

MINUTES

SEPTEMBER 07, 2017

10:30 AM – 11:30 AM

1. Call to Order

Henry Smith, Jr. moved to call the meeting to order and Bill McDonald seconded the motion. It was passed unanimously

2. Determination of Quorum

Committee Members Present

- Ed White, Chair (Chair)
- Geoffrey Astles
- Richard Kosmerl
- Bill McDonald
- Henry Smith, Jr.

Others Attending

- Bill Carpenter, CEO
- Scott Adair, CFO
- Tom Brede, Public Information Officer
- Dan DeLaus, General Counsel
- Kelly Schmidt, Executive Assistant to the CEO
- Justin Feasel, Manager of Purchasing
- Sara Molyneux, Staff

Absent

Kelli O'Connor

3. Review March 2017 Minutes

Richard Kosmerl moved to adopt the Committee meeting minutes from March 2017 and Gregory Astles seconded the motion. It was passed unanimously.

4. Review Governance Committee Charter

The Committee briefly discussed the charter. Richard Kosmerl noted that the current version includes the changes described in the March 2017 minutes. Dan DeLaus explained that the Committee could propose revisions to the charter as needed and such changes typically are discussed during the March meeting.

5. Board Policies with Changes

A. Procurement Guidelines

1. Scott Adair pointed out that the document is compliant with federal, state, and local requirements. Scott Adair described the revisions as non-substantive and summarized the key changes as follows:
 - a. Page count reduced from 180 to 64; and
 - b. Hyperlinks added make the document less cumbersome for vendors and employees to use.
2. Justin Feasel led the effort to revise the material; Justin emphasized that the proposed revision does not change established thresholds (thresholds for RFPs or thresholds for Board approvals). Justin Feasel explained that he applied his understanding of Authority procurement practices as well as knowledge he gained from state level training to develop the proposed version. During the revision process, Justin Feasel met with internal stakeholders to identify sections for improvement. The goal was to update procedures to include the Authority's current enterprise resource planning system (Infor LAWSON), commonly known as "Lawson," and to comply with the most current federal guidance. Justin Feasel summarized the revisions as follows:
 - a. *Part 4.5 Request for Proposals* includes evaluations and scoring.

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- b. *Part 4.12 Joint Service Agreements* overtly acknowledges the Authority's right under Public Authority's Law to enter into such agreements.
- c. *Part 4.16 Preferred Source Purchases* identifies the circumstances under which such purchases can be made.
- d. *Part 4.17 Purchase or Lease of Real Property* directs the Authority to obtain an appraisal (purchase assessment) when purchasing property and to obtain a market study when leasing property to ensure a fair price.
- e. *Appendix C* covers various external approvals that can apply for specific procurements, such as Minority and Women's Business Enterprise (MWBE) requirements.
- f. *Appendix H* includes the various forms for each procurement type.

After drafting the revision, Justin Feasel explained that he completed the FTA Procurement System Self-Assessment Guide as an internal exercise and verified the draft against the Authority Budget Office guidance on procurement practices.

3. The Committee discussed the draft.
 - a. Ed White asked whether any external parties reviewed the draft; Dan DeLaus stated that only internal reviews have occurred.
 - b. Richard Kosmerl commented that Section 19 is well organized and helpful.
 - c. Bill McDonald inquired whether the different colors used in the headings were significant, to which Justin Feasel explained that the colors were simply to make the document easier to read.
 - d. Bill McDonald asked what the most difficult challenge or frustrating component is for procurement. Justin Feasel stated that employees sometimes struggle to understand their role in the procurement process; stakeholders voiced frustration over getting different answers when they talked with different people. As a result, the goal was to clarify the steps in the manual, make it clear for employees to know where their responsibilities stop and the Procurement Department responsibilities start, and direct employee energy and time toward the appropriate tasks.
 - e. Dan DeLaus pointed out that historically there have only been minor issues with the Procurement Guidelines from a legal standpoint and that the revision puts the Authority in good shape.
4. Bill McDonald motioned to approve the revisions to the Procurement Guidelines. Henry Smith, Jr. seconded the motion. It was passed unanimously.
5. Dan DeLaus explained that the Committee's approval would be captured in the meeting minutes and subsequently the full Board will approve the Procurement Guidelines by approving minutes. Geoffrey Astles recommended adding context to the Board agenda to ensure everyone understands that approving the minutes will also approve the Procurement Guideline revisions. Scott Adair confirmed that the revision would not go into effect until after it receives Board approval and therefore, the Committee or any

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members of the Board can continue to evaluate the proposed Procurement Guidelines between now and the November Board meeting.

6. Board Governance Retreat Agenda

1. Ed White explained that Tom Argust, past Commissioner and past Governance Committee Chair, would be this year's facilitator.
2. Bill Carpenter gave an overview of the proposed agenda.
 - a. Russ Chisholm will be a guest speaker. Russ Chisholm is the CEO of TMD, the consulting company performing the study for the system redesign.
 - b. As part of his presentation, Russ Chisholm will provide the Board members with foundational information to prepare them for the types of decisions that will need to be made during the redesign process. Bill Carpenter explained that he considers the retreat as the beginning of a yearlong educational dialogue among management, TMD, and the Board.
 - c. Bill Carpenter identified the following topics to be covered: the reasons public transportation started, the reasons public transportation receives state or federal funding, the mobility options that are becoming common across the country, the current consumer expectations regarding mobility options, and how land use patterns can affect the efficacy of a mobility option. The sessions will allow significant time for interactive discussion.
 - d. The agenda will include time for Russ Chisholm to provide an overview and milestones for the System Redesign project as well as cover the elements of network design and strategies and building a sustainable plan.
 - e. Toward the end of the day, the agenda will include an opportunity for Commissioners to interact (round-table).
3. Richard Kosmerl commented that incorporating Russ Chisholm's presentation into the retreat appears to be a good forum to give the Board members a shared understanding. With regard to consumer expectations, Richard Kosmerl suggested exploring the options consumers might have over the course of the maturity process (how expectations might change over time).
4. Henry Smith, Jr. inquired whether the presentation information would be made available following the retreat for those who cannot attend. Bill Carpenter explained that there will be follow-up meetings on the retreat topics and that the Board conversations during the retreat would be summarized and provided as reference. Bill Carpenter also noted that Russ Chisholm would return to RGRTA in January and April, thus providing opportunity to continue discussions on the system redesign topics.

7. Board Self-Assessment and Board Governance Retreat Evaluation

1. Bill Carpenter explained the format of the surveys (Survey Monkey).
2. Ed White emphasized the need for all Board members to participate and complete their surveys in a timely manner.

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3. Richard Kosmerl suggested that adding an option to the rating scale that would allow new commissioners to indicate they do not know enough about the topic because they are too new. Richard Kosmerl discussed the possibility of using such input to improve the orientation approach for new commissioners.
4. The Committee discussed providing the survey questions in advance of the retreat to allow commissioners to decide whether they require more information; if a Board member needs more information before answering the survey question, he or she can contact Bill Carpenter.
5. Dan DeLaus pointed out that the annual Board Self-Assessment is a requirement of the Authority's enabling statute.

8. Motion to Adjourn

Bill McDonald moved to adjourn the meeting and Richard Kosmerl seconded the motion, which passed unanimously.