



SUNSET EMPIRE TRANSPORTATION DISTRICT

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SETD BOARD OF COMMISSIONERS

Thursday January 26, 2012 9:00 AM

Meeting Minutes

CALL TO ORDER

PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL-

Present: Chair Bline, Commissioner Lewicki, Commissioner Gearin, Commissioner Gassner,
Commissioner Goforth

Absent: Commissioner Fenske and Commissioner Kee

CHANGES TO AGENDA-

Chair Bline added the Executive Director's Evaluation as the first item under Old Business.

APPROVAL OF DECEMBER MINUTES-

Commissioner Gearin asked that the minutes should clarify that Gretchen Mather's pay will not exceed \$5000 with some increment of time. Executive Director Flint clarified that her pay will not exceed \$5000 in this fiscal year.

Executive Assistant Mary Parker said the motion that Commissioner Lewicki made for the continuation of the analysis of the Aero Environment Ground Lease agreement had been left out of the original minutes.

Commissioner Gearin made and Commissioner Goforth seconded a motion to approve the December 2011 minutes as corrected.

Motion passed unanimously.

REPORTS FROM CHAIR AND COMMISSIONERS-

Commissioner Gearin- No comments today.

Chair Bline- Reported that he had attended the NWACTION meeting in Scappoose and it was very well attended. Senator Johnson was there and she gave a brief overview of what is expected in the short legislative session in February with the message that they will be trimming budgets so "get ready".

Chair Bline said that the NWACT covers Clatsop, Columbia, Tillamook and rural Washington counties. He said they reviewed the Connect IV applications but did not have much discussion as there will be a public meeting in Tillamook in April where each of the applicants will make a presentation. The NWACT board will then make their recommendations and the Transportation Commission will make their final decision this summer sometime. Chair Bline said for more information about the Connect IV grants or if you want to attend you can google NWACT. Chair Bline said that the board will be electing officers in July and that he will not be running for Chair again. He also said March 2013 will be the opening date for filing for the 4 openings on the board. He said we need to start finding people who are interested in serving on this board. Chair Bline said Commissioner Gassner and Lewicki will also need to file. Chair Bline said he and Commissioner Kee will also be up for election, but that he will not be running again.

Commissioner Goforth- Reported that she had attended the AAEW meeting and the subject was electric cars. Commissioner Goforth said it was a very good presentation and the meeting was well attended and included car dealers. Commissioner Goforth said they took a show of hands at the end of the meeting to see how many people would consider purchasing an electric car and out of the 60 people attending, she thought that only 4 said that they would not buy an electric car and 6 people had already ordered their cars.

Commissioner Gassner- Reported that she had followed up with her Work Force friends at the State Building, Clatsop College and Tongue Point and inquired about transit services and how things are going. The feedback she received was Merts struggles with getting their students to and from the main campus and the Merts campus. She said they usually have about 50 students a day who attend Merts and would have about 10 students riding that bus to Merts. She said that she understands that Tongue Point has a contract with SETD and being Merts is in the same neighborhood would there be any possibilities way these two areas could merge. Commissioner Gasser said that this was a common echo from the one stop, that they too have students that need to get to the Merts campus and they struggle with missing appointments due to transportation. Executive Director Flint asked for clarification asking if this is because there is no bus service or because the bus is not frequent enough. Commissioner Gassner said it is because there is not service at all. Commissioner Gassner said that the bus service between Astoria and Seaside continues to be problematic for those individuals doing work search due to the infrequency between the two communities. Commissioner Gassner also said the Job Corp had a question about the weekend schedule due to the route not being the normal route, and that the rumor is that a student could flag down a bus on the street and that the bus will stop. She said there is real concern with that from their vantage point because if students learn of that and go up on highway 30 to flag the bus down, it could potentially be a liability. Executive Director Flint said that it is true that if students want to come up to highway 30 and flag down the bus it will stop as long as there is room for the bus to safely pull off the highway. There is a flag down allowance on all of our routes.

Operations Manager Earls said that for anyone wanting to flag down the bus going eastbound they would prefer they go just beyond the Job Corp intersection and flag the bus because there is a very safe area to pull completely off the road. He also said that coming westbound there is a spot just west

of the Job Corp intersection before you get to the Blue Ridge intersection that the bus can pull into. Operations Manager Earls also said that the driver has the responsibility to determine if it is safe for the bus and the passenger before pulling over and there are times when the bus driver cannot stop at the place where the person is flagging them down. Executive Director Flint said that students can flag down the bus and take it to Seaside or ride the Tongue Point bus into town and catch the bus to Seaside at the Transit Center. Operations Manager Earls also said that we have an agreement with the Job Corp that we will not let students off of the bus when the bus is turning off the highway to go up to Emerald Heights because of the danger at that intersection. Commissioner Gassner said that the Job Corp is excited about the new weekend service.

Commissioner Lewicki- No comments today.

FINANCIAL REPORTS

Approval of Bills Paid- Chair Blaine said that the Exceptions Report was very complete and that there are now payments scheduled for OTAK and SDAO this year.

Commissioner Goforth asked if we are going to indicate who had made the charge on the VISA statement. Executive Director Flint said that this is the first time receiving a statement and there are a few problems we will work out. Commissioner Goforth asked if the name of who purchased the item could be written on the statement. Commissioner Gearin asked if there could be a list of acronyms available for the Exception Report. Commissioner Goforth said our rental income is down. Executive Director Flint said there had been a previous miscalculation of the sign rental in the budget. Executive Director Flint also said that the Exception Report will be placed at the front of the financials in the future.

Commissioner Goforth moved and Commissioner Gearin seconded the motion to accept the SETD financials as presented.

Motion passed unanimously.

OLD BUSINESS

Executive Director Evaluation-Chair Blaine said that he and Commissioner Lewicki and Commissioner Goforth had tabulated the results from the Executive Director Evaluation process so what you have is a matrix table of those results. The Evaluation Committee met with Jay and went through the evaluation with him and he got to read your written comments. In order for this to be put in his personnel file we will have discussion and motion to approve this report. We have set April for the next evaluation so it will be timely for the end of the year and of course we can do them whenever we want throughout the year. Commissioner Gearin asked if she could have a copy of the original matrix as she had some questions. Commissioner Gearin said the way she has seen it done before, Jay would have made comments or put a number and then the Board would put their numbers. Chair Blaine said when they met with Jay he did have an opportunity and did answer back and that this is the beginning point of this type of evaluation, and we can build on it. Commissioner Gearin said but we did not get it. Commissioner Goforth said he gave his comments to the committee. Commissioner Gearin said when she has been evaluated or filled out evaluations, there was a place for her to make

comments and it did not seem fair if Jay did not have the opportunity to say something.

Commissioner Goforth said he did that he did that with the committee. Chair Bline said this form is not written in stone and next time we can get together and make changes. Commissioner Gearin said she is not criticizing this. We can build from this. Commission Gassner asked if Executive Director Flint had an opportunity for input when he sat down with the committee. Executive Director Flint said he did have an opportunity to make comments and that he really took to heart that the Board likes to see plans for moving forward. He said he wants to make sure that as we go forward that we are developing goals and plans that we lay those out and supply those to you so you know exactly what we are doing. Chair Bline said he thinks it is very important that there is maybe a sub-committee of the board sits with Jay that keeps these goals current because we have accomplished several of them now. Executive Director Flint said that we are on target for the original task list for my agreement for this year.

Chair Bline said that he wants to update the Board Policy Manual and wants the Board to take a lead in that and not just expect the staff to take this on. It should be a joint party that works on that.

Executive Director Flint suggested the Board come up with some goals for next year that can be discussed at his next evaluation in April.

Commissioner Gearin made and Commissioner Lewicki seconded the motion to accept the Executive Director Flint's Evaluation Report.

Motion passed unanimously.

Chair Bline said that this was a major goal for this Board and we will remain consistent. Chair Bline said any Board member suggestions about this are welcome because this form is not written in stone. Commissioner Goforth said she thought that the process went well. Commissioner Lewicki asked if the sub-committee was formed will survive this exercise or was it just an ad-hoc and new one will be appointed for the next round? Chair Bline said he thought that it was ad –hoc, but would like to discuss it later.

Aero Vironment, Inc. Ground Lease Agreement- Chair Bline said that the board had received copies of the minutes from last month's Executive Session. He said these minutes are confidential and should all be returned to Mary at the end of the meeting. Chair Bline said there was a summary of points in the minutes and he would leave it at that. Chair Bline said that the board needs to be careful in what is in their discussion today and not to disclose any information from the previous Executive Sessions. He also said that there is a resolution that we will take up today that was tabled last month if the Board so chooses. Executive Director Flint said that Ashley Horvat, the State program manager for electric charging stations from ODOT would have liked to have been here today but she had to attend the Portland Auto Show. Commissioner Gearin said she had prepared and sent and given out a list of comments but she asked everyone to disregard #2 and #3 as they were not based on an actual site map for SETD. Commissioner Gearin said the reason she made this list was because she had a lot to say and that she is not against a charging station, but she feels there are other places where it would be better off and she does not see this being the right place. She said her questions why they picked this specific spot instead of several others including the DHS

parking lot, ODOT, the Port of Astoria or the old Safeway parking lot in the heart of town. Commissioner Gearin said she thinks that one of the reasons that they chose the SETD site is because the Transit Center is staffed so that people traveling through and using the charging station will see the building connected to the parking lot and automatically go in thinking they can get information. She said she did not think that the SETD staff should have to be interrupted constantly for these types of questions and it may not be a big thing now but it could become a big thing later. Commissioner Gearin also said she had asked 8 local people if they had an electric car if they would use the charging station and they all said no they would charge their car at home. So she said she would have to assume that people using this charging station are going to be from out of town which would mean they would have nowhere to go while their car was finished charging which could be 6-8 hours for a level 2 charge. She also said that there could be parking problems in our 2 hour parking spots while people are waiting and wondered who would police that? Commissioner Gearin said that she doesn't think that this is a good business deal because we have no out and we are committing ourselves for 15 years. Commissioner Goforth said that there is a renewal every 5 years. Commissioner Gearin said that they can renew at their option but we cannot say no. Executive Director Flint said it costs \$80,000 to \$100,000 to build one of these so that is the need for the longer lease. He said these are going up in 20-25 sites and no one is getting less than a 15 year lease and no one has gotten better terms than we have which are the same or better than others. Commissioner Goforth said she did not think we are looking at 6-8 hours of charging time either. Executive Director Flint said that this charger will be a 20-25 minute charger. Commissioner Gearin said there are a lot of variables that effect the time it takes to charge. Commissioner Gearin also said what if we want to build a park and ride and we need all the space we can get. Commissioner Goforth said she did not think we would ever be big enough for a park and ride and that is when we would go to the state. Commissioner Goforth also said she thought that since we are the intermodal center for this area we should be the first ones in the area to do this. She said being first was important to her. She said we are the Transportation District. Commissioner Gearin said but we are not in the business of selling fuel and she said that's exactly what we would be doing. Chair Bline said that he thought what we have to focus on is that we have been presented a contract because the State is trying to build an infrastructure so that people who have electric cars will have a place to charge them if they are not at home. Chair Bline said our soul consideration right now is does this district want to participate or not. He said I do not want to argue the worthiness of electric cars, we are presented with a contract here and we have to determine if it is in the best interest of the district to do this or not. He said should it be located in another spot or not, whatever, doesn't have any relevance to this contract. Chair Bline said we have been made an offer to participate in this program and the question is do we want to or not under the contract given. He said to sit and argue about the worthiness or the future of electric vehicles or one of a million other locations in this town is not what we are doing here today. He said we have spent quite a lot of time. We took the concerns of legal counsel in Executive Session last month and I think as a courtesy to the contractor and as resolving our job as a Board to this district, we need to make a decision today. Chair Bline said he was open to any further discussion about it, but we tabled the discussion last month and when we are done with discussion

we are going to vote it up or down. Chair Bline then asked if there was any further discussion. Commissioner Lewicki said he would like to weigh in and agree with what Chair Bline said and our transportation leadership in this region. Commissioner Lewicki said that he believes we have a responsibility to do what we can to promote all modes of transportation and he did not think anything that we do in our business is not without some risk and although we may be encumbered for 15 years it is difficult to say what the next 2-3 years will bring here, but there are always business challenges. He said if putting this charging station in the parking lot creates a business challenge for us then it is our responsibility at the point that it impacts our operations to address that business challenge and resolve it. He said that is the course of operating business. Chair Bline said he was not an attorney, but there is something in the contract about if either party fails on their part, in other words, if that thing breaks down and it just falls apart and they don't take care of it, we can say hey you're not doing your job, get it out of here. Executive Director Flint said if they don't hold up there end of the agreement we can cancel the agreement. Commissioner Gearin said as Paul pointed out, operations wise, if it impacts us negatively we can do nothing, is that not correct. Executive Director Flint said what he is saying is that there is always opportunity to have a new discussion. Commissioner Gearin said but they have the contract and a 15 year lease. Chair Bline said that they are paying us a 5% commission so 95% of that revenue is theirs so he believes it is in Aero Environment's best interest to maximize that revenue and keep it running. He also said if word gets around that the thing doesn't work they are going to come and repair it because it is in their best interest to keep it running. Chair Bline said it has been a very rough year and the board has faced a lot of tough issues and we have had lots of lively discussions and that is how this whole system is supposed to work. He said the board is volunteers, not CPA's or transportation experts or highway engineers; we are citizens with an interest in what's good for this district and now we have an obligation to make a choice. Commissioner Gassner asked Executive Director Flint with the current information he has if he has any hesitation that as far as this being bad for the district. Executive Director Flint said he has had lively discussion about this I do think there are drawbacks of not being able to be changed it over 15 years, however he said there are 5 year marks where we can sit down and talk with them and those will be opportunities to make changes that we will need to do. I feel more comfortable because it is backed by Federal DOT and State DOT, our congressional delegation and the governor's office and all the other folks that are supporting this project. He said he did not think that they would let this fail or just fall apart and that there is support for us beyond our borders. Executive Director Flint said that he thinks we have a pretty good lease agreement in terms of what there is out there, and we have done a lot of good negotiations and we have gotten a lot of added terms in there that our attorney wanted to see. He said this costs nothing up front for us other than the willingness to participate and a couple of our parking spots that he does not see as being part of a park and ride just a couple of extra spots and there are only going to be a few needed for staff in this building and we have all that extra public parking space. Executive Director Flint said as far as burdensome it may require some extra monitoring by our staff but part of going forward is we are going to staff the transit center full time again and we are working with ODOT to staff the transit center on the weekends by this summer. Executive Director Flint said that he has seen the pros and cons and it is management's decision to

support this and that we should be a leader in transportation and he thinks this is part of the inter-modality of the transit district. He also said that we are a transportation district not just a bus district and this is part of all that and that there are both private and public entities backing these charging stations. Pig and Pancake came in second to us. Executive Director Flint said there is a charging station going up in Cannon Beach at a private RV park and one by Burgerville in St. Helens. He said there are both private and public agencies supporting this project. Commissioner Gearin said she could understand the private one going in at Burgerville for the people that eat at their restaurant but she said she did not quite understand the RV Park but she said she did not know where it was located. She said she did speak with someone at City Hall in Cannon Beach and they said if they put a charging station in they will put it in the city parking lot. She said she could understand how some private companies may want to do this. Commissioner Gearin said I do not think this is in the best interest of this district because we have no out and that is the biggest thing. She also said that they can get out and my concern is when the federal money is gone then what? Look at what happened to Sea Port.

Commissioner Goforth made and Commissioner Lewicki seconded the motion that the board agrees on Resolution 2011-16 and the board will vote to approve.

Resolution 2011-16

Aero Environment Ground Lease Agreement

	Yes	No	Absent
Chair Bline	X		
Commissioner Gearin		X	
Commissioner Gassner	X		
Commissioner Goforth	X		
Commissioner Lewicki	X		
Commissioner Fenske			X
Commissioner Kee			X

Motion passed- Vote 4 yes 1 no

Commissioner Lewicki said he appreciated all of the research that Commissioner Gearin had done on this and appreciated her passion on this as well.

FTA Letter- Executive Director Flint reported that we have received a letter from the FTA reporting their findings of the past practices concerning SETD various types of charter services. Chair Bline commented that most of these services had not been approved by the board and in many cases the board was not aware of the services at all. Executive Director Flint said due to our voluntary cooperation and the circumstances the FTA is not going to proceed with any further investigations but they have several requirements including our sending them our written charter procedures within the next 30 days. Executive Director Flint said that he has been talking with the FTA and the cruise hosts

and make sure that what we are going to plan as we move forward with is going to comply with the FTA. Commissioner Lewicki asked if they want a procedure or a policy. Executive Director Flint said they say procedure but they want our charter service policy or how do we handle charter services. He said we are allowed to provide charter services but only if we provide a notice of the requested service first to all of the charter services that are on the federal list in our area. If the charter services in our region do not want to bid on it or are not interested or do not accept the request then we can provide the service at the last resort. Executive Director Flint said he does not know if our region includes the Portland area but there is one small operator in Seaside. He said that our procedures will mimic the FDA's procedures and follow their guidelines, but we will not be getting into the charter service business. We need a policy that says how we will handle the requests for charter services how we comply with the FDA's rules. Commissioner Goforth asked if we can still provide free bus service. Executive Director Flint said yes we can provide free service for community events like we have in the past. Commissioner Gearin asked how far mileage wise do we have to notify. Executive Director Flint said he was not sure how far we have to offer but he does not think it would include Portland because that is 4 hours of deadhead time to come out here. He said for the time being he does not want to get into charter service. He added there are a lot rules, regulations and reporting that you have to comply with and hoops you have to jump through with no real advantage to the district. Commissioner Gearin asked if the board could also receive a copy of the letter that he sends to the FTA. Executive Director Flint said he would make sure the board has a copy. Chair Bline said that the first cycle of cruise ships will be starting in May. Commissioner Goforth asked if the fixed Route #11 will continue. Executive Director Flint said most likely as long as the FTA signs off on it. He said he wants something in writing from the FTA that says we are compliant and then we will sit down with the cruise hosts. Commissioner Gassner asked if the cruise people are not expecting anything do they understand what has occurred. Flint said he thinks the cruise hosts are expecting the same service however he met with them last fall and told them that we needed to have FTA approval but would probably be offering the same temporary fixed route services as we did last year.

City of Astoria Bike Locker- Executive Director Flint reported that we now have a large green bike locker outside for our riders to use and is part of a city grant that Liz and Mary helped work on. It is to increase our inter modality. The locker can be rented short or long term and is being managed by the City of Astoria. There are about 8 more lockers located throughout Astoria around town. Chair Bline said that there are so many bikes stored at the bottom of the OHSU Tram that they have an attendant working there. Executive Director Flint said that he would like to see if the outside of the locker could be decorated as a project with local art students.

CORRESPONDENCE

COONECTOR Project and Schedule- Executive Director Flint said the new service started last weekend. He gave an overview of the new schedules, maps and postures that are coming out with the roll out of the new CONNECTOR route system. He said it has taken quite a while to develop a name, logo and all of the marketing materials for this system. Executive Director Flint gave credit to

John Layton for naming the routes the Pacific Connector for the Astoria to Cannon Beach/Manzanita route and the Columbia Connector for the Warrenton and Westport route. He said these route names were adopted overall so the route all the way to Portland is called the Columbia Connector and the Pacific Connector goes all the way to Yachats. He said this has been a soft roll out for the weekend serviced and is a trial run for the spring so we can iron out the efficiency of the schedules and have the full route schedule ready to roll out in the summer when there will be a lot more marketing and signage. Executive Director Flint said we have had press releases in the paper but we do not want to oversell this until it is finalized so this is still in a trial run base. He also said that this is being rolled out as a weekend service but the original CONNECTOR idea is to be interconnected seven days a week and the special weekend routes are called a Marquis route.

Chair Bline asked if we will have to wait a long time for reimbursement. Executive Director Flint said we already have submitted the quarterly requests to Columbia County which has been a fairly slow process. He said we are still ironing out those funds which have been only fairly small so far. He said as we move forward all of the participating transit agencies will be pooling their funds and putting out an RFP for signage and other purchases.

North by Northwest Foundation- Executive Director Flint said the North by Northwest Foundation is still moving ahead. They will be hosting several meetings on developing a Riders Incentive program. There will be a meeting in Newport on January 31st and a meeting here on Thursday February 2nd here at the SETD conference room. Executive Director Flint said he would really like the board to attend the meeting which will also include 15-20 local employers and agencies. The meeting is a brown bag lunch meeting but there will be snacks and drinks available.

NEW BUSINESS

SETD Conference Room Agreement- Executive Director Flint reviewed the new SETD Conference Room Reservation and Agreement. He explained that we are receiving more requests to utilize the space after hours and weekends so I will give a lot of credit to Mary for creating a log sheet and notebook and the new reservation agreement form that we have been working on that gives them the assumption of risk. This form also gives us the flexibility to require liability insurance. Commissioner Gearin asked if we should have a refundable non refundable cleaning fee attached to this. Executive Director Flint said that this will be added to the agreement. Commissioner Gearin also said that it should also have a clause for no alcohol as well.

New Grant Management Plan- Executive Director Flint went over the new Grant Management process and grant summary report. He said that this was one of the major concerns of our auditors. Executive Director Flint said we have also worked with our CPA to branch out the individual grants and line items supporting them.

EXECUTIVE DIRECTOR'S REPORT

Audit Deficiency Report- Chair Bline suggested that maybe the deficiencies that are currently working on could be highlighted. Commissioner Lewicki said that in a previous life he had received

reports that had shaded the tasks that had been completed. Executive Director Flint said that he would work on this. He reported that the active reports last month were 2010-03, 2010-04, 2010-05 and 2010-13.

Executive Director Flint reported that Boldt, Carlisle and Smith will be here to present the Audit Report at the February Board meeting. He said to expect that this audit will be about the same as last year. He is hoping that they will show some of the progress being made. The audit process should start again next fall in the first quarter.

Management Report- Executive Director Flint said that the DHS Audit is still ongoing and he thinks it will take a few more months. Commissioner Lewicki commented that it would be really nice to have a list of acronyms for the board to use. Executive Director Flint said he would have a list prepared at the next meeting. Executive Director Flint said he met with OTAK and they were very willing to work with us and we were able to agree on a 10% savings and no interest payment plan. We are paying \$3200 a month. He said that both OTAK and SDAO will be paid off by the end of 2012. Chair Bline said that is a great trade-off because we have been hit with our service reductions reduced but in another year we will have a big chunk of our debt paid off.

Budget Forecast- Executive Director Flint said he has met with Chair Bline and been doing some budget forecasting for the year. He said there had been some miscalculations in the original budget including a large operations grant, the Highway 30 grant and the CONNECTOR grant. He said that we are trending higher than what Dan had predicted for the end of the year, but I wanted to wait until we had the audit report before giving you any actual reports. Commissioner Gassner said she thought that we were going to have to make a budget modification. Executive Director Flint said yes we are and that our CPA has done this before so she will help us and we will start this process by March. Commissioner Gearin asked if we have a date set for the budget meeting. Executive Director Flint said in terms of budgeting for the next fiscal year we will begin the budget process at the next board meeting which will include the budget meeting schedule, appointing a budget officer, appointing the budget committee and some basic budget education for the group.

OTHER ITEMS-

Executive Director Flint reported that there is going to be some major changes made to Mobility Management. He said we will be integrating Mobility Management into the Transit Center. We are going to go to providing window operation during the entire day so we will be hiring a new mobility assistant. We are going to post the position as soon as we can. He said he will have more information for the Board at the February board meeting.

PUBLIC COMMENT- None

Meeting was adjourned at 11:10 AM

Mary Parker Recording Secretary

Date _____

Rae Goforth SETD Board Secretary/Treasurer