



**Cooperative Alliance for Seacoast Transportation
Minutes of the Board of Directors
Wednesday, February 18, 2015**

Members Present: Kenn Ortmann, Scott Bogle, Jen Decker, Eric Eby (City of Portsmouth), Marty Pepin, John Stoll, Maria Stowell, Sylvia vonAulock, and Cynthia Copeland (arr. 9:07 AM)

COAST Staff Present: Rad Nichols, Jeff Donald, Heather Hesse-Stromberg, Brian Deguzis

Guests: Larry Clow, Editor of the Sound

I. Call to Order

Introductions were made and the discussion began at 8:35 AM.

II. Approval of Minutes

Mr. Pepin made a motion to accept the minutes. Mr. Bogle made a request for one edit – the addition of his name to the members present having arrived at 8:45 AM. All voted in favor to approve the minutes as amended.

III. Public Comment

Mr. Nichols reported there was no public comment submitted.

IV. Financial Report

December 2014 Income Statement and Balance Sheet

Mr. Nichols reported that financials through December are tracking similar to the first two months of FY15. There was an increase in fare revenue in December and we hope to see that trend continue in January and February. A lot of increased fare revenue is dependent on Clipper Pass sales and we are seeing those grow again. Also seeing an increase in December was revenue from Advertising; this is a trend we hope will also continue.

December's Fringe Benefit expenses are notably high due to a payment to Worker's Compensation. In January we will be making an adjustment to that payment to make it apply over a six month period as it normally is applied. Currently the expenses are overstated by \$42,000 which that adjustment will correct.

In December COAST purchased 2 coach buses using 100% local funds. The federal value of the coaches was transferred to us. The expense associated with the coaches is visible in our new Available Funds balance.

Accounts receivable numbers are impacted by a change in the timing of billing; some of the billing is now quarterly so these figures are impacted.

V. Old Business

Staffing Updates

Jasmin Curtis has been chosen as the new Safety and Training Supervisor having moved up from Fixed-Route Supervisor. She has been serving in that capacity since early January when Toby Shreier moved into his new position as Assistant Manager of Operations and Planning.

With Jennifer Hastings' departure, we have reworked the job description to be a Full-Time Bookkeeper/Office Manager. If we move ahead with an internal candidate we'll have another internal promotion. If we find no qualified internal candidates we will look outside to fill the position.

Two additional openings are upcoming, a Full-Time Demand Response Supervisor and a Part-Time Receptionist/Administrative Assistant.

Facility Updates

Mr. Nichols reported that we have been pressed for space for some time and have just secured a lease for 6 Sumner Drive which is the old Rocky Coast Sportswear space. The lease is for 3,500 sq. ft. of office space to house COAST's Administrative offices and the regional Call Center. Moving to that space will be Mr. Nichols, Ms. Hesse-Stromberg, Mr. Donald, Ms. Rugg, the Call Center, the Bookkeeper/Office Manager and Receptionist/Administrative Assistant. The lease will begin March 16, 2015.

Ms. Decker asked if this will be permanent space. Mr. Nichols indicated that the move will give us the adequate space we clearly need while we figure out how to best use the property at 42 Sumner Drive. Mr. Ortmann asked if we will likely ever be located on our own bus route again. Mr. Nichols noted that we are on Wildcat's Route but that it is not likely that we will again be on a COAST route. Mr. Bogle asked if the website indicates how to get to our office with a transfer to Wildcat Transit. Mr. Nichols verified that Google Transit is on our home page and points out that it can be used to plan a trip. Mr. Ortmann suggested it say "How To Get To Our Office" on the homepage to make it easy for people.

VI. New Business

ACTION ITEMS

Advertising Policy & Guidelines Revision

This past fall our Corporate Attorney made a number of recommendations regarding revisions to our Advertising Policy as we looked at exploring revenue sources.

These included:

- Creating a "Permitted Advertising" section.
- Clearly defining advertisements that contain "controversial content" under Section 2.3 of the Policy.
- Clearly defining controversial topics in advertisements that COAST wishes to prohibit in the future under Section 2.6 of the Policy.
- Either limiting non-commercial speech entirely or allowing non-commercial advertising under limited circumstances to allow Policy to remain "viewpoint neutral."

- Revising the language in Section 2.5(b) to limit potential liability.
- Considering the removal of the word “controversial” in Section 2.3.
- Adding two new Prohibited Advertising Sections: (1) False, Misleading or Deceptive Advertising; and (2) Advertising that contains material that is an infringement of copyright, trademark, or service mark and is otherwise legal.
- Reserving the right to require advertisers to add a disclaimer that an advertisement is not sponsored by, and does not necessarily reflect the views of COAST, and also reserving the right to require an advertiser to identify the sponsor of an advertisement.

Mr. Nichols made a presentation on COAST and advertising it has or is currently running. He showed photographs of ads current and past and noted that, in a typical year, 30% of advertising revenues are from non-profit and governmental organizations.

Mr. Nichols shared Chicago Transit Authority’s definition of Governmental Advertising.

Public Service Announcements (PSAs) are typically provided for free. As written, the revised Policy allows limited non-commercial advertising based on PSA-like guidelines.

Mr. Nichols noted that we want to continue to sell that space for a fee. We have no intent to allow for PSAs (free advertising).

Mr. Ortmann noted that this was intended to be an action item but that there appeared to be remaining questions. Mr. Nichols said the Board can delay action until the non-commercial element is resolved or the Board could move forward with remaining elements and come back to this element at a later date.

Mr. Donald asked about advertising for a service that has no fee (like ServiceLink)? Mr. Nichols noted it is 100% Government-funded so it’s a grey area. He suggested we could add language to allow for organizations standing in the government’s shoes.

Mr. Ortmann called for discussion. Mr. Bogle asked if this will impact any of COAST’s current advertisers. Mr. Nichols noted that it might, however there could be consideration that these advertisements could be grandfathered until their contract expiration.

Mr. Ortmann suggested the Board could approve all but Section 2.2 and Mr. Pepin suggested the Board wait until the Policy is finished.

There was no objection to holding off until March and all were in agreement.

Route 7 Public Hearings Process

Over the fall and early winter COAST convened stakeholder meetings with regard to Route 7 and its associated ADA Paratransit service. Two good, in-depth meetings allowed for the discussion of Route 7 operations and nearly 12 options for what we could do moving forward, including some purely Demand Response options. In the interim, Stratham decided to zero fund COAST going forward.

Mr. Nichols noted that COAST no longer has adequate political or financial support to continue the Route. Mr. Nichols recommended that COAST begin the process to notify the public of the impending change and offer, as is required, public hearings to discuss termination of the Route and associated ADA paratransit services. Mr. Nichols stated we would run Route 7 in its current capacity through the later part of June. Mr. Nichols said he hoped in interim we can discuss with select communities what kind of Demand Response service we can continue to offer in

their communities – particularly Exeter and Newmarket. This service could be x number of days/week within a community or to a nearby community for shopping and other recreational purposes.

Ms. Copeland made a motion to adopt the initiation of the public hearing process and Mr. Pepin seconded.

Ms. Copeland asked what this would mean for ADA clients in these communities. Mr. Nichols stated we have about 6 active riders along this route's corridor. Of the 6 active individuals there are 2-3 of those 6 who make up most of the activity in the area. Mr. Nichols stated it is a very limited subset of individuals who will now be isolated unless they can find other resources to access. In Exeter, there are other options available through Lamprey, Rockingham Nutrition/Meals on Wheels and TASC. In Newmarket residents are more limited to Lamprey Health Care and maybe some DR Service COAST can provide. Mr. Nichols noted that residents of Newmarket have access to Wildcat Transit (fully accessible) BUT UNH have times of the year when they reduce service significantly. Ms. Copeland asked if Wildcat Transit is required to provide complimentary ADA paratransit services and Mr. Nichols noted that there is an ADA exemption for Universities.

Ms. Decker asked about clients who use ADA to get to Exeter, Stratham, and Greenland. Mr. Nichols said the active trips tend to be Newmarket to Exeter; Newmarket to Portsmouth; Exeter to Newmarket and Exeter to Portsmouth. He noted that it is not a particularly large number of people taking advantage of the services, but that does not mean it is not consequential.

Ms. vonAulock stated that when you look at the numbers from two years ago when we made the change in the routes, we have started really gaining in ridership. Two years later, we're really picking up our stride and increasing our numbers. She stressed that she feels it is a real shame that the plug is being pulled when the route seemed to be gaining stride. She indicated that this is a real blow to those small communities. Mr. Nichols indicated that he completely agrees. He reminded the Board that he helped plan and implement the route in mid-90s. He stressed that it is very difficult for him to sit here and suggest we terminate the route.

Mr. Nichols reminded the Board that one of the major challenges we are always faced with is how we fund services like Route 7 in NH. We are not a state with a strong regional focus. So when we try to provide regional service that relies upon communities coming together to support it, it can be difficult when some of the communities do not really see the benefit of the service to their residents. This is the biggest hurdle Route 7 faces. Communities don't see enough value to support it at the level of COAST's request. Mr. Nichols stressed we have actually been very far away from what we actually need to support the route.

Ms. vonAulock noted that for communities not willing to step in there needs to be a strong "out of the box" approach to securing the funds to keep this route alive. She said there has to be something we can do...shelter advertising, seeking support from the businesses that benefit from the ridership. Mr. Nichols reminded the Board that in most transit agencies across the country there is overarching county or state funding that helps support services just like these; NH does not have that.

Ms. Decker agreed with Ms. vonAulock that we should tap into area businesses along the corridor. Mr. Nichols stated that our numbers on Route 7 are not numbers that are going to influence those businesses to make a meaningful contribution. Mr. Bogle agreed and stated that getting grocery stores to contribute is not likely. Mr. Bogle said that Manchester Transit

Authority (MTA) has gotten grocery stores to provide match for DR trips (i.e., 2 a week). Mr. Nichols said we are hoping to possibly replicate that model.

Mr. Ortmann noted that at a public hearing something could come up that identifies grass-roots support that could influence the direction.

Ms. Copeland noted that in rural communities the main concern is what are we going to do with aging seniors? Mr. Nichols said he was at a meeting last week for Route 33 to ask for financial support and very quickly the discussion became focused on “what can we do to support seniors aging in place?”

Ms. vonAulock asked if it would be appropriate for Mr. Nichols to do a last solicitation to businesses (Shaw’s, Hannaford, and Market Basket) with a money value (sponsorship) we need. Last ditch mailing to find people willing to meet and donate sponsorship amounts \$3,000. Mr. Bogle pointed out that the gap to be closed is approximately \$60,000 on an annual basis. Mr. Nichols indicated that in the potential reconfigured scenarios we were proposing changes to reorient the service to be more like a commuter service (less plaza service).

Mr. Ortmann asked if these things can happen in a parallel process. He asked if the Rockingham County delegation might be willing to make some kind of contribution to support aging in place of which transportation is a major issue. Mr. Bogle indicated that RPC would work with COAST on that.

Mr. Pepin asked if anyone approached the businesses to ask for their help in encouraging the town government to support COAST? He noted this could be persuasive to a business that relies on COAST for employees or customers.

Mr. Ortmann noted there’s a motion on the floor to initiate the public hearing process with respect to Route 7. All voted in favor.

NHDOT Contract – Certificate of Vote/Authority

Mr. Bogle made a motion that the Board of Directors authorize the Certificate of Authority as presented. Ms. Copeland Seconded. All voted in favor.

DISCUSSION ITEMS:

BOARD DEVELOPMENT COMMITTEE

The Board Development Committee did not meet but were recognized for having been proactive in getting people to the meeting.

SHELTER ADVERTISING & REVENUE SHARING

By way of state law, communities have the right to allow or not allow shelter advertising in the public right of way. We are in 11 different communities and some communities, like Rochester, have allowed this advertising. The same standards from Advertising Policy would apply to shelter advertising. Rates would be \$150-\$450 a month gross based on the space available. ATA understands the local market and the needs of local advertisers and COAST has worked with them for many years.

This approach would allow communities to benefit from allowing shelter advertising.

Draft Proposal: To encourage consideration of bus shelter advertising – revenue sharing of up to 50% of net revenues.

Hard data was presented. In some cases, the impact can equate to 10%, or down to as low as 4.6%, of the total request being made of communities by COAST. In Portsmouth such revenue sharing would impact Trolley local match request.

None of the impacts are insignificant. Projections are made assuming that 70% of the available advertising spaces on shelters were sold.

This proposal would result in \$73,000 in local match to COAST – a large benefit to us. Revenues from shelter advertising would be calculated after the close of the fiscal year. Mechanism for sharing is that the revenues are applied as a credit on next local match invoice.

Ms. Decker asked what is the push back from communities? Mr. Nichols noted it is resistance to outdoor advertising in general. He stated that some communities don't visually like that form of advertising and have not been able to assess the real value of allowing COAST to utilize it. Mr. Pepin noted that signage is a huge issue for Somersworth; the size of signs, message, security of the signs. Mr. Pepin noted that the biggest issue in the past has been "why should we put up advertising if we're not getting any benefit from it?" He indicated revenue sharing will help. Mr. Ortmann encouraged people in Somersworth and Dover to come to Rochester to see the reality.

Mr. Ortmann asked what the next step would be. Mr. Nichols noted that if the Board is comfortable with the proposal he is happy to begin discussions with communities starting with Dover, Portsmouth, Somersworth and Pease. All indicated they were comfortable with proceeding.

INFORMATION ITEMS

Mr. Nichols noted that Ridership is down by just over 2.1%. Most of that is attributed to no longer have a relationship with Lamprey Healthcare (which accounted for 2.0%). Clipper has been down but is making strong gains again.

Mr. Ortmann noted he is putting together an Executive Committee meeting for ED performance review.

Community Updates

Ms. Decker gave kudos to COAST and its operators for doing very well in spite of all the snow. Given how difficult some of the stops have been with the snow conditions and lack of snow response, she has heard great things about how well COAST has handled it.

Ms. Stowell stated that the public charrette on Islington Street corridor opened this weekend. In addition, they are looking at 3 alternatives for bike lanes on Market Street.

Mr. Clow, Editor of the Sound, introduced himself. The Sound started publishing in December and is a weekly publication. Transportation is one of the issues they are interested in and he is currently working on a story about Route 7.

Adjournment

Mr. Pepin made a motion to adjourn at 10:04, second by Ms. vonAulock. All voted in favor.