



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

AGENDA MEETING NOTICE

Date: Wednesday, December 7, 2016
Location: Staples Street Center
602 North Staples Street – 2ND Floor Board Room
Corpus Christi, Texas
Time: 8:30 a.m.

BOARD OF DIRECTORS' MEETING

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	Pledge of Allegiance	C. Rock	1 min.	-----
2.	Moment of Reflection		1 min.	-----
3.	Roll Call –	E. Martinez	2 min.	-----
4.	Opportunity for Public Comment	C. Rock	3 min.	-----
5.	Adoption of Resolution for Outgoing Board Members a. Conrado Garcia	C. Rock	10 min.	<i>Attachment</i>
6.	Update on RCAT Committee Activities	A. Bauman/ S. Montez	3 min.	<i>No Attachment</i>
7.	Discussion and Possible Action to Approve the Board of Directors' Meeting Minutes of November 2, 2016	C. Rock	2 min.	Pages 1-7
8.	Discussion and Possible Action to Approve the Board of Directors' Budget Workshop Meetings Minutes: a. Workshop #1 - July 20, 2016 b. Workshop #2 - August 3, 2016 c. Workshop #3 - August 24, 2016 d. Workshop #4 - September 7, 2016 e. Workshop #5 - September 28, 2016 f. Proposed FY2017 Annual Operating & Capital Budget - Workshop #6 - October 12, 2016	C. Rock	3 min.	<i>Attachments</i>

9.	<p>The following items are routine or administrative in nature and have been discussed previously by the Board or Committees. The Board has been furnished with support documentation on these items.</p> <ul style="list-style-type: none"> a. Action to Authorize the Chief Executive Officer (CEO) or his Designee to Execute Payment to Texas Municipal League Intergovernmental Risk Pool (TMLIRP) to provide Insurance for the following lines of coverage for FY2017: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, and Workers' Compensation Insurance b. Action to Enter into a Professional Service Agreement for Financial Auditing Services c. Action to Enter into Professional Service Agreements for Financial Auditing Services for the RTA Defined Benefit Plan and Trust d. Action to Amend the Capital Asset Policy to Extend the Useful Life of Buildings to 50 years e. Action to Award a Contract to Unifirst for Maintenance Uniform Rental Services f. Action to Authorize the Chief Executive Officer (CEO) or his Designee to Award a Contract to BuyBoard for the Purchase of 13 Relief Sedans and 12 Support Trucks 	C. Rock	7 min.	<p>Pages 8-9</p> <p>Pages 10-11</p> <p>Pages 12-13</p> <p>Pages 14-15 <i>Attachment A</i></p> <p>Pages 16-17</p> <p>Pages 18-19</p>
10.	Discussion and Possible Action to Award a Contract to Evergreen Lawn and Landscape for Bus Stop Cleaning Service	R. Saldaña S. Montez	10 min.	Pages 20-21 PowerPoint
11.	Discussion and Possible Action to Designate a Facilitator for CEO Evaluation Scheduled for January 4, 2017	J. Cruz-Aedo	5 min.	Page 22

12.	Public Hearing on Modifications to the Proposed January 2017 Transit Program Including Service Changes that Will Impact Routes, Stops, and Schedules Throughout the Service Area, Under Phase 1 of the Transit Plan 20/20 Five-Year Service Plan	G. Robinson	10 min.	Pages 23-25
13.	Presentations: a. October 2016 Financial Report b. January 2017 Service Improvements c. October 2016 Operations Report d. Procurement Update	R. Saldaña G. Robinson G. Robinson R. Saldaña	5 min. 10 min. 10 min. 5 min.	Pages 26-30 <i>No Attachment</i> Pages 31-41 <i>No Attachment</i>
14.	CEO's Report a. 2017 APTA Conference	J. Cruz-Aedo	5 min.	<i>No Attachment</i>
15.	Chairman's Report a. TTA Legislative Day b. APTA Legislative Session	C. Rock	5 min.	<i>No Attachment</i>
16.	Adjournment	C. Rock	1 min.	-----
17.	Information: a. RCAT Minutes of 091516			<i>Attachment</i>

Total Estimated Time: 1 hr., 55 min.

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On **Friday, December 2, 2016** this Notice was posted by **Dena Linnehan** at the Nueces County Courthouse, 901 Leopard, Corpus Christi, Texas; the CCRTA Operations Facility, 5658 Bear Lane, Corpus Christi, Texas; the CCRTA Staples Street Center, 602 N. Staples Street, Corpus Christi, Texas; and sent to the Nueces County Clerk and the San Patricio County Clerks.

PUBLIC NOTICE is given that the Board may elect to go into executive session at any time during the meeting in order to discuss matters listed on the agenda, when authorized by the provisions of the Open Meetings Act, Chapter 551 of the Texas Government Code.

In the event the Board elects to go into executive session regarding an agenda item, the section or sections of the Open Meetings Act authorizing the executive session will be publicly announced by the presiding officer.

In compliance with the Americans with Disabilities Act, individuals with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the Assistant Secretary to the Board at (361) 903-3474 at least 48 hours in advance so that appropriate arrangements can be made.

Información en Español: Si usted desea esta información en Español o en otro idioma, por favor llame al teléfono (361) 289-2712.

Corpus Christi Regional Transportation Authority



Resolution

WHEREAS, Conrado Garcia has served as an active member on the Corpus Christi Regional Transportation Authority (CCRTA) Board of Directors since March 2016; where he demonstrated outstanding community service; and

WHEREAS, Conrado Garcia demonstrated the leadership traits required to be a productive and valuable resource for advancing the mission of the CCRTA, as one of the proud members to open the new Staples Street Station, he fought for an increase in transparency within the organization and improved positive public perception; and

WHEREAS, Conrado Garcia has exhibited his dedication to improve all facets of the CCRTA including education for the community, safety and security and encouraged good financial stewardship, for the CCRTA, by supporting items that benefit the Coastal Bend Region. He showed compassion, consideration and an unparalleled drive to improve transportation for students of all ages; and

WHEREAS, Conrado Garcia has displayed his dedication to the specialized transportation field and is cooperative when considering educational initiatives for the agency while promoting quality public transportation for students, academic administrations and all citizens of the Coastal Bend; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY AS FOLLOWS:

RESOLVED, that Conrado Garcia is hereby commended for his distinguished service.

DULY PASSED AND ADOPTED this 7th day of December 2016.

By _____
Curtis Rock, Chairman of the Board

**REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
WEDNESDAY, NOVEMBER 2, 2016**

Summary of Actions

1. Pledge of Allegiance
2. Moment of Reflection
3. Conducted Roll Call
4. No Update on RCAT Committee Activities
5. Provided Opportunity for Public Comment
6. Action to Approve the Board Meeting Minutes of October 12, 2016
7. Action to Approve Proposed FY2017 Annual Operating and Capital Budget
8. Action to Accept the Legislative Initiatives for 2017-2018
9. Action to Accept the Resolution to Authorize Texas Coalition for Affordable Power, Inc. (TCAP) to Negotiate an Electric Supply Agreement for Five Years for Delivery of Electricity Effective January 1, 2018
10. Action to Adopt the 2017 Board and Committee Meetings Calendar
11. Action to Approve Consent Items:
 - a. Authorization to Issue an Invitation for Bids (IFB) for Diesel Fuel Supply;
 - b. Approve the Authorization to Issue an Invitation for Bids (IFB) for Heavy Duty Vehicle Filters;
 - c. Award Contract to Multiple Vendors for Bus and Engine Parts;
 - d. Approve the First Option Year for General Engineering Construction Services with Naismith-Hanson, Inc. and e. Approve the 2017 Holiday Service Schedule
12. Heard Presentations:
 - a. September 2016 Financial Report;
 - b. September 2016 Operations Report; and
 - c. Procurement Update
13. Heard CEO's Report
14. Heard Chair's Report
15. Adjournment

The Regional Transportation Authority Board of Directors met at 8:30 a.m. in the Regional Transportation Authority Staples Street Center facility located at 602 N. Staples Street, 2nd Floor Board Room, Corpus Christi, Texas.

Board Members Present: Curtis Rock, Chairman; Michael Reeves, Vice Chairman; Edward Martinez, Secretary; Tom Niskala; Angie Granado; George B. Clower; Glenn Martin; Scott Harris

Board Members Absent: Conrado Garcia; Butch Escobedo; and Larry Young, Sr

Staff Present: Jorge Cruz-Aedo, CEO; David Chapa; Kelly Coughlin, Bryan Garner, Monica Guittierez; Denise Jones, Sharon Montez, Cindy O'Brien, Christina Perez, Mike Rendoñ, Robert Saldaña, Rosa Villarreal, Dena Linnehan

Public Present: John Bell, Wood, Boykin, Wolter, CCRTA Legal Counsel; Ann Bauman, RCAT; Rowland V Estrada, President, Rosie Aguiar, Gina Salazar, Michael Hinojosa and Antony DeLaFuenta, ATU Local 1769; Tris Castenada, Longbow Partners and Will Galloway, State Legislative Representatives; Ronald Berglund, Robstown Improvement Development Corp. and Anthony DeLaFuente, CCRTA.

Call to Order & Roll Call

Mr. Curtis Rock called the meeting to order at 8:31 a.m., announced the Pledge of Allegiance and held a moment of reflection. Ms. Dena Linnehan called Roll and stated a quorum was present.

Update on RCAT Committee Activities

No update provided as RCAT did not meet in October.

Provided Opportunity for Public Comment

Mr. Roland Estrada, President, ATU-Local 1769 commented on the budget and thanked RTA and staff for considering the employees during the budget process. The union agrees with this budget and look forward to 2017.

Action to Approve the Board Meeting Minutes of October 12, 2016

MR. TOM NISKALA MADE A MOTION TO APPROVE THE ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES OF OCTOBER 12, 2016. MR. SCOTT HARRIS SECONDED THE MOTION. THE MOTION CARRIED. ROCK, REEVES, MARTINEZ, NISKALA, CLOWER, GRANADO, MARTIN, HARRIS VOTING IN FAVOR. GARCIA, ESCOBEDO AND YOUNG ABSENT.

Action to Approve the Proposed FY2017 Annual Operating and Capital Budget

Mr. Jorge Cruz-Aedo commented the 2017 budget process is completed and ask the Board for their approval. The key points are that the budget will continue to provide the current level of service, addition of some enhancements in our efficiency and operation of our route, continues customer service, safety and security as emphasized by the Board at numerous retreats and meetings.

Mr. Cruz-Aedo highlighted the key points of the budget will provide a two percent Cost of Living Adjustment (COLA) for all employees, it will include a five percent merit adjustment for operators, including a pay-for-performance adjustment based on our evaluation process in place that is currently being updated for consideration in January 2017. The budget will keep the employees at same contribution rates for retirement and also for health benefits whether single or family plans.

He reported the FY2017 Operating Budget at a little less than \$40 million, down 9.5 percent and from 8 percent in 2016. Expenditures are a little low from our projected expenses at \$39.8 million and down \$4.1 million at a reduction of 9.33 percent. He stated the bulk of the monies come from sales tax income at 85 percent and bulk of expenditures is for operation of the system.

Mr. Cruz-Aedo using a PowerPoint provided charts showing breakdown by department, category, revenue, income for a balanced budget with \$5,061 in surplus, and commented the department's expenditure type and proposed changes for 2017 are shown on the charts and posted on our website. We would like to adopt the budget today.

He reported on Capital Improvement Program (CIP) of \$7.1 million which is made up of equipment purchases of buses, bus stop enhancements, the proposed \$1.5 million for city ADA pedestrian and bicycle infrastructure improvements. He commented the on the roll-forward projects and stated the CIP has 5 and 20 year components. The Projected Fund Balance and Reserve Requirements started 2016 with \$31.1 million with projects rolling forward less local share for Capital Projects and Restricted Funds to end the year with \$4.4 million, a balanced budget. He also asked the Board Chairman to open up the budget for public hearing for any recommendations or suggestions to adopt the budget. Mr. Rock opened up a public hearing on budget.

Mr. Roland Estrada, President, ATU-Local 1769 commented on the budget and thanked RTA and staff for considering the employees during the budget process. The union agrees with this budget and look forward to 2017.

Mr. Tom Niskala commented on the city contributions and Mr. Cruz-Aedo mentioned the agency would like to do a two year inter-local agreement to provide funding to the city so they may focus more on pavement repair of streets. Mr. Cruz-Aedo stated our Disadvantaged Business Enterprise (DBE) program would also benefit.

Mr. Michael Reeves spoke on the proposed 41 percent increase of fare revenue in 2017. Mr. Cruz-Aedo stated the agency is proposing a 41.77 percent improvement to our fare collection as our election ratio has been in the lower 20 percent and we would like to improve it to 35 percent.

Mr. Rock closed the public hearing at 8:51 a.m.

MR. MICHAEL REEVES MADE A MOTION TO APPROVE THE APPROVE THE PROPOSED FY2017 ANNUAL OPERATING AND CAPITAL BUDGET. MR. HARRIS SECONDED THE MOTION. THE MOTION CARRIED. ROCK, REEVES, MARTINEZ, NISKALA, CLOWER, GRANADO, MARTIN, HARRIS VOTING IN FAVOR. GARCIA, ESCOBEDO AND YOUNG ABSENT.

Action to Accept the Legislative Initiatives for 2017-2018

Ms. Kelly Coughlin using a PowerPoint, presented on the 2017-2018 Legislative Initiatives and thanked our State Representatives, Messrs. Tris Casteneda and Will Galloway. She commented the program structure covers three categories; initiatives, endorsements and defensive measures.

Ms. Coughlin commented our Federal objectives will involve working with Texas Congressional Delegation, the House and Senate, USDOT and TxDOT to focus on support of transit programs and to keep them fully informed on how the FAST Act impacts the agency. She mentioned we need to ensure the funding are appropriated proportionally each year for these programs, and to working alongside with efforts from other transit organizations like SWTA, CTAA and APTA.

She also commented on our State objectives to seek opportunities to leverage alternative fueling and availability and reliability for CNG gas and other municipalities in emergencies. Ms. Coughlin continued with objective concerns to amend health and safety code to authorize MTA eligibility for TERP grant funds.

She presented a timeline of a legislative program at the Capital for a Transportation Day on March 7, 2017, attending the APTA Legislative Conference March 12-17, 2017 and will coordinate a breakfast led by SWTA in Washington, D.C. during this same timeframe.

Mr. Casteneda commented that in the State's next legislative session there will be a gap of financial resources the State has to spend resulting in a \$5.5 billion shortfall, yet most likely to be at \$7.7 billion. He reported the lower sales tax trend will have an impact on state funds. The state's lawsuits, although a few won, some lost, they will need to spend considerable amounts to meet both the Medicaid and school growth enrollments obligations. Mr. Casteneda stated that with Ms. Granado's assistance in getting into session early will be good for the agency to work with the appropriations process. He also mentioned TxDOT is undergoing the Sunset review and how important public transit is overall to the transportation industry and staying proactive with our Transportation Tuesday event last month.

MS. ANGIE GRANADO MADE A MOTION TO ACCEPT THE LEGISLATIVE INITIATIVES FOR 2017-2018. MR. NISKALA SECONDED THE MOTION. THE MOTION CARRIED. ROCK, REEVES, MARTINEZ, NISKALA, CLOWER, GRANADO, MARTIN, HARRIS VOTING IN FAVOR. GARCIA, ESCOBEDO AND YOUNG ABSENT.

Action to Accept the Resolution to Authorize Texas Coalition for Affordable Power, Inc. (TCAP) to Negotiate an Electric Supply Agreement for Five Years for Delivery of Electricity Effective January 1, 2018

Mr. Robert Saldaña using a PowerPoint commented that since 2002, the RTA has been part of a consortium of public entities that pulled their purchasing powers together to minimize the cost for electricity, and the RTA's current program will remain in place until

it expires on December 31, 2017. Mr. Saldaña mentioned that the agency asks the Board to approve entering into a contract with Texas Coalition for Affordable Power, Inc. (TCAP) for electric supply to lock in a lower rate once the current contract expires. Mr. Saldaña commented by entering into this resolution, the agreement will be a 5-year term, at 8.66 cents per kilowatt hour, down one-third from the 12.37 cents per kilowatt hour we currently pay.

MR. NISKALA MADE A MOTION ACCEPT THE RESOLUTION TO AUTHORIZE TEXAS COALITION FOR AFFORDABLE POWER, INC. (TCAP) TO NEGOTIATE AN ELECTRIC SUPPLY AGREEMENT FOR FIVE YEARS FOR DELIVERY OF ELECTRICITY EFFECTIVE JANUARY 1, 2018. MR. MARTINEZ SECONDED THE MOTION. THE MOTION CARRIED. ROCK, REEVES, MARTINEZ, NISKALA, CLOWER, GRANADO, MARTIN, HARRIS VOTING IN FAVOR. GARCIA, ESCOBEDO AND YOUNG ABSENT.

Action to Adopt the 2017 Board and Committee Meetings Calendar

Mr. Jorge Cruz-Aedo, using a PowerPoint presented a 2017 meetings calendar with one change of starting the Operations & Capital Projects committee meeting earlier than last year at 9:30 a.m. or after the Administration & Finance committee meeting end.

MR. GLENN MARTIN MADE A MOTION TO ADOPT THE 2017 BOARD AND COMMITTEE MEETINGS CALENDAR. MR. GEORGE CLOWER SECONDED THE MOTION. THE MOTION CARRIED. ROCK, REEVES, MARTINEZ, NISKALA, CLOWER, GRANADO, MARTIN, HARRIS VOTING IN FAVOR. GARCIA, ESCOBEDO AND YOUNG ABSENT.

CONSENT AGENDA ITEMS

Mr. Rock stated that following items are routine or administrative in nature and have been discussed previously by the Board or Committees. The Board had been furnished with support documentation on these items. He asked if anyone wished to withdraw an item for discussion:

- a. **Action** to Approve the Authorization to Issue an Invitation for Bids (IFB) for Diesel Fuel Supply
- b. **Action** to Approve the Authorization to Issue an Invitation for Bids (IFB) for Heavy Duty Vehicle Filters
- c. **Action** to Award Contract to Multiple Vendors for Bus and Engine Parts
- d. **Action** to Approve the First Option Year for General Engineering Construction Services with Naismith-Hanson, Inc.
- e. **Action** to Approve the 2017 Holiday Service Schedule

MR. REEVES MADE A MOTION TO APPROVE A. ACTION TO APPROVE THE AUTHORIZATION TO ISSUE AN INVITATION FOR BIDS (IFB) FOR DIESEL

FUEL SUPPLY; B. ACTION TO APPROVE THE AUTHORIZATION TO ISSUE AN INVITATION FOR BIDS (IFB) FOR HEAVY DUTY VEHICLE FILTERS; C. ACTION TO AWARD CONTRACT TO MULTIPLE VENDORS FOR BUS AND ENGINE PARTS; D. ACTION TO APPROVE THE FIRST OPTION YEAR FOR GENERAL ENGINEERING CONSTRUCTION SERVICES WITH NAISMITH-HANSON, INC.; AND E. ACTION TO APPROVE THE 2017 HOLIDAY SERVICE SCHEDULE. MS. GRANADO SECONDED THE MOTION. THE MOTION CARRIED. *ROCK, REEVES, MARTINEZ, NISKALA, CLOWER, GRANADO, MARTIN, HARRIS VOTING IN FAVOR. GARCIA, ESCOBEDO AND YOUNG ABSENT.*

Heard Presentations:

a) September 2016 Financial Report

Mr. Robert Saldaña reported on September 2016 Sales Tax collections the Agency received October 12th were at \$2.4 million, \$6,000 under budget from August 2015. He reported year-to-date collections were at a 11.79 percent below budget at \$20,641,082.

Mr. Saldaña commented year-to-date sales tax revenue from bulk of passenger fares is \$1.3 million, year-to-date other revenue from advertising and bus bench is \$50,000; investment income is \$72,000; gain on sales of fixed assets is \$17,000; bus advertising at \$61,000; and other income is \$413,000 that the bulk comes from our rebates on fuel of \$330,000 with another \$50,000 from Texas Comptroller for our decals and some insurance claims.

He also reported on salaries and benefits, departmental expense, services, materials and supplies, utilities, purchased transportation and our leases. Our fuel prices are down from last year both CNG and diesel.

b) September 2016 Operations Report

Using a PowerPoint, Ms. Rosa Villarreal reported on the month of September with system ridership at 483,905; a 6 percent decrease from last year and overall systemwide down by 5 percent. She reported on the fixed route, and early departures adjustments, on-time performance and B-Line service metrics standards being met, bicycle boardings, the CAF's over 13 months were at 53 which was lower than 73 in 2015, complaints per 100,00 miles were at 12.5 still under the standard industry numbers. She stated Miles Between Road Calls (MBRC) at 7,910 and still met the standard, with our collision rate being zero (0) accidents for the month of September and Operations received a Pizza Day for the service to thank them.

c) Procurement Update

Mr. Robert Saldaña reported on current procurement items for Maintenance Uniform Rental Services, Bus and Engine Parts, Towing Services, Fixed Route Buses and Paratransit Buses. His report included a 4-month outlook of items for Support Vehicles, ADA Bus Stop Improvements and Bus Stop Cleaning Services. Mr. Saldaña also commented on the items requiring Chief Executive Officer's

signature for General HVAC Services, Investment Advisory Services and Financial Auditing Services.

d) Transportation Tuesday Update

Ms. Kelly Coughlin using a PowerPoint reported on the Transportation Tuesday meeting held on September 27th at Del Mar. She commented this was the first quarterly meetings to be held with over 150 attendees. Ms. Coughlin stated these meetings will bring together industry leaders, public and elected officials, researchers and educators in the spirit of open discussion on transportation issues.

Heard CEO's Report

Mr. Jorge Cruz-Aedo commented the agency will provide free bus rides for voters on Election Day this year, November 8th, by showing their voter registration card to transport them to the area voting polls. Mr. Cruz-Aedo reported our ridership was a little over 4,000 riders for the recent Jazz Fest on October 21, 2016, and the Dia De Los Muertos movement on October 29, 2016 was almost 7,000 riders at 6,767 that we had to add 2 additional buses for a total of five buses transporting people to the event.

He also commented that Proterra will provide an electric bus for our next generation event on November 21, 2016 and will invite dignitaries and the board to attend. He stated the Thanksgiving Luncheon will be held on November 17, 2016.

Heard Chairman's Report

Mr. Curtis Rock yielded his time again for the members to report on a subject of their choice; Ms. Granado commented January 3, 2017 as the next Transportation Tuesday at Texas A&M at 8:30 a.m.; Mr. Reeves thanked staff and commended on our safety and security; Mr. Clower reiterated Mr. Reeves comments and Mr. Rock thanked staff for their continued efforts in creating a positive image with the agency and their hard work.

Adjournment

There being no further business, the meeting was adjourned at 9:31 a.m.

Submitted by: Dena Linnehan

Edward Martinez, Secretary

**REGIONAL TRANSPORTATION AUTHORITY
BUDGET WORKSHOP #1
MEETING MINUTES
WEDNESDAY, JULY 20, 2016**

Summary of Actions

1. Held Budget Workshop #1

The Budget Workshop #1 Meeting for the Regional Transportation Authority Board of Directors met at 8:30 a.m. on Wednesday, July 20, 2016 at the CCRTA Staples Street Center located at 602 N. Staples Street, Corpus Christi, Texas.

Committee Members Present: Jorge Cruz-Aedo

Board Members Present: Curtis Rock (Chairman); George B. Clower, Tom Niskala, Glenn Martin, Scott Harris, Butch Escobedo and Larry Young, Sr.

Board Members Absent: Angie Granado, Michael Reeves, Edward Martinez and Conrado Garcia

Staff Members Present: Jorge Cruz-Aedo, CEO; Eddie Campos, David Chapa, Kelly Coughlin, Bryan Garner, Monica Gutierrez, Denise Jones, William Laridis, Iris Mares, Sharon Montez, Cindy O'Brien, Mike Rendon, Victoria Reyes, Rosa Villarreal, and Dena Linnehan

Public Present: C. Cornel, OT; Linda Fallwell-Stover, Joe Huerta, John Jackson, Judy Telge & Loreen Salinas, CBCIL; Martha Salinas, Public; Rosie Aguiar & Gina Salazar, ATU-Local 1769; Roland Barrera, RBI.

Held Budget Workshop #1

Using a PowerPoint presentation, Mr. Jorge Cruz-Aedo gave a recap on the 2016 budget and commented with our sales tax being off, the agency will be \$2 million under budget. He commented that the departments will cut discretionary spending, and that by controlling year-to-date expenditures in 2016, this will provide us a \$1.5 million in savings from the 2016 budget. Mr. Cruz-Aedo commented each month the departments will scrutinize their expenses so that we end the year with a more balanced position. Department managers will ensure that expenses being cut do not affect our service levels, customer services levels or impact the delivery of our core mission.

Mr. Cruz-Aedo provided a calendar of the budget workshops over the next few months to include 5 workshops, with a proposed FY2017 budget being submitted in October, and the public hearing adoption meeting to be held in November, and if needed to finalize by December. The budget will be developed around our vision statement and our core mission statement.

Mr. Cruz-Aedo commented that the Proposed 2017 Budget would focus on public image, customer service, safety and security and transparency as discussed at the 2016 Board Retreat. He also stated the regional economic outlook indicates there is a sharp decline in the area's upstream oil and gas industry, business downturn in cities across Nueces County and that this has flattened out our sales tax quite a bit. He also commented the forecast indicates crude oil projected costs around \$60 by end of 2016 and will fluctuate around the same level in 2017. Sales tax for 2016 is 5.3 percent less than 2015, and FY2017 is forecasted to be 1.7 percent increase from FY2016.

He stated recommendations to the board will be no new positions will be requested, no merit or pay for performance, we will ask for a 2 percent COLA adjustment, service improvements are to remain neutral, the agency will continue street funding at current levels and the budget will have no growth and be a flat budget so we end with a balanced position at the end of 2017.

Mr. Cruz-Aedo reminded the Board members the budget is still work-in-progress.

Submitted by: Dena Linnehan

Edward Martinez, Board Secretary / Date

**REGIONAL TRANSPORTATION AUTHORITY
BUDGET WORKSHOP #2
MEETING MINUTES
WEDNESDAY, AUGUST 3, 2016**

Summary of Actions

1. Held Budget Workshop #2

The Budget Workshop #2 Meeting for the Regional Transportation Authority Board of Directors met at 8:30 a.m. on Wednesday, August 3, 2016 at the CCRTA Staples Street Center located at 602 N. Staples Street, Corpus Christi, Texas.

Committee Members Present: Jorge Cruz-Aedo

Board Members Present: Curtis Rock, Chairman; Tom Niskala, George B. Clower, Angie Granado, Glenn Martin, Conrado Garcia, Scott Harris, Butch Escobedo and Larry Young, Sr.

Board Members Absent: Mike Reeves, Vice Chair, Edward Martinez

Staff Present: Jorge Cruz-Aedo, CEO; David Chapa; Kelly Coughlin, Angelina Gaitan, Bryan Garner, Sharon Montez, Cindy O'Brien, Mike Rendoñ, Gordon Robinson, Robert Saldaña, Rosa Villarreal, Dena Linnehan

Public Present: John Bell, Wood, Boykin, Wolter, CCRTA Legal Counsel; Roland Estrada, Rose Aguiar, Romeo Valerio, Gina Salazar, Michael Hinojosa, ATU Local 1769; Sandy Roddell and Family, City of Robstown; Ronald Berglurd, Robstown Improvement Development Corp.; Melissa Acuna, City of Robstown; Abel Alonso; Richard Barrera, Roland Barrera Insurance.

Held Budget Workshop #2

Using a PowerPoint presentation, Mr. Jorge Cruz-Aedo gave a recap on workshop #1, assumptions stated on the 2017 budget so there are no misunderstandings with employees and the community, and commented on the decrease of sales tax revenue. He reiterated that the departments began cutting discretionary spending to amend the budget in order for us to have a balanced year-end position. Mr. Cruz-Aedo also commented that the agency is taking steps to 1) look at the 2017 budget from a conservative revenue standpoint with a 1.7 percent growth in sales tax after a 10 percent reduction; 2) will maintain the quality of our services and customer service levels as currently held and not sacrifice any of our entities; and 3) to provide a 2 percent COLA across the board to our employees and suspend our merit program depending on our budget position.

Mr. Cruz-Aedo provided a calendar of the budget workshops over the next few months and stated #2 will be for revenue and capital improvement program (CIP), workshops #3, #4 and #5 will go over each of the departments and also include a summary of the budget. He commented that a public notice and public hearing would then be submitted for the proposed 2017 budget and should an additional workshop be needed, it would be scheduled late October. Mr. Cruz-Aedo said a public hearing for budget adoption would be scheduled in early November and the final budget process is to be submitted and completed once adopted on December 7, 2016.

Using a PowerPoint chart, a current fare structure was provided and he spoke on the financial policies and practices to include procurement, expenditure accountability, debt and reserves. Mr. Cruz-Aedo also included the 20 year forecast and commented the agency anticipates funding of approximately \$91 million in capital projects and approximately \$371 million through FY2035. He stated that FY2017 proposed sales taxes is estimated to be around \$33.6 million versus FY2016 of \$36.7 million, and that operating revenues is estimated at \$1.2 million versus FY2016 of \$2.5 million. The agency plans to create a true budget. As Mr. Cruz-Aedo commented, for capital projects there are some items that will come off the list; Staples Street; Security Camera System, with some that will remain. He mentioned items under CIP will continue to stay true to the 2016 budget.

Mr. Cruz-Aedo commented on the 2017 CIP budget items that we recommend maintaining our bus program over the next 3 years at \$2.5 million to keep our equipment schedule and also by reducing our bus stop improvement program to \$250,000 instead of the \$1.0 to \$1.2 million as in prior years. He commented we plan to take to our board for consideration, to propose allocation of \$1.5 million of federal funds be given to the city for their street program where they can use their monies for the pavement of streets. He commented this reduction would also allow the agency to undertake improvement on portions of streets for our passive travel, bike paths to our bus stops/transfer stations for our customers to get to/from our stops/stations, and the city is able to focus more on street repair; a new initiative where the City, the CCRTA and the community benefit. In general discussion, the board members would like to discuss this new initiative at the next board retreat meeting.

In summary, Mr. Cruz-Aedo reported that the 2016 Projected Fund Balance and Reserve Requirements to be \$32.5 million in unrestricted reserves with approximately \$22 million marked for capital projects. He commented three of the reserves; operating, employee benefits and capital projects totaled \$9.1 million leaving us an unrestricted balance of \$2.8 million which the agency asks the board for \$2.2 million for tenant buildout.

Mr. Cruz-Aedo reminded the Board members the budget is still work-in-progress.

Submitted by: Dena Linnehan

Edward Martinez, Board Secretary / Date

**REGIONAL TRANSPORTATION AUTHORITY
BUDGET WORKSHOP #3
MEETING MINUTES
WEDNESDAY, AUGUST 24, 2016**

Summary of Actions

1. Held Budget Workshop #3

The Budget Workshop #3 for the Regional Transportation Authority Board of Directors met at 8:30 a.m. on Wednesday, August 24, 2016 at the CCRTA Staples Street Center located at 602 N. Staples Street, Corpus Christi, Texas.

Committee Members Present: Jorge Cruz-Aedo

Board Members Present: Curtis Rock (Chair); Michael Reeves (Vice Chair); Tom Niskala, Glenn Martin, Scott Harris, A.R. Butch Escobedo and Larry Young, Sr.

Board Members Absent: George B. Clower; Angie Flores-Granado; Edward Martinez and Conrado Garcia

Staff Members Present: Kelly Coughlin, Bryan Garner, Monica Gutierrez, Denise Jones, Sharon Montez, Cindy O'Brien, Christina Perez, Victoria Reyes, Mike Rendon, Gordon Robinson, Robert Saldaña, Rosa Villarreal, and Dena Linnehan

Public Present: F. John Shepherd, Collier, Johnson & Woods; Rosie Aguiar, ATU-Local 1769; Patrick Mahoney and Lisa Keckler, Wells Fargo.

Held Budget Workshop #3

Mr. Curtis Rock called the workshop to order and Ms. Dena Linnehan called roll and stated a quorum was present. Mr. Jorge Cruz-Aedo commented 12 departments would be presented in his PowerPoint presentation and will report on the functions for 2017, the proposed operating budget as reviewed by senior staff and look at the FTE counts. Using a PowerPoint, a calendar of the budget was provided.

Ms. Sharon Montez commented that Department 02, Customer Service Center, budget has increased in salaries due to three positions transferring in from other departments. Staff will consists of a Customer Service Supervisor, one (1) full-time and one (1) part-time Customer Service Representatives, a Customer Advocate, Eligibility Coordinator and Mobility Coordinator with the last three transferring from other departments. This allows the department to align with the customer center call center to better service the eligibility program, our B-Line application program.

Mr. Cruz-Aedo commented Department 07, MIS, has expanded with the addition of the Staples Street Center building. He commented the agency has integrated two facilities together with a better strategic planning and technology system, required to operate the

agency that includes a combined phone system, support of the wireless functions, website and Wi-Fi. He stated a proposed budget of \$914,054, an increase of \$313,411 mainly due to the transfer of three maintenance personnel to help service the department's needs of these expanded services. Mr. Cruz-Aedo commented a decrease from their previous department will keep us on a balanced budget. Mr. Rock commented if cost savings by outsourcing might be considered, and Mr. Cruz-Aedo stated we would review as we move forward with the budget process. Mr. Mike Reeves commented on these increases in salaries being a part of the new Staples Street Center, and Mr. Cruz-Aedo stated we are consolidating our departments to better align and service them with their functionality by using our current resources.

Ms. Montez reported Department 21, Facilities Management which maintains and supports the company-wide assets with exception of buses, has 15.5 positions for 2017. A few vacancies in 2016 that will be filled and the department fully staffed in 2017. She commented the Services budget is \$358,040 less than 2016 due to the our bus stop cleaning contract reduction. The 2017 proposed \$1.8 million budget is a 13.3 percent decrease than 2016.

Mr. Cruz-Aedo reported Department 40, Procurement formerly known as Contracts and Grants, will delete the grant portion as it was reassigned to the Department 45, DBE. Procurement reduced staff to 3 positions by cutting one intern employee, a decrease in salaries of 4 percent. He commented the 2017 proposed budget \$179,289 is a 10.8 percent decrease from 2016. Mr. Reeves commented on the bulk of decrease and Ms. Montez stated the decrease in Miscellaneous was reductions in non-essential travel per our new guidelines for 2017.

Department 41, CEO, Mr. Cruz-Aedo commented the 2016 budget reflected the prior CEO's Salaries and Benefits costs which have been reduced for 2017. He also stated Services will be reduced by \$18,000, reductions to Miscellaneous, and the proposed 2017 budget \$574,841 is a 12.8 percent decrease.

Mr. Cruz-Aedo reported Department 42, Finance and Accounting, decreased to \$514,565 which is a 5.7 percent reduction from 2016 mainly due to audits not budgeted last year. He also commented staff will increase by one for a total of 6.55 positions to assist with the financial reporting process needed for timely reporting.

Human Resources Department 44 as presented by Ms. Rosa Villarreal commented this department is responsible for administering the Agency's benefits and pension program with bulk of monies being budgeted for health insurance and pensions. She stated there are various costs associated within the department, and that the EEO office for employee complaints and grievances will incur employment law fees. She mentioned there are also recruitment, background checks and training costs in this budget.

Ms. Villarreal commented there is a reduction in salaries and benefits for 2017. The \$267,676 costs were for a compensation study done in 2016 that the results were not final until after the budget was adopted. She commented Mr. Cruz-Aedo set aside

monies during the 2016 budget process to fund the costs associated with the study and that it will not exist for 2017.

She commented we will no longer use temporary agencies because of their high markup, and with cutting some legal fees, our Services will reduce by \$18,135, a 9.5 percent reduction. Materials and Supplies have cut some marketing items for a 5.14 percent reduction. Ms. Villarreal commented because the agency is self-funded, we base our proposed costs for insurance on prior claim trends, related costs and medical inflation at a 13.5 percent increase. She stated under Miscellaneous a decrease of 67.7 percent is mostly related to travel costs being cut for an overall reduction at 0.22 percent. Mr. Cruz-Aedo commented although a slight deduction with large numbers for the department, the agency has \$1 million reserved funds in health insurance should our estimated budget significantly fall short which will help to keep employee benefits on track.

In general discussion, it was noted we use interns throughout the agency and they are full-time, project-based and on a 6-month period before replaced. Mr. Cruz-Aedo commented we receive grants that cover the cost for our interns. Ms. Villarreal also stated interns are now in the Human Resources budget.

Mr. Cruz-Aedo spoke on the Administration Department 45 where two positions were added for 2017; Budget Analyst and Executive Administrative Assistant. Salaries reduced by \$46,369, a 17.09 percent decrease; Miscellaneous reduced by \$17,400, a 64.44 percent decrease mainly due to travel cost cuts for an overall decrease of 20 percent at \$317,532.

The Infrastructure Programs Department 49, formerly called Capital Projects, Ms. Montez stated the bulk of reductions were in travel related costs being cut out for 2017 for an overall reduction of 4.31 percent decrease at \$175,435.

Mr. Cruz-Aedo reported on the Marketing and Communication Department 50 budget is at \$552,514 and a 12.43 percent decrease from 2016. He commented this department handles the Agency's communications, marketing, website, PR, advertising, promotional and social media, and school programs. He stated reductions of \$78,390 are in salaries, materials and supplies and miscellaneous and will still allow us to do full comprehensive program with the department's staff efforts to utilize their resources.

The Safety and Security Department 52 as presented by Ms. Villarreal is responsible for managing the law enforcement contract; one of the two large amounts, and the risk management for the agency costs being the second large amount that covers property, liability, windstorm, and auto liability. She commented salaries increase slightly due to one position transferring mid-2016 for the two full-time positions that will be reflected in 2017. Services had a slight increase mainly due as part of the law enforcement contract since Valley Transit moved into the building, we provide an officer on the platform from 6:00 a.m. to 1:00 a.m. seven days a week. She reported other categories will decrease due to cut backs on materials and supplies minor equipment purchases,

miscellaneous travel and small claim settlements. Ms. Villarreal stated insurance premiums for property, liability and auto liability will increase, and that the overall budget of \$1,265,890, is a 13.06 percent increase.

As presented by Ms. Montez, the Staples Street Center Department 77 is for the Call Center and five positions budgeted of 3 Custodians, 1 Facilities Technician and 1 Sr. Administration Aide for a salaries decrease of 13.87 percent due to miscoding of group insurance last year that has been moved to HR. She commented Service increased by \$142,841, 73 percent increase for the security contract in the building that initially was for an officer 8 hours a day and is now for 24 hours a day due to all the activity. She reported the increase in materials and supplies and insurance for an increase of 6.37 percent budget in 2017.

Mr. Cruz-Aedo reminded the Board members the budget is still work-in-progress.

Submitted by: Dena Linnehan

Edward Martinez, Board Secretary / Date

**REGIONAL TRANSPORTATION AUTHORITY
BUDGET WORKSHOP #4
MEETING MINUTES
WEDNESDAY, SEPTEMBER 7, 2016**

Summary of Actions

1. Held Budget Workshop #4

The Budget Workshop #4 for the Regional Transportation Authority Board of Directors met at 8:30 a.m. on Wednesday, September 7, 2016 at the CCRTA Staples Street Center located at 602 N. Staples Street, Corpus Christi, Texas.

Committee Members Present: Jorge Cruz-Aedo

Committee Members Absent: N/A

Board Members Present: Curtis Rock, Chairman; Mike Reeves, Vice Chairman; Butch Escobedo, Conrado Garcia, Angie Granado, Scott Harris, Glenn Martin, Edward Martinez, Tom Niskala, Larry Young, Sr.

Board Members Absent: George B. Clower

Staff Members Present: David Chapa; Kelly Coughlin, Angelina Gaitan, Bryan Garner, Denise Jones, Sharon Montez, Cindy O'Brien, Christina Perez, Mike Reñdon, Victoria Reyes, Gordon Robinson, Robert Saldaña, Rosa Villarreal, Dena Linnehan

Public Present: John Bell, Wood, Boykin, Wolter, CCRTA Legal Counsel; C.J. Loomis, MV Transportation; Abel Alonso; Ray Hernandez, Iconic Sign Group; Gina Salazar and Michael Hinojosa, ATU Local 1769; Sam Saldivar, HDR.

Held Budget Workshop #4

Mr. Jorge Cruz-Aedo commented Ms. Rosa Villarreal will present a recap on Budget Workshop #4. He commented there would be one change to the budget calendar on September 28th. Mr. Cruz-Aedo commented we will submit the 2017 Budget after workshop #5, a Public Hearing and Adoption is scheduled on November 2nd, and if an additional workshop is needed November 16th has been scheduled with a final adoption of the 2017 Budget on December 7th. Mr. Curtis Rock commented he would like the agency to have a workshop scheduled in the evening to present an opportunity for the public to attend. Mr. Cruz-Aedo stated the October 26th Budget Workshop is scheduled for 6:00 p.m.

Ms. Villarreal using a PowerPoint presentation, reported on the various operating budgets to include Transportation, Purchased Transportation, Service Development, Vehicle Maintenance, Materials Management, Street Maintenance, Revenue and

Depreciation, and commented the first-half of the budget workshops involved the Administrative departments.

Transportation Department 01 budget larger costs are associated with salaries which cover the 150 operators, dispatchers, road monitors, training instructors, supervisors, Managing Director of Operations and Director of Operations as stated by Ms. Villarreal. She commented this department being mostly labor was able to make some adjustments in salaries of \$193,905, almost 3 percent reduction by keeping overtime down to a norm and unfunding the vacancies in the department. She also commented they were able to cut materials and supplies by almost \$14,000 by keeping costs to a minimum for our annual Roadeo, financial support for meals from suppliers and reducing employee travel at our international Roadeo event. The 2017 budget is almost 4 percent down at \$6,927,400 from 2016.

Ms. Villarreal reported on Purchased Transportation department 03 and stated the salaries were zeroed out along with materials and supplies and miscellaneous as employees transferred into Customer Programs under Ms. Sharon Montez. She commented this department 2017 budget will be for our contracted services, MV Transportation, Real and Paisano. Mr. Cruz-Aedo commended MV Transportation with keeping their contracted costs down.

For Service Development Department 04, Ms. Villarreal commented the 2017 budget was reduced almost 33 percent to \$425,411 from 2016. She stated this department handles all of our planning, routes and public outreach. The reduction is mainly due to the completion of the cost of living adjustment (COLA).

The Vehicle Maintenance Department 11 as reported by Ms. Villarreal is responsible for all our bus and vehicle maintenance and cleaning of the fleet. A few changes made in line items were consolidation of costs to place like items in the correct categories. Ms. Villarreal commented that Services was cut by eliminating temporary services for our fueling and detailing personnel due to their high upcharge and filling the vacancies with full-time employees. She reported Utilities increased to cover our electricity and natural gas for CNG fueling facility as trends indicate costs going up in 2017. She also commented staff transferred three vehicle electronic employees into IT for a reduction in salaries, and that the overall department budget reduced almost 2 percent.

Ms. Villarreal commented on Materials Management Department 43 being our parts department handles the inventory of parts required to keep the fleet and vehicles running. Salaries increase is due to an employee transfer from Finance due to time being spent on buying, purchasing and this position will help the department with checks and balances in procurement.

Mr. Cruz-Aedo commented the Street Maintenance Department 88 accounts for transfers that are made from our sales tax monies to our participating community partners and based on sales tax growth. He stated the 10.75 percent decrease of disbursements for this department's budget is due to the decrease in sales tax revenue.

As Mr. Cruz-Aedo stated, the Depreciation Department 90 had a slight change to yield a \$3 million associated savings in how we calculate depreciation for budget purposes only. He commented the agency depreciates all equipment at 100 percent of the costs with our portion at 15 or 20 percent, and 85 or 80 percent federal government, and was depreciating what the Federal Government had given us. Mr. Cruz-Aedo commented that in reality when we purchase a new bus, the agency uses only 20 percent so we were over funding depreciation on a cash basis. He stated this change does not alter how the depreciation is shown on the financial statements of our books. It is for budget presentation purposes and accounts for the monies on a cash basis in the budget. Mr. Cruz-Aedo mentioned the change saves us \$3.2 million that would be taken from our operating budget and put into the bank. He also mentioned his emphasis was to keep the service constant, employee levels stable and not diminish any of the customer amenities currently offered.

Mr. Cruz-Aedo commented on the Revenues Department 00 with Fare Box Revenues at \$2.4 million, a \$422,008 increase based on current ridership being down and the fare box recovery rate of 35 percent trending now from current data. He commented Advertising was at \$68,466, Other Income at \$1,015,456 is attributed to the rebates we are receiving for CNG at a higher level than anticipated, Sales Tax down by \$2.6 million, a 7.23 percent reduction, and Federal Grants at \$2.2 million for an overall budget of \$39,881,855 almost 8 percent reduction from 2016.

In general discussion, Mr. Scott Harris asked how fare box revenues will increase with a downturn in our ridership. Mr. Cruz-Aedo explained the trend had been at a 27 cent fare box recovery ratio and we are currently trending around a 35 percent ratio we want to continue that is based on the current ridership and the data from our 20/20 Plan study and it reflects an increase. Mr. Tom Niskala asked if there are any restrictions in the Staples Street Center building bonds which include fare box recovery pledged monies, of free fare programs. Mr. Cruz-Aedo explained the covenants state the agency must levy sufficient revenues through system revenue; i.e., fare box revenue, and that we have sufficient revenue to pay the bonds that are not driven by any debt concern or calculation as it is based on where our ridership is trending although less than we would prefer. Mr. A.R. Butch Escobedo asked how to be proactive and improve our fare recovery ratio, and Mr. Cruz-Aedo stated that the biggest way to improve fare recovery is to insist riders pay the fare as we do not prohibit anyone from riding our buses no matter how much they pay or not pay. He mentioned if we abolished our Token Program where social agencies provide their clients tokens to ride the bus to and from their agencies this would help improve the recovery ratio. Mr. Cruz-Aedo commented there are a few things we could do yet we need to balance the purpose we are here for which is to provide transportation. In summary, Mr. Cruz-Aedo stated we propose a balanced budget with a \$5,061 surplus in 2017 of \$39,811,855 in Revenues and \$39,806,794 in Expenditures with a 2 percent COLA.

Mr. Cruz-Aedo reminded the Board members the budget is still work-in-progress.

Submitted by: Dena Linnehan

Edward Martinez, Board Secretary / Date

**REGIONAL TRANSPORTATION AUTHORITY
BUDGET WORKSHOP #5
MEETING MINUTES
WEDNESDAY, SEPTEMBER 28, 2016**

Summary of Actions

1. Held Budget Workshop #5

The Budget Workshop #5 for the Regional Transportation Authority Board of Directors met at 9:00 a.m. on Wednesday, September 28, 2016 at the CCRTA Staples Street Center located at 602 N. Staples Street, Corpus Christi, Texas.

Committee Members Present: Jorge Cruz-Aedo

Committee Members Absent: N/A

Board Members Present: Curtis Rock, Chairman; Mike Reeves, Vice Chairman; George B. Clower; Tom Niskala; Angie Flores-Granado; Glenn Martin; Scott Harris and A.R. Butch Escobedo

Board Members Absent: Edward Martinez, Secretary; Glenn Martin; Conrado Garcia and Larry Young, Sr.

Staff Members Present: Kelly Coughlin, Bryan Garner, Monica Gutierrez, Denise Jones, CJ Loomis, Sharon Montez, Cindy O'Brien, Christina Perez, Victoria Reyes, Mike Rendon, Gordon Robinson, Robert Saldaña, Rosa Villarreal, and Dena Linnehan

Public Present: Abel Alonso; Rosie Aguiar, ATU-Local 1769; Jeff Pollack, MPO

Held Budget Workshop #5

a. Presentation on Proposed 2017 Capital Improvements Projects –

Mr. Jorge Cruz-Aedo reported on the 2017 budget priorities for Public Image, Safety and Security, Customer Service and Transparency. He commented on the new capital projects for 2017 and projects that will roll forward into 2017.

b. Presentation on 2017 Proposed Operating and Capital Budgets –

Mr. Cruz-Aedo using a PowerPoint chart commented on the funding sources for 2017 being almost 8 percent less than in 2016 mainly due to the lower sales tax revenues. Funding will come from our operating, advertising, sales tax and non-operating revenues including leasing income and grants.

Department Expenses and Staple Street Center use of funds will increase two percent with Debt Service down two percent, Street Maintenance down almost 11 percent and Depreciation down almost 42 percent. Depreciation will fund at 20 percent of the federal acquisitions assets in 2017. He continued to report Capital Transfer monies will be removed from the budget as there are no monies to transfer out, and our Sub-Recipient Grants will also be removed as no Sub-Recipients have applied for monies to-date. Ms. Cruz-Aedo stated the 2017 budget expenses at \$39,811,855 down 7.88 percent, and revenues at \$39,806,794 for a tight and positive budget down a little less than 10 percent in revenues.

Mr. Cruz-Aedo also stated that Dr. Lee, our economist, analyzed the budget and we are down 10 percent budget between years, and up a little over 2 percent at around 8 percent which is our 7.88 percent decrease in expenses.

c. Discussion and Possible Action to Set a Public Hearing Date for October 12, 2016 at the Regular Board Meeting and October 19, 2016 at 7:00 p.m., and Adoption Date for the 2017 Operating Budget and Capital Budget for November 16, 2016 –

Ms. Angie Granado commented the agency's transparency. Mr. Cruz-Aedo stated we received the GFOA Award for our budgeting process and by using those templates, we will put our budget on the RTA website along with holding a first ever Public Hearing in the evening on October 19, 2016 at 7:00 p.m.. Ms. Kelly Coughlin commented there will be bus cards, website announcements and media contacted to make the public aware of the hearing as part of a transparency marketing plan to get the word out.

After general discussion it was noted that the agency set up an area on the website where the public could be directed to see other transparency areas similar to the Financial Transparency section already on the site.

Mr. Cruz-Aedo finished the proposed FY2017 budget with the full-time employees (FTE's) going from a revised 281.85 employees to 283.55 an increase of 1.7 employees.

Mr. Cruz-Aedo reminded the Board members the budget is still work-in-progress.

Submitted by: Dena Linnehan

Edward Martinez, Board Secretary / Date

**REGIONAL TRANSPORTATION AUTHORITY
CAPITAL BUDGET #6
MEETING MINUTES
WEDNESDAY, OCTOBER 12, 2016**

Summary of Actions

1. Held Workshop #6 – Submission of the Proposed FY2017 Annual Operating & Capital Budget

The Budget Workshop #6 – Submission of the Proposed FY2017 Annual Operating & Capital Budget for the Regional Transportation Authority Board of Directors met at 9:15 a.m. on Wednesday, November 2, 2016 at the CCRTA Staples Street Center located at 602 N. Staples Street, Corpus Christi, Texas.

Committee Members Present: Jorge Cruz-Aedo

Committee Members Absent: N/A

Board Members Present: Curtis Rock, Chairman; Mike Reeves, Vice Chairman; Edward Martinez, Secretary; Tom Niskala; George B. Clower; Angie Granado; Conrado Garcia; Scott Harris; A.R. Butch Escobedo and Larry Young, Sr.

Board Members Absent: George B. Clower

Staff Members Present: David Chapa; Kelly Coughlin, Bryan Garner, Denise Jones, Sharon Montez, Cindy O'Brien, Christina Perez, Mike Rendoñ, Gordon Robinson, Robert Saldaña, Rosa Villarreal, Dena Linnehan

Public Present: John Bell, Wood, Boykin, Wolter, CCRTA Legal Counsel; C.J. Loomis, MV Transportation; Abel Alonso; Ann Bauman, RCAT; Roland Garza; Thomas Whittmann, Doreen Harrell, Nelson/Nygaard; Jeff Pollack, CCMPO; Ray Hernandez, Iconic Sign; Rosie Aguiar, Gina Salazar, Michael Hinojosa and Antony DeLaFuenta, ATU Local 1769

Held Workshop #6 – Submission of the Proposed FY2017 Annual Operating & Capital Budget

Mr. Jorge Cruz-Aedo presented the official filing of the Proposed FY2017 Annual Operating & Capital Budget to the Board to ask for their acceptance. He stated upon Board acceptance, we will post a notice date on October 16, 2016 to schedule a Public Hearing Meeting on October 19, 2016 at 7:00 p.m., on November 2, 2016, and for board approval on December 7, 2016. Mr. Cruz-Aedo commented that December 7, 2016 is the date scheduled for final adoption of the budget as shown on the budget calendar. He also stated that in the event additional workshops are needed, October 26, 2016 and November 16, 2016 dates have been scheduled to hold them.

He continued with the budget was created using the priorities of Public Image, Customer Service, Safety and Security and Transparency. Mr. Cruz-Aedo using a PowerPoint presented a chart showing the proposed budget of \$39,869,389 which will be a little less than a 10 percent reduction from 2016. He also commented the use of funds at \$39,864,328 is a little over a 9 percent reduction from 2016 resulting in a lean budget balance of \$5,061. Mr. Cruz-Aedo stated the budget will still maintain the core function of transporting people in our community, and will accommodate all of the current service standards of today including incorporating recommendations from the Plan 20/20 for 2017.

Using a PowerPoint, he presented a chart of the department's changes from 2016 to 2017, and commented the ending 2016 unrestricted fund balance is projection to \$2.8 million which are available for special projects, although recommendation is to maintain reserves at current levels. He commented Full-Time Employees (FTEs) for 2017 will add an additional 1.7 new employees overall due to transfers, additions and deletions in the departments for a total of 283.55 FTEs. Using a chart of percentages, Mr. Cruz-Aedo commented Transportation is our highest percentage of the budget at 17 percent. Purchased Transportation our para transit services we provide are at 14 percent with Human Resources who cover all of the employee benefits and health care costs are at a 13 percent of the budget. He presented both line and pie chart examples and stated that 85 percent proposed funding comes from Sales Tax revenue. For an expenditure composition, a quarter of the budget comes from other expenses while 76 percent is from departmental expenses.

As part of his presentation, 2017 Capital Projects will consist of four items; bus acquisition, bus stop road maintenance program, city ADA, pedestrian and bicycle infra improvements, and tenant build out at the Staples Street center and overall totals will be around \$7.8 million with \$4.3 million from grant funding and \$3.5 million coming from local funds support. He commented the roll-forward projects that were funded in the past and have local or FTA funds attached to them are at \$18.1 million and plan to close them out in 2017.

Mr. Cruz-Aedo reminded the Board members the budget is still work-in-progress.

Submitted by: Dena Linnehan

Edward Martinez, Board Secretary / Date



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

Board of Directors' Memo

December 7, 2016

Subject: The Texas Municipal League Intergovernmental Risk Pool (TMLIRP) to Provide Insurance for the Following Lines of Coverage for FY 2017: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, and Workers' Compensation Insurance.

Background

The Corpus Christi RTA is self-insured through The Texas Municipal League Intergovernmental Risk Pool (TMLIRP). The Authority has been a member of the Liability Property Fund since 1990 and joined the Worker's Compensation Fund in 2009. Participation in the funds was initiated by entering into Interlocal Agreements with the participating pool member local governments.

Identified Need

The assets and interest of the Corpus Christi RTA need to be adequately protected through insurance coverage.

Analysis

Premium costs for FY 2017 have decreased by 15.04% or \$79,639 from FY 2016. The different types of insurance coverages are grouped into four categories: General Liability, Real and Personal Property, Public Employee Dishonesty, and Workers' Compensation. Premium decreases occurred in all categories except Workers' Compensation and Real and Personal Property. The Real and Personal Property contribution increased with the addition of the Staples Street Center. The Workers' Compensation contribution is based on annual payroll. In 2016 it was \$13,348,373, for 2017 it is \$14,262,786. An increase of 6.85% or \$914,413. Contributing factors were the addition of 13 FTEs; cola adjustments; and an increase in health insurance premiums.

A finalized cost schedule table which compares 2016 fund contributions to 2017 fund contributions is presented below.

Types of Coverage	Limit	Deductible	2016 Contribution	2017 Contribution	Inc./Dec
General Liability -	\$9,000,000	\$0	\$4,211	\$3,843	(\$368)
<u>Errors & Omissions Liability</u>	\$2,000,000	\$10,000	\$12,946	\$11,735	(\$1,211)
Automobile Liability/Medical Payments	\$500,000	\$0	\$310,050	\$235,512	(\$74,538)
Automobile Catastrophe	\$10,000,000	\$10,000	<u>\$25,000</u>	<u>\$25,000</u>	<u>-\$0-</u>
<u>Sub Total:</u>			<u>\$352,207</u>	<u>\$276,090</u>	<u>(\$76,117)</u>
<u>Real & Personal Property</u>	\$20,714,017	\$10,000	\$9,628	\$21,817	\$12,189
Loss of Income, Extra Expense, Rents	\$1,000,000	\$10,000	Included	Included	Included
Boiler & Machinery	\$100,000	\$10,000	Included	Included	Included
<u>Flood & Earthquake</u>	\$20,714,017	\$25,000	\$7,617	\$18,703	\$11,086
Windstorm- Excess Coverage			\$3,652	\$**	--
Coastal Storm Fund			\$35,241	\$**	--
Public Employee Dishonesty	\$500,000	\$2,500	<u>\$853</u>	<u>\$672</u>	<u>(\$181)</u>
<u>Sub Total:</u>			<u>\$56,991</u>	<u>\$41,192</u>	<u>(\$15,799)</u>
TOTAL: LIABILITY, PROPERTY & CRIME			\$409,198	\$317,282	(\$91,916)
<u>Workers' Compensation</u>	Statutory		\$120,238	\$132,515	\$12,277
GRAND TOTAL			\$529,436	\$449,797	(\$79,639)

** These lines of coverage are now underwritten through Victor O'Schinnerer (VOSCO).

Financial Impact

There are sufficient budgeted funds to cover this expenditure.

Committee Review

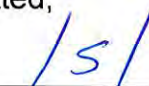
The Administration & Finance Committee reviewed and approved this item on November 16, 2016.

Recommendation

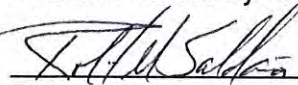
Staff requests the Board of Directors' authorize the Chief Executive Officer (CEO) or his Designee to execute payment of \$449,797 to Texas Municipal League Inter-governmental Risk Pool for the following lines of coverage: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, and Workers' Compensation Insurance.

Respectfully Submitted,

Submitted by:


 Mike Rendon
 Director of Safety and Security

Reviewed by:


 Robert Saldaña
 Managing Director of Administration

Approval:


 Jorge Cruz-Aedo
 Chief Executive Officer



Subject: Enter into a Professional Service Agreement for Financial Auditing Services

Background

Pursuant to the Texas Administrative Code Chapter 452.101, the Corpus Christi Regional Transportation Authority's governing Board of Directors shall "...appoint auditors...and prescribe their duties, compensation, and tenure." Since the Authority receives federal assistance, the Federal Transit Administration also requires a financial audit and a compliance audit be performed annually by an independent public accounting firm.

Identified Need

The existing audit services contract with Collier, Johnson and Woods, PC has expired. In order to perform required inventory procedures on December 31, 2016 and complete the 2016 annual audit in a timely manner, an auditing firm should be contracted with prior to December 31, 2016.

Audit Objectives of Auditor

1. Expression of opinion as to whether primary financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information accompanying the basic financial statements.
2. Report on Internal Control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Governmental Auditing Standards*.
3. Report on Internal Control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Timeliness of Audit

Our current auditor, Collier, Johnson and Woods, PC, being familiar with the processes at the CCRTA, will be able to initiate the audit review process immediately upon approval of this agreement in order to complete the audit within the required deadlines of the Governmental Finance Officers Association (GFOA) for submittal of the CCRTA CAFR to the Certificate of Achievement For Excellence In Financial Reporting Program.

Disadvantaged Business Enterprise

Not Applicable.

Financial Impact

Funding for the audit is included in the Finance Department budget and is estimated to cost \$36,000.

Committee Review

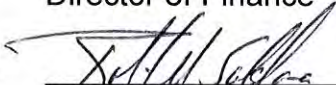
The Administration & Finance Committee met on November 16, 2016 and recommended approval of this item.


Recommendation

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or designee to enter into a Professional Services agreement for Financial Auditing Services with Collier Johnson & Woods, PC for fiscal year ending December 31, 2016.

Respectfully Submitted,

Submitted by: 
Cindy O'Brien
Director of Finance

Final Review: 
Robert Saldaña
Managing Director of Administration

Approval: 
Jorge Cruz-Aedo
Chief Executive Officer



**Subject: Enter into Professional Service Agreements for Financial Auditing
Services for the RTA Defined Benefit Plan and Trust**

Background

Pursuant to the Texas Administrative Code Chapter 452.101, the Corpus Christi Regional Transportation Authority's governing Board of Directors shall "...appoint auditors...and prescribe their duties, compensation, and tenure." Additionally, legislation passed by the Texas Legislature amended Code 802.102 of the Texas Government Code to include the requirement that the governing body of the public retirement system (Defined Benefits Plan) have the accounts of the system audited at least annually by a certified public accountant in accordance with generally accepted auditing standards. A general audit of a governmental entity does not satisfy this requirement.

Identified Need

The existing audit services contract with Collier, Johnson and Woods, PC has expired. In order to complete the 2016 annual audit in a timely manner, an auditing firm should be contracted with prior to December 31, 2016.

Audit Objectives of Auditor

1. Expression of opinion about whether financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles.
2. Conduct audit in accordance with auditing standards generally accepted in the United States of America and include tests of accounting records and other procedures considered necessary to enable an expression of an opinion.

Timeliness of Audit

The current auditor, Collier, Johnson and Woods, PC, being familiar with the processes at the CCRTA, and having preformed the audit for the Defined Benefit Plan and Trust for 2014 and 2015, will be able to initiate the audit process immediately upon approval of this agreement in order to present a completed audit in a timely manner.

Disadvantaged Business Enterprise

Not Applicable.

Financial Impact

Funding for the audit is included in the Finance Department budget and is estimated to cost \$12,000.

Committee Review

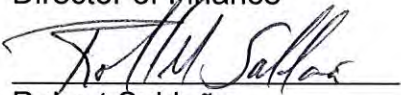
The Administration & Finance Committee met on November 16, 2016 and recommended approval of this item.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to enter into a Professional Services agreement for Financial Auditing Services for the RTA Defined Benefit Plan and Trust with Collier Johnson & Woods, PC for fiscal year ending December 31, 2016.

Respectfully Submitted,

Submitted by: 
Cindy O'Brien
Director of Finance

Final Review: 
Robert Saldaña
Managing Director of Administration

Approval: 
Jorge Cruz-Aedo
Chief Executive Officer



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

Board of Directors' Memo

December 7, 2016

Subject: Revision to Capital Asset Policy

Background:

Generally, items for the operation of the Authority with an estimated useful life of at least two years, are tangible (i.e. land, building, bus) or intangible (i.e. patent, copyright) and have a value of at least \$5,000 are Capital Assets (or Fixed Assets). The CCRTA adopted a Capital Asset Policy on March 6, 2013. Previously, CCRTA utilized a Statement of Policy and Procedures on Capital Assets.

Identified Need:

The current Policy establishes the useful life (period of time the asset is expected to be productive) based on FTA guidance where available, guidance from other government agencies, and prior experience with assets. For buildings, the estimated asset life in the current policy is in the range of 20 – 30 years. In order to more accurately align the useful life of newer buildings built with better materials, staff is proposing changing the useful life range to 20 – 50 years, which is consistent with financial accounting guidelines.

Financial Impact:

Increasing the building category useful life range from the current 20 – 30 years to 20 – 50 years will allow CCRTA to align the depreciation of buildings more closely with the projected useful life of the asset. This change does not affect those assets that are currently being depreciated, however will be effective for assets placed into service in 2016 and after.

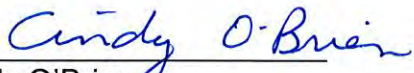
Committee Review

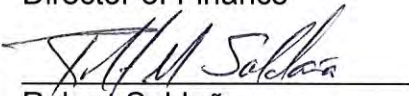
The Administration & Finance Committee met on November 16, 2016 and recommended approval of this item.

Recommendation:

Staff requests that the Board of Directors approve the revision to the Capital Asset Policy.

Respectfully Submitted,

Submitted by: 
Cindy O'Brien
Director of Finance

Final Review: 
Robert Saldaña
Managing Director of Administration

Approval: 
Jorge G. Cruz-Aedo
Chief Executive Officer

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD POLICY**

CAPITAL ASSET POLICY

Effective: 12/07/16 (Proposed)
Replaces: CAPITAL ASSET POLICY Dated 03/06/2013

POLICY STATEMENT

The Corpus Christi Regional Transportation Authority (Authority) shall properly acquire, safeguard, maintain, track, record, depreciate (where applicable) and dispose of capital assets in a controlled manner. Authority assets shall be utilized for Authority business purposes only.

PURPOSE AND APPLICABILITY

To provide a comprehensive policy for all functions related to capital assets of the Authority. Although administrative responsibility and final judgment for this statement of policy rests with the Director of Finance, all Authority staff and contractors involved in the various functions outlined herein or who have custody of capital assets assume immediate physical responsibility for the property and or the functions outlined.

This Policy incorporates guidance provided by the federal Office of Management and Budget (OMB) Circular A-102, OMB Circular A-87, Federal Transit Administration (FTA) Circulars, Generally Accepted Accounting Principles (GAAP) of the United States of America, other FTA publications including guidance on implementation of fixed asset management policies and disaster response and recovery, Statements of the Governmental Accounting Standards Board, and recommendations of the Government Finance Officers Association.

INTERNAL CONTROL CONSIDERATIONS

Internal controls are a coordinated set of policies and procedures that reflect a comprehensive strategy for achieving Authority management's main objectives of (a) organizational effectiveness, (b) organizational efficiency, (c) compliance with regulations and (d) accurate financial reporting. Also, all management is fully responsible for them. To this end, this policy addresses the following:

- ◆ Fiscal effectiveness through proper financial planning for assets
- ◆ Compliance with grant agreements and regulations
- ◆ Accurate financial reporting providing for the proof of the existence of assets
- ◆ Accountability of all personnel who have custody of the assets
- ◆ Duties and clarification of roles built into this Policy:
 - Authorization and grant compliance – The Grants Administrator and Director of Procurement
 - Financial accounting, reporting, budget and recordkeeping – The Finance department
 - Custody – All department personnel who are in possession of assets

OVERVIEW

This document is organized in the following divisions:

- ◆ Definitions

- ◆ Planning
- ◆ Budgeting
- ◆ Acquiring
- ◆ Custody, Transfers, Inventory and Depreciation
- ◆ Disposing

DEFINITIONS AND CLASSIFICATIONS OF FIXED ASSETS

Capital Asset (or Fixed Asset) – Generally, items for the operation of the Authority’s mission with an estimated useful life of at least two years, are tangible (i.e. land, building, bus) or intangible (i.e. patent, copyright) and have a value of at least \$5000 net cost (not including trade-ins or any taxes, government licenses, training, etc.). This definition applies to items that are purchased in whole, constructed, donated (i.e. in-kind) and leasehold improvements. The Director of Finance shall have final determination if an item meets the definition of a capital asset in compliance with this policy and generally accepted accounting principles and FTA and federal government guidelines. Land will be classified as a capital asset regardless of cost.

Individual groups of items that might have a value of less than **\$5,000** individually are capital assets if they form an integral and essential part of another piece of equipment or structure (i.e. building, bus with painting).

Individual assets that cost less than **\$5,000** but operate as part of a larger “integrated” asset (i.e. telephone system, computer network system, group of like items purchased together), will be capitalized in the aggregate provided that the estimated average useful life of the individual assets is at least two years. An “integrated” asset is where all the components are interdependent and the overriding value of the asset to the Authority is on the entire group and not the individual assets.

Capital Project Accounting - Set of numbers (i.e. 2007-07) used to denote an individual capital project (i.e. “10 Personal Computers”), the funding source(s), the related grant and transactional details.

Capitalization – An accounting term for placing the asset in the Authority’s fixed asset database and allocating the cost of the asset over its estimated useful life through depreciation.

Capitalization Criteria - In general, a purchase of an asset will be capitalized if it has a useful life of more than two (2) years and an individual value of **\$5,000** or greater. The following guidelines will be used in reviewing exceptions to these requirements:

- ◆ Generally accepted accounting principles and FTA guidance
- ◆ Prevention of loss, damage, and theft through an inventory system
- ◆ Useful life of an item
- ◆ Available financing
- ◆ Administrative cost of accounting for the purchase
- ◆ Administrative cost of controlling fixed assets in an inventory system
- ◆ Administrative cost of the procurement process

Any purchase of an asset that will be capitalized must meet at least one of the criteria listed below:

- ◆ Legal requirements/preservation of confidential or critical business records
- ◆ Replace obsolete and/or irreparable item
- ◆ Cost savings/efficiency enhancement
- ◆ Necessary for completion of job/newly created positions

- ◆ Employee health/safety
- ◆ Community/customer oriented/accommodations to persons with disabilities
- ◆ Necessary to provide new or increased service to the community or otherwise advance the Authority's mission

Purchases of assets that do not meet the requirements as stated above will be charged as an operating expense in the period it was incurred.

Depreciation – Accounting method for allocating the cost of an asset over its estimated useful life. The Authority uses the straight-line method, which spreads that cost over its useful life in even increments.

Accumulated Depreciation – Contra-asset account used to record the systematic allocation of the cost of a fixed asset over the useful life of the asset.

Contra-Asset – Offset against an asset account which is used to produce the proper balance sheet valuation for the asset.

Federal Transit Administration (FTA) – Branch of U.S. Department of Transportation which administers federal transit programs.

Funding Source – The way an asset is financed. Typically, the Authority utilizes two sources: Federal capital grants (FTA Formula 5307 and Discretionary 5309) and local Authority funding based on a matching principle (i.e. 80% FTA and 20% local). There are also other grant sources. The ability to utilize various grant sources is dependent upon meeting requirements of the grantor agency's guidelines.

Operating Expense – Ordinary expenditures necessary to the ownership and use of plant and equipment, expenditures related to the production of revenue and general and administrative expenses. Examples of operating expenses include fuel, maintenance supplies, administrative labor, professional fees and office supplies.

Unbudgeted Capital – Capital asset needs that arise during a fiscal year that were not foreseen in the budget.

Useful Life – Period of time the asset is expected to be productive. Estimated lives for specific assets are based on FTA guidance where available, guidance from other government agencies, and prior experience with like assets. General guidelines for asset lives by classification are as follows:

Land	N/A
Building	20- 30 50
Transit Stations and Bus Pads	2-15
Improvements other than buildings	2-15
Building Equipment	2-12
Vehicles	3-12
Furniture & Equipment	2-12
Leasehold improvements	2-5
Systems	2-5

Transportation Improvement Program (TIP) - Process used by transit systems to obtain federal funding for capital projects.

Classifications of Fixed Assets:

Land – Real estate property will be carried in the accounting system at historical acquisition cost. Costs may include expenses for services incidental to the acquisition, charges incurred in preparing the land for use and capitalized interest on related debt.

Buildings – All buildings will be valued at purchase price or construction cost. Cost should include all charges applicable to the building acquisition including fees for brokers, appraisers, engineering consultants, architects and interest on related debt.

Building Equipment – Equipment attached to a building which is a major component of the building such as an HVAC System or an elevator.

Transit Stations, Stops and Pads – Specific structures that can be separately identified used by the Authority to provide facilities for its riders throughout its service area.

Improvements Other Than Buildings – Items that meet capitalization requirements that add to the value of existing assets. Examples include perimeter fencing and parking lots. In order for improvements to be capitalized, the improvement should be considered permanent and should add value or improve the use of the land (e.g. fences, retaining walls, landscaping, drainage systems, etc.).

Equipment – All items of tangible property not permanently affixed to real property, which are needed in carrying out the operations of the Authority. Installation costs should be included in the capitalized amount. Examples are furniture, hydraulic lifts/jacks, milling machinery, floor scrubber, computers, etc.

Vehicles – All rolling stock equipment that must be titled and bear a license tag. Buses, vans, and cars are examples.

Systems – Including management information systems (hardware & software), telecommunication systems, security and surveillance equipment, and revenue collection equipment.

Assets In Progress – This is primarily used in conjunction with constructed assets adopted as projects in the annual capital budget. Capital project costs are accumulated until the integrated asset is completed, then cumulative costs are transferred to the appropriate fixed asset account(s).

Additions and Modifications to Existing Assets – Costs are often incurred in connection with capital assets after the original acquisition costs have been established. In general, any expenditure, which is definitely an addition to a fixed asset, or an integral part of it and that extends its useful life, should be classified as a capital expenditure and the original acquisition cost adjusted. If a component part, such as an engine or transmission, is rebuilt or replaced, the remaining undepreciated amount of the original component will be expensed and the new component will be depreciated over the remaining life of the asset. If the original component part cost cannot be determined, the cost of the new part will be expensed. The additions of an air-conditioning system to a building, or replacing or rebuilding an engine or transmission for a bus are some examples of capitalized expenses.

Items Not Considered to be Fixed Assets (Operating Expenses)

In order to clarify the question of asset classification, the following list of specific examples is provided.

Land: Any costs associated with finding a piece of land, regardless of amount, that does not result in the purchase of a specific property are not capitalized and must be expensed. This includes any legal fees, appraisals or assessments.

Maintenance and Repair Replacements: The replacement costs of component part(s) of a fixed asset, not the entire asset itself, during a maintenance and repair operation which also enhances the performance or life of the asset are not generally considered to be capital asset additions or modifications. For example, replacing an original disk drive with a higher capacity disk drive in a microcomputer, or changing worn or damaged brakes on a bus is considered to be maintenance and repair expense.

With respect to asset improvements, costs over \$5,000 should be capitalized if:

- A. The estimated life of the asset is extended by more than 25%, or
- B. The costs result in an increase in the capacity of the asset, or
- C. The efficiency of the asset is increased by more than 10%, or
- D. Significantly changes the character of the asset, or
- E. In the case of streets and roads – if the work done impacts the "base" structure.

Otherwise, the costs should be expensed as repair and maintenance. All costs of normal maintenance and repairs are expensed to operations as incurred.

Supplies: Any supply, regardless of cost, that is not permanent and will be consumed within a year is not considered a fixed asset.

Training: Any training costs associated with the implementation, or upgrade, of computer programs or software, regardless of cost, will be expensed.

MULTI-YEAR CAPITAL PLANNING

Capital assets such as land, buildings, infrastructure, technology and vehicles are the physical foundation for providing transportation services to the citizenry. Capital planning is critical to the Authority's mission, plays an important part in the community's economic development and is also essential to the future financial health of the Authority. The Authority shall maintain 20-year projections based on prioritization of those needs.

Multiple departments (Service Development, Vehicle Maintenance, Capital and Facilities) assess the current and future major capital assets needed to perform core Authority services. The Director of Finance shall coordinate periodic meetings with relevant personnel to review and update the long-range financial projections. The Managing Director of Service Development or other staff as directed by the CEO will coordinate with the Metropolitan Planning Agency to make sure long term capital needs are on the TIP.

Proper financial planning includes establishing project scope and cost, providing details of estimated amounts of funding from various sources and projecting future operating and maintenance costs. Such planning should clearly identify related capital needs, maintenance

requirements, funding options and operating budget impacts. The GFOA recommends that this process include the following:

1. Identify needs. Using service projections, strategic plans, comprehensive plans, facility master plans, regional plans and citizen input processes, the Authority shall identify present and future service needs that require capital infrastructure or equipment. Attention should be given to:
 - a. Existing assets that require repair, maintenance or replacement;
 - b. Infrastructure improvements needed to support new development or redevelopment;
 - c. Projects with revenue-generating potential;
 - d. Improvements that support economic development; and
 - e. Changes in policy or community needs.
2. Determine costs. The full extent of project costs and revenues should be determined.
 - a. Scope and timing of a project defined in the early stages of the planning process;
 - b. Appropriate approaches, including outside assistance, to estimate costs and potential revenues;
 - c. Anticipated cost inflation for multi-year projects;
 - d. Ongoing operating costs should be quantified, and the sources of funding for those costs;
 - e. All major components required (land, design, construction, contingency and post-construction); and
 - f. Non-financial impacts of the project (e.g., environmental) on the community.
3. Prioritize. Given limited financial resources, prioritizing capital projects is a critical step. This includes:
 - a. Reflect the relationship of project submittals to financial and governing policies, plans, and studies;
 - b. If a community project, allow submitting agencies to provide an initial prioritization;
 - c. Incorporate input and participation from major stakeholders and the general public;
 - d. Adhere to legal requirements and/or mandates;
 - e. Anticipate the operating budget impacts resulting from capital projects;
 - f. Apply analytical techniques for evaluating potential projects (e.g., net present value, pay back period, cost-benefit analysis, life cycle costing, cash flow modeling);
 - g. Re-evaluate capital projects approved in previous multi-year capital plans; and
 - h. Use a rating system to facilitate decision-making.
4. Develop financing strategies. A viable financing approach is important. Financing strategies should align with expected project requirements while sustaining the financial health of the organization, and include:
 - a. Expected revenue and expenditure trends and their relationship to multi-year financial plans;
 - b. Cash flow projections of the amount and timing of the capital financing;
 - c. Compliance with all established financial policies;
 - d. Recognize appropriate legal constraints;
 - e. Consider and estimate funding amounts from all appropriate funding alternatives;
 - f. Ensure reliability and stability of identified funding sources; and
 - g. Evaluate the affordability of the financing strategy, including the impact on operating funding.

For major construction, acquisitions of real property, initiation of a new fixed guide way system and FTA New Starts projects, the then current federal guidelines shall be followed. The Director of Procurements shall assist Project Managers to insure compliance with such regulations.

ANNUAL CAPITAL BUDGET

The Authority's long-range capital projections flow into annual Board-adopted capital budgets.

Each year during the budget process, the Director of Finance shall coordinate department submissions of proposed capital project request details for the coming year. Such requests must be accompanied by all of the details requested for analysis of the projects by the budget committee and for grant application purposes. The details include:

- ◆ Description of the general scope of the project;
- ◆ Planned timing for acquisition, design and construction activities;
- ◆ Schedule for completion of the project, including specific phases of a project;
- ◆ Estimated costs of the project, based on recent and accurate sources of information;
- ◆ Estimated useful service life of the asset;
- ◆ Rationale and future impacts on the operating budget;
- ◆ Complete itemized components of the request in detail (equipment, land, vehicles, etc.); and
- ◆ Any analytical information deemed helpful for setting capital priorities (this can include any cost/benefit comparisons, and related capital projects).

Note: Departments will provide a greater level of detail and information for non-routine capital projects such as operating budget impacts, additional positions required, debt implications, etc.

The Director of Finance shall include these items for consideration by the budget committee. The committee shall determine which items are approved to move to the next steps in this process. The Director of Finance will work with the Managing Director of Service Development, the Director of Procurement and the Grants Manager to determine available funding for capital acquisitions.

The result of the above is a proposed capital budget that includes a listing of capital projects that are submitted for the Board of Directors' consideration and approval.

Once the capital budget is adopted, the Director of Finance shall be responsible for providing project managers with a capital projects accounting system to assist project managers in financially managing their projects. Such system will compare actual expenditures to the original budget, provide transactional information, provide retainer information on construction projects, provide related grants information and cross-referencing to grant files, be updated on a periodic and timely basis to include elements of cost that are due and payable by the Authority and be available centrally to all project managers. Project managers are responsible for the proper project management of their capital projects and for staying within the approved project budgets and grant guidelines, if applicable. Although periodic reports shall be issued by the Finance Department, encumbering funds that do not exceed project budgets or the limitations of grant covenants is the responsibility of the project manager. The Finance Department is responsible for periodically reconciling the accounting system to grant files, general ledger and financial statements as part of the month-end and year-end closeout process. This information forms the underlying capitalization journal entries and the audit control records needed during the annual audit. The system shall be backed-up on a regular basis.

Project Managers shall submit reports that identify status, level of completion of the project and other related details as requested by the CEO, Director of Finance or the Grants Manager. Project Managers shall also alert these personnel about changes in the scope of the project and any concerns with completion of the project on time or on schedule or within budget in a timely manner.

ACQUIRING ASSETS

After the capital budget is approved by the Board of Directors and all relevant grant funding for individual projects has been identified, project managers may acquire the assets in conformity with the Authority's purchasing policy. The Director of Procurements and Grants Manager must review and approve intended purchases/construction projects for the use of grant funds **prior** to incurring the expenditures to ensure compliance with procurement policy and grant guidelines. The Finance Department shall process the invoices upon proper authorizations and also account for the funds in the capital projects accounting schedule. Project Managers are accountable for carrying out capital projects in a responsible manner, in accordance with applicable procurement policy and budget and grant restrictions.

CUSTODY, TRANSFERS AND INVENTORY

Custody:

Department heads are responsible for properly safeguarding and maintaining assets in their department's possession. The Finance Department shall maintain the capital assets recordkeeping system that identifies assets in custody of departments. If the asset is transferred between Authority departments or from one location to another, then the section on "Inter-Department and Location Transfers" below shall be followed. If the asset is moved to a storage area to be ultimately disposed, then the "Disposition" section below shall be followed. Otherwise, the department last known to hold the assets shall be accountable for the asset at such time as physical inventories take place.

All equipment other than buses that is used away from Authority-owned or leased premises shall require the prior written approval of the department head. Such permission must be on file with the Finance department.

If an asset is damaged (i.e. fire) or it is discovered that it is missing, the custodian department's head shall notify Risk Management, Procurements and the Finance Department immediately. In some cases, an incident report shall be required as directed by the Risk Manager for insurance purposes. The Risk Manager shall also use judgment on whether to involve the CEO at that point.

Inter-Department and Location Transfers:

From time to time, capital assets shall be transferred from one department to another or from one physical location to another. The Finance Department must be notified of any such movements since they affect which department personnel are responsible for the asset.

Inventory:

The Finance Department shall coordinate periodic physical inventory inspections to both verify the existence of capital assets and to collect information on the assets use and condition to aid in the planning of future capital needs. Inventory counts shall be conducted at least biennially and on a rotating (cycle) basis or other method as determined by the Director of Finance

DISPOSALS

Proper Disposals of capital assets is mandatory. In no case shall assets be disposed of without the proper channels being followed as outlined herein. There are federal implications to improperly disposing of assets and departments will be held accountable for improper disposal of assets. The following criteria shall be applied to determine when a capital asset will be disposed of:

- ◆ The item is obsolete and serves no useful purpose to the Authority;
- ◆ The item is destroyed and/or is damaged beyond reasonable repair;
- ◆ There is an overstock of such items and no need for the items is foreseen in the near future; and/or
- ◆ The item is scrap material that has no value except of its basic material content.

Pursuant to the powers of the Authority vested in Article 1118X, at any time the RTA may sell, lease or otherwise dispose of any surplus materials, personal property, or real property not required for its operations in providing public transportation services. The CEO of the RTA is authorized to dispose of such property in accordance with the following guidelines:

- 1) Personal Property Under \$5,000 – When personal property is no longer required for the Authority's use in providing public transportation services, the General Manager shall make a written determination, utilizing available sources reasonable under the circumstances, of whether the value of the property is less than \$5,000. If the determination is that the value is less than \$5,000, the CEO may sell, lease, or otherwise dispose of the property using their best ability to obtain the highest possible price. This method does not require the sealed, competitive bid method. (See discussion on Federal Grant-Funded Property for possible exceptions.)
- 2) Personal Property of \$5,000 or More – When the CEO determines that the property has a value of \$5,000 or more, the property will be sold, leased, or disposed of by the sealed, competitive bid method. An advertisement will run at least once a week for two consecutive weeks requesting bids on the property. Additional methods of soliciting bid responses may be used to generate the best bid. Upon receipt of the bids the property will be awarded to the bidder having the most advantageous bid, price and other factors considered. The RTA reserves the right to reject any and all bids. If deemed advisable by the CEO, a sale may be referred to the Board of Directors for prior approval before it is consummated. (See discussion on Federal Grant-Funded Property for possible exceptions.)
- 3) Federal Grant-Funded Property – When personal property is acquired in whole or in part by Federal grant funds, the Federal regulations for the disposition of property will supersede the above.
- 4) Interlocal Cooperation – The RTA may sell, lease or otherwise dispose of its surplus property to other governmental entities without the necessity of soliciting competitive bids when the Board of Directors determines it to be in the RTA's best interest to do so. Federal regulations govern disposition of any Federal grant-funded property.
- 5) Real Property – The RTA will sell, lease, or dispose of any of its real property which is no longer required for its operations in providing public transportation services in accordance with Chapter 272 of the Texas Local Government Code or FTA regulation C 5010.1C, II, 2 (c), if purchased with federal funds.

| ~~Adopted March 6, 2013~~ Adopted December 7, 2016



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors' Memo

December 7, 2016

Subject: Authorize Awarding a Contract to Unifirst for Maintenance Uniform Rental Services

Background:

Due to the nature of the Maintenance Department, RTA rents the uniforms for these employees. Each employee is provided eleven (11) sets of shirts and pants. All garments and related items are furnished, laundered, maintained, picked-up, and delivered to the RTA facility by a contractor on a weekly basis.

On August 3, 2016, the Board of Directors authorized issuing an Invitation for Bids (IFB) for Maintenance Uniform Rental Services. The IFB was structured as a (2) two-year base contract with one two-year option; the option year requiring Board of Directors approval. The following table illustrates the three (3) bids submitted by vendors.

	Total Two-Year Base	Annual Cost
UniFirst	\$ 45,459.44	\$ 22,729.72
Brite Star Services, LTD	\$ 55,928.34	\$27,964.17
G & K Services	\$ 56,882.80	\$ 28,441.40

Overall, UniFirst submitted the lowest, most responsive bid based on estimated annual usage. UniFirst is also the current supplier of maintenance uniform rental services.

Identified Need:

On October 12, 2011, the Board of Directors awarded a three (3) year base contract with a two (2) year option. The contract end date is October, 2016.

Disadvantaged Business Enterprise

Staff has contacted the proposed vendor and has identified subcontracting opportunities for DBE participation.

Financial Impact:

The estimated amount of the (2) two-year base contract is \$45,459.44 for Maintenance Uniform Rental Services, total amount of expenditures will be determined on actual usage. Funds are budgeted in FY2016 and FY2017 Operating Budgets, local funds.

Committee Review:

The Operations and Capital Projects Committee reviewed and approved this item on November 16, 2016.

Recommendation:

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or Designee to award a contract to UniFirst for Maintenance Uniform Rental Services.


Respectfully Submitted,

Submitted by:



Rosa Villarreal
Managing Director of Operations

Approval:



Jorge Cruz-Aedo
Chief Executive Officer



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors' Memo

December 7, 2016

Subject: Award a Contract to BuyBoard for the Purchase of 13 Relief Sedans and 12 Support Trucks

Background

RTA operates non-revenue vehicles for the purpose of operator relief on route during a shift. Maintenance employees utilize support vehicles for road calls; daily field duties, to include shelters, bus stops, and other tasks that require transporting specialized equipment and supplies. Currently, the RTA has relief and support vehicles that have met their useful life and are in need of replacement.

Identified Need

In order to meet current demands, avoid excessive maintenance costs, and disruptions to daily operational activities, these vehicles need to be replaced. The fleet of relief cars we are purchasing will be zero emission electric sedans. Along with the purchase of the electric sedans, we are also purchasing the corresponding charging stations. This will be the first electric vehicle purchase by the RTA.

Staff has researched pricing and will be using BuyBoard Cooperative Purchasing to procure these vehicles. By utilizing BuyBoard for this procurement, all of the Federal requirements for solicitation of vendors, Buy America Compliance, Federal Motor Vehicle Safety Standard (FMVSS) verification, and specification have been researched, developed, and the lowest price has been established. The RTA has purchased other vehicles utilizing cooperative purchasing to save procurement resources with competitive pricing.

Budget Impact

The following table illustrates the vehicles we are replacing along with the new vehicle types, quantity and cost:

Current vehicle type	New vehicle type	Qty	Unit cost	Totals
Ford Focus (unleaded)	Ford Focus (electric)	13	\$28,759.77	\$373,877.01
Ford F-150 (unleaded)	Ford F-150 (unleaded)	6	\$21,906.97	\$131,441.82
Ford F-250 (unleaded)	Ford F-250 (unleaded)	4	\$28,446.00	\$113,784.00
Chevy 1500 C35 (unleaded)	Ford F-350 (unleaded)	1	\$39,285.00	\$39,285.00
Ford Escape Hybrid	Ford Expedition (unleaded)	1	\$37,825.28	\$37,825.28
Charging Stations		7	\$8,520.00	\$59,640.00
Total Vehicles & Chargers:				\$755,853.11

Total budget for this project was \$950,000.00. Local funds have been allocated within the 2016 Capital Budget. Pricing has come in below budget and the funds left over will be used to provide the infrastructure needs for the charging systems.

Committee Review

The Operations & Capital Projects Committee reviewed and approved this item on November 16, 2016.

Recommendation

Staff requests the Board of Directors' authorize the Chief Executive Officer or designee to award a Contract to BuyBoard for the Purchase of 13 Relief Sedans and 12 Support Trucks.

Respectfully Submitted,

Submitted by: 
Rosa Villarreal
Managing Director of Operations

Approval: 
Jorge Cruz-Aedo
Chief Executive Officer



**CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY**

Board of Directors' Memo

December 7, 2016

**Subject: Award a Contract to Evergreen Lawn and Landscape for Bus Stop
Cleaning Services**

Background

As part of the capital improvements initiative several years ago, the Board of Directors, asked for a significant increase in the number of trash receptacles located at bus stops. Previously, there had been approximately 150 trash receptacles throughout the area. But, after the Board request and subsequent procurement, the trash receptacle count went from 150 to 860 trash receptacles. Thereby, growing the number of trash receptacles in the service area exponentially and requiring additional support resources.

Identified Need

In addition to the 860 trash receptacles, mentioned above, the RTA services 1,432 bus stops throughout our service area, with approximately 250 shelters. The CCRTA's service area is approximately 838 square miles and includes nine cities. By procuring bus stop cleaning services two goals are accomplished. The cleanliness of the stops enhances the overall public image of the CCRTA and provides a clean waiting area for our riders.

The contracted maintenance program for the bus stops includes landscaping, tree trimming around the bus stops, trash and graffiti removal. The service is provided to all stops on a weekly basis.

Analysis

The Request for Proposals (RFP) is a three-year base contract with two (2) one (1) year options. The RFP was issued on September 27, 2016 and a pre-proposal was held October 11, 2016. Four proposals were received on November 1, 2016. The table below lists the companies along with their scores/pricing.

Firms	Subtotal - (70 Points Max.)	Cost (30 Points Max.)	Cost	Total - (100 Points Max.)
Evergreen Lawn and Landscape	64.50	19	\$1,123,102.51	83.56
Ace Communications, LTD	47.80	30	\$702,194.40	77.80
Phoenix Clean	53.80	17	\$1,263,000.00	70.48
Fleetwash, Inc.	49.00	6	\$3,811,199.00	54.53

Please see the list below for the evaluation criteria and associated points:

- Approach and Work Plan 25 pts
- Experience 25 pts
- Qualifications and References 20 pts
- Cost 30 pts

Upon completion of the evaluations, it was determined Evergreen Lawn and Landscape proposed the apparent overall best value for bus stop cleaning services. Evergreen Lawn and Landscape was awarded the highest technical scores for a 64.50 out of 70. The second company in the rankings had a technical score of 47.80 for a delta between the scores of 16.70. The overall score for Evergreen Lawn and Landscape was 83.56 with price factored in.

Evergreen Lawn and Landscape has over 18 years of experience with a list of clients that include La Palmeta Mall, Corpus Christi Housing Authority, First Community Banks, Greenbriar Apartments, Fulton Construction and the CCRTA. Evergreen Lawn and Landscape is the CCRTA's current bus stop cleaning and trash removal contractor.

Financial Impact

The proposed contract award for the three year based is \$1,123,102.51 or \$374,367.50 annually. The independent cost estimate was \$937,675.35 for the three-year base. The difference is \$185,427.16 for the three-year contract or 61,809.00 annually. CCRTA staff will enter into negotiations with the contractor to discuss ways to reduce the annual cost of the contract contingent upon contract approval by the Board of Directors.

The award of each option year would be based on a satisfactory performance in the prior years and would require the Board of Directors authorization to award each option year.

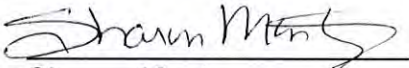
Committee Review

The Operations & Capital Projects Committee reviewed and approved this item on November 16, 2016.

Recommendation

Staff request the Board of Directors' authorize the Chief Executive Officer (CEO), or designee to award a contract to Evergreen Lawn and Landscape for Bus Stop Cleaning Services in an amount not to exceed \$1,123,102.51 for the three-year base.

Respectfully Submitted,

Submitted by: 
Sharon Montez
Managing Director of Customer Services and Capital Projects

Approval: 
Jorge Cruz-Aedo
Chief Executive Officer



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors' Memo

December 7, 2016

**Subject: Designate a Facilitator for Chief Executive Officer (CEO) Evaluation
Scheduled for January 4, 2017**

Background

The Board of Directors is scheduled, by contract, to evaluate the CEO in January of each year based upon the performance objectives developed by the Board. The CEO's employment agreement may be modified at or after the February Board of Directors meeting as may be mutually agreed upon between the Board of Directors and the CEO after such review.

Identified Need

To meet the spirit of the contract, the Board of Directors should identify the method by which they wish to evaluate the CEO. By separate cover, the CEO Evaluation Form, drafted by Mr. John D. Bell, Board Attorney is being provided for review and consideration. Additionally, the Board has used the Board Attorney to facilitate the evaluation process over the last several years, since any modifications to the terms of the contract are heard and understood first hand. The Board may also engage an external facilitator to assist the Board through the evaluation process. To do this, the Board of Directors should instruct staff to engage a facilitator for use during the January evaluation process.

Should the Board of Directors wish to continue the process of using the Board Attorney for the evaluation process, the Board of Directors should move to designate the Board Attorney to facilitate the evaluation process. If the Board of Directors wishes to engage an external facilitator, then the Board should direct staff to bring an evaluation facilitator to the Board of Directors, prior to beginning the evaluation process

Financial Impact


The estimated cost for this service is estimated to be \$1,000.

Recommendation

Staff requests the Board of Directors' designate a Facilitator for the Chief Executive Officer (CEO) evaluation.

Respectfully Submitted,

Submitted by:


Jorge Cruz-Aedo
Chief Executive Officer



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

Board of Directors' Memo

December 7, 2016

Subject: Public Hearing on Modifications to the Proposed January 2017 Transit Program Including Service Changes that Will Impact Routes, Stops, and Schedules Throughout the Service Area, Under Phase 1 of the Transit Plan 20/20 Five-Year Service Plan

Background

In July 2015, Transit Plan 20/20 or the RTA Comprehensive Operational Analysis, was initiated in coordination with the Nelson Nygaard consultant team to develop a five-year fixed route service plan to improve customer satisfaction, operational performance, and increase ridership. On October 12, 2016, the Transit Plan 20/20 Five-Year Service Plan was accepted by the Board of Directors.

Throughout the development of the plan, extensive public and stakeholder outreach was conducted at transfer stations, at bus stops, on buses, through multiple in-person and online surveys, and in meetings to formulate service plan recommendations. Feedback was also received from Bus Operators, Supervisors and RTA staff during Quarterly meetings.

After the close of today's public hearing, staff is seeking approval to implement service proposals under Phase 1 of the Transit Plan 20/20 Five-Year Plan. Pending approval, the implementation of the Phase 1 service improvements will become effective on January 23, 2017.

Identified Need

- As presented at the Operations and Capital Projects Committee meeting on November 16, 2016, proposed service improvements to be implemented on January 23, 2017 include the following:

Service Improvement:

- Route 4 Flour Bluff Mini-B
- Route 12 Hillcrest/Baldwin
- Route 16 Morgan
- Route 27 Leopard (Express trips)
- Route 29 Staples
- Route 34 Robstown North Circulator
- Route 55 Gregory

New Route:

- New Route 28 Leopard/Omaha
- New Route 30 Westside/Health Clinic
- New Route 35 Robstown South Circulator
- New Route 54 Gregory/Downtown Express
- New Route 56 Flour Bluff/Downtown Express
- New Route 81 Beach Bus (Seasonal)

Minor Schedule Change:

- Route 17 Carroll/Southside
- Route 32 Southside Circulator
- Route 76 Harbor Bridge Shuttle

Discontinued Service:

- Route 67 Robstown/Gregory

Public notices describing the proposed service improvements included the following actions:

- Formal public notice posted on November 4, 2016 in English and Spanish
 - Proposals were made available at the Customer Service Center, CCRTA web site, Caller Times, Social Media, Transit Plan 20/20 site at btransitplan.com
- Public input was collected at Staples Street Station, Port Ayers Station, Southside Station, Robstown Station, Flour Bluff Transfer Point, and public meeting held on November 30, 2016.

Throughout the public input period, multiple comments were received from American Bank Center and Omni Hotel employees regarding the shortening of Route 29 Staples. As a result, staff extended the late evening hours of service for Route 76 Harbor Bridge Shuttle on weekdays to optimize connections between the Staples Street Station and downtown locations that Route 29 will no longer serve.

In regards to the routing proposals, staff received approximately 50 written comments as well as several verbal comments received at transfer stations, the November 30, 2016 public meeting, and in-person and by phone contacts through the Customer Service Center. The focus of the comments pertained to the Route 16, 29, and 67 proposals.

The Title VI of the Civil Rights Act of 1964 service equity analysis was completed as required by the Federal Transit Administration. The focus of the analysis involved identifying minority and low-income populations negatively impacted by the service proposals. In summary, no disparate impacts or disproportionate burdens were identified.

Pending approval, between the months of December and January 2017, staff will launch into a comprehensive public outreach effort to communicate the approved service



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

Board of Directors' Memo

December 7, 2016

Subject: October 2016 Financial Report

SUMMARY: The Authority's net financial performance for the month of October falls short of budgeted amounts by \$399,259. This is mainly attributed to the shortfall in sales tax collections of \$382,243. The year-to-date variance also falls short of total budgeted amounts by \$2,173,089, again due to under-collected sales taxes (\$3,925,009) offset somewhat by departmental savings (\$775,888) and timing of receipt of the Street Improvements Program reimbursement requests (\$1,384,276).

REVENUES

- Sales Tax – October sales tax has been estimated at \$2,623,676, which, due to lagging sale tax collections, is 6% less than amounts collected for October 2015 actual collections.

UPDATE – SALES TAX COLLECTIONS FOR SEPTEMBER 2016 SALES OF \$2,849,802 WERE RECEIVED ON NOVEMBER 11, 2016 AND ARE \$178,570 LOWER THAN COLLECTIONS FOR THE SAME PERIOD LAST YEAR, A DECREASE OF 5.9%. YEAR-TO-DATE COLLECTIONS FOR 2016 TOTAL \$23,490,884 WHICH ARE 12.3% (\$3,289,116) UNDER 2016 BUDGETED AMOUNTS.

- Operating Revenues – For the month of October, Passenger Service was \$129,142 vs. \$152,864 in 2015 – a decrease of \$23,722 (15.5%). This reduction was due to a billing correction for prior months, which when adjusted out, reflects revenues of \$146,538, which are \$33,924 (19%) lower than current budget estimates. Other operating revenues, including bus advertising, were \$19,347 vs. \$22,917 budgeted for a net decrease of \$3,570.

EXPENSES

Over all, monthly departmental expenses are under budget by \$25,096, or 1.03%. The majority of departments report savings, with Human Resources reflecting \$154,105 more than budgeted amounts due to higher than budgeted health insurance and pension costs. Following are comments relating to the specific expense categories.

- Salaries & Benefits – October reflects \$1,038,291, which is 3.16% (\$31,761) over budgeted amounts. The majority of this variance is due to timing of payroll accruals. For year to date expenses, this category is 1.62% (\$171,842) under budget, mainly due to vacancies.

- Services – October reflects \$235,732, which is 17.42% (\$49,738) under budget. Likewise, year to date expenses of \$2,608,074 are \$505,524 (16.24%) under budget in this category, mainly due to timing of receipt of invoices combined with departments taking cost containing measures to reduce expenditures.
- Materials and Supplies – October reports \$274,401, which is 4.03% (\$11,519) under budget with year to date expenses running \$2,637,870, or \$271,147 (9.32%) under budget. The majority of this variance is in savings in fuel and lubricants which is offset by an increase in the repair parts category.
- Insurance – October reports \$280,161, which is \$49,304 (21.36%) over budget. This variance is attributed to an increase in Health claims paid versus amounts budgeted. The year to date expenses of \$2,892,715 are at 26.18%, or \$600,144 over budget for the same reason.
- Purchased Transportation – October reports \$471,498 which is \$6,648 (1.43%) over budget. The year-to-date expenses of \$4,631,195 are \$54,092 (1.18%) over budget, which is reflective of overruns in Contract Fixed Route and B-Line Service costs due to increased ridership and time due to detours, offset by savings in fuel costs of \$161,936.
- Miscellaneous –October reports \$77,656 which is \$8,332 (9.69%) under budget with year to date expenses of \$703,973 versus \$1,175,393 budgeted, or 40.11% under budget. This variance is mainly associated with budgeted amounts of \$557,004 for Intergovernmental expenses not incurred to date and \$99,805 in travel/training savings, offset by increases in actual versus budgeted amounts in advertising/media expenses of \$132,777 in Marketing.

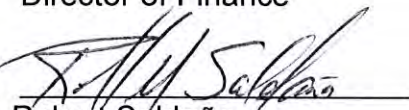
Please refer to the following pages for the detailed financial statements.

Committee Review

This item was presented to the Administration & Finance Committee November 16, 2016.

Respectfully Submitted,

Submitted by: 
 Cindy O'Brien
 Director of Finance

Final Review: 
 Robert Saldaña
 Managing Director of Administration

Approval: 
 Jorge G. Cruz-Aedo
 Chief Executive Officer

Corpus Christi Regional Transportation Authority
 Comparative Statements of Net Position (Unaudited)
 At October 31, 2016 & September 30, 2016 & October 31, 2015

	<u>October 31, 2016</u>	<u>September 30, 2016</u>	<u>October 31, 2015</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 19,398,990	17,586,148	32,089,997
Investments	8,219,813	9,219,422	8,131,196
Receivables			
Sales taxes	5,413,909	5,093,227	6,293,540
Accrued interest receivable	61,957	58,231	-
Due from federal/state Government	6,427,942	6,391,662	7,755,829
Other	89,951	270,306	134,469
Inventories	600,914	605,690	626,777
Prepaid Expenses	338,128	389,226	138,796
Net Pension Asset	(340,853)	(144,791)	1,112,521
Total Current Assets	<u>40,210,751</u>	<u>39,469,121</u>	<u>56,283,125</u>
Non-Current Assets:			
Capital assets:			
Land and Construction in progress	37,174,944	37,117,382	45,519,599
Other capital assets, net of depreciation	44,135,003	44,798,750	32,511,779
Net capital assets	<u>81,309,947</u>	<u>81,916,132</u>	<u>78,031,378</u>
Total Non-Current Assets	<u>81,309,947</u>	<u>81,916,132</u>	<u>78,031,378</u>
Total Assets	<u>121,520,698</u>	<u>121,385,253</u>	<u>134,314,503</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	1,747,498	1,769,828	6,684,471
Accrued compensated absences	234,460	234,460	227,838
Bonds Payable	540,000	540,000	535,000
Distributions to regional entities payable	924,456	924,456	576,937
Other accrued liabilities	763,200	820,581	619,193
Total Current Liabilities	<u>4,209,614</u>	<u>4,289,325</u>	<u>8,643,439</u>
Non-Current Liabilities:			
Accrued compensated absences	173,589	173,589	109,359
Bonds Payable	20,375,000	20,375,000	20,915,000
Other Post Employment Benefits	483,688	483,688	518,327
Total Non-Current Liabilities	<u>21,032,277</u>	<u>21,032,277</u>	<u>21,542,686</u>
Total Liabilities	<u>25,241,891</u>	<u>25,321,602</u>	<u>30,186,125</u>
NET POSITION			
Net Investment in Capital Assets	81,309,947	81,916,132	78,031,378
Restricted for debt service	1,611,302	1,611,302	1,611,302
Restricted for pension plan obligation	1,125,097	1,321,159	1,112,521
Unrestricted	12,232,461	11,215,058	23,373,178
Total Net Position	<u>\$ 96,278,807</u>	<u>96,063,650</u>	<u>104,128,378</u>

Corpus Christi Regional Transportation Authority
Statement of Revenues and Expenditures By Cost Center (Unaudited)
Months ended October 31, 2016 & October 31, 2015

	Current Month			Prior Year Comparison	
	Actual	Budget	Favorable (Unfavorable) Variance	2015	Favorable (Unfavorable) Comparison
			A vs B		A vs C
	A	B	A vs B	C	A vs C
Operating Revenues:					
Passenger service	\$ 129,142	180,462	(51,320)	152,864	(23,722)
Bus advertising	8,532	12,000	(3,468)	13,950	(5,418)
Charter service	-	-	-	-	-
Other operating revenues	10,815	10,917	(102)	6,849	3,966
Total Operating Revenues	148,489	203,379	(54,890)	173,663	(25,174)
Operating Expenses:					
Transportation	477,283	539,279	61,996	570,113	92,830
Customer Programs	26,489	11,618	(14,871)	11,476	(15,013)
Purchased Transportation	477,413	478,522	1,109	477,292	(121)
Service Development	30,208	25,121	(5,087)	64,964	34,756
MIS	46,296	51,592	5,296	37,822	(8,474)
Vehicle Maintenance	390,144	421,797	31,653	501,262	111,118
Facilities Maintenance	131,452	172,551	41,099	111,080	(20,372)
Contracts and Procurements	6,853	19,304	12,451	15,013	8,160
CEO's Office	52,297	72,820	20,523	26,023	(26,274)
Finance and Accounting	29,320	32,374	3,054	31,658	2,338
Materials Management	11,787	10,173	(1,614)	10,616	(1,171)
Human Resources	476,338	322,233	(154,105)	257,566	(218,772)
General Administration	32,590	32,315	(275)	31,009	(1,581)
Capital Project Management	15,484	12,947	(2,537)	15,497	13
Marketing & Communications	60,520	60,786	266	46,531	(13,989)
Safety & Security	114,361	91,074	(23,287)	80,842	(33,519)
Staples Street Center	26,905	76,332	49,427	-	(26,905)
Total Departmental Expenses	2,405,740	2,430,836	25,096	2,288,764	582,587
Depreciation	663,747	663,748	1	430,285	(233,462)
Total Operating Expenses	3,069,487	3,094,584	25,097	2,719,049	349,125
Operating Income (Loss)	(2,920,998)	(2,891,205)	(29,793)	(2,545,386)	323,951
Other Income (Expense)					
Sales Tax Revenue	2,817,757	3,200,000	(382,243)	2,530,328	287,429
Federal, state and local grant assistance	329,945	350,000	(20,055)	227,649	102,296
Investment Income	8,028	10,000	(1,972)	8,208	(180)
Gain (Loss) on Disposition of Property	-	-	-	-	-
Interest Expense on Bonds	-	-	-	-	-
Transfer to Capital Programs	-	(66,071)	66,071	-	-
Subrecipient Grant Agreements	(31,267)	-	(31,267)	-	(31,267)
Street Improvements Program for CCRTA Region Entities	-	-	-	-	-
Net Income (Loss) Before Capital Grants and Donations	203,465	602,724	(399,259)	220,799	682,229
Capital Grants & Donations	-	-	-	-	-
Change in Net Assets	\$ 203,465	602,724	(399,259)	220,799	682,229

Corpus Christi Regional Transportation Authority
Statement of Revenues And Expenditures By Cost Center (Unaudited)
Year-to-date October 31, 2016 & October 31, 2015

	Year-to-date			Prior Year Comparison	
	Actual	Budget	Favorable (Unfavorable)	2015	Favorable (Unfavorable)
			Variance		Comparison
	A	B	A vs B	C	A vs C
Operating Revenues:					
Passenger service	\$ 1,441,638	1,618,139	(176,501)	1,557,240	(115,602)
Bus advertising	69,655	78,000	(8,345)	37,283	32,372
Charter service	-	-	-	-	-
Other operating revenues	534,417	239,152	295,265	304,540	229,877
Total Operating Revenues	2,045,710	1,935,291	110,419	1,899,063	146,647
Operating Expenses:					
Transportation	5,574,931	5,725,343	150,412	5,571,160	(3,771)
Customer Programs	229,976	207,864	(22,112)	177,474	(52,502)
Purchased Transportation	4,705,565	4,676,972	(28,593)	5,098,343	392,778
Service Development	549,517	572,960	23,443	310,366	(239,151)
MIS	575,725	489,492	(86,233)	418,062	(157,663)
Vehicle Maintenance	3,960,812	4,329,562	368,750	4,702,888	742,076
Facilities Maintenance	1,259,459	1,799,942	540,483	1,265,893	6,434
Contracts and Procurements	116,267	162,590	46,323	188,197	71,930
CEO's Office	442,140	562,042	119,902	547,780	105,640
Finance and Accounting	418,029	457,864	39,835	377,621	(40,408)
Materials Management	123,599	103,095	(20,504)	105,232	(18,367)
Human Resources	4,074,304	3,351,249	(723,056)	2,910,310	(1,163,994)
General Administration	308,425	324,050	15,625	266,793	(41,632)
Capital Project Management	148,664	148,544	(120)	170,344	21,680
Marketing & Communications	531,909	495,587	(36,322)	273,786	(258,123)
Safety & Security	1,085,776	927,033	(158,743)	858,157	(227,619)
Staples Street Center	265,157	701,528	436,371	58,559	(206,598)
Total Departmental Expenses	24,370,255	25,035,715	665,460	23,300,965	329,128
Depreciation	6,637,470	6,637,479	9	4,302,854	(2,334,616)
Total Operating Expenses	31,007,725	31,673,194	665,469	27,603,819	(2,005,488)
Operating Income (Loss)	(28,962,015)	(29,737,903)	775,888	(25,704,756)	(1,858,841)
Other Income (Expense)					
Sales Tax Revenue	26,054,991	29,980,000	(3,925,009)	28,832,675	(2,777,684)
Federal, state and local grant assistance	1,856,282	3,200,000	(1,343,718)	2,433,624	(577,342)
Investment Income	80,444	100,000	(19,556)	104,752	(24,308)
Gain (Loss) on Disposition of Property	17,000	15,000	2,000	-	17,000
Interest Expense on Bonds	(493,598)	(493,198)	(400)	(537,082)	43,484
Transfer to Capital Programs	-	(396,426)	396,426	-	-
Subrecipient Grant Agreements	(71,560)	(628,564)	557,004	(173,605)	102,045
Street Improvements Program for CCRTA Region Entities	(155,819)	(1,540,095)	1,384,276	-	(155,819)
Net Income (Loss) Before Capital Grants and Donations	(1,674,275)	498,814	(2,173,089)	4,955,608	(5,231,465)
Capital Grants & Donations	-	-	-	-	-
Change in Net Assets	\$ (1,674,275)	498,814	(2,173,089)	4,955,608	(5,231,465)



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

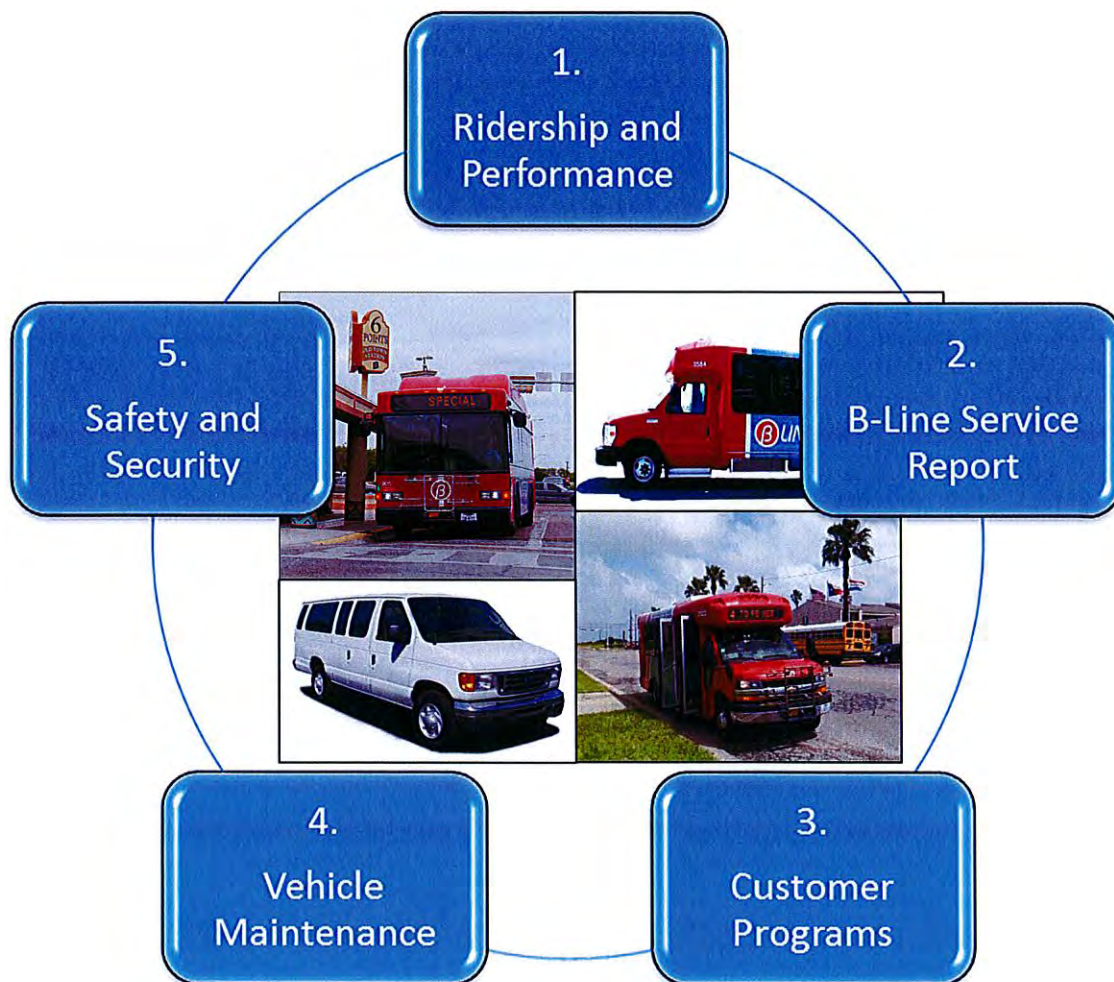
Board of Directors'

December 7, 2016

Subject: Operations Report for October 2016

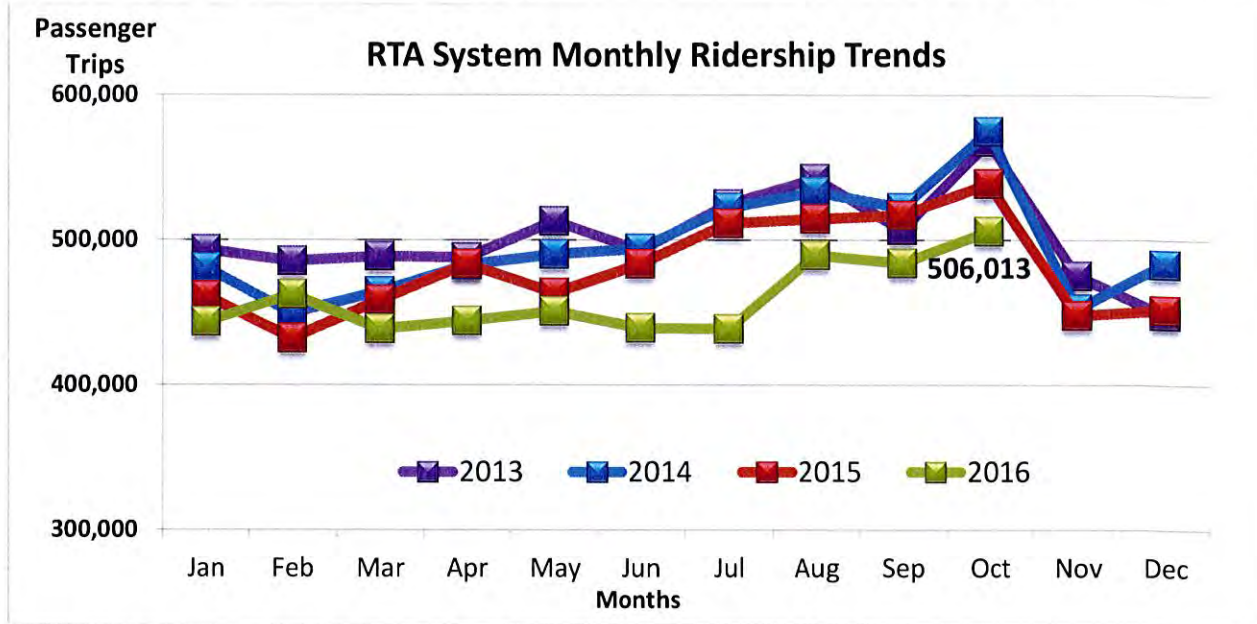
The system-wide monthly operations performance report for October 2016 is included below for your information and review. This report contains monthly and Year-to-Date (YTD) operating statistics and performance measurement summaries containing ridership, performance metrics by service type, miles between road calls, customer service feedback, and a safety and security summary.

Detailed results are reported within the five sections outlined below:

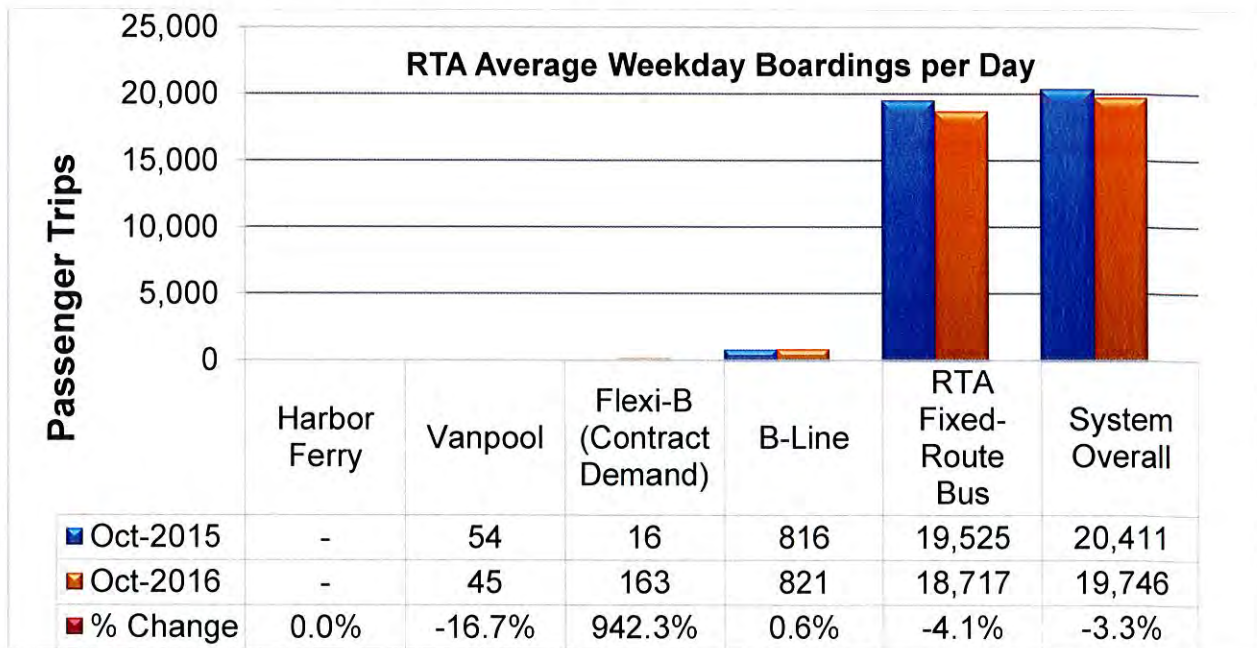


1. System-wide Ridership and Service Performance Results

Boardings for all services in October 2016 totaled 506,013. This represents a 6.1% decrease as compared to 538,881 boardings in October 2015 or 32,868 less boardings this October. In regards to retail gasoline prices, unleaded fuel cost about \$1.94 per gallon compared to \$1.97 per gallon in October 2015¹. Approximately 0.94 inches of rain was recorded this month as compared to 3.24 inches in October 2015.²



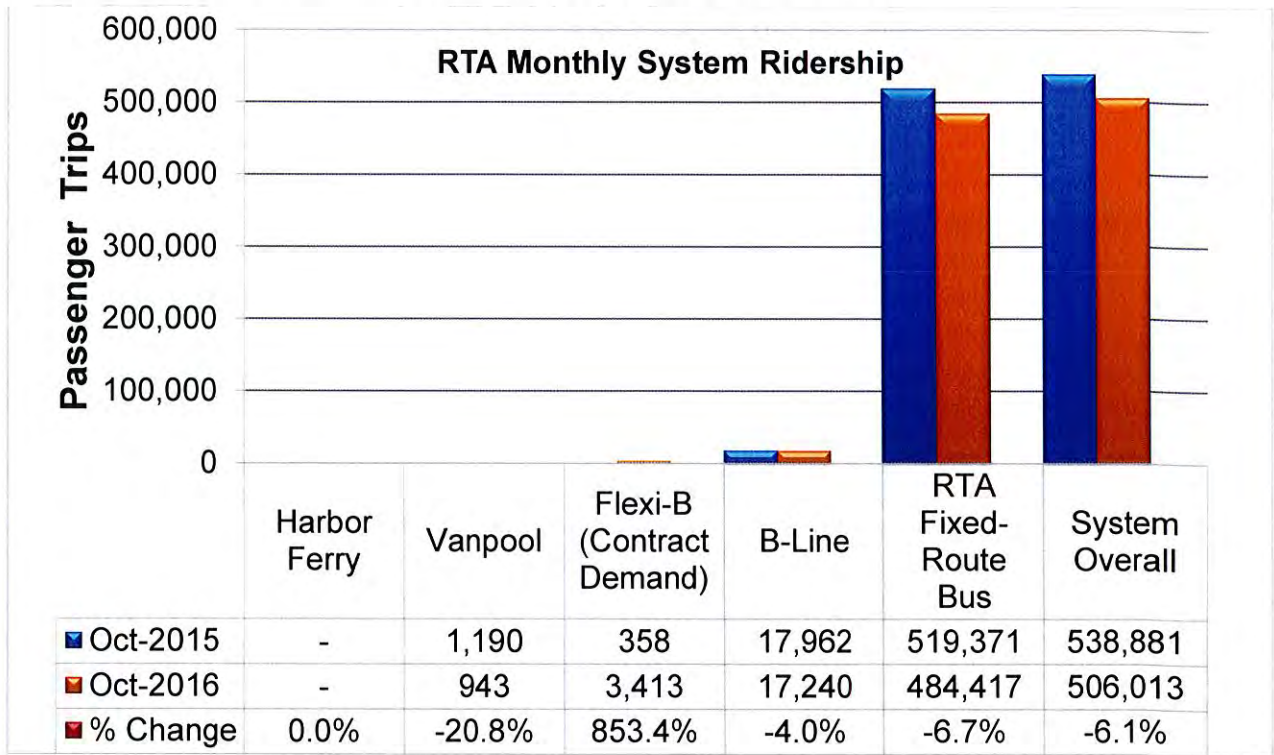
The chart below shows average weekday ridership for all services.



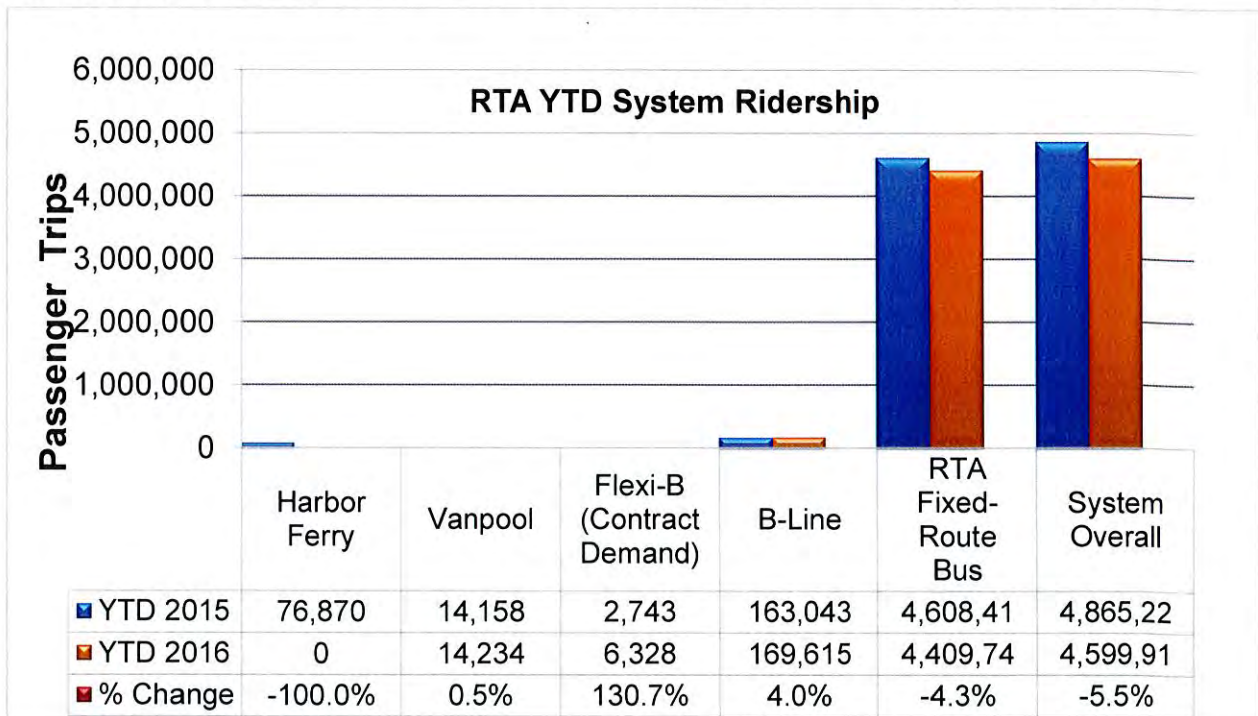
1. GasBuddy.com historical data at <http://www.gasbuddy.com>.

2. Weather Underground historical data at <http://www.wunderground.com>.

The chart below shows monthly ridership results for all services.

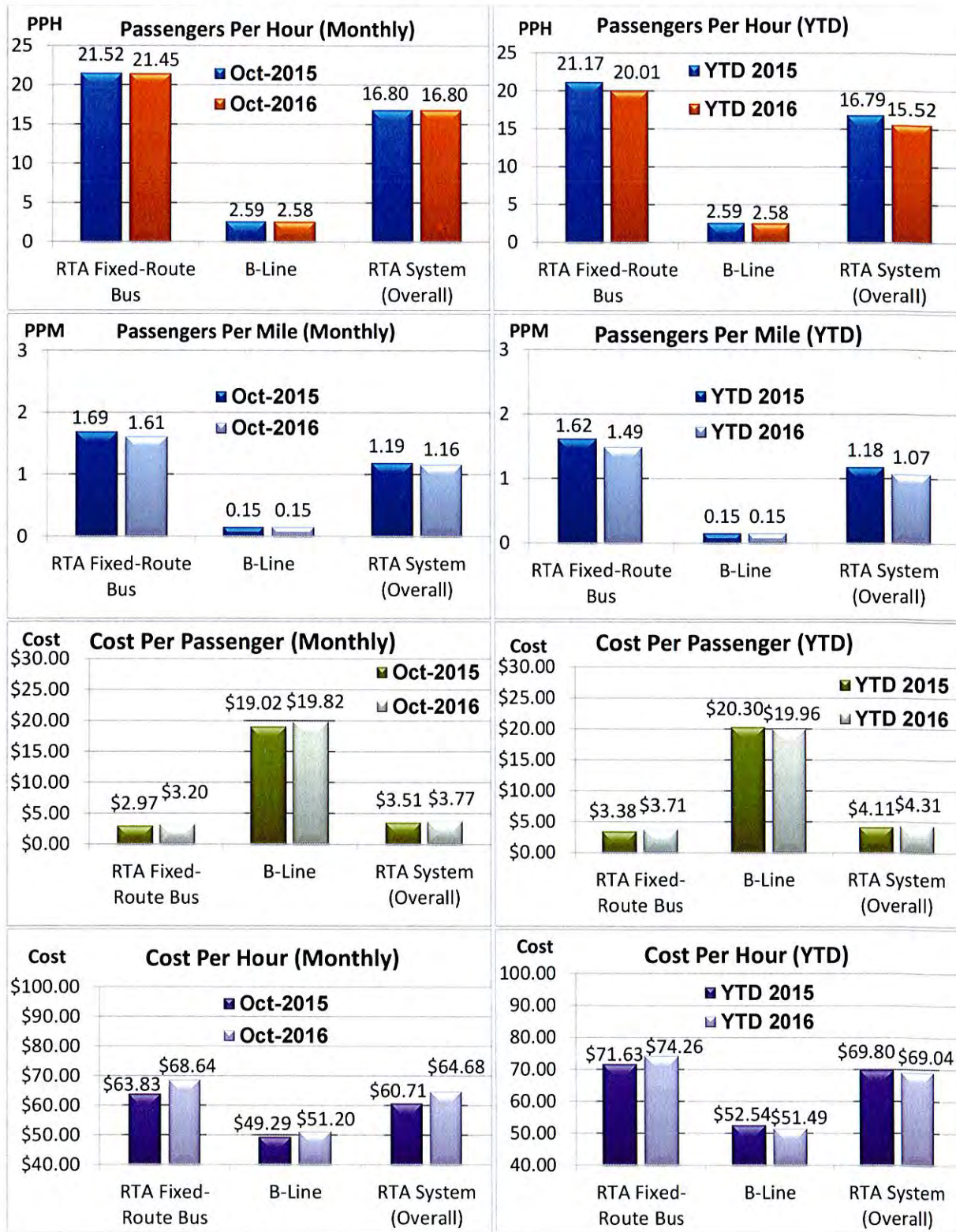


The chart below shows YTD ridership results for all services. The RTA has recorded 265,308 less boardings or -5.5% in 2016 as compared to the same period in 2015.



Excluding the 2015 Harbor Ferry ridership, there is a difference of -188,438 boardings or -4.1% in 2016 for System Overall.

The following charts report system-wide productivity and other cost performance measurements for the month of October 2016 vs. October 2015 and YTD figures.



The following charts report system-wide productivity and other cost performance measurements for the month of October 2016 vs. October 2015 and YTD figures. The following table shows on-time performance of RTA Fixed-Route services.

Schedule Adherence	Standard	Aug-16	Sep-16	Oct-16	3-Month Average
Early Departure	<1%	1.9%	2.4%	0.4%	1.6%
Departures within 0-5 minutes	>85%	89.4%	85.4%	82.8%	85.9%
Monthly Wheelchair Boardings	No standard	5,674	6,160	5,428	5,754
Monthly Bicycle Boardings	No standard	9,821	9,600	9,676	9,699
On-time performance surveys with departures > 5 minutes late will be examined by Planning and Transportation Departments. Corrective actions may follow.					

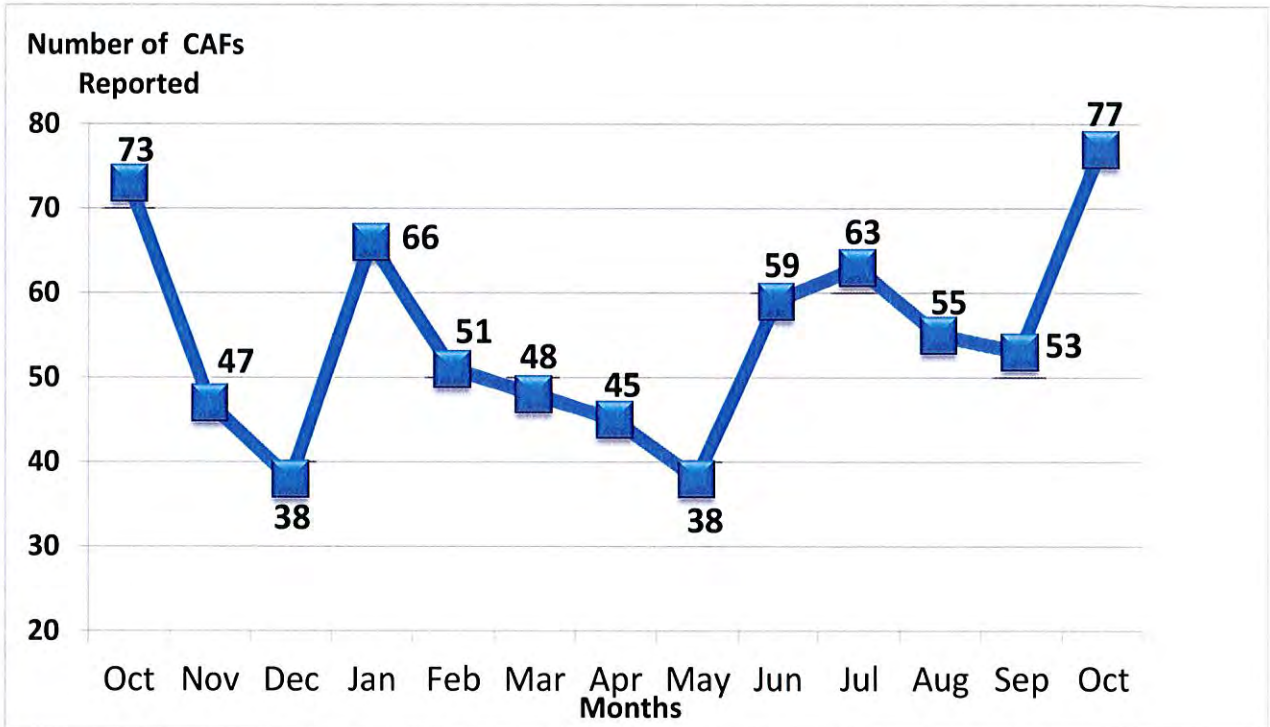
2. Purchased Transportation Department Report: B-Line Service Contract Standards & Ridership Statistics

- Productivity: **2.58** PPH did meet the contract standard of 2.50 PPH.
- On Time Performance: **96.4%** did meet the contract standard of 96%.
- In Vehicle Time: **98.4%** exceeded the contract standard of 95%.
- Denials: 0 denials or **0.0%** did meet contract standard of 0.0%.
- Miles between Road Calls: **18,877** did exceed the contract standard of 12,250 miles.
- Ridership Statistics: **11,403** ambulatory; **4,694** wheelchair boarding's

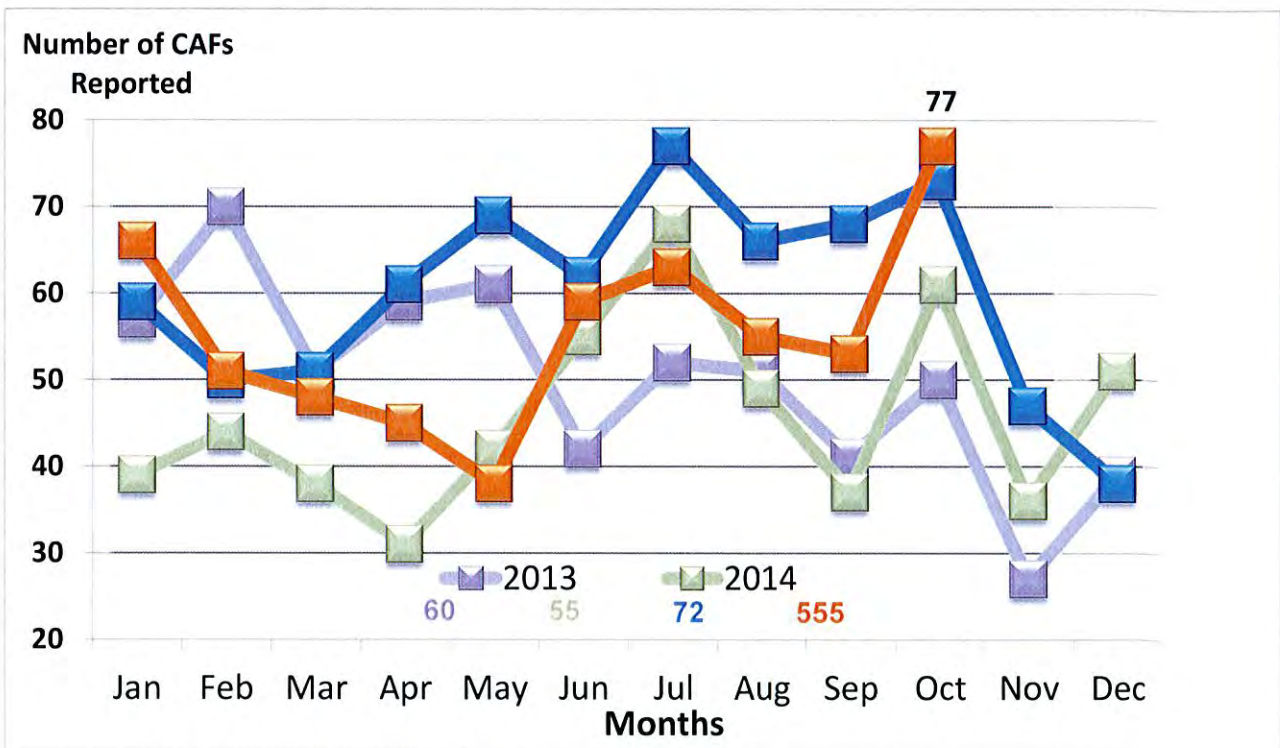
Metric	Standard	Aug-16	Sep-16	Oct-16	YTD Average
Passengers per Hour	2.50	2.63	2.58	2.58	2.60
On-time Performance	96%	96.5%	95.1%	96.4%	96.0%
In Vehicle Time	95.0%	99.3%	99.4%	98.4%	99.0%
Denials	0.00%	0.00%	0.00%	0.00%	0.0%
Miles Between Roadcalls	12,250	15,355	18,313	18,877	17,515
Monthly Wheelchair Boardings	No standard	5,065	4,512	4,694	4,757

3. Customer Programs Monthly Customer Assistance Form (CAF) Report

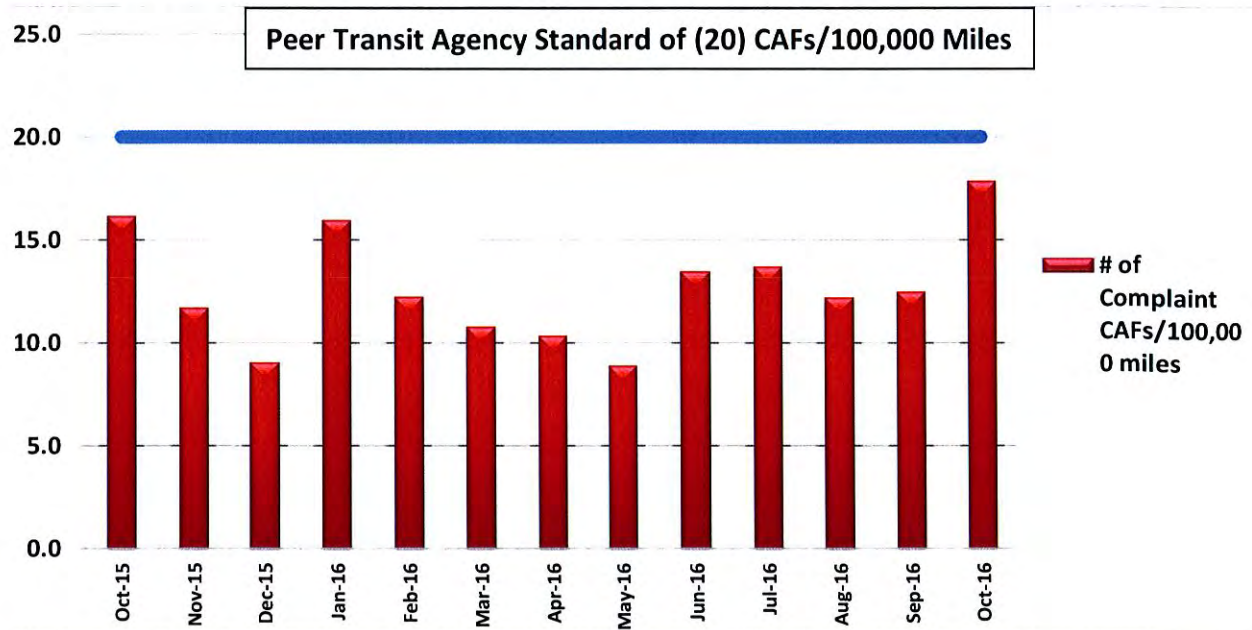
For October 2016, there were 77 reported CAF's (excludes commendations) which represents an increase from 53 reported CAF's overall in September 2016. The statistics for October represents a 45.2% increase, 77 CAF's vs 53 CAF's compared to the month of September 2016. There were 3 Commendations for the month of October.



3a. CAF Reports: Historical Trends



3b. Reported Complaint CAFs w/o Commendations & Suggestions: Historical Trend



3c. Route Summary Report for October 2016

Route	# of CAF's	Route	# of CAF's
#3 NAS Shuttle	2	#32 Southside Mini B	4
#4 Flour Bluff Mini B	4	#34 Robstown Circulator	0
#5 Alameda	1	#37 Crosstown	2
#6 Santa Fe/Malls	2	#51 Gregory Park & Ride	0
#8S FlourBluff/Malls	0	#63 The Wave	1
#12 Saxet Oak Park	0	#65 Padre Island Connector	2
#15 Kostoryz	1	#67 Robstown/Gregory	0
#16 Agnes/Ruth	2	#76 Harbor Bridge Shuttle	0
#17 Carroll/Southside	3	#77 Harbor Ferry	0
#19 Ayers/Norton	1	#78 North Beach	0
#19G Greenwood	2	#83 Advanced Industries	1
#19M McArdle	2	#84 LightHouse	0
#21 Arboleda	2	#94 Port Aransas Shuttle	0
#21S Arboleda(Sun)	1	#95 Flexi-B Port A	0
#23 Molina	0	B-Line (Para-transit)	4
#25 Gollihar/Greenwood	1	Facility Maintenance	7
#26 Airline/Lipes Connector	1	Service Development	5
#27 Northwest	6	Safety and Security	10
#27S Northwest (Sun)	0	Transportation (Other)	1
#29 Staples	5		
#29F Flour Bluff	2		
#29SS Spohn South	2	TOTAL CAF'S	77

3d. October 2016 CAF Breakdown by Service Type:

CAF Category	RTA Fixed Route	B-Line ADA Paratransit	Contracted Fixed Route	Totals
Service Stop Issues	15	0	2	17
Driving Issues	9	1	0	10
Customer Services	10	1	2	13
Late/Early – No Show	6	2	2	10
Fare/Transfer Dispute	2	0	0	2
Wheel Chair (Tie Downs)	1	0	0	1
Facility Maintenance	7	0	0	7
Vehicle Maintenance	1	0	0	1
Service Development	5	0	0	5
Safety and Security	10	0	0	10
Transportation (Other)	1	0	0	1
Total	67	4	6	77
Commendations	3	0	0	3

Conclusion:

During October 2016, RTA received 77 CAF's/Commendations regarding RTA Fixed-Route Service, B-Line and Purchased Transportation; three (3) of the 80 reported CAF's (October) were commendations.

There were a total of 67 CAF's/Commendations received regarding RTA Service representing 87% of total customer contacts: 7 for Facilities Maintenance, 5 for Service Development, 10 for Safety and Security, 1 for Vehicle Maintenance and 44 for Transportation.

A total of 4 CAF's/Commendations were reported regarding B-Line service representing 5% of the total customer contacts.

A total of 6 CAF's were reported regarding Contracted Fixed Route service representing 8% of the total customer contacts.

Actions taken as a result of reported CAF's include but are not limited to the following:

- Coaching and counseling
- Driver training
- Progressive disciplinary action as appropriate, group discussion/coaching in operator meetings
- Discussion in supervisory meetings
- Examination of RTA operations policy

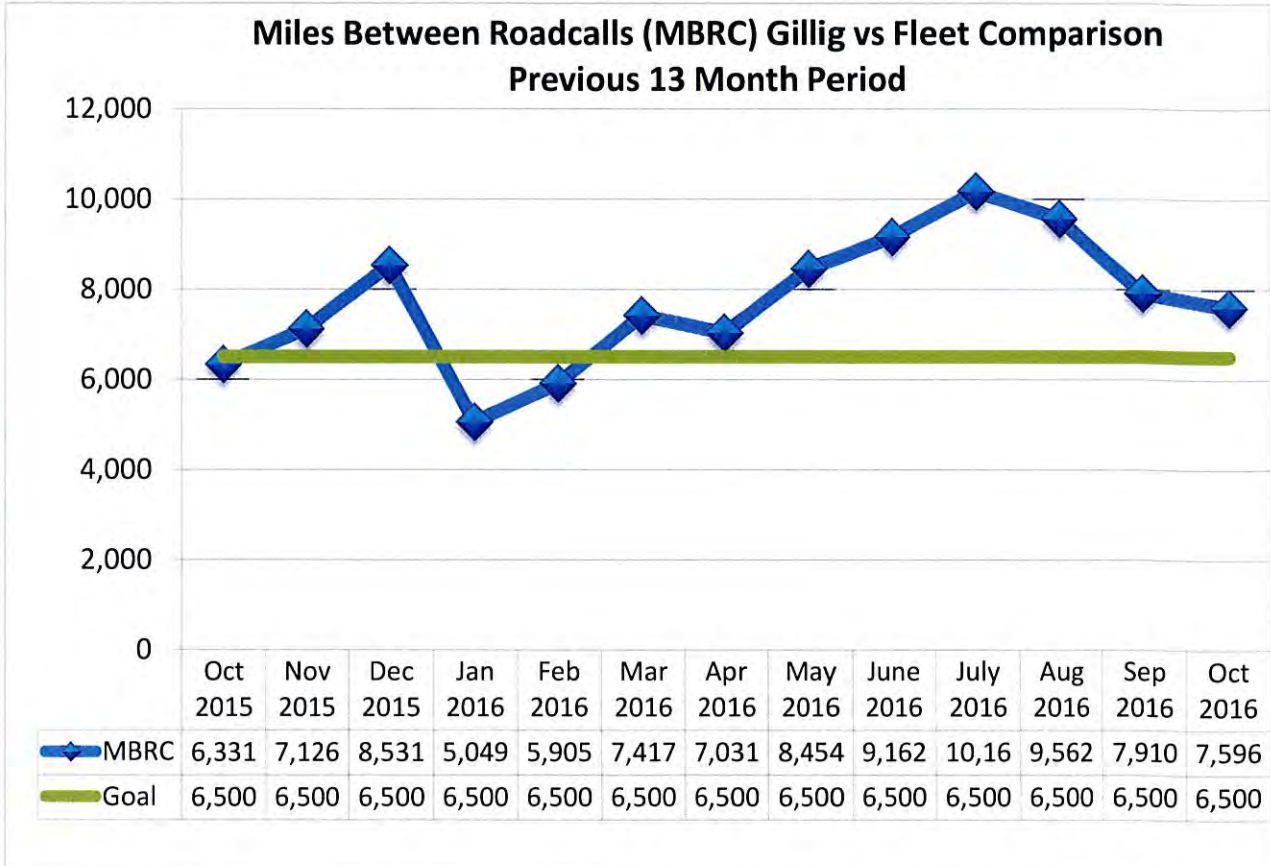
The RTA documents CAF's to capture information regarding a wide range of issues from the community's perspective point of view. CAF's are communicated to the Customer Programs group via the telephone, e-mail, letter or in person.

CAF's are redirected to relevant management and supervisory staff for further investigation. Customer Service staff will provide a prompt and written response at the conclusion of the investigation to the customer within ten working days.

CAF's play an important role as a quality assurance tool to identify issues regarding service; they also inform RTA regarding education and training needs. CAF's assist Service Development in identifying problems around existing service and identifying underserved areas. CAF's also serves to guide policy development.

4. Vehicle Maintenance Department Monthly Miles Between Road Calls Report

For October 2016, 7,596 miles between road calls (MBRC) were recorded as compared to 6,331 MBRC in October 2015. A standard of 6,500 miles between road calls is used based on the fleet size, age, and condition of CCRTA vehicles.



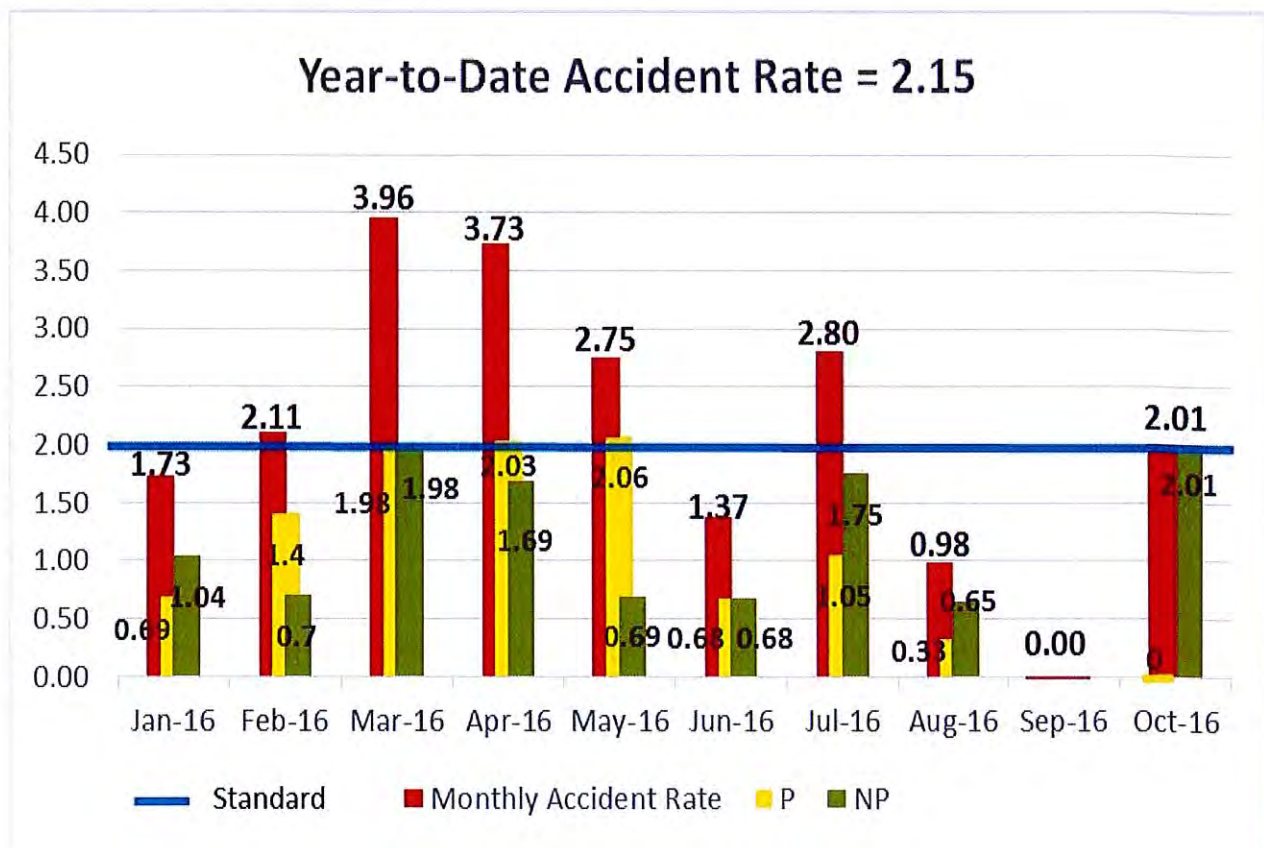
MBRC is a performance gauge of maintenance quality, fleet age, and condition; an increase in MBRC is a positive indicator. As defined by the Federal Transit Administration, a road-call is the practice of dispatching a service vehicle to repair or retrieve a vehicle on the road. There are two types of road-calls; Type I and Type II. A Type I road-call is a major mechanical failure that prevents the revenue vehicle from completing a scheduled revenue trip. A Type II road-call is a mechanical failure causing an interruption in revenue service.

5. Safety/Security Department Report

SAFETY SUMMARY

For October 2016, there were (6) vehicle accidents and all (6) were determined to be non-preventable (NP). There were 22 customer-related incidents. CCRTA drove a total of 297,814.4 miles. The total accident rate for the month was 2.01 per hundred thousand miles driven. The desirable range for total collisions is at 2.0 or less.

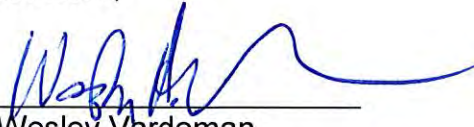
The chart below illustrates the Year-to-Date accident rate. Please keep in mind that this chart shows all vehicle accidents regardless of fault.



SECURITY SUMMARY

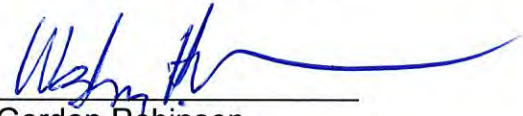
For October 2016, there were approximately 1,400 hours of security coverage was used for all areas of CCRTA Operations. Officers arrested 1 individual for public intoxication, issued 18 criminal trespass warnings, arrested 8 individuals for violation of criminal trespassing, issued 36 disturbance warnings and responded to 4 other calls for service.

Respectfully Submitted,

Submitted by: 
Wesley Vardeman
Outreach Coordinator

Reviewed by: 
Mike Rendoñ
Director of Safety & Security

Reviewed by: 
Bryan Garner
Director of Maintenance

Reviewed by: 
For: Gordon Robinson
Director of Planning

Reviewed by: 
Rosa E. Villarreal
Managing Director of Operations

Approved by: 
Jorge Cruz-Aedo
Chief Executive Officer

RTA Committee on Accessible Transportation (RCAT)
MEETING MINUTES
Thursday, September 15, 2016

Advisory Committee Members Present: Anne Bauman, Tammye Salinas, Donnie Contreras, Robert Box, Richard Balli, Jose Chapa, and Sylvia Wilson

Advisory Committee Members Absent: Joyce Lopez

Board Members Present: None

Staff Present: Sharon Montez, Gordon Robinson, Victoria Reyes, Mike Rendon, Roxie Garrison, Mary Diaz and Melanie Gomez

MV Present: CJ Loomis and Janessa Cano

Employee Representative(s): Gina Salazar

Call to Order: Ms. Anne Bauman called the meeting to order at 12:00 p.m. Ms. Melanie Gomez called the roll and determined that a quorum was present.

Opportunity for Public Comment

Mr. Abel Alonzo wanted to share his support for proposed fare increases and wanted to recommend that the committee do the same. He expressed not being happy about the increases but understands that it is necessary. Mr. Alonzo also wanted to caution to committee about ensuring the Board of Directors is supporting their decision as well. Mr. Donnie Contreras wanted to chime in on fare increases as well, and believes that the committee should do all that they can to keep the cost for public transportation to a minimum for people with disabilities. He also provided additional information to the committee regarding the Walk and Roll Event being held on Saturday, September 24th. He encouraged all members to attend and represent the committee. Mr. Contreras announced that two buses were able to get wrapped with an advertisement for the event. He thanked RTA staff member, Victoria Reyes for her support with this event. Mr. Contreras invited members to attend the Press Conference commemorating the ADA on Monday, September 19th at 10:30 at the

Operations Facility on Bear Lane. Ms. Sylvia Wilson added that on Tuesday, September 20th at the City Council meeting, a proclamation would be announced to acknowledge September 24th as the Coastal Bend Walk and Roll Celebration Event. She invited all the members to attend the meeting by 11:15am, as proclamations would begin at 11:30am. Mr. Jose Chapa wanted to report an incident on Saturday, September 10 on unit 641, where an operator passed him up. Ms. Sharon Montez asked if the complaint had been submitted to the Customer Service Department. Mr. Chapa advised that he had filed a CAF. Ms. Montez said she would follow up to determine the status. Mr. Richard Balli recommended that for any future incidents, it would be wise to obtain the operator's name or ID number. Ms. Anne Bauman reported that riders going to vote can ride free on B-Line on voting day as well as on fixed-route.

Action to Approve Minutes of August 18, 2016 was approved as presented.

MR. BOX MADE A MOTION TO ADOPT THE RCAT MINUTES OF AUGUST 18, 2016 AS PRESENTED; MR. CHAPA SECONDED THE MOTION. BAUMAN, LOPEZ, CONTRERAS, SALINAS, AND BALLI VOTING FOR. LOPEZ WAS ABSENT.

Committee for Persons with Disabilities (CFPWD) and Corpus Christi Human Relations Committee (CCHRC) Update

Mr. Richard Balli did not have a report of the CFPWD meeting as there was no quorum. Ms. Sylvia Wilson provided a report for the CCHRC meeting that was held on Thursday, September 1st. She advised that a presentation was given by the Human Relations staff of the EEOC process regarding employment discrimination complaints. She advised that their jurisdiction is only within the city limits of Corpus Christi but they do take intakes for other complaints and those are forwarded to the San Antonio field office for further investigation. Ms. Wilson also advised that an update was provided by one of the commissioners regarding Citizens Alliance for Fairness and Progress, which was created to address concerns of the residents of Hillcrest who will be affected by the construction of the new bridge.

Discussion and Recommendation of 2nd Quarter Unsung Hero Award

Ms. Anne Bauman had committee members review the commendations for the 2nd quarter. There was discussion regarding several of the commendations and employees. The committee was unanimous in their

decision to nominate Sylvia Ybarra as the 2nd Quarter Unsung Hero. Mr. Donnie Contreras, Ms. Anne Bauman and Ms. Sharon Montez all had great things to say about Ms. Ybarra and her great customer service.

Transit Plan 20/20 Update

Mr. Gordon Robinson provided recent updates on the Transit Plan 20/20. He went over major milestones and outreach activities that have been completed since the plan was implemented. Mr. Robinson discussed fare analysis goals as well as five proposed fare structure scenarios. The next steps would be to complete the final report of the 5 year implementation and service expansion plan and initiate Phase 1 for 2017. Mr. Donnie Contreras voiced his concern with raising fares and how it would negatively impact the disabled community. He is in favor of going with the scenario that increases the fares by the least amount. Ms. Anne Bauman mentioned that she remembered reading an article that broke down the cost per trip on the public transportation for RTA versus how much the public pays and she was shocked at the significant difference. Ms. Bauman believes if a fare increase is to be implemented, it should be across the board for all riders.

July Operations Report

Mr. Gordon Robinson reported monthly and year to date ridership trends, weekday boardings, CAF trends, miles between road calls, collision rates and performance standards for all modes of service and the current averages. Mr. Robinson added that since RTA is no longer providing the Harbor Ferry service, which has some impact in the decrease in ridership numbers. Mr. Donnie Contreras asked if there was a plan to have the Harbor Ferry service return in the future. Ms. Sharon Montez advised that it wasn't in the budget for 2017.

Procurement Update

Ms. Sharon Montez advised the committee that the Managing Director of Administration has been hired and will be overseeing the Procurement Department. Mr. Robert Saldana will be providing any future procurement updates. Ms. Montez provided a procurement update for the committee. Ms. Montez provided a list and current status of all procurement items that have been awarded and are currently up for award. Ms. Anne Bauman questioned whether the new benches have reduced the cost relative to cleaning. Ms. Montez explained that when the initial contract was issued, only a number of stops had been determined but not an assessment of all the stops. Since then, assessments of the stops have been done and RTA

now has more information relative to the stops which will allow for a tighter scope of work which will lead to a reduction of cost. Ms. Bauman also asked if the price for auditing was for a yearly or quarterly audit. Ms. Montez confirmed that it was for a yearly audit.

CCRTA 2017 Budget Update

Ms. Sharon Montez advised that at the last Board meeting, the Big Picture Budget was presented. There have been several budget workshops since then. Ms. Montez discussed several department line items in the budget, explaining revenues and expenditures. She provided budget amounts for 2016 and proposed budget amounts for 2017. As a result of the decline in sales tax revenues, the CEO requested that all departments decrease their budget by 6%. Ms. Montez requested feedback from the committee regarding meeting frequency for the RCAT committee. The CEO is requesting to propose having the RCAT committee meet every other month with special meetings when needed for action items. Ms. Anne Bauman asked when this would take effect. Ms. Montez advised that it could take effect immediately, with no meeting for October, a meeting for November and no meeting for December. For 2017, the meetings would begin every other month beginning with January. Mr. Donnie Contreras recommended that meeting every month is very important to remain a valid committee. Ms. Sylvia Wilson added that as the ADA Coordinator for the City of Corpus Christi, it is a positive relationship to have with RTA and RCAT and meeting every month. In her opinion, reducing the number of meetings could potentially lead to no meetings at all. She suggested even having short meetings or meetings that didn't require lunch in an effort to save on costs. Ms. Wilson also suggested that the Board and RTA should feel free to ask more of the RCAT committee. In lieu of meetings, perhaps trainings could be attended or the committee could revisit policies and procedures as a free service. The committee was in agreement to table this discussion for the next meeting and make a determination at that point. Ms. Montez advised she would take all of the comments back to the CEO for further discussion. Mr. Contreras mentioned wanting to add to the next agenda about the plan for emergency preparedness evacuation for persons with disabilities.

Committee Reports

No-Show/Eligibility Appeals

The No-Show/Eligibility Appeals Committee was scheduled to meet on Tuesday, September 13, 2016 for no show appeals. There were no

appeals submitted in September. There were 9 warning notices issued in August, 0 seven day proposed service suspensions and 0 thirty day proposed service suspensions. The No-Show/Eligibility Appeals Committee met on Tuesday, September 13, 2016 for eligibility appeals. Committee members present were Robert Box, Joyce Lopez and Richard Balli, RCAT members, Caren Cornelius, Occupational Therapist, and Christina Lopez, CCRTA's ADA Compliance Officer. One appeal was scheduled to appeal the decision of ineligibility for ADA Paratransit service. The appellant appealing the decision of ineligibility did attend the hearing and provided additional and valuable information to the committee. Committee members reviewed the new information provided and information obtained during the assessment process. Committee members were unanimous in their decision that the individual's disability did indeed prevent the use of fixed-route service. The decision of ineligibility was overturned and the appellant was granted unconditional eligibility.

Chairperson's Report

Ms. Bauman shared upcoming meeting dates with the committee.

Informational Items

Ms. Bauman advised that these items were made available to the committee members in their packets.

Request for Agenda Items

Mr. Richard Balli would like an agenda item regarding additional signage at the Staples Street Center. Mr. Mike Rendon advised that signage has been posted through the area and police officers have been trying to keep through traffic to a minimum.

Other Business: Ms. Bauman adjourned the meeting at 1:30 p.m. The next meeting will be held on Thursday, October 20, 2016.