



**Cooperative Alliance for Seacoast Transportation
Minutes of the Board of Directors
Wednesday, July 26, 2017**

Present: Donna Benton, Scott Bogle (Arr. 8:42), Cynthia Copeland (Arr. 8:37), Jennifer Decker, Julian Long, Dave Sandmann, Maria Stowell, and Juliet Walker

Absent: Daniel Chartrand, Denis Hebert, Martin Pepin, and Steve Fournier

Staff: Rad Nichols, Michael Williams, Miriam Pereira, and Vanessa Polychronis

I. Call to Order

Mr. Sandmann made a motion to call the meeting to order, Ms. Benton seconded the motion. The meeting was called to order at 8:32am.

II. Approval of Minutes

Mr. Sandmann made a motion to accept the June minutes as presented, and Ms. Benton seconded the motion. All voted in favor.

III. Public Comment

Mr. Williams introduced Miriam Pereira, COAST's new Demand Response Manager. Ms. Pereira is a NH native who has been living out in California, but has recently moved back to the area. She has been working in transportation since 1989, most recently overseeing a much bigger demand response program in San Jose, California. The staff is very glad to have her in this role and for the expertise she brings.

IV. Financial Report

Mr. Nichols reported that we continue to run well under budget, with a gain of just over \$40,000 year-to-date. He expects that some of that \$40,000 gain will be tapped into as COAST has just contracted with a website firm for website redesign and implementation. The website re-design project was not built into the budget, and it will be paid out of our Contacted Services expense line.

Mr. Nichols commented that June's Farebox Revenues were low yet again. The fare increase for the Clipper Connection Monthly passes happened five months later than expected, but the increase was much higher than what had been anticipated. June was a strong month for Clipper Fare collections, but only because the passes have increased from \$130 to \$255 each. Overall Clipper Pass sales are down, but we hope to see that start to grow again soon. Fixed-route Farebox Recovery Ratio goals were surpassed in May, and came close in June.

He also noted that YTD Revenues are over budget, highlighting that Advertising Revenues are currently 32% above what was projected, and we are slightly ahead of the projected total for Local Match funds.

Mr. Nichols stated that June Expenses have tracked similarly to rest of the year. COAST is over budget on Utilities and Insurance.

Ms. Walker asked for clarification on the late Utility billing issue. Mr. Nichols stated that in FY16 COAST had tried repeatedly to get the bills on time from our landlord at 6 Sumner, but ultimately they were so late that many months of these expenses had to be rolled into the FY17 budget. He added that the landlord has gotten much better about timely billing, and that we do not anticipate late billing to be a problem going forward.

Ms. Walker also asked for additional information about Clipper Passes. Mr. Nichols explained that COAST implemented the fare increase for June Passes, (the sale of which started in May) and there was a subsequent drop in the number of individual passes sold. We have heard that many of our regular riders have been getting transferred or relocated. We have also heard that the Shipyard is in the middle of a new hiring round, and we typically see a spike in new riders whenever there is a hiring push.

Ms. Walker reported that the Portsmouth Naval Shipyard reached out to Portsmouth looking to potentially spend money on a bike program. She asked if COAST could play a role in that somehow, since Trolleys are equipped to handle bikes.

Mr. Sandmann asked if we've recouped any of the lost advertising revenue from Portsmouth Regional Hospital. Mr. Nichols responded that we have more than offset the loss from PRH and that Advertising Revenue year-to-date is up by almost \$55,000.

Ms. Copeland noted that the Unrestricted Net Asset Ratio seems daunting. Mr. Nichols noted that it serves to highlight that there are meaningful uses for those unrestricted funds. He stressed that just because we have unrestricted net assets doesn't mean that our "ask" of a community isn't fully warranted. It is daunting, but we are trying to address our mounting capital needs.

Mr. Nichols reported COAST is doing well with municipal requests this fiscal year and expects just under 95% of our requests to come in next fiscal year. He noted that Berwick did not fully fund our request but that they saw one of the largest increases in funding requests from us; increasing from \$11,000-\$20,000. Somersworth level-funded COAST again this year.

V. Old Business

CMAQ

Mr. Nichols reported that letters of interest for CMAQ projects have been submitted for three projects: the purchase of 3 new heavy duty buses (\$1.5 million), traffic signal prioritization (TSP) throughout the city of Dover (\$370,000), and a new Clearspan-like structure to house 15-18 of our vehicles overnight to reduce idling time and eliminate operating costs associated with removing snow from the vehicles in winter (\$1-1.5 million).

Ms. Walker asked Mr. Nichols if he has a sense of the ranking of priority for these projects. Mr. Nichols responded that staff had not had a chance to discuss priority yet, but that it would be very difficult to rank them, as all three have similar impactful value to the organization, but in very different ways. Ms. Walker agreed, but suggested that it was something that staff should put some thought into.

Ms. Copeland commented that the process for CMAQ requests has changed this year and the role of the MPO's has been eliminated by the DOT. She requested that COAST and the City of Dover submit their CMAQ draft proposals to SRPC first for review, edits, and helpful tips anyway, in the hopes of helping the proposals be more effective, as the selection process is even more competitive now that it is open to the whole state. She added that transit already has very few opportunities for funding, and now it's competing against even more players. SRPC will be extending that offer to everyone submitting CMAQ proposals. The DOT will now be doing sole scoring for the selection process. Ms. Walker asked why the MPOs are being eliminated from the process and Mr. Bogle stated that the DOT is claiming the changes will help address timing issues, because having the MPO's added to the proposals draws the process out. Ms. Walker added that she thought it was great idea to still include SRPC. Ms. Copeland added that just because the MPO's contribution has been eliminated this year, doesn't mean it won't come back in future years, and therefore they plan to keep going through the motions of doing what they've always done.

Title VI

Mr. Nichols reported that the Title VI Submittal is in and approved in full. COAST had a very good experience working with the Interim Civil Rights Officer for Region 1.

Procurement Updates

Website Redesign, Hosting & Maintenance: COAST staff had the first kick-off meeting with Altos. Mr. Nichols commented that COAST and Altos are both very excited about the project, and that the end product should be ready in late November or early December of 2017.

Architectural & Engineering Services: COAST released the RFQ for A&E services for 42 Sumner Drive on June 29. Four firms attended the pre-submittal meeting on July 20 and proposals are due August 4.

IT Consulting Services: COAST is meeting with a firm later today (7/26) to help us identify our needs and vulnerabilities in anticipation of developing specs for the services COAST requires.

Insurance Market Update: Mr. Nichols met with COAST's insurance broker last week. The commercial vehicle market does not look good right now. While year to date we are positioning ourselves as best we can with a 0% loss ratio, the industry itself is at a 108% loss ration overall and losing money.

Mr. Nichols noted that the biggest factors impacting the insurance market's calculation of rates are the increasing issues with distracted driving, higher costs for repairs and medical costs, and an uptick in commercial vehicle collisions with pedestrians and cyclists, as issues with "sharing the road" increase.

Ms. Copeland asked if there is more that COAST can do to train drivers on sharing the road safely with cyclists and pedestrians. She suggested that due to seasonal spikes in cyclists and pedestrians on busy roadways, there might be an opportunity to increase awareness for both our drivers and the passengers/cyclists/pedestrians. Mr. Nichols responded that COAST already trains drivers on the laws about sharing the road, provides seasonal safety reminders to drivers, and provides safety tips to passengers on the buses. He didn't know what more COAST could do beyond what it currently does.

Ms. Walker commented that it would be helpful for communities COAST serves to identify potentially problematic bus stops from a safety perspective, and identify what the cities could do to improve safety conditions for pedestrians around those bus stops. Mr. Nichols responded that there is currently a project underway that deals with that exact issue around bus shelter locations, but that we would be willing to expand it to bus stops as well.

VI. New Business

Action Item #1: SRPC Appointments

COAST has been asked by the Strafford Regional Planning Commission (SRPC) to appoint up to two individuals to the SMPO Policy and Technical Advisory Committees for a term of two years.

Action Required: *The Board of Directors confirm the continued appointment of Mr. Michael Williams (primary) and Mr. Rad Nichols (Alternate) to the SMPO Policy and Technical Advisory Committees for the period of July 1, 2017 to June 30, 2019.*

Ms. Copeland made a motion to confirm the continued appointment of Mr. Williams and Mr. Nichols to the two committees for a period of two years. Mr. Sandmann seconded and all voted in favor.

VII. Discussion Items

FY18 Budget Considerations (Handout was provided to all attendees)

Mr. Nichols identified the following challenges:

- COAST is not getting all the local match dollars requested from communities. Matches are in the 94-95% range, but are still \$38,000 short.
- Demand Response Service growth is in the 5% range, year-to-date. Summer tends to be busier, so it might climb over 5%, but COAST is projecting a 5% growth rate for next year, based on FY17 experience. COAST is continually looking at ways to grow DR services, as long as we're being reimbursed for those services.
- Fares and Contract Revenue are a little unstable at the moment, particularly with Clipper Passes (due to all the reasons previously discussed). Making a projection on this category will be more difficult this year than in years past.
- It has been determined that UNH does not have to provide complimentary ADA Paratransit services and we do not expect to have any opportunities for cost sharing with Wildcat Transit.

Other considerations include:

- We expect to maintain all current service levels.
- We anticipate an overall expense growth rate of 5% or less.
- We expect continued strong Advertising sales with real revenue gains.

- We are assuming we will continue to provide the Portsmouth Parking Shuttle and we are looking at other opportunities for contracting DR services.
- We are expecting our expenses to grow with regard to outside service providers as we add the ongoing-maintenance costs associated with IT Support, new software for COAST's Maintenance department, and the new website design and maintenance.
- We anticipate another increase in the costs of our auto liability coverage.
- We are assuming an overall wage increase of 2.5-4% and hoping that level of increase will allow us to maintain competitive wages in the market, albeit at the low end.
- The health insurance market is very volatile right now. We are assuming a 12% increase, but we won't know what the exact number will be until after the FY18 budget has passed.
- COAST has had great experiences with our current Workers' Compensation provider, NHMTA. We continue to have very low losses but we don't qualify for a rebate this year as we have not been with the program long enough. Next year we will qualify for a rebate.
- We are assuming similar fuel prices to FY17.
- The lease for our Administrative Offices at 6 Sumner Drive will need to be renewed in March of 2018.
- COAST will start paying TripLink as a service at a slightly higher level in FY18 than we did through most of FY17. The rate is based on the level of service COAST is provided through TripLink, and the number of number of other entities participating in TripLink. As other entities join TripLink, we might see this number go down, but it could increase if we have to add additional staff. COAST charges TripLink for use of space, so there's a bit of give and take to that relationship.
- We're assuming that a Real Time Bus Information System will be put in place in late FY18. Once a firm is selected, implementation should take place in 6-8 months. COAST is shooting to select a firm by the end of CY17, so implementation could take place in the last quarter of FY18. There will be an ongoing maintenance costs associated with this system but we may have an opportunity to capitalize those expenses for the first few years.

Mr. Nichols noted that as of today, he doesn't have definitive answers on how many of these items will impact the budget, as some of the numbers aren't firmed up yet. He plans to have that information available at the August Board Meeting. A budget workshop will be offered before the Annual Meeting so that Board Members can look deeper into the FY18 budget before the vote at the Annual Meeting.

Ms. Walker asked if we should start to build in the anticipated changes for The Little Bay Bridge Mitigation reduction in funding. Mr. Nichols responded that that would be something to talk about in November when discussions about the Municipal Funding Formula begin.

Ms. Copeland asked if the real time bus system will link up with Wildcat's system. Mr. Nichols responded that COAST has no intention of linking with Wildcat, as their system wouldn't be effective for COAST's needs, and we don't have the staff capacity to maintain the complicated back-end of the system Wildcat uses.

Schedule Discussion

There was a brief discussion about the best time to hold the next Board Meeting, as some board members had scheduling conflicts. It was determined that a Doodle Poll would be sent out to the board members to get a sense of the best date for August meeting.

Committee Reports

Mr. Walker pointed out that on the Meeting Minutes that had been approved at the beginning of the meeting (on Discussion Item #1) it stated that Updated Board Objectives would be attached to the end of these minutes. There was a followup discussion on the status of those and their need to be updated.

There was some discussion to clarify the standing committees and any current activities the committees are working on.

The Executive Committee reported that they are currently focusing on the Executive Director Review and have a meeting scheduled in August, where they will pull together their collective ideas, and a follow-up meeting scheduled in September to finalize the review before they present their information to the Board. Some changes are being made to the Review process this year including adding a section for comment from the general board (an online survey will be sent out later this week), and revising the review sheet and ranking system.

There were no other updates from any of the other committees.

VII. Community Updates/Information Items

COAST had been positioning itself for applying for a bike/pedestrian project in Somersworth related to the expansion of Goodwin Community Health. This project would have been funded through a grant program overseen by the NHDOT (FTA 5339). There is a City requirement to provide pedestrian access to the south-bound side of Rte. 108. Goodwin has subsequently confirmed that the project was approved for expansion, and they were granted a delay for dealing with the pedestrian issue until 2020 (when the Complete Streets Project on NH108 is to be constructed).

COAST submitted our annual grant to the FTA last month.

The Route 2 and Trolley expansion project was not a part of the FTA grant because the NHDOT wasn't able to get funding details lined up in time. At this point, we won't be able to apply for a grant to access these funds until October at the earliest. As a result, we will have to use some of our cash reserves to fund the project in the interim. This may cause some cash flow issues if the funds are not awarded in a timely manner after the new fiscal year starts.

Keynote Speaker for Annual Meeting

Mr. Nichols asked the board for suggestions for a Keynote Speaker at the Annual Meeting.

Ridership

Ridership data was presented as part of the Board packet.

Reminder

Ms. Walker reminded members to look for the online survey regarding the Executive Director Review, and the Doodle Poll for scheduling the next Board Meeting.

VII. Adjournment

Ms. Walker made a motion to adjourn the meeting and Ms. Decker seconded. All voted in favor.

The meeting was adjourned at 9:48am.

Approved August 30, 2017