



**BOARD OF COMMISSIONERS  
MEETING MINUTES  
January 28, 2016**

1. CALL TO ORDER- Chair Kathy Kleczek called the meeting to order at 9:00 AM.

2. ROLL CALL:

Present: Chair Kathy Kleczek, Commissioner Kevin Widener, Commissioner Carol Gearin, Commissioner Tracy MacDonald, Commissioner Paul Lewicki and Commissioner Rae Goforth

Staff Present: Executive Director, Jeff Hazen, Executive Assistant Mary Parker, Finance Officer Al Hernandez, Operations Manager, Scott Earls, HR Manager Tami Carlson, RideAssist Coordinator Carol Penuel, IS/Transit Center Manager John Layton, Ridecare Manager Jason Jones, Mobility Coordinator Shana Verley, Transportation Options Shasia Fry and IT Manager Konnor Claborn.

3. 2014-2015 AUDIT REPORT- Brad Bingenheimer, a partner with Boldt Carlisle and Smith from Salem, presented the Sunset Empire Transportation District Audit Report for fiscal year 2014-2015. Brad reported that Boldt Carlisle and Smith have issued their report based on the financial statements and that the audit is considered an unmodified report and in their opinion the financial statements presented represent fairly the financial position and the results of operation of the District for the year ending June 30 2015. Brad highlighted the audit reporting that the District ended the past year with total assets of \$6.2 million and total liabilities of \$ 1.3 million resulting in a net equity position of \$4.9 million which was a \$640,000 increase from the prior year and an additional prior period adjustment was made of \$153,000 due to DMAP finding that the District did not owe them this debt. Brad reported that the General Fund ended the year with \$739,742 and Ridecare ended the year with \$1,311,965, plus the \$153,000 from DMAP and \$50,000 in a capital reserve fund. Brad commented that when he looked at these overall with the increase in the net equity position on the full accrual basis and each of the funds had increases, that these are indications of improvement in the financial health of the organization and the District is better off at the end of 2015 than they were at the end of 2014. Brad reported the General Fund Budget to Actuals with revenues of \$2.3 million with a budget of \$2.4 million so there was a shortfall of revenues primarily in grants with total expenditures of \$2.1 million with a budgeted amount of \$ 2.8 million so there was \$750,000 of budget expenditures that were not incurred which is why there was a positive increase in the net fund general fund balance. Brad reported that the Ridecare fund reported revenues of \$3.1 million and had budgeted for \$3.2 million resulting in a slight shortfall. Total expenditures were \$2.9 million compared to the budgeted \$3.2 million with an increase made to the budget later but overall there was \$300,000 less expenditures than had been budgeted which added an increase in the fund balance. Brad reviewed the investments, capital assets and debt service. There was a question about leased equipment fees and it was noted that the credit card machine had not been included. Brad said they would capture that. Brad reported that they do a testing process to assure compliance with laws and regulations and they found that the Ridecare estimated funds and the actual funds had a difference of \$251,936 which Brad said was larger than recommended and should be watched but did not require any action. Brad also said the review of internal controls did not have a comment but will later in the report. Brad then reviewed the compliance review of the financial statements in accordance with the government auditing standards. Brad reported they did not note any instances of non-compliance. Brad then reported that there has been a comment made about having internal controls in place for approval of Journal Entries. Brad noted that due to the District's size this could be difficult.

Executive Director Hazen said that there is a procedure for the journal entries in our financial policy but when the policy was written it was either the Executive Director or a CPA firm that would approve the journal entries however we no longer use the CPA firm. Brad continued reviewing compliance

requirements that were required because the District received grant funds that exceeded \$500 and there were no instances of non-compliance. Executive Director Hazen said the transition of the new finance director has been a little rough and he has asked Brad to take a look at our finances to make sure everything is sound. Brad commented that he will be looking at several things including the move to the new Quick Books program and making sure the bank statements are reconciled correctly as of December 31<sup>st</sup>. Chair Kleczek asked Brad if he had any final comments or advice for the Board. He said that he felt better about the District today than he has in the last 10 years and he appreciates how the Board is more involved and in tune to what is going on and said he wanted to commend the District for all the efforts you have made over the years to get on much sounder footing than you have been in the past.

Commissioner MacDonald moved to accept the Audit as presented

Commissioner Widener seconded the motion

Motion passed by unanimous aye vote of all Commissioners present

4. CHANGES TO AGENDA- None

5. PUBLIC HEARING ROUTE SCHEDULE CHANGES- Chair Kleczek opened the Public Hearing to hear public comment concerning the proposed route changes to routes 101, 20 and 21. There were no public comments made.

Commissioner Widener moved to accept the proposed schedule changes

Commissioner MacDonald seconded the motion

Discussion- Kevin said that he had concerns about having the buses out late at night with no transit center no kiosk and no barn if something breaks down. Executive Director Hazen said there is an assistant mechanic that will be on duty to assist the busses. Chair Kleczek said she did not think this was the most convenient time for people to come and give their comments on these schedule changes and this was also Project Homeless Connect Day and she said she was all for extending our hours into the night hours to cover potential riders that are needing the bus to get to work at 5 or 6 pm, but let's make sure we are not overextending ourselves budget wise trying to overstep. Chair Kleczek also said that she thought it was great and after people get used to it and know the busses are running for extended hours our ridership will grow because of it.

Commissioner Widener said there has been no comment here and that he had talked to people and there have been no negative comments. Executive Director Hazen said he wanted to remind the board that the catalyst for this is to be in compliance with labor laws and this should be a win-win situation to extend our hours and we did budget for this and will have plenty to cover the costs since we made the change later than anticipated. Commissioner Kleczek said she had a hard time seeing where the schedules were changed and without spending a lot of time and the Board had asked if the changes would be highlighted and the changes were not. Commissioner Gearin said she thought the schedule is very tight especially on the Route 101, with little time in-between stops. There was discussion about the history of using Wahanna as an alternate for Route 101.

Motion passed by unanimous aye vote of all commissioners present

6. PUBLIC COMMENT- None

7. APPROVAL OF BOARD MEETING MINUTES- Commissioner Gearin made a correction on page 8 under Chair Kleczek removal of the word may and on page 9 third sentence from the top we can ill afford. There was discussion about putting the Board pack page numbers on the lower left and in red.

Commissioner Gearin moved to accept the minutes as corrected

Commissioner Widener seconded the motion

Motion passed by unanimous aye vote of all commissioners present

8. REPORTS FROM CHAIR AND COMMISSIONERS:

**Commissioner Goforth-** Reported that there will be another special Senior and Disabled Advisory meeting to determine the STF funding applications so that Executive Director Hazen can attend and assist with explaining the selection process. Commissioner Goforth also reported going to the Ridecare Committee Meeting where there was discussion about adding staff at Ridecare to assist with the purveyor calls and to fill in during vacations.

**Commissioner Lewicki-** Thanked Jeff for the coat rack.

**Commissioner Widener-** Nothing to report

**Commissioner MacDonald-** Asked why there was no contact at Ridecare between 12 and 1 pm. Jason explained that it is for lunch purposes however there is a way to contact Jason during the time.

**Commissioner Gearin-** Nothing to report

**Chair Kleczek-** Reported that she had attended the ACT committee meeting which meant she had to travel on the highways and noted that we have been lucky in our area compared to other areas as far as road damage is concerned. Chair Kleczek also asked that we use our resources to post any current road conditions that we are aware of on our website so that we are looked at a source of information.

9. FINANCIAL REPORTS:

a. **November 2015-**

Commissioner Gearin reported that she had called Al about some of the credit card charges that were on Liz's and Diane's credit cards. Al explained that Diane had used her card for a hotel when she came to Astoria and met with him and Liz's card was being used by Sashia for a short time.

Commissioner Gearin asked if the electrical charging station income could be separated out each month and if she could get the total amount of income received in the last 5 years.

Commissioner Gearin asked why we are so over budget on the telephone. Konnor explained that there were extra charges added to what was budgeted due to Ridecare having more costs than planned, a payment that should have been made last fiscal had to be made this fiscal. Chair Kleczek asked why the telephone bill is \$10,000 per month. Al explained that he had not received the bills for a few months so there were large payments due. The monthly charges should be around \$3200 with Ridecare paying the bulk of it. Commissioner Gearin asked if we will be in trouble with the audit due to us being over budget by about \$25,000.

Executive Director Hazen said no as long as we are in line with material and services and that he will let the board know if we have to make a budget adjustment.

Commissioner Gearin said she liked the red and black print on the report.

There was discussion about the Connector IGA being under dues. Executive Director Hazen said that it would be made a separate line item.

There was further discussion about the November exception sheet.

Commissioner Gearin moved to approve the November financial report as presented

Commissioner Lewicki seconded the motion

Motion passed by unanimous aye vote of all Commissioners present

b. **December 2015**

Commissioner Goforth asked about the \$22,000 on the aging report for property taxes. Al explained it is offset as it is taxes received from past years taxes.

Chair Kleczek asked Al to explain retained earnings versus net income. Al said net income is income received for the current fiscal period and retained earnings are the accumulative from all historical periods.

Commissioner Gearin asked about why there is a minus number on the Ridecare balance sheet for November and December. Al said explained if you look at the year to date for Ridecare it shows a loss of -\$415,000 and the General Fund shows a profit of \$ 278,000 so together they would equal the net loss of -\$139,000.

Commissioner Widener moved to approve the December financial report as presented

Commissioner MacDonald seconded the motion

Motion passed by unanimous aye vote of all Commissioner present

Commissioner Lewicki reported that he was glad that he had been able to work with Al on the financial statements and thanked Carol for noticing the red print.

#### 10. OLD BUSINESS-

- a. Veterans Program- Executive Director Hazen reported that this program was identified as a priority as we went through the budgeting process and the STF process and we dedicated funds to this program that will fill the gap of getting veterans from where they live and get them to the VA van or the VSO by using volunteer drivers. The drivers will be volunteers for SETD. Shana Verley reported that she has received 6 or 7 volunteer applications that she will be looking at and setting up interviews with. Shana also reported that Jason will be doing vehicle inspections and using the DHS checklist and that she had presented the Veterans project to the Senior and Disabled committee at their last meeting. Shana said that there will not be any extra charge to volunteers for car insurance. Shana said that she is asking for the approval of the Board for starting the program. SETD will be paying Ridecare for being the call center. The Board gave Shana approval to move ahead.

- b. Columbia Pacific Coordinated Care Organization Contract Amendment- Executive Director Hazen explained that he and Jason had met with Meme Haley from the PCCO who had talked about adding other programs here that will be like a coaching program for their high users.

Commissioner Gearin moved to accept third amendment to the CCO Agreement and give Executive Director Hazen permission to sign

Commissioner Widener seconded the motion

Motion passed by a unanimous aye vote of all commissioners present

- c. Board Vacancy Applications- Executive Director Hazen introduced the two applicants: Jim Servino who works at the Astoria Warrenton Chamber of Commerce and Andrew Davis who is employed at Clatsop Behavioral Health Care. Board members asked each of the applicant's several questions about themselves and if they thought they would have any conflict of interest. Commissioner Gearin asked Andrew if he was a registered voter and Andrew said he was not. Commissioner Gearin said she had checked with the local elections department who verified that district Board members must be registered voters. There was discussion and questions about verifying the requirement. Mary provided the County Special Elections pamphlet with the ORS verification requiring SETD Board members to be a registered voter. Chair Kleczek let Andrew know that he was not eligible to be on the Board but invited him to consider serving on the Senior and Disabled Committee.

Commissioner Widener moved to appoint Jim Servino to the Sunset Empire Transportation District Board of Commissioners as an interim Board member.

Commissioner MacDonald seconded the motion

Motion passed by unanimous aye vote of all commissioners present

Commissioner Servino was sworn into office and joined the meeting.

11. NEW BUSINESS-

- a. Bus Purchases- Executive Director Hazen reviewed the bus purchase process for 2 busses. They had decided to go with the "best value determination" selection to assure that they did not purchase a lemon. A team of employees ranked the proposals and chose the Western Bus proposal. Commissioner Gearin asked if we are purchasing busses that can be worked on in the area. Executive Director Hazen said yes. There was further discussion on how the busses are selected and their specifications.

Commissioner Gearin moved to purchase the busses with the photographic wrap

Commissioner Lewicki seconded the motion

Motion passed by unanimous aye vote of the commissioners present.

- b. Senior and Disabled Transportation Advisory Committee Bylaws Update- Executive Director Hazen reviewed the change made to Section 3 Voting: *A Committee member shall not vote on any funding decision in which they are an applicant or representing an organization for funds.*

Commissioner MacDonald moved to approve the change in the Senior and Disabled by-laws.

Commissioner Gearin seconded the motion

Motion passed by unanimous aye vote of the commissioners present

- c. Proposed Miles Crossing Apartment Development- Executive Director Hazen said there is a proposed development below the Lewis and Clark elementary school and that the developer, Dick Kregor had stopped by and discussed what the transportation options are in that area. Dick said that the Astoria school board and CEDR had sent letters of support to the County and was asking if the District Board might consider supporting the project. Chair Kleczek asked for clarity of what was being asked of the Board. Executive Director Hazen asked if the Board wanted to write a letter of support. Commissioner Lewicki asked if there was a protocol in place that we would follow in response to a request like this. Executive Director Hazen said there was not. There was Board discussion with a final decision that there would not be a letter of support written by the Board as it is not the primary mission of the Board to support projects like this.

- d. Appoint Budget Officer/ Budget Calendar Review- There was discussion on the Budget Committee meeting schedule and term dates of the Budget Committee.

Commissioner Goforth moved to approve the budget calendar and have Mary contact Lyla Gaebel to see if she is going to serve again

Commissioner MacDonald seconded the motion

Discussion: Commissioner Gearin requested that the Budget Calendar be corrected prior to approval. Mary will contact the Budget committee members and confirm who is able to serve. It was determined that the Budget meeting will be held on June 3<sup>rd</sup> with a second meeting on June 10<sup>th</sup> only if needed. The Budget hearing will be held on June 23<sup>rd</sup> during the regular Board meeting. Jeff will offer a Budget training session on May 20<sup>th</sup> for the new Board members and anyone else wanting to attend.

Commissioner Goforth moved to hold the budget meeting on June 3<sup>rd</sup> with a second meeting on June 10<sup>th</sup> and the Budget Hearing to be held on June 23<sup>rd</sup> for approval as corrected

Commissioner Lewicki seconded the motion

Motion passed by unanimous aye vote of all commissioners present

Commissioner Lewicki moved to appoint Jeff Hazen as the Budget Officer

Commissioner Widener seconded the motion

Motion passed by unanimous aye vote of all commissioners present

12. CORRESPONDENCE- There were two thank you notes one from the Food Basket program and one from Toni Mitchum.

13. EXECUTIVE DIRECTOR REPORT-

Executive Director Hazen reported how helpful the Compliance Review was and he is still waiting on the final report so that the work plan can be put together.

Executive Director Hazen said that the Route 10 is no longer going to the Yacht club and he and Scott are looking into possibly adding a route that will go near Gray School to assist with transportation for Head Start and the alternative school.

Executive Director Hazen has been working on a shared District calendar that he will bring to the Board at the next meeting. Commissioner Lewicki commented on the previously discussed ideas of a Board calendar that would include meetings, the Executive Directors performance evaluation dates and the payments against debts schedule. Chair Kleczek said that she would like a calendar like Google-docs. Commissioner Lewicki suggested that the calendar be in edocs and it be the entire year. Mary suggested that she set up the Board Calendar and it be maintained separately and only have those things the Board needs to know. Commissioner Lewicki suggested it be in pdf and it be part of the agenda each month.

14. LEADERSHIP TEAM REPORTS- January reports submitted by Jason Jones, Mary Parker, Carol Penuel, Shana Verley, Shasia Fry, Tami Carlson, John Layton, Scott Earls and Konner Claborn.


15. PUBLIC COMMENT- None

16. EXECUTIVE SESSION 192.660 (2)(i)- Chair Kleczek opened Executive Session at 12:07 PM. Executive session closed at 12:13 PM.

17. OTHER ITEMS- Mary reminded everyone that it was Rider Appreciation Day.

Meeting was adjourned at 12:17 PM

Mary Parker, Recording Secretary

  
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Commissioner Carol Gearin, Secretary/Treasurer

Date 3/1/16