



Approved September 27, 2017

**Cooperative Alliance for Seacoast Transportation
DRAFT Minutes of the Board of Directors
Wednesday, August 30, 2017**

- Present:** Donna Benton, Scott Bogle (Arr. 8:40), Jennifer Decker, Martin Dumont, Steve Fournier (Arr. 8:37), Colin Lentz, Julian Long, Dave Sandmann, Maria Stowell, and Juliet Walker
- Absent:** Daniel Chartrand, Denis Hebert
- Guest:** Christopher Cross, Planning Board, Town of Newington
- Staff:** Rad Nichols, Michael Williams and Heather Hesse-Stromberg

I. Call to Order

Mr. Sandmann made a motion to call the meeting to order, Ms. Stowell seconded the motion. The meeting was called to order at 8:30am.

II. Approval of Minutes

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

III. Public Comment

Mr. Nichols presented a letter he had prepared to Laura Hazelton at Senator Shaheen's office in response to a passenger letter about the impacts of the Whittier Street Bridge closure. Mr. Nichols noted that this has been disruptive for many passengers but that most have accepted the work-arounds put in place. Ms. Benton noted that the project has staffed up and it is intended to be completed by Thanksgiving.

Mr. Nichols presented a letter received from the attorney of one of the pedestrians hit on Rochester Hill Road this past February. This incident happened after the bus had departed from the stop and our operator was unaware anything had happened.

IV. Financial Report

Mr. Nichols reported that we continue to trend as we have for the first $\frac{3}{4}$ of the FY.

Mr. Nichols noted that we are 17.3% under our anticipated revenues from farebox/contracts due to falling Shipyard pass sales and low contract revenues from Medicaid and Purchase of Service services. Many of our anticipated expenses have been under projections including wages and fringe benefits. Mr. Nichols noted that wage and fringes are under budget due to

positions not being filled or delays in filling them over the course of the year. Contract services has been under projections because we have started to do a lot of repair work in house. Materials and Supplies has been under projections because of, until recently, low fuel prices and lower part expenses. Insurance expenses continue to be well over projections (32.5%) and it is anticipated that there will be another increase next year. Mr. Nichols noted that our Auto Liability coverage is \$320,000 annualized. Mr. Nichols noted that the average loss ratio across the country is 109%. COAST is currently at 0%, which is remarkable. It is hoped that this will help make us more appealing to prospective insurance providers as we look to renew coverage.

Mr. Nichols reported that our Available Funds balance has increased by \$12,800 bringing it to \$822,862. Our Unrestricted Net Asset Ratio is at 15.1% which is improved, but is still considerably below our goal of 44%. Mr. Dumont asked how we would fund the gap between what we have and what we need if it came to that point. Mr. Nichols stated that, if it became necessary, he would approach Federal Savings Bank with whom we do most of our banking, and seek a short-term loan. An example of how this could become necessary would be if the Federal government shuts down. Mr. Long asked about the impact of fuel price increases as a result of the recent hurricanes. Mr. Nichols expects any impacts will be relatively short-term. He noted that he has projected a 5% increase in fuel costs next FY.

V. Old Business

CMAQ Round

Mr. Nichols reported COAST is awaiting notice from NHDOT for an upcoming meeting on the application process for those who submitted letters of interest for CMAQ projects. COAST has submitted LOIs 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). Mr. Bogle noted that it is likely the application date will be early October.

FTA 5339(b) Application

Mr. Nichols reported that this CMAQ round will be very competitive so COAST also submitted information to NHDOT for inclusion in a statewide application for FTA 5339(b) funds to support the purchase of 4 new heavy-duty public transit buses. These would replace our current 1995 and 2000 model year buses. Award announcements will be made in late-fall/early-winter. FTA funds would cover 80% of the cost, COAST would cover 10% and NHDOT would cover 10%. These buses are part of our 2020 capital plan.

Procurement Updates

Website Redesign, Hosting & Maintenance: We are currently working on finalizing the sitemap in preparation for a Design Presentation Meeting on August 31. As part of our research we discovered a Social Media Policy we liked and hope to make it part of our process going forward. (See Action Item #1)

Architectural & Engineering Services: We received three responses to our RFQ and hope to meet with firms within the next two weeks with a goal of having a contract in place to begin work by the end of September.

IT Consulting Services: COAST received three proposals from very well-respected firms and all were very close to our Independent Cost Estimate (ICE).

WorkWISE NH Visit Follow-up Actions

At this point all identified issues have been satisfactorily addressed except for inspections of our above ground fuel tanks. We hope to have an outside vendor performing monthly tank inspections in September. Initial cost estimates were \$1,500/month but staff worked with a current vendor to negotiate a much lower cost of \$500/month.

VI. New Business

Action Item #1: Social Media Policy

COAST has increasingly been forced to moderate and remove comments from our social media (Facebook) pages due to the nature of the content in the comments posted.

In order to better outline our decision making relative to how we moderate comments on our social media pages, we put together a social media comment policy, which is consistent with the other public transit social media policies we have seen.

Action Required: *That the Board of Directors approve the proposed social media comment policy.*

Mr. Nichols noted that we have had to block two people who repeatedly violated these rules. Mr. Fournier accepted the motion for discussion which was seconded by Mr. Lentz. Mr. Fournier suggested we have an attorney review to make sure we are consistent with RSA 91-A. Mr. Fournier made a motion that if the attorney makes no suggestions to change the policy we can put it into effect, but that if the attorney recommends any notable changes the policy will be brought back to the Board for further discussion. Mr. Lentz seconded and all voted in favor.

Committee Reports

Executive Committee

The Executive Committee has been meeting to discuss the annual review of the Executive Director. Will be meeting on September 13th to finalize the review and will bring recommendations to the Board at the Annual Meeting.

Board Development Committee

The Board Development Committee has not met since the July meeting of the Board.

Nominating Committee

The Nominating Committee members are Ms. Copeland, Mr. Pepin and Mr. Sandmann with Mr. Lentz acting as Ms. Copeland's Alternate.

Mr. Lentz presented the slate of officer for the coming year:

Officer Nominees:

Chair: Dave Sandmann (At-Large)
Vice-Chair: Juliet Walker (City of Portsmouth)
Secretary: Jennifer Decker (GSIL)
Treasurer: Julian Long (City of Rochester)

Executive Committee:

The Executive Committee shall automatically consist of the following representatives: Chair, Vice-Chair, Secretary, Treasurer, Past-Officer, one member to be appointed by the Chair, and the Executive Director (non-voting member).

With the proposed slate of officers, the Executive Committee would be comprised of the following members:

Dave Sandmann (Chair)
Juliet Walker (Vice-Chair)
Jennifer Decker (Secretary)
Julian Long (Treasurer)
Open (Past Chair)
Open (Chair's Appointee)
Rad Nichols (Non-Voting Member)

Mr. Fournier moved to accept the report of the Nominating Committee and the slate of officers as presented. Mr. Bogle seconded and all voted in favor.

Mr. Nichols noted that the Executive Committee would number six (6). Ms. Walker commented that the Chair can't vote to create a tie. All agreed that in that situation the measure would fail.

Unrestricted Funds Balance Committee

The Unrestricted Funds Balance Committee has not met since the July meeting of the Board.

Somersworth Committee

The Somersworth Committee has not met since the July meeting of the Board.

VII. Discussion Items

FY18 Budget

Mr. Nichols presented COAST's FY18 Draft Operating Budget. He noted that we anticipate coming in under budget for FY17.

Mr. Nichols reported that COAST is still playing catch up with regard to the rapid growth of staff (from 32 in 2009 to 74 in 2017). In addition, multiple new contract services will be added in the 2018 budget (marketing and advertising, IT services, software costs).

The FY2018 Draft Operating Budget is projected to be \$5,829,087 (Option A) or \$5,826,841 (Option B). The difference between Option A and Option B is the addition of one position, the Compliance Officer. Option A proposes using \$18,866 of COAST's cash reserves to balance the budget. Option B proposes using \$49,318 of COAST's cash reserves to balance the budget).

The Draft Operating Budget projects a level budget for commuteSMART and a \$625,023 decrease for Coordination. The Budget continues to increase COAST's reliance on outside service providers for some administrative and operational functions. The budget anticipates approximately 95% of requested municipal funds will be raised and it incorporates municipal credits for allowance of bus shelter advertising.

The FY Draft Operating Budget does not propose any service adjustments. It incorporates a 2.4% overall increase in pay, up to another 2.6% adjustment to pay for competitiveness (operating staff) and a 12% rate increase in benefits costs.

Mr. Fournier noted that we should make sure we clearly identify increases in pay that are above 2.4% - 2.5% as necessary to remain competitive in the labor marketplace. Mr. Nichols noted that this increase is absolutely necessary to help us compete for scarcely available CDL drivers. Mr. Dumont asked how we are dealing with the challenge of finding qualified drivers. Mr. Nichols responded that the lack of qualified candidates has led COAST to use non-CDL drivers and non-commercial vehicles on some of our routes (Portsmouth Parking Shuttle, Route 7). Mr. Nichols reported that we have begun talking about doing internal Passenger Endorsement training which we think we could do fairly easily and with little cost. Mr. Williams noted an additional challenge is getting the DOT Medical Card which is now looking far more closely at potential sleep apnea, blood pressure and diabetes issues. Also noted were that we are looking at other ways to handle suspension-worthy actions (taking away PTO days rather than being down an additional driver), only allowing 2 drivers on vacation at a time.

Mr. Fournier asked if we can earmark balance funds for capital expenses because using reserves to balance the budget isn't advisable. Ms. Walker expressed concern about limiting our options if we do that. Mr. Nichols noted that if we see an increase in fuel costs we will see an increase in Clipper riders which will help farebox revenue significantly.

Mr. Sandmann asked if the Board went with Option B (Compliance Officer) and delayed hiring, therefore holding the money in reserve, the money would be there next year when we needed it and it would act as a contingency fund. He also suggested funding the position but hiring halfway through the year so only half of the expenses would hit the budget.

Mr. Nichols noted that Option B would have no impact on the municipal ask which has already been put forward.

Mr. Fournier moved to approve Option B and move it forward to the Annual Meeting. Mr. Sandmann seconded and all voted in favor.

Ms. Walker left the meeting at 9:40am and Mr. Sandmann took over as Chair.

VII. Community Updates/Information Items

Annual Meeting Preparations

COAST has been able to secure Mr. Scott Bogren, Executive Director at the Community Transportation Association of America, as the keynote speaker for our Annual Meeting/35th Anniversary celebration. The event will be on September 27th at the Governor's Inn in Rochester.

2019-2028 Ten Year Transportation Plan & GACIT Hearings

The schedule for GACIT hearings is out. The Governor's Advisory Committee on Intermodal Transportation (GACIT) will hold 19 public hearings across the state during the months of September and October to receive public input on the Plan.

Mr. Nichols reported that staff is formulating COAST's comments and will forward those to the Board. He noted he would appreciate any support or testimony on COAST's behalf. Local meetings include September 28th in Dover at 4pm (City Hall Auditorium) and Rochester at 7pm (Community Center, Room 1A), and October 12th in Newmarket (Town Hall).

Ridership and Other Performance Measures

Monthly ridership figures by bus route and service type were presented as part of the Board Packet.

Mr. Cross thanked the Board for allowing him to attend the meeting and noted it was a very well run meeting with good questions and good answers. Mr. Sandmann noted that the budget presentation was very well done and thanked Mr. Nichols for his efforts. Mr. Long applauded staff efforts that led to the cost savings for monthly tank inspections.

VII. Adjournment

Ms. Benton made a motion to adjourn the meeting and Mr. Dumont seconded. All voted in favor.

The meeting was adjourned at 9:46am.

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