



**Cooperative Alliance for Seacoast Transportation  
Minutes of the Annual Board of Directors Meeting  
Wednesday, October 28, 2020**

Per RSA 91-A:2,III(b) the COAST Chair has declared the COVID-19 Outbreak an emergency and has waived the requirement that a quorum be physically present at the meeting

**PRESENT:** Scott Bogle, Arthur Capello, Adam Causey, Denis Hebert, Margaret Joyce, Colin Lentz, Marty Pepin, Dave Sandmann, Michael Scala, Dennis Shanahan, Maria Stowell, Juliet Walker, and Shelley Winters

**ABSENT:** Valerie Labrie, Dave Sharples, Thomas Wright

**STAFF:** Rad Nichols, Michael Williams, and Bob Ruzinsky

**I. CALL TO ORDER AND INTRODUCTIONS**

The meeting was called to order at 8:31am. Each member identified themselves, stated their location and whether anyone was in the room with them and listening contemporaneously.

**II. APPROVAL OF MINUTES**

Mr. Pepin made a motion to accept the September 2020 minutes as presented and Mr. Lentz seconded. All voted by roll call.

Mr. Bogle	YES
Mr. Capello	YES
Mr. Causey	YES
Mr. Hebert	YES
Ms. Joyce	YES
Mr. Lentz	YES
Mr. Pepin	YES
Mr. Sandmann	YES
Mr. Scala	YES
Mr. Shanahan	YES
Ms. Stowell	YES
Ms. Walker	YES

**III. PUBLIC COMMENT**

One item was submitted and was addressed during Discussion Items later in the meeting.

**IV. FINANCIAL REPORT**

**SEPTEMBER/YEAR-END FINANCIALS**

Year-end financials, pre-audit, and an Executive Summary and Dashboard were sent out prior to the meeting. Mr. Nichols asked if there were any questions from the Board relative to the material as presented. There were none.

Mr. Nichols recognized Mr. Ruzinsky who was in attendance and announced his retiring from his work with COAST, as he has taken on a significant leadership position with RTA in Dayton. Mr. Sandmann thanked Mr. Ruzinsky for his years of service and his contributions to COAST. Mr. Ruzinsky noted that it has been an honor working with COAST for 20 years and that he thinks this is a great time for COAST to be formalizing a finance role in-house. Mr. Nichols thanked Mr. Ruzinsky for his help bringing COAST to its current stable financial position. Mr. Ruzinsky noted that he would be available to help Mr. Nichols through the transition as needed.

Mr. Nichols reported that COAST has been advertising for a Director of Finance and, after several interviews, have made an offer to a candidate. At this time, Mr. Nichols and staff are conducting the appropriate background screenings and Mr. Nichols hopes to be able to make an announcement soon.

## **V. OLD BUSINESS**

### **FY20 Impact Report**

Mr. Nichols presented COAST's new annual report that will be used externally and internally as we move forward. The goal is to have a more formal annual report that aligns with what we're trying to achieve through educating public and elected officials on the importance of COAST, particularly as we advocate for additional funding to support our work.

Mr. Nichols expressed his gratitude to the staff for how they have dedicated themselves to COAST's mission under particularly challenging circumstances. The new service that began in June has been designed to better address the needs of the region. On the fixed route side, we had to suspend service for the first time in COAST history and then, 6 weeks after returning to work, we launched our new system after many months of public input and planning. On the demand response side, we maintained access to healthcare and other life-sustaining services throughout the pandemic. Mr. Nichols stressed that the demand response staff did an outstanding job keeping people connected to these vital services.

COAST has been a leader in regional transportation coordination for many years and partnerships and services continue to grow. Our call center, TripLink, provides information and referral services as well as making trip reservations. Mr. Nichols noted that elected officials have been particularly interested in, and impressed by, this service.

Fixed route ridership was impacted by COVID and COAST has not yet reached pre-pandemic ridership levels. Demand Response ridership also dropped but we are reaching pre-pandemic ridership levels more quickly due to the nature of the services.

COVID had a dramatically negative impact on COAST's finances but thankfully CARES funds and emergency relief funding have been a lifeline. COAST put great effort into transparent communication internally and with the public and it served us well. Farebox revenues were down 27% and advertising revenues were down 88% over the last 6 months of the fiscal year. Those losses were made up by using CARES Act funds and using 5307 funds at 100% federal participation as allowed under the emergency relief flexibility.

Mr. Nichols noted that the region's public transit needs are far outpacing the fiscal resources available through the FTA, the State of NH, and local communities. Additional funding revenues need to be identified to maintain most basic transit needs (service once every hour).

Financial statements reflect that we ended the year at 7.1% under budgeted revenues and 11.3% under budgeted expenses. COAST ended the year with a gain of just over \$59K after local depreciation. At the end of the year we have increased our available funds to just over \$1.1M. Between October 2019 and September of 2020, we dropped our monthly revenues and expenses by about \$60K a month on average. Mr. Nichols noted that this is a good thing as we had to redesign our services to reflect our new financial reality.

According to the American Public Transportation Association (APTA), every \$1 invested in public transportation generates approximately \$4 in economic returns. This results in COAST generating \$24M of regional activity through our operation.

Mr. Nichols noted some key points for FY21: that COAST is close to making an announcement regarding a Director of Finance; is about to enter into a contract with Gillig for four heavy-duty buses, is well into our Facility Needs Assessment for our property at 42 Sumner Drive; are projecting fixed route ridership levels to return to approximately 75% of our pre-pandemic levels by the end of FY21, and will continue to educate local and state-wide elected officials about the importance of our services and the importance of adequate funding for public transportation.

### **6 Sumner Drive Renovations**

Renovations to the reception area at 6 Sumner Drive have begun. The City performed their inspection on Tuesday, October 20, enabling work to complete the new reception area wall to proceed. Work is still on track to be completed by the end of the month. The renovations are creating a separate reception area for visitors with controlled access to the rest of the offices.

### **42 Sumner Drive Facility Study**

A draft of the Facility Needs Assessment was forwarded by CMA Engineers at the end of September. Staff have reviewed the document and provided feedback at this point. The draft Facility Needs Assessment identified an initial facility square footage need of just under 56,000 square feet. Currently, between our facility at 42 Sumner Dr. and leased administrative offices at 6 Sumner Dr., the facilities comprise just under 14,000 square feet. The single largest impact to the facility size would be space to include overnight indoor storage of the fleet.

### **Auto and Excess/Umbrella Liability Cost Increases for our FY21 Policy Year**

Our Auto and Excess/Umbrella Liability carrier for the last few years (RLI) notified us in August that they would not be renewing our policy this year. As such, our broker Cross Insurance has been working to attract a new carrier to write our business. They have been able to find two carriers, one of which submitted a very competitive quote after numerous back and forth exchanges. The feedback we received is that they really like the looks of our account and are excited to write it as a new account.

The quote for auto, general liability and umbrella coverage from National Interstate was \$412,500, which reflects a nearly \$27,000 reduction in costs associated for this coverage. Much of that was possible due to our smaller fleet size. Our overall property, liability and other insurance quote represents a 1.7% decrease versus FY20 actuals, and we had budgeted for a 4.5% increase over actuals. Unlike RLI, as a carrier National Interstate also has programs to incentivize good claims history that we can qualify for over time, and other discount possibilities.

### **HealthTrust Insurance Cost Increases**

Given our experience over the past year and knowing that our overall census at COAST had not changed much, we anticipated another larger than normal increase in our health insurance rates for 2021 (Jan.-Dec.). We budgeted for a 10% increase in overall employee healthcare related

costs (health, dental, STD, LTD, Life). The larger than normal increase in health coverage costs is driven by our experience as a large employer (loss ratio) and how that now impacts our rate setting. While we continue to see good trends with our overall claims, the reasons for our increase are ongoing and otherwise not in anyone’s control. Below are our rate increases for 2021.

Medical	+17.10%
Dental	0.00%
STD	+16.67%
LTD	0.00%
Life	0.00%

**Free Rides to the Polls**

As we have done for several years, COAST will provide free rides to anyone who indicates they are going to a polling place to vote on Election Day.

**VI. NEW BUSINESS**

**Action Items**

**Action Item #1: FY21 Capital Spending Schedule**

COAST’s capital spending is largely driven by our Transit Asset Management and Maintenance (TAM) Plan. The FY21-25 Capital Spending Schedule was included in the board packet. The TAM Plan includes all COAST capital assets (rolling stock, equipment with a value of ≥\$50,000, and facilities). COAST’s TAM Plan is used to help the organization determine when assets have reached their useful life benchmark and are no longer able to be maintained in a state of good repair. Assets listed in the TAM Plan are identified for replacement in our capital spending plan as determined by the decision support tools in the TAM Plan itself.

In addition to assets listed in the TAM Plan, COAST has many other assets that the organization replaces or supports with capital funds. These include ongoing facility maintenance and repairs, other equipment (Software/IT, operations equipment, shop equipment, and office equipment/furniture, etc.), as well as passenger amenities (benches, shelters, lighting, etc.).

COAST maintains a Five-Year Capital Spending Schedule, including all the above-mentioned items, in Appendix F of the current TAM Plan. Appendix F is intended to be updated on an annual cycle, while the Plan itself is updated at least every three years.

**Action Required:** *That the Board of Directors endorse the FY21-25 Capital Spending Schedule as proposed.*

Ms. Walker asked about the big fluctuations from one year to the next and whether we have thought about stabilizing the capital spending on an annual basis. Mr. Nichols noted that the fluctuations are due to revenue vehicle purchases which are dictated by the TAM plan and the replacement schedule within that plan. He indicated that we have spread out revenue vehicle purchases over time, but we continue to buy 3-5 heavy duty transit buses at a time so those years will show a significant fluctuation. Ms. Walker noted that it is helpful to see this schedule but that it would be more helpful to see it in the context of the Operating Budget. She stressed the importance of identifying goals and targets.

Mr. Nichols noted he is looking forward to having the Director of Finance take on this task. Mr. Sandmann noted that at some point he will be asking the Board for volunteers to serve on a Finance Committee that will work with the Director of Finance.

Mr. Lentz made a motion to endorse the FY21-25 Capital Spending Schedule and Mr. Bogle seconded the motion. All voted by roll call.

Mr. Bogle	YES
Mr. Capello	YES
Mr. Causey	YES
Mr. Hebert	YES
Ms. Joyce	YES
Mr. Lentz	YES
Mr. Pepin	YES
Mr. Sandmann	YES
Mr. Scala	YES
Mr. Shanahan	YES
Ms. Stowell	YES
Ms. Walker	YES

**Action Item #2: COVID-19 Reduced Service Plan**

The ongoing pandemic, and evolving rules for businesses in New Hampshire under the Safer at Home 2.0 Universal Guidelines, last updated on October 6, 2020, are having profound impacts on COAST's ability to ensure adequate staff to ensure uninterrupted operations on an ongoing basis.

We anticipate this will become particularly acute as we progress further into the fall and employees will increasingly have difficulty answering 'no' to all the required screening questions. Specifically, the requirements to be out of work for any common cold symptoms and to quarantine for 14 days based on travel outside New England are more regularly resulting in several operators being unable to work—usually without advance notice. It is also worth noting that with our latest new hires that are currently in training, we are fully staffed for operators. If there were no COVID related absences, we would be in excellent shape.

As such, and because our fixed route system now runs the minimum viable frequency on all routes, there are no opportunities to reduce service without significantly undermining the usefulness of a route, or entirely eliminating service to some locations. We are looking for the guidance and concurrence of the Board on how to plan for contingencies and provide 'COVID-19 Reduced Services' when we will assuredly face these difficult decisions.

Factors to consider:

- Our greatest pinch points will likely be with CDL licensed operators
- No one community should bear the brunt of any solution
- While some routes have lower usage rates, they often have critical connections to essential services within the community they operate in
- Simpler solutions, without requiring an altered schedule, will be much easier for passengers to understand and absorb

Mr. Williams presented his initial thoughts on the order in which routes would be canceled based on the factors that must be considered. He stressed that we would always cancel as little service as possible given the situation at hand.

Community	Route(s)	Operator Need	Ridership
Portsmouth	40	1-CDL	Lower
Dover	33	1-CDL	Medium
Farmington/Rochester	6	1-CDL	Lower
Somersworth/Berwicks/Eliot/Kittery	100	1-CDL	Lower
Portsmouth/Kittery	42/44	1-Non-CDL	Lower
Portsmouth	41	1-CDL	Medium

Mr. Capello asked about the Essential Worker exemption for quarantine due to travel outside New England. Mr. Williams noted we have spoken with our attorney and have been advised to not use the exemption as a rule, but rather on a case-by-case basis.

Ms. Walker noted that the board should defer to the staff's expertise regarding service cancelations based on staffing levels.

Mr. Shanahan asked if the route to operator is generally one-to-one and Mr. Williams noted that, for the most part that is true. The exceptions are Routes 12, 13 and 14 which are interlined and have 4 drivers operating those routes at any given time.

Mr. Capello made a motion that the Board of Directors accept the reduction in services schedule based on the COVID issue as presented and Mr. Shanahan seconded the motion. All voted in favor by roll call vote.

Mr. Bogle	YES
Mr. Capello	YES
Mr. Causey	YES
Mr. Hebert	YES
Ms. Joyce	YES
Mr. Lentz	YES
Mr. Pepin	YES
Mr. Sandmann	YES
Mr. Scala	YES
Mr. Shanahan	YES
Ms. Stowell	YES
Ms. Walker	YES

### **Committee Reports**

**Executive Committee** – did not meet.

**Board Development Committee** – did not meet.

**Legislative Committee** – met on October 15 with one of the candidates for Executive Council, District 2, Cinde Warmington. Mr. Shanahan agreed that the meeting went very well, and we should do something like this going forward.

**Policy Committee** – is currently working on scheduling a meeting to review our policies around virtual meetings, with or without the Governor’s Executive Order under the pandemic. Ms. Walker asked if the possibility to meet remotely would continue beyond COVID-19 and noted that would allow for much more participation.

Ms. Walker asked about the Finance Committee and Mr. Sandmann noted that the Finance Committee will be discussed, and volunteers will be sought, at the November Board meeting.

### **Discussion Items**

A COAST bus operator submitted a request to the board to mandate masks for all passengers to comply with the CDC’s latest interim guidance. Mr. Nichols passed along the request and the CDC interim guidance “strongly recommending” that all passengers wear masks. There are many exemptions to the mandate to wear masks and Mr. Nichols stressed that our concern has been having operators being in a position of having to enforce any such requirements.

Mr. Nichols indicated that physical distancing is not always possible on board our buses. Because there’s a bus every hour we have not set capacity limits on the buses, and while it is not always an issue, there are runs where there are many people on board. Mr. Nichols noted that we are following the Safer at Home guidelines in having operators wear masks when they are providing assistance to passengers.

Mr. Sandmann asked how a policy that requires masks would be enforced. Mr. Nichols stressed that our messaging should be strong that masks are required but that he does not want to see our operators in the position of having to enforce something with no backup. Mr. Shanahan agreed that having a requirement without active enforcement is the way to go. He noted that the vast majority of people may find wearing a mask palatable and, in fact, many may find it reassuring.

Ms. Walker stated that completely supports the mask requirement and noted that it is consistent with other businesses. She stressed that she would like to not have us call it a mandate.

Mr. Bogle asked if we have consulted with MTA who has a similar requirement. Mr. Nichols stated that he was not aware of MTA having a mask requirement but that he has spoken with Nashua. Nashua has had a city-wide requirement in place for some time and there is movement toward an enforcement element as well.

Mr. Scala shared that he has a tough time with this and is concerned with the enforcement of this requirement. He noted that in an enclosed space you can’t get away from people who are not in compliance and that raises the opportunity for people to start policing themselves and each other. He suggests that if we are going to require masks, we should provide masks. Mr. Bogle asked what the volume of masks we would go through during a transition period. Mr. Williams noted it is difficult to predict how many we’d need. He reported we have 4,300 masks in stock on site and about 700 boardings a day currently. Mr. Sandmann asked if we know how many people are boarding the bus without a mask and Mr. Williams stated we do not have that information but noted that in some communities, mask ordinances are in place and we see better compliance there.

Mr. Capello noted that when the Town was making masks available, they ran into trouble with people taking handfuls of masks and ultimately had to hand them out as needed. Mr. Hebert stated he supports a mask requirement and that he feels we should have masks available for people, noting his belief that we can get reimbursed for the cost of masks. Mr. Hebert also

expressed concerned about people seeing COAST as a spreader across the region. Mr. Nichols noted that we have not been notified of any possible cases among our passengers or staff.

Ms. Walker made a motion that masks be required on all COAST vehicles and Mr. Bogle seconded it. Ms. Walker noted that the driver wearing masks is only protecting the passengers because the mask protects others, not the mask wearer. Therefore, if passengers aren't wearing masks, our drivers are not being protected. Ms. Walker suggested maybe having masks on hand to provide to people at the beginning, but that this is part of our normal routine now so we should be able to expect people to bring their own masks.

Mr. Scala expressed that we should hold off on voting until it is more fleshed out. He is concerned about passengers becoming vigilantes and would like us to discuss it more before adopting a policy.

Ms. Winters noted that Manchester has a recommendation to wear masks, but no requirement, and that Nashua has a City mandate that also applies to public transit. Concord is using the external PA system and operators are announcing that people need to put masks on when they arrive at a stop. While in Concord, it is not a mandate, people may think there is. She noted that the Department is leaving it up to local systems.

Ms. Joyce supported what Ms. Winters was saying and suggested that, prior to adopting a policy, COAST check in with other systems. She wondered if it would not be more effective if transit authorities could come out as a united front in requiring masks. Mr. Nichols stated that COAST is tied in with the other transit authorities and that to date rural systems have appeared more willing to require masks than urban systems, who are very concerned with the enforcement aspect.

Mr. Bogle asked if we want to wait a month. He noted that the NY Times is noting an increase of positive cases in NH by 28% over the past two weeks. He feels we need to act now. Mr. Pepin noted it is common now to wear masks everywhere you go, and he supports requiring masks on the bus. He would be supportive of providing masks for a short period of time, but that people should have their own masks. He does not see the public outrage others are expressing concern about. He also doesn't think operators should be enforcing the requirement and he likes the idea of announcing it ahead of time.

Ms. Walker doesn't want to table this until next month because the numbers are rising now. She stated we need to acknowledge that the numbers are rising, and we need to act. Mr. Lentz agreed that with Ms. Walker. He noted we know it is spreading and that masks help slow the spread. He stressed that people are relying on COAST and we need to do what we can to keep our passengers and drivers safe.

Mr. Nichols noted we need some time to put messaging together, perhaps a week to get the message out ahead of time.

Mr. Hebert requested that providing masks be a separate motion because it is an expense. Mr. Sandmann suggested that staff handle whether or not we provide masks based on whether it is feasible and whether we can be reimbursed.

Vote was taken by roll call.

Mr. Bogle	YES
Mr. Capello	NO

Mr. Causey	YES
Mr. Hebert	YES
Ms. Joyce	YES
Mr. Lentz	YES
Mr. Pepin	YES
Mr. Sandmann	YES
Mr. Scala	YES
Mr. Shanahan	YES
Ms. Stowell	YES
Ms. Walker	YES

Mr. Nichols noted that the last time we ordered masks was in April and it took many weeks for them to come in. He is not sure of the timeline for delivery and they were quite expensive at the time. Mr. Bogle researched the current cost of masks and found that they are quite affordable on Amazon and would be delivered tomorrow.

Mr. Hebert asked if this will be implemented before our next meeting and Mr. Nichols noted that he hopes to implement this within the next week.

Ms. Winters noted that NHDOT has a couple hundred masks they could get over to COAST.

## **VII. Community Updates/Information Items**

Ridership data was presented as part of the packet.

Mr. Sandmann thanked everyone for the discussion.

Ms. Winters shared that the NHDOT submitted their Operating Budget for SFY2022-2023 and included \$200K/year for state operating assistance for transit providers. She noted that the Budget is available on the Department of Administrative Services website. She shared that every few years the Department solicits projects for research and that she included a project to develop a procedure for identifying and locating safe bus stops on public highway right of ways, which has come up regarding the Route 108 Complete Street project. This would look to develop a process by which transit providers can work more formally with municipalities and the State on placement of bus stops, shelters, or other amenities.

## **VIII. Adjournment**

Mr. Lentz made a motion to adjourn the meeting and Mr. Hebert seconded the motion. Mr. Sandmann was reminded that he is able to adjourn the meeting without a roll call vote and Mr. Sandmann adjourned the meeting at 10:24am.