



**Cooperative Alliance for Seacoast Transportation  
Minutes of the Meeting of the Board of Directors  
Wednesday, August 24, 2022**

**PRESENT:** Fred Butler (virtually), Adam Causey, Benjamin Fletcher (virtually), Lauren Haley (virtually), Denis Hebert, Colin Lentz, Kristin Murphy, David Sandmann, Michael Scala, Dennis Shanahan, Nick Taylor (virtually)

**ABSENT:** Scott Bogle, Sönke Dornblut, Margaret Joyce, Thomas Wright

**STAFF:** Rad Nichols, Margot Doering (virtually), Michael Williams (virtually)

**I. CALL TO ORDER AND INTRODUCTIONS**

The meeting was called to order at 8:34am by Mr. Sandmann.

**II. APPROVAL OF MINUTES**

Mr. Sandmann asked if a motion could be made to approve the minutes of the July 27, 2022 meeting. Mr. Hebert made the motion to accept the minutes as drafted, and Mr. Lentz seconded the motion. There was no discussion and Mr. Sandmann undertook a roll call vote.

Mr. Causey	Yes
Mr. Fletcher	Yes
Ms. Haley	Yes
Mr. Hebert	Yes
Mr. Lentz	Yes
Ms. Murphy	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Taylor	Yes
Mr. Sandmann	Yes

The motion passed.

**III. PUBLIC COMMENT**

There were no public comments to share and no members of the public present to speak.

Mr. Nichols noted that we do have a COVID outbreak amongst our operations staff and highlighted communications that are taking place around this issue. He also gave a timeline for the potential resumption of suspended services (after labor day weekend).

**IV. Financial Report**

Ms. Doering gave the financial report. On revenues, she noted a decline in fare revenues for July vs. June and how fare revenues have been bouncing around a bit month-to-month. A spike in advertising revenues collected was highlighted, as well as a strong pipeline of contracts going

forward. On expenses, materials and supply expenses were higher again due to the timing of fuel deliveries.

On the balance sheet there was an increase in cash due to receiving payment from the state for the final Gillig bus that we had paid for upfront. Shortly we should be able to draw roughly \$500K of CMAQ funds to reimburse ourselves for expenses incurred and paid, before our grant was approved.

On state fueling, tags continue to be an issue, as well as the state pumps at Dover not recognizing some of the tags we have. Mr. Shanahan asked about the decommissioning of the current Dover DOT fueling site and whether we would have access to the new site. Mr. Nichols confirmed that he did not know of any reasons why we shouldn't have access.

## **V. OLD BUSINESS**

### **Staffing**

Mr. Nichols went over the writeup that had been shared with the board in their packets, including little change since the August meeting, and the return of limited Saturday service on September 17.

Mr. Shanahan asked whether the return of Saturday service has been a higher priority for riders than weekday services. Mr. Williams commented that higher weekday service during afternoons would probably be a higher priority, but that is not something we can do with driver availability.

### **Facility Project Update**

Mr. Nichols noted the successful FTA 5339(b) grant announcement from earlier in the month. He then went over details on the various sources of awards to date, as well as pending awards, and remaining funds to be raised based on the current conceptual plan cost projections.

Ms. Murphy congratulated the staff on the success to raise funding to date.

Mr. Nichols noted the need to possibly hire outside help to help with the technical aspects of the project, distinct and separate from our engineering firm.

### **Fixed Route Technology**

Passio will be on site the last week of August to install hardware to be ready for launch the week of Labor Day. It is a tight timeline.

The new solution should be

### **Employer-based Pass Program**

Mr. Nichols explained that we are currently piloting with a couple of employers and their employees. We are working on finalizing marketing materials and will then work with Chambers of Commerce to launch.

### **2020 Census Data**

The release of this information through the Census Bureau has been delayed. Hopefully there will be an announcement in the last quarter of 2022 or first quarter of 2023.

Mr. Butler confirmed the delay.

Mr. Sandmann asked about the potential impacts. Mr. Nichols commented that there is a potential for our region to receive an increase in FTA 5307 allocations.

### **Small Low Floor Bus Procurement Update**

Mr. Williams explained that we continue to work through the process of determining that the single bid we received for these buses is fair and reasonable, and that our specifications did not unduly discourage other vendors from participating in the solicitation. Our latest calculations indicate it is and other vendors were not discouraged based on our specifications.

The price is approximately 30% higher than we had estimated, but the environment has changed significantly since the information we used for our estimate was calculated.

Our final steps are to finalize options and see if there is a resolution for a bike rack, which we have been told can not be mounted on the front of the buses.

Staff are not yet ready to bring this procurement to the board for a vote.

Mr. Sandmann and Mr. Dornblut asked questions around bike rack usage and options for how to otherwise carry buses.

Mr. Hebert asked whether we had looked at used vehicles instead of new. Mr. Williams explained that low floor vehicles like this are relatively new to the market. He also explained why we were seeking these vehicles vs. a traditional style cutaway bus, and the challenges of operating on schedule with a traditional style cutaway when boarding passengers needing to use the lift to board and alight. Mr. Williams said he would research used options.

### **Quarterly Email Update**

Mr. Nichols gave a quick overview of the anticipated release in September. The update is sent to elected officials, city/town staff, area partners/organizations, and public transit supporters as a way to keep them apprised of the latest happenings at COAST.

### **Transit Advertising**

Mr. Nichols noted that this year (2022) has been a record year for transit advertising sales by ATA, and revenues at COAST.

Mr. Scala remarked how this was great to see, even with the loss of some shelters like happened in Rochester.

## **VI. NEW BUSINESS**

### **ACTION ITEMS**

#### **Action Item #1: Small Low Floor Bus Procurement Ratification**

Mr. Nichols explained that on August 8 staff were notified by our single bidder that all the 2022 bus chassis were spoken for, and they were getting close to having all their 2023 bus chassis also locked up.

With that news, an emergency Executive Committee meeting was scheduled and held on Wednesday, August 10<sup>th</sup>. At the meeting the Executive Committee discussed staff's recommendation based on staff determining:

- the bid was fair and reasonable,
- was not too restrictive for other bidders,
- used options were very limited and not cost effective options to purchasing new,
- and the additional options selected were reasonable

The Executive Committee voted unanimously to approve a contract for four (4) low floor minibuses with Creative Bus Sales for a price not to exceed \$192,000 per vehicle. COAST would also retain options for up to four (4) more similarly specified vehicles under the pricing outlined within the bid response.

**Action Required:** *That the Board of Directors ratify the vote taken by the Executive Committee on Wednesday, August 10, 2022.*

Mr. Sandmann asked for a motion to ratify the vote of the Executive Committee. Mr. Lentz made the motion to ratify the vote taken by the Executive Committee, and Mr. Causey seconded the motion. There was no discussion and Mr. Sandmann undertook a roll call vote.

Mr. Causey	Yes
Mr. Fletcher	Yes
Ms. Haley	Yes
Mr. Hebert	Yes
Mr. Lentz	Yes
Ms. Murphy	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Taylor	Yes
Mr. Sandmann	Yes

The motion passed unanimously.

### **Action Item #2: Revised Passenger Code of Conduct Policy**

Mr. Nichols noted challenges with passengers onboard the buses continue. The number of banned passengers (for varying periods of time), because of having to request police assistance, is hovering over 5 currently.

To improve the on-vehicle environment for customers and COAST staff, an updated Customer Code of Conduct was drafted. The goal with this update is to:

- Be easier to read and understand
- Be more specific on what is and isn't allowed
- Be clearer on the consequences of misbehavior

Copies of the revised policy, along with the current policy are attached.

Staff solicited employee feedback on the update and presented the updated policy to the Policy Committee for their review and recommendation. The members of the Policy Committee recommend that the full Board of Directors adopt the policy as revised.

Mr. Williams highlighted that the main changes revolved around making the document easier to understand and some of the consequences.

Mr. Hebert asked for specifics around the consequences. Mr. Williams explained how the former policy was too broad and vague vs. the new proposed policy which breaks down the type/length of ban based on the violation in a chart. Mr. Hebert then wanted to know how we handled bad behaviors in the moment. Mr. Williams noted that nothing has changed in terms of how we handle bad behaviors while in service.

Mr. Scala noticed that physical assaults were missing in the body of the policy vs. in the chart. A discussion ensued around including specific language to that effect to the body of the policy.

Mr. Hebert asked, in the form of a motion, if an amendment to the policy could be made to the revised Customer Code of Conduct with inclusion of specific language for physical assaults . Mr. Sandmann asked for a second for the amendment. Mr. Shanahan seconded the motion. Mr. Sandmann asked Mr. Sandmann asked if there was any discussion on the motion. Seeing none, Mr. Sandmann took a roll call vote.

Mr. Causey	Yes
Mr. Fletcher	Yes
Ms. Haley	Yes
Mr. Hebert	Yes
Mr. Lentz	Yes
Ms. Murphy	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Taylor	Yes
Mr. Sandmann	Yes

The motion passed unanimously.

**Action Required:** *That the Board of Directors approve the revised Customer Code of Conduct, with inclusion of specific language for physical assaults, for immediate adoption.*

Mr. Sandmann noted we were now back to the main motion and a roll call vote was taken.

Mr. Causey	Yes
Mr. Fletcher	Yes
Ms. Haley	Yes
Mr. Hebert	Yes
Mr. Lentz	Yes
Ms. Murphy	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Taylor	Yes
Mr. Sandmann	Yes

The vote was unanimous.

**Action Item #3: Corporate Resolution for State Capital Match Contract with NHDOT**

Mr. Nichols shared that the NHDOT is entering into a contract with COAST for SFY2023 Capital Match funds. The funds will assist COAST with up to 10% of the purchase cost for up to 5 Low floor minibuses, 3 traditional minibuses, and 3 minivans, all of which will be fully accessible.

The total of the contract will be \$100,000.

**Action Required:** *That the Board of Directors adopt the attached Corporate Resolution to enable the Executive Director to enter a contract for said funds with the NHDOT.*

Mr. Sandmann asked for a motion to adopt the reference Corporate Resolution. Mr. Causey made the motion to adopt the resolution and Mr. Lentz seconded the motion. There was no discussion and Mr. Sandmann undertook a roll call vote.

Mr. Causey	Yes
Mr. Fletcher	Yes
Ms. Haley	Yes
Mr. Hebert	Yes
Mr. Lentz	Yes
Ms. Murphy	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Taylor	Yes
Mr. Sandmann	Yes

The motion passed unanimously

**Action Item #4: NH CDFA Certificate of Authority**

Mr. Nichols explained, as required to enter into and finalize our contract with the NH CDFA for this year's tax credit round we must submit a Certificate of Authority that demonstrates the Executive Director has the authority to sign such a contract.

The total value of the contract will be \$417,000.

**Action Required:** *That the Board of Directors authorize the Chair to execute the attached Certificate of Authority to enable the Executive Director to enter a contract for said funds with the NH CDFA.*

Mr. Sandmann asked for a motion to authorize the Chair to execute the referenced Certificate of Authority to enable the Executive Director to enter a contract for said funds with the NH CDFA. Mr. Hebert made the motion to authorize the chair and Mr. Lentz seconded the motion. There was no discussion and Mr. Sandmann undertook a roll call vote.

Mr. Causey	Yes
Mr. Fletcher	Yes
Ms. Haley	Yes

Mr. Hebert	Yes
Mr. Lentz	Yes
Ms. Murphy	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Taylor	Yes
Mr. Sandmann	Yes

The motion passed unanimously

### **COMMITTEE REPORTS**

Mr. Sandmann gave the update on Committee activities.

**Executive Committee** – met as previously described on August 10.

**Nominating Committee** – did not meet.

**Board Development Committee** – outreach to fill open positions on the board is ongoing.

**Policy Committee** – met to discuss Customer Code of Conduct.

**Legislative Committee** – did not meet.

**Finance Committee** – met on Monday, August 22.

There was a brief discussion around new members needed on Committees and Mr. Dumont's recent departure from the board.

### **DISCUSSION ITEMS**

#### **Discussion Item #1: FY23 Draft Operating Budget & Options**

Mr. Nichols gave an overview of the FY23 draft operating budget and options.

He discussed the roll up to beginning to work on the budget, overall goals for the budget, and an overall summary.

- Most FY23 projections are based on FY22 actuals through June, annualized, with service level and anticipated adjustments.
- The total FY23 draft operating budget is \$7,331,602. This compares to the FY22 approved budget of \$6,784,345 or an overall budget increase of \$547,257 (+8.1%).
- Despite lower service levels than we budgeted for in FY22, \$1.2M worth of new or additional costs and inflation mean overall costs are projected to be higher than budgeted in FY22.
  - Inflation = +\$603K, and calculated at between 7.3% and 10%, depending on the expense line item and includes inflationary effects for the costs of resumed services as well.
  - Cost of Resumed Service = +\$368K and are based on our current hourly and mileage costs YTD in FY22.

- FY23 adjustments = +\$179K
  - \$65K no return of HealthTrust surplus this year is expected
  - \$58K shift differential
  - \$30K engine replacement (over and above this year)
  - \$15K higher Eversource costs due to new rates
  - \$11K higher contract service renewal costs
- Coordination = +\$93K and is offset by higher revenues.
- The proposed FY23 budget projects a gross gain of \$703,588 due to the use of CARES and ARP funds. This gain is very important to our fiscal health once the CARES and ARP funds are gone.

Service level assumptions are as follows:

- Base projections for **fixed route service levels** assume a slow resumption of more fixed route services over the course of FY23. Projecting an overall 7.1% increase in service hours and 4.3% increase in service miles over currently projected FY22 actuals which reflect our current and significantly reduced service levels. We are not projecting getting back to full service levels.
- Projecting an overall 16.3% increase in ridership on **demand response services**. Which translates into a projected 16.6% increases in service miles and a 20.2% increase in service hours.

Ridership assumptions include:

- Projecting varied levels of ridership growth (or losses) by route or service, primarily based on how quickly fixed route services return from being suspended.
- This projection results in a 10.4% (+26k) increase in overall ridership from the FY22 year-end projections.

Currently projecting an overall expense growth rate factor of between 7.3% and 10% over previous projections or actuals (using a base inflationary rate of 7.3%, which matches the CPI-U for New England in July 2022).

Mr. Nichols discussed three different options, based on different percentage rates of growth for wages. Total expenses amongst the options range between \$7.309M to \$7.382M and gains of \$653K to \$726K.

Discussion ensued around what levels of pay would solve the issues we are having with positions we are having challenges filling.

There was a consensus around Option 1.

Mr. Shanahan asked about the importance of the actual value of the projected gains. Mr. Nichols remarked that it is more important to have competitive pay rates vs. potentially saving \$22K.

Mr. Nichols highlighted that staff has not yet put together updated five year projections to see how the budget as drafted may impact those, and that is something we hope to have for discussion at an upcoming budget workshop.

Mr. Scala asked for staff's preferred option. Mr. Nichols clarified Option 1 seems to achieve a balance between competitive pay and expenses growing too rapidly.



Mr. Hebert asked how this would affect municipal requests. Mr. Nichols noted that this is all based on the FY23 municipal requests approved last January.

There was discussion around when the budget workshop would be held in mid-September.

## **VII. COMMUNITY UPDATES/INFORMATION ITEMS**

### Ridership

- Overall ridership in July totaled 20,737. This was down 6.2% from June, partially due to 2 fewer operating days in the month.
- Fixed route ridership totalled 19,164, down 5.5% from June. That said, average weekday fixed route ridership was up 11.8% when compared to June, marking it as the highest average achieved in any month since the pandemic began. A reminder, we are currently providing significantly less fixed route service when making comparisons to the same months of the previous year (particularly starting in late May when all Saturday services were suspended).
- After peaking above 1,830 in June, demand response ridership in July totaled 1,573 for the month. This still represented a 14.6% increase over ridership in July 2021. Average weekday demand response ridership dropped slightly from June. Demand response ridership, like on the fixed routes, is being affected by the lack of any Saturday service.

### Community/Member Updates

Mr. Causey noted that Kittery has been awarded a contract by MEDOT for a reimagining of Route 1 all the way to the York line from the outlet mall area.

Mr. Taylor thanked staff for the new board member orientation.

Mr. Butler thanked the board for passing the Corporate Resolution for the NHDOT contract and congratulated the board on our recent grant award.

## **VIII. ADJOURNMENT**

Mr. Sandmann adjourned the meeting, without objection, at 10:00am.

Respectfully submitted by Margaret Joyce, Acting Secretary