

# *Washington Suburban Transit Commission*

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**Friday, June 22, 2018  
9:30 AM**

## **End-of-Year Meeting**

### **AGENDA**

- I. Call to Order/Introductions (Chair)**
- II. Approval of the Agenda (Chair)**
- III. Approval of the Minutes (Chair)**
  - a. December 19, 2017
- IV. Public Comment (Chair)**
  - a. Individuals who have signed the Speakers' List prior the commencement of the meeting may testify for a time not to exceed three (3) minutes unless permitted by the Chair.
  - b. Comments shall be limited to matters that pertain to the Washington Suburban Transit Commission (WSTC) or other transportation issues.
  - c. The Public Comment period shall last no longer than fifteen (15) minutes.
- V. Recognition of Service for Ms. Keturah Harley (Director, Washington Area Transit Office)**
- VI. Election of Officers (Secretary's Designee)**
  - a. Chair
  - b. Vice Chair
  - c. Secretary/Treasurer
- VII. WSTC Update (Director, Washington Area Transit Office)**
  - a. Introduction of New Staff
    - i. Financial Analyst – Ms. Sara LeBarron
    - ii. Office Manager – Ms. Tammy Cooper
  - b. Update on WSTC Finances (Sara LeBarron)
    - i. End-of-Year Financial Position
    - ii. Review of FY2019 Proposed Budget
  - c. Changes as a Result of Recent Legislation
    - i. Secretary of Transportation as principal WMATA Director
    - ii. WMATA Bylaw Changes
    - iii. Meetings and Utilization of WSTC
  - d. Discussion on Grosvenor Turnback Elimination
  - e. Public Hearing for Maryland WMATA Board Members
    - i. Location
    - ii. Timing

## **AGENDA (cont'd)**

### **VII. WSTC Update (cont'd)**

- f. Updates on Office Issues
  - i. Office Re-location Search Status vs. Lease Extension (Sara LeBarron)
  - ii. New Networking Solution Options (Sara LeBarron)
  - iii. New Payroll Service Option
  - iv. WSTC Financial Audit

### **VIII. Action Items (Chair)**

- a. Approval of FY2019 Budget
- b. Approval of WSTC Audit Engagement

### **IX. Good of the Order (Chair)**

### **X. Closing Remarks (Director, Washington Area Transit Office)**

# Washington Suburban Transit Commission

December 19, 2017

Meeting Minutes

<b>Commissioners in Attendance</b>
Mr. Michael Goldman, Chair (by phone)
Ms. Keturah Harley, Vice Chair
Mr. Malcolm Augustine, Secretary/Treasurer
Ms. Kathryn Porter
Mr. Hoan Dang (by phone)
Mr. Todd Turner, Prince George's County Council
Mr. Pete Rahn, Maryland Transportation Secretary (by phone)
Mr. Earl Lewis, Maryland Transportation Secretary's Designee
<b>Staff in Attendance</b>
Mr. Pat Pscherer, Director, Washington Area Transit Office
Ms. Christine Wells, Senior Transit Analyst, WSTC
Ms. Amanda Cooper, MDOT (for WSTC Office Manager (vacant))

#### Others in Attendance

- Mr. Ed McDonald, MDOT (by phone)
- Mr. William "Bill" Orleans, member of the public

#### **I. Chairperson Goldman called the meeting to order at 9:30 AM**

#### **II. Approval of the agenda**

A motion to approve the agenda was seconded and unanimously approved.

#### **III. Public Comment**

Mr. Orleans provided the following remarks:

He noted that bike racks have still not been installed downstairs. He has already shared this concern with those present.

It is unclear to him why a Prince George's County Department of Public Works and Transportation public hearing is only being conducted upon public request. He was told that the

law has been changed. The counties applying for state and federal monies need only apply for a request. A public hearing has been scheduled for tomorrow (Dec. 20, 2017) at 2:00 PM, and he will be unable to attend due a scheduling conflict as a result of late notice. Staff from the Prince Georges' County Department of Public Works and Transportation said they cannot reschedule the meeting. He understands that there is a time conflict and that there is a period in which it must be noticed and requested. Notice for the potential of a public hearing appeared first on November 16, 2017, and then again a week later. Mr. Orleans suggested that if tomorrow (Dec. 20, 2017) falls within the time constraint, then one day later (Dec. 21, 2017) could easily fall within the time constraint as well. He hoped to get answers.

He asked why the Maryland Department of Transportation (MDOT) would have changed the requirement for counties applying for these funds rather than change the hearing. Since there has only been one request for a public hearing, he is unsure as to why this meeting could not be changed.

Mr. Lewis told Mr. Orleans that he would provide the contact information for Holly Arnold in MDOT MTA's Office of Planning and Capital Programming for further information.

Mr. Orleans also restated his request from previous Commission meetings for WSTC to have a public meeting for the purpose of soliciting public comments on transportation improvements and concerns.

#### **IV. WSTC Update (Director, Washington Area Transit Office)**

##### **a) WSTC staff updates**

WSTC's Office Manager/Administrative Assistant, Gabrielle Tibbs, and Financial Analyst, Amy Richardson-Fritz have left the organization.

Ms. Porter assisted with interviews and a new Financial Analyst, Ms. Sara LeBarron, will join WSTC on Feb. 5, 2018.

There is still an opening for an Office Manager. Three candidates have been interviewed. The intent is to make an offer shortly.

Mr. Pscherer provided background on himself. He said he worked for the State for 12 years. MDOT was one of the agencies in his portfolio while working in the Governor's Office. Mr. Lewis commented how pleased MDOT is to have Mr. Pscherer on board.

Mr. Turner said that past practice has been that the Commissioners are notified of vacancies. Mr. Pscherer noted this for the future.

##### **b) WSTC Budget Update**

Over the course of the last few years, there have been decreases in the WSTC budget. Moving forward there are some slight increases. There is an increase in salaries over the last fiscal year, as the last Financial Analyst was Part Time and as a result of the vacancy in the staff. In addition, there is \$140 increase in the rent. The current lease was extended for another year in September. Mr. Lewis identified a needed correction of \$1000.00. Because this is a projected budget, no motion was needed to approve. That decisions can be made at the June 2018 Commission meeting after the counties have reviewed.

Mr. Goldman asked if there is there an increase of contribution from the counties. There is a small increase – less 2.5% overall. Mr. Goldman asked that Mr. Pscherer look into that as normally questions are received on this matter.

WSTC has a substantial balance in their account, but pays a \$29.90 service fee. Mr. Pscherer said he would like to speak with M&T Bank about another banking solution that would eliminate this monthly \$30 fee. First, however, he needs to be added to the account. Currently Mr. Augustine and Assistant Secretary Charles Glass are the signatories on the account. He said he plans to take care of this account by the beginning of 2018.

Spending has been minimal and Mr. Pscherer does not anticipate any significant increases beyond salaries and benefits. The previous financial analyst never worked full time. WSTC is hiring a full-time analyst, so personnel outlays will increase.

**c) Rent**

The current lease was extended for another year; through December 2018. While previously there was thought that WSTC could share office space with another state agency, specifically the Purple Line project, that opportunity never materialized. Mr. Pscherer said the new financial analyst may have some experience in locating new rental space for an office.

**d) Phones**

Mr. Pscherer said the telecom structure would benefit from improvement. The phone contract, however, is negotiated and provided through MTA without an option to get out.

**e) File Structure**

It is very difficult to find information on past work and projects. A new cloud-based file sharing environment and taxonomy is needed for the office. Once the office is cloud-based this will be handled by the new office manager. Ms. Porter said there is a problem with staff turnover, therein lies the issue. Currently there are no file sharing capabilities, and only Google drive for file storage. The Google drive is not owned by any current WSTC staff. It is not the best way to house business documents and Mr. Pscherer does not even have access to this Google drive. Mr. Augustine agreed any new solution should be cloud-based.

Utilizing MDOT's new SharePoint system could offer a free solution. Mr. Pscherer said he had spoken with staff at MDOT and was told that getting a dedicated area for WSTC staff was possible. The MDOT solution would provide a true cloud-based option with access thru the internet.

Mr. Turner asked whether authorization is needed to move forward. Mr. Pscherer said he was not sure but that he did not know if using MDOT's network infrastructure would create a conflict of interest, or was problematic from the County perspective. He didn't want to overstep without first taking the appropriate steps for approval.

Ms. Porter suggested a conditional approval for Mr. Pscherer to move ahead with a new plan but run it by the counties to get conditional approval and bring the topic to the next public meeting.

Mr. Goldman suggested a special meeting could be conducted by phone if needed. Ms. Harley asked if the counties could notify us of any legal issues or concerns. She would not want to give any approval if there was an issue. Mr. Turner suggested Mr. Pscherer create a mini plan and submit it to the Commissioners.

Mr. Augustine recommended looking for an outside option, not just another internal one. We do not want to be at the Google drive level; it needs to be cloud-based. Commissioners should have access to the shared drive. Ms. Porter agreed on the desire for Commissioners to have access, and the counties may want access to financial information.

Mr. Pscherer said he would do some investigation into options and will get back to the Commission.

**f) MDOT Audit of WMATA**

Mr. Pscherer reported that MDOT conducted an audit of fiscal years 2016 and 2017 on payments made to WMATA by the State. It is still a draft document and, as such may not yet be distributed. Five findings resulting in what MDOT feels is payment due back from WMATA. Based on the audit findings, MDOT overpaid WMATA by \$1,248,540. The findings have been forwarded to WMATA.

When these findings were initially shared with WMATA at a meeting held at MDOT Headquarters in November, Tom Webster and the WMATA team acknowledged the errors. During the audited time period, the City of Fairfax was not charged their share of bus trips and the error was not initially caught. Preventing oversights of this sort is intended to be part of the duties of the new financial analyst; finding a better way to process and verify the charges before payments are made in error.

Mr. Augustine expressed a concern about staff time and energy being spent on such issues and believes there should be some tolerance for small margins of discrepancies.

Ms. Porter said this situation is a little different. The background is that jurisdictions that contribute to WMATA have the ability to audit their payments. The WMATA Board told the jurisdictions to take advantage of this. It came from perceived issues not a direct audit. It may not always be clear.

Mr. Augustine said that he thinks that WMATA staff made a decision based on the formula and the auditor chose not to agree with it. There are certain judgments, but at some point you do have to make decisions.

Before having to disconnect from the meeting early, Secretary Rahn updated the Commission on a couple of issues and thanked them for assistance on the easements for the construction of the Purple Line. He noted that the construction of the purple line is progressing. The opening of March 22, 2022 is likely to be moved, but he was not sure as to the final date. It is actively being negotiated.

He also updated the Commission on MDOT's efforts to program funds for WMATA. Governor Hogan's proposal is probably one of our best options; \$125 Million annually for four years as long as all four jurisdictions participate. That was a difficult amount of money find within the current funds, but Maryland wants WMATA to run effectively. An issue is that WMATA's operating budget is proposed to grow by more than 3% for Maryland; the General Manager had promised to hold operating to no more than 3 percent.

Mr. Goldman said that it is time to "... fish or cut bait on the FY 2019 budget." There is a gap of about \$400 Million - \$440 Million, so if that spending level is to be achieved, the jurisdictions are going to have to get behind the Governor's proposal or the jurisdictions are going to have to come together with WMATA. The option to reduce the FY 2019 capital budget is not very attractive.

**g) WSTC Financial Audit**

Mr. Pscherer said it was brought to his attention that the cost of the last years audit was high (\$13,000) and the results were not as detailed as hoped. He asked for recommendation for firms that WSTC could employ or contract with to move us forward? Now is the time of year to start that process. Ms. Porter said she thought it would be \$5-10k for a comparable sized audit firm. Mr. Turner asked if an RFP is required to find a firm.

Ms. Porter suggested that counties might share the names of the firms they use. Mr. Turner can provide the names of the firms used by the municipalities that he represents. Mr. Pscherer said that he would reach out to the suggested firms; that it does not have to go through MDOT.

Mr. Dang asked if it could be a multi-year contract to save money. It could be to save money.

Ms. Porter asked if it is a requirement to obtain an audit every year. Mr. Pscherer said he believed so.

**V. Other Discussion**

There was some discussion about proposed legislation pertaining to WMATA funding and governance. It was observed that all the jurisdictions are engaged in the dialogue. A question was raised as to whether WSTC should play a role in the process. All agreed that if this requires additional meetings, everyone is agreeable.

Mr. Orleans commented that the public would be willing to engage the WSTC and assist in developing resolutions for WMATA's problems. He suggested soliciting the public for ideas. Mr. Goldman suggested putting the matter to the side until the WSTC is fully staffed.

Mr. Pscherer thanked everyone for all their efforts. He suggested that Commissioners contact him and utilize the office as needed. If there is information the staff can provide or support they can offer, please do not hesitate to let them know.

**VI. Good of the Order (Chair)**

The meeting was adjourned.

**Washington Suburban Transit Commission  
Fiscal Year 2019 PROJECTED Administrative Budget**

	FY 2019	ALLOCATION			
	PROJECTED	MDOT	Montgomery	Prince George's	MTA
<b>PERSONNEL COSTS*</b>					
Employee Salaries	\$ 175,299	\$ 58,433	\$ 58,433	\$ 58,433	\$ -
Employee and Retiree Benefits	139,866	45,105	40,705	40,705	13,350
<b><i>Personnel Costs Total</i></b>	<b>\$ 315,165</b>	<b>\$ 103,538</b>	<b>\$ 99,138</b>	<b>\$ 99,138</b>	<b>\$ 13,350</b>
<b>COMMISSIONER COMPENSATION</b>					
State of Maryland Commissioners	\$ 40,250	\$ 40,250	\$ -	\$ -	\$ -
Montgomery County Commissioners	22,500	-	22,500	-	-
Prince George's County Commissioners	-	-	-	-	-
<b><i>Commissioner Compensation Total</i></b>	<b>\$ 62,750</b>	<b>\$ 40,250</b>	<b>\$ 22,500</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OPERATING EXPENSES</b>					
Accounting/Audit fees	\$ 15,900	\$ 3,975	\$ 3,975	\$ 3,975	\$ 3,975
Bank/Payroll fees	2,000	500	500	500	500
Software Maintenance	1,200	300	300	300	300
Insurance	2,200	550	550	550	550
Internet service	3,500	875	875	875	875
Local travel	660	165	165	165	165
Miscellaneous	1,000	250	250	250	250
Office supplies	1,200	300	300	300	300
Rent	61,000	15,250	15,250	15,250	15,250
Office telephone services	3,000	750	750	750	750
<b><i>Operating Expenses Total</i></b>	<b>\$ 91,660</b>	<b>\$ 22,915</b>	<b>\$ 22,915</b>	<b>\$ 22,915</b>	<b>\$ 22,915</b>
<b>TOTAL ADMINISTRATIVE EXPENDITURES</b>	<b>\$ 469,575</b>	<b>\$ 166,703</b>	<b>\$ 144,553</b>	<b>\$ 122,053</b>	<b>\$ 36,265</b>
<b>REVENUES</b>					
Grants and Contributions	\$ 469,575	\$ 166,703	\$ 144,553	\$ 122,053	\$ 36,265
<b><i>Revenues Total</i></b>	<b>\$ 469,575</b>	<b>\$ 166,703</b>	<b>\$ 144,553</b>	<b>\$ 122,053</b>	<b>\$ 36,265</b>
<b>TOTAL ADMINISTRATIVE REVENUES</b>	<b>\$ 469,575</b>	<b>\$ 166,703</b>	<b>\$ 144,553</b>	<b>\$ 122,053</b>	<b>\$ 36,265</b>

\* There are three permanent Washington Suburban Transit Commission (WSTC) employees: a Senior Transit Planner, a Financial Analyst, and an Administrative Assistant. The personnel cost for these positions is allocated equally among Montgomery County, Prince George's County, and the Maryland Department of Transportation (MDOT).