



**Cooperative Alliance for Seacoast Transportation
Minutes of the Board of Directors
Wednesday, November 20, 2013**

Members Present: Scott Bogle – Chairman, Karen Anderson, Dan Camara (arr. 8:38 AM), Cynthia Copeland (arr. 8:40 PM), Jen Decker, Martin Pepin, Dave Sandmann, Sylvia VonAulock, Juliet Walker

COAST Staff Present: Rad Nichols, Jenn Hastings, Dianne Smith

I. Call to Order

Mr. Bogle called the meeting to order at 8:34 AM.

II. Approval of Minutes

Mr. Sandmann made the motion to approve the minutes of the October 23, 2013 meeting. Mr. Pepin seconded. The motion passed unanimously.

III. Public Comment

None

IV. Financial Report

September 2013 Income Statement and Balance Sheets

Mr. Nichols said that we closed the fiscal year with revenues of about \$4.28 million and expenses of about \$4.145 million. Factoring in depreciation, we had a net loss of \$16k. September's income statement shows continued strong farebox returns thanks to expanded service and the high farebox recovery ratio on our Clipper Connection service. Over the summer we closed the 5% gap we had in advertising revenues. Our interest and other income was significantly higher than we had budgeted due to the refunds we received from LGC HealthTrust and the sale of some used vehicles. Our local match revenues were close to projections. Our state funds are up due to the TMA and purchase-of-service grants.

Our operating expenses are down due to hiring new staff later in the year than we had expected and reducing overtime. Contracted services are up due to maintenance work related to the new engines and legal expenses. Mr. Nichols

added that we have three mechanics now instead of four, but we do not associate these additional expenses due to being down a mechanic. Our materials and supplies line is under budget due to lower than anticipated fuel expenses. Our utilities line is under budget due to lower than expected natural gas prices. Our insurance expenses are higher due to our expanded fleet and the limited recoveries we have received due to a low number of collisions.

Mr. Bogle asked if we will need to continue to contract out these maintenance expenses in the future, or if new training or equipment would allow us to do more of this work in-house. Mr. Nichols said that these vehicles have had problems that have been difficult to diagnose. Even when the vehicles have been repaired by specialists, they sometimes need additional work. We are currently in the two year cycle of working out the bugs on the newest engines and equipment. He added that some of the work has been under warrantee.

Our balance sheet shows that our cash assets were high in September. We had aggressively drawn down federal funds in anticipation of the government shutdown. Unlike other transit agencies, we did not need to pursue short-term loans to float our operation during the shutdown. We ended the year with an available fund balance of around \$815k.

V. Old Business

Transportation Management Association (TMA) Update

Mr. Nichols said that Ms. Rugg is preparing for a spring launch of the TMA. We expect to receive proposals for website design and a social marketing campaign by the end of this week. The social marketing campaign will focus on increasing commuter ridership from Rochester and Dover to Pease and Portsmouth via Route 2 and Route 103. Ms. Copeland said that one of the Executive Directors of a Regional Planning Commission had been surprised to hear about the name change. They had thought all the groups in the state would use the Commute Green name. Mr. Nichols said that we would follow up and reach out to them on this, there was no such understanding he was aware of.

Proposed Route 7 Service Adjustments

Mr. Nichols said that one of our operators has done some analysis and suggested some changes to boost Route 7 ridership. We hope to add back the last half run from Exeter to Newmarket in the evening, which would allow Newmarket riders to do some quick shopping in Stratham/ Exeter and then return home. This run had been cut to free up funds for other changes, but we are still operating much of the same route as we deadhead back to base. We would also like to increase coverage in Newmarket to mirror Wildcat Transit's Route 5. People who live in those areas are likely already familiar with the bus, and may be amenable to using both Wildcat Transit and COAST depending on

destination. We would create more time in the schedule by making all Greenland stops on-call only. Assuming we had positive conversations with the communities involved, we would look to implement these changes in mid-January.

Ms. Walker asked about the on-call stops. Mr. Nichols said that COAST already has some on-call stops. Passengers on the bus simply tell the driver where they want to be dropped off, and passengers needing to be picked up would call dispatch. Mr. Camara suggested that COAST schedules be put on Wildcat Transit buses and vice versa. When he was a UNH student he was familiar with Wildcat Transit's schedules but did not know anything about COAST's. Ms. Copeland mentioned that had recently appeared that the chair of the Newmarket Town Council was not familiar with COAST's service. She suggested that we educate the council members of our communities by inviting them to a "learn to ride the bus" event. She also suggested that we post information about riding the bus on Newmarket's local TV channel. Mr. Nichols said that marketing these service changes is definitely part of the strategy. Ms. Walker said that there is some crossover with the TMA's social marketing campaign. Mr. Bogle asked if ridership surveys indicate much cross ridership between COAST and Wildcat Transit. Mr. Nichols said that there is much less cross ridership than one would expect. He said that Ms. Hastings recently had COAST added to the UNH Office of Sustainability's online list of transportation options, since we had been omitted. Many UNH students and staff do not realize they can ride COAST free with their IDs. Ms. Decker said that filling in Wildcat Transit's service gaps during UNH breaks would be a great opportunity for collaboration and building cross ridership. Mr. Nichols said that he would love to see Wildcat Transit operate its service year-round. These services have been consistently reported as not being used much by the general public however.

VI. New Business

Clipper Connection

Mr. Nichols said that we are supporting the Clipper Connection service through CMAQ funds, which traditionally provide funding for 3 years, but can be extended for up to 5 years. We have not had to use these funds as quickly as we projected due to high farebox returns. Beyond the CMAQ years, we hope to cover a large percentage of the costs of the service with fares. If needed, we can supplement these revenues with 5307 funds. He presented a map of the three Clipper routes, 100-103. Route 100 is the most successful thus far. We have had to add a second bus in South Berwick because so many passengers by that point had to stand. Route 101, which leaves from Dover and Kittery, sees lower ridership, probably due to the shorter distance. Route 103, which leaves from Rochester, is the newest route. After dropping passengers off at the Shipyard, the bus goes back to Rochester and makes a trip to Pease.

Ms. Decker asked if the Clipper routes were open only to Shipyard employees.

Mr. Nichols said no, they are open to the general public. Ms. Copeland asked about the drop in ridership in September. Mr. Nichols said that there was a lot of confusion in September, between the impending government shutdown and the transition to debit cards for Clipper passes. By the year end, 53% of the cost of operating the Clipper routes was covered by the farebox. COAST monthly passes are \$52, but the Clipper passes are \$120. We charge a higher rate for the Clipper routes as they are commuter express services upon which we charge a premium fare to ride. Ultimately, the design of the Clipper Connection services was to cover the full cost of the service through fares, which necessitates buses operating with 42-45 riders (including some standees). To date our passengers have balked at having to stand. Offering more runs to meet the demand for seats increases our costs. Unlike our other routes, the Clipper routes have few stops and travel on highways at 50 MPH. A passenger who has to stand will have little to no opportunity of getting a seat.

Staff has begun analyzing how to make the service sustainable with 37 passengers on each bus (the seated capacity). Most likely it will involve increasing the fare charged to ride the service and essentially guaranteeing seating capacity. There was discussion around how this might impact other similar services operated by COAST. It was noted this would be the only service upon which we maintained service levels to ensure riders had a seat. He said staff would bring this issue back to the Board for further review in January.

Coordination Update

Mr. Nichols made a presentation on ACT's recent strategic planning efforts.

At the recent ACT strategic planning session, it was announced that Dianne Smith would be leaving COAST. Her departure and the looming lack of financial resources to sustain coordination provided a good opportunity to reassess ACT's strategic vision and purpose. Fifteen members attended the strategic planning session, which involved an abbreviated SWOT analysis. The facilitator utilized, has subsequently helped draft goals and initiatives.

The strategic planning session identified several goals: find new financial resources, prove ACT's model and mission, and develop a personnel transition plan.

An ad hoc committee will be meeting on November 25th to discuss possible local match options. Mr. Nichols presented a revised organizational chart. He said that Jeff Donald would become the Community Transportation Manager, and demand response service would be moved back under the Manager of Operations and Planning. Ms. Smith will continue full-time through December, and then will transition to part-time through about March to tie up loose ends.

Mr. Camara asked how the call center will operate in FY 2015 without mobility management funding. Mr. Nichols said that so far our own ADA work is the only work that has been funneled through the call center and that work would need to continue. If coordination falls apart, we will still need at least one position to continue serving our ADA program. Mr. Bogle said that while the long-term dollar figures are sobering, he found the strategic planning session encouraging. Providers approached it in a problem-solving way. There was dramatically higher buy-in than a few years ago.

Capital Replacement Schedule

Mr. Nichols gave a quick update on the proposed capital replacement schedule. He added that he had not received many questions about the 2014-2018 capital replacement schedule since it was first presented at the last meeting of the Board. He asked the Board to approve the proposed schedule so COAST could pursue upcoming grant opportunities. Ms. von Aulock made the motion to approve the schedule as presented. Mr. Sandmann seconded. The motion passed unanimously.

VII. Information Items

Mr. Nichols said that our annual financial audit is scheduled for December 10th-12th.

October ridership was very strong.

VIII. Adjournment

Mr. Sandmann made the motion to adjourn, and Mr. Pepin seconded. The meeting was adjourned at 10:08 AM.