

Minutes of the One Hundred Eighth Unified Carrier Registration Plan Board of Directors Meeting

June 8th, 2016

In-person &

Tele-conference

The One Hundred Eighth (108th) Unified Carrier Registration (UCR) Plan Board of Directors (Board) meeting was called to order by Avelino Gutierrez, Chairman at 9:00 EDT.

Attendance - Board of Directors:

Present – Avelino Gutierrez, Adam Anderson, Sandy Bowling, Chris Burroughs, Mike Hoeme, Scott Morris, Elizabeth Leaman, Woody Chambers, Tina Thurman, Robert Pitcher, Angel Oliver, Monte Wiederhold, Daphne Jefferson, Rick Schweitzer and Larry Herold.

Absent –

Avelino Gutierrez conducted a roll call of the States with **self-introductions** of government and industry representatives made by those in attendance.

Scott Morris moved to accept the **meeting agenda**, which was seconded by Mike Hoeme (Exhibit A) – Motion passed

Avelino Gutierrez established the **teleconference ground rules**.

Robert Pitcher moved to accept the **minutes of the May 12th, 2016 Board meeting**, seconded by Monte Weiderhold, (Exhibit B) – Motion passed with a few amendments.

UCR Legislative Update – None

FMCSA Update – Daphne Jefferson – Reported that FMCSA will be getting back to the Board shortly on the fee recommendation. Also, the Chair should be receiving the appointment letters for the nominations to the Board.

Report by Dave Lazarides, UCR Board Contractor – Dave Lazarides –

Audit Subcommittee – Angel Oliver – Presented the proposed procedure from the Subcommittee. The Subcommittee propose that instead of every state sending their audit report to Angel or other members the states should be able to go online and submit them. To review the audits that states have done you will have to do the same thing the states did in doing their audit that is the only way to do. Angel said the committee felt that they these reviews should be done by UCR Inc. Angel also felt that the only action the Board could take on states that do not turn in their report is to withhold their money until the report is sent in. Also, states that are late in turning in their report should be part of the 10% of the states being audited.

The subcommittee realizes that the percentage of audits being done on the different brackets needs to be adjusted. No formal number is ready to be presented to the Board yet but just wanted to get the idea out for discussion.

Procedures/Best Practices Subcommittee – Adam Anderson – reviewed the proposed changes to the UCR Agreement (Exhibit C).

Adam Anderson moved to amend the procedures manual as shown in the handout, seconded by Larry Herold, motion passed.

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Indiana System Subcommittee – Sandy Bowling – Updated everyone on the MOU – it is still in review and Indiana hopes to get the draft to Avelino and Bob within a couple of weeks.

Sandy asked that everyone send her the information on any freight forwarders and brokers that had returned mail for bad addresses and she would compile the list and send it over to FMCSA.

Indiana is willing to send out the notifications for the 2017 registration year and will come back to the Board with a quote as to how much it will cost to send out the postcards to the Non-base states. Avelino asked that Indiana also include the carriers based in Illinois, since Illinois is not doing anything for the notifications. Avelino also asked that Texas comeback with a quote for sending the notifications to the carriers in Mexico.

Sandy reviewed the numbers for the e-mail blast and postcard mail out for 2016 year (Exhibit D &E).

Sandy reviewed the UCR fix list and that she plans to have a sub-committee meeting to prioritize them (Exhibit F). Sandy also presented the transmittal summary report that she will send out to everyone, it will show the amount a state will be receiving from the system (Exhibit G).

Administrative Fee's Subcommittee – Elizabeth Leaman – reported on the use of the WebX program and that with the phone we will need to look at getting another microphone or two. Elizabeth also gave a report on the webpage and brought up some good questions as to what we want the webpage to do and that it should be a “.gov” website.

There is a possibility that the proposed web address be a “.org” address instead. Both IRP and IFTA use a “.Org” website.

Elizabeth reported that according to her research the website could cost between \$500.00 and \$40,000 dollars. The Board will need to decide what the website needs to be able to do and she recommended that all the Subcommittee chairs think of what the website needs to do and to submit those suggestions to her.

Dispute Resolution Subcommittee – Tina Thurman – No Report.

Revenue and Fees Subcommittee – Larry Herold – reported that the subcommittee talked about the use of projected funds versus actual and that the best thing to do is use actual funds to determine a reduction in fees by to take a snap shot of the actual fees collected at the end of a year. Currently there is no specific amount set for a reserve but just the concept of having a reserve fund. The other aspect of reducing the fees is that there is still an unknown time frame for how long it would take FMCSA to do the rulemaking to have the fees in place by September 1.

Industry Advisory Subcommittee – Robert Pitcher – No report

Depository Subcommittee - Scott Morris – reviewed the State Systems reports (Exhibit H). The 2015 registration year has almost reached its total cap. The 2016 registrations is has almost reached the states cap.

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Scott reviewed the financial reports for March and April (Exhibits I & J).

Scott gave an update to the past due accounts, the report has not been updated yet but those states that were delinquent on the May report are still on the list.

Scott reviewed the distribution reports for 2015 and 2016 (Exhibits K & L).

Scott reminded everyone that they need to go in and acknowledge they had received the funds on the last distribution.

Sandy reminded everyone to wait until they have received the money from Indiana before you go in and acknowledge the receipt of it.

Old/New Matters:

Scott Morris reviewed the draft document for UCR Inc services contract (Exhibit M). Scott requested that members look at the document and should send him any questions or comments.

Scott reported that the Lawyers recommendation is that the incorporation takes place in Alabama since it has the most current updated laws and regulations. Also, the accounting services we currently use are located in Alabama. Other options would be Delaware and Virginia. Nevada would have been an option but as a policy the Board did not want to incorporate in a non-base state.

He also reported that a key thing the Board needs to consider is what type of corporation the repository would be, and what structure the corporate board would have. It was suggested that a non-member board is the most desirable but has not been decided upon.

Rick Schweitzer asked by whom and how the UCR Inc will be run and if it is going to be run by volunteers as non-compensation or by setting up a separate Board. He asked if that violates the Board's requirement to oversee the program.

Scott and Avelino pointed out that it is not a volunteer organization in that UCR Inc will be compensated in that the expenses are all paid but there will be no profit over the expenses. The UCR Inc is just to run the program and does not have any policy decision ability.

Rick Schweitzer also asked about what contracting services requirements would we fall under, the Federal or would the states have to have a contract for the services.

Rick Wood reminded that the several years ago that the services contracted by the Board do not fall under the Federal Acquisition requirements.

Avelino mentioned that the Board has talked about what form this entity would take, such as contract versus a regular employee type entity. If it was the independent contractor model we would have to do a RFP process and if we went with the employee model we would go through the application process.

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Avelino Gutierrez moved that the Board authorize Scott to reimburse the NCSTS for the UCR Boards portion of the food services in the amount of \$5,663.04 and AV in the amount of \$250.40 for a total of \$5,913.44, seconded by Adam Anderson, motion passed.

Avelino Gutierrez presented a token of appreciation to Angel Oliver and Lynn Jones for their long and dedicated services to the NCSTS and the UCR Board. (No UCR funds were used for the purchase of the gifts).

Angel Oliver mentioned that Mike Hoeme was going to accept the position to Chair the Audit Subcommittee. Avelino Gutierrez formally appointed him as such.

Future Board Meetings:

July 14th, 2016 12:00 PM to 3 PM EDT

August 11th, 2016 12:00 PM to 3 PM EDT

September 15th, 2016 12:00 PM EDT

October 13th, 2016 12:00 PM EDT

November 17th, 2016 12:00 PM EST

The Board adjourned at 12:30 PM EDT.

Minutes approved by the UCR Board on

Adam Anderson, UCR Board Secretary

Exhibit A – Meeting Agenda

Exhibit B – Board Meeting Minutes

Exhibit C – Proposed changes to Section 16 of the Agreement

Exhibit D – Email report

Exhibit E – Postcard report

Exhibit F – UCR System Fixes

Exhibit G – Transmittal Report

Exhibit H – State Systems report

Exhibit I – Financial Reports March

Exhibit J – Financial reports April

Exhibit K – Distribution Reports 2015

Exhibit L – Distribution Reports 2016

Exhibit M – UCR Inc Services contract