



SUNSET TRANSPORTATION SERVICES

BOARD OF COMMISSIONERS

BOARD MEETING MINUTES

THURSDAY FEBRUARY 27, 2014

9:00 AM

Astoria Transit Center 900 Marine Drive Astoria, OR

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

2. ROLL CALL:

Present: Chair Paul Lewicki, Commissioner Rae Goforth, Commissioner Neal Smith, Commissioner Kathy Kleczek, Commissioner Marcia Fenske, Commissioner Carol Gearin and Commissioner Kevin Widener
Staff Present: Jay Flint, Executive Director, Mary Parker, Executive Assistant, Diane Moody, Accountant, Jason Jones, RideCare Manager, Julia Takko, RideCare, Lori Karl, Human Resources, John Layton, IS.

3. CHANGES TO AGENDA- Chair Lewicki announced the addition of Job Descriptions and the Senior and Disabled Committee appointments under New Business. Commissioner Smith said that he had a couple of questions he would like to ask. Chair Lewicki said Commissioner Smith could ask them under Commissioner Reports or under Other Comments if they did not pertain to the agenda items.

4. PUBLIC COMMENT:

- a. Gregory Tarvin from Seaside said that the first run on the Route 101 in the morning that is supposed to be express route is 15 to 25 minutes late every morning. He said the last 2 days it had been on time, but today it was late again. Gregory also said that the bus does not go by the Senior and Disability's office however the bus goes to Sunset Beach where in the last month there have only been 2 riders. He also commented that every day people get off the bus and have to walk from Taco Bell and the Bank all the way back to there to Senior and Disability Services. Chair Lewicki said that the Board appreciated the input and would not have an immediate answer but would look into it and get back to him. Gregory added that the senior citizens that go back there told him that you cannot be late to an appointment or you will be rescheduled. Gregory said he works and walks back there too.
- b. Gail Evens-Sanders introduced herself and her daughter Maya. She said that Maya has Aspergers syndrome which is an American with Disabilities Act recognized disability. Maya works with Vocational Rehabilitation and been placed in a job at the old Red Lion Inn in the laundry room. Gail said that they live in Burnside and about 8 months ago they had made arrangements for the bus to pull on to the Burnside loop to pick Maya up. Gail said Maya is 24 years old and that she is 57 and she would not want to wait alone on Hwy 30 because there are no houses in view of the stop. Gail said that it only takes 8 more seconds to pull off Hwy 30. Gail said she is requesting that Maya be accommodated by the bus pulling off Hwy 30 and going down Burnside loop to Maritime Road. Jay said we would have to change our routes to a deviated fix route which opens up deviations along the entire route and unfortunately we cannot accommodate that deviation on Highway 30. Gail said she had talked with the Americans with Disability Act office in Salem and they said that Sunset Transportation Services could. Jay said that he would double check on that and get back to her. Gail said that the Americans with Disability Act office actually said that you could pay for her to take a cab and be reimbursed for it. Jay said he would check into it and would get back to Gail. Chair Lewicki said it is always good to feel we are connecting

with the people that need us and that there is communication. Jay also said he would check into the Route 101 morning schedule. Chair Lewicki said when the public takes the time to come down here that we need to make a genuine effort to help them with their needs and if not, we give them an explanation that is technically applicable but also imparts our sensitivity to their needs so they feel they were heard. Chair Lewicki asked that Jay prepare a report on both of the requests for the next Board meeting. Commissioner Kleczek and Widener also commented on their concerns about the timeliness of Route 101 and the Route 20 in the morning.

5. APPROVAL OF JANUARY 2014 BOARD MEETING MINUTES-

Commissioner Kleczek moved to approve the January 2014 Board minutes

Commissioner Fenske seconded the motion

Motion passed unanimously

Voting Aye: Fenski, Kleczek, Gearin, Widener, Smith, Goforth and Lewicki (7)

6. REPORTS FROM CHAIR AND COMMISSIONERS

- a. Commissioner Widener- Nothing to report
- b. Commissioner Fenske- Nothing to report
- c. Commissioner Goforth- Commented that she had attended the Special Districts Conference on Thursday. She said she had enjoyed it and always learns something new. She was unable to attend the other 2 days because of snow.
- d. Commissioner Kleczek- Commented that she would like to see if there is a way for us to let people know in advance of route changes and cancellations so riders are not standing around waiting for a bus that isn't coming. She asked that a plan be put into place for letting information points know of delays and cancellations and what is causing them so people can make arrangements. She said that our Facebook page did a really good job of getting the word out but hopes we can go that extra step to call and let information points know about those unexpected changes to the schedules. There was discussion about Facebook's limitations and notifying radio and television stations when there are temporary or emergency route and schedule changes. Commissioner Kleczek passed around the latest issue of the Cannon Beach 2014 magazine. She noted that it has added a lot of information about bus travel including information on the Point Bus and Connector and the Cannon Beach Shuttle stops have been added to the city map. Kathy said there was a self audit that was discussed at the Special Districts Association of Oregon Conference that we may want to participate in.
- e. Chair Lewicki- Reported that he has been invited to participate in the 20 Year Transportation Plan for our District which Jay explained in his management report.
- f. Commissioner Gearin- Reported that she had attended the Special Districts Conference in Seaside.
- g. Commissioner Smith- Asked what is being done to get the new logo out to the public. Mary said that there was a press release sent to all media and radio stations, an ad announcing the new logo placed in the Daily Astorian on February 21st and there will be another ad placed in the Daily Astorian on February 28th. There is also an ad being placed in the Coast Business Journal March edition and an ad with new logo on the Daily Astorian web page. The Seaside Signal and Cannon Beach paper will also run ads at the beginning of March. Jay said that we had been waiting for the final icons to be sent to us to start the marketing. Commissioner Smith also commented that we need to get away from publishing documents that contain acronyms as the public may not know what they mean. He said this month's Board minutes are just full of abbreviations. Commissioner Smith asked about having the Board Policies on line. Commissioner Smith said he had attended the Special Districts Conference in Seaside.

7. **FINANCIAL REPORTS-** There was discussion about several entries. There was a question about RideCare being over budget and if the flex lease payment from RideCare was included in the RideCare Budget. Jay said he would check and confirm that. Jay also said that the money being paid to the Department of Medical Assistance Program by RideCare is then being reimbursed to RideCare by Sunset Transportation Services. Jay said we will make a detailed report on the Sunset Transportation Services and RideCare debt service for the next Board meeting. Commissioner Kleczek asked about being over budget on the interest income. Diane said that we have received higher than expected interest payments on tax revenues from the Local Government Investment Pool from Clatsop County. Commissioner Kleczek asked about the interest that goes along with the debt service. Diane said she would provide a report that has principles, interest and fees next month. Commissioner Kleczek asked about credit card charges for Board meeting supplies being classified under Administration for one purchase and under Operations for another purchase. Diane said this would be corrected.

Commissioner Gearin moved to approve the January Financial Reports

Commissioner Widener seconded the motion

Motion passed unanimously

Voting Aye: Gearin, Widener, Smith, Lewicki, Goforth, Fenske and Kleczek (7)

8. **AUDIT REPORT PRESENTATION-** Brad Bingenheimer a partner with the accounting firm of Bodt, Carliisle and Smith presented the District's Audit for the year ending June 2013. Brad said that they have gone through and analyzed the account balances and transactions and basically believe that this is a fair presentation of what happened with the District this last year. Brad reported that the District has had improvement from its financial position with the a position increase of \$578,000 on the fund based statements which doesn't count debt and capital assets but just current assets and liabilities overall, the district had an increase of over \$100,000. Brad said that when you look at the general fund which is Sunset Empire Transportation District and the Northwest Ride Center, the general fund has a positive increase of \$500,000. The Northwest Ride Center had a decrease of \$415,000 which Brad said is from payments to the Department of Medical Assistance Program. All expenditure categories were within the budget. The Northwest Ride Center over extended the budget in material and services by \$388,000 and in debt service \$319,000 with the main reason being that the payments to the Department of Medical Assistance Program were substantially more than budgeted and also the debt service. Brad reported that total cash was just over a million dollars most of which is in financial institutions and a \$172,000 is in the local investment pool. Total cash in the general fund is \$738,000 and \$332,000 in the Northwest Ride Center. Receivables owed to the district \$571,000. The summary of the capital assets was \$5,200,000 for buildings and equipment with a reported \$1,900,000 of depreciation for those. Total new additions to capital assets were minimal at \$80,000. Disclosure of all the debt issuances of the District including future maturities is about \$450,000 a year for principle and interest payments for the next several years. The District is \$1,800,000 in debt with \$800,000 of that is owed to the State of Oregon Department of Human Services with payments of \$145,000 per year. Brad said that in looking at the Budget for 2013-2014 in the General Fund you had a beginning balance of \$631,000 and you actually only had \$199,000 which means you really didn't start the year off with the resources that you thought you had. There were issues with compliance with public contracting for intermediate procurements for goods and services between \$5000 and \$150,000 The requirement for 3 informal price quotes or proposals was not always followed. He said we start with maintaining an understanding of the internal controls and the operations of the internal controls. This concluded the report for the State of Oregon.

Brad said the next report was under the requirements of Governmental Auditing Standards. These are standards that apply to the District because of the amount of federal financial assistance the District receives. This report also requires that the auditors look at internal controls and compliance with laws and regulations.

Brad said the next report is under OMB A133 which requires them to drill down a little bit and look at compliance and internal controls. The program that they selected this year was for grants for other than urbanized areas. He said that they do have what they consider a qualified opinion on that. Basically Brad said that you complied with the program but there are definitely some things to talk about. Brad then reviewed the audit findings and questioned costs.

The first finding found that accounting records showed expenditures that were not recorded in the proper period and that required adjusting entries to be proposed to the district. Internal controls should have prevented this.

The second finding was that the two funds were out of balance. Funds should always be in balance and there should be internal controls to maintain that this is followed.

The third finding for internal controls has to do with revenues. Revenues should be recorded in the period that they are earned or become available to the district in. There were some that were that were not.

The fourth finding has to do with allocating costs between Sunset Empire Transportation District and the Northwest Ride Center. You will have costs that really belong to both funds, so we need to make sure that the internal controls include a systematic rational method of allocating the cost that occurs. Brad said that they noticed that there were some things that were not following that plan. There was discussion with management that anytime there is a deviation to that allocation plan it needs to come before the board so they are informed. Brad said to make sure that this happens because there is some level of judgment in every one of these.

The fifth finding has to do with journal entries that become embodied in your accounting records. Brad said that just like any other thing that hits your accounting records there should be internal controls over that which includes a supervisor review and approval process before they get recorded in the general ledger.

Brad said for this audit they used Circular A 87 which outlines what costs can be charged to a Federal Grant and which ones can't be and how the allocations plan works.

The sixth finding found that under your Grant document the Operating costs are reimbursable but Capital outlay items are not. They noted that there were \$10,500 that they believe were capital items were charged as material and services that you were reimbursed for under the grant.

The seventh finding has to do with the allocation of indirect costs. Brad said they looked at how the costs were allocated and at the allocation plan and noted that there were some things that did not match up totaling about \$31,000. You did receive reimbursement and these are things and if the Department of Medical Assistance Program came in again they might look at this and say they want their money back. He said that is why we are bringing these forward to the Board.

The eighth finding has to do with Grants having a beginning and ending period. What they found was at the end of a Grant period there were some funds brought in that were not part of that time period. Jay disagreed with this finding as he had been told by the Oregon Department of Transportation that he could make the purchases. Brad said as auditors we look at whatever documentation can we get our hands on for confirmation. Brad thanked the Board for receiving the Audit report.

9. OLD BUSINESS-

- a. Budget Calendar- Diane said the first Budget meeting will be on May 1st from 10 am to 1:00 pm at the Transit Center and the second meeting will either be May 13th or 14th. Diane said we are waiting for a couple more people to respond.

- b. **RSVP Route-** John and Tami discussed the problems that kept coming up with the original plans for the Shopper Shuttle service. They called Jean Palmateer from the Oregon Department of Transportation for guidance and it was decided to put the shuttle on hold for a month. This will give them time to work out the problems and redesign the service and have it ready by April.
- c. **Board Liability Coverage-** Mary reported that there were still some questions about liability coverage on Board members at the January Board meeting, so she had contacted the District's insurance carrier and asked them to send the current coverage limits for Board members. She said what they sent was basically the same information that had given to the Board several months ago and the same as what Lori had provided in January. Lori reviewed the description and details for Board liability insurance. Basic coverage is \$500,000 for each occurrence and up to \$10,000,000. Commissioner Fenske asked what misfeasance and non misfeasance meant. Jay said that it basically means doing something by bad action versus non action. There were concerns from several Board members about separate coverage limits listed on District's coverage report. Chair Lewicki asked for an updated report on our insurance carriers recommendation for the Board at our next meeting.
- d. **Bob Gannaway Transit Plaza-** Chair Lewicki said he has not had time to contact Victor but will before the next Board meeting and have a report. Commissioner Goforth said that she understood that Victor assumed that the Board would get a group together and collect money for it and Victor will not be doing anything until we decide how we are going to fund raise the money. Jay said that shrubs have been removed in the front garden area in preparation of the site.

10. **CORRESPONDENCE-** The District received a Thank You letter from the regional Food Bank for the canned food donations received by the District from the Holidays.

11. NEW BUSINESS

- a. **Executive Director Hiring Process-** Bill Anderson said he had come to the meeting today because there are some things the Board needs to do to maintain compliance with the Executive Session meeting rules. Bill said you will have an opportunity to go into Executive Session twice during this hiring process and in order for you to meet the requirements for conducting the Executive Sessions to hire an Executive Director; the Board needs to adopt the Special Districts timeline in a public meeting. Bill said the first Executive Session will be at the March 18th Special Board Meeting. He said the Board will be receiving the applications before the meeting and will be submitting their top 7 candidates to Mary by noon on March 17th. Bill said he will prepare a matrix of the names submitted which will to be presented to the Board at the March 18th meeting. The Board will select 5 candidates to move on to the Technical Panel interviews on April 7th at 9 am. Bill asked the Board to submit names of community stakeholders or other people that they would suggest for the Technical Panel. Bill also asked the Board to send Mary any questions they would like the Technical Panel to ask. The Technical Panel will meet on April 7th at 9 am and select 3 candidates to go on to the Board interviews which will be on April 8th at 9 am. Bill will present the recommendations of the Technical Panel to the Board; however Bill said that the Board is not obligated by the panel's recommendations. The Technical Panel will also prepare a ranked back up list in case candidates pull out of the interview process. Bill will send out a list of suggested panelists. Bill also said that Special Districts of Oregon has a standard list of questions they ask but he again encouraged the Board to send Mary any questions they want asked either during the Technical interview or during the Board interview. Jay said that based on staff input he would like to recommend to the Board that after the Technical Panel interviews there would be an informal time for the staff to

meet with the candidates over coffee. Bill suggested since there is an overnight stay after Technical interview, the District could host an informal public function at the Transit Center. Bill said that the Board will have to be careful when talking to each other. Chair Lewicki suggested that Mary send out a message to the Board with the names suggested for the Technical Panel. Bill asked the Board if the District will cover travel expenses for any of the final candidates. After discussion it was decided that the District would not offer to pay for travel expenses.

Commissioner Fenske moved to approve the Executive Director Selection Plan and Timeline

Commissioner Kleczek seconded the motion

Motion carried unanimously

Voting Aye: Fenske, Kleczek, Goforth, Smith, Gearin, Widener and Lewicki (7)

- b. Grounds and Maintenance Update- Mary informed the Board that that the trees on the Commercial side of the Transit Center are dying. CB Lawn Care will remove the trees and replace them with large azalea plants at a cost of \$110 per tree. Mary will make sure that Chris checks with the City of Astoria before removing the trees.
- c. Changes to Health Care Access- Lori reported that one of the mandates that is required by the Affordable Care Act is a new employee has to receive insurance within 90 days of hire so she said we had to change our policy to allow insurance at 60 days. We have 6 month probationary period. Lori said that there will be a lot of changes coming up in June.
- d. Job Descriptions- Commissioner Gearin asked Jay about the job title changes for Finance and Development that he has listed in his transition report. She asked if he had a job description for the new position. Jay said that person has not changed their job description yet and will not be making those changes until after the end of the fiscal. Commissioner Gearin said she had concerns about making the change now because the new director may want to do the grants. Jay said the grants are being done now by John and Diane with Jay doing the final approval. However Jay said his goal is to have grants management done by one person. Commissioner Fenske said that according to the Audit report we have oversight issues on the grants. Jay said that is why his goal is to have grants management be done by Diane because she has years of grants management experience. Commissioner Gearin said that SDAO recommends that Board members see all job descriptions however we do not have that policy. Jay said that he will have Lori print out all of the Job descriptions and pay scales for the next Board Meeting. Chair Lewicki suggested that making Annual Review of Job Descriptions be the next policy that the Board Policy Committee works on. Jay said he will set up a Board Policy meeting before the next Board Meeting. Chair Lewicki also asked that the staff draft a policy before the next Board meeting for a process for the Board to see all new or revised Job Descriptions. Jay said that he will also see that Job Descriptions are a section in the Budget Committee report this year.
- e. Senior and Disabled Transportation Advisory Committee- Commissioner Goforth said there has been a resignation on the Committee and Larry Miller from the Senior Center has volunteered to become a member. Commissioner Goforth asked for the Board to approve Larry Miller for the committee.

Commissioner Fenske moved to approve Larry Miller to the Senior and Disabled Transportation Advisory Committee

Commissioner Widener seconded the motion

Motion passed

Voting Aye: Fenske, Widener, Gearin, Lewicki, Goforth, Smith, Kleczek (7)

12. EXECUTIVE DIRECTOR'S REPORT


- a. Management Report- See attached report
- b. Web Site- Jay said that as soon as the beta site is up he will send access information to the Board. Commissioner Kleczek asked how many changes can be made once it is up. Jay said the agreement with Ifocus allows us to make as many changes as we want but he will check into that and verify it. Commissioner Smith recommended not changing every dot and dash and just concentrating on what it the new web site looks like first. Chair Lewicki asked Jay to let the Board know when the beta site is up and that the Board should rely on staff to oversee the changes needed.
- c. John Anglam from True North Learning and Development- John said Jay had asked him to come in a few months back to work with this staff to become more cohesive as a team. John said he has started some very important work with the team which measures their functionality through self assessment in five areas: trust, conflict, commitment, accountability and results. John said there will probably be 4 more sessions and John is hopeful that the new director will be part of this. There was a discussion and positive comments from the staff to the Board about the process.

13. OTHER ITEMS- None

14. PUBLIC COMMENT- None

Meeting was adjourned at 12 Noon

Mary Parker, Recording Secretary



Date 3/27/14

Mission Statement

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