



SUNSET EMPIRE TRANSPORTATION DISTRICT  
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**SETD BOARD OF COMMISSIONERS  
BOARD MEETING AND BUDGET HEARING  
MINUTES  
Thursday, June 23, 2011 9:00 A.M.**

- 1. CALL TO ORDER; PLEDGE OF ALLEGIANCE TO THE FLAG**
- 2. ROLL CALL**
- 3. SETD FISCAL YEAR 2011-2012 BUDGET PROCESS:**

- a. Public Hearing: Chair Bline opened the Public Hearing for the 2011-2012 Budget. Interim Executive Director Dan Schwanz reported that he had made several changes to the Budget since it had been approved. Interim Executive Director Schwanz said that he thought that the \$122,037 would not be allowed by DHS for the NWRC administrative expenses so it was removed. \$ 21,043 was added to revenue for the Cannon Beach route which the City of Cannon Beach decided to run after the Budget was approved. Additional personnel services were added to cover the drivers for the Cannon Beach Route and Materials and Services were increased to cover fuel costs for the Cannon Beach Route. Interim Executive Director Schwanz said the changes were under the 10% guidelines of requiring that the budget be republished.
- b. Public Comment- There was no public comment.
- c. Resolution 2011-07- Treasurer Rae Goforth read the complete resolution.
  - i. Adopt the Budget
  - ii. Declare and Categorize Taxes by Executive Director

**A Motion was made by Bob Gannaway for the Board to approve Resolution 2011-07 adopting the 2011-2012 Budget.**

**Motion seconded by Vic Kee**

**Vote taken by roll call; Motion passed**

- iii. Chair Bline closed the Budget Hearing

#### 4. CHANGES TO AGENDA:

- Interim Executive Director Schwanz asked that item C under New Business be withdrawn until he has had more time to prepare and he asked that the Cannon Beach Agreement be added to the agenda.

#### 5. APPROVAL OF MAY MINUTES:

- Commissioner Fenske noted the misspelling of Vic Kee's last name.
- Commissioner Goforth commented that she disagreed with the discussion that there was a leak made by Bruce and Suzy Conner to Mr. Bland regarding the Executive Director position. Commissioner Goforth said the radio, newspaper and everybody had been discussing the fact that SETD was going to be looking for an Executive Director. She thought Mr. Bland was treated rather roughly and that Mr. Bland volunteered to help SETD because he had a background in transportation. He did call and ask if he could be of assistance, however the indication from the minutes is that all of a sudden there was some kind of conspiracy that he found out about the position and then volunteered his time and that is not true.
- Commissioner Goforth said that there was a motion made about how we should be treating people that ride the bus and Commissioner Gannaway (Bob) had left the room at the time and I don't think the vote should have been taken without Bob having been here. I think we should be applying for grants regarding the rural areas for transportation and tourism and think this is something that could be held against us or we can just drop it and not worry about it but the vote should not have been taken without the whole group of people and Commissioner Gannaway was not part of it and the motion passed. Commissioner Fenske agreed that the vote should not have been taken without Commissioner Gannaway being present but at the time no one said anything.

**Commissioner Fenske moved that we accept the minutes with the exception of the spelling corrections.**

**Motion seconded by Commissioner Kee.**

**Motion passed**

#### 6. REPORTS FROM CHAIR AND COMMISSIONERS

- **Commissioner Goforth** reported that NWRC Advisory Committee meeting was moved to July 8<sup>th</sup> and she would also be attending the SDAO training for District Board members in Cottage Grove on the July 20<sup>th</sup>. Commissioner Goforth has volunteered and is being trained to help in the Transit office.
- **Commissioner Bline** announced he had offered the condolences of the Board to Scott Earls as his father in law had passed away. He also reminded the Board that according to the Executive Director Search Timeline the job posting closes tomorrow and all of the resumes go to SDAO for screening

and then that list will go to Mary to distribute to the Board. The Board will rank the applicants and return to Mary. We will then meet for a Special Board Meeting and go into Executive Session on July 21<sup>st</sup> to choose the candidates for interview. Chair Bline reminded the Board that this process is still confidential. Commissioner Bline will be attending the SDAO Board training in Pendleton on August 2<sup>nd</sup>.

## 7. FINANCIAL REPORTS

- Interim Executive Director Schwanz reported that we still do not have financials but we have the check runs for May and June. Funds were received from ODOT which allowed us to whittle down what we owe pretty significant. However we still owe SDAO about \$300,000 for insurance costs but this should be reduced as we start selling vehicles. Interim Executive Director Schwanz said he also has been working with Brenda to make some of the insurance payments for the NWRC folks since we have ongoing revenue with them and he asked ODOT to pay us our entire STF allocation which is about \$65,000 as soon as they can release it which should get us through August. Interim Executive Director Schwanz has been working with Wedbush Bank to secure a tax anticipation loan that would get us through December. Our financials must be completed for the application process. Interim Director Schwanz said that Matt Mumford from Tillamook has offered one of his staff people to come in and help us. She will be talking to us about arrangements next week. Financials are needed to apply with Wedbush, to bill ODOT and to do the reconciliations with DHS that are overdue. Interim Director Schwanz also is talking to Clatsop Bank and others about converting the line of credit to a conventional loan. Commissioner Fenske asked if there was a lien on the property in Warrenton. Interim Director Schwanz said he is assuming that there is a lien on the Warrenton property for the million dollar loan that was taken out some time ago. Commissioner Goforth said that the system that Julia and Dan have set up for bill payment is working well. Interim Executive Director Schwanz said we have been able to reduce a significant amount of the debt, but we are still not there. He is waiting on a report from Boldt, Calisle and Smith who he has had to use on several of the projects that he is working on. Commissioner Fenske asked what Brenda Higgins was actually working on. Interim Director Schwanz said that she is focusing on entering last year's payroll into the system.

**Commissioner Goforth made a motion that the Board accept the payment of bills and the check runs for May 13<sup>th</sup>, June 15<sup>th</sup> and June 26<sup>th</sup>.**

**Commissioner Fenske seconded the motion**

**Motion passed**

**8. OLD BUSINESS: None**

**9. CORRESPONDENCE: None**

## 10. NEW BUSINESS

- Changes to Medical Benefits (Addendum)-Lori Karl reported that employees were given the opportunity to choose from several medical plans. All 18 employees voted and the result was a change that reduced some coverage but also reduced premiums, which has allowed employees to add family members back on to their policy.
- County Board Election Results- Interim Executive Director Schwanz said that all the candidates that ran were elected with one new and 4 re-elected. We are waiting on the certificates from Clatsop County Elections. The board members will be sworn in at the July 21<sup>st</sup> Special Board meeting and officers will be elected as well
- Cannon Beach Service- Interim Executive Director Schwanz said that the City of Cannon Beach decided to offer the fixed route bus service within the City of Cannon Beach again. Cannon Beach will pay an SETD \$47 an hour for the service so all passengers ride free of charge. We will also will not charge anyone that boards the Route #101 buses by mistake thinking it is the Cannon Beach run. We are providing complimentary paratransit services as well. The Cannon Beach bus has comment cards available and so far we have received 2 very positive comments about the service.

**Commissioner Kee made a motion for the Board to approve the agreement to provide service to Cannon Beach**

**Commissioner Goforth seconded the motion**

**Motion passed**

- Rider Rules Brochure- Interim Executive Director Dan Schwanz said that we will begin distributing the new Riders Rules brochure that Lis Pietila has completed. It covers basic bus riding facts as well as current service animal rules. The brochure will be available on the bus, at the transit center and on the SETD website.
- Bus Sales-Interim Executive Director Dan Schwanz said that ODOT has listed the buses that we have for sale and there has been a lot of interest. Many of the buses were purchased with grant money from ODOT or have outlived their usefulness and have very little resale value. Scott Earls, Operations Manager said that Sunset Empire Parks and Recreation want to purchase 3 buses that have outlived their usefulness and 2 buses that are not running. The current proposal is to transfer the title of all 5 buses with a cost of \$1 each for the 3 operating buses and no cost for the 2 buses that will be used for parts to the Sunset Parks and Recreation.

**Chair Bline made a motion that the Board approves the transfer of ownership of the 5 listed buses to Sunset Parks and Recreation District in Seaside.**

**Commissioner Kee seconded the motion**

**Motion passed.**

Scott said that there is also 2 requests from ODOT to transfer the titles of 2 shuttle vans that are past their standard of useful life to the Veteran's Administration in Salem.

**Chair Bline made a motion that the Board approves the transfer of title of the 2 shuttle vans to the Veteran's Administration in Salem.**

**Commissioner Goforth seconded the motion.**

**Motion passed.**

Interim Executive Director Schwanz said there has been a request to transfer title of Bus #66 to ODOT so that it can be used for Emergency Services training at the ODOT and OTA conference at the Convention Center in Seaside this fall. The plan is to tow the bus to the Seaside Convention Center Parking lot and turn it over on its side. The fire department will then create a disaster type scenario for training purposes. They plan on cutting the top out of the bus as well. This could be good publicity for SETD. Scott Earls said that there are still many safety and liability details that will need to be worked out before this takes place, however we basically have said yes.

**Commissioner Kee made a motion that the Board approve the transfer of title and donate bus #66 to ODOT under an acceptable agreement.**

**Commissioner Goforth seconded the motion with the stipulation that SETD assumes no responsibility for any liability of the bus prior to or during the training exercise.**

**Motion passed.**

Interim Executive Director Schwanz said that Central Oregon Council of Government and Rogue Valley Transit are interested in several of the buses that SETD actually has interest in so we will receive some payment for those. Scott Earls said that Coos Bay was interested in bus #10. He is waiting to hear back from them.

## **11. EXECUTIVE DIRECTORS REPORT**

- FTA Response Letter- Interim Executive Director Schwanz said that there has not been a response from the FTA to the letter he mailed on 6-2-11.
- SDAO Board Management Training (ODOT)- Interim Executive Director Schwanz said that some Board members have already signed up but he is encouraging all Board members to attend this training as it is very comprehensive and ODOT will pick up the training fee.

## **12. OTHER ITEMS**

- Commissioner Goforth asked that the meeting time of the Special Board Meeting on July 21<sup>st</sup> be changed from 8 AM to 9 AM. The Northwest Ride Center meeting that had been previously scheduled for July 21<sup>st</sup> has been changed and she will be driving back from Cottage Grove the night of July 20<sup>th</sup>.
- Employee Bus Courtesy- Lori Karl explained that there had been a request made by several of the employees that were laid off requesting temporary courtesy on the bus when seeking employment. They will only be able to use their SETD ID as a bus pass until August 31<sup>st</sup>. Personal letters will be sent to each ex employee.

**Commissioner Kee made a motion that the Board approve a provision of bus services to the currently laid off SETD employees until September 30, 2011.**

**Commissioner Goforth seconded the motion**

**Motion passed**

- Interim Executive Director Schwanz said Columbia County has received the agreement from ODOT for the joint service on Hwy 30. Scott and Interim Director Schwanz met with Columbia County on Friday and discussed what SETD would like to do. We are now waiting for the Columbia County legal counsel to approve the agreement and this may take a long time. The money will be available on July 1, 2011 and we proposed that the plan start on the same date, but that will not happen. We are hoping to start in September with the Route #30 service to Westport 2 times a day 5 days a week.
- Interim Executive Director Schwanz will be attending the Multi County Department of Energy Grant meeting in Newport. This will be the kickoff meeting for the 5 county services. We are proposing to do weekend service that will go between Westport and Cannon Beach. This would provide connections from Clatsop County to Columbia County which connects to Amtrak, Greyhound and Tri-Met in Portland.
- Interim Executive Director Schwanz said he will not be asking his Board to extend his services at SETD beyond July 31<sup>st</sup> but will be available on a temporary basis to provide assistance on specific tasks or projects under separate arrangements with him. Bill Anderson will return for the month of August and the new Executive Director should begin in September. Board members all thanked Schwanz for his hard work and dedication to assisting SETD.
- Ride Report: Interim Executive Director Schwanz discussed the ridership reports. He had John prepare 2 separate reports to show the difference between ridership with and without Route #11 to show what our core services are. The report indicates that we did have a small reduction in ridership between April and May. Commissioner Goforth said she had asked Lis and Scott for the

formula that was used to determine where our margin of net is on the Route #11. Commissioner Goforth said we have taken in \$17,000 from Route #11 and would like to know where we stand. Interim Executive Director Schwanz said it is difficult to give you that formula without having the financials complete. The \$47 an hour was a best guess until we have the financials complete. Executive Director Schwanz said he would rather wait until we have the financials to determine the formula.

### **13. PUBLIC COMMENT-**

- Kevin Widner from Cannon Beach said that is not what I said. I said that at the time it was discussed it was April 27<sup>th</sup> and it was not in the paper because I went back and read the story. There were 5 people in the room at that time. There were 5 people attending the meeting at that time. The 4 members of the board stated they were not in communication with Mr. Bland and neither was Mr. Schwanz. I stated the most likely scenario is the Board member who is not here and her husband who is the Director of Marketing and he did have a service and that was the most likely scenario I can see. None of the people in the room told him and I didn't tell him and it was not in the paper. So I would also like to go on record saying that. I was the one that brought that up.

### **14. MEETING ADJOURNED – 11:30 AM**

Mary Parker  
Recording Secretary

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Commissioner Goforth, Secretary Treasurer