



**Cooperative Alliance for Seacoast Transportation
DRAFT Minutes of the Board of Directors
Wednesday, June 24, 2015**

Members Present: Scott Bogle (Past Chairman), Cynthia Copeland (arr. 8:40), Kenn Ortmann (Chairman), Marty Pepin, David Sandmann, Maria Stowell, and Juliet Walker

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

I. Call to Order

The Board Meeting was called to order at 8:35 am.

II. Public Comment

There was no public comment.

III. Financial Report

April 2015 Income Statement and Balance Sheet

Mr. Nichols reported that April showed a “blip” in revenues. He noted that advertising revenue continues to be lower than anticipated and that there are a number of outstanding balances owed to ATA and COAST. Somersworth’s additional bus shelter advertising revenue will be welcomed. He reported that we continue to recover from the loss of Portsmouth Regional Hospital’s advertising revenue. Overall, the budget is under for the year thus far and our fund balance for cash flow and capital needs continues to remain over \$950,000.

IV. Old Business

Newly Redesigned Route 7 Services

Mr. Nichols distributed a press release and new route schedule to take effect June 29, 2015. He noted that he has heard that there is a possibility that Wildcat may change their Newmarket route, which will impact our passengers’ ability to make the connections the redesign has worked so hard to put into place.

Somersworth Bus Shelter Advertising

Mr. Nichols reported that, at their June 15th meeting, the Somersworth City Council approved “City Ordinance 21-15 Amending Chapter 19 Zoning Ordinance, Section 20, Sign Regulations” to allow for advertising by COAST in its bus shelters. The City Ordinance was distributed. Mr. Nichols estimates that bus shelter advertising in the City of Somersworth has the potential to net just under \$12,000 in new revenues for COAST on an annual basis. Mr. Nichols reminded Board Members that, per the new net revenue sharing presentation at a previous meeting, communities that provide full funding to COAST will share 50% of the net revenues beginning in FY16. Since Somersworth is not fully funding COAST, all of the net revenue for bus shelter advertising in Somersworth will go to COAST.

FTA 5339 Buses

Mr. Nichols reported that the NHDOT provided COAST with a fully executed contract for the purchase of three (3) new heavy-duty 40' buses. Within the past week COAST was notified that we can begin contracting for these buses as the FTA grant submitted by the NHDOT has been received. As is typical for COAST, we will be piggybacking on another transit system's procurement. COAST will piggyback off a Pittsburgh, PA procurement.

Ms. Copeland asked if the 5339 funds make up for not having a CMAQ grant open. Mr. Nichols noted that it does.

V. Approval of Minutes

With the arrival of Ms. Copeland, a quorum was achieved. Mr. Sandmann made a motion to accept the minutes as presented. The motion was seconded by Mr. Pepin and all voted in favor.

VI. New Business

ACTION ITEMS

Somersworth – Boarding Surcharge

Despite attaining full funding at one point in the budget negotiation process this year in the City of Somersworth, ultimately during the final budget discussions COAST was returned to level funding. Level funding results in a gap between our funding request and the City's approved budget for COAST of \$23, 346.

As a result of the City's continued lack of full funding and per policy, the Board may impose up to \$1.00 surcharge on passengers boarding in Somersworth in order to recover some of the lost revenues. Mr. Nichols noted that the Council's approving bus shelter advertising could help offset their partial funding so perhaps a smaller surcharge (\$0.50) should be in order. Mr. Nichols suggested that any surcharge be effective August 1, 2015.

Mr. Ortmann asked if the \$12,000 in revenue from advertising in Somersworth is Somersworth's portion. Mr. Nichols noted that the \$12,000 is the total revenue but because Somersworth is not fully funding COAST they do not have access to the \$6,000 credit they otherwise would.

Mr. Nichols made a presentation to the Board to provide some background information with regard to Somersworth's funding as compared to other communities and as compared to the overall system. He noted that over the years it has been much more challenging getting full funding from the rural communities than it has been from the cities. He reported that some of the rural funding issues have been resolved and others are currently being resolved. He also noted that many of the rural communities were along Route 7.

Mr. Nichols presented a chart that shows an analysis over the past 15 years and clearly indicates the lost FTA funds associated with communities that under-fund COAST. In particular, COAST loses access to \$52,609 of FTA funds due to Somersworth's level funding this year. Mr. Nichols presented the Service Cut and Surcharge Policy and noted that the surcharge is one option and cutting service to a community is another.

Mr. Nichols suggested the following pending action: *That the Board of Directors approve the imposition of a [insert \$ amount] surcharge on all passengers boarding any service within the City of Somersworth that is funded under the municipal funding formula (Rtes. 1, 2 and ADA), to be effective August 1, 2015 and continue until such time as it may be reconsidered as a result of Somersworth fully funding COAST's request.*

Mr. Ortmann asked what adding the anticipated advertising revenue to Somersworth's contribution looks like as compared to the system as a whole. Mr. Nichols noted that even if we included the \$12,000 net revenue Somersworth would still be short by approximately \$12,000.

Mr. Sandmann made the following motion: *That the Board of Directors approve the imposition of a 50 cent surcharge on all passengers boarding any service within the City of Somersworth that is funded under the municipal funding formula (Rtes. 1, 2 and ADA), to be effective August 1, 2015 and continue until such time as it may be reconsidered as a result of Somersworth fully funding COAST's request.* Ms. Copeland seconded the motion.

Mr. Ortmann asked why \$0.50 versus \$1.00? Mr. Sandmann stated that with the addition of advertising revenue the delta is smaller than it would have been and a smaller surcharge will have less of an impact on riders. Ms. Copeland asked if previous surcharges in Somersworth were successful in impacting funding. Mr. Nichols noted the surcharges in the past were much smaller and did not appear to ultimately drive any decision making at the Council level. Mr. Bogle asked if a \$0.50 surcharge will equally motivate riders to contact their city representatives. Ms. Walker stressed that any surcharge should be in concert with a plan of action that evaluates the surcharge with regard to:

- Revenue generated
- Negative impact on ridership
- Motivation of Somersworth to partner with us (do they continue to be a partner or do we cut service if thresholds aren't met?)

She noted that a surcharge doesn't make sense if the leadership isn't responding; it only punishes the riders.

Mr. Pepin noted the challenges being faced by the Somersworth City Council and how that translates to support for outside organizations like COAST. He also reported that there is a movement to potentially restrict the City's transportation improvement fund, not allowing for any funding to be used for public transportation. Mr. Pepin reported that some individuals on the Council were very displeased that COAST put out Fact Sheets and encouraged the public to attend Council meetings.

Mr. Nichols noted that the outreach effort to get riders to City Hall resulted in a much lower turnout than lessor efforts in the past. He also noted that those who did come were unsure of when they should speak and didn't seem to understand the process of a City Council meeting.

Ms. Walker suggested we reach out to Somersworth businesses to develop public/private partnerships with public transit and focus on economic development. She asked if there's any such partnership in place. Mr. Nichols noted COAST would have to develop such a partnership.

Ms. Walker repeated that any action we take must have an evaluation of its effectiveness as part of it. She suggested that the building of such partnerships could be a new role of COAST but that it should not be staff that does this. She suggested that this would be the function of a Board Subcommittee. Mr. Bogle asked if an economic impact study might be helpful so we

could present the businesses with a document. He suggested that this might be an opportunity to develop a riders group to act as an advocate rather than "COAST" since the Council did not respond well to a COAST-driven initiative. Mr. Bogle noted such a group would require COAST staff time and Planning Commission staff time. Mr. Pepin noted that the Council feels area businesses should be approached to contribute to public transportation. He also noted that there remain concerns within Somersworth with the funding formula.

Ms. Copeland stated that she would not be able to support the motion on the table without a plan of action as part of it. She believes efficiencies should be examined and the public should be brought in to discuss the challenges of public transportation. She suggested that more transparency by COAST in analyzing efficiencies may lead to greater community buy-in. Ms. Copeland noted that the TAC has an Economic Subcommittee that is looking at the value of transportation projects as they impact economic development in a community. SRPC has been working with downtown Somersworth businesses to get their input on how they see Somersworth developing in the next 5-10 years. She notes that while the recession appears to be over, the post-recession recovery isn't happening the same way everywhere. The downshifting of expenses is handled better by some communities than others.

Mr. Ortmann clarified that we can look at the surcharge as:

- A way to make up for lost revenue
- Punitive
- A motivator to generate action by those impacted

Mr. Ortmann does not want the surcharge to be seen as punitive and wants to be sure we recognize the positive action taken by approving shelter advertising. He notes that a \$0.50 surcharge will have an impact on the pocketbook of riders and that's what motivates people.

Mr. Ortmann suggested we amend Mr. Sandmann's motion to include an action plan. Ms. Walker suggested we address that by having the motion include that a subcommittee of the Board will be formed to determine action steps over the next year. Mr. Ortmann asked if we want to move forward or wait until we come up with action steps. All were in agreement that that we should move forward.

Ms. Copeland noted that SRPC has received a Brownfields grant that would tie in nicely to this effort and would help us not operate in a vacuum. She noted that Somersworth has invested significant money in this effort and we can help them address how they deal with shortfalls in school, transportation and other funding. Ms. Copeland has great hopes for the possibilities of the future over the next 5-10 years in Somersworth.

In an effort to keep the process moving forward, the Board agreed that COAST should spearhead a committee that involves local businesses, Somersworth's Economic Development person and City Planner and looks at building relationships to improve transportation funding.

Ms. Stowell noted that she does not see the surcharge as punitive and feels that it is simply a revenue problem and we don't have any other options.

Ms. Walker asked that we amend Mr. Sandmann's motion to include the formation of a committee to evaluate options for making up lost revenue, engaging local businesses, Somersworth's Economic Development Director and Somersworth's City Planner. Ms. Walker noted that we should consider positive progress toward fully funding and should communicate that we want to continue to be a partner with the City. Mr. Sandmann accepted Ms. Walker's amendment.

Ms. Copeland noted that we should specifically add that the committee will look at access to unrestricted funds because we need money that can be used to match Federal dollars. Mr. Bogle asked if we want to include a provision that indicates that the committee's progress will be evaluated in 6 months or 1 year? Mr. Ortmann suggested that 6 months allows for the opportunity to report back to the Council on our progress.

Mr. Nichols stressed that the FY17 funding requests will need to be in process in November-December so a 6 month evaluation will be helpful.

Mr. Pepin noted he would appreciate the help of the Board to educate the Council and he appreciates the Boards actions to date. Ms. Copeland reminded the Board that Newmarket is a good example of what can happen to a community in a 10 year time period and that Somersworth is on its way to the same kind of progress.

Mr. Bogle agreed that Somersworth is interested in trying to attract younger people so will need to consider transportation options. He suggested we connect with Stay Work Play NH and see if we can mobilize them to meet with the Council to talk about the importance of public transportation in attracting such a population.

Mr. Ortmann asked for a vote on the amended motion and all voted in favor.

Ms. Walker offered to Chair the initial steps of the Subcommittee (1-2 months) to help with the planning and implementation of all that was included in the motion. Mr. Pepin offered to participate as did Mr. Ortmann. Ms. Copeland offered up Mr. Lentz (her alternate) and Mr. Bogle volunteered. Mr. Ortmann suggested that if other Board Members are interested in participating they are welcome to join. Mr. Ortmann ended by noting that challenges can bring you down but they can also energize you and this is an opportunity to come out on the other side as stronger partners.

DISCUSSION ITEMS:

Upcoming Facility Capital Improvements

This spring NHDOT asked COAST if we would be willing to submit a grant for potentially lapsing FTA large urban 5307 funds. These funds when transferred to a small urban area, such as Dover/Rochester or Portsmouth can only be used for capital purposes. The total value of federal funds transferred to COAST is just over \$392K; money that would otherwise lapse.

There will be several facility projects in the upcoming months all of which are meant to allow COAST to continue to operate as safely and efficiently as possible at our 42 Sumner Drive facility until a new facility can be designed and built.

Mr. Nichols distributed a list of projects and associated milestones.

INFORMATION ITEMS

commuteSMART Seacoast B2B Commuter Challenge

Mr. Nichols gave a quick update on the work Anne Rugg has been doing with the TMA. commuteSMART held a B2B Commuter Challenge for the Portsmouth area in June with a

tremendous response. SRPC won the prize for Most Sustainable Trips (per capita), Vital Design won the prizes for Best Team Spirit and Best Social Media Buzz. Portsmouth Development Authority (PDA) was recognized for Most Improved Team. There were nearly 260 participants representing 12 seacoast entities and this B2B challenge was even more successful than the award winning Pease B2B challenge held last fall. Final tabulations are still being compiled.

Travel Training Program

As part of ACT's work program Jeff Donald has developed a travel training program for caregivers and riders of public and human service transportation in the Greater Seacoast. He is working with the local ServiceLink's to help perform the training as part of their outreach activities. The first trainings should begin in July. Mr. Ortmann requested that Jeff make Community Action aware of the training opportunity.

Community Transportation Progress!

Supported by our successful 5310 application with NHDOT, we are significantly expanding the ability for seniors and individuals with disabilities to access medical transportation services in the region, effective in July. We have relaxed the type of medical facilities from just federally designated community health and mental health facilities. Thus far our outreach to area medical facilities has received a fantastic response. We look forward to providing significantly more medically-related transportation services to the region's residents in the coming year!

Ridership

Through May 2015, ridership is down approximately 1.8% from the same period in FY14. Key differences continue to be the end of the Lamprey Health Care agreement and this winter's weather. Strong ridership gains continue on Routes 6 and 7, with both experiencing approximately 10% gains over the previous year YTD.

Community Updates: None

Adjournment

Mr. Pepin made a motion to adjourn at 9:57, second by Mr. Sandmann. All voted in favor.