



BOARD OF COMMISSIONERS  
BOARD MEETING MINUTES  
August 24, 2017

1. CALL TO ORDER- Chair Kathy Kleczek called the meeting to order at 9:03 am.
2. OATH OF OFFICE\_ Chair Kleczek swore in Commissioner Jim Servino
3. ROLL CALL:  
Present: Chair Kathy Kleczek, Vice Chair Carol Gearin, Secretary/Treasurer Lylla Gaebel, Commissioner Pamela Alegria. Commissioner Tracy MacDonald, Commissioner Kevin Widener and Commissioner Jim Servino

Staff Present: Executive Director Jeff Hazen, Finance Officer Tracy Lofstrom, IS/Transit Center Manager John Layton, RideCare Manager Jason Jones, Operations Manager/Deputy Director Paul Lewicki, Paratransit Supervisor Jennifer Geisler, Human Resources Tami Carlson and Executive Assistant/Outreach Supervisor, Mary Parker and Transportation Options, Mathew Weintraub

4. FISCAL YEAR 2016 AUDIT PRESENTATION- Teleconference Presentation  
Brad Bingenheimer, CPA from Boldt, Carlisle and Smith, presented a teleconference overview of the findings of the 2016 District Audit report which had previously been sent to each Commissioner. Brad reported that General Fund Revenues were in line with the budget and expenditures were less than planned. Ridecare had just under \$100,000 more expenditures than budgeted, contributing to a negative fund balance and the District retired almost \$300,000 of long term debt obligations. Brad explained that Oregon State Law requires auditors to test if the District is in compliance as required by specific regulations and there were two exceptions:
  1. There were disbursements in excess of appropriations of the 2015-2016 RideCare budget.
  2. The District did not reasonably estimate the July 1, 2016 beginning fund balances.

Brad also reviewed the letter sent to the Board that identified significant deficiencies in internal controls. They were listed as:

- Lack of supervisory review and approval of journal entries for financial reporting.
- Internal controls should provide for adequate segregation of duties.
- Internal controls should include processes for ensuring that funds are balanced.

Brad pointed out that the journal entry process has been corrected and that segregation of duties can be difficult in smaller organizations. Commissioner Gaebel asked if Brad had suggestions how to resolve the findings. Brad suggested that a Board member be involved in aspects like reviewing bank statements for obvious discrepancies. Brad suggested looking at how you secure your unused check stock and how any cash coming in is maintained. Brad discussed the need for a written procedure for the monitoring funds that are going between the General Fund and RideCare throughout the year. Brad also discussed the District Investment Funds and that a policy should be developed for the management of these funds.

Commissioner Widener moved to accept the Audit for FYE June 30, 2016 as presented

Commissioner MacDonald seconded the motion

Discussion- None

Motion passed unanimously

5. CHANGES TO AGENDA- Executive Director Hazen asked that 11a: Intergovernmental Agreement with Clatsop County Emergency Management be removed due to not receiving final version.

6. PUBLIC COMMENT-

Ronald Westin- Reported that there is not a great need for the stop up at the Seaside hospital and suggested moving the stop to the bottom of the hill on to Wahanna. Executive Director Hazen said that moving a shelter is not any easy thing to do but would look into the suggestion and potentially place a shelter closer to Wahanna. Ronald suggested that ridership might increase if the shelter was moved down as it is hard to walk up and down the hill. Ronald also reported that he had seen a driver not allow a lady and child to board the bus because the child was carrying a speaker which the driver said was furniture. Ronald said it hurt his heart to watch and would like to know what the guidelines are for furniture.

Lin Anderson- Reported that she uses the bus to go to the hospital and that she could not walk up the hill from Wahanna to the hospital. She asked that the stop not be moved.

June Gibson- Who has regularly attended Board meetings, reported that she is moving to Arizona and thanked the Board for "having her".

Chair Kleczek expressed the Board's appreciation of the public interest and participation at Board meetings and said staff would look into suggested changes and rider requirements.

7. APPROVAL OF JULY 27, 2017 BOARD MEETING MINUTES-

Commissioner Gaebel moved to approve the July 27, 2017 Board Minutes

Commissioner Widener seconded the motion

Discussion- Several typos were pointed out and a correction of a comment made by Commissioner Gaebel will be corrected as being made by Commissioner Gearin.

Commissioner Gaebel restated motion to approve the July Board minutes as corrected.

Commissioner Widener seconded the motion

Motion passed

Commissioner Servino abstained due to his not attending the July Board Meeting

8. REPORTS FROM CHAIR AND COMMISSIONERS

- a. Commissioner Alegria- Commented that she wanted to voice one of her pet peeves which is using the words- Pedestrian Amenities. She said in her opinion it should be- Pedestrian Infrastructure.
- b. Commissioner Widener- Reported that he had gone to Madras and watched the eclipse and attended the Seaside Urban Renewal meeting which is on the agenda today so may add more then.
- c. Commissioner MacDonald- Reported that he did a nice thing and has officially retired.
- d. Commissioner Gearin- Reported that she had attended the Ridecare Advisory Committee meeting.
- e. Commissioner Gaebel – No comment
- f. Commissioner Servino- Thanked the Board for originally appointing him adding he had enjoyed being elected and that his resignation is being driven by moving to be nearer to family.
- g. Chair Kleczek- Thanked Commissioner Servino for his service while on the Board and all that he brought to SETD. She also commented that traffic to view the eclipse increased during and after the event. Chair Kleczek reported that she is looking forward to the upcoming Travel Oregon Tourism Studio meeting and the Oregon Transit Association Conference in Pendleton.

9. FINANCIAL REPORTS- July 2017

Financial Officer Tracy Lofstrom reviewed the July 2017 Financial Exceptions report. There were several questions and clarifications. Commissioner Gearin said it was her understanding that there would be a monthly breakdown of the payments received for the electrical charging station and requested that it continue to be included in the monthly Exceptions Report. Tracy said this would be added. Chair Kleczek asked for a review of the Computer Info and Tech services account to clarify what is currently included in it. Chair Kleczek asked why the SDAO flex lease shows no current payment. Executive Director Hazen said only 2 payments are made per year. Tracy will change this so that it will only show on the report when a payment is made. Commissioner Gaebel said that she understood that the 2016 Audit would be paid for in Fiscal Year 2017 however she had signed a check yesterday for Boldt Carlisle and Smith for \$5000 and would like to know what Audit it was for.

Tracy will check and let the Board know if the current payment is for the 2017 Audit. Commissioner Gaebel commended Tracy for her extra work and the research she is doing to improve the District's accounting programing.

Commissioner Gearin moved to accept the July 2017 Financial Report as presented.

Commissioner MacDonald seconded the motion

Discussion- None

Motion passed by unanimously

#### 10. OLD BUSINESS

- a. September through December Board meeting dates- After discussion the September Board meeting was changed to October 5<sup>th</sup>, the regular October Board meeting will remain on October 26<sup>th</sup>. The November Board meeting will be combined with December meeting and will be held on December 14<sup>th</sup>.
- b. Payroll procedure follow up- Executive Director Hazen reported that as a follow up to the General Fund paying for payroll for Ridecare and the steps needed to correct this, he asked Tracy to explain the process and what has been discovered relating to the costs that fall under the Cost Allocation Plan. Tracy reported that she ran a quarterly report for billable's and there are costs allocated to Ride Care but the money has not been transferred. The quarterly costs are approximately \$80,000 for June and \$90,000 for the quarter before that. Tracy said this total amount is close to taking care of the need for the "to and from" cash transfer for payroll. Tracy will be talking to the auditors on how they recommend we do this and she will also continue to look at and consider new software that would improve the accounting system for this type of need.
- c. Computer/network Acceptable Use Policy- Executive Director Hazen reported that due to a recent incident, legal counsel has advised that an addition be made to our current policy. The addition to the policy is on page 1 under Acceptable Use Policy and is the last line of paragraph 6: "In addition, using a District computing asset to view, download or transmit sexually explicit material." Executor Director Hazen clarified that he is now the Information Security Officer. Commissioner Gaebel requested the policy be titled and numbered and have the original date of approval as well as today's update.

Commissioner Gaebel moved to adopt the Computer/Network Acceptable Use Policy as amended.

Commissioner Gearin seconded the motion

Discussion- None

Motion passed unanimously

- d. Seaside Urban Renewal Update- Executive Director Hazen reported that the hearing for the proposed Seaside Urban Renewal area was held at the City Council Meeting on August 14<sup>th</sup>. Commissioner Widener attended the meeting. The City as of this morning has not issued the required letter of response. City Manage Mark Winstanley reported that he is gathering comments from Council members to provide a response. Staff will continue to communicate with the City of Seaside to assure that they fulfill their legal obligation to respond prior to the August 24<sup>th</sup> meeting.
- e. Board Vacancy Update- Executive Director Hazen reported that as of this morning no applications have been received. Chair Kleczek encouraged the Board to reach out to people they know and encourage candidates to apply. Suggestions were made to post announcements on the buses, in various newspapers, at the college and senior centers and in local newsletters.
- f. Executive Director Evaluation Committee- Chair Kleczek thanked Tami Carlson for her assistance with the committee. Evaluation forms have gone out to staff and Board and Chair Kleczek encouraged all to complete and return them as soon as possible. Follow up meetings have been scheduled to review results.

11. NEW BUSINESS

- a. Intergovernmental Agreement with Clatsop County Emergency management Division- Removed from Agenda
- b. Mobility Management- Executive Director Hazen reported that the Mobility Management Coordinator had resigned and that he has not found there to be any significant value in the position so will be looking at not replacing the position and utilizing the funds for new technology and other options. The position is funded through the 5310 program which allows funds to be utilized for many other projects and services. Commissioner Gaebel asked if Executive Director Hazen will bring the Board back a proposal of what his decision is. Hazen said that the proposed use of these funds will be brought before the Senior and Disabled Transportation Advisory Committee and then brought to the Board.
- c. 2017 Oregon Public Transportation Awards- Executive Director Hazen reported that a request has been received for submitting candidates for recognition in several categories at the upcoming OTA conference. If the Board has recommendations please email them to Jeff by September 8<sup>th</sup>.
- d. Commissioner Servino Recognition- The Board presented Commissioner Servino with a gift and expressed their great appreciation of his serving on the Board.

12. CORRESPONDENCE- A Thank you card was received from the Senior Center for the STF funding that was passed through to them for operation of their bus. Commissioner Gaebel asked if the Thank You letters for the Budget Committee that were requested by the Board a few months back were sent. Chair Kleczek confirmed they were. Mary will let the Board know when requests such as this are completed.

13. EXECUTIVE DIRECTOR REPORT- Executive Director Hazen went over several items in his report.

Eclipse Recap- There were not any big delays and the traffic was fairly quiet. Less traffic than expected.

Ordinance Enforcement Update- Security has been in place and has gone very well. Both individuals have been very helpful providing information, cleaning, doing outreach and having someone in a uniform here was very positive.

NW POINT- Will start picking up passengers at the Seaside Cinema bus stop. Signage will be installed to notify public. Del's Chevron in Seaside has remodeled and there are fuel pumps located where the bus used to pull in. Tickets are for sale at the Transit Center in Astoria, the Seaside Kiosk and the Seaside Hostel.

Bus Procurement Update- Sent out an RFP for a couple of new busses which has been revised and sent out again.

Driver Update- Interviewed 6 applicants and will hopefully have 4 hired shortly.

Website update- It is up and running. Several changes are being made to make the new website more user friendly.

14. LEADERSHIP TEAM REPORTS- Reports submitted for August 2017: Operations- Paul Lewicki, IT/Rider Reports- John Layton, Ride Assist- Jennifer Geisler, Marketing and Outreach- Mary Parker, RideCare- Jason Jones and Human Resources- Tami Carlson.

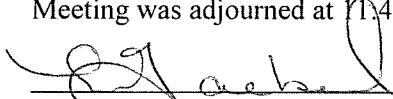
15. PUBLIC COMMENT-

16. OTHER ITEMS-

An audio recording of the Sunset Empire Transportation District's Board Meeting is available at:  
[www.ridethebus.org](http://www.ridethebus.org)-Board of Commissioners- Monthly Meeting Minutes- August 2017

Meeting was adjourned at 11:45 AM

Mary Parker, Recording Secretary



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Commissioner Lylla Gaebel, Secretary/Treasurer

Date 12.14.17

*Mission Statement*

Provide safe, reliable, relevant and sustainable transportation services to  
Clatsop County with professionalism, integrity and courtesy.