

**MEETING MINUTES**  
**CARTS Board of Directors**  
**Thursday, July 26, 2012**  
**9:30 am**

<b>Board Members Present</b>		<b>Staff Present</b>	
<b>X</b>	<b>Present</b>	<b>X</b>	<b>Present</b>
<u>X</u>	Commissioner Vivian Dildy, Bastrop County	<u>X</u>	David Marsh
<u>X</u>	Commissioner Paul Granberg, Blanco County	<u>X</u>	Pearl Jackson
<u>X</u>	Commissioner Ronny Hibler, Burnet County	<u>X</u>	Lyle Nelson
<u>X</u>	Commissioner Neto Madrigal, Caldwell County	<u>X</u>	Kristi Urkuski
	Commissioner James Kubecka, Fayette County		
<u>X</u>	Commissioner Debbie Ingalsbe, Hays County		
	Commissioner Linda Kovar, Lee County		
	Commissioner Margaret Gomez, Travis County		
	Commissioner Ron Morrison, Williamson County		
<u>X</u>	Edith Moreida, Travis County (Proxy)		

  

<b>Guests</b>
Vanessa Owens, TxDOT
David Bartels, TGC
Kara McManus
Laurie Moyer, City of San Marcos

**Call to Order**

Commissioner Hibler affirmed a quorum and called the July 26, 2012 meeting of the CARTS Board of Directors to order. Recorded absent were Commissioner Kubecka, Commissioner Kovar and Commissioner Morrison.

**Consideration/Approval of Minutes from Board Meetings held Thursday, May 31<sup>st</sup>, 2012.**

Commissioner Hibler requested any comments, additions or corrections to the minutes of the last meeting.

After discussion the following motion was made:

*To approve and adopt the minutes of the Board Meeting held Thursday, May 31<sup>st</sup>, 2012.  
(Moved by Ingalsbe, second by Madrigal; unanimously approved)*

## **Financial Reports**

Commissioner Hibler requested any comments or corrections to the CARTS financial reports.

After discussion the following motion was made:

*To approve and adopt the financial reports as presented by CARTS' staff*  
(Moved by Moreida, second by Madrigal; unanimously approved)

## **Consideration/Action regarding amendment to adopted 2012 CARTS budget**

Mr. Marsh presented CARTS 2012 Budget Amendment. He noted two items significantly exceeded the budgeted expenses: Fuel (+44%) and Vehicle Maintenance (+16%). Mr. Marsh also pointed out there was other over-budget items including personnel (+1.3%) and purchased transportation (+3%). After he reviewed the overages and reduced budget items, the amended operations budget still increased by a net of \$360,670, or 3.2%.

Mr. Marsh explained a part of the increased expenses came from continuing the Round Rock service an additional four months, but it was mitigated by increase with revenue of \$111,088 over the amount budgeted. He indicated that \$249, 582 of increased MTP revenues balance the budget.

After discussion, the following motion was made:

*To approve the CARTS FY 2012 Agency-Wide Budget as Amended, adding \$360,670 in revenues and \$360,670 in anticipated additional expenses over the Adopted CARTS 2012 Budget.*  
(Moved by Ingalsbe, second by Granberg; unanimously approved)

## **Discussion of 2013 Budget and its adoption schedule**

Mr. Marsh discussed changing the currently scheduled Board meeting of August 23<sup>rd</sup> to August 30<sup>th</sup> with primary focus being on the budget, pending Board commitments and schedules. He indicated that he would issue the proposed budget ten days before the meeting date to give ample time to the members for review it.

He then discussed the census changes and the attendant funding questions and budgeting challenges presented by these variables making this budget season especially challenging.

He indicated that the August meeting would be limited to budget adoption and other actions which may be necessary for year-end closing (add that the Urban District action will have to be taken ) or may be critical at the time.

He presented projects slated for 2013:

- Community Engagement
- San Marcos UZA transition
- VMC design, bid and construction
- Open Round Rock Medical Transportation Center
- Complete ITS Phase 4, on-time bus arrival signs, fixed route software, RideCARTS card integration to fixed route
- Begin Flatonia depot project A&E
- Shelter project for Interurban routes
- Deploy 2 new Interurban routes
- Open with CapMetro a Regional Mobility Management Office
- Transition Kyle and Georgetown to CapMetro funded services

**Report/Update on the formation of the CARTS rural-Urban Transit District and activities related to the designation of San Marcos as a UZA, consideration of action to create Urban Transit District pursuant to request from affected local governments comprising San Marcos UZA**

Mr. Marsh welcomed guests, David Bartels and Kara McManus both of The Goodman Corporation and Laurie Moyer with the City of San Marcos. Mr. Marsh reported that both entities have been investigating all of the options available to them for adapting to the urbanized area (UZA) designation anticipated as a result of the 2010 Census. He noted that Kyle became a part of the Austin Metropolitan Area and the City of San Marcos, along with a part of Martindale and the unincorporated area of Guadalupe County known as Redwood became a UZA, with a change being effective the 2013 federal fiscal year beginning October 1, 2012.

Mr. Marsh explained that in order to be eligible for the UZA federal (FTA Section 5307) and state funds (TxDOT PTF), an Urban Transit District must be organized for the SM UZA. He further explained that the City of San Marcos, led by TGC, began a process as outlined in the Texas Transportation Code setting a hearing on May 24, 2012 with all affected local governments and stakeholders. TGC pushed for a City-led Urban Transit District with CARTS presenting an alternate path of its creating the Urban Transit District (UTD) and joining it to its Rural Transit District (RTD). Mr. Marsh expressed the local elected officials charged with guiding the action of District formation were surprised the “CARTS option” had not been previously discussed and asked that it be added to possible scenarios for consideration.

Mr. Marsh further explained about the 2<sup>nd</sup> Transportation Conference, held June 21, 2012 and the third on July 16, 2012. He presented a resolution to be considered by each of the 4 local government governing bodies. He said upon passage and receipt of those resolutions, CARTS will form a UTD and invite one member of the SM City Council to join its Board, forming an Urban/Rural Transit District. Mr. Marsh did note if the resolutions were passed, it will be subject to CARTS Board action at its August meeting to establish the Urban Transit District.

Mr. Marsh thanked Commissioner Ingalsbe for her diligent work in this matter; her efforts and her local credibility were certainly deciding factors in the final resolution in our favor. Commissioner Ingalsbe expressed her appreciation being a part of the process. Her goal is to help provide the best reliable service and appreciates all of the help in this process. Commissioner Ingalsbe recognized Laurie Moyer, from the City of San Marcos and complimented she and the city's efforts to provide for public input and participation and the professional way the issue had been deliberated and decided upon. Ms. Moyer greeted the Board.

### **Reports/Actions as required on TxDOT Contracts, Projects or Grant Agreements**

Mr. Marsh reviewed the July 26<sup>th</sup>, 2012 Contracts and Funding Summary Addendum. He provided an updated chart and discussed each open contract noting five contracts have been completed and would be removed from the summary.

### **Contracts, Grants and Projects for Discussion and/or Action**

#### **Report/Update regarding CARTS submittals to TxDOT Annual Coordinated Call for Rural and Small Urban Public Transit Projects.**

Mr. Marsh announced results for three (3) projects submitted in December 2011. He presented TxDOT information to the Board, showing that due to delayed appropriations by the U.S. Congress, it has resulted in continuing resolutions rather than an annual appropriation, they will be unable to award recommended projects scheduled in May. He stated the **Intercity Bus Feeder and Interline Service** received no funding, the **Planning Assistance for Flatonia Station Development** was selected for funding and we have not yet received word on the VMC project being selected for funding. Mr. Marsh did announce that no official action has been taken on any of the projects.

#### **Report/Update on CARTS CAMPO STP-MM award for bus purchases.**

Mr. Marsh had reported Travis County set aside \$720,000 for the CARTS Interurban Bus project and Williamson County set aside \$160,000 for the CARTS Country Bus project. He stated the CARTS awards have been processed into the TxDOT system which will make the necessary transfers from FHWA into FTA and then back to TxDOT PTN for insertion into a grant project to CARTS. Mr. Marsh reported that all of the preliminary steps have been completed and we anticipate grant authority in September. He also announced CARTS has filed a request for TDCs to TxDOT PTN for the local share on these projects.

**Report/Update regarding CARTS submittals to CAMPO call for JARC/NF projects.**

Mr. Marsh reviewed information from the May meeting and was informed by Capital Metro they will be executing PGA contracts in September 2012 for these projects and then we can proceed on project development. Mr. Marsh informed the Board that also funded under this call for projects is a project jointly developed by CARTS and CapMetro to form an Office of Mobility Management for the region and to engage a planner to work specifically on rural projects for CARTS to develop projects that provide seamless connections between the CARTS and Capital Metro districts. Mr. Marsh presented two projects selected and reviewed information regarding both, **Bus Stop Shelters** and **Round Rock Interurban Express Route**.

**Report/Update on CARTS March 2012 submittal to TxDOT for application to the FTA State of Good Repair discretionary capital funding program for VMC Construction and Bus Purchases.**

Mr. Marsh was pleased to announce the CARTS VMC was the only facility project selected from the Texas statewide application process. Mr. Marsh shared with the Board that CARTS is slated to receive \$1.75M in FTA State of Good Repair funding for the construction of the CARTS Vehicle Maintenance and Operations Center.

**Discussion of timing, venues and scope of “Connecting to Communities” Project, a focused public outreach activity to solicit input from the public on CARTS services and to inform the public of services now provided or planned by CARTS.**

Mr. Marsh disclosed the delay in the implementation of this project pending the outcome of the San Marcos UZA determinations. He also suggested that this project begin no sooner than September 2012 and extend into the spring of 2013. He asked the Commissioners for their participation and guidance to create real opportunities to tell CARTS story and to hear from the public about what they think should be done to best benefit people in the CARTS District. Mr. Marsh said the consultants will first meet with each Board member to discuss strategies for their county and to get their ideas as to where and how this is best done. Mr. Marsh stated CARTS will want have a different way of approaching public hearings and that we have a team committed to the concept of, “out of the box” planning for the activity.

### **Report/Update regarding CARTS Medical Transportation Call Center project, Round Rock**

Mr. Marsh gave an update of the progress of the call center in Round Rock. He informed the Board of a scheduled September 1<sup>st</sup> completion date of the construction part of the project. He indicated we were well past the half-way mark on construction, and estimated an October 1<sup>st</sup> opening date for the facility having phones and staff in place. He presented an outline of the Round Rock Call Center status update for review, and indicated staff was eager to get this operation going to be able to relieve the call center at headquarters and put focus back on serving non-MTP customers. After discussion, he moved to the next item.

### **Report/Update regarding ITS Phase 4 Project, Fixed Route Software, Real-time Bus Arrival**

Mr. Marsh reported this project was under way now. He also reported the kick-off meeting and a separate meeting with MJM to discuss Ride CARTS Card functionality was held last week. He reviewed the first and second phases of the project with an expected six month completion.

### **Report/Update regarding Vehicle Maintenance and Operations Center Design, Engineering and Master Planning Project**

Mr. Marsh reported that the environmental investigation for purposes of application for a Categorical Exclusion for the project has been completed would be filed with TxDOT. He reviewed the design development and site planning work continues and the civil engineering and site planning phase is slated to begin this month. Mr. Marsh reported that has part of the design development, all the VMC employees met for a preliminary scoping meeting, followed by a trip to a VMC project in the Woodlands owned by Brazos Transit District. He presented the Board with a handout showing the conceptual design of the building. He projected a fall groundbreaking ceremony.

### **Report/Update regarding CARTS Interurban Coach, Inc.**

Mr. Marsh revealed a new company, the CARTS Interurban Coach, Inc., governed by a Board comprised of the CARTS Executive Committee. He said the filing documents are pending signature and filing by our attorney. He stated that after these additional filings and corporate bona fides are complete, the process of certifying our non-profit status with the IRS will begin.

Mr. Marsh stated that a transfer of assets and re-filing for our FMSCA authority under the new corporate structure, so as to be in a position to separately insure the Interurban Coach fleet as required by the FMSCA. Mr. Marsh also noted that having a separate organization for the intercity portion of activities may have other advantages, so it is a useful exercise and worthwhile to proceed. Mr. Marsh did note he will not finalize it until further clarification on the intentions of the FMSCA to set aside the pooled insurance prohibition is determined.

**Consider application to TxDOT for discretionary funding to mitigate financial impact to CARTS for the extension of rural service designations in Kyle, Georgetown and San Marcos UZA.**

Mr. Marsh reviewed information as discussed and acted on in the May meeting, CARTS will be allocating unobligated Fiscal Year 2011-2012 Rural 5311 funds toward continuing current services in Kyle and Georgetown to mitigate the effect of these two areas being incorporated into the Austin MSA, which puts service at risk as no operating funds will be available for the FY2013 for those areas. Mr. Marsh also discussed that similar relieve in San Marcos will be provided for an interim period, as federal and state operating funds will be available for that jurisdiction in FY2013. He said that during this interim period, our Agency will get up to speed on FTA credentialing and regulation and to establish an agreement between CARTS and the City on how our Urban District will interface with the City. Mr. Marsh included a letter from TxDOT announcing the availability of funding to mitigate census impacts for which CARTS area is eligible and we anticipate making application for these funds with your approval.

After discussion, the following motion was made:

*To provide the General Manager the authority to make application for the TxDOT call for projects for funds to mitigate changes affecting areas as a result of census changes for those funds necessary to continue current services in Georgetown and Kyle through fiscal year 2013, and to continue services in San Marcos for an interim period not to exceed six months of FY2013.*

(Moved by Moreida, second by Dildy; unanimously approved)

**Report/Update on CARTS Transportation Service Area 12 Medical Transportation Services**

Mr. Marsh presented the MTP Activity report. He also enclosed a White Paper produced by the Texas Transit Foundation (TTF) that was provided to the HHSC for consideration recently. He reviewed that the paper suggests public brokers could improve service and reduce costs for the MTP and sets out a pilot program that includes CARTS as part of a 3-District consortium to prove the concept presented.

**Report/Update regarding the Regional Transportation Coordination Council (RTCC)**

Mr. Marsh announced that Pearl Jackson has been appointed to the RTCC to replace Edna Johnson.

### **Report/Update regarding CARTS withdrawal from Round Rock**

Mr. Marsh enclosed the display ad running in both local papers in Round Rock announcing the final day of service on May 31, 2012. He was glad to announce the transition seems to have gone very well.

### **Report/Update on the formation of the CARTS Rural-Urban Transit District and activities related to the designation of San Marcos as a UZA, and the City of Georgetown and City of Kyle as part of Austin-Round Rock UZA**

Mr. Marsh covered this discussion under item 6 of this agenda.

### **Other items as presented for discussion / information**

Mr. Marsh had nothing listed at the time of the writing.

Commissioner Hibler requested the Board to look at Mr. Marsh's salary for the next year. Commissioner Hibler indicated that last raise Mr. Marsh received was for 2008/2009. He asked this be put on as an action item.

### **Adjournment and set next meeting date and location**

Commissioner Hibler indicated that the next meeting is scheduled for August 30, 2012 at 9:30 am.

The following motion was made:

*To adjourn the July 26, 2012 meeting and to set the next meeting date for August 30, 2012.*

(Moved by Granberg, second by Ingalsbe; unanimously approved)

*Executive Session: The Board may meet in closed session to consult with legal counsel regarding pending or contemplated litigation or a settlement offer or on a matter which CARTS' legal counsel determines should be confidential in accordance with Chapter 551 of the Texas Government Code. The CARTS Board may also consider any other matter posted on the agenda if there are issues that require consideration in Executive Session and the Board announces that the item will be considered during Executive Session.*