OZARKS TRANSPORTATION ORGANIZATION

BOARD OF DIRECTORS MEETING MINUTES

October 17, 2013

The Board of Directors of the Ozarks Transportation Organization met at its scheduled time of 12:00 p.m. in the Ozarks Transportation Organization Large Conference Room, in Springfield, Missouri.

The following members were present:

Ms. Becky Baltz, MoDOT Mr. Quinton Hamp, City of Battlefield

Mr. Harold Bengsch, Greene County Mr. Jim Krischke, City of Republic (a)

Mr. Steve Bodenhamer, City of Strafford (a) Mr. Lou Lapaglia, Christian County (Vice-Chair)

Mr. Jerry Compton, City of Springfield Ms. Robin Robeson, City Utilities

Mr. Tom Finnie, Citizen-at-Large Mr. Jim Viebrock, Greene County (Chair)

Mr. J. Howard Fisk, Citizen-at-Large Mr. Brian Weiler, Airport Board (a)

Ms. Teri Hacker, Citizen-at-Large

1. *Denotes alternate given voting privileges as a substitute for voting member not present*

The following members were not present:

Mr. Mokhtee Ahmad, FTA Ms. Susan Krieger, City of Strafford

Mr. Shawn Billings, City of Battlefield (a) Mr. Bill Kirkman, City Utilities (a)

Mr. Brian Bingle, City of Nixa (a) Mr. Bradley McMahon, FHWA

Mr. Richard Bottorf, Airport Board Mr. Steve Meyer, City of Springfield (a)

Mr. Phil Broyles, City of Springfield (a) Mr. Andy Mueller, MoDOT (a)

Mr. Brian Buckner, City of Republic Mr. Shane Nelson, City of Ozark

Mr. Steve Childers, City of Ozark (a) Mr. John Rush, City of Springfield

Mr. Sam Clifton, City of Nixa Mr. Dan Salisbury, MoDOT (a)

Mr. John Elkins, Citizen-at-Large (a) Mr. Mark Schenkelberg, FAA

Mr. Craig Fishel, City of Springfield Mr. Tim Smith, Greene County (a)

Mr. Wendell Forshee, City of Willard Mr. Bob Stephens, City of Springfield

Mr. David Gardner, City of Willard (a)

Others Present: Ms. Sara Fields, Ms. Natasha Longpine, Mr. Curtis Owens, Ms. Debbie Parks, and Ms. Melissa Richards, Ozarks Transportation Organization; Mr. Dan Wadlington, Senator Roy Blunt’s Office. Mr. Aaron Parks, Citizen; Mr. Randy Brown, City of Willard; Mr. Dave Nichols, MoDOT; Ms. Shelia Schmitt, City Utilities Transit; Mr. Kirk Juranas, City of Springfield;

Mr. Viebrock called the meeting to order at 12:01 p.m.

1. **Administration**
2. **Introductions**
3. **Approval of Board of Directors Meeting Agenda**

Mr. Bengsch made the motion to approve the Board of Directors Meeting Agenda. Mr. Weiler seconded and the motion was carried unanimously.

1. **Approval of the August 15, 2013 Meeting Minutes**

Mr. Bengsch made the motion to approve the August 15, 2013 Meeting Minutes. Mr. Fisk seconded and the motion was carried unanimously.

1. **Public Comment Period**

None

1. **Executive Director’s Report**

Ms. Fields stated that Congressman Long had held a Transportation committee meeting in August, in which she participated. Many different people in the area were able to let the Congressman know about area transportation needs. Staff went to Title VI Training. Staff will be able to assist the jurisdictions on Title VI questions. The Community Focus Report for the City of Springfield and Greene County came out last month. A copy of the transportation section was handed out for member review. She stated that she was the Committee chair and that the committee turned out really well. There is a website at the bottom of the page, communityfocus.org.

The Missouri Highway and Transportation Committee was in town on October 2. Ms. Baltz and Ms. Fields presented a joint presentation on the state of the Transportation Network, the partnership in the area, and the futures as is seen and planned for at this point. All the cities and counties were asked to come and hold up posters to say thank you for specific projects. Mr. Nichols stated the presentation was awesome. Mr. Viebrock stated that Ms. Baltz and Ms. Fields do a fabulous job all the time and that MoDOT is very lucky to have Ms. Baltz on staff.

Ms. Fields stated there is also a letter in front of everyone at the meeting asking for a bio and a photo to put on the OTO website. It is to highlight who is on the Board and provide a little bit of information to the community. Also, the OTO health insurance renews on November 1 of every year. There was a 22 percent increase, though the overall amount is not that much, just a note for everyone who is in the budgeting process. The OTO’s insurance renewed before all the 2014 requirements. Next year once the requirements kick in the OTO might see a larger increase.

The OTO is continuing to monitor the ozone levels. It looks like the OTO is having a good year with an average of 72. The regulation is currently set at 75. The OTO is still under the regulation, however, the talk continues about the standard moving between 60 and 70. If that were to happen, the OTO would be out of compliance.

OTO staff is also excited that MoDOT is conducting a freight study. MoDOT has put out a solicitation for that. Freight data has been very difficult for the OTO to obtain, so staff is excited to see what comes out of the statewide study and see how it helps the area plan for freight better. Ms. Fields and Ms. Longpine will be gone for the Association of Metropolitan Planning Organization National Conference and will be out of the office from Tuesday through Friday. Ms. Fields stated she sits on the National Policy Committee for the Association of MPOs and will meet regarding to proposing issues with the new transportation bill and what the MPOs would like to see done in that new bill.

TIGER results were released in September. The OTO did not receive an award but Kansas City received a $20 million street car project which is the largest in the nation. There is some information highlighted about what types of projects were awarded. Transit was the big winner in this round. Staff is unsure if the area can apply again. It will depend on where the region is at in projects when the next funding round is open. Staff learned how to write a good proposal and will be hopefully stronger next time.

Ms. Fields introduced Mr. Dave Nichols. Mr. Nichols thanked the Board for letting him speak to the group. There are a few items happening at MoDOT that the Board of Directors should be aware of. MoDOT has been working hard on the MoDOT Long Range Plan, *On the Move*. There have been a lot of listening sessions, called mobile tours, where MoDOT traveled around the state and region and visited with business partners and the communities at large. MoDOT really got to the grass roots of Missourians’ transportation and Missourians’ transportation needs. MoDOT has been working on combining that information into a draft report, which will be presented to the Highway Commission on November 7 at the Commission meeting in Kanas City.

The MoDOT Long Range Plan, is very different form the Long Range Plans in the past. It is very interactive on the internet. The previous Transportation Long Range Plans were in two or three big three-ring binders. It was very cumbersome and difficult to navigate through, unless an individual is a transportation expert. It was really designed for bureaucrats. This one is made for the customers. Individuals can go to the website for *On the Move*, which will be unveiled at the commission meeting. There will be a press conference after the commission meeting to unveil it to the public.

MoDOT staff is excited about the comprehensive approach that Missourians are taking with the transportation vision for the future. There are four general themes and the themes are not rural or urban. The first theme is to take care of what is currently here before investing in dollars for new transportation expansion. The public is telling MoDOT to take good care of the system in place. The second theme is to continue to invest in safety features. The collaborations that everyone has done to reduce the fatalities has been very well received. MoDOT just celebrated the diverging diamond in Joplin. Those are the types of things that the public is telling MoDOT that they want to see, congestion relief and safety.

The third them is to invest in transportation to help with economic development and job creation. If Missouri is to be is to be competitive in bringing new industry from around the world, then there needs to be a transportation system that adapts to that. It is not just highway and bridges. All those things that foster interconnectivity and intermodal access is key for those businesses and companies that are looking for a place to relocate. Transportation has always been the number one or two followed by job quality or quality of the workforce.

The number four theme is to invest in all modes of transportation. Dollars that currently come to MoDOT can only be used for roads and bridges. Any funds that come in for other modes come from general revenues and grants. The public is telling MoDOT to invest state dollars into those transportation modes as well as highway and bridges. This comes from the 12,000 suggestions that the public has given on the internet and through written comment. There has been $71 billion in transportation needs identified over the next 20 years and only $17 billion available. The process of the Initiative Petition and the funding process is that a specific list of projects by region will be needed for the sales tax that would be generated by the Initiative Petition.

The Long Range Plan will come out formally for comments, then it will be important for the OTO to look it over and make sure the projects are prioritized correctly and are chosen for the new sales income. This will take place in May or June.

The Initiative Petition is for a temporary 1-cent sales tax. The break out would be 5 percent for the cities, 5 percent for the counties, and then 90 percent distributed by Highway Commission Distribution Formula to the seven regions of the state. The OTO region would decide what projects to spend the transportation dollars on through the OTO process, with MoDOT collaboration. The public will want to see the list of projects as the campaign moves forward. The initiative petition will go forward after some more public polling as long as the public remains above 50 percent in support. The signature phase would start in January, then in May a decision would be made to move forward. It would be on the November ballot.

Mr. Viebrock thanked Mr. Nichols for speaking to the Board. Mr. Nichols stated that the MoDOT partnership here is great and is a model of how business should be done everywhere.

Mr. Juranas thanked MoDOT on behalf of the City of Springfield’s Public Works. There have been a number of improvements to rail, including crossings, signals, lights, etc.

Mr. Weiler stated that in branching out and recognizing the tie between economic development and transportation, MoDOT helped with a foreign trade zone study in the region to identify transportation efficiencies and maximize the economic benefit. Hecomplimented MoDOT on this. Mr. Viebrock also praised the rest of the OTO staff for being a great team.

1. **Legislative Reports**

Mr. Wadlington stated that nothing changed. The government is back open and can continue to pay the bills. The Sequester will be in place for another 120 days, and now there will be a great budget debate over the next 60 days.

1. **New Business**
2. **OTO Bylaw Amendment**

Ms. Longpine stated that the Bicycle Pedestrian Committee is asking is to change the quorum portion of the Bicycle and Pedestrian Advisory Committee of the OTO Bylaws. There were some minor revisions in the membership. For example, instead of specifying Greene County Highway Representative, it has been changed to Greene County Representative. The committee would like to make sure everyone has a seat at the table, but when there are 17 members on the committee, the extra individuals have not been showing up to make the quorum. There has been difficulty moving forward and conducting business. The work of the bicycle committee still comes through the Technical Committee before it comes through the Board and becomes policy for OTO.

Mr. Lapaglia made the motion to approve the bylaw amendment. Mr. Krischke seconded and the motion was carried unanimously.

1. **Independent Financial Audit Report for FY 2012-2013**

Mr. Krischke stated that Cinda Rodgers conducted the OTO FY 2013 audit. It was a clean audit with no significant findings. The opening part of the audit is a cover letter from Cinda Rodgers, which talks about the main focus of the audit being the financial statements. Ms. Rodgers also reported on the internal controls as well. There were no significant concerns. There was one adjusting entry that she recommended that the OTO make, and the OTO did make that change.

The independent auditor report is included in the agenda. It talks about the responsibility of the management to provide the records, but the auditor’s responsibility to issue the opinions. There are no issues or concerns with that report. There are some notes in the financial statements, one being that the OTO uses Modified Cash which is not the normal. There is nothing wrong with it, but the auditor makes a point to call it out and pay attention to it. The auditor recognizes that the OTO follows all the standard principals and procedures of the different government bodies.

The auditor explains why the cash balances are that way. The one item that OTO staff clarified is that under the related parties transactions show the City of Springfield for services. The OTO is not paying the City of Springfield to provide any real services for the OTO. In last year’s budget the OTO region aerial photography ran through the City of Springfield. The $40,000 was reimbursement to Springfield for the aerial photography. The $5,758 was paid to the City of Springfield Print Shop since it produces faster work then some of the other local print shops and can meet the OTO printing needs.

Through a grant from the federal government, MoDOT provides 75 percent of OTO’s income. The auditor did not find anything wrong with the internal controls and discusses how the controls were tested. Mr. Viebrock mentioned that the auditor had praised the staff for doing things correctly. Mr. Krischke stated it was a clean set of books.

Mr. Krischke made the motion to accept the FY 2013 Independent Financial Audit Report. Mr. Fisk seconded and the motion carried unanimously.

1. **OTO FY 2014 Operational Budget Amendment**

Ms. Parks stated that one item that came out of the audit was a recommendation on a different way of handling the OTO budget. The Board, in the past, has approved the UPWP budget that outlines the OTO work tasks. This UPWP contains the Appendix A which has served as the OTO budget. Included in the overall OTO budget, because it is required by Federal Highway, are all the regional planning funds. City Utilities also receives planning funds in the region, so the $197,500 is shown as a Direct Outside Grant. This does not come through the OTO office and the OTO never sees the funds. The auditor suggested doing a separate OTO operational budget which is common for agencies utilizing grant funds.

Another item discussed was removing the In-kind from the Operational Budget, since the In-Kind can fluctuate from member attendances at meetings and the amount of Staff time donated by MoDOT.

The Board had already approved this year’s UPWP budget. The OTO Operational Budget takes the approved expenses and revenue, removes the City Utility Planning funds and In-kind. The format for the new budget is in a Cash Flow format. It begins with the $208,108.96 from the Operational Fund Balance Report. There should be at minimum a $28,168.00 increase in the Operational Fund Balance. There is a notation that this can change because of the amount of in-kind that is received during the year. Going forward if this is approved, then next year the Operational Budget would be prepared at the same time as the OTO UPWP Budget.

Another pro to having a separate Operational Budget is that if there is an expense, for example OTO advertising, not covered in the grant it can be included in the Operational Budget.

Mr. Bengsch made the motion to approve the FY 2014 Operational Budget as amended. Mr. Lapaglia seconded and the motion was carried unanimously.

1. **Federal Transportation Planning Certification Review**

Ms. Fields stated that Federal Highway and Federal Transit came to the OTO offices in June for a week reviewing how well the OTO complies with Federal Transportation Planning requirements. It was an excellent review overall. That means that the OTO did not receive any corrective actions. Corrective actions are those things that have to be done in order to comply to continue receiving funds. There is no reason to worry about future funding since the OTO is in compliance. There is also a list of commendations and recommendations. On page 10 of the report, “commendations” is defined as noteworthy practices that demonstrate well thought out procedures for implementing the planning requirements or addressing items that have been difficult nationwide and can be sited as a noteworthy practice. Ms. Fields discussed the 14 commendations that are outlined.

Ms. Fields stated that there were also some recommendations. On page 10, “recommendations” are defined as less substantial and not requiring action but still significant enough that Federal Highway and Federal Transit are hopeful the OTO would take some action. Ms. Fields outlined the recommendations in the report. She stated that it was the third review since the OTO has been a Transportation Management Area and there has not been a corrective action yet. This certifies the OTO through 2017.

Mr. Viebrock stated that again this just shows what a great job staff is doing here.

1. **Cost of Living Adjustment Request**

Ms. Fields stated that the OTO would like to request a 1.7 percent Cost of Living Adjustment. This number was based on the Social Security Administration 2013 Cost of Living Adjustment. The agenda includes that news release. There are some other adjustments based on the news and different information received, where other agencies are doing similar Cost of Living Adjustments. This would take effect November 1. The ramification on this year’s budget, which took effect on July 1, totals $3,650. When the salary figures are raised, it also affects retirement and payroll taxes, so those are included in that amount. There have been a couple of vacant intern positions since summer so it can stay in the current salary line. A budget amendment will not be needed. The Executive Committee recommended approval in September.

Mr. Fisk made the motion to approve a 1.7 percent Cost of Living Adjustment. Mr. Lapaglia seconded and the motion carried unanimously.

1. **Other Business**
2. **Board of Directors Member Announcements**

Ms. Baltz brought a sheet of projects being completed in the area. There are several coming up and the Cost Shares are highlighted. It shows how important the Cost Share Program is and how everyone works together to build some of the highest priority projects.

Mr. Bengsch stated that November 5 is a very important election on the Use Tax for Greene County. Mr. Lapaglia stated that Christian County also has the Use Tax on the November 5 ballot. The Use tax would fill an important need in Greene County. Mr. Viebrock pointed out that it would not expand government, just stabilize the budget.

Mr. Fisk stated that there are a lot of emerging needs. The question would be if the tax payers were willing to pay their fair share. The concern is that if things are not taken care of today then the needs will become really great and the area will fall behind. Mr. Fisk thanked Mr. Juranas for being a good steward when he was the MoDOT District Engineer. The sharing of institutional knowledge and collaboration have been valuable to the OTO region.

Mr. Bengsch stated that Mr. Fisk raised a valuable point, because the county also has Dan Smith. The former MoDOT employees know how it operates and what MoDOT’s needs are. It produces a synergy of collaboration that there might not have been. Mr. Fisk asked the Board to consider all the great things that have happened here in the community because of the collaboration.

1. **Transportation Issues For Board of Directors Member Review**

Mr. Viebrock announced there was a typo in the packet. The next meeting is Thursday, December 19, 2013.

1. **Articles for Board of Directors Member Information**
2. **Adjourn.** A motion is requested to adjourn the meeting.

Mr. Lapaglia made the motion to adjourn the meeting at 12:50 p.m. Mr. Fisk seconded and the meeting was adjourned.