



**Cooperative Alliance for Seacoast Transportation
Minutes of the Board of Directors
Wednesday, December 16, 2009**

Members Present: Jon Frederick – Chairman, Scott Bogle – Vice Chair, Kenn Ortmann – Secretary/ Treasurer, Karen Anderson, Barbara Broderick, Cynthia Copeland, Leif Gerjuoy, Richard Hayes, Sylvia vonAulock

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

Others Present: Bob Ruzinsky

I. Call to Order

Mr. Frederick called the meeting to order at 8:35 AM.

II. Public Comment

Mr. Nichols had distributed a letter from a passenger in the Board meeting packet. He said there was no update about the situation. The description of the driver in the letter did not match any drivers who were driving that route on the day in question. Since the letter was anonymous, it was impossible to follow up and obtain clarification. He added that COAST received no other reports of the incident from other passengers.

Mr. Frederick introduced Karen Anderson, the Board's new representative from the Town of Greenland.

III. Approval of Minutes

Mr. Gerjuoy commented that his name was misspelled in the minutes of the November 18, 2009 meeting. Mr. Ortmann passed around the minutes of the non-public session during the last meeting. Mr. Ortmann made the motion to approve the minutes and Mr. Gerjuoy seconded. The motion passed unanimously.

IV. Financial Report

Mr. Nichols presented the financial report for October 2009. He said that several changes will begin to have a visible impact on the budget beginning in November, including the third stage of FastTrans implementation and the position of the Manager of Regional Coordination and Planning, which had been unfilled until recently. Mr. Nichols said he expects to bring a budget amendment before the Board for Phase 3 of FastTrans in January or February 2010.

V. Action Items

- **2011 Municipal Contributions**

Mr. Nichols handed out a revised funding formula chart, since the one distributed in the Board packet showed a miscalculation for Route 7 ridership. Mr. Nichols said that the proposed levels of funding recognize the difficult economic situation facing the cities and towns. In order to show a bottom line 0% increase, staff will have to dip into available funds to a small extent. The balance is currently \$370,000. Mr. Ortmann commented that it was important to keep the integrity of the funding formula, but he was not sure it was wise to lower any communities' contributions when costs are not going down. Mr. Bogle asked whether we are sure that the communities whose requests are going up will pay in full, to compensate for those communities whose requests are going down. Mr. Nichols answered that there is no way to know. Some communities are getting ready to approve the FY 2010 requests now, and will not even be addressing the FY2011 requests until next fall.

Mr. Bogle commented that COAST might be able to keep the requests the same, since we do not have updated population and employment numbers. Mr. Nichols stated that COAST has always updated changes to the factors that we do have information for, such as ridership and service miles. When updated information on population and employment become available (systemwide) then the organization can also include in any changes in these factors.

Mr. Ortmann made the motion to approve the proposed funding requests and Ms. Copeland seconded.

Ms. Copeland recommended that staff highlight in our request letters all the outside funds we are leveraging, including ARRA funds.

Ms. Anderson commented that Greenland is paying for COAST service using a surcharge on motor vehicle registrations. If this surcharge does not meet the amount of the request, Greenland will not be contributing additional funds. Ms. vonAulock suggested that staff spell out for the communities how much they could raise using a vehicle registration surcharge. Mr. Morgan commented that Greenland is a perfect town for Newington to use as a basis for comparison, and said that he had been unaware that Greenland was raising their contribution by this means.

The vote was unanimous. Mr. Hayes left the meeting.

- **Health Insurance – options and employee contribution rates**

Mr. Nichols said that COAST had been notified that the cost of health

insurance for calendar year 2010 was increasing by 16.4%, which represents a \$45,000 increase to COAST. COAST had not expected or budgeted for such a significant increase. Mr. Nichols said that his goal was to equally distribute the cost increase between the employees and organization, while maintaining similar levels of coverage. Additionally, staff is proposing adding a Flexible Spending Account (FSA) which would allow employees to set aside money pre-tax to help them pay out of pocket health care expenses such as deductibles.

Mr. Nichols went on to explain that there are no proposed changes in the two health care plans that the organization currently offers. He outlined that currently employees pay 15% of the cost of single coverage. He noted that the recommendation in front of the Board was to change the employee contribution rate to 12.5 % for the less expensive healthcare plan option and 22.5% for the more expensive option. Since the current contribution rates are specified in the policy manual, the policy needs to be changed in order to affect this change.

Ms. Copeland commented that Strafford Regional Planning Commission is in LGC's July pool and saw a 26.7% increase, so COAST's 16.4% increase looks good by comparison.

Ms. Anderson said that Greenland was able to save a significant amount of money by changing to a plan with a \$5,000 deductible. The town paid the deductible through an outside company to avoid HIPAA issues. Mr. Nichols stressed that unfortunately COAST is currently in the midst of the open enrollment period, and the organization did not have time to develop alternative healthcare options before the cost increases take effect at the beginning of January. Next year, staff plans to examine options in the late summer and fall so we will be better prepared in the event of another significant increase for 2011.

Mr. Ortmann asked whether changing the health insurance contribution rates would drive some employees to other transit employers. Mr. Nichols stated that historically COAST's only local competition for operators is C&J Trailways, which pays a higher hourly rate but offers nothing close to COAST in terms of overtime opportunities and benefits. He did not feel COAST would lose any bus operators as a result of this change.

There was some discussion about the differences in the two plans. Mr. Nichols stressed that both plans are Anthem Blue Cross Blue Shield plans, and both come with LGC's array of wellness incentives.

Mr. Gerjuoy commented that the proposed contribution levels are still a good deal when compared with what is available in the private sector.

Mr. Frederick asked how much the recommended action would cost relative to the \$45,000 increase under the status quo. Mr. Nichols said that he expects it would result in a \$22,000 increase for COAST, which is in line with the budget.

Mr. Bogle made the motion to approve the policy, and Ms. vonAulock seconded.

Ms. Copeland and Ms. Anderson advocated adding the contribution amounts to the policy, to avoid any issues down the road. Staff explained that all employees see the contribution levels with their job offer letters, and the 2010 levels will be distributed after this meeting. Mr. Frederick made a friendly amendment to add the levels to the policy, and then withdrew the amendment. He said that the policy should simply say that the chart showing the contribution rates would be given to each employee, so that the chart can be updated as needed.

Ms. Copeland said she would vote against the motion, even though she supported what staff wanted to do, because she felt that the contribution rates should be in the policy. Mr. Nichols added that the recommended policy change also allowed COAST to establish a Flexible Spending Account (FSA), for a maximum of \$1,000 per employee. The motion was supported by all members except Ms. Copeland, who voted no.

- **NH Homeland Security and Emergency Management Letter of Agreement**

For the purposes of discussion, Mr. Ortmann made the motion to authorize the Executive Director to execute a Letter of Agreement with the recommended restrictions, and Mr. Morgan seconded. Mr. Nichols noted that COAST needs to maintain continuing control of its federally-funded equipment. The motion passed unanimously. Ms. Copeland added that the federal government's reach over federally funded equipment is getting stronger.

VI. Discussion Items

There were no discussion items.

VII. Information Items

There were no questions about the information items presented as a part of the meeting package.

VIII. Old Business

There was no old business presented.

IX. New Business

There was no new business presented.

X. Adjournment

Mr. Ortmann made the motion to adjourn, and Ms. vonAulock seconded. The motion passed unanimously, and the meeting was adjourned at 9:50 AM.