



**Cooperative Alliance for Seacoast Transportation  
Minutes of the Board of Directors  
Wednesday, November 19, 2014**

**Members Present:** Kenn Ortmann, Jen Decker, Dave Sandmann, Amy Vento, Juliet Walker, Cynthia Copeland (arr. 8:45 AM), Cliff Sinnott (arr. 8:45 AM)

**COAST Staff Present:** Rad Nichols, Jenn Hastings, Toby Schreier

**I. Call to Order**

Mr. Ortmann called the meeting to order at 8:38 AM. The agenda was rearranged due to the lack of a quorum.

**III. Public Comment:**

Mr. Nichols said that Senator Shaheen's office has contacted us on behalf of a constituent who is disabled and lives in Dover. He explained that a thorough response had been provided back to the Senator's staff, who had subsequently acknowledged its receipt.

We have been corresponding with the Farmington selectmen regarding alleged loitering downtown. We are not convinced the problems are associated with our passengers. We will be speaking with business owners ourselves to investigate, and we will respond to the select board with our findings by early December. In the meantime, anyone with problems was encouraged to call the Farmington police. Ms. Vento offered to make notes of any problems she sees in the vicinity. Ms. Walker encouraged staff to reach out to the police directly to find out if they have responded to any calls about this issue.

**IV. Financial Report**

**September 2014 Income Statement and Balance Sheet**

Mr. Nichols said that local match is significantly higher in September, due to some year-end adjustments that our accountant had made. There is not much variation otherwise. Our farebox revenue was 16% higher than we budgeted. Our overall farebox return ratio in FY 14 was 18.9%, which is higher than it has ever been. This increase is partially due to the fare increases implemented on our trolley routes, Rte 33, and the Clipper Connection in 2014. Our advertising

revenue was higher than projected. ATA has done a great job selling ad space on our buses and the shelters in Rochester. Our ADA growth was significantly slower than we projected. The coordination program was \$443k under budget. Planning was \$40k under budget.

We ended the fiscal year with a fund balance of almost \$954k, which is much higher than we have ever seen at COAST.

## **II. Approval of Minutes**

Mr. Sandmann made the motion to approve the minutes of the October 22, 2014 meeting. Ms. Walker seconded. The motion passed unanimously with Mr. Sinnott's abstention.

## **V. Old Business**

### **VTCLI Grant**

Mr. Nichols said that we are hoping to wrap up our VTCLI grant soon. Projects include increasing our capacity with fiber optic cable, software enhancements that automatically call riders to notify them of a pick-up, vendor software and hardware, and real-time bus information. We have discussed these projects with the FTA and confirmed that they fit under the scope of the grant, even though they do not exclusively benefit veterans. Mr. Ortmann encouraged staff to reach out to veterans' groups to let them know about these improvements. Mr. Nichols said that we will, but so far many veterans' groups have expressed that they are not interested in projects that do not involve additional transportation service being provided.

### **First Route 7 Stakeholder Meeting**

Mr. Nichols said that the second stakeholder meeting is November 24<sup>th</sup> in Newmarket. We will discuss how Route 7 fits into the rest of the system and the financial implications of service considerations. Changes to Route 7 will impact every community in the system via the municipal funding formula. No decisions will be implemented until the end of March at the earliest. We need time to hold the meetings, reach a resolution, and collect public comment. Ms. Copeland said that ridership may be affected by retail development in Newmarket, but this construction will not be done by March. Mr. Nichols said that Mr. Bogle is working on analyzing the rider surveys. Unfortunately we have a small sample size, and the riders who might use a modified Route 7 may not be the same as the current riders.

## **VI. New Business**

### **Action Items**

## **By-Laws Update**

Mr. Nichols said that staff did not receive any additional comments regarding the proposed by-laws since the last meeting.

Mr. Sandmann made the motion to approve the revised by-laws as presented. Mr. Sinnott seconded. The motion passed unanimously.

## **Executive Committee Authorization**

Mr. Nichols said that the new by-laws allow the Executive Committee, with approval from the full Board, to take action on the Board's behalf. For example, if there is no quorum at a Board meeting, the Executive Committee can take action before the next scheduled Board meeting. He suggested that this authorization be valid for a one-year period.

Ms. Walker made the motion to authorize the Executive Committee to act on the Board's behalf regarding all contracts, deeds, and instruments on behalf of, and for the purpose of, the organization, to expire September 30, 2015. Mr. Sandmann seconded.

Ms. Ortmann noted that there is also a provision for calling an emergency meeting. Mr. Sandmann made an amendment to the motion to specify that the Executive Committee's actions be reported at the next Board meeting. Ms. Walker supported the amendment. Mr. Nichols pointed out that this is already part of the provisions in the new by-laws.

The amended motion passed unanimously.

## **Insurance Renewal**

Mr. Nichols reiterated previous discussions on this topic as COAST has had to find a new property and liability carrier for 2015.

Laura Perrin of Cross Insurance explained that our three year losses had exceeded our annual auto premiums, which created a problem for Philadelphia. She felt that COAST is very diligent in loss control, but Philadelphia's public transit business across the country has not been profitable. The two big remaining players are RLI and Lancer, although Lancer does not generally like nonprofits. She spoke with other transit properties and found out that they do not have similar experience to COAST in terms of non-collision passenger injuries, such as passengers falling out of wheelchairs. She added that COAST vehicles probably travel at higher speeds than, say, Manchester Transit's, and that may account for the difference. Since COAST cannot require passengers in wheelchairs to wear seatbelts under the ADA, it is a tough issue to control.

RLI sent a litany of questions and forms, and then their price was shocking. She thought she found a possible solution with Philadelphia, but ultimately their home office did not accept it. Other vendors told her that RLI's quote was "unbeatable" and they could not compete with it. RLI's price for a \$5 million first layer limit was the same as other carriers' price for a \$1 million first layer limit. COAST is contractually required to have a first layer limit of \$2 million to \$5 million.

Laura Perrin said that Philadelphia had charged us almost nothing for abuse and molestation coverage, which it considered a social service. RLI is not licensed to offer that coverage in New Hampshire, and standalone coverage is extremely expensive. She added that this coverage is unfortunately very necessary, since there have been incidents of other providers' drivers abusing children. Mr. Nichols said that drivers are often one-on-one with passengers, especially in our ADA Paratransit service. Laura Perrin said that we would hope to negotiate the premium down in future years by showing a decreasing trend of losses. Mr. Nichols said that increasing our deductible from \$1k to \$5k (relying on our 10-year experience) should save us around \$17k.

Mr. Sandmann made a motion to approve the proposal for property liability, auto, and Maine workers' compensation insurance for a price not to exceed \$245,728. Ms. Copeland seconded. The motion passed unanimously. Laura Perrin left the meeting.

### **Information Items**

#### **Advertising Discussion**

Mr. Nichols said that Oxford Casinos in Maine has approached ATA regarding advertising on our buses. It was Mr. Nichols' understanding that some of the properties that have accepted this advertising received negative reactions from the public or the press. Our current advertising does not preclude us from accepting advertising for gambling. It does explicitly bar advertising for alcohol, tobacco, political candidates, and obscene content. Ms. Decker said that gambling could be considered controversial, which can be barred under our policy. Ms. Walker said that the advertising would not advocate that New Hampshire legalize gambling, or that people should be gambling. Ms. Decker said that the advertising may be interpreted as endorsement, even if that is not our intent. Ms. Walker asked if Oxford Casinos could sue COAST if we did not allow the advertising and our policy did not specifically ban it. Mr. Sinnott asked if we have unfilled space. Mr. Nichols said that he would like a legal opinion on whether this advertising would be considered controversial. We are close to being full. Mr. Ortmann said that if the potential advertising includes bus shelters, we should consider getting feedback from the City of Rochester in advance. Mr. Sandmann said that gambling has been a contentious issue in the state, so he supported getting a legal opinion. Ms. Walker said that her concern is not that we

would be promoting a certain philosophy, but that a negative reaction could have financial implications. Mr. Ortmann said that the advertising would not be opposing or promoting any specific legislation, since gambling is legal in Maine, but 99 in 100 people would consider the ads to be promoting gambling as a whole. The consensus was that staff should get a legal opinion on whether we can accept or reject such advertising, and whether we should amend our policy to provide clearer direction in such cases.

### **2014 Year in Review Presentation**

Mr. Nichols gave a presentation highlighting COAST's accomplishments in FY 2014 and our goals for the coming year.

### **VII. Information Items**

The new ADA Service Guide will be in effect as of December 1<sup>st</sup>.

We are meeting with Wildcat Transit tomorrow to see the back end of their real-time bus information system.

At the December meeting we will discuss alternate data sources for the municipal funding formula factors. Mr. Nichols added that most of the work for the FY2014 municipal funding requests is already done as part of the Route 7 calculations.

### **Service Performance Measures**

Mr. Nichols said that October 2014 was one of the highest Octobers ever in terms of ridership. Ms. Walker asked about Route 20 ridership numbers. Mr. Nichols said that Route 20 is still included in the Clipper Connection column. Ridership on Rte. 20 is bumping along with very low numbers. Ms. Walker said that the new graphs provided make it easier to demonstrate how we are doing.

### **VIII. Adjournment**

Mr. Sandmann made the motion to adjourn, and Mr. Sinnott seconded. The motion passed unanimously.