexibility and saves money.

Mr. Mortillaro explained the terminology change. A certified chief procurement officer is required by the State for all local governments Mr. Bingham has met the requirements to be one.

Councilor Sheehy said the Finance Committee reviewed these changes and finds them all reasonable.

Councilor Salazar moved to approve Resolution No. 2017-06 Amending the Procurement Regulations. Commissioner Naranjo seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

B. Discussion and Approval of North Central Regional Transit District FY 2017 Mid-Year Financial Summary Report

Mr. Mortillaro said the financial polices require a mid-year financial report and it allows identification of possible mid-year adjustments if they are warranted.

Mr. Bingham reviewed the report that began on page 105 with revenues. This gives a prediction and
gets us ready for the budget cycle. We expect less than budgeted for revenues. Certain revenues are better. GRT is about $6,000 to the good and will make up for the need to use fund balance. The federal grants don't always match the fiscal year so the budget has some from last year and some go into next year. We are using everything to the best of our capacity.

He still expected Los Alamos to fulfill their local contribution but that is not decided yet. The Mountain Trail is the same as last year. The District is using current revenue for current expenses. Insurance proceeds are coming in.

Page 106 shows grant revenue and a spike of expenses in April for the 14 of buses now in Albuquerque waiting the equipment to come in for installation.

GRT actuals are in line with prior years with $7.6 million anticipated on a budget of $7.0 million. He went through the individual counties.

Mr. Bingham reviewed the expenses and highlighted personnel, fleet and facilities. The biggest savings was in capital outlay but did not anticipate any carry over. Capital savings are never used to cover operational shortfall.

In response to a question on state funds reverting, Mr. Bingham said the only amount was for a vehicle which he anticipated would be spent in March.

Councilwoman Durán noted that the Governor has frozen those state funds and asked if that would have any effect on the budget.

Mr. Bingham said the District has already encumbered the money for the vehicle so it will have no effect on the District.

Commissioner Fambro moved to accept the FY 2017 Mid-Year Financial Summary Report as presented. Councilor Maestas seconded the motion and it passed by unanimous (11-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against. Town of Edgewood was not present for the vote.

C. Discussion and Consideration of Award of Contract – Española Facility Backup Generator Project and Resolution No. 2017-07 Amending the FY 2017 Budget

Mr. Mortillaro said this has been in the capital plan for several years. Power outages are experienced periodically and we want this building to operate during those outages and as a potential emergency facility as well. The District went out for bids three times and were not successful in getting proposals until the third time.

Mr. Bingham said we originally estimated the cost at $90,000 for purchase and installation. On the third try, four bids came in with the lowest at $98,233.87. This is a request to increase the budget by $18,000 ($9,000 for the project and $9,000 for contingency). Wilson & Company will be the project engineer who are knowledgeable with it. They plan to kick it off as soon as the Board approves and have the generator in place for the summer when we get most outages. By not doing other capital projects, we are able to
minimize the increase. It requires Board approval. The match is from unused funds from a Taos project.

Mr. Mortillaro added that Wilson Engineering did the design specs and will do construction management to make sure the contractor constructs to that design. It requires some excavating across the parking lot for connection and a wall around the generator which will be diesel-powered and the generator includes the fuel container.

Chair Barrone asked about possible fuel spills.

Mr. Bingham said the design will provide a double-wall tank to contain any possible spill.

Councilor Maestas moved approve Resolution No. 2017-07 Amending the FY 2017 Budget to increase the capital budget to accommodate the facility backup generator project from $90,000 to $108,000 as presented in the agenda. Councilor Ring seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

Councilor Maestas moved to authorize the Executive Director to execute a contract for $98,233.87 to Omega Contractors for the installation and construction of a backup generator for the Española facility. Chair Barrone seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

Councilor Maestas moved to authorize the Executive Director, if required, to increase the award to Omega Contractors if there are any unforeseen construction expenses not to exceed the project budget. Commissioner Naranjo seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

D. Discussion and Consideration of Budget Resolution No. 2017-08 Approving a Capital Project Funding Allocation for the Operations Area Remodel

Mr. Mortillaro explained that there is an area in back that was originally planned as a customer waiting area and never used for that purpose so it has been available as extra space for future growth. The growth needs are now here with addition of another supervisor and perhaps a space for a third dispatch station and a small conference room for private meetings with employees. So they are planning to remodel that area.

Mr. Bingham said in the 2017 budget, $22,000 was allocated for the project. As contractors saw the 20’ ceilings and other problems they would encounter, the cost increased. The construction cost for moving a wall and reconstructing a small conference room is $23,181. Cubicles and conference room chairs are estimated to be around $21,513 and carpeting throughout at actual cost to match existing area. IT services are maxed out so a small IT closet is needed for more capacity on the server at $2,500 and with a 10% contingency, the revised amount would be $54,658. So, $25,000 is needed to cover the shortfall. The
budget included funding for bus shelters and bus stop improvement project that will not be done this year will make up the difference so the overall budget change is zero.

Councilor Maestas asked about the nature of bus stop improvements.

Mr. Bingham explained that the District buys two shelters every year and funds to replace one damaged by accident. The District is adding 9 bus stops this year and 4 more next year.

Councilor Maestas wanted to make sure we are not taking money from the ADA retrofits.

Mr. Bingham agreed that it won’t.

Commissioner Naranjo moved to approve Budget Resolution No. 2017-08 Approving a Capital Project Funding Allocation for the Operations Area Remodel. Councilor Maestas seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

E. Discussion and Approval of Memorandum of Agreement (MOA) between NCRTD and Jicarilla Apache Nation (JAN) for Federal Fiscal Year (FY) 2016 Tribal Transit Program (TTP) Discretionary §5311(c) Funds

Mr. Mortillaro said some time back the Board authorized submission of a grant application from NCRTD and Jicarilla apache Nation and it was successful to provide for 5-day service from Dulce to Farmington and Dulce to Chama. We need to have a Memorandum of Agreement to use those funds.

Ms. McGuire said the funds would be used to provide the service and purchase a vehicle for the routes. The proposed MOA was shown on page 308 with a template as reviewed by Mr. Dwyer and Jicarilla Legal Department. If approved, they will meet with them on February 8 and she didn’t expect any change in the draft.

The cost is $234,000 with $211,000 from the federal award and Jicarilla local match of $23,000 plus indirect costs of $23,000, with the caveat that this is contingent on Jicarilla Apache Nation approval. If it changes, she will bring it back.

Lt. Gov Garcia moved to approve the Memorandum of Agreement (MOA) between NCRTD and Jicarilla Apache Nation (JAN) for Federal Fiscal Year (FY) 2016 Tribal Transit Program (TTP) Discretionary §5311(c) Funds. Commissioner Naranjo seconded with contingency of Jicarilla Apache Nation approval, and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambé Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.

F. Discussion and Acceptance of Investment of District Funds Summary

Mr. Bingham reported for the second quarter an increased investment portfolio since capital projects
don’t normally happen until later in FY with eight brokered CDs added and liquidated two large treasuries, as described on page 321. The average return for this portfolio is 50 bps and a maturity of 9 months. He is considering lengthening the maturity to two years. It continues to be a passive portfolio.

Councilor Sheehy said the Finance Committee looked at it and determined that the return is improving. Mr. Bingham is quite aware of managing them and keeping sufficient cash to cover current expenses. It is a good and prudent policy and the Committee approved the report.

Councilor Ring moved to accept the Investment of District Funds Quarterly Summary Report as presented. Councilor Maestas seconded the motion and it passed by unanimous (11-0) roll call vote with City of Española, Los Alamos County, Nambe Pueblo, Town of Edgewood, Pojoaque Pueblo, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against. Rio Arriba County was not present for the vote.

Councilor Sheehy commented that, although Mr. Bingham tries to maximize the return, it moves our funds away from local banks. If they offer a competitive return, the District can put its money there first but cannot subsidize the local banks and not obtain what can be achieved elsewhere.

G. Discussion and Acceptance of Automatic Clearing House (ACH) Payments over $20,000 from July 1, 2016 through December 31, 2016

Mr. Mortillaro explained that this is our first report on electronic payments made that are over $20,000 which are required by the policy approved last month to be reported. In the past, those payments were made by checks with two signatures.

Mr. Bingham commented that they included payments to Rio Metro, Los Alamos County, and City of Santa Fe. Some payroll taxes are over $20,000. $2.9 million of $4 million were done through ACH. This program is a success and it makes sure we are good stewards. More and more vendors are open to that.

There was skepticism in giving out their bank accounts and we have proven their trust. This is typical throughout the country.

Councilor Ring asked what benefit is derived from the ACH payments.

Mr. Bingham said that by law, the District is required to pay within 30 days. With ACH, we typically do it within two weeks now. No rebates are achieved by this but the District could time the payments more precisely.

Councilor Ring moved to accept the report of Automatic Clearing House (ACH) Payments over $20,000 from July 1, 2016 through December 31, 2016 as presented. Commissioner Naranjo seconded the motion and it passed by unanimous (12-0) roll call vote with City of Española, Los Alamos County, Nambe Pueblo, Town of Edgewood, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Clara Pueblo, City of Santa Fe, Santa Fe County, Taos County, and Town of Taos voting in favor and none against.
DISCUSSION ITEMS

H. Financial Report for December 2016:

Mr. Bingham referred to page 326 for the financial report and provided details on county GRT revenues. GRT is down $26,000 for the year but grant revenue is up $53,000. He commented on the expenses which was at 34% halfway through the fiscal year. He described the percentages for each of the categories and stood for questions.

There were no questions on the financial report.

I. Finance Subcommittee Report:

Councilor Sheehy said most of this was commented on earlier in the meeting.

Commissioner Fambro said he was shown as absent but he was not a member of the Finance Subcommittee. Leandro Cordova is the member but he missed the phone call.

Mr. Mortillaro agreed. Also, John Bulthuis should not be shown as a member.

J. Tribal Subcommittee Report

Mr. Mortillaro said there was no report. The next meeting is tentatively scheduled for April 17th.

K. Executive Report and Comments from the Executive Director.

Mr. Mortillaro said his report is in the packet.

Ms. Garcia presented the highlights from the performance report in the packet, including the costs per mile for operations, the vehicle ratio, preventative maintenance, accidents, passenger compliments and complaints. She also reported on paratransit statistics.

There were no comments or questions.

Mr. Mortillaro introduced Mr. David Funck new Manager of Fleet and Facilities who came from State DPS maintenance operations and invited him to speak.

Mr. Funck said he was looking forward to working at the RTD which he considered the best transit operation in the State.

Mr. Mortillaro reported on the consolidation study report that the tasks are completed and the final comments submitted to the contractor. The financial conditions draft is awaiting some final data and hopefully will be here by next week for a final review.

All stakeholders completed the survey except for NCRTD Board members and some of those are finished. Once these are done and signed off by City and District, the consultants will draft the options for consolidations and evaluate them. Then the draft will be released to the public and public meetings on the
document scheduled. Once that is done, the consultants will meet with the Board for draft comments and with Santa Fe City Council for their comments. Once that is done, they will finalize the study and submit final recommendations for acceptance by Board and City Council. He is looking at early March for those to be delivered here.

Mr. Mortillaro said the March meeting would have our annual fundraiser for the Employees' Fund. Come hungry.

MATTERS FROM THE BOARD

1. Meeting Rotation Schedule.

Mr. Mortillaro said that at the January meeting a question came up about Board meeting locations rotation. The Board tried rotating every quarter and did four of them and then stopped because it was only for one year.

Chair Barrone asked how hard that is on staff for moving the meeting around to transport everything and make sure it is posted, etc. He felt this is a great place to meet. Councilor Ring probably travels the furthest. We built this building to make it a good meeting place and Española is a good central location.

Mr. Dwyer said it is very important to have good audio capability. Some may wish to participate by phone and that can only happen with good telecommunications facilities so the audience can hear. The AG discourages boards and commissions moving their meeting locations around.

Councilor Maestas felt it was easier on everyone to meet here. This is the main meeting location and he hated to change it.

Councilor Salazar also agreed. There is lots of paper in the packets and a lot of work on staff already.

Mr. Mortillaro announced that this is Councilor Sheehy’s last meeting with the Board and thanked him for his participation on this Board. He had diligence and dedication and for the chairing the Finance subcommittee.

Councilor Sheehy said it has been an honor and a pleasure to be on this Board. Councilor Antonio Maggiore will be taking his place. He is younger and a big supporter of transit.

He commented that an important bill they are working on is that next year, the Los Alamos contract will be up for bid and possibly go back to a nonprofit. Ten years ago, it was with the University of California and then went to a for-profit consortium. If it goes back to a nonprofit, Los Alamos stands to possibly lose $20 million and the State about $50 million. and the NCRTD a great amount, too.

DC needs to look at who can do the best job. There is a lot of support for a nonprofit. So, Representative Garcia would simply take away the tax exemption for national laboratories if the contractor is nonprofit. That bill doesn’t change anything right now but it could save a real revenue disaster. And allow the best contractor to do the job. We support that bill and there is good support for it regionally. He would be happy to work with any of the Board members on transit issues. He thanked them for all of their cooperation.
Mr. Mortillaro said NMTA is introducing a funding bill. He would get the numbers for the Board members. It will allow for about $15 million in severance bonds over the next five years for the acquisition of transit vehicles and facilities on a state-wide basis. $2.7 million would go to public transit; $300,000 to senior transit providers. It will be introduced now. Hopefully, the members will be able to support that bill. The sponsor, Bobby Gonzales, chairs the transportation committee.

MISCELLANEOUS

There were no miscellaneous matters.

ADJOURNMENT

Commissioner Naranjo moved to adjourn the meeting. Councilor Maestas seconded the motion and it passed by unanimous voice vote.

The meeting was adjourned at 10:42 a.m.

Approved by:

[Signature]
Daniel R. Bárnone, Chair

Attest:

[Signature]
Dennis Tim Salazar, Secretary

Submitted by:

[Signature]
Carl Boaz for Carl G. Boaz, Inc