North Central Regional Transit District
Board Meeting
Friday, October 9, 2015
Jim West Regional Transit Center
Española, New Mexico
9:00 a.m. - 1:00 p.m.

CALL TO ORDER:

A regular meeting of the North Central Regional Transit District Board was called to order on the above date by Mayor Daniel Barrone, Chair, at 9:20 a.m. at the Jim West Regional Transit Center, 1327 Riverside Drive, Española, New Mexico.

1. Pledge of Allegiance

2. Moment of Silence

3. Roll Call

Ms. Sandoval 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></td>
<td>Mr. Philo Shelton [telephonically]</td>
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<tr>
<td>Rio Arriba County</td>
<td>Councilor Alex Naranjo</td>
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<td>Taos County</td>
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<td>Mr. Leandro Cordova</td>
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<td>Town of Taos</td>
<td>Mayor Daniel Barrone</td>
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<tr>
<td>Santa Fe County</td>
<td>Commissioner Miguel Chávez</td>
<td></td>
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<tr>
<td>Nambé Pueblo</td>
<td>Absent</td>
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<td>Ohkay Owingeh</td>
<td>Ms. Christy Mermejo</td>
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<td>Pojoaque Pueblo</td>
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<td>Mr. Cameron Martinez</td>
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<td></td>
<td>Absent</td>
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<td>Santa Clara Pueblo</td>
<td>Absent</td>
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<tr>
<td>City of Santa Fe</td>
<td>Absent</td>
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<tr>
<td>San Ildefonso Pueblo</td>
<td>Ms. Lillian Garcia</td>
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<td>Tesuque Pueblo</td>
<td>Fmr. Gov. Charles Dorame</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>Absent</td>
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<td>Rio Metro (ex officio)</td>
<td>Absent</td>
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**Staff Members Present**
Mr. Anthony J. Mortillaro, Executive Director  
Mr. Michael Kelly, Transit Operations Manager  
Ms. Stacey McGuire, Projects and Grants Specialist  
Mr. Jim Nagle, Public Information Officer  
Mr. Troy Bingham, Finance Director  
Mr. Gary Guinn, Fleet and Facilities Maintenance Manager  
Ms. Shannon Sandoval, Financial Specialist  
Ms. Daria Veprek, Human Resources Director

**Others Present**
Mr. Peter Dwyer, Legal Counsel  
Mr. Carl Boaz, Stenographer

4. **INTRODUCTIONS**

Everyone present introduced themselves to the Board and public.

5. **APPROVAL OF AGENDA**

Councilor Naranjo moved to approve the agenda with the closed executive session right after the action items. Mr. Cordova seconded the motion and it passed by unanimous roll call vote with City of Española, Los Alamos County, Ohkay Owingeh, Pojoaque Pueblo, Rio Arriba County, Santa Fe County, Taos County and Town of Taos voting in favor and none voting against (8-0).

6. **APPROVAL OF MINUTES as September 4, 2015**

Commissioner Chávez moved to approve the minutes of September 4, 2015 as submitted. Ms. Christy Mermejo seconded the motion and it passed by unanimous roll call vote with City of
7. PUBLIC COMMENTS

There were no public comments.

PRESENTATION ITEMS:

A. Recognition of Mr. Tim Vigil's Service to the North Central Regional Transit District Board of Directors

Mr. Vigil was not present to receive recognition.

B. Introduction of North Central Regional Transit District Human Resources Director

Mr. Mortillaro introduced Daria Veprek as the new Human Resources Director who started nearly a month ago. The Board welcomed her to the RTD.

ACTION ITEMS

C. Discussion and Consideration of Resolution No. 2015-29 Updating the North Central Regional Transit District’s Financial Policies

Mr. Bingham presented this resolution and noted that the investment portion was being moved into its own policy (p 38).

Ms. Garcia joined the meeting at 9:28.

Mr. Bingham explained the policy changes starting on p 41 of the packet. The policy includes a more restrictive collateralization of 100% regardless of what bank holds the funds. It also redefines interest and that the District will use multiple banks with 60% maximum in any one bank. He added that interest from the banks is usually very low but liquidity is high. As much as 40% is available in 24-48 hours. The remainder is held for one-year minimum. The District keeps investments within the four counties of the District and all is insured by FDIC up to $250,000. At least 12% of revenue should be in checking at all times so liquidity is ample to meet the needs. The Local Government Investment Pool does not provide a great return. The highest for LGIP has been 1.2%. CDs are opened in staggered one-year terms.

Mr. Bingham said the interest earned for the year was equivalent to a driver’s salary.

Every quarter at the Finance Subcommittee he will review the investment portfolio to keep returns as positive as possible.
Mr. Bingham recommended reducing the present $3.3 million in liquidity to $2.5 million with 10% in the LGIP and moving the excess into CDs for a return of at least 40 basis points. All of it will be secured through collateralization.

The most important change is on the broker/dealer policy to open up the ability to invest in government securities and mutual funds. There are not many things that produce great returns but the District will seek for them.

Mr. Cordova supported separating the investment policy. He asked if there is a cost at LANB at 100% collateralization.

Mr. Bingham said LANB is the largest bank within the District and they provide the collateralization at no cost.

Commissioner Chávez referred to policy #6 where he saw no heading on any of the material that identified that policy.

Mr. Bingham referred him to page 38.

Commissioner Chávez said the Resolution addresses financial policy #1 and investment policy #6 and asked if in the motion, they need to reference those two documents.

Mr. Bingham said the resolution is on page 16.

Commissioner Chávez understood the Board is adopting a redline version so it is only a draft. He asked when the Board will see the final version.

Mr. Bingham said if the Board approves the resolution that will become the final policy. The dates will be inserted in the resolution.

Commissioner Chávez moved to approve Resolution 2015-29 updating the North Central Regional Transit District’s Financial Policies. Chair Barrone seconded the motion and it passed by unanimous roll call vote with City of Española, Los Alamos County, Ohkay Owingeh, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Fe County, Taos County and Town of Taos voting in the affirmative and none voting against (9-0).

D. Discussion and Consideration of FY 2016 5310, 5311 Capital, Cash Reserves, and Capital Outlay Budget Bus Procurement

Mr. Mortillaro clarified this is the District’s annual bus procurement.

Governor Dorame arrived at 9:43.
Mr. Guinn clarified that this time, the RTD is doing all bus purchases at one time from eligible funds. The Buses purchased with 5310 funds can only be used on 5310 routes but it will free up the other buses. Staff had asked for 14 and 8 passenger vehicles but had to move up to 14 passenger capacity. Four of them are ADA transit vans with full smart floor feature which are very versatile and user-friendly. Two will have half smart floors.

The 5311 funds will purchase cutaway vans. Match money goes to the 5311 vehicles. They also looked at a demo bus but it wouldn’t meet our needs as it only holds 8 passengers.

All eight vehicles will be purchased by state price agreement.

Ms. Mermejo was confused about how they are matching the federal outlay and Mr. Guinn explained it.

Ms. Mermejo asked if this comes through NMDOT.

Mr. Guinn agreed.

Chair Barrone asked when they will be delivered.

Mr. Guinn said it would take 90 days.

Councilor Naranjo moved for approval of the FY 2016 5310, 5311 Capital, Cash Reserves, and Capital Outlay Budget Bus Procurement. Commissioner Chávez seconded the motion and it passed by unanimous roll call vote with City of Española, Los Alamos County, Ohkay Owingeh, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Fe County, Tesuque Pueblo, Taos County and Town of Taos voting in the affirmative and none voting against (10-0).

E. Discussion and Consideration of Resolution No. 2015-30 Adopting System-Wide Route Modifications

Mr. Mortillaro said the District adopted a five-year service plan that called for route evaluations after six months. We established some pilot routes then and today, we will discuss changes. Not all of the twenty routes are performing as desired.

Ms. McGuire summarized the modifications as shown on page 57 and in a spreadsheet on page 62. Then she went back and provided the reasons for each change in detail which were also included in the packet. Proposed reduction in services and elimination of some bus stops were all based on ridership statistics.

In response to questions from the Board, Ms. McGuire explained that future needs could bring about expanded services or resuming bus stops as needs arose. She also assured the Board that public notices in buses and publications and website would alert the public to the changes. The District will also send emails to all riders who have provided email addresses.
Commissioner Chávez asked that Santa Fe County Commissioners be notified of the reductions in Santa Fe County with the reasons for them.

Ms. McGuire agreed to do so. She said the result of all the proposed changes would be from $12,000 to $22,000 in added costs which can be absorbed into the operational budget.

Commissioner Chávez asked if the Board could leave the resolution open for notice to the public before all the changes are finalized.

Mr. Dwyer said a whereas statement could be added that the changes would be done on a trial basis.

Commissioner Chávez asked that it include that staff would offer public notice and conduct public hearings on the changes where those were needed.

Mr. Dwyer asked if he would accept public outreach?

Commissioner Chávez agreed to that wording.

Mr. Dwyer said he would add public outreach to the resolution.

Commissioner Chávez moved to approve Resolution No. 2015-30 Adopting System-Wide Route Modifications with the public outreach amendment. Councilor Naranjo seconded the motion and it passed by unanimous roll call vote with City of Española, Los Alamos County, Ohkay Owingeh, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Fe County, Tesuque Pueblo, Taos County and Town of Taos voting in the affirmative and none voting against (10-0).

CLOSED SESSION

Closed Session pursuant to NMSA 1978, Section 10-15-1 (H) (7) for the limited purpose of discussing threatened litigation regarding certain demands for refunds made by the NCRTD to the Internal Revenue Service

Commissioner Chávez moved to go into closed executive session. Councilor Salazar seconded the motion and it passed by unanimous roll call vote with City of Española, Los Alamos County, Ohkay Owingeh, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Fe County, Tesuque Pueblo, Taos County and Town of Taos voting in the affirmative and none voting against (10-0).

The Board went into closed session at 10:38 a.m. until 10:51 a.m.

K. Reconvene in Open Session: Possible action item(s) from closed session

Mr. Cordova moved to return to open session. Councilor Naranjo seconded the motion and it
passed by unanimous voice vote.

Mr. Dwyer announced to the public that during the closed session, no actions were taken and the only matters discussed were those identified in the agenda. Mr. Dwyer requested that the Board authorize him to proceed as necessary as indicated in the executive session.

Mr. Cordova moved to approve Counsel’s report. Councilor Naranjo seconded the motion and it passed by unanimous roll call vote with City of Española, Los Alamos County, Ohkay Owingeh, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Fe County, Tesuque Pueblo, Taos County and Town of Taos voting in the affirmative and none voting against (10-0).

Commissioner Chávez moved to direct Counsel to pursue collection of refunds from IRS by the NCRTD. Mr. Cordova seconded the motion and it passed by unanimous roll call vote with City of Española, Ohkay Owingeh, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, Santa Fe County, Tesuque Pueblo, Taos County and Town of Taos voting in the affirmative and none voting against. Los Alamos County was not present for the vote (9-0).

DISCUSSION ITEMS:

Commissioner Chávez asked if the Board could suspend the discussion items to the next meeting. Staff could provide the information to members if needed.

Mr. Mortillaro asked for the Board to consider one item under J.

J. Executive Report for September 2015 and Comments from the Executive Director

Mr. Mortillaro reported that the District has used the State Insurance carrier from the New Mexico Municipal League since the day NCRTD started and has never gone out to the market place to check on insurance coverages and costs elsewhere. He would like to receive proposals from insurance companies to determine what coverage and who should provide it for the District. It might need a change and maybe not. He wanted Board concurrence to issue an RFP and hire a broker to help with the process to represent our insurance needs to various companies out there.

Councilor Naranjo asked what the broker’s fee is.

Mr. Mortillaro anticipated that the chosen insurance company would pay the fee. He would propose it be done as a professional services agreement.

Chair Barrone said he does that in his own business and considered it a good practice.

There were no objections from the Board.

F. Discussion and Review of Performance Measures for ADA Paratransit and Demand Service
This item was not considered.

G. Financial Report for September 2015

This item was not considered.

H. Finance Subcommittee Report

This item was not considered.

I. Tribal Subcommittee Report

This item was not considered.

J. Executive Report for September 2015 and Comments from the Executive Director

Other than the request above, this item was not considered.

1) Executive Report
2) Performance Measures for August 2015
3) Ridership Report for August 2015

MATTERS FROM THE BOARD

There were no matters from the Board.

MISCELLANEOUS

There were no miscellaneous items.

ADJOURN

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

The meeting was adjourned at 10:58 a.m.
The next board meeting is scheduled for November 6, 2015 at 9:00 a.m. at the Jim West Regional Center.

Approved by:

[Signature]

Daniel R. Barrone, Chair

Attest:

[Signature]

Dennis Tim Salazar, Secretary

Submitted by:

[Signature]

Carl Boaz for Carl G. Boaz, Inc.