AGENDA

Meeting of RMTD Governing Board

June 8, 2023 | 4:30 PM

210 E Progress Drive, Dixon, IL

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| **1.** | **Roll Call – 4:32 PM** | Jeremy Englund, Chair  Greg Sparrow, Vice Chair  Aaqil Khan, Treasurer  Ermir Ramadani, Board Director  Larry Callant, Board Director  Greg Gates, Executive Director, RMTD  Kendra Hull, Board Secretary |
| **Guests** | Chet Olson  Steve Davis, Asst. Director, LOTS  Marcus Cox, Asst. Director, LOTS  Kristy Jones, Accountant, LOTS  Matt Cole, Attorney Rep., LOTS |
| **2.** | **Approval of Agenda (Action)** | Discussion: None  Motion: Greg Sparrow  Second Motion: Ermir Ramadani  Opposed: 0 |
| **3.** | **Approval of Minutes (Action)** | Discussion: None  Motion: Greg Sparrow  Second Motion: Aaqil Khan  Opposed: 0 |
| **4.** | **Public Comment** | No comments |
| **5.** | **Old Business** | |
| **a. Definitive Agreement on Asset Transfer**  **i. NEW: Transfer of Public Transportation Account (PTA)**  The county will have a conversation on 6/30/23 and has invited Lee-Ogle Transportation System (LOTS) to a discussion with the Chairman of the Lee County Board, Lee County Treasurer’s Office, Lee County State’s Attorney.  Matt did make a few changes to the agreement that referenced the Federal Transit Administration (FTA) circular and shared that with the County. At this time, we have not heard anything regarding real estate.  The Board would like to set a timeline (October 1st). Jeremy asked if it looks like we will have the Definitive Agreement signed by July or August. Matt indicated it would definitely not be July and August would be pushing it. It is not so much about the agreement at this point. The changes have been relatively minor. The last changes made were to make Lee County feel comfortable. The agreement can be written in a short period of time. It could take about 2 months to coordinate with both counties and have the Board vote on it. Based on past experience, it is very difficult to say how quickly we could get it done. It is expected to be a two-month process.  A lot of this will be accomplished at the midnight hour. October 1st may be more realistic. Once we have the information and get it placed on the agenda, there would be a two-month period where we could start getting things lined up.  Illinois Department of Transportation (IDOT) would like us to be set up in October.  This will need to get through both the Lee and Ogle County Boards once the real estate is decided. IDOT is on board and double-checking to see if we have missed something, and are abiding by all the terms. Matt does not anticipate there will be anything that was missed; however, we need IDOT to bless the agreement, which they will if it meets all their expectations. | |
| **b. Central Management Services**  **i. Update on conversation with CMS**  *Kendra Hull contacted Kelsey Boers after the May 31, 2023 RMTD Governing Board Meeting to explain where LOTS was at with our transfer and explained that we would have to put things on hold for the time being. Kelsey advised us of the following:*   * *If we can join CMS within 6 months of our initial quoted rate, the process will not have to be repeated (mid-October).* * *The effective date can be the 1st of any month.* * *We will need to have enrollment completed at least 3 weeks before the effective date in order to get everything processed and get employees their cards.* | |
| **c. Illinois Municipal Retirement Fund**  **i. Update on conversation with IMRF**  *Kendra Hull contacted Donetta Alexander after the May 31, 2023 RMTD Governing Board Meeting to explain where LOTS was at with our transfer and explained that we would have to put things on hold for the time being. Donetta forwarded the update to IMRF’s legal team and advised me that once we were able to sign the contract, to mail it to her, along with the check for actuary fees. The IMRF legal team would then review and let us know if we would be able to proceed or if we would have to restart the process.* | |
| **d. Illinois Public Risk Fund**  **i. Update on conversation with IPRF**  *Kendra Hull contacted Rich Stokluska and Tim Corr after the May 31, 2023 RMTD Governing Board Meeting to explain where LOTS was at with our transfer and explained that we would have to put things on hold for the time being. Rich was able to extend the IPRF quote until 9-1-23.* | |
|  | **e. Financial Policies and Procedures (Action)**  Discussion: Greg Gates shared language came from the county. We may choose to eliminate or change.  Page 5 – keep as stated regarding Board approval.  Page 8 – records retention and destruction – Retention policy is identified in the IDOT contract. LOTS / RMTD does not have a retention policy.  RMTD should have a separate retention policy from what IDOT requires. We are required to keep public records for certain amounts of time and will want something in place.  It was suggested to reach out to other transit agencies to see what they have for a policy. There should be a separate Record Retention Policy from the Financial Policy.  Page 13 – purchases up to $10,000 - Aaqil would like more information identified.  Noncompetitive procurement page 15 - $35,000 threshold, is IDOT’s standard.  There are so many variables to the procurement process, so we just referenced the IDOT policy on whether or not we have to follow.  Audit structure – Contractually, a Single Transportation Audit is due back to IDOT within 180 days of the close of the fiscal year. Lee County has an additional financial audit for its operation and specific fiscal year (December 1 – November 30). Greg and Jeremy discussed that RMTD will have a full scope audit of the RMTD Operation every year in addition to the required Single Transportation Audit to IDOT. Greg Gates indicated RMTD will still be in the county audit for a period of time.  Greg and Jeremy discussed that some entities do cycle Certified Public Accountants (CPA) on different terms. If this is something that the Board decides to do, RMTD would have to solicit bids. Lee County signed a 2-year contract with Wipfli. Specific language regarding the hiring of an auditor is not in our financial policies and procedures. Do we want to go out for a bid every few years to get a new CPA? We should have an obligation to change every few years.  Banking services should also be looked at every few years. It is a healthy practice to look at even though there is no obligation to change. This will be tabled until the next meeting because we need to develop the Record Retention Policy. The Banking services auditing and what our obligations will be for the CPA will be added to the agenda for the next meeting. | |
| **f. RMTD Title VI Plan (Action)**  Discussion: The current Title VI Plan of LOTS was approved three years ago by the Lee County Board. The version being considered by the RMTD Governing Board will be district’s main document for Title VI. We are meeting a requirement of IDOT and their compliance review in the interim. Greg G. asks the Board to approve this document this evening. It must be approved by the Board on a regular basis.  What was added: Page 5 - the complaint process and Page 7: the recordkeeping. It is standardized language and ensures we will not discriminate against our communities. Title VI will appear on our website in both English and Spanish.  Motion: Greg Sparrow  Second Motion: Ermir Ramadani  Opposed: 0 | |
| **6.** | **New Business** | |
| **a. Board Member Compensation**  Greg G. wanted this to be in front of everyone. Greg has had a conversation with all RMTD Board Members as to what this may look like. There may be a stipend available, which would be around $400 a month. Because we are in a holding pattern until we are actually the RMTD, he wanted to have a conversation. Currently no one is being paid through the RMTD. The Board would have to approve once we become RMTD. This will not be retroactive.  This is specific for Mass Transit Districts. Not more than $100 each day devoted to the Board but not more than $400 a month.  $400 is the threshold. If there is a desire to lower that we could have that discussion. This is coming from state law This would become active with the actual transfer. This can be voted on tonight.  Motion: Greg Sparrow makes a motion for board compensation of up to $400 month.  Second Motion: Aaqil Khan  Opposed – 0  It will become active when we transition. It is a W-2 payment. Will discuss later.  Will need to discuss employment contracts. | |
| **7.** | **Other Business** | |
| We did receive word this week about a grant. LOTS proposed to the State a project that will involve Lee and Ogle Counties. Northern Illinois University (NIU) will be an active partner in the project. We put some costs in there for our staffing. Greg G. stated RMTD will continue to look for other opportunities that will cover operational and administrative expenses. The budget is estimated at $230,000. Once final word is received from IDOT the board will be the first to hear. This funding is via Statewide Planning and Research (SPR).  IDOT is working on executing FY24 funding contracts. There will be some slight increases with 5311. With FY25 IDOT will begin executing two-year contractual agreements instead of single year agreements. 5311 funding is the first to go to the two-year agreement model (starting in FY 25), followed by DOAP in FY 26. It will be nice to know in a 2-year amount of time what we will have to spend.  We have been sought out to potentially provide service within rural Winnebago County. This will be in addition to the services we are already providing in Lee and Ogle Counties. We do not know the specifics. We will have a conversation with the Rockford Metropolitan Planning Organization (MPO) on June 21st.    This service addition would not start until July 1, 2024 (FY 25) when we are RMTD. The Finance Committee of the Winnebago County Board will be discussing this topic next Thursday (June 15th). LOTS/RMTD will meet with representatives from Winnebago County on the 21st to begin to get to know each other. IDOT is aware of this and reached out in March to begin a conversation with Greg G. to see what the interest is. In addition to the allocated funding, LOTS/RMTD has requested additional vehicles (minivans and/or smaller cutaway buses) that could be designated for use in rural Winnebago. We will keep the board up to date on any developments.  Jeremy – we need a policy for adding board members. If we add a county or municipality, we could add someone else. Currently, we have the max number of members for the counties we serve. Membership is based on ridership. This will need to be changed as we go.  City Market. We have an opportunity in the city of Oregon to represent LOTS / RMTD and we have a list of dates. Kendra will send out a list of dates to the Board members. If there is a date or two that works and you would like to join us, please let us know. | |
| **8.** | **Open Discussion** | |
| No other discussion. | |
| **9.** | **Adjournment**  Motion: Greg Sparrow  Second: Ermir Ramadani  Opposed: 0  Meeting adjournment – 5:32PM | |
| **Next Meeting at 4:30 PM on July 13, 2023, at LOTS, Dixon** | |