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A meeting of the Carson City Public Transit Advisory Committee was scheduled for 9:00 a.m. on Friday, November 2, 2001 in the Cooperative Extension Conference Room, 2621 Northgate Lane, Suite 12, Carson City, Nevada.

PRESENT: Chairperson Mary Winkler

Vice Chairperson John Peshek

David Allen Richard Staub

PARATRANSIT STAFF: Marc Reynolds, General Manager

CARSON CITY STAFF: John Flansberg, Transportation Manager

Laura Beckerdite, Administrative Assistant, Development Engineering

Kathleen King, Recording Secretary

(PTAC 11/02/01)

NOTE: Unless indicated otherwise, each item was introduced by Chairperson Winkler. A tape recording of these proceedings is on file in the Clerk-Recorder's Office and is available for review and inspection during regular business hours.

- I. ROLL CALL, DETERMINATION OF QUORUM (1-0001) Chairperson Winkler called the meeting to order at 9:00 a.m. Roll was called; a quorum was present. Member Baker was absent. Member Staub arrived at 9:10 a.m.
- II. ACTION ON APPROVAL OF MINUTES SEPTEMBER 28, 2001 (1-0014) Vice Chairperson Peshek moved to approve the minutes. Member Allen seconded the motion. Motion carried 3-0.
- III. WELCOME AND INTRODUCTION OF GUESTS (1-0037) Chairperson Winkler introduced Jim Fraser of Waters & Fraser and Sandi Stanio of the Nevada Department of Transportation ("NDOT"). (1-0228) Regional Transportation Commissioner Steve Reynolds introduced himself.
- **IV. PUBLIC COMMENT** (1-0043) Ms. King requested that the Committee agendize discussion and possible action to change the regular meeting date from Friday mornings. (1-0516) Ms. Stanio advised of a two-day conference scheduled for November 27 and 28, 2001 in Reno. She provided an overview of the agendas for both days. She advised of a transit summit scheduled for the afternoon of November 26th, and a FTA Drug-Alcohol Conference scheduled for Thursday, November 29th. Mr. Reynolds distributed information on the conferences.

V. DISCUSSION AND ACTION ITEMS

1. DISCUSSION AND POSSIBLE ACTION ON STATUS OF PRIDE CONNECTOR SERVICE CONTRACT WITH CARSON CITY (1-0079) - Ms. Beckerdite advised that Finance Director David Heath requested the Committee to consider transferring oversight of the PRIDE connector service to the Northwest Nevada Regional Transportation Coalition ("NNRTC"). She explained that a portion of the Reno PRIDE connector service is handled by Carson City Community Transportation ("CCCT") and that the Ormsby Association of Retarded Citizens ("OARC") handles the Highway 50

connector service. She suggested that having one entity oversee all the PRIDE connector services would be more efficient. She advised that NDOT staff has indicated support for this suggestion. In response to a question, Ms. Stanio advised that the NNRTC would need to agendize the request for discussion and action at its next meeting.

Regional Transportation Commissioner Steve Reynolds inquired as to whether CCCT would be "giving up anything valuable." Ms. Beckerdite explained that the City acts as a "pass through" for CCCT. She advised of discussing the matter with Ms. Stanio, who indicated that nothing would change for CCCT. Ms. Beckerdite acknowledged that the City would be transferring administrative duties to the NNRTC and that the service would not change. In response to a question, Marc Reynolds indicated that the suggestion makes sense since the NNRTC already handles the PRIDE service. Vice Chairperson Peshek moved to request City staff to agendize this matter for action on the next NNRTC agenda. Member Allen seconded the motion. Motion carried 3-0. [Member Staub arrived at 9:10 a.m.]

2. DISCUSSION AND POSSIBLE ACTION REGARDING NDOT MONITORING COMPLIANCE ISSUES (1-0290) - Ms. Beckerdite distributed copies of the Collaborated Monitoring Review prepared by herself and Mr. Fraser. She provided background information on the monitoring process, reviewed the non-compliant items listed in the report, and discussed the corrective action being implemented by CCCT. Regarding the need to appropriately log preventive maintenance entries, Member Allen offered to provide Mr. Reynolds a sample log book from the Washoe County Regional Transportation System. Mr. Fraser requested a copy to include in the database being developed by Waters & Fraser

(1-0560) Ms. Beckerdite continued reviewing the Maintenance section of the report. Mr. Fraser reviewed the Safety section of the report, discussed the non-compliant items, and the measures being taken to correct the same. Ms. Beckerdite referred to Supplement A of the Monitoring Report and provided an overview of the same. She advised that Mr. Reynolds and Operations Manager Matt Konze will be keeping track of their time over the next three months and providing a report on the allocation of their hours. She discussed problems with reconciling invoices and backup material for the months of January and March 2001, and advised that Paratransit Services has been requested to supply backup information for the last year to support its billing invoices. A deadline of October 30th was specified, however, an extension has been requested and granted to November 12, 2001.

Ms. Stanio advised that she has been reviewing fiscal records for the PRIDE connector service and that Ms. Beckerdite has been reviewing fiscal records for CCCT. Ms. Stanio indicated that she has been provided all the requested trip manifests and backup material, that the charges "cannot be substantiated," and that it "looks like the City overpaid a considerable amount of money to Paratransit Services." She advised that additional trip manifests are expected which may alter the amount which was overpaid "a little bit," but that NDOT is "very, very concerned and we have not paid the City and we will not pay the City anything that we can't substantiate with trip manifests, and it's a large sum of money."

Ms. Beckerdite referred to Supplement B of the Monitoring Report and provided an overview of the same. She indicated that reporting problems have been identified and that the parties involved are "on the road to solving those problems and getting the reports submitted in their proper format." Ms. Stanio advised that Mr. Fraser has worked with Mr. Reynolds to develop an improved method for recording the information necessary to support Paratransit Services' charges for the PRIDE connector service. The new method will go into effect on November 1st and NDOT will be monitoring the same to ensure that the

invoices adequately reflect the information contained in the trip manifests. Mr. Reynolds advised that the new reporting method was instituted on October 1st.

Member Staub inquired as to the training provided to Paratransit Services staff regarding report formats, submission time frames, etc. at the time the contracts were entered into. Ms. Stanio advised that Paratransit Services staff was provided training, and that the contract specifies any invoice submitted to the City must have adequate support information. She indicated that supporting documentation was not included and that, when it was later requested and reviewed, it does not agree with the hours charged to the City. In response to a question regarding a possible resolution, Ms. Stanio advised that Mr. Reynolds will be "going to a different system that we will be watching very closely." She stated, "We are going to pay the City what they can support to us. It will then be up to the City to take action on being paid back either through the next bills that come in, you deduct them by the amount of money. We cannot pay stuff that cannot be supported and, on one invoice alone, it's close to \$30,000." In response to a further question regarding the possibility of being paid if the proper supporting information is supplied, Ms. Stanio stated, "at this point the support is not there; it looks like the hours are estimated. We cannot support the number of hours charged to the City. There is no document. There is nothing which can support it at this point that we can take to the federal government. And that's our biggest concern is the federal government will be looking at us and we can't pay if we don't have trip manifests that show that the trip was actually taken."

In response to a question regarding the PRIDE connector service, Mr. Reynolds advised that CCCT is supposed to meet the PRIDE bus at K-Mart when it comes in from Reno eleven times a day. CCCT staff was keeping track of actual reservations in the database which were then reflected on the trip manifests. CCCT staff was not keeping track of check stops where there were no passengers. Therefore, the reports generated only show stops with actual passengers. Ms. Stanio advised that the manifests reflect stops which were impossible for the driver to have made. She stated that "the only conclusion we can draw is that the bus was never there and we will not pay for the bus to be there." She indicated that this is the conclusion drawn from the information provided. Member Staub inquired as to how this will be corrected, and Ms. Stanio explained that the new reporting method implemented by CCCT on October 1st will be reviewed to determine whether "there is now proof that the bus has been stopping at the PRIDE stops when it was supposed to."

Member Staub inquired as to whether allegations are being made that records have been fabricated. Ms. Stanio advised that the original records are not being questioned; however, the records which were provided "to show that they had been there" are being questioned. She stated that "they inserted times that would have been the time they should have been at the bus stop but, if you look at the delivery before and after, ... there is no way, physically, that particular driver could have been at that bus stop." Mr. Reynolds explained that the original manifests were photocopied and provided to the two dispatchers for them to indicate when the driver would have been at K-Mart. Ms. Stanio stated that, "we cannot take something that's been added after the fact especially when we can verify that there is no physical way the bus could have been there. So, all we can do at this point is, we will pay the City what's supported and then it's up to the City to decide how you'd like to handle it from there. The one thing is that we have already paid the \$50,000 in Federal Transit dollars and we are not concerned because you put so much money into the project that we feel that you have adequately spent our federal dollars and the federal dollars we give you now will be only for that that we can support. So we have no issue with the federal dollars so it is your dollars that you need to decide how you're going to recupe them from Paratransit Services." Ms. Stanio acknowledged that there is a certain amount which has been lost. She advised she is awaiting additional

manifests which may indicate additional PRIDE connector service hours. The month of April indicates 116 hours of vehicle service; however, 252 hours were charged for that month.

Ms. Stanio advised that review of the PRIDE connector service records only goes as far back as August 2000. The April records indicate that the City was underbilled for CCCT charges and overbilled for PRIDE connector service charges. Ms. Beckerdite advised that more information will be available after the November 12th deadline. She further advised that the review conducted constituted a monitoring process only and not an audit. Ms. Stanio reiterated that the City will need to decide whether a full audit is necessary. Mr. Fraser explained that the monitoring process is a "work in progress" and is not yet complete. Paratransit Services has the opportunity to submit corrective action plans and more information is being developed as part of the process. In response to a question, Ms. Stanio advised that Paratransit Services was provided over a month to respond to the monitoring report, and was recently granted a two-week extension. Mr. Reynolds acknowledged that a response will be provided within the required time period. He advised that information from the CCCT office has already been provided. The Paratransit Services home office is compiling the requested report of hours covering the last year.

In response to a question, Mr. Reynolds advised that he "was not under the understanding that he needed to have record of the actual stops where there were no passengers." He explained that CCCT is operated by reservation. The PRIDE connector service was originally established as a reservation operation. Consequently, CCCT staff did not keep track of stops where there were no passengers. Member Staub inquired as to whether NDOT's reporting requirements were part of the training provided to CCCT staff, and Ms. Stanio advised that the contract states CCCT will be required to show adequate support for all charges. She further advised that the City will be receiving a letter of explanation from NDOT once the amount to be reimbursed has been determined. She stated that NDOT staff is requesting submission of this matter to the "full Board of Supervisors. We feel that all of the Board of Supervisors should have an opportunity to see the monitoring report and make up their own minds as to what process the City would like to take to rectify the issues." Ms. Stanio discussed decisions which need to be made by the Board of Supervisors in the next six months, including the direction of the transit program, the type of transit program, operation, service, whether or not to accept the offer of the Washoe County Regional Transportation Commission to establish the service, whether or not to bid the service, seek technical help, etc. In response to a question, Ms. Stanio advised that the monitoring process covered review of last year's records. She suggested that an audit should extend back several years.

Member Staub inquired as to the reason the monitoring process was not conducted earlier, and Ms. Stanio explained that approximately one year ago her department was found to be non-compliant with a federal program because of not monitoring grantees on an annual basis. Waters & Fraser was hired at that time to develop the monitoring program. The discrepancies in the maintenance and financial elements of the transit service were not discovered until Waters & Fraser conducted the monitoring process for Carson City. Ms. Stanio discussed the importance of vehicle maintenance, and indicated that the useful life of the CCCT vehicles has been shortened because they were not properly maintained. She noted that Paratransit Services is taking steps to correct the maintenance problems. She apologized for not conducting the monitoring process sooner, and reiterated that NDOT will not "pursue the City because for the last five years, at least, you've put more money in the program than we have." She indicated that NDOT's purpose is to make the City aware of a potential problem. She acknowledged that this could have been a situation where the City owed NDOT money, and indicated it could have been as much as \$40,000.

Mr. Fraser explained that the monitoring process is also a technical assistance tool which is the reason the report was a collaborative effort. Ms. Stanio described the tri-annual review required by the federal government once the City becomes an MPO. She acknowledged that a bill has been submitted by the City and that NDOT will only be paying a portion of it. In response to a question, she advised that the trip manifests exist, and recommended the City consider hiring an audit firm to sample trip manifests for certain months over the last couple years. She reiterated that the City needs to make a decision regarding whether or not to conduct an audit.

Mr. Reynolds advised that Paratransit Services has always been receptive to suggestions and requirements regarding service and that they have always reacted quickly to requests. He stated that now he is aware of the required documentation, it will be submitted. He further stated, "There was some confusion, but there was absolutely, at no time anything underhanded by this company." Mr. Reynolds emphasized that any reference to intentional wrongdoing is incorrect. Member Staub agreed that Mr. Reynolds has a right to provide a response to the Board of Supervisors. He pointed out that Mr. Reynolds will have to address the conflict between Ms. Stanio saying that the training, as to how the stops were to be accounted for in order to be properly compensated by the State, was provided and his statement that his staff did not know. Mr. Reynolds advised that the contract requires Paratransit to provide adequate documentation; however, it does not actually specify the trips the drivers are supposed to log. He pointed out that CCCT operates on a reservation basis and has done so for approximately four years. He reiterated that the contract specifies the need for adequate documentation, but it does not say that a "trip ticket" must be kept for every trip whether or not there is a passenger. Ms. Stanio explained "adequate documentation" and advised that there is no record for some of the trips. She stated that until she receives the remaining trip manifests requested from Mr. Reynolds, NDOT is "deducting \$50,000 from the bill."

Member Staub moved that the City commission an audit of Paratransit as it relates to reimbursement from the State, at a minimum, for the past year and that the auditors should determine, after they have begun their audit, whether to recommend going further back than one year. Vice Chairperson Peshek seconded the motion and suggested auditing one or two month samples over the last couple years. Member Staub amended his motion to include spot checking into one or two months of the prior year. Vice Chairperson Peshek seconded the amendment. Member Allen commented that the issue boils down to an "understanding of what was to be done and how things are handled when you have a non-passenger trip." He indicated that the Washoe County RTC has the same problem occasionally where the hours "just don't match ... but the bus is there."

Ms. Stanio acknowledged that the City has lost potentially \$50,000 since August 2000. She clarified that she has only checked records from August 2000 through June 2001, and that the records for July through September 2001 have yet to be reviewed. Ms. Beckerdite acknowledged that the July 2001 Paratransit bill was paid; however, she is withholding payment for August and September. Member Staub suggested waiting for Mr. Reynolds' response to see if it clears up any questions. He pointed out that the only way to determine whether there have been contractual violations and damages as a result is through a verified audit of the records. If the State is saying that the training was provided and the contract requires the documentation, the burden is on Paratransit as the contracting entity to comply. If it's a judgment call between what Paratransit was supposed to keep track of and what the State considers sufficient documentation, that will come out in an audit. If the State's training was vague and ambiguous and didn't provide specific instructions as to what Paratransit was supposed to do, that will be a defense for Paratransit. Member Staub suggested that the Committee, as an advisory board to the Board of Supervisors,

needs to determine whether a review should be conducted beyond August 2000. Ms. Stanio requested that Mr. Reynolds include all trip manifests for July, August, and September. She further requested the monthly report and trip manifest for October.

In response to a question, Member Staub withdrew his motion, and requested that this matter be agendized for the December meeting. Ms. Stanio acknowledged that a final report will be prepared by that time. Vice Chairperson Peshek withdrew his second. Discussion took place regarding the next meeting date, and Member Staub expressed a preference to reschedule the December 28th meeting. Additional discussion took place regarding the possibility of the Committee becoming advisory to the Regional Transportation Commission once Carson City receives MPO status.

- 3. DISCUSSION AND POSSIBLE ACTION ON VIRGINIA AND TRUCKEE RAILROAD RECONSTRUCTION PROJECT BROCHURES IN TRANSIT VEHICLES (1-2315) Mr. Reynolds distributed the brochure. Member Staub moved to approve placing the V&T Railroad Reconstruction brochures in the Paratransit buses. Vice Chairperson Peshek seconded the motion. Motion carried 4-0.
- VI. COMMITTEE MEMBER COMMENTS (1-2360) Vice Chairperson Peshek requested information regarding the Committee's continued advisory function to the Board of Supervisors. Member Staub advised that a meeting will be scheduled with the Regional Transportation Commission to discuss the future of the Public Transit Advisory Committee. He indicated that the Committee will most likely become advisory to the Regional Transportation Commission in the near future. He explained that the Board of Supervisors has to designate the MPO representative and that City staff will be recommending the Regional Transportation Commission.
- VII. ACTION ON PROPOSED AGENDA ITEMS FOR DECEMBER 28, 2001 MEETING (1-2315) Ms. Stanio requested the Committee to agendize discussion regarding the direction of the transit service once the City receives MPO status. (1-2435) Member Staub requested Mr. Reynolds to agendize discussion and possible action regarding the need to upgrade the fleet. Following discussion, consensus of the Committee was to schedule the next meeting for Thursday, December 13, 2001 at 4:00 p.m.
- VIII. ACTION ON ADJOURNMENT (1-2652) Vice Chairperson Peshek moved to adjourn the meeting at 10:12 a.m. Member Staub seconded the motion. Motion carried 4-0.

The Minutes of the Nov	ember 2, 2001 meeting of the Carson City Public Transit Advisory Committee ar
so approved this	day of December, 2001.

MARY WINKLER, Chairperson