



The COMET Finance Committee Meeting minutes are prepared and presented in summary form. An audio recording 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 [pjernigan@thecometsc.gov](mailto:pjernigan@thecometsc.gov).

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, February 7, 2020 at 3:15 p.m.

The Central Midlands Regional Transit Authority  
Finance Committee Meeting Minutes  
Wednesday, February 12, 2020 at 10:00 a.m.  
3613 Lucius Road, Columbia, SC 29201 - Conference Room A

**Members Present:**

Joyce Dickerson  
Dr. Robert Morris, Chair  
Andy Smith

**Guests Present:**

Mamie Jackson, Transit Rider  
Col. (R) Roger Leaks, Jr., Board of Directors, Guest  
Robin Poston, Harper, Poston & Moree, P.A.\*  
Shanell Shephard, Campbell Consulting

**Absent Board Members:**

Representative Leon Howard

*\*Indicates participation by phone.*

**The COMET Staff Present**

John Andoh, Executive Director/CEO  
Rosalyn Andrews, Director of Finance/COO  
Paige Jernigan, Administrative & Customer Service Specialist  
Crystal Willis, Financial Accountant  
Michelle Ransom, Grants & Regional Coordination Manager

**1. CALL TO ORDER AND DETERMINATION OF QUORUM**

Dr. Morris called the meeting to order at 10:03 a.m.  
A quorum was determined at 10:03 a.m.

**2. ADOPTION OF THE AGENDA**



Motion:

A motion was made by Ms. Dickerson and seconded by Mr. Smith to adopt the agenda.

Approved: Dickerson, Morris, Smith

Absent: Howard

Motion passed.

3. ADOPT MINUTES FROM the *December 11, 2019* MEETING

Motion:

A motion was made by Ms. Dickerson and seconded by Mr. Smith to adopt the minutes from the December 11, 2019 Finance Committee meeting.

Approved: Dickerson, Morris, Smith

Absent: Howard

Motion passed.

4. MATTERS REFERRED FROM THE BOARD OF DIRECTORS

- Discuss Previous Motions from 2017 to Present

Mr. Andoh stated that there were no motions for discussion.

5. MONTHLY FINANCIAL REPORT - November and December 2019

Ms. Andrews reviewed the financial highlights on Page 12.

November Highlights: 41.67% of fiscal year completed

- Net Income (Loss) Month ~ \$468,490 thousand
- Total Revenue: Year To Date ~ \$9.1 Million compared 5/12th of annual budget at ~\$9.93 Million; total Year To Date collections average ~31% of annual budgeted amount
- Total Expenses: Year To Date ~ \$11.67 Million compared to 5/12th of annual budget of \$12.42 Million; total Year To Date expenditures average ~ 39% of annual budget
- YTD paid to Contract Operator since July 1, 2015 - current month ~ \$60,614,903
- Cash: Wells Fargo - Operating: ~\$8.12 Million
- OPTUS Bank Reserve Funds: ~\$4.92 Million
- Local Government Investment Pool (LGIP): ~\$13.95 Million
- Total collections of Penny Revenue since 2013 to present: \$104,436,755 of the \$300,991,000 allocation

Col. Leaks inquired about the work of professional services and the responsibilities. Ms. Andrews asked the committee to look at Page 18. Col. Leaks expressed concern regarding the large amount of money being spent in this line. Dr. Morris requested that Mr. Andoh explain these services when we get to that section on the agenda, the Mid-Year Budget Review.



**December Highlights: 50% of fiscal year completed**

- Net Income (Loss) Month ~ \$130 thousand
- Total Revenue: Year To Date ~ \$11.43 Million compared 6/12th of annual budget at ~\$14.9 Million; total Year To Date collections average ~38% of annual budgeted amount
- Total Expenses: Year To Date ~ \$13.75 Million compared to 6/12th of annual budget of \$14.90 Million; total Year To Date expenditures average ~ 46% of annual budget
- YTD paid to Contract Operator since July 1, 2015 - current month ~ \$60,614,903
- Cash: Wells Fargo - Operating: ~\$3.47 Million
- OPTUS Bank Reserve Funds: ~\$6.41 Million
- Local Government Investment Pool (LGIP): ~\$16.96 Million
- Total collections of Penny Revenue since 2013 to present: \$109,440,752 of the \$300,991,000 allocation

Col. Leaks asked for explanation of advertising revenue. Ms. Andrews explained by referring to Page 13.

**6. DISADVANTAGED BUSINESS ENTERPRISE (DBE) UPDATE**

Mr. Andoh reviewed the Disadvantaged Business Enterprise report on behalf of Dr. Prince. Ms. Jackson spoke out of order requesting a copy of the Disadvantaged Business Enterprise report. She was provided with a copy.

Mr. Andoh noted that the percentage towards contract goal of 25.9% if invoices were not on hold, currently Transdev is at 25.3%. Mr. Andoh added that The COMET will be doing an audit on Influence, LLC performance.

**7. DISCUSSION and ACTION ITEMS**

*a. Comprehensive Annual Financial Report Ending FY 2018-2019*

Ms. Andrews explained that the Comprehensive Annual Financial Report (CAFR) is a set of U.S. government financial statements comprising the financial report of a state, municipal or other governmental entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board. Ms. Poston from the audit firm, Harper, Poston & Moree, P.A. along with staff presented the Comprehensive Annual Financial Report. It was explained that the staff recommends that the Board of Directors adopt the Fiscal Year End 2019 Comprehensive Annual Financial Report.



Ms. Poston stated that the audit was clean. She added that Harper, Poston, & Moree, CPA, PA., have issued an unmodified ("clean") opinion on The COMET's financial statements for the year ended June 30, 2019. She reviewed the Net Position section on Page 58 and Page 59 and discussed the financial highlights. She and Mr. Smith discussed the "unrestricted" funds. Ms. Poston referred to Page 75, Page 76 and Page 78.

Mr. Andoh summarized the major initiatives for 2019.

- Added more passenger amenities, including shelter, benches and bus stop seating.
- Added libraries on buses, as well as a "Free Little Library" and Short Story Reader to promote literacy in partnership with Richland Library.
- We sell fresh produce at COMET Central every Tuesday in partnership with Foodshare
- Soda Cap Connector has been redesigned to better serve entertainment facilities, as well Cayce and West Columbia for purposes of employment access and for visitors.
- Expanded the network of schedules to be available at more public locations including West Columbia, Cayce, Amazon, Nephron and Northeast Richland.
- Formed partnerships to allow all students, employees and facility to ride The COMET services from Richland One and Richland Two, Lexington Richland Five, Columbia College, Allen University and Nephron Pharmaceuticals.
- Helped connect low income residents in food-desert areas through partnerships with Lyft and Uber.
- Expanded night-time transit from 9 p.m. to 3 a.m. in partnership with Lyft and Uber to help get people to and from night-time jobs.
- Worked with Lyft and Uber to help people without smartphones or in a wheelchair access to using Lyft and Uber.
- Added Columbia and Cayce Police and Richland County Sheriff protection on all of The COMET buses, bus stops and transit centers through random rides.
- Created door to door services in Denny Terrace and Hopkins.
- Built more bikeshare stations and allowing The COMET users free access to bicycles through Blue Bike.
- Continued The COMET Academy to teach people how to understand The COMET better and created The COMET Community Leaders Program to show community leaders the value of The COMET.
- Started a vanpool program to connect people to jobs and combat congestion with ECM Support Services as the first vanpool.
- Designed a new website in conjunction with South Carolina Interactive for roll out in FY 2020.



- Implemented a new customer call center to centralize all telephone calls at one location.
- Improved the level of oversight of Transdev in the operations and maintenance of The COMET's transit services.
- Restructured the organization with new positions to provide additional management of marketing, customer service, mobility management and transit operations.

Dr. Morris commended Mr. Andoh on the accomplishments from last fiscal year. Mr. Andoh stated that we grew from thirty (30) shelters to fifty-three (53) shelters with a total of about eighty-seven (87).

Discussion followed regarding security/police presence on the buses.

*Ms. Poston left the call at 10:50 a.m.*

**Motion:**

A motion was made by Mr. Smith and seconded by Ms. Dickerson that the Committee recommend to the Board of Directors to adopt the Fiscal Year End 2019 Comprehensive Annual Financial Report.

**Approved:** Dickerson, Morris, Smith

**Absent:** Howard

**Motion passed.**

*b. Mid-Year Budget Review*

Mr. Andoh stated that the Staff recommends that the Finance Committee review a revision of the budget and recommend to the Board of Directors adoption of a revised mid-year budget and consideration of options regarding a fare free program.

He added that On May 22, 2019, The COMET Board of Directors adopted the FY 2019-2020 Operating and Capital Budget. The operating and capital budget at the time was based on known revenue amounts that have been committed. In addition, the operating budget was based on approximately 187,650 service hours for fixed route that would be operated by Transdev Services, Inc. While there are unmet transit needs, The COMET does not have the resources to implement these needs currently. He added that all Federal funding has been secured. Since the adoption of the budget, several significant factors have changed that warrant a midyear review of the budget. For any line items significantly over or under the midyear mark of 50%, there is a breakout to better track revenues against expenses as well as the consideration of new line items not previously recognized with original budget. Staff is requesting the budget be amended as defined in the attachment.

Mr. Andoh explained the options for Fare Free and the comparison to CARTA.



*Option A:* Complete fare free. The cost to go fare free for a six (6) month period is \$1,304,075 for a six (6) month period or \$2,341,321 for a one-year period. This cost would be covered by advancing unallocated Federal Transportation Administration funds for operational assistance. The COMET can use up to \$4,049,614 (or 75 %) of its allocation for operations assistance. This would have to be budgeted on an annual basis, which means that approximately \$3.1 million would be available for other The COMET needs. In two full fiscal years, the COMET is anticipated to generate approximately \$850,000 in FTA funds as a result of the potential increase in passenger miles. The COMET is receiving approximately \$5.3 million in FTA Section 5307 funds a year which is an increase over previous fiscal years.

*Option B:* Partial fare free. This would allow one quarter a year to be fare-free or allow for all bus passes to be sold at 50% off for a one quarter period. The cost to implement a one quarter fare-free is \$200,000. The cost to discount bus passes 50% for a one quarter period is \$25,000,

*Option C:* Limited fare free. This would allow one day a week to be fare-free. This approach could be within the following: 1) every weekend (113 days), 2) midday period between 9 a.m. and 3 p.m., seven days a week, 3) one weekday (52), 4) 12 special event days – Election Day, Veterans Day, New Year's Eve, Bus Operator Appreciation Day, Get On Board Day and six other random days to promote ridership efforts. The COMET generates approximately \$5,800 hundred a day in fare revenue. The cost to implement a limited fare free program is approximately \$70,000 thousand.

Mr. Andoh added that The COMET loses approximately \$1,021,058 in fares by providing free fare. He continued that staff recommends that fares be charged on Soda Cap Connector at a fare of \$1.00 for basic and 50 cents for discount passengers. Staff also recommends that children ages five (5) to fifteen (15) years old pay the discount fare and that children four (4) years old or less can ride for free. In Richland County, Richland One, Richland Two and Lexington-Richland Five students can ride free based on their contributions to The COMET. An estimated \$50,000 in fares is anticipated to be collected by charging fares on Soda Cap Connector and to children that are not attending Richland County schools.

The COMET is preparing to implement a discounted pass program for Lexington County residents using Community Development Block Grant funds which will subsidize bus passes at 50%. This will allow low income residents of Lexington County the ability to obtain bus passes at a discount.

Mr. Andoh added that once an agreement is finalized by CMCOG, The COMET will be implementing a free fare program for seniors ages 65 years old and older to ride The COMET free of charge. An application would be filled out and an ID card would be issued to the senior. This would be funded by Older American Act (OAA) funds.



The discussion continued regarding the fare free system and Mr. Andoh explained that it is a gamble/risk. Mr. Smith expressed concerns regarding the grant funding if we go fare free. Mr. Andoh noted that we would have to change our grant relationships and political perception if this were to happen.

Mr. Smith explained his preference of Option C. Col. Leaks and Ms. Dickerson agreed. Mr. Smith clarified that he is advocating for Option C – 4 with an increase in age requirement to 6. Mr. Andoh reminded that the Option portion is separate from the Soda Cap Connector charge.

Mr. Andoh went through each line of the FY 2020 Operating and Capital Budget, Page 142 to Page 144. He added that this is a working document.

Dr. Morris asked about the decrease in salaries. Mr. Andoh explained the decrease is due to length of time each employee has been working. Mr. Andoh also noted that Flock and Rally are not in this proposed budget.

**Motion:**

A three (3) tiered motion was made by Ms. Dickerson and seconded by Dr. Morris recommend this midyear budget to the Board with changes and providing we supply a balanced midyear budget, recommend Option C for free fare and a consideration to charge Soda Cap Connector riders \$1.00 dollar for basic and \$.50 cents for discount rate including children ages six (6) – fifteen (15).

Mr. Smith made an amendment to the motion to clarify Option C-4 and acknowledge that the midyear budget that goes to the Board will be balanced.

**Motion:**

A motion was made by Ms. Dickerson and seconded by Dr. Morris with the amendment to recommend to the Board this midyear budget with proposed changes providing a balanced midyear budget, also to recommend *Option C-4* for free fare and a consideration to charge Soda Cap Connector riders including children ages six (6) – fifteen (15) \$1.00 dollar for basic and \$.50 cents for the discounted rate.

Approved: Dickerson, Morris, Smith

Absent: Howard

Motion passed.

*c. Review Professional Services*

Mr. Andoh stated that we will be tracking and reviewing all professional service contracts. He referred to Page 148 and Page 149. He added that this is not time sensitive,



**Motion:**

A motion was made by Ms. Dickerson and seconded Dr. Morris to recommend that the Finance Committee review professional service contracts.

**Approved:** Dickerson, Morris, Smith

**Absent:** Howard

**Motion passed.**

*d. Award Contract for Bus Stop Amenities*

**Motion:**

A motion was made by Ms. Dickerson and seconded by Mr. Smith that the Finance Committee recommend to the Board of Directors to authorize the Executive Director/CEO to negotiate and upon successful negotiations, execute a contract with ADS Specialty Contractors to provide Bus Stop and Amenities Installation Services for a three year with two one year options.

**Approved:** Dickerson, Morris, Smith

**Absent:** Howard

**Motion passed.**

Mr. Smith asked if ADS is a Disadvantaged Business Enterprise firm? Mr. Andoh confirmed.

*e. Award Contract for Propane Fueling*

**Motion:**

A motion was made by Ms. Dickerson and seconded by Mr. Smith to approve the recommendation on Page 204, the approval of Amerigas.

**Approved:** Dickerson, Morris, Smith

**Absent:** Howard

**Motion passed.**

*f. Award Contract for Armored Car Services*

**Motion:**

A motion was made by Mr. Smith and seconded by Ms. Dickerson recommending the Board of Directors Finance Committee propose approval of the intent to award to the Board of Directors to negotiate and upon successful negotiations, execute a contract with Brink's Inc. to provide Armored Truck Services for a three (3) year period with two (2) one-year options.

Dr. Morris amended the motion to negotiate with them on the gas price.  
It was accepted as amended.

**Motion:**

A motion was made by Mr. Smith and seconded by Ms. Dickerson recommending the Board of Directors Finance Committee propose approval of the intent to award to the Board of Directors





to negotiate with them on gas prices and upon successful negotiations, execute a contract with Brink's Inc. to provide Armored Truck Services.

*g. Award Contract for Trolley Purchases*

Mr. Andoh explained that The COMET was successful in receiving funds from SCDDOT to purchase trolley vehicles for the Soda Cap Connector. An RFP was released in March 2019 with no responses. A second RFP was released on September 30, 2019 with two responses.

**Motion:**

A motion was made by Mr. Smith and seconded by Ms. Dickerson that the Finance Committee recommend to the Board of Directors to authorize the Executive Director/CEO to negotiate execute a contract with Double K, Inc doing business as Hometown Trolley to provide trolley vehicles to The COMET and Pee Dee Regional Transportation Authority (PORTA) for a five-year (5) contract with the understanding that The COMET is under no obligation to buy from this contract.

**Approved:** Dickerson, Morris, Smith

**Absent:** Howard

**Motion passed.**

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

None

**9. ADJOURN**

**Motion:**

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

**Approved:** Dickerson, Morris, Smith

**Absent:** Howard

**Motion passed.**

The meeting adjourned at 12:00 p.m.

CENTRAL MIDLANDS REGIONAL TRANSIT AUTHORITY

Adopted this \_\_\_\_\_, 2020, Agenda Item \_\_\_\_\_

Prepared by:

Paige Jernigan, Administrative & Customer Service Specialist



Approved by:

Andy Smith, Board Secretary