AGENDA

Meeting of RMTD Governing Board

July 13, 2023 | 4:30 PM

210 E Progress Drive, Dixon, IL

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| **1.** | **Roll Call – 4:33 PM** | Jeremy Englund, ChairGreg Sparrow, Vice ChairAaqil Khan, TreasurerLarry Callant, Board MemberGreg Gates, Executive Director, RMTD |
| **Guests** | Chet OlsonSteve Davis, Asst. Director, LOTSMarcus Cox\*, Asst. Director, LOTS Scott Brinkmeier, Operations Manager, LOTS*\*Took minutes for Kendra Hull who missed mtg.* |
| **2.** | **Approval of Minutes (Action)** | Discussion: NoneMotion: Larry CallantSecond Motion: Aaqil KhanOpposed: 0 |
| **3.** | **Public Comment** | No comments |
| **4.** | **Executive Director Report** |  |
|  | Mr. Greg Gates offered the following report. LOTS will continue to provide the Board Members with a copy of the monthly data report that is created each month for the Ogle County Health, Education, and Wellness (H.E.W) Committee.The Definitive Agreement has been approved by both counties and forwarded along to the Illinois Department of Transportation (IDOT) for their concurrence. IDOT’s Bureau Chief of Operations, David Schafer, has requested a signatory line be included to account for the signature of IDOT representative Jason Osborn (Director of the Office of Intermodal Project Implementation) or Omer Osman (Transportation Secretary). Rob Lesage has confirmed the overall process has been positive, timely.Ogle County State’s Attorney, Mike Rock, has reviewed the documentation with no changes recommended. It is anticipated the October 1, 2023, deadline will be met. It is expected the Definitive Agreement will go before the Lee and Ogle County Boards in August.FY 2024 Downstate Operating Assistance Program (DOAP) and Federal Transit Administration (FTA) 5311 contracts have been signed by Lee County representatives. IDOT is expected to execute the documents in the next couple of days. A first draft of the FY 2023 ridership data has been collected and made available, as evidenced in the corresponding table. The numbers will be utilized for IDOT and FTA purposes, specifically in the annual National Transit Database (NTD) reports.

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| ***Data Point*** | ***SFY 2023*** | ***SFY 2022*** | ***% Change*** |
| *Total Rides* | 83,010 | 78,058 | 6.34% Increase |
| *Service Hours* | 24,260 | 21,017 | 15.34% Increase |
| *Miles of Service* | 649,278 | 584,796 | 11.03% Increase |
| *Fuel Cost\** | $214,498.20 | $191,479.50 | 12.02% Increase |

IDOT was recently awarded approximately $12 million dollars in funding through the FTA’s Low-No Emission grant. The $12 million dollars will be used to purchase electric vehicles for various transit agencies throughout the state, and Lee County/ LOTS will be the recipient of two EV vehicles. It’s expected the vehicles will be delivered to LOTS within 6 – 9 months once manufacturing begins.Rural Winnebago County services conversations continue to occur with the Region 1 Planning Council in partnership with the Rockford Mass Transit District and the Rural Transit Assistance Center. Kristy Jones, LOTS Staff Accountant, has initiated the process of budgeting for this expanded service, which is expected to be approximately $1 million dollars and will consist of funding already designated through DOAP, 5311, and Winnebago County Local Match.U.S. Representative Darin LaHood has scheduled a visit to LOTS on Thursday, August 31, 2023, at 10:00 AM. All Board Members are invited and encouraged to attend. Representative LaHood submitted a request to the House Appropriations Committee designating $2.94 million to LOTS for the expansion of the administrative facility. It’s expected final approval from the House Appropriations Committee will occur sometime this fall. National Rural Transit Day is scheduled for tomorrow, Friday, July 14, 2023. LOTS will be providing fare free rides for all passengers and hosting facility tours. All Board Members are invited. Representative Brad Fritts will also be visiting LOTS on Friday morning to gather an update on some of the items discussed this evening to ensure he remains educated on the various ongoings of the system.Kristy Jones put together a Profit and Loss (P&L) Statement. This information is not yet coming out of Aplos, but it does match up with what has been reported to IDOT. Several line items will fluctuate as the transition to Reagan Mass Transit District (RMTD) from LOTS occurs given the exchange of employees from Hughes Resources to RMTD, for example. Other County provided services, such as cleaning, will be or have been reduced as RMTD absorbs those services in-house. The expectation with the implementation of Aplos is that RMTD will be able to offer a more robust financial report to Board Members for their review.Mr. Khan asked how long it takes to close a month and recommended a 5-day target. Mr. Gates replied Kristy has had chats with the Lee County Treasurer. The month of June has not yet been closed; however, it is expected to occur within the week. The contracted service providers for LOTS have between 5 – 10 days to send over their monthly financial summary, including data points, to LOTS. Mr. Khan stated a 5-day close is generous. Mr. Englund requested the incorporation of a transaction report to be included periodically with the financial documentation as it would be nice to review. Mr. Khan commented that there will be additional questions about specific items after further review and analysis has occurred.Mr. Gates concluded his Executive Director Report. |
| **5.** | **Old Business**1. **Definitive Agreement on Asset Transfer**

Mr. Gates provided a recap of the previously stated information from his report associated with the Definitive Agreement. The agreement has been approved by both counties and is now in the hands of IDOT. David Schafer of IDOT will assist his legal team to ensure it continues moving through the execution process. Signatory lines will most likely be added, and it is expected that electronic signatures will be captured.1. **Financial Policies and Procedures**

Mr. Gates informed the Board this was a conversation that originated last month, though no new updates are available. Record destruction was also a component of that discussion. Mr. Englund mentioned that staff intended to reach out to other Mass Transit Districts about their record retention policies/procedures. Mr. Gates replied that Kendra Hull, LOTS HR Manager, may have reached out to Shawnee Mass Transit District, but we do not have specifics regarding their policies at this time.  **i. Banking Services Audit and Obligations for CPA**Mr. Gates stated we have started the conversation at the county level about the Public Transportation Account (PTA) fund, and the intention of hiring an auditor through Wipfli to review the last 5 – 6 years of historical data to determine what is in the account. Wipfli has a team that is not involved in the annual audit that will be able to assist. Mr. Englund asked if we are working with local Wipfli reps in Sterling, to which Mr. Gates stated we are. Mr. Gates, separately, said LOTS needs to schedule meetings with local banks to be able to identify the local bank of choice for RMTD.In reference to record retention and destruction, Mr. Englund asked what RMTD’s legal obligations are. Mr. Gates replied internal discussions related to records have been broached with the County as we want to make certain we are able to define which historical records should be maintained by RMTD and which records shall be maintained by the county. This will ensure the correct owner maintains the documentation. |
| **6.**  | **New Business**1. **Personnel Policy Handbook**

Mr. Gates said the new RMTD handbook is rather comprehensive. Outside assistance was provided by Tim Zollinger of Ward, Murray, Pace and Johnson, who provided input and guidance for staff. He made recommendations related to Equal Employment Opportunity (EEO) and the Affirmative Action Plan; however, an Affirmative Action Plan is not required for businesses who employ less than 50 individuals.Mr. Zollinger has recommended background checks take into consideration what an individual is convicted of and how that conviction may impact the applicant’s role. If an applicant’s offense relates directly to the role the individual applied for, the applicant should be barred from consideration for the role.Full-Time employment status to be designated as 37.5 hours of work per week.Insurance shall be offered to an employee who averages 30 hours of work per week per quarter.Mr. Sparrow mentioned insurance dependent status language appears to be incorrect; staff will review and adjust the language.RMTD employees will be able to cash out a portion of their paid time off once each year during the first week of July.Mr. Gates provided an explanation of the thresholds/limits for bodily injury, etc.Mr. Englund asked if the RMTD handbook has been transferred from the existing LOTS handbook. Mr. Gates stated the RMTD handbook was newly created and is more definitive and detailed than the current handbook.Mr. Gates requested a holdover of this item until August or September to allow ample time for the Board members to review the document in more detail. 1. **Employment Contracts**

Mr. Englund stated he has requested employment contract information from other Mass Transit Districts from Mrs. Hull to bring to the Board. Mrs. Hull is still gathering this documentation. Once available, the templates received can be used to build out employment contracts. An Executive Session will need to be held to determine what the RMTD employment contracts will look like.Mr. Sparrow inquired if the Board needs to wait for the employment contract examples from other MTDs prior to having additional discussion, which the Board agreed was their preference. Mr. Sparrow asked when the conversations regarding this topic need to be completed by. The group stated that October 1, 2023, should be when the discussion is finalized, but a retroactive designation of July 1, 2023, is when the employment contract should formally take effect. The state may not consider this as acceptable and may instead require RMTD to wait until July 1, 2024.Mr. Englund recommended an Executive Session be held after the next meeting to discuss what employment contracts look like, to which the group agreed. |
| **7.**  | **Other Business** |
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|  | Mr. Gates stated IDOT requires Lee County to have a Program Compliance Oversight Monitor (PCOM) which today is Executive Director, Greg Gates. He oversees the operation of the system daily which fulfills the County’s requirements. In the past, if the transportation system was operated through a local senior center, for example, the County would require a separate entity to maintain the role of the PCOM. IDOT representative, Mr. Schafer, prefers Mr. Gates remain the PCOM for the county. Mr. Gates recently completed PCOM training.Mr. Englund asked if there would be a benefit having an outside person as the PCOM, and if so, who would it be. Mr. Gates replied that the County does not mind Greg remaining in this role as long as written documentation is in place and agreed to, then the existing setup is sufficient.Mr. Englund asked for background on what the role of a PCOM is. Mr. Gates informed the group that the PCOM is responsible for ensuring monthly, quarterly, and fiscal reports are accurate and match up to what is in the General Ledger, and the information has been formally reviewed and is acceptable to submit to IDOT.Mr. Englund inquired if there have been any concerns with the audits and not having a separation of duty. Mr. Gates stated there has not been and IDOT has been accepting of everything in the past.Mr. Khan said he would provide a copy of the job description for a Transit Grants Administrator/PCOM for the City of DeKalb to better understand the responsibilities of a PCOM. |
| **8.**  | **Adjournment** |
| Motion: Greg SparrowSecond: Aaqil KhanOpposed: 0Meeting Adjournment – 5:08 PM**Next Meeting at 4:30 PM on August 10, 2023, at LOTS, Dixon** |