Approved August 26, 2026

Cooperative Alliance for Seacoast Transportation
DRAFT Minutes of the Board of Directors
Wednesday, July 22, 2026

Present: Fred Butler (virtual), Arthur Capello (virtual), Sean Clancy, Jessica Garlough, Jillian Harris (virtual), Margaret Joyce, Colin Lentz, Dave Sandmann, Dennis Shanahan, Kiersten Wright, David Tovey (virtual) Scott Bogle, Denis Hebert,

Absent: Michael Mates, Crystal Paradis-Catanzaro, Jason Garnham, Sonke Dornblut

Staff: Rad Nichols, Margot Doering, Joanne Muckenhoupt, Vanessa Polychronis, Michael Williams (8:52 a.m.)

I. Call to Order

Chair Shanahan called the meeting to order at 8:39 am.

II. Approval of the minutes

Ms. Wright made a motion to approve the minutes of the June Board of Directors meeting, seconded by Ms. Joyce. Chair Shanahan took a roll call vote.

Arthur Capello	Yes
Sean Clancy	Yes
Jessica Garlough	Yes
Keirsten Wright	Yes
Margaret Joyce	Yes
Colin Lentz	Yes
Dave Sandmann	Yes
Dennis Shanahan	Yes
Dave Tovey	Abstained

II. Public Comment

Mr. Nichols recognized Jerry Clark for 15 years of service as a part-time CDL driver. He is a very reliable and rock-solid employee.

III. Financial Report

Ms. Doering provided a report on June's financials. She noted the decrease in other income in June is not a decrease as much as a return to 'normal' after the two previous months that included gains on sale of retired vehicles. Wage and fringe expenses increase in June slightly but within the usual range. Materials in June increased over May since May did not include a delivery of bulk diesel fuel. For the year, most expense lines continue, as reported previously, slightly over budget. CommuteSMART program restart resulted in the increase in TMA revenues and expenses.

On the balance sheet, the $8.5MM of revenue vehicles represents the cumulated purchases and sales for the past two months. This amount will remain static until the delivery of the new Gilligs in late fall.

IV. Old Business

Mr. Nichols presented the old business items.

BUILD Grant
On July 7 we were notified that our BUILD grant was not selected. There were a total of 127 projects selected, one of which was from New Hampshire. In August the USDOT will begin contacting applicants to schedule debriefs for BUILD 2026 applications. During the debriefs, the Department will share feedback specific to our 2026 application.

Greater Dover Chamber of Commerce Morning Mixer (July 1)
We were delighted to host the Greater Dover Chamber of Commerce for their July Morning Mixer on Wednesday, July 1. Thirty-six Chamber members braved the extreme heat to join us for a morning of connection, networking, and a tour of our facility.

One comment we heard repeatedly was that, despite the age and condition of our building, it was clear how much pride our staff take in their work. The care they show for our facility reflects the dedication they bring to serving our riders and community every day.

We were grateful for the opportunity to share both the challenges of our current space and our vision for a new facility that will better support our employees, our fleet, and the communities we serve for years to come.

Website Redesign Progress
The website redesign is underway. We have provided feedback on homepage content and expect to have seen a first round of mockups for homepage designs by the time the board meets. We have also provided feedback on an initial site map skeleton. The mockups were very impressive. The Board will get a preview of the site at the next meeting.

Demand Response Software Transition Update
Due to the number of services that TripLink schedules for (COAST, MOWRC, CAPSC), the launch process for Spare's software solution is taking considerable time but is also providing a good opportunity to review our service parameters and staff scheduling rules. We are leaning into these changes and are looking forward to an improved process and better schedules. We are also learning about several tools Spare provides that will help TripLink staff enforce service parameters, such as service areas, service times, days of the week, and fare rules. These tools will minimize the opportunity for human error and reduce the stress of memorizing service rules and keeping up with changes. We expect to go live on October first.

Health Insurance Coverage Investigation
Earlier this year, particularly after the second year in a row in which public risk pools and HealthTrust were a significant topic of discussion in the Legislature, we asked Cross Insurance to investigate what our options might be on the open market. Last week we received their response. “All major carriers declined to quote at this time.” When we followed up to find out more about why carriers declined to quote our business, we were told “they are declining to quote based on your performance.”

ACT Grant Award
The Friends of Rockingham County Aging Adults let us know on July 2 that ACT's application for financial support was approved in the amount of $2,500. They shared they are honored to be able to assist ACT as we help the disabled and elderly in our communities and enjoyed hearing from organizations that we support.

BILH Grant Award
Recently, we received word that Beth-Israel Leahy Health will provide $90K per year for the next three years in support of the Newmarket-Exeter Connector, Community Rides & TripLink.

Development Update

<u>September Event</u>

We will be hosting a community/fundraising event at our facility on September 13, from 1-3. There will be a food truck, live music, games, and information about the capital campaign and other programs. Please mark your calendars and we will keep you informed as we continue to finalize plans.

<u>Thomas W. Haas Challenge Grant</u>

We have appointments lined up and have been working on a strategy to get in front of the right potential donors

This networking included our recent meetings with Blair Demers from the Foundation for Seacoast Health, Ryan Bailey of Cambridge Savings Bank President & CEO and a representative from St. Mary's Bank.

We are working with NHPR and WMUR to help spread the word about the challenge grant and the power of every donation to unlock 9x of funding for the project.

Staff Announcement:

Al Ebersole, one of our two full-time mechanics, is leaving COAST to be the fleet manager for York County Community Action's transportation service. Al worked for COAST for 10 years.

V. New Business

<u>Action Items</u>

Action Item #1: Nominating Committee Establishment

In accordance with Article XII, Section 2 of the COAST By-Laws, a Nominating Committee of up to five (5) representatives shall be appointed by the Chairperson at least sixty (60) days in advance of the organization's Annual Meeting.

The Nominating Committee may nominate one (1) or more candidate(s) for each office and position(s) open on the Executive Committee as stated in Article XII, Section 1, of the Bylaws.

The Annual Report of the Committee must be recommended by a majority of the members of the Nominating Committee present and voting and shall be electronically mailed, or sent by regular mail if an email address is not available, to all voting Directors no less than thirty (30) days in advance of the Annual Meeting.

Directors are privileged to nominate and vote for any officer of the organization whether or not he/she is nominated by the Nominating Committee.

Action Required: *That the Chairperson shall appoint a Nominating Committee of up to five (5) representatives to:*

1. *Nominate a slate of Officers to be voted on at the September 2026 Board of Directors' Annual meeting.*

2. *Develop a slate of appointments to the Executive Committee, if necessary, to be voted on at the September 2026 Board of Directors' Annual meeting.*

Ms. Joyce made a motion to instruct the Chairperson to appoint a Nomination Committee of up the five (5) representatives to take the indicated actions and Mr. Lentz seconded the motion. There was no discussion.

Mr. Shanahan called for a roll call vote.

Arthur Capello	Yes
Sean Clancy	Yes
Jessica Garlough	Yes
Keirsten Wright	Yes
Margaret Joyce	Yes
Colin Lentz	Yes
Scott Bogle	Yes
Dave Sandmann	Yes
Dennis Shanahan	Yes
Dave Tovey	Yes

VI. Discussion Items

Discussion Item #1: FY26 Operating Budget Challenges & Considerations

Last December & January, when preparing the municipal funding requests to support our projected FY27 budget, we estimated an overall operating budget and updated our 5-year operating and capital projections.

The additional experience in the intervening months will allow us to draft a more refined FY27 operating budget with greater confidence over the course of the remainder of the summer. The good news is we are running under budget this year so far.

Challenges

1. FY26 FTA Allocation & Federal Spend Rate – as we have discussed in the past, we must further reduce our spend rate of FTA funds and/or diversify our revenue streams soon.

There are mixed signals coming from Washington DC regarding funding reauthorization levels under the next surface transportation bill, ranging from significant funding cuts (-20%) to likely just keeping up with inflation over the next five (5) years.

2. <u>Expense Inflation</u> – the latest available consumer price index (CPI) information through June 2026 shows a 4.6% annual inflation rate for communities of 2,500,000 or less over the past 12 months. This is the highest of all city class sizes for the northeast region and the New England average and is down from 5.2% in May. The slowdown between May and June was associated with lower gas prices, however those have begun to climb again as fighting has restarted over the opening of the Strait of Hormuz. Last winter we had projected inflation at a 2.8% rate. The latest projections from forecasters for the next 12 months range between 2.8%-3.4%, but those were made before the latest re-escalation of tensions with Iran in the last few days.

3. <u>Municipal Funding</u> – our member municipalities have largely been supportive of our funding requests. That said, the large annual increases we have been requesting over the past few years needs to fall back much closer to inflationary levels.

4. <u>State of New Hampshire Funding</u> – as we enter a pivotal year for the next state budget, staff have begun meeting with Legislators to discuss public transit funding levels, potential solutions for dedicated funding, and strategies for the upcoming budget discussions. If NH were to provide half the match needed for the FTA operating match it would amount to approximately $5M annually. The current state budget includes $1.5M annually.

5. <u>Transitioning to an Annual Fund Campaign</u> – the earlier we can wrap up our capital campaign, the sooner we can transition to focusing on an annual fund campaign to support our operating needs.

6. <u>Projecting Demand Response Service Demand</u> – Ridership on our demand response services continues to grow at varying rates, but our ADA service (the largest element) is growing faster than projected. In addition, the average number of miles and hours associated with each demand response trip are growing.

   Given the size and impact of these services on our budget, this is a large variable that can have significant financial impact.

Considerations

1. <u>FY26 Actual Operating Revenues</u> – revenues that are not as closely tied to expenses are up and down again this year. While interest and other income are up 172% due to interest gained and vehicle disposals, fares are down by 15.6% and advertising revenue collected is down by 25.8%. Municipal and partner contributions are down slightly, but not unexpectedly. Year to date we are under budget by $122K, or 2.0%

2. <u>FY26 Actual Operating Expenses</u> – overall we are under budget YTD by $141K, or 2.3%. As mentioned above, ADA demand has exceeded our expectations, and the rides are longer, both in terms of miles and hours. While over budget to varying degrees in wage, PTO & payroll expenses, fringe benefits, contract services and utilities, all other expense lines are under budget.

3. Fixed-Route Service Levels – we will have to see if we need to undertake further fixed-route service reductions in FY27, or if we can delay them until FY28.

4. Expense Growth Rate – we had projected base expense growth rates of 2.8%, with some known exceptions for fringes, materials & supplies, and property & liability insurance. With more experience since January when that projection was made and using the latest available CPI data for the region (4.6% for the Northeast Region Cities <2.5M over the trailing 12 months in June 2026), we are working to see how we may adjust these growth rates.

Until such time as staff can begin building the budget against the FY26 actuals through June, and service adjustments are finalized, it is unclear just what the overall impact will be on the proposed budget for FY27. The expectation is that this will be much clearer by the August Board meeting, at which point a baseline budget, along with any options, will be first presented.

Schedule for Budget Adoption

- August Board Meeting (8/26) – present draft operating budget & options
- Budget Workshop Mtg. (week of 9/7) – possible workshop to further discuss the draft operating budget
- September Board Meeting (9/23) – vote to adopt the final FY27 operating budget

Discussion Item #2: Annual Meeting Planning

Staff are working on initial planning for our Annual Meeting on September 23. We are currently investigating meeting spaces in Portsmouth and are developing a theme centered around 'Building for our Future'.

Potential keynote speakers who can speak about the importance of building community are being identified and reached out to.

The guest list is beginning to be pulled together. We are looking to hold a meeting that includes a broad coalition of individuals, communities, companies, and organizations that we interact with or work with. We are shooting for 80-100 attendees.

We are reaching out to potential sponsors to help cover some or all the associated costs of the event.

Committee Reports

Finance Committee – met on Monday, July 20

VII. Community Updates/Information Items

My COAST Story

This is a new marketing initiative we launched on July 15 and featured in our latest email update. The goal is to collect the stories of current riders, former riders, nonprofit partners, employers, commuters, current or former COAST employees, and community leaders to help illustrate and humanize the many ways public transportation strengthens our communities and improves lives.

Stories may be featured on our website, social media, newsletters, or other outreach materials.

As board members we encourage you to share your COAST story too!

https://www.coastbus.org/mycoaststory

Ridership

- Overall ridership in June totaled 37,130. This was up 10.3% from May, and up 6.8% from June 2025. YTD ridership is down 1.6% from FY25.
- Fixed route ridership totalled 34,678, up 10.5% from May, and up by 6.0% from June 2025. Average weekday ridership was 1,352. YTD ridership is down 2.3% from FY25.
- Demand response ridership totaled 2,452 for the month. This represented a 7.7% increase from May, and a 17.5% increase in ridership from June 2025. YTD ridership is up 8.3% from FY25.

Rochester:

Kay Wright will be leaving the Board since she departing the City of Rochester to take a position as Community Development Coordinator for the City of Portsmouth

VII. Adjournment

Mr. Sandmann made the motion to adjourn, seconded by Mr. Lentz. The motion was approved and the meeting adjourned at 9:27 a.m.