



Approved October 23, 2024

**Cooperative Alliance for Seacoast Transportation
DRAFT Minutes of the Annual Meeting of the Board of Directors
Wednesday, September 25, 2024**

PRESENT: Scott Bogle, Arthur Capello, Ben Fletcher, Denis Hebert, Margaret Joyce, Colin Lentz, Crystal Paradis-Catanzaro, Dave Sandmann, Michael Scala, Dennis Shanahan, and David Tovey

ABSENT: Kendra Amaral, Fred Butler, Sonke Dörnblut, Michael Mates, Joann Neumann, Nick Taylor

STAFF: Rad Nichols, Michael Williams, Margot Doering, Heather Hesse-Stromberg, Vanessa Polychronis, Phil Smith, Jeff Donald

I. CALL TO ORDER AND INTRODUCTIONS

The meeting was called to order at 9:07am with a quorum present. Attendees introduced themselves.

II. APPROVAL OF MINUTES

Mr. Sandmann made a motion to approve the August 28, 2024, meeting minutes which was seconded by Mr. Capello. There was no discussion. All voted in favor.

III. PUBLIC COMMENT

Mr. Nichols reported that the Learn and Engage event hosted by City of Dover and Greater Dover Chamber of Commerce was last evening. He noted that there was great participation and great turnout with many good conversations before and after the presentation. During the Q & A portion people contributed great feedback and spoke about the significant importance of COAST to their communities and organizations.

Mr. Shanahan acknowledged the heavy lifting to get such a great event together and thanked Ms. Joyce and Ms. Polychronis for their efforts. Mr. Shanahan shared that the first question was from Anna Boudreau, the Executive Director of Our Place (an 11-12 unit living facility for adults with disabilities) asking how to get a bus stop in front of her facility and recognizing the importance of COAST's services to her residents. He also noted that the President of Great Bay Community College spoke about the integral role of COAST in getting students to their school sites.

The next Learn and Engage event will be in Rochester on October 29th hosted by Mayor Callahan and Laura Ring of the Greater Rochester Chamber of Commerce.

Mr. Nichols shared that FY2024 has been a fantastic year regarding COAST's primary metric - ridership. He noted that last year we provided around 250,000-260,000 rides and this year we should be very close to 375,000 rides. This is an amazing jump in how many people we serve. He believes this is due to people being more comfortable riding as COVID's impact lessens,

COAST being more reliably staffed, and being able to get out from underneath the reduced and suspended services that had previously been in place.

IV. FINANCIALS

Ms. Doering reported nothing of great significance but recognized the uptick in fares in August associated with higher ridership. She noted that Federal Assistance has dropped because we've exhausted CMAQ and ARPA funds. We are now starting to go through the local money we have been able to save while using those other federal programs. She noted that we have been able to keep expenses down.

Ms. Doering shared that Multiview, the cloud-based system COAST was scheduled to implement on November 1st, will go live on October 1. Ms. Doering reported that, after she is comfortable with the system, she will train Mr. Williams and Mr. Nichols so they can run their own reports in live time to get information they need. She stressed that this will much improve the tedious process of our annual NTD reporting.

Mr. Nichols noted his excitement about Multiview in helping with budgeting and providing more clarity regarding setting wages and determining other expenses.

V. OLD BUSINESS

New Facility Update

Mr. Nichols reported that we are finalizing the scope for final design and construction bidding services with CMA which we hope to present to the Board at October's meeting. If the Board approves the final design at the October meeting, CMA is confident that final design can be completed by summer of 2025 with construction bidding to start late summer into early fall of 2025.

COAST has agreed to handle the construction management scope as a separate item because the cost of those services can't be determined until the final design is complete. However, Mr. Williams continues to work on the proposal for a Clerk of the Works position separate from CMA.

Fundraising Update

As mentioned under Public Comment, the Learn and Engage Event on September 24th was a success. In addition to the Rochester event on October 29th, the hope is to have a similar event in Portsmouth before the end of CY24.

Legislative Update

Mr. Nichols reported that we are gearing up for the upcoming SFY26-27 NH budget process. He shared that, through NHTA, he's been working on asking for the state to match 50% of the 5307 funds allocated to New Hampshire, which would result in a state match contribution of around \$8.75M (vs. \$2.28M in SFY24-25).

In addition, he noted that NHTA is hoping to submit legislation in the State Senate to better protect public transit workers from assault and to give the transit agencies standing to bring charges against anyone who assaults our workers.

On the federal level, NHTA has expressed support for additional funding of programs under the 5339 program as outlined in the Senate Transportation, Housing, and Urban Development

THUD) markup for FY25. Letters of support have been submitted to Senator Shaheen who sits on that committee.

Ms. Paradis-Catanzaro reminded members that newly elected representatives can bring forth new legislation beyond the deadline.

Community Transportation Month and Week Without Driving

October is Community Transportation Month which includes the Week Without Driving (September 30 – October 6). NHTA is working with their members to encourage participation and details can be found on the NHTA website (www.nhtransit.org/community-transportation-month).

COAST will be engaging in several activities to celebrate Community Transportation Month. Ms. Polychronis spoke about the Week Without Driving which started in 2020 in Washington State through an advocacy group looking to make communities more accessible for everyone. They started by asking local leaders to try to go without their cars for a week to increase their awareness of the challenges of accessibility. This became a national event in 2023. This year, COAST wants to participate and is asking Board members to give up their car for one day to see what that looks like for them. They may have to rely on public transit, Uber, ride their bike, or walk to get where they need to go. They might have to rely on Door Dash or Instacart to get their groceries or meals. After their car-free day, Ms. Polychronis will interview them to learn what surprised them and what challenges they faced. She will then use their thoughts and feedback to spur on conversations in COAST communities. Mr. Nichols noted that he already has a commitment from 6 Board members to participate and asked anyone else interested in participating to reach out to Ms. Polychronis.

Speaking Opportunities

Mr. Nichols reminded members to let him know about any opportunities for COAST to present a general overview of COAST with some targeted information depending on the community we're presenting in. These would be 20-30 minutes long and the presentation is available if any Board members would like to be part of these presentations.

Mr. Bogle suggested we get in front of the two Rotary groups in Portsmouth and Mr. Capello suggested the American Legion in Berwick. Mr. Bogle also suggested Leadership Seacoast, Mr. Scala suggested Rochester Rotary, and Ms. Paradis-Catanzaro suggested Leadership NH.

Mr. Capello suggested Berwick Community TV for a PSA.

VI. NEW BUSINESS

Action Items

Action Item #1: Election of Officers

The COAST Nominating Committee (comprised of Mr. Bogle, Ms. Joyce, and Mr. Lentz) proposed a slate of Officers at the August meeting. Mr. Bogle noted that, given COAST is in the middle of a capital campaign, it would be of tremendous benefit to maintain as much consistency in leadership as possible and all currently serving were amenable to serving again in FY25.

The Proposed Slate of Board Officers:

Chair: Dennis Shanahan, Dover
Vice Chair: Michael Scala, Rochester
Treasurer: Scott Bogle, Rockingham Planning Commission
Secretary: Margaret Joyce, Dover Chamber of Commerce

COAST's Executive Committee will be made of the Officers plus one appointee at the discretion of the Chair, per COAST Bylaws.

Action Requested: *The COAST board of directors elect the FY2025 Board Officers as presented.*

Mr. Sandmann made the motion to elect the FY2025 Board Officers as presented, which was seconded by Mr. Capello.

To emphasize the importance of this vote, it was taken by roll call.

The vote was as follows:

Mr. Bogle	Yes
Mr. Capello	Yes
Mr. Fletcher	Yes
Mr. Hebert	Yes
Ms. Joyce	Yes
Mr. Lentz	Yes
Ms. Paradis-Catanzaro	Yes
Mr. Sandmann	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Tovey	Yes

All voted in favor and officers were thanked for the current and future service.

Action Item #2: FY25 Board Meeting Calendar

COAST Board meetings are generally held on the fourth Wednesday of the month, with the exception of November and December.

Monthly Meetings of the COAST Board of Directors are held at 8:30am at Strafford County CAP's office in Bradley Commons (577 Central Avenue, Dover). If a quorum is physically able to be present, a hybrid option is also intended to be available.

The following calendar was proposed:

October 23, 2024
November 20, 2024
December 18, 2024
January 22, 2025
February 26, 2025
March 26, 2025
April 23, 2025
May 28, 2025
June 25, 2025

July 23, 2025
August 27, 2025
September 24, 2025

Action Requested: *That the Board of Directors review and approve the proposed FY2025 meeting calendar.*

Ms. Joyce made a motion to approve the proposed FY2025 meeting calendar which was seconded by Mr. Sandmann. All voted in favor.

Action Item #3: FY25 COAST OPERATING BUDGET

Mr. Nichols shared that there have not been any changes to the proposed budget since the August presentation.

Mr. Nichols presented overall goals of the FY25 Operating Budget which were to maintain all currently operated fixed route service levels, meet increasing demand for ADA services in the region, and maintain competitive, or even attractive, pay rates for the most challenging to fill positions of CDL and Non-CDL Operators.

He noted that most FY25 projections are based on FY24 actuals through July, annualized, and with service level and other anticipated adjustments then accounted for. The total FY25 draft Operating Budget is \$8,260,456 (an increase of \$659,179 over FY24 or an 8.7% increase). In addition, there is a projected loss of \$356,864 in FY25.

Inflation is adjusted up to 3.0% as a baseline which is still 0.5% under the CPI-U for the preceding 12 months in New England (through July 2024). Inflation accounts for 34% of the projected increase in our operating costs for FY25 but Mr. Nichols anticipates inflation will continue to drop through FY25.

Ridership is anticipated to grow by 5.8% (20.8K) over FY24 year-end. Added costs associated with operating our full fixed route schedule this year total just under \$120K. Added costs associated with the growing demand for our demand response services total \$177K.

Additional expenses for FY25 are attributable to the following:

- Inflation (34%)
- Additional Fixed Route Service (13%)
- Additional Demand Response Service (19%)
- FY25 Adjustments (5%)
- commuteSMART TMA revival (13%)
- Coordination growth (9%)
- Non-FTA Activities (7%)

Additional FY25 adjustments include those made for new accounting software and added functionality of Passio (just under \$24K), just under \$2K associated with switching our 2-way radio system to cellular-based, \$50K for two additional engine rebuilds over our current experience this year. A reduction in administrative wages of just over \$26K is associated with fundraising activities that are not permissible under FTA funding so will appear under Miscellaneous expenses.

The reinvigoration of the commuteSMART TMA will add \$126K to the budget. Coordination expenses are more than offset by Coordination-related revenue, and will add just over \$88.5K to the budget.

Non-FTA related activities will add expenses of \$67K to the budget and are largely associated with fundraising activities which include the IPE agreement, staff time, communications support, and design and production services.

The projected loss will be made up with reserves we have available should our experience go as projected.

Service level assumptions are for fixed route service hours to increase by 3.7% and service miles to increase by 2.1%. Demand response service hours are anticipated to increase by 12.7% and service miles to increase by 12.3%.

COAST is projected to end FY24 with a 25% increase in ridership systemwide which is well over what was projected in the FY24 budget. Ridership is projected to increase by 5.8% in FY25.

Wages must be kept at a competitive level to continue to attract and maintain our operating staff. The most challenging positions to fill continue to be CDL Operators and Non-CDL Operators. The FY25 budget includes a proposed 4% increase for Operations and Maintenance staff and a 3.5% increase for Administration and Coordination staff.

Action Requested: *The COAST Board of Directors approve the FY2025 Operating Budget.*

Mr. Sandmann made the motion to approve the FY2025 Operating Budget, and Mr. Lentz seconded it.

Mr. Scala asked how this proposed budget lines up with the fiscal cliff discussion from last year. Mr. Nichols noted that we're still on the same trajectory.

Mr. Hebert asked if we need to do more to keep our CDL drivers. Mr. Nichols noted that, for the most part, people aren't leaving to go elsewhere. Most often, people leave either because of their own health challenges or cross a line that results in the end of their employment. Mr. Hebert stressed that he does not want us to fall behind again because the biggest issue he hears from businesses is that they need their employees to have reliable transportation, and our service suspensions lead to people not feeling they can depend on the bus to get to work.

Ms. Paradis-Catanzaro asked why we don't build the use of reserves as a line item into the budget rather than leaving the loss. Mr. Nichols noted it's new for COAST to show a loss, but that we can certainly reflect it a different way.

Mr. Capello stressed that he doesn't want to add to COAST's overall loss, but that he believes Admin staff should get the same increase as what the Operations staff will get because office staff are just as important as the drivers, and we should work just as hard to keep them. Mr. Capello made a motion to have all wage increases for FY25 be at 4% and Mr. Hebert seconded the motion for discussion. Ms. Doering noted that the impact would vary based on whether someone is hourly or salaried and how it compares with other positions and suggested looking at it position by position. Mr. Capello said he thought this was a COLA increase versus a merit increase (which he believed was what Ms. Doering was suggesting), and that a COLA increase should be across the board. Mr. Nichols noted that it's unusual for there to be different

percentage increases for Operations and Administration but that he was looking for ways to decrease the deficit. When asked what kind of numbers we would be looking at by increasing Administrative wages by 4%, Mr. Nichols projected it to be under \$5,000 for the year.

Mr. Shanahan called for a roll call vote on the motion to increase all wages by 4% in the proposed FY25 Operating Budget.

The vote was as follows:

Mr. Bogle	Yes
Mr. Capello	Yes
Mr. Fletcher	No
Mr. Hebert	No
Ms. Joyce	No
Mr. Lentz	Yes
Ms. Paradis-Catanzaro	Yes
Mr. Sandmann	No
Mr. Scala	Yes
Mr. Shanahan	Yes
Mr. Tovey	Yes

The motion passes with 7 voting yes and 4 voting no.

Mr. Shanahan noted that the proposed budget has now been amended to increase all wages by 4%, which will increase the overall deficit by less than \$5,000 by Mr. Nichols' estimate.

Discussion continued with Mr. Bogle asking about the projected increase in demand response service hours and miles and whether that was tied to new trips being longer than the current average trip. Mr. Donald noted that adding the extra day of service to Route 7 On Demand in Exeter would likely result in those increases and Mr. Bogle noted that the new service is supported by new money coming into COAST.

Mr. Shanahan asked if fuel is included in the Materials and Supplies line. Ms. Doering indicated that it is and that the cost is between \$30K-\$35K a month between monthly diesel deliveries and gas purchased at Irving. Mr. Williams noted that we now use more gasoline because we are using more cutaways and Frontrunners. Mr. Capello asked if we have a Rite Express card which allows us to pay no taxes due to being a non-profit. Mr. Williams noted we have reward cards that give us a lower price at the pump but that we are not sure if that is equivalent to the savings with the card Mr. Capello suggested. Mr. Nichols noted that he would investigate this.

Mr. Hebert expressed concern about the money we're taking out of reserves and noted that he does not want us to keep pulling from reserves going forward, leaving us in a position that could be problematic. Mr. Nichols noted there is currently approximately \$3.3M in reserves and added that if we have success in increasing state funding, we won't have to take from reserves. Mr. Nichols noted that we are now using more federal 5037 funding than we are being allocated on an annual basis. Mr. Bogle noted that highlighting the deficit may spur action from others to help advocate for an increase in state funding.

Mr. Shanahan noted we need to revisit the fiscal realities of the upcoming years and what Plan A, Plan B, and Plan C will be to make sure the floor is not \$0. He reflected that Plan B is close to death spiral because it includes cutting services which decreases ridership, which leads to

more cutting of services, etc. Mr. Nichols agreed to have an update ready for Board discussion at the October or November meeting.

Ms. Paradis-Catanzaro asked if our federal money is maxed out, how are we showing that loss? She wondered if having an \$8.6M budget over an \$8.2M budget impacts the amount of federal funding we get. Mr. Nichols stressed that federal funding is based upon population and possibly density, but organization budgets are not factored in.

Having no further discussion, Mr. Shanahan called for a roll call vote on the proposed Operating Budget for FY25 including a 4% wage increase for all staff.

Mr. Tovey left the meeting prior to the vote.

The vote was as follows:

Mr. Bogle	Yes
Mr. Capello	Yes
Mr. Fletcher	No
Mr. Hebert	Yes
Ms. Joyce	Yes
Mr. Lentz	Yes
Ms. Paradis-Catanzaro	Yes
Mr. Sandmann	Yes
Mr. Scala	Yes
Mr. Shanahan	Yes

The motion passed with 9 voting yes and 1 voting no.

Mr. Nichols noted that at the August meeting the idea of raising fares was raised and that Mr. Williams did go back and look at our recent fare analysis.

Mr. Williams shared that in Winter 2023 COAST conducted an analysis based on comprehensive national study by APTA from 1991 (most recent real methodology we have). He noted that the study shows that a slight increase in fares leads to a slight decrease in ridership and revenue. However, a large increase (33%) leads to a significant decrease in ridership and a slight increase in revenue. He noted some large systems (NJ Transit) have recently increased fares and others have fare increases about to go into effect and that he will reach out to them after the fares have been in place long enough to have impactful data to learn the impact of those fare increases. He also noted that York County Community Action has just put into place a significant fare increase. It is hoped that we'll have more current data and experiences to rely upon soon.

Mr. Nichols noted that one variable we can't account for is the difference between electronic fare payment versus an all cash system (how riders respond is different). Mr. Hebert shared that he would like this topic to be on our agenda for the coming year so we can explore both increasing our fare and going to an electronic system.

Mr. Williams shared that for an electronic fare system to work, customers need to have smart phones and, in recent rider surveys, about 83% of our riders have smart phones. He noted that they would also have to have bank accounts, which is not information we currently have as part of our survey.

Community Updates

Ridership

As Mr. Nichols noted earlier under Public Comment, we have seen some significant increases in our Fixed Route ridership. Overall ridership in August was up 8.2% from July and up 16.6% from August of 2023. Fixed Route ridership was up 8.8% from July and 18.4% from August of 2023 and Demand Response ridership was down 0.7% from July and down 7.4% from August of 2023.

Somersworth

Ms. Paradis shared that Somersworth is taking up a supplemental amendment to the budget to consider an increase in its contribution to COAST, which will be discussed at the next committee meeting

VII. Adjournment

The next Board Meeting will be on October 23, 2024. Mr. Capello made a motion to adjourn, which was seconded by Ms. Joyce. Mr. Shanahan adjourned the meeting, without objection, at 10:18 am.

Respectfully submitted by Ms. Joyce, Secretary