



**Cooperative Alliance for Seacoast Transportation
Minutes of the Board of Directors
Wednesday, May 28, 2025**

Present: Scott Bogle, Fred Butler (virtual at 8:39), Arthur Capello, Sean Clancy, Emily Ham (virtual), Denis Hebert, Margaret Joyce (arrived 8:36), Colin Lentz, Dave Sandmann, Michael Scala, Dennis Shanahan, Jillian Harris (virtual at 8:57), and David Tovey (virtual)

Absent: Kendra Amaral, Michael Mates, Sönke Dornblut, Joann Neumann, Crystal Paradis-Catanzaro

Staff: Rad Nichols, Michael Williams, Margot Doering, Vanessa Polychronis, Heather Hesse-Stromberg (virtual)

Guest: David Lemay, Rochester resident

I. CALL TO ORDER

The meeting was called to order by Chair Shanahan at 8:31am with a quorum present.

II. APPROVAL OF MINUTES

David Sandman made a motion to approve the minutes of the April 23, 2025 board meeting which was seconded by Denis Hebert. There were no comments, questions, or revisions.

Mr. Shanahan took the vote by roll call:

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|--------------|-----|
| Mr. Bogle | Yes |
| Mr. Capello | Yes |
| Mr. Clancy | Yes |
| Ms. Ham | Yes |
| Mr. Hebert | Yes |
| Mr. Lentz | Yes |
| Mr. Sandmann | Yes |
| Mr. Scala | Yes |
| Mr. Shanahan | Yes |
| Mr. Tovey | Yes |

The minutes were approved by unanimous vote.

III. PUBLIC COMMENT

Employee with anniversary will attend next month as they could not attend today.

IV. FINANCIALS

Ms. Doering reported on the financial results through April 30, 2025. She reminded the Board of the change in accounting process that results in the Coordination revenues being affected by the timing of grants and noted an increase in expenses compared with budget. Maintenance

and contract services both increased for the month with a series of expensive repairs occurring during the month. These amounts continue below budget, which includes the possibility of some engine rebuilds. On the balance sheet, she noted the higher than normal accounts receivable balance that resulted from having a federal grant in process. The grant has since been executed, and the balance is down to a normal level. She is meeting with Kennebunk Savings to further discussions about transferring some operating accounts to that bank. Mr. Hebert asked about the higher maintenance expenses. Mr. Williams noted that some other months were particularly low, which made April seem higher. However, there were some repairs that needed expensive parts (emissions systems, for example). In addition, the fleet is aging with six buses that are now past 12 years old. The new FTA directive places 14 years on the average life of a heavy-duty bus. Mr. Nichols noted that in some parts of the country that may be reasonable, but it is a stretch in the northern climates. Mr. Nichols also noted that we had just had our fuel tanks inspected, which was a significant cost during the month.

V. Old Business

Board Member Giving

Mr. Nichols thanked those board members who responded to his April 1st letter about the importance of achieving 100% board giving. Thus far we have received 14 donations totaling \$955 and another \$100 donation in the name of the board of directors. We reached 100% giving for 2025.

Fare Free Saturdays

Mr. Nichols reported on the third sponsored Fare Free Saturday which was held on May 24. It was sponsored by Breezeline, which also sponsored our first Learn & Engage Event last year in Dover. Ridership on Saturday the 24th was 1,107 on the Fixed Route system, a 23% increase over the average Saturday in May.

At this point we do not have our next sponsorship(s) lined up and are looking for leads.

State Operating Investment Advocacy

Mr. Nichols reported that funding close to, or level with, funding allocated to public transit operations in SFY25 remains in the budget to date as the Senate continues to work its way through their process. The Senate should wrap up their work by early next week and we should have a good idea of what the final result will be.

Facility – Final Design Update

Mr. Nichols reported that final design is progressing, likely a little behind schedule at this point. We have submitted comments on the latest AOM building drawings and they are being responded to. We received the latest updated drawings on the bus storage building on May 21. We continue to meet weekly with the team. Two meetings were held with Office Interiors narrowing down the overall look and feel which will be converted into a virtual rendering that can be shared with staff for their comments.

Mr. Hebert related his discussion with Mr. Nichols about the possibility of doing the project in two phases and how that affects the design of the project. Mr. Hebert stressed the importance

of the Board having that plan in place and which phase of the building plan would happen first. Big concern about the increase in costs after our next round of design or bidding.

Fundraising Update

Mr. Nichols shared we received a \$2,500 donation from the Bank of New Hampshire yesterday. We have multiple other solicitations out with local banks. FYTD our total donor count is 27, only one behind last FY and five behind FY23. Some of the dashboard reports available through our donor management software were included in the Board package.

We continue to seek one-on-one meetings with select individuals and companies who can introduce us to other philanthropists and/or consider donations of their own.

NH Gives

If you are interested in helping us raise funds this year through peer-to-peer fundraising and being a champion for COAST, please let us know as we prepare for NH Gives on June 10th. Peers create a COAST site within NH Gives and distribute requests for support to their circle of friends and acquaintances. This will help to broaden COAST's network of people interested in supporting us.

FTA Apportionments Released/Staff Changes

In mid-May the FTA's 2025 apportionments were released. Apportionments to the region (Rochester-Dover & Portsmouth UZAs) totaled \$2,143,958. This represented a 1.6% increase or \$34,423 increase. We expect to also hear from the state of Maine that they will allocate \$198,000 of the UZA apportionments in Maine for our use. Our total FTA allocations should be approximately \$2,342,550, a 1.7% increase. This does not represent the full increase of 2.54% authorized under the BIL and is well below the current rate of inflation.

FTA Region I staff departures/changes have been occurring this month and causing some shifting in roles. Our new grants coordinator for NH is Jonathan Schmidt as Christina Mendoza has departed the agency.

SB 297

This Bill, which would affect the operations of pooled risk management programs operating in the state like HealthTrust, had its latest subcommittee work session in the House Commerce and Consumer Affairs Committee on May 21. During that meeting the Committee did not reach consensus on an amendment to the Bill to allow for these pooled risk management programs to choose to move under the Insurance Department vs. the Secretary of State. HealthTrust provides all our employee benefits (excluding worker's compensation). When COAST joined, our expenses dropped 30-40%. As this Bill progressed, HealthTrust stated they could not operate under the Bill as proposed and would cease its operations.

ACT Budget Change – Mr. Nichols added to Ms. Doering's comment about the increase in Coordination expenses compared with budget. This resulted from additional funds provided by

Department of Transportation that were not part of the original budget. It results in no net change to the bottom line.

House Bill 143 – The Bill is relative to Trespass Notices and how they are served in public spaces (town hall, school board meetings). This may or may not affect how notices are served on COAST buses depending on how the Bill defines “public space.” COAST is experiencing a high level of banned passengers at this time. Enforcement of current notices by local police departments varies and the Bill could make the enforcement even murkier. Mr. Scala gave an example of a trespass notice executed in a COAST shelter in Rochester. Mr. Williams explained what people are being banned and trespass noticed for. Police departments are short-staffed and not able to assist as much as in the past.

VI. New Business

Action Items

Action Item #1: Demand Response Cutaway Procurement

In accordance with our Transit Asset Management (TAM) Plan, we are pursuing the replacement of one (1) additional small cutaway bus with a like vehicle (seating for 8 ambulatory customers & 2 customers w/mobility devices). This style vehicle is operated on our advance reservation demand response services like ADA, Route 7 On Demand, Portsmouth Senior Transportation, etc.

This vehicle is currently available to procure through a new State of New Hampshire contract with Coach & Equipment. This is how we have typically been procuring these vehicles in the last few years. We are also familiar with and satisfied with Coach & Equipment as a supplier of these vehicles.

The price for this vehicle has increased just over \$5,000, to \$133,481, since our last order in 2024.

Action Required: *The COAST Board of Directors approve a cutaway bus procurement contract with Coach & Equipment for one replacement minibus at a price not to exceed \$133,481.*

Mr. Capello made a motion to approve procurement of one cutaway bus from Coach & Equipment to replace an existing minibus at a price not to exceed \$133,481. Seconded by Mr. Lentz.

Mr. Shanahan took the vote by roll call:

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|--------------|-----|
| Mr. Bogle | Yes |
| Mr. Capello | Yes |
| Mr. Clancy | Yes |
| Ms. Ham | Yes |
| Mr. Hebert | Yes |
| Ms. Joyce | Yes |
| Mr. Lentz | Yes |
| Mr. Sandmann | Yes |
| Mr. Scala | Yes |

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|--------------|-----|
| Mr. Shanahan | Yes |
| Mr. Tovey | Yes |

The motion passed by unanimous vote.

Action Item #2: Director of Development Role Support

We have been in ongoing discussions with the NH Charitable Foundation (NHCF) since December about their help to support the development of our capacity to diversify our revenue streams through philanthropy. Our current staffing structure simply does not have the capacity to adequately support, grow, and sustain our development activities on an ongoing basis.

In early May NHCF awarded COAST \$50,000 of general operating support with the understanding that it is our intention this would be used to help bring in a staff person in a development role. There is a reasonable expectation that a second year of this level of funding will also be made available to us given sufficient progress during year one.

Subsequently, we have had numerous discussions with development professionals operating in the region to help us identify just what roles and title would be most appropriate for what we need. We have developed a full-time Director of Development role based on these discussions which was included in the Board package.

The activities to be completed by the individual filling this position are not eligible for FTA funding. All expenses will therefore be covered by non-FTA sources of funding, including the NHCF awarded funds.

This position is not currently supported within the approved operating budget. Given the recommended pay range and eligibility for benefits, this would add approximately \$120,000 of wage and fringe expenses to the cost of our operations over the next 12 months. This position will also allow us to transition away from our current consulting arrangement in the next couple of months.

A reasonable expectation is that funds raised through the creation of this position will cover these expenses within the first year and grow exponentially in subsequent years. Staff strongly recommend that this position is needed if we are to be successful in growing our philanthropic fundraising for long-term viability.

Action Required: *The COAST Board of Directors approve the addition of \$30,000 to the FY25 operating budget bottom line to ensure the capacity to support this function within this operating year.*

Mr. Sandman made a motion that the Board approve the addition of \$30,000 to the FY25 operating budget bottom line to ensure the capacity to support this function within this operating year, which was seconded by Mr. Bogle.

Discussion: Mr. Sandmann asked if there is a reasonable expectation that a Development Director will cover their own cost. Mr. Hebert asked about how the position offsets the losses we are experiencing and potential adjustments in service. Mr. Nichols talked about the need to diversify our funding sources and reasonable expectations for their fundraising progress. Mr. Hebert asked about the existing overhead, if those positions are fully utilized, and if we can substantiate the need for existing positions. Mr. Nichols explained all the current administrative positions within the organization and their varying roles, which are quite different than that of a Director of Development. Mr. Hebert stressed the need to reduce, particularly in light of

proposed service reductions. Mr. Scala agreed that we must be lean to fit the lower public funding but sees this as an investment in the diversification of funding sources. He believes we must pivot since we can't keep doing what we are doing. Mr. Bogle agreed that depending solely on Federal or State funding no longer works. He noted that Advanced Transit has had a Development Director for a long time and has been successful in bringing in private funding. Ms. Joyce pointed out we are already spending \$36,000 for the consultants and they've laid some good groundwork, but now we need someone completely focused on COAST. Ms. Joyce mentioned how time consuming the role is. Mr. Nichols noted that the pay offered is set at a level that will attract someone capable of both fundraising and building a future structure of fundraising focus at COAST.

Mr. Nichols expects that the consultants will transition their relationships to the new Development Director within one to two months of hiring. Mr. Shanahan stated that we can only continue our existing services or grow services if we diversify and grow our funding sources. He views this as an opportunity to support growth. The Board will expect to be following the results.

Ms. Ham asked if we have a current fundraising goal and is that goal incorporated into the job description. Mr. Nichols responded that we have an overall \$7MM campaign which is included. The initial focus is on the capital and operations side and then on the endowment. Mr. Bogle relayed his experience with another organization and how the cultivation of donors can take years of concerted effort that only a Development Director can achieve.

Mr. Shanahan took the vote by roll call:

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|--------------|-----|
| Mr. Bogle | Yes |
| Mr. Capello | No |
| Mr. Clancy | Yes |
| Ms. Ham | Yes |
| Mr. Hebert | Yes |
| Ms. Joyce | Yes |
| Mr. Lentz | Yes |
| Mr. Sandmann | Yes |
| Mr. Scala | Yes |
| Mr. Shanahan | Yes |
| Mr. Tovey | Yes |

The motion passed by an eleven to one vote.

Action Item #3: Finance Committee Recommendation on FY26 Service Adjustments

The Finance Committee, and other interested board members, met on Friday May 23 to discuss potential service adjustments to begin to realign our spending of FTA funds with anticipated annual allocations. There was not a quorum of the Committee present.

The consensus of those present was to recommend the Board move ahead with a set of staff recommended service adjustments as a first step toward realignment, which will serve to express a sense of urgency, while also not undercutting our ability to hopefully raise philanthropic dollars to support our needs.

A copy of what was presented on Friday, with some requested updates, was included in the Board presentation which Mr. Nichols went through with the Board. Mr. Nichols started with the

level of FTA funding that had been available in the early 2000's. Knowing that the level of funding was coming to an end, COAST redesigned the system in 2020. COVID brought a whole new round of onetime funding, but also unprecedented inflation that wiped out the inflation adjustment under the BIL. The new census then reduced the amount COAST is allocated each year.

The primary issue is the spend down rate of the FTA funds which exceeds the amount of funds coming in. This requires COAST to draw down on funds accumulated during the one-time funding period (pandemic). While the balance is significant today, if we continue on the current trajectory it will likely be fully depleted shortly after FYE 2028. In addition, it is necessary that we always have a certain balance to support COAST through shocks like government shut downs.

Mr. Nichols stated that the pathway to support a sustainable system is twofold: 1) diversify funding sources (fundraising) and 2) align the system to the size and level of service that can be supported with existing funding.

Mr. Williams presented the options developed and the rationale behind each of the options. The options included: a) cutting some underutilized routes, b) reducing the range of daily service by ending certain routes earlier in the evening, c) adding functional assessments for ADA paratransit applicants and offering travel training for applicants to use the fixed route bus system, d) and/or modifying or eliminating Saturday service.

Regarding the option to add functional assessments and travel training for ADA paratransit applicants, Mr. Hebert asked about how slowing the growth rate of Demand Response would assist the savings for COAST. Mr. Williams stated that the savings related to these changes for ADA applicants are estimates because we have not done this before. The skill set for this position would involve some background in disability awareness (medical, social work, advocacy). Mr. Bogle asked if other transit agencies partner with a disability advocate group to help explain and implement such programs. Mr. Nichols has had initial discussions with at least one disability group on this point.

Mr. Shanahan mentioned that this effort supports the concept of universal design that encourages everyone to use the same service to the greatest extent possible. Mr. Scala asked if this effort would be entertained if we were not facing funding issues. Mr. Williams replied that the ADA law does place discretion on eligibility with the transit agency and COAST is on the lenient side. Implementing functional assessments is assumed to slow the program's growth rate to something hopefully more manageable.

Mr. Hebert asked if the application is clear enough for the doctor to apply their strict determination. Anecdotally, COAST hears that the physician is likely to just sign off on whatever the applicant filled out. Mr. Scala asked if this would be more of a headache than it is worth. Mr. Williams stated that the current growth rate will overtake 5% of ridership while the program is 24% of the budget and growing. Mr. Williams stressed that the new screening process would apply to new certifications. Ms. Polychronis pointed out that the PT position as proposed will support travel training that could shift riders who are able from Demand Response to Fixed Route. This would save money for both the client (lower fares) and COAST. Mr. Bogle advised the Board that the planning commissions are studying where municipalities could improve access for disabilities around bus stops to allow more people with disabilities to use the

fixed route system. Mr. Capello asked if a part-time position would be able to get all new and re-certified applications on the same criteria. Mr. Williams believed they would be able to achieve the goal over a reasonable time, a year or two, but we are initially focusing on new applicants. Mr. Bogle asked if there were any other opportunities to reduce the cost of the ADA service. Mr. Williams responded that there was not due to the legal requirement to provide the service. However, reductions in fixed route service automatically reduces the ADA coverage area and span of service.

Changes to the fixed route system were explained, reminding the Board that any contraction of the fixed route system automatically reduces the demand response service as well. Mr. Williams ran through the five options evaluated by staff. There were a variety of questions asked to clarify the slide presentation, where certain routes ran, what effect it would have on certain employers, etc. Mr. Scala asked what the response was to eliminating or reducing Saturday service during and after COVID. Mr. Williams said that rider response was very negative because they relied on the bus for commuting on Saturdays.

Mr. Tovey and Mr. Butler left at 10:27am.

Mr. Nichols reported that staff initially recommended one set of options, however, as a result of the Friday Finance Committee discussion, the staff recommendation was adjusted to include changes to the span of service on Saturdays. This would have the impact of closing more of the funding gap we are facing. The effect on the budget from 2026 to 2029 was summarized and discussed. The result is savings of over a \$1MM per year with a reduction in federal funds usage of \$560M to \$600M per year. The usage rate of FTA funds drops, even though we would still be using funds faster than they come in. This represents a slower bleed of stored reserves without hopefully discouraging private philanthropy. Mr. Nichols reviewed further the overall results and acknowledged there would be some shifting in the municipal funding, but the effect is relatively minor.

Mr. Capello and Mr. Lentz asked various questions on the effects of cutting Route 100 to the Shipyard. Mr. Williams explained that the Shipyard is not a funding partner and has not expressed any interest in being a future partner. While efficient from a passenger per hour viewpoint, the Route is not part of our core system and carries relatively few passengers overall. Mr. Hebert asked for clarification about the cuts around Pease, C&J and Great Bay Community College. Mr. Shanahan reminded the Board that reviewing the impact of these decisions in future years compared with these expectations will be critical. Mr. Scala inquired about the minimum needed and the timing options for the proposed changes. Mr. Williams responded that implementing the trimming at the start of FY26 will prevent a more drastic cut to service in 2028. Mr. Scala noted that these projections do not take into account our private fundraising efforts or the possibility of other government grants that sometimes arise.

Action Required: *The COAST Board of Directors act on a recommended set of service adjustments and other cost savings measures to be implemented as soon as possible at the beginning of FY26.*

Mr. Sandman made the motion that the Board adopt the initial staff recommendation, which was seconded by Mr. Scala.

Ms. Joyce asked why the motion excluded the possibility of reducing Saturday service. Mr. Sandmann felt there was enough ridership on Saturday to warrant keeping the service and that the other cuts would suffice initially, noting additional cuts could be revisited.

Mr. Hebert made a motion to amend the motion to include reducing Saturday hours, which was seconded by Mr. Capello. A short break was recommended and taken. During the break, Ms. Hesse-Stromberg announced an update to SB 297. An amendment to the bill was announced that will allow HealthTrust to move to being under the auspices of the Insurance Department versus the Secretary of State. It now moves to the House for consideration.

Mr. Bogle left at 10:32 a.m.

Upon resuming the meeting, Mr. Shanahan took the vote on the motion to amend Mr. Sandmann's motion by roll call:

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|--------------|-----|
| Mr. Capello | Yes |
| Ms. Ham | Yes |
| Mr. Hebert | No |
| Ms. Joyce | Yes |
| Mr. Lentz | Yes |
| Mr. Sandmann | No |
| Mr. Scala | No |
| Mr. Shanahan | No |

With a vote of four to four, the motion to amend failed.

Mr. Shanahan called for discussion of the original motion. With no further discussion, Mr. Shanahan called for a roll call vote:

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|--------------|-----|
| Mr. Capello | No |
| Ms. Ham | Yes |
| Mr. Hebert | Yes |
| Ms. Joyce | Yes |
| Mr. Lentz | Yes |
| Mr. Sandmann | Yes |
| Mr. Scala | Yes |
| Mr. Shanahan | Yes |

The motion passed by a vote of seven to one.

Mr. Lentz left at 10:41am.

Mr. Nichols discussed timeline for informing staff, holding public input sessions, budget presentations to towns and so on, keeping in mind an intended implementation date of October 5th. Mr. Scala asked about staff impact. Mr. Williams believes there is a high probability that normal staff attrition will cover any projected staff reductions.

Discussion Items

Discussion Item #1: June Board Meeting

There are two topics we have been discussing internally for the past few months. They include encouraging people to engage with us by (1) riding the bus system and (2) viewing our facility. Those discussions lead us to start first with members of the board of directors and an idea germinated.

For our June board meeting all in attendance will take a short ride on the system (Route 34) from the Dover Train Station to our facility in Dover for a discussion largely centered around the facility's replacement. We strongly encourage all members of the board to attend this unique meeting opportunity. The meeting should not run any longer than normal and will close with a return trip back to everyone's vehicles (Dover Train Station).

Committee Reports

The Finance Committee got together on May 23. There was not a quorum present.

VII. Community Updates/Information Items

Ridership

- Overall ridership in April was up 19.9% from March, and up 19.2% over March 2024. March was our third highest ridership month since the pandemic. Ridership so far in May is very strong.
- YTD fixed route ridership is now up 14.5% over FY24. YTD ridership is essentially even with FY24 (+1.0%).

Mr. Nichols noted that ridership on the first Fare Free Saturday was up 20% and was up 28% on the second Fare Free Saturday. On our third Fare Free Saturday on May 24, ridership was up 23%.

VIII. Adjournment

Mr. Capello moved to adjourn, seconded by Mr. Sandman. Mr. Shanahan adjourned the meeting at 10:48 a.m.

Respectfully submitted by Ms. Joyce, Secretary