



**POLICY BOARD MEETING  
October 18, 2007  
MINUTES**

The regular meeting of the MOTOR Policy Board was called to order at 3:30 p.m. on September 20, 2007 in the Motor Conference Room at the Wright Office Complex by Policy Board Chairman, Dr. Jimmy Goates.

**Policy Board Members Present:**

Dr. Jimmy Goates, Chairman, Councilman, City of Odessa  
Lauren Garduño, District Engineer, TxDOT-Odessa District  
Berry Simpson, Vice-Chairman, Councilman, City of Midland

**Policy Board Members Not Present:**

Mike Bradford, Midland County Judge  
Susan Redford, Ector County Judge

**Others in Attendance:**

Gary Law, Dir. of Transportation Planning and Development, TxDOT, Odessa District  
Matt Squyres, Director of Public Works, City of Odessa  
Alfredo Gonzales, Public Transportation Coordinator, TxDOT-Odessa District  
Fred Marquez, Field Representative, TxDOT-Austin, Texas  
Matt Carr, Transportation Planning and Development, TxDOT-Odessa District  
James Zentner, Assistant City Manager, City of Odessa  
Cindy Munsey, Elms, Faris & Company, LLP  
Melba E. Owens, MOTOR Executive Director

**AGENDA ITEM**

**2. Announcements and Introductions**

There were no announcements or introductions.

### **3. Approval of Minutes**

Motion was made by Lauren Garduño and seconded by Berry Simpson, to accept and approve the minutes of the September 20, 2007 Policy Board Meeting as corrected. The motion passed unanimously by the following vote:

Dr. Jimmy Goates	Aye
Berry Simpson	Aye
Lauren Garduño	Aye

### **4. Public Comment Period**

There were no comments from the public. Dr. Goates suggested that to have additional public comments, we might consider changing the time of our meetings to after 5:00 p.m. No action was taken at this time.

### **5. Finance Report**

Melba Owens, Executive Director, gave the following report:

The report submitted to you today reflects a total expenditure of \$27,730.31 for the month of August, 2007, giving us a current balance as of October 15, 2007, of \$119,243.07. We are now 87% expended in our budget allocations. Individual task breakdowns are provided in your report. We are providing additional detailed expenditure reports for Tasks 1-5 for the months of July and August, 2007 in which we have defined the primary responsibilities of each Task. We have provided the current month expenditures, and the previous month expenditures, and provided an explanation of variances in current month expenditures, compared to previous month expenditures. This expanded report will also reflect any major outstanding expenditures anticipated for each Task.

TxDOT-Odessa District reviewed our request dated July 23, 2007, to rescind Special Billing No. 6 for cell phone usage by prior MOTOR MPO staff. Mr. Gary Law, Director of Transportation Planning and Development submitted correspondence to the MPO on August 6, 2007 (a copy of which is attached hereto for your review) that officially informed us that the District was denying reimbursement of questionable expenditures for cell phone usage, as detailed in Special Billing No. 6, until satisfactory documentation was provided. I am also attaching a copy of our memo to the District requesting that Special Billing No. 6 be rescinded.

Pursuant to instructions of the Policy Board during the July 26, 2007 Policy Board Executive Session, the MOTOR MPO staff has worked closely with Mr. James Zentner, Assistant City Manager, City of Odessa (previous Director of Finance) to draft a letter to Mr. Brian Roe, prior Executive Director, to request full payment of personal, undocumented cell phone expenses, which occurred during his tenure with MOTOR, in the amount of \$1,285.12. Mr. Zentner provided all information to the City Attorney's Office for full review. Ms. Lee Ann Rimer, Assistant City Attorney for the City of Odessa has prepared a draft letter to Mr. Brian Roe requesting that full payment in the

amount of \$1,285.12 be made for the personal, undocumented cell phone expenses. A copy of the draft letter prepared by Ms. Rimer is attached for your reference. I am also attaching Ms. Rimer's cover letter addressed to the MOTOR MPO dated September 17, 2007 in which she states that the City Attorney's office recommends that these costs be allocated to MPO member entities, *and that we not pursue collection efforts against Mr. Roe. She indicates in the letter that the collection efforts would likely be futile, and would possibly be an invitation to litigation.*

The Special Billing No. 6 expenditure in the amount of \$1,285.12 has been removed from the financial reports submitted for March, April, and May, 2007. TxDOT-Odessa District has approved all subsequent billings through July, 2007. We should remain current in all monthly financial reporting from this point forward.

The Policy Board Members decided unanimously to bill each of the member entities for the cell phone expenditures in the amount of \$1,285.12. This amount would be divided by four – City of Midland, City of Odessa, Ector County and Midland County.

The MPO Staff has been working with Mr. James Zentner to set up an outside audit for the MPO. A contract has been drafted by the City of Odessa legal department for the audit to be performed by the firm Elms, Faris & Company for the MPO. The City of Odessa's Finance Department has agreed to perform a separate follow up management/business practices audit for the MPO. The MPO audit contract is provided under Item No. 6 for your review and approval. Dates for the audits have not been set, but should both be concluded for a full report by the end of this year.

**MPO Staff Recommendations:**

Recommend approval of the Financial Report as submitted.

The Motion was made by Lauren Garduño and seconded by Berry Simpson to approve the Finance Report as submitted. The Motion passed unanimously as follows:

Dr. Jimmy Goates	Aye
Berry Simpson	Aye
Lauren Garduño	Aye

**6. Approval of Contract for MPO Audit – Elms, Faris & Company**

Melba Owens provided the following information:

We have attached a Contract for Audit Services which will be entered into by and between the Midland Odessa Transportation Organization (MOTOR MPO), and Elms, Faris, & Company, P.C. an independent public accounting firm. This firm will perform a financial and compliance audit of the MPO's financial statements and related financial system for the fiscal year ending September 30, 2007. The examination will include all funds and the general fixed asset. Elms, Faris & Co. will prepare and issue a report on the MPO's internal control systems as contemplated in Office of Management and Budget (OMB) Circular A-133 (Government Auditing Standards).

Elms, Faris & Company estimate that the audit will take approximately 65 – 75 hours to complete. Their fees, based on this estimate of hours will be between \$6,500.00 and \$7,500.00. This firm also performs the audits for the City of Odessa, and discount their rates for governmental engagements. The firm feels that they have sufficient staff capacity to enable them to complete the audit and issue their opinions on the City's Comprehensive Annual Financial Report for the year ending September 30, 2007, by the December 31, 2007, distribution date. A date to begin the audit has not been decided.

**MPO Staff Recommendations:**

We recommend approval of the Audit Services Contract as submitted. This Contract was developed by the City of Odessa legal department. Funds were dedicated in the 2008-2009 UPWP for the audit expense.

Ms. Cindy Munsey Elms, Faris & Co. explained that the Single Audit conducted under Office of Management and Budget (OMB) Circular A-133 (Government Auditing Standards) requires that the audit report be issued for internal controls and compliance if the Federal Grand expenditures exceed \$500,000.00 for a given fiscal year. Ms. Munsey explained that if the MPO expenditures did not reach that threshold, they would still issue an audit report under Government auditing standards, but it would not be the type of report required under OMB Circular A-133. Ms. Munsey indicated that new auditing standards for audits that will be conducted in Fiscal Years 2007 & 2008, will require a more risk based approach, and that conducting this type of comprehensive internal control and compliance of the MPO's records this year, would best prepare us for the type of risk based audits that will be conducted in the future.

The Motion was made by Berry Simpson and seconded by Lauren Garduño to approve the contract for Elms, Faris & Company to perform the audit for the MOTOR MPO. The Motion passed unanimously as follows:

Dr. Jimmy Goates	Aye
Berry Simpson	Aye
Lauren Garduño	Aye

Gary Law, TxDOT-Odessa District, explained that the audit that will be conducted in the next few weeks of the MPO records, will be an appendix to the FY 2008 Annual Performance and Expenditure Report. Mr. Law stated that we would need to get a summary of the financial review that was conducted by the City of Odessa in 2006 and make it a part of the FY 2007 Annual Performance and Expenditure Report that will be submitted to TxDOT-Austin by December 31, 2007. Mr. Zentner advised that he would get this report prepared and provide it to the MPO for inclusion in their December 31, 2007 report. Mr. Law also recommended that in the future, we look at negotiating any contracts for audit work beginning in the summer (July), and have the audit work begin shortly thereafter to routinely have the audit report available for inclusion in the Annual Performance and Expenditure Report which is due to TxDOT-Austin on December 31<sup>st</sup> of each year. This would give the MPO Staff the first quarter of the new fiscal year to

make any changes in business practices as recommended in the audit report, within the first quarter of each fiscal year.

## **7. Staff Reports**

### **A. Website Updates**

Ms. Owens gave the following report:

We have been working over the past 60 days with Secured Data Solutions to be certain that all information on the website is current, correct, submitted in appropriate formats, and generally to be sure that we ultimately have a user-friendly, relevant first class web site as our final product. A preview was given to the Policy Board Members at the September 20, 2007 Policy Board Meeting. A few recommendations for changes were made by Board Members. Those changes have now been made. We believe that Secured Data Solutions has met all goals set by the MPO in the website design that is being presented to you today. The Policy Board unanimously agreed at the July 26, 2007 Meeting to pay a \$2,000.00 fee requested by Secured Data Solutions as costs necessary to finalize the website. We made partial payment to Secured Data Solutions in the amount of \$1,000.00 on July 27, 2007. We made the second installment in the amount of \$1,000.00 on September 21, 2007. We have purchased the Dreamweaver Software which will allow us to keep the information updated on the website. Training will be provided by Secured Data Solutions to begin within the next couple of weeks.

Our contracts with Secured Data Solutions are for Network Support and IP Telephone Services as well as for remote backup. They expanded their services to include MOTOR website design/maintenance in late 2006. Their contract will expire with MOTOR in *March, 2008*. The Policy Board agreed at the September 20, 2007 Policy Board Meeting to remain in contract with Secured Data Solutions for the duration of the contract which concludes in March, 2008. Copies of the contracts and memorandum from Secured Data Solutions detailing the MOTOR website development are attached for your reference. A full breakdown of all costs paid to Secured Data on a monthly basis are also attached hereto for your review. As previously indicated, we have determined that MOTOR is the owner of the domain. Other services being provided to MOTOR by Secured Data Solutions are being performed at acceptable levels.

Mr. Tim Lambdin, Secured Data solutions gave the Policy Board Members a brief presentation of the website which is now live.

### **B. MTP Updates/2010-2035 MTP Development**

Ms. Owens gave the following report:

The MPO wants the MTP to be grounded not only in technical analysis, but to have a foundation of a clearly defined regional vision.

We would like to establish the new MTP with the core principal that transportation investment shall be used to accomplish community and regional goals. The MPO is committed to making the MTP reflect a regional vision in project prioritization and selection. We recognize that melding disparate views may be a great challenge to the effort.

Our plan is to utilize as input the cities'/counties' comprehensive/strategic plans for sustaining economic development, but to build the regional vision from the bottom up, relying on both broad and targeted public outreach. To this end, we would like to contract for consulting services as soon as possible to begin this process, including:

- Proposing a methodology for visioning;
- Conducting well planned events for targeted audiences (e.g. Chambers of Commerce, Realtor Boards/developers, local government officials);
- Conducting events for the general public;
- Developing effective outreach materials;
- Developing a scientific survey format;
- Developing conclusions.

The consultant would assist the MPO in creating a framework for scenario planning. This would require the development of a number of plausible scenarios for future development of the region, and a process for reaching a consensus on which scenarios will be carried through the long range planning process. We would be interested in scenarios that demonstrate how transportation investment can be an element in supporting economic revitalization and sustainable growth.

In addition to presenting different perspectives on how the region may develop, the scenarios should reflect a specific range of future external influences that may occur in the long range plan time frame, including for example:

- Direct influences on transportation like fuel pricing, road pricing, energy planning;
- Macroeconomic changes that affect flow of goods;
- Demographic changes including longevity, household size and composition, workforce participation.

The scenarios will be founded on the regional vision, and present explicit forecasts of land use development, and trip-making characteristics that can be input to the travel model that is maintained by the MPO.

The consultant will assist the MPO staff in:

- Proposing a methodology for scenario development and achieving consensus;
- Research on external influences;
- Crafting of scenarios.

We have been working on the RFP for Consulting Services. It was decided at the Technical Advisory Committee Meeting on October 5, 2007, that we pursue the development of the RFP as a General Services Contract. The General Services Contract will allow us to save time and provide for optimum cost efficiency as we move through a two (2) year MTP development/scenario planning/community visioning process. It is difficult to define all the specific professional consulting services that may be required as we move through this two (2) year process. The General Services Contract, a draft of which is attached hereto for your review, will allow us to generally define all tasks that we anticipate, but will allow for professional services to be rendered to the MPO on an on-call basis, and paid through work orders.

We anticipate the 2010-2035 MTP development to be done in four (4) phases which are reflected in the chart attached hereto. We are also including a chart which reflects four (4) scenario planning workshops within the two year period. An updated Project Timeline is provided for your reference that details all targeted dates for completion of essential elements within the MTP development, up to the submission of the 2010-2035 MTP in November, 2009.

The RFP development, and selection process, is expected to be completed within the next four (4) to five (5) months. We will utilize all resources available to us through TxDOT and the FHWA, etc. It is expected that this contract will likely exceed the monies we have dedicated in the UPWP (\$150,000.00). We are, therefore, exploring ways that we might be able to move monies within tasks. We will also ask the FHWA to attempt to locate funds that might be available to us for this process. We have attached copies of the final recommendations made in the Midessa Study Final Report. These recommendations will be incorporated into the scenario planning process for MTP project selection criteria.

The Policy Board Members unanimously agreed that we should proceed with the General Services type contract, and administer and manage the contract with work orders. Fees could be evaluated and negotiated prior to the issuance of each work order. The Board felt it important to get the MPO Staff in place as soon as possible to gain the experience of working with this process.

### **C. MOTOR MPO Building Lease**

Ms. Owens gave the following report:

#### **Background Information:**

The Lease Agreement attached hereto provides for MOTOR office expansion to allow for an additional 1,318.95 square feet for storage purposes. This brings our total square footage to 3,683 square feet. The rate for the new lease will be \$9.57 square foot with a new monthly rental rate of \$2,937.19 (\$35,246.31 annually). The new lease will commence on October 1, 2007 and terminate on September 30, 2012. The expanded space will allow us to conclude our rental of an outside storage space.

I attempted unsuccessfully to negotiate a lower rate on the expanded space as we are not requesting a “finish out” in this area. All correspondence with the Airport regarding this matter is included for your review. We have included funds in the 2008-2009 UPWP to cover this cost in Task 1 (Office Lease). The City of Midland furnishes the following as part of this lease agreement: heat, water, gas, air conditioning, weekday pick-up of small trash placed by MOTOR in the common hallways, janitorial services in common areas, and 110 VAC electricity. Routine maintenance and major replacement on the heating and cooling systems is the responsibility of the City of Midland. (See Pages 4 and 5 of the Lease Agreement provided in your packets for further detail).

**MPO Staff Comments:**

The Policy Board at the September 20, 2007 meeting approved the Lease Agreement. I advised Justine Ruff, City of Midland Deputy Director of Airport Operations, that the Policy Board had approved the lease. She subsequently requested that the approval of the lease agreement be placed on the City of Midland City Council Agenda on October 9, 2007. Ms. Ruff has since advised me that the City Council approved the lease agreement at the October 9<sup>th</sup> City Council Meeting, and that it would be delivered to us as soon as the Mayor had signed the agreement. I requested that Ms. Lee Ann Rimer, Assistant City Attorney for the City of Odessa, review all the terms of the lease agreement prior to Dr. Goates signing and finalizing the lease agreement. Ms. Rimer has provided a list of recommended changes. The Policy Board reviewed the recommended changes, and agreed to forward them to Justine Ruff for submission to the City of Midland’s legal department for consideration prior to the final execution of the lease.

**8. Project Reports – TxDOT-Odessa District**

Gary Law and Lauren Garduño, TxDOT-Odessa District, gave updates on project letting dates, environmental documents, and right-of-way acquisitions for all construction projects, and changes occurring in Category 3 funding.

**9. Conduct Executive Session concerning any and all subjects and for any and all purposes permitted by Chapter 551 of the Texas Government Code, including, but not limited to:**

- a. Texas Government Code Section 551.071 for the purpose of consulting with the Board’s attorney;
- b. Texas Government Code Section 551.072 to deliberate the purchase, lease or value of real property;
- c. Texas Government Code Section 551.074 to discuss personnel matters.

**11. Take action concerning Executive Session matters.**

No action was taken by the Policy Board in an Executive Session.

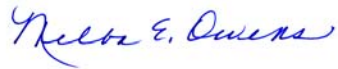
**12. Adjourn.**

Berry Simpson made the Motion to adjourn the meeting. The motion was seconded by Lauren Garduño. The motion passed unanimously as follows:

Dr. Jimmy Goates     Aye  
Berry Simpson        Aye  
Lauren Garduño      Aye

The next regularly scheduled Policy Board Meeting will be conducted on Thursday, November 15, 2007, in the MOTOR Conference Room at 3:30 p.m.

Minutes submitted and approved by:



Melba E. Owens, Executive Director

