

Minutes of the Regular Meeting
Southeast Vermont Transit Board of Directors
July 13, 2017, 5:00pm
706 Rockingham Road, Rockingham, Vermont
45 Mill St, Wilmington, Vermont
Via Video Conference

Board Members Present: Tom Marsh, Chip Stearns, Jonathan Meeks, Matt Mann, Travis Wendell, Eithne Eldred and Wendy Harrison.

Invited Guests: None

Members of the Public: None

Staff Present: Randall Schoonmaker, Leona Linney, Rebecca Gagnon, Christine Fayette

Public Input: None

Amend Agenda: None

Approve minutes of June 5, 2017 meeting Motion 1: Wendy motioned to approve the minutes, Chip seconded, Motion passed 7-0.

Old Business

Current construct project: The park and ride portion of the project is completed and has been closed out on the budget side. The remaining Town of Rockingham in-kind will be used to match the remaining earmark for the building addition. Randy informed the Board of the fuel project award. This bid came in higher than budgeted causing us to adjust the budget. Items that can be purchased through the normal capital program will be moved off the building project budget to keep the budget on track. The Board will have the option to consider these items during the normal grant application process in future years. In order to make the numbers work we lowered the contingency to 5% which will change as we move forward in the process. The board still has the opportunity to vote on the continuance of the project based on Medicaid funding. Wright Construction won the bid for the fuel station. There is an anticipated start date of mid-August and completion in late October. If and when we go out to bid for the building addition, the office renovation of \$400,000 will be bid as an add alternate.

Route Improvement Plan final comment/approval: Randy distributed the final draft of the route improvement plan and reviewed each route in detail. We have vetted the plan with the public through two public hearings and both VTrans and SWRPC have approved the plan as well. We are asking the board to also approve the plan. The draft brochure is at the ad agency, but we can make changes up to August 1st if need be. We are hoping to implement the new plan September 1st. The brochure will be mailed to all residents of Bellows Falls and Springfield by August 1st. This will give everyone enough time to digest the changes. We will also have a media blitz, change the route signs and will provide travel training for those who ask. 99 Atkinson St. and the Rodeway Inn have been added to all of our routes. We have eliminated any unnecessary stops. We have consolidated the 73 and 74 bus routes and eliminated the pm 74 route. This allowed us to save hours and shift them to the 53 for a mid-day run to Brattleboro, which still leaves 382 hours that can be banked or used on another route such as Brattleboro. The staff feels that along with the routes 1,2, and 55 that route 57 should also be fare free. The lost revenue could be made up by contributions from Okemo. **Motion 2:** Wendy motioned to adopt all route changes and staff recommendations regarding the fare structure. Chip seconded. Motion passed 7-0.

Brattleboro Route Study: Randy presented the public outreach plan and mentioned that we will be reaching out to staff, employees, riders, general public, the town of Brattleboro, schools, employers, and non-riders. We are starting with a blank canvas. The idea is to gather input, create a draft plan, and then present it at public hearings for input and changes. We will start the process the last week of July, create a rough plan, and start presenting it in late August. We anticipate a meeting with the selectboard in August with and a public meeting to follow. Our goal would be to roll the new routes in late November or early December. Randy will send the board a list of outreach contacts. Wendy advised the board that a private business group is interested in a loop that would consist of the downtown area to the Marina, and over to the retreat farm and meadows. Matt asked if this would be a fourth route. Wendy seemed to think so and outlined the route that the businesses were requesting. Rebecca said it was a business to business tourism route. Chip asked if these

businesses were interested in funding the route. Wendy said yes they are. She is not sure if they will fund the entire route, and they only want it if its cow spotted.

EEO/AAP Policy Approval: Christine undated the board on the policy, stating that VTrans has reviewed and accepted the policy and its revisions. She is asking them to read through it and adopt it. Both Chip and Randy agreed this is boiler plate language. **Motion 3:** Chip motioned to adopt the policy and have Randy sign it. Eithne seconded the motion. The motion passed 7/0

Finance Committee Reports budget including balance sheet: Randy presented final FY17 ridership. The total ridership for the company is up 19% . The Current routes are in flux and should come up with the new route and fare changes. The MOOver had a good year. Leona summarized the AR and AP reports and balance sheet. The towns are starting to pay their town appropriations along with Dartmouth Hospital. Randy reminded the board that this time of year we are really strapped for cash until the grant funds come in. In the mean time we dip into our line of credit. This year due to a large Medicaid deficit we had to start using the line of credit earlier. Leona has created a weekly cash flow budget to minimize our borrowing.

Medicaid: Randy said that costs for providing rides and the number of rides went up substantially this year over last. The direct cost has increased with a minimal increase in the revenue. The direct cost to provided Medicaid rides is out of our control since we have to provide every ride requested. Medicaid is severely impacting the financial health of our company. We had a deficit of \$230,000 this year. We are in a shared situation for funding with VPTA which voted to accept a lower funding amount with the hope that we will re-negotiate for an increase in September. We are not sure if any increase agreed upon in September will be retro to July. Three other agencies are losing money as well. If we are not successful in our re-negotiations then we will need to convene with the board to discuss the fate of Medicaid at The Current. We will have prepared a contingency plan if we decide to give the state the required 120-day notice to terminate our Medicaid contract. We will re-visit and approve the FY18 budget next meeting as well as a contingency plan regarding Medicaid.

Randy reviewed the year end financials, explaining that final adjustments have not been made. Overall the FY17 budget for the Current was at a deficit of \$227,000. This is directly tied the Medicaid program loss. The MOOver had a deficit of \$18,000 this year. Randy explained the nature of non-profits and how they roll over profit and loss, and that this can be typical and managed. The company is not in danger of going out of business. The idea is to turn this around in September or get out of Medicaid. The Board has the opportunity to make that change now, make a change in September, or continue to roll results over each year. Discussion ensued amongst Board members and staff. The consensus of the Board was to wait until September to see how the re-negotiations pan out.

New Business: Randy requested the Board to approve giving an older 14-seat bus to Mount Snow that we don't use. This is a bus that has met its useful life. Mount Snow constantly asks the MOOver to provide charter work that we cannot do, and they have given us over \$2.5 million over the course of our existence. There is no market for a used bus nor does this bus have value. **Motion 4:** Chip motioned to approved to sell said bus for \$1 to Mount Snow. Eithne seconded the motion. Tom recommended that any other company that donates as much as Mount Snow has the same opportunity with other available busses. Motion passed 5-2.

Company Updates: Christine will take over the MOOver actively on August 1st, with Jan staying on board to prepare for the building audit and be available for Christine. Jan's going away party is September 10th at the Dover Town Hall. Rebecca mentioned that our Transit Review with VTrans is next week and they will meet with staff from both divisions over the course of four days. Leona reminded the Board we are getting ready for our annual audit coming in August. We are also writing a new fare collection policy and policy and procedures manual for finance.

Executive Session: Motion 4: Chip motioned to go into executive session for section 3-13-1 personnel issue at 6:40 pm Wendy seconded. The motion passed 7-0. The Board came out of executive session at 6:50pm.

Board member comments: None

Future Agenda Items: Medicaid contingency plan

Adjourn: Motion 5: Chip motioned to adjourn at 7:10. Wendy seconded. Motion passed 7/0.