



The COMET Finance Committee Meeting minutes are prepared and presented in summary form, audio recordings of the meetings are on file at The COMET and are part of the approved minutes. If you would like to hear the recording from the meeting, please contact Paige Jernigan at cometadmin@catchthecomet.org.

Per SC Code of Laws, Title 30, Chapter 4, Section 30-4-80 - All public bodies shall notify persons or organizations, local news media, or such other news media as may request notification of the times, dates, places, and agenda of all public meetings, whether scheduled, rescheduled, or called, and the efforts made to comply with this requirement must be noted in the minutes of the meetings. The COMET complied with the notification of this meeting on Friday, October 4, 2019 at 3:15 p.m.

**The Central Midlands Regional Transit Authority
Finance Committee Meeting Minutes
Wednesday, October 9, 2019 at 10:00 a.m.
3613 Lucius Road, Columbia, SC 29201 - Conference Room A**

Members Present:

Jaqueline Boulware*
Joyce Dickerson
Dr. Robert Morris
Andy Smith

Guests Present:

Skip Jenkins
Larry Gabaldon, Interim General Manager, Transdev
Shanell Shephard, Campbell Consulting

Absent Board Members:

Representative Leon Howard
Bobby Horton

**Indicates participation by phone.*

The COMET Staff Present

John Andoh, Executive Director/CEO
Roselyn Andrews, Director of Finance/CFD
Paige Jernigan, Administrative & Customer Service Specialist
Dr. Arlene Prince, Director of Regulatory Compliance & Civil Rights Officer
Michelle Ransom, Grants & Regional Coordination Manager
Crystal Willis, Financial Accountant

1. CALL TO ORDER AND DETERMINATION OF QUORUM

Dr. Morris called the meeting to order at 10:00 a.m.
A quorum was determined at 10:00 a.m.



2. ADOPTION OF THE AGENDA

Motion:

A motion was made by Ms. Dickerson and seconded by Dr. Morris to adopt the agenda.

Approved: Boulware, Dickerson, Morris, Smith

Absent: Howard

Motion passed.

3. ADOPT MINUTES FROM September 11, 2019 MEETING

Motion:

A motion was made by Ms. Dickerson and seconded by Dr. Morris to adopt the minutes from September 11, 2019 with a correction on Page 5 regarding Ms. Dickerson's attendance in a motion.

Approved: Boulware, Dickerson, Morris, Smith

Absent: Howard

Motion passed.

4. MATTERS REFERRED FROM THE BOARD OF DIRECTORS

• **Discuss Previous Motions from 2017 to Present**

Mr. Andoh reviewed the motion on Page 10. He explained that the Penny Model is still being finalized by Mauldin Jenkins, Mr. Chuck Statler.

Mr. Andoh commented that the authorization of the purchase of the Hydrogen Bus is awaiting approval from the City of North Augusta City Council. He remarked that the addition of the Office Clerk was approved on August 28, 2019 and an offer has been made. This motion is now closed.

Mr. Andoh stated that the authorization of the hydrogen bus was approved on August 28, 2019 and we are awaiting approval from North Augusta City Council. He also added that the Board approved the authorization of an Office Clerk and the offer has been made. Mr. Andoh continued and stated that the Board approved the amended Fare Policy for the 10-Ride Express Bus Pass, U-Pass and Express Up Charge. He concluded that work is still being done to prepare passes and Genfare is being updated for implementation in October 2019.

5. FINANCIAL REPORT - August 2019

Ms. Andrews began the report by reviewing Page 12 of the packet.

August Highlights: 16.67% of fiscal year completed

- Net Income (Loss) *Month* ~ \$571K
- Total Revenue: YTD ~ \$2.36M compared 2/12th of annual budget at ~\$4.97M;



- total YTD collections average ~8% of annual budgeted amount
Includes accrual for penny sales tax income: ~\$1.67M
- Total Expenses: YTD ~ \$3.97M compared to 2/12th of annual budget of \$4.97M; total YTD expenditures average ~ 13% of annual budget
- YTD paid to Contract Operator since 7/1/2015 - current month ~ \$52,722,876
- Cash: Wells Fargo - Operating: \$10.75M
- OPTUS Bank Reserve Funds: \$4.93M
- Local Government Investment Pool (LGIP): \$13.88M (Bank statements included)
- Total collections of Penny Revenue since 2013 to present: \$99,582,063 of \$300,991,000 allocation

Mr. Smith asked about tax collections. Ms. Andrews stated this is a timing issue that will balance out. Mr. Smith asked about the Balance Sheet the line AR deferred Sales Tax, and what does it represent. Ms. Andrews stated this is behind about four (4) months billed when appropriate.

6. DISADVANTAGED BUSINESS ENTERPRISE (DBE) UPDATE

Dr. Prince began her invoice review of the August Compliance Invoice with adjustments. Alpha Business Essentials submitted an invoice that should not have been submitted, this was removed. Dr. Prince stated she met with the Finance Director for number comparison. Dr. Prince adjusted numbers to be closer to Ms. Andrews numbers. This is a result of liquidated damaged. She added that there are still several invoices outstanding for Transdev. Dr. Morris asked how this impacts our goal. Dr. Prince stated that she doesn't think we will make it to the goal of the 25.9% but we will be close.

7. DISCUSSION and ACTION ITEMS

- **Transdev Payment Update**

Mr. Andoh stated that The COMET is still reviewing Transdev invoices to match hours to the master hours to correct discrepancies so Transdev may resubmit invoices for processing. We are reviewing invoices from May 16, 2019 through August 15, 2019. No invoices have been turned in since August 16, 2019.

Dr. Morris asked about the September report. Mr. Andoh stated we have not received September reporting, which contractually Transdev still has two (2) days. He added that no ridership data since March 2019 due to formula discrepancies. Dr. Morris asked for the amount currently withheld and wanted to ensure that we have talked to Transdev regarding this matter. Mr. Andoh stated we are withholding \$3.7M and stated that we will soon be meeting with the President on October 18, 2019 to discuss staff challenges and issues with improper reporting. Ms. Dickerson questioned when we would receive the



update on the matter. Mr. Andoh confirmed this would be ready at the next Board meeting.

Mr. Andoh suggested that a template should be created to consider master hours to make reporting easy for Transdev. Mr. Andoh passed out a sample template that showed the mistakes. Ms. Dickerson asked how the discrepancies keep happening. Mr. Andoh stated he couldn't answer for Transdev. He urged that the template would help. He commented that he will keep the Board apprised and hopefully we can release payment soon minus liquidated damages or due incentives.

Mr. Andoh asked about the email sent to the Board regarding the National Transit Database (NTD) on an annual basis. Unfortunately, in 2017 the data was lost. As result, we don't have documentation to present to our tri-annual reviewers. We have now way to show our methodology of our passenger miles. Mr. Andoh mentioned that Transdev has been asked to come up with a plan, send staff to be trained and provide a sampling plan. He confirmed that to-date nothing has been received and the deadline was August 2019. Mr. Andoh mentioned that a liquidated damage of \$36k has been penalized to Transdev.

Mr. Andoh stated that he has been in contact with NTD regarding the matter. Dr. Morris asked how this will impact us if this information is not received. Mr. Andoh stated that we could potentially receive a "finding," and we would need to produce a corrective action sampling plan. Dr. Morris asked if we are fined, could we in turn assess a liquidated damage? Mr. Andoh stated no but it will put into question at the Federal Transit Authority how we have been reporting accurate passenger miles which could directly impact FTA funding.

Mr. Smith asked if we are in jeopardy. Mr. Andoh stated that we are not in jeopardy at this time. For the 2020 recording period we will need to have documented sampling plan with surveys as it is a mandatory survey year. Dr. Morris asked the frequency of meeting with the area Vice President. Mr. Andoh said he tries to meet monthly and he shares his concerns with him at these meetings.

Mr. Smith asked if self-reporting and finding the deficiency could help us? Mr. Andoh stated it is better to be proactive rather than them finding the error. He stated the acknowledgement of being proactive really depends on the reviewer. Mr. Andoh added that we will make sure to document to the FTA the sampling plan, process and that we receive copies from the contractor. Mr. Smith asked about including this in the RFP process. Mr. Andoh agreed and stated that in Section 5323 there is language regarding reporting necessary reports to the Authority. He suggested being more specific and presenting a process, survey, etc. in the new contract.



Dr. Morris reiterated the importance of keeping a paper trail as Ms. Boulware suggested in the last meeting. Mr. Andoh confirmed he has provided and has letters, emails, etc. Ms. Ransom chimed in that when we receive the automated passenger counters. Mr. Andoh and Ms. Ransom agreed that this will help with the reporting issues. Mr. Andoh stated that we just went to bid for an intelligent transportation system and will be reviewing Friday. Once calibrated all NTD passenger mile information will be electronically counted instead of manual reporting/surveying for better accuracy. This will be presented before the November Board meeting.

Ms. Boulware asked how the counter would work? Mr. Andoh stated that it is a sensory automated counter and that FTA states this system must have very high accuracy rating for reporting. Ms. Boulware stated that occasional inaccuracy could be reported if someone exited the bus and then immediately boarded as an example would that person be counted twice. Mr. Andoh confirmed that the passenger would be counted two (2) times however, with proper calibration this can be resolved.

8. LEGAL/CONTRACTUAL/PERSONNEL (MAY REQUIRE EXECUTIVE SESSION)

Ms. Andrews told the Finance Committee that interviews have been completed for the Financial Office Assistant and an offer has been made. She stated that she is waiting for pre-employment drug screening and the person should begin Monday or Tuesday of next week.

Ms. Dickerson asked how often The COMET does drug screening, randomly? Ms. Andrews stated no, only if an accident occurs. Ms. Andrews and Mr. Gabaldon added that Transdev does do random drug testing.

9. ADJOURN

Motion:

A motion was made by Ms. Dickerson and seconded by Mr. Smith to adjourn the Finance Committee meeting.

Approved: Boulware, Dickerson, Morris, Smith

Absent: Howard

Motion passed.

The meeting adjourned at 10:35 a.m.

CENTRAL MIDLANDS REGIONAL TRANSIT AUTHORITY

Adopted this December 2019, Agenda Item _____

Prepared by:



Paige Jernigan, Interim Administrative & Customer Service Specialist

Approved by:

Andy Smith, Board Secretary