



**Cooperative Alliance for Seacoast Transportation
Minutes of the Board of Directors Meeting
Wednesday, July 24, 2019**

Present: Scott Bogle, Arthur Capello, Jim Campbell (Arr. 8:35), Denis Hebert, Valerie Labrie, Colin Lentz, Martin Pepin, David Sandmann, Dennis Shanahan, Juliet Walker, Shelley Winters and Thomas Wright (Arr. 8:35)

Absent: Steve Fournier, Dave Sharples, Maria Stowell

Staff: Rad Nichols, Michael Williams, Heather Hesse-Stromberg

I. Call to Order

Mr. Sandmann called the meeting to order at 8:30 AM.

II. Approval of Minutes

Mr. Shanahan noted a word was missing in Action Item #1 under New Business and suggested the word "revision" be added after "important" in the first sentence. With this suggested revision, Mr. Lentz made a motion for approval of the June 19, 2019 minutes. Mr. Hebert seconded. All voted in favor of the motion.

III. Public Comment

Mr. Nichols recognized Phil Smith, Manager of Fleet and Facility Maintenance, for 15 years of service to COAST. Mr. Smith attended and received his plaque. Mr. Nichols noted that Phil has been an integral part of COAST's success through his efforts to keep our vehicles and facilities in good working order. Mr. Nichols also recognized Dan Lamore, Bus Operator, for reaching 10 years of service with COAST. Mr. Nichols described Mr. Lamore as an excellent driver and Peer Trainer and noted that he has been a tremendous asset to our organization.

Ms. Winters expressed the NH Department of Transportation's concerns about a University of Maine ad on one of our buses, which states that students can attend UMaine for the same amount as UNH in-state tuition. Ms. Winters shared that the University of New Hampshire contacted the NHDOT Commissioner with concerns about the advertisement, which were then shared with the Governor's office, and that the Commissioner asked Ms. Winters to come see what the ramifications would be for removing the ad.

Mr. Nichols noted that the ad does not violate COAST's Advertising Policy in any way and that, although he understood the concerns about the ad, he was concerned that this is a free speech issue, and that denying this ad was a very slippery slope. Mr. Nichols noted that there are competing hospitals that advertise on our buses as well as other post-secondary schools, but this is the first complaint received about something such as this. He also noted that the complaint had not come directly to COAST.

Ms. Winters reported that the Commissioner and Governor's Office are disappointed in the tone and were concerned about any advertisement that seeks to compare something that is state

funded with some other competing interest. Ms. Winters asked if there are any contractual obligations in our agreement with ATA that would allow for the removal of the ad.

Mr. Nichols noted that in nearly all cases these advertisements are presented to ATA last minute with no opportunity to preview the content. He reported that the ad cost approximately \$1,600 to create and the contract includes a monthly lease of \$1,150. The ad went on the bus around June 27 and the contract runs the ad through August 28.

Mr. Nichols stressed that removing the ad exposes COAST to a lot of liability should the advertiser push back. Given the ad does not violate state law, or our policy, COAST would not have a valid reason to remove the ad.

Several Board members expressed concern that this issue was being raised given our clear policy. Mr. Pepin noted he felt the presence of NHDOT at the table asking for the ad to be removed was a threat to COAST's future relationship with the Department.

Ms. Winters stressed that the Department is looking for the Board to review and change the advertising policy, if needed, and wants to work with COAST to mitigate concerns around advertising like this. She suggested that perhaps we modify our policy to require a final sign-off by someone on the Board, or within COAST. She also noted that she knows COAST receives its support from local communities, and that these communities have elected representation, and she wouldn't want to see anything happen to negatively impact COAST's funding or any contract approval processes.

Mr. Capello indicated that he would be very concerned with changes to our policy that included final signoffs on advertisements, as that kind of a requirement could be interpreted as censorship. Mr. Sandmann noted that UNH never contacted COAST directly about its concern. He noted it seemed they were using someone else as their hammer. In addition, he noted that they have the same opportunity to advertise on our buses but have not sought to do so. Ms. Winters noted that she had discussed this with UNH, and they reported the process was unclear and they hadn't heard back from ATA. Ms. Walker noted that they have advertised on our vehicles before and that they clearly know how the process works.

Mr. Bogle noted that Ms. Winters is in a difficult position but that the NHDOT's concern with the ad raises concerns that any advertising that could be seen somehow as politically embarrassing to the state, Governor or state institutions would no longer be allowed, and that is unacceptable. He further noted that the ad was, albeit bold, a strong statement of fact, that appears to be promoting a new scholarship program at UMaine.

Mr. Sandmann agreed that a Policy Committee would be established to review the Advertising Policy but noted COAST would not be able to make changes in the Advertising Policy in time for the ad to be removed. Mr. Lentz, Mr. Capello, Ms. Labrie and Mr. Sandmann all agreed to be part of the Policy Committee.

Mr. Capello made a motion to allow the advertising contract to finish, but to then review the Policy with legal counsel and the Policy Committee. Mr. Campbell seconded. Ms. Walker noted that we understand the concern raised and agreed that we should review the Policy. She noted, however that the policy may not change because our focus remains on free speech and fairness.

Mr. Nichols stressed that it is critical that the Policy Committee and the Commissioner understand that we want a dialogue and that this is a very complex issue which could have significant negative

impacts on our ability to raise critically necessary revenues through transit advertising if made to be too restrictive.

All voted in favor of Mr. Capello's motion and Mr. Capello left the meeting (9:30am).

IV. Financial Report

Mr. Nichols presented the report on the June 2019 financials and noted that we remain in a good position, despite the high overtime rate in June (13%). Wages remain down overall due to many individuals being out on leave and positions remaining open. Fringes are up in June due to significant use of Paid Time Off (PTO). Advertising revenue is better than in past months but continues to remain much lower than anticipated. We experienced higher costs in the contract expense line due to significant legal fees. Our Available Funds have gone below \$800,000 again, due mostly to the costs of our final payment for the new real time bus system implementation.

VI. Old Business

Staff Shortage Update

As of July 12, we have the following staff in the hiring pipeline –

- 7 – FT CDL Operators (3 need endorsements or air-brake restrictions removed)
- 3 – PT CDL Operators (1 needs an air-brake restriction removed)
- 1 – PT Non-CDL Operator

We also have at least 2 candidates that we have not yet interviewed. They are interested in open CDL Operator positions.

We have a class of 3 FT and 1 PT CDL Operators that started on 7/15 and another class of 4 FT and 1 PT CDL Operators starting on 7/29.

The classroom portion of training typically takes one week to complete. The on-road training can vary from 1-2 weeks, depending on the abilities of the operator and their knowledge of our bus system. We may use some targeted route training so that, while new operators may not know the whole system, we can release them to work the bus routes they do know sooner than later. This should take some of the tremendous pressure off our current staff, which has continued as we have entered summer.

Finally, we recently hired a PT Vehicle Cleaner and his first day was on July 10.

CMAQ Letter of Intent

On June 14 COAST submitted a Letter of Interest (LOI) for a CMAQ application to support the extension of a 2012 CMAQ grant in support of public transit operations to mitigate vehicle-related pollution and traffic congestion along the Spaulding Turnpike corridor. Mr. Nichols will be attending a required meeting on July 25 for those who have submitted a letter.

COAST's application this round will continue the provision of air quality and traffic congestion mitigating services through the operation of two reconfigured express bus routes along the Spaulding Turnpike corridor between Rochester, Dover and Portsmouth and one local route along Rte. 108 between Rochester and Dover. The express route between Rochester, Dover and Portsmouth will directly connect the two (2) state park and ride facilities located at Exits 13 and 9

on the Spaulding Turnpike, and indirectly connect with the state park and ride facility at Exit 3 on 1-95.

Initial estimates indicate a total net project cost of \$6.92M over three years. COAST is limiting our request for CMAQ funds to \$1.2M in year one, \$1.236M in year two and \$1.273M in year three, for a total of \$3.709M over three years.

State Budget Approval

Currently there does not appear to be a plan as to how and when to proceed on approving the State budget. Likely beginning in mid-August, there will be a new budget introduced and the two Finance committees will work on it. Further outreach with Finance Committee members, starting with the House, is encouraged to ensure the transit operating funds remain in any bill that is re-introduced. We have one member from the region on House Finance, Representative Kate Murray. HB25 has been signed by the Governor adding public transit funding; still to be determined are the types and quantity of funding.

NH Charitable Foundation Grant Application

Staff in the process of preparing a concept paper for an unrestricted operating grant of \$60K (spread over 3 yrs.) through the NHCF. The concept paper is due on August 1st. Required documents/certifications include a board approved strategic plan, most recent annual audit and certification that we have 100% board giving. Full applications will be invited, after completion of the concept paper reviews, by September 27th. Awards will be announced by the end of December.

VII. New Business

Action Item #1: Community Event Support Policy

As an organization COAST receives requests each year to support various community events through the provision of transportation services. Typically, these are events put on by local non-profits in our member communities and we are approached within a very short timeframe prior to the event. In some cases, these are events that the host community plays a large role in sponsoring or hosting.

Historically, it has been our organization's desire to support member communities with a small amount of courtesy transportation for these events as a means of working collaboratively to promote public transit services within the region. However, it may be time to consider a formal policy to help guide staff in their responses to future requests.

Ideally, such a policy would provide staff with some guidance on the level of courtesy services to be provided within any one community, and under what circumstances. Beyond those set levels of service, there would be a charge, based on the most current average hourly cost to operate.

Events that COAST has provided courtesy transportation at within the past include:

- Market Square Day
- Rochester Fireworks
- Somersworth Children's Festival

These are typically events that have some level of community sponsorship or support and that a local non-profit is operating.

Action Required: *The COAST Board of Directors approve a Community Event Support Policy, as drafted or agreed to be modified.*

Mr. Nichols noted that the number of hours COAST will provide service and the associated costs require clarification.

A DRAFT Community Event Support Policy was presented and reviewed. One revision to the policy was to eliminate the use of the previous 12 months average costs as the basis for the charge for the service. Services provided beyond the basic level of support will be charged at the current average hourly cost to operate.

It was noted that participation in Parades is not included in this policy.

Ms. Walker made a motion to approve the Policy including the revision eliminating using the previous 12 months average costs, and Mr. Bogle seconded. All voted in favor.

Committee Reports

Nominating Committee – the Nominating Committee will be providing a report on their success in soliciting nominees to fill Board Officer seats in FY20. Mr. Bogle noted that Mr. Capello has agreed to be nominated as Treasurer. The slate of officers for 2019/2020 are:

Chair:	Dave Sandmann
Vice-Chair:	Juliet Walker
Secretary:	Dennis Shanahan
Treasurer:	Arthur Capello

The slate will be presented at the August Board Meeting and voted on at the Annual Meeting in September.

Executive Committee – did not meet.

Board Development Committee – did not meet but will be reconvened. Mr. Sandmann will reach out to members and potential members.

Discussion Items

Discussion Item #1: 2020 Budget Considerations

Mr. Nichols presented an overview of the challenges and considerations impacting the development of the FY20 Budget. They include:

Challenges:

- Workforce Shortage and Upward Wage Pressures
- End of the Little Bay Bridge Mitigation Project Funding
- Demand Response Service Growth
- Volatility of Advertising Revenue
- Fares/Contract Revenues

Considerations:

- FY19 Actual Expenses
- Fixed-Route Service Levels
- Expense Growth Rate
- New expanded DR Services
- Associated COA implementation costs for changing all materials and a marketing campaign

The Draft Operating Budget will be presented on August 28. A Budget Workshop Meeting is scheduled for September 11. The final FY20 Operating budget will be presented and voted upon at the annual meeting on September 25.

Discussion Item #2: COA Progress Updates

Mr. Nichols stated that staff have started conducting a fare analysis for the revised service plan. Staff also met with Berwick on 7/23 and they are interested in increasing their service, likely through expanded DR services that would feed into Rte. 1.

Mr. Nichols noted that he and Mr. Williams provided information on the new service design and required funding to the NHDOT Commissioner and other urban providers at a meeting in June and the participants will reconvene in August.

Mr. Nichols presented a letter UNH wrote to the Commissioner regarding concerns about providing additional funding to COAST. Mr. Nichols noted that the language used in the letter is not accurate and represents a misinterpretation of what was presented. Ms. Walker noted that UNH's statements in the letter are concerning and some are blatantly false. In addition, Ms. Walker indicated concern that UNH staff would sign this letter given its inaccuracy. She suggested COAST emphasize our polite approach to friendly competition in the region as a contrast to UNH's approach.

Mr. Bogle noted that letters of support of COAST's position would be very helpful. Mr. Nichols stated that he would reach out to stakeholders regarding letters of support.

VIII. Community Updates/Information Items

Ms. Walker indicated that an action item from the meeting is for communities to submit letters of support for COAST's CMAQ funding request.

Mr. Bogle suggested members contact their legislators regarding keeping the \$200,000 in funding in the budget.

Mr. Nichols thanks Ms. Winters for coming to the meeting and participating in the conversation.

Ridership Performance data was presented as part of the Board Packet.

IX. Adjournment

Mr. Lentz motioned to adjourn. Mr. Campbell seconded, and all voted in favor. The meeting was adjourned at 10:13 AM.