

**Cooperative Alliance for Seacoast Transportation
Minutes of the Meeting of the Board of Directors
Wednesday, February 28, 2024**

PRESENT: Kendra Amaral (virtual), Crystal Paradis-Catanzaro (9:20am), Sonke Dornblut (virtual), Ben Fletcher (virtual), Carol Gulla, Denis Hebert, Mikayla Jerominek (8:40am), Margaret Joyce, Colin Lentz, Michael Scala, Dennis Shanahan, Peter Stith (virtual)

ABSENT: Michael Mates, Kristen Murphy, Nick Taylor, Thomas Wright

STAFF: Rad Nichols (virtual), Margot Doering, Michael Williams, Angel Cortez

At 8:37am, and in the interest of time and without a quorum yet present, Mr. Shanahan moved ahead with the presentation of informational information.

VI. FINANCIALS

Ms. Doering presented the January financials. She highlighted the good news that revenues through the farebox are up. Advertising revenue on the other hand was down sharply as happens from time to time. She had no particular comments on the expense side, except for increases in materials and supplies, which is the result of a reclassification of software and technology expenses into that category per FTA guidelines. We had not done that prior to setting our budget for the year. She also noted one small formula error on the spreadsheet related to the YTD vs. budget comparison for coordination.

Ms. Doering added that she was working with finalists regarding new accounting software. There are three finalists at this point.

There were no questions for Ms. Doering.

I. CALL TO ORDER AND INTRODUCTIONS

Having reached a quorum of members in attendance, the meeting was called to order at 8:42am by Mr. Shanahan. Introductions of everyone in attendance both in-person and virtually was conducted.

III. PUBLIC COMMENT

Mr. Nichols shared that one of COAST's Operators, Mr. Lamore, had reached the 5-year mark without a preventable collision in mid-January and was recognized for his achievement. Employees who reach this achievement are recognized with a plaque that is mounted on the wall in our operations offices.

Mr. Williams recognized Ms. Cortez as our newest Operations Supervisor. She started in the role about a month ago. She had been an Operator for a short time before taking on this new experience at Merrimack Valley RTA. Part of her training is to attend a board meeting and get to meet the board.

II. APPROVAL OF MINUTES

Mr. Shanahan recognized that he had skipped over approval of the minutes and asked if a motion could be made to approve the minutes of the January 24, 2024 meeting. Mr. Hebert made the motion to accept the minutes as drafted, and Ms. Joyce seconded the motion. There was no discussion and Mr. Shanahan took the vote by roll call.

Mr. Shanahan Yes
Mr. Scala Yes

Mr. Lentz Yes
Ms. Gulla Abstain
Mr. Hebert Yes
Mr. Dornblut Yes
Ms. Joyce Yes
Mr. Fletcher Yes
Ms. Amaral Yes
Ms. Jerominek Abstain

The motion passed unanimously with two abstentions.

V. OLD BUSINESS

Mr. Nichols shared old business updates.

Day It Forward Campaign

As discussed last month, 2024 is a leap year, which means we have an extra day to do some good and make the world a better place.

This leap year, COAST is supporting Gather. In addition to collecting donations from our staff to donate to this great organization, COAST is pledging to donate all fares collected on February 29th to Gather.

Ways individuals can get involved:

- 1) Drop a cash donation in any COAST fare box on February 29th.
- 2) Drop off a nonperishable food or personal care donation during our Stuff-A-Bus event (7AM - 2PM on 2/29 at the Dover Central Ave. Hannaford Parking Lot).
- 3) Purchase bus tickets from COAST to donate to Gather clients. COAST will match all ticket donations to double the impact!

If you are interested in participating at all as a member of the board, please feel free to reach out to Vanessa or Rad.

www.coastbus.org/give

Major Gifts Campaign

Staff and our consultants have begun fleshing out Phase 1 of the campaign and setting up the infrastructure necessary for a successful campaign. These include items such as a timeline, plan, organizational chart, policies and procedures, campaign steering committee description and recruitment, collateral development (case statement and supporting materials) and a communications plan. Staff and our consultants meet weekly.

An in-person organizational meeting with individuals on the board who have expressed interest in the Campaign Steering Committee and our consultants is being held on 2/29 at 1pm in the conference room at our administrative office. We are still looking for recommendations on individuals outside of the board who might be good Campaign Steering Committee members, serving as a sounding board for our campaign strategies.

It is likely that we will stretch to reach an overall campaign goal of \$7MM. This will consist of the following components:

Capital Campaign \$4MM
Annual Campaign \$1MM
Endowment Campaign \$2MM

Things are moving forward at a brisk pace.

Public Relations and Awareness Campaign

As we have discussed in the past, many people in the communities we serve are unaware that COAST is a nonprofit organization and that each year we raise the funds we need to support our nearly \$8M operation from a blend of sources, which includes all levels of government as well as businesses and individuals.

To further support our expanding fundraising efforts this year and beyond, we are embarking on a public awareness campaign in the communities we serve, beginning in Farmington later this month and expanding to Rochester, Somersworth, Dover, and Portsmouth in the spring and summer.

We'll be starting with an ad campaign in our bus shelters and on the unsold ad space on our vehicles. The campaign will include a photo of a member of the community and a quote drawing attention to the community's important financial support of COAST. Be on the lookout for one of our staff (Gib), who has graciously agreed to be featured in this first campaign as a COAST Operator and Farmington resident.

We are also becoming more active in our press releases and social media activities as we begin to raise awareness. We are planning on releasing two to four press releases a month and are also realigning our quarterly newsletter to match our current messaging priorities.

NHSOS Status Update

The NH Secretary of State's office rejected our application for revival, citing the fact that we were formed under NH RSA 239. Staff has reached out to our corporate attorney for additional guidance and a meeting to discuss potential approaches is being held on February 28 at 2:30pm.

Municipal Bus Pass Pilot Update

In the last three weeks we have issued 21 municipal bus passes to Dover municipal and school district employees.

At this point it appears as if we have successfully implemented the pilot in one member community and we are looking for another to volunteer to participate. Ideally, we want to see how easily we can replicate our success in Dover.

Triennial Review

This is a Triennial Review year for COAST and the FTA. There is a tremendous amount of work that goes into a Triennial Review.

The first step of the Review is to respond to what is termed the RIR. The RIR is a comprehensive request for documents and answers to questions that are meant to demonstrate our compliance with the 23 functional areas the FTA's reviewers will be looking at. This is due on February 29.

Subsequently, there will be a back and forth with the reviewers as they prepare for our site visit, which is scheduled for July 23-25.

Our last two reviews have been without findings, and we hope to repeat that achievement, or be very close again this review.

Facility Update

There are several fronts to provide updates on.

FTA Grants - we are looking to submit a final design and construction grant to the FTA containing the 5339(a) funds released to us via the NHDOT, 5339(b) funds awarded to us via the FTA, and Congressionally Designated Spending funds awarded to us via Senator Shaheen by the end of the month or early March. At that point there will only be roughly \$2MM of 5339(a) funds yet to be put on a grant. Those funds will not be released to us until we can demonstrate we have the match for them (\$400M). Once submitted, grants typically take 30-45 days to be approved. We cannot move ahead with final design until this grant is approved.

CMA Contract Extension - we have discussed a contract extension with the FTA Region I Office as our original 5-year contract has expired at this point. They have given us a pathway to move forward without having to go back out to bid and potentially being forced to change engineering firms.

Timeline - we had been shooting for completion of final design this summer and bidding for construction this fall. At this point this schedule may be in jeopardy and may need to be pushed out.

Other Items

Other things that Mr. Nichols brought up included, (1) that we are transitioning from a hardware-based server at our offices to the cloud, and that will save us money long term, which we'll probably invest in a new software platform for our finance arm, and (2) two other big federal reports due recently, our annual drug and alcohol MIS report, that was submitted yesterday by Michael, and then we wrapped up our annual safety reporting to the FTA within the last week or so as well.

Mr. Shanahan commented on the organization having a couple of irons in the fire with a major fundraising campaign and design and construction of a new facility.

There was no further discussion on old business.

VI. NEW BUSINESS

ACTION ITEMS

Action Item #1: Acceptance of New Somersworth Representative, Crystal Paradis-Catanzaro

Mr. Nichols explained that on October 4 we were notified by City Manager Belmore that a new City Council Representative for COAST had been appointed to fill the seat formerly held by Council Gibson.

Ms. Paradis-Catanzaro is currently representing Ward 4 on the Somersworth City Council. Her committee seats as a Councilor also include Economic Development, Public Safety, Recreation, the Joint Commission of City Council and School Board, and the Mayor's Commission on Culture, Ethnicity, and the Arts.

Action Requested: *That the Board of Directors accept Councilor Paradis-Catanzaro as Somersworth's representative on the COAST board of directors.*

Mr. Shanahan asked if a motion could be made to accept Councilor Paradis-Catanzaro to the COAST board of directors. Ms. Joyce made the motion to accept Councilor Paradis-Catanzaro, and Mr. Hebert seconded the motion. Mr. Shanahan asked if there was any discussion.

Ms. Joyce commented that she had come across the Councilor a few times, and in a couple of different areas, and she is known as someone who when she makes a commitment is all in. She looked forward to working with our new Somersworth representative.

There was no further discussion and Mr. Shanahan took the vote by roll call.

Mr. Shanahan Yes
Mr. Scala Yes
Mr. Lentz Yes
Ms. Gulla Yes
Mr. Hebert Yes
Mr. Dornblut Yes
Ms. Joyce Yes
Mr. Fletcher Yes
Ms. Amaral Yes
Ms. Jerominek Yes

The motion passed unanimously.

Action Item #2: FY23 Audit Acceptance

Ms. Doering gave the board an update on the FY23 audit. She noted that things went very smoothly, we had uploaded everything virtually, then the auditors came in for two days for the part of the audit they do in person. It is always a great opportunity to go through things with them to make sure that we were properly accounting for everything, and with the clean audit that resulted, she noted that we've been doing things right. There is always one comment that they make regarding the timing of revenue recognition of our grants for the coordination program.

Mr. Nichols added that unfortunately, our 2023 audit was not completed in time for the January meeting of the board of directors. Subsequently it was completed and forwarded in draft format for the staff to review and the Executive Committee took action to accept the audit so that it could be filed with the State of New Hampshire and IRS by February 15.

Upon staff review, there was one recommended edit to Note 12 in the Financial Statements, relative to identifying details about funding for our new facility. Those changes will be incorporated by the auditors in the final document.

In the draft required communications with governance, a summary of audit differences identified an issue of timing of net contributions recorded as used, rather than as granted. The effect on net revenue over expenses was (\$29,842).

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the Cooperative Alliance for Seacoast Transportation were prepared in accordance with GAAP.
2. No reportable conditions were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Cooperative Alliance for Seacoast Transportation were disclosed during the audit.

4. No reportable conditions were disclosed during the audit of internal controls over major federal award programs.
5. The auditor's report on compliance for the major federal award program for the Cooperative Alliance for Seacoast Transportation expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award program for the Cooperative Alliance for Seacoast Transportation.
7. The program tested as a major program was transit operations - the provision of bus transportation, Federal Assistance Listing number 20.507.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Cooperative Alliance for Seacoast Transportation was determined to be a low-risk auditee.

Action Requested: *That the COAST Board of Directors endorse the Executive Committee's February 14, 2024 acceptance of the Draft 2023 audit reports as presented.*

Mr. Shanahan asked for a motion for the COAST Board of Directors to endorse the Executive Committee's February 14, 2024 acceptance of the Draft 2023 audit reports as presented. Mr. Hebert made the motion as described and Mr. Dornblut seconded the motion. There was no further discussion and Mr. Shanahan took the vote by roll call.

Mr. Shanahan Yes
Mr. Scala Yes
Mr. Lentz Yes
Ms. Gulla Yes
Mr. Hebert Yes
Mr. Dornblut Yes
Ms. Joyce Yes
Mr. Fletcher Yes
Ms. Amaral Yes
Ms. Jerominek Yes

The motion passed unanimously.

DISCUSSION ITEMS

Discussion Item #1: Contracted Project Manager

Mr. Nichols explained that he did not get as far into this as he had wanted prior to the meeting. Ideally, he was shooting to put the idea of a contracted owner's project manager on the March board meeting agenda as an action item to vote on, particularly as we get further along into our facility project.

Mr. Nichols expressed some doubt as to just when we want to bring somebody on in this role, whether it's now to help with advancing through final design or is this something we wait until we get to the point where we're putting together bidding materials and we bring them on at that point, or even wait until construction. He asked to hear insights from members of the board.

Mr. Shanahan asked where funding for this would come from. Mr. Nichols responded it could come from project funding we have vs. the operating budget.

Mr. Hebert asked whether we were looking for a construction manager vs. project manager. Mr. Nichols responded that we expect the scope of the next CMA agreement to include their oversight of construction (as our engineering firm) and we would have a project manager to help us stay on top of and manage a project of this size. Mr. Hebert cautioned against hiring someone now if we are not going to go straight into construction.

Mr. Shanahan identified that a reasonable step timing wise could be somewhere around award of the construction contract. He suggested that we develop scopes of work so we differentiate between what an individual in this role would be doing vs. CMA's staff. That way we don't overlap or gap on the project.

Ms. Joyce asked how we would find someone to fill this role. Mr. Scala replied there are professional project managers that you can either hire, or firms with staff that can fill this role. He asked Mr. Nichols what his plan was. Mr. Nichols responded that we would put out an RFQ, but we would need to investigate how best to advertise that.

Mr. Shanahan asked Mr. Nichols if he had gotten enough feedback on the topic. Mr. Nichols replied he had.

The consensus was for Mr. Nichols to develop scopes for both CMA as construction manager and a project manager to bring back to the board of directors at a future meeting, including assumptions on when to bring a project manager on board.

Committee Reports

Mr. Shanahan gave an overview of recent committee activities.

Executive Committee – met on 2/24 to review and accept the audit.

Fundraising Committee – in formative stages and an organizational meeting is being held on 2/29.

VII. Community Updates/Information Items

Mr. Nichols highlighted the fact that ridership has been roaring back. We started bringing back our temporarily suspended services, beginning last May and in phases over the course of the summer, fall, and now winter, and we have seen 35% or greater improvements in ridership year over year each month since. In January we saw a 45% increase in ridership on our fixed route system and it looks like we are going to be close to that again in February. Of course, the warmer temperatures we have been experiencing helped that along, but those are incredible gains year over year at this point. If we're this strong at this point, he noted that he is really looking forward to seeing what the nicer weather months look like down the road here.

Mr. Shanahan asked about our experience with the Frontrunner minibuses now that we have 4 months or so of experience. Mr. Williams noted that we have worked through the issues we first experienced with range through fueling mid-shift. Mr. Shanahan asked if that meant we would be ordering more of this type of vehicle. Mr. Williams responded that we would not be ordering more of this vehicle type and gave new examples of why.

Mr. Dornblut thanked Mr. Nichols and Williams for their recent presentation to the Newmarket Town Council on options for reconnecting to the fixed route system.

Mr. Scala gave an update on a conversation he had with the owners of The Ridge regarding issues with maintenance on bus shelters on the property.

Ms. Paradis-Catanzaro entered the meeting and was welcomed as a newly accepted new member to the board. She noted that she is very excited to join the board and gave a quick update on her background. She is a big fan of all the work that COAST has done and excited to learn more about how she can help advance the work of COAST and serve as a resource. The board members took a minute to introduce themselves and give context to why they are on the board.

VIII. Adjournment

Mr. Shanahan adjourned the meeting, without objection, at 9:27 am.

Respectfully submitted by Ms. Joyce, Secretary