



**Cooperative Alliance for Seacoast Transportation
Minutes of the Board of Directors
Wednesday, December 18, 2013**

Members Present: Scott Bogle – Chairman, Cynthia Copeland (arr. 9:00 AM), Jen Decker, Dave Sandmann, John Stoll, Juliet Walker

COAST Staff Present: Rad Nichols, Jenn Hastings, Brian Deguzis, Heather Hesse-Stromberg

I. Call to Order

Mr. Bogle began the meeting at 8:44 AM.

II. Approval of Minutes

No vote was taken due to the lack of a quorum.

III. Public Comment

None

IV. Financial Report

October 2013 Income Statement and Balance Sheets

Mr. Nichols said that we ended the month ahead by \$7,700, which represents a \$6,500 loss after depreciation. October was a strong month in terms of ridership, and we saw strong farebox returns. Thus far the fare increase did not translate into as significant of a ridership drop as we had projected. We are on target with our local match. We will bill the State of Maine for the entire amount of its contribution in January or February. We are running a lower level of services under coordination than we had anticipated. We are significantly under budget in our non-cash match, because we had expected Lamprey Health Care to cut its service level by half. Fortunately, Lamprey has managed to maintain service levels to date.

Wages remained under budget thanks to attempts to rein in overtime. Raises for operations staff and new insurance rates will take effect in January. October was a fairly mild month in terms of weather, so our Unutil bill was relatively low. We

are over budget in insurance, but that is due to fewer collisions and therefore lower recoveries. The balance sheet was not remarkable.

V. Old Business

Coordination

Mr. Nichols said that Mr. Donald submitted a letter of interest to a foundation last week, and we have already been notified our proposal is recommended to be funded. This would bring us \$20k closer to the \$80k we need to support coordination in FY 2015. We also feel positive about a \$10k grant proposal we submitted to the United Way.

GACIT Process

Mr. Nichols said that one of the recommendations made as a result of the GACIT process was to reinstate operating funds for public transportation at FY 2009 levels (about \$188k). Mr. Nichols thanked Mr. Bogle, Mr. Sinnott, and Councilor Sununu for their support. When budgeted at this level in the past, COAST received approximately \$36k in operating funds from the state. If we receive those funds again, Mr. Nichols suggested that they be used for coordination. Mr. Bogle added that the earliest we could receive these funds is 2016, since the state is not currently in a budget year.

TMA Update

Mr. Nichols said that Ms. Rugg has been speaking to the leaders of Commute Green teams. There is a meeting at the Shipyard later today to review operations through Year 2 of the contract. We will discuss opportunities for expansion, most of which are in Maine. Since York County Community Action is in that area and interested in the work, we will most likely recommend the Shipyard work with that organization.

VII. Information Items

Mr. Nichols said that we had our annual financial audit last week (December 10-12). It was fairly typical. We expect to have a draft audit in mid- to late January, in time for the Board meeting on January 22nd.

We will be shortening the waiting period for health insurance benefits from 90 days to 60 days to comply with the Affordable Care Act. The ACA requires new employees to wait no more than 90 actual days for their health coverage to take effect, and our health coverage always starts on the first of the month.

We carried over 39k passengers in November. Ridership was down 2.25% compared to previous year. Clipper Connection ridership grew 52% overall, but we are still feeling the effects of the government shutdown. Route 1 saw strong ridership gains. Route 2 ridership was even, Route 6 ridership was down 5%, and Route 7 ridership was down 8%. Route 33 ridership was down about 33% due to the cuts in service & the fare increase. Ridership on the trolley service was down 17.5%, which is better than our expected projection of 20%. An experience we have not had for many years, we are occasionally seeing a drop in ADA ridership when comparing month to month across fiscal years. It was pointed out that COAST was not a Medicaid Transportation Provider under the new Managed Care system. Mr. Bogle said that we should be able to negotiate a higher rate when we transport a Medicaid client on our ADA service. Mr. Nichols said that in order to do so, we would need to be a State-approved Medicaid transportation provider, and we would need to provide trips for non-ADA-eligible Medicaid clients as well. Mr. Bogle asked if the cuts to FastTrans reduced our ADA ridership by reducing the geographic spread of our service. Mr. Nichols said that only nine ADA clients were directly affected by these cuts, and they were not heavy users.

VI. Action Items

FY 2015 Municipal Funding Formula Presentation

Mr. Nichols gave a Power Point presentation about the FY 2015 municipal funding formula, which determines the local match requests for the communities along Routes 1, 2, 6, and 7. The formula takes into account four factors, weighed equally: population within ½ mile of a route (updated with the most recent Census), employment within ½ mile of a route (updated with the most recent NH Employment data), weekly service miles (updated annually), and ridership (updated annually). We would like to find a more reliable source for employment data so that we can update this part of the formula more often.

Budget assumptions included that; (1) we foresee no one-time sources of federal funding in FY 2015, and (2) we will expend all of our available federal funds in solely supporting our operation for the first time. He presented two possible municipal funding scenarios for FY 2015, one with Route 7 and one without. Most of the communities along Route 7 are increasingly unwilling to support our full request. Cutting Route 7 would free up about \$136k in federal funds, which may help the organization financially, and should be considered. At this point there is not much we can do to increase ridership on Route 7 without effectively doubling service levels on the route, which we cannot afford. Ms. Walker noted that the changes Mr. LaRose had made to Route 7 had produced more ridership, but the overall numbers are still very low.

There was a discussion about partnering with Wildcat Transit to help serve some of the Route 7 communities. Mr. Nichols said that as of their last discussion

about a year ago, there was not much interested in such an arrangement. Ms. Copeland said that once a service is cut, it is very difficult to bring back. Mr. Nichols said that if Route 7 was cut, any future reinstatement would likely be as a commuter service. For example, we could apply for additional CMAQ funds to run service from Epping to Exeter, Stratham and Pease.

Mr. Bogle asked if Route 7 could be changed so that it served Exeter, Newmarket, and Durham. Then passengers going to Portsmouth could transfer to Wildcat in Durham. Mr. Nichols said that would allow us to provide more frequent service, but it would cost the same amount of money. The only way to save money is to cut back on the service day. It would also be difficult to run service from Exeter to Durham on an hourly schedule to provide timely connections with Wildcat's hourly service. Mr. Bogle said that if we ran such a service, we should be able to get some financial support from Durham (although not \$44k). Mr. Nichols said that when fewer communities fund a service, each community needs to pay more. Ms. Walker said that the City of Portsmouth sees more support overall for public transportation, but the city feels that the trolleys duplicate other services. Mr. Nichols said he hopes to begin discussion about trolley re-alignment in February.

Ms. Copeland suggested investigating ways to expand the Clipper Connection model to other communities, so that the passengers pay more of the costs. Mr. Nichols said that the voucher program for Shipyard employees is unique and the only reason that the Clipper service covers so much of its costs.

Mr. Nichols said that the Board would be unable to take a vote today due to the lack of quorum, but the communities need the local match numbers for their own budget processes. The Board agreed that the local match requests could go forward as presented, with the understanding that a vote on the FY 2015 calculations at the January Board meeting.

Commute Smart Website Procurement

The only other action item on the agenda was the approval of the Commute Smart website development. Ms. Copeland asked if the COAST by-laws had a provision for "essential functions." Mr. Nichols said no, but the Executive Committee has the authority to approve contracts up to \$25k. He would try to schedule an Executive Committee meeting during the first week of January for that purpose.

VIII. Adjournment

The meeting ended at 10:14 AM.