



Sunset Empire Transportation District

BOARD OF COMMISSIONERS

BOARD MEETING AGENDA

THURSDAY March 22nd, 2018

5:30 PM

Seaside Library Community Room, 1131 Broadway, Seaside, OR

AGENDA:

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. CHANGES TO AGENDA
4. PUBLIC COMMENT (3 minute limit)
5. APPROVAL OF BOARD MEETING MINUTES
6. REPORTS FROM CHAIR AND COMMISSIONERS
7. FINANCIAL REPORTS-
8. FISCAL YEAR 2017 AUDIT PRESENTATION AND ACCEPTANCE
9. OLD BUSINESS
 - a. ORDINANCE NO. 2018-01 LOCAL GOVERNMENT PUBLIC CONTRACTING REGULATIONS SECOND READING
 - b. AMMENDMENT TO CPCCO – SETD AGREEMENT
 - c. UPDATE ON SEASIDE SHELTER REPLACEMENT
10. NEW BUSINESS
 - a. APPROVAL OF NEW BANK ACCOUNT FOR RIDE CARE GAS VOUCHER PROGRAM
 - b. APPOINTMENT OF BUDGET OFFICER FOR FY2019
 - c. APPOINTMENT OF BUDGET COMMITTEE MEMBERS
 - d. INTERGOVERNMENTAL AGREEMENT WITH ROGUE VALLEY TRANSPORTATION DISTRICT
11. CORRESPONDENCE
12. EXECUTIVE DIRECTOR REPORT
13. LEADERSHIP TEAM REPORTS
14. PUBLIC COMMENT (3 minute limit)
15. OTHER ITEMS

AASHTO	AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS
ACT	ACTUAL
ACCTS	ACCOUNTS
ADA	AMERICANS WITH DISABILITIES ACT
ADS	ADVERTISEMENTS
AP	ACCOUNTS PAYABLE
APTA	AMERICAN PUBLIC TRANSPORTATION ASSOCIATION
AR	ACCOUNTS RECEIVABLE
ASC	ASTORIA SENIOR CENTER
BG	BACKGROUND
BLDGING	BUILDING
BOC	BOARD OF COMMISSIONERS
BS	BALANCE SHEET
BUS REG FEE	BUS REGISTRATION FEE
CCC	CLATSOP COMMUNITY COLLEGE
CCCHD	CLATSOP CARE CENTER HEALTH DISTRICT
CCO	COORDINATED CARE ORGANIZATION
CK	CHECK
COMP	COMPUTER
CONF	CONFERENCE
CPCCO	COLUMBIA PACIFIC COORDINATED CARE ORGANIZATION
CRS	CLATSOP REHABILITATION SERVICES
CSR	CUSTOMER SERVICE REPRESENTATIVE
CTAA	COMMUNITY TRANSPORTATION ASSOCIATION OF AMERICA
CTE	CENTER FOR TRANSPORTATION AND THE ENVIRONMENT
DHS	DEPARTMENT OF HUMAN SERVICES
DIST	DISTRICT
DLSM	DRIVE LESS SAVE MORE
DMAP	DIVISION OF MEDICAL ASSISTANCE PROGRAM
DOJ	DEPARTMENT OF JUSTICE
DOT	DEPARTMENT OF TRANSPORTATION
EQUIP	EQUIPMENT
FHWA	FEDERAL HIGHWAY ADMINISTRATION
FTA	FEDERAL TRANSIT ADMINISTRATION
GF	GENERAL FUND
HR	HUMAN RESOURCES
IGA	INTERGOVERNMENTAL AGREEMENT
INFO	INFORMATION
INT	INTEREST
IS	INCOME STATEMENT
ISN	INTEGRATED NETWORK SYSTEM
IT	INFORMATION TECHNOLOGY
LGIP	LOCAL GOVERNMENT INVESTMENT POOL
LGPI	LOCAL GOVERNMENT PERSONNEL INSTITUTE

LRCTP	LONG RANGE COMPREHENSIVE TRANSPORTATION PLAN
MAINT	MAINTENANCE
MISC	MISCELLANEOUS
MOS	MONTH
MOU	MEMORANDUM OF UNDERSTANDING
NEMT	NON-EMERGENT MEDICAL TRANSPORTATION
NRTAP	NATIONAL RURAL TRANSIT ASSISTANCE PROGRAM
NTI	NATIONAL TRANSIT INSTITUTE
NWACT	NORTHWEST AREA COMMISSION ON TRANSPORTATION
NWOTA	NORTHWEST OREGON TRANSIT ALLIANCE
NWRC	NORTHWEST RIDE CENTER (NOW KNOWN AS RIDE CARE)
ODOT	OREGON DEPARTMENT OF TRANSPORTATION
OHA	OREGON HEALTH AUTHORITY
OHP	OREGON HEALTH PLAN
OPTC	OREGON PUBLIC TRANSPORTATION CONFERENCE
OPTIS	OREGON PUBLIC TRANSIT INFORMATION SYSTEM
OR	OREGON
OTA	OREGON TRANSIT ASSOCIATION
OTC	OREGON TRANSPORTATION COMMISSION
P&L	PROFIT AND LOSS
PARA	PARA-TRANSIT
PTAC	PUBLIC TRANSPORTATION ADVISORY COMMITTEE
QTR	QUARTER
RC	RIDE CARE
REHAB	REHABILITATION
RFP	REQUEST FOR PROPOSALS
RFQ	REQUEST FOR QUOTES
RPTD	RAIL AND PUBLIC TRANSIT DIVISION
RAC	RULES ADVISORY COMMITTEE
RAC	RIDE CARE ADVISORY COMMITTEE
SDAC	SENIOR AND DISABLED ADVISORY COMMITTEE (ALSO KNOWN AS S&D)
SDAO	SPECIAL DISTRICTS ASSOCIATION OF OREGON
SDIS	SPECIAL DISTRICTS INSURANCE SERVICES
SETD	SUNSET EMPIRE TRANSPORTATION DISTRICT
SETD GF	SUNSET EMPIRE TRANSPORTATION DISTRICT GENERAL FUND
SETD GEN	SUNSET EMPIRE TRANSPORTATION DISTRICT GENERAL FUND
SIP	SERVICE IMPROVEMENT PROGRAM
SSP/0401	ACCOUNT FROM OREGON DEPARTMENT OF HUMAN SERVICES
STF	SPECIAL TRANSPORTATION FUND
STIF	SPECIAL TRANSPORTATION IMPROVEMENT FUND
STIP	SPECIAL TRANSPORTATION IMPROVEMENT PROGRAM
STP	SURFACE TRANSPORTATION PROGRAM
STS	SUNSET TRANSPORTATION SERVICES (NAME CHANGE THAT DIDN'T HAPPEN)
TAC	TECHNICAL ADVISORY COMMITTEE

TECH	TECHNOLOGY
TGM	TRANSPORTATION GRANTS MANAGEMENT
TO	TRANSPORTATION OPTIONS
TPAC	TRANSPORTATION PLAN ADVISORY COMMITTEE
TPJCC	TONGUE POINT JOB CORPS CENTER
TSP	TRANSPORTATION SYSTEMS PLAN
YTD	YEAR TO DATE
ZEP	ZERO EMISSION PROPULSION



**BOARD OF COMMISSIONERS
BOARD MEETING MINUTES
February 22, 2018**

1. **CALL TO ORDER-** Chair Kathy Kleczek called the meeting to order at 10:00 am. The meeting was delayed one hour due to weather conditions.
2. **ROLL CALL:**

Present: Chair Kathy Kleczek, Vice Chair Carol Gearin, Commissioner Pamela Alegria, Commissioner Kevin Widener, Secretary/Treasurer Lylla Gaebel, Commissioner Bryan Kidder and Commissioner Tracy MacDonald teleconferenced meeting in progress.

Staff Present: Executive Assistant Mary Parker, Finance Officer Tracy Lofstrom, Operations Manager/Deputy Director Paul Lewicki, RideCare Manager Jason Jones, Paratransit Supervisor, Jennifer Geisler, Human Resources, Tami Carlson and Transportation Options, Matthew Weintraub Executive Director Jeff Hazen was excused.
3. **CHANGES TO AGENDA-** None
4. **PUBLIC COMMENT-** Sheila Rikeous who lives in Raymond Washington commented that SETD should expect to see a large increase in riders coming from Washington once Walmart in Warrenton opens and shared current Pacific Transit schedules with the Board.
5. **APPROVAL OF JANUARY 2018 BOARD MEETING MINUTES-**

Commissioner Gaebel moved to approve the January 2018 minutes
Commissioner Widener seconded the motion
Discussion- Commissioner Kidder commented that he liked receiving minutes in advance so that corrections could be made to save time at meeting. Mary read corrections she received and made to the draft minutes.
Commissioner Gaebel changed motion to approve the January 2018 Minutes as corrected
Commissioner Gearin seconded motion
Motion passed unanimously
6. **REPORTS FROM CHAIR AND COMMISSIONERS**
 - a. Commissioner Alegria- No comment.
 - b. Commissioner Widener- Reported that he had attended the SDAO Conference in Seaside and he thought the most interesting information was the change to public records request processing. He also had a conversation with SDAO legal about deliberate interference by a board member or other elected official and it is not allowed. Widener stated that he has been representing the Board at the SDAO meetings for the past several years and told Commissioner Gaebel that he was handed the ballot by accident and he had no intention and what she had done was uncalled for. Commissioner Widener also stated he is to be referred to as Commissioner or his name and if it happens again he will take action.
 - c. Commissioner MacDonald- Reported he had also attended the SDAO Conference and thought it was great that the Board was there together. He also asked if there is a current position description for a Board Commissioner. Chair Kleczek said that we are working on that.
 - d. Vice Chair Gearin-Reported she had attended the SDAO Conference and the marijuana laws were interesting as well as the legislative meeting.
 - e. Secretary/Treasurer Gaebel- Reported that she had attended the SDAO conference and pre-conference and found it to be a repeat of what she has learned in the past however it is helpful to have things reinforced.

- f. Commissioner Kidder- Reported he had attended the SDAO Conference for the first time. He said he learned quite a bit and enjoyed the exchange of information at the social gatherings. Kidder said he thought the conference was beneficial and looks forward to the next one.
- g. Chair Kleczek- Reported she also attended the SDAO Conference and enjoyed it greatly. She attended the preconference and although some of it was a repeat, she still found it valuable information to be reiterated to re-evaluate priorities and get us all on the same page and remind us of Board decorum and ways to get our business done as a Board and where to put our priorities. Kleczek also said the main thing she takes out of these conferences is if we see our business as a business then the community we serve is served best. Kleczek also sat in on the session about the new marijuana laws which will be changing some of our policies and how we do business and it will be good for us to be proactive in these changing times.

7. FINANCIAL REPORTS- January 2018

Financial Officer Tracy Lofstrom reviewed the January 2018 Exceptions and Financial Report.

Commissioner Gaebel asked if there will need to be a budget adjustment for RideCare. Tracy said she thought Executive Director Hazen had that in his notes.

Commissioner Gaebel asked that Executive Director Hazen bring back something to the Board at the next meeting about the extra Timber Revenue money.

Commissioner Kidder asked Tracy about insurance payments she was going to check on from last month's meeting. Tracy said she had checked with the insurance company and was told that there was an employee that had applied the payments to us but not quite in the right place. Tracy said she would have asked for them to correct if it had been in the current year, but it has been almost 2 years. Tracy clarified we did owe what was stated in last month's meeting.

Commissioner Gaebel moved to accept the January 2018 Financials as presented

Commissioner Widener seconded the motion

Discussion- None

Motion passed unanimously

8. PUBLIC HEARING-At 10:47 AM Chair Kleczek opened the Public Hearing for the first reading rescinding Public Contracting Ordinance 2005-01 and adopting Ordinance No. 2018-01 Sunset Empire Transportation District's Local Government Public Contracting Regulations.

Operations Manager Paul Lewicki stated that the only real change to the existing ordinance is the addition of a required paragraph on page 24 under B. 3.

There were no changes recommended by the Board and no public comment.

Chair Kleczek closed the Public Hearing at 10:53 AM

9. OLD BUSINESS-

- a. NW OREGON FEASIBILITY STUDY REPORT- Commissioner Gaebel asked if she could give an overview of the report submitted in the Board Pack and not do an overhead slide presentation. The Board agreed. Commissioner Gaebel gave an overview of the Feasibility study, process, meetings and the final 3 cases, A., B. and C. that were moved forward for financial analysis and recommendations. Commissioner Gaebel asked that the Board accept the report so that we can apply for grant reimbursement for the study.

Commissioner Gearin moved to accept the final report of the Northwest Oregon Feasibility Study

Commissioner Widener seconded the motion

Discussion- Commissioner Widener said he appreciated the effort put into this, but right now he has problems with this because it appears that whatever action we take it adversely effects each other, and right now his action would be none of the above. Commissioner MacDonald thanked Commissioner Gaebel and stated he would like to consider with our director making Rainer and Longview and Saint Helens easier to get into. Chair Kleczek reminded the Board that the motion was to accept the final report and does not require any further action.

Motion passed unanimously

- b. MARCH MEETING LOCATION- Mary Parker discussed the options that were available in Seaside for an evening meeting and that the best location appeared to be at the Seaside Public Library Conference Room which she reserved for March 22nd from 5:30 PM to 7:45 PM. The plan to have the Board

Assessment on this same day will not be possible so Mary will be sending out another Doodle Poll for scheduling this.

10. NEW BUSINESS-

- a. BUDGET CALENDAR- The proposed 2018 Budget Calendar was presented for approval. After discussion the Board approved:
 - Appointing the Budget Committee and Budget Officer on March 22nd.
 - Budget Training April 13th
 - First Budget Meeting May 18th
 - Second Budget Meeting May 31st
 - Budget Hearing/Board Meeting June 28th
- b. SEASIDE KIOSK- Paul Lewicki reported that this is an exciting subject and asked if there were comments about Executive Director Hazen's report. Discussion was held on potential sites for relocation of the KIOSK.
 - Commissioner Kidder moved to ask staff to continue looking with instruction to look at extension of the current lease on a month to month basis but to continue to search for opportunities for us in Seaside.
 - Commissioner Alegria seconded the motion
 - Discussion- Commissioner Gearin asked if it is possible to upgrade the electrical at the Kiosk.
 - Paul said he would look into that.
 - Motion passed unanimously
- c. RIDE CARE PRESENTATION- RideCare Manager Jason Jones gave a presentation to the Board explaining the history, operations and the high level of service required to provide the non-emergent medical transportation services that RideCare provides.
- d. SETD 25TH ANNIVERSARY- Paul Lewicki reported that March 24th will be Sunset Empire Transportation District's 25th anniversary. Paul said we have been kicking around a lot of ideas and hope that anyone having ideas will share them. Mary shared several ideas. Chair Kleczek said it would be great to have the county come here have a re-ribbon cutting. Other ideas would be to change the fare to what we charged 25 years ago or we could charge 25 cents and the quarters could be donated to something. Paul asked that anyone with ideas to please send them to him.

11. CORRESPONDENCE- Chair Kleczek sent a letter of response to Lois J Dupey. There was also a letter sent to the Board by previous employee, Carol Penuel concerning a lost check which she had given to SETD. Chair Kleczek said that the Board cannot address all the fine details and intricacies of Carol's insurance payment however it is the staff's responsibility to follow policy and procedures and insurance requirements.

12. EXECUTIVE DIRECTOR REPORT- Paul Lewicki asked for questions.

13. LEADERSHIP TEAM REPORTS- Reports submitted for January 2018: Operations- Paul Lewicki, Rider Reports- John Layton, Ride Assist- Jennifer Geisler, Marketing and Outreach- Mary Parker, RideCare- Jason Jones, Human Resources-Tami Carlson and Transportation Options- Matthew Weintraub.

14. PUBLIC COMMENT- Lin Anderson said that she has used RideCare many times. It is one of the most efficient and organized services she has used.

15. OTHER ITEMS- SETD is having an electric bus demonstration on the Route 10 bus route from 8:51 AM to 3:37 PM pm on March 5th which is open to the public and the ride is free.

Meeting was adjourned at 1:15 PM

Mary Parker, Recording Secretary

Date _____

Secretary Treasurer Lylla Gaebel

An audio recording of the Sunset Empire Transportation District's Board Meeting is available at: www.ridethebus.org-Board of Commissioners- Monthly Meeting Minutes- February 2018

Mission Statement

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

DRAFT

NOTE on Reviewing Financials: Month 8 = 66.7 % of Fiscal Year Budget*

Preliminary General Fund Profit and Loss

The District's General Fund Total Year to Date (YTD) Income was \$1,831,727 (\$278,027 more than budget), 80% of annual budget and 117.9% of monthly budget. YTD Total Materials & Services was \$512,081 (\$98,759 less than budget), 58% of annual budget and 83.3% of monthly budget.

Revenue

- 4000 Fares: Revenues for the month were up \$7,388 from budget; and are better than budget year to date \$41,306.
- 4100 Contract Service-IGA: Cannon Beach was billed for the months of Aug through January. Total of \$22,201 was received on 2/12/18.
- 4205 Property Taxes: \$8,631 was received on 2/2/18.
- 4271 Billboard Lease: Payment of \$1200 was received in January 2018.
- 4272 Parking: All parking spaces are leased out.
- 4273 Charging Station: Payment of \$320.47 was received in May 2017.
- 4300 Interest: January interest for General Fund was \$1,143.
- 5000 Grants: Billing for grant reimbursements for Q2 of \$184,235 was received.
- Other Income: Services rendered to MTR during breakdown.

Expense

- 6005 Salaries & Wages: Remained level for the month. Better than budget by \$104,328.
- 7000 RC Provider Payments: All Veteran provider rides. Actual for February was \$341. \$975 was paid for Administrative Fee for Oct-Dec 2017.
- 8005 Audit: Over YTD \$9,739, still under for the year. Audit is coming to a close and total costs should be close to budgeted amount.
- 8031 Website/On-line SW Sub: \$422 for email accounts.
- 8139 Professional Services: Plangineering \$6250 (anticipated grant reimbursement).
- 8155 Telephone/Internet Service: AngelTrax invoice of \$5,023 for annual service.
- 8170 Vehicle Maint & Repairs: Down \$13,435 YTD.
- END

Ride Care Fund Profit and Loss

Ride Care's (RC) total Income is 70% of total budget. YTD revenues of \$2,270,481 are \$254,756 more than Budget. YTD Interest Income of \$6,067 is \$2467 better than budgeted YTD. Materials & Services of \$2,281,539 are \$451,673 more than budget and are 84% of YTD budget.

Income

- 4300 Interest: Interest earned is \$452.
- 4500 RC Provider Service Reimbursement: Higher than budgeted by \$43,591 for the month, thanks to a payment from NEMT of \$21,977 for adjustment from 2016. Ahead of budget by \$279,681.

Expense

- 6005 Salaries and Wages: Below budget \$52,209 YTD.
- 7000 Contract Providers: Major providers include K &M \$40,378 - Wapato \$77,725 - Ryan \$31,527 - Elliott \$16,600 - Tillamook \$39,142 and Medix \$24,911. Gas Vouchers accounted for \$14,604. Provider payments is over budget by \$518,586 YTD.
- 7030 Bus Passes: Over budget YTD by \$12,175. Only \$580 over budget for the month.
- 9655 DMAP Repayment Agreement: NEMT Cost Settlement reimbursement of \$21,977 for the period 7/1/15 through 6/30/16 was received 2/1/18.
- END

Sunset Empire Transportation District
Profit & Loss Budget Performance-SETD
February 2018

	Month Actual	Month Budget	YTD Actual	YTD Budget	YTD Budget to YTD Actual	Annual Budget	YTD Act to Budget
Ordinary Income/Expense					Better		
Income					(Worse)		
4000 FARES	26,871.98	19,484.00	222,870.05	181,564.00	41,306.05	273,000.00	82%
4090 DONATIONS/COMMISSIONS	1,398.27	1,075.00	11,614.69	8,600.00	3,014.69	12,900.00	90%
4100 CONTRACTED SERVICES-IGA	53,559.37	10,325.00	96,537.92	82,600.00	13,937.92	123,900.00	78%
4200 TAXES					0.00		
4205 PROPERTY TAXES					0.00		
4207 Prior Year Property Tax	1,795.65	1,600.00	18,357.91	17,500.00	857.91	22,000.00	83%
4205 PROPERTY TAXES - Other	6,836.13	5,100.00	881,454.16	822,300.00	59,154.16	870,000.00	101%
Total 4205 PROPERTY TAXES	8,631.78	6,700.00	899,812.07	839,800.00	60,012.07	892,000.00	101%
4210 LAND SALES	0.00		0.00		0.00		
4215 US FISH & WILDLIFE	0.00		185.76		185.76		
Total 4200 TAXES	8,631.78	6,700.00	899,997.83	839,800.00	60,197.83	892,000.00	101%
4250 TIMBER SALES	0.00	30,000.00	184,538.69	130,000.00	54,538.69	160,000.00	115%
4260 MASS TRANSIT ASSESSMENT	0.00	0.00	33,528.26	33,500.00	28.26	67,000.00	50%
4270 RENTAL INCOME					0.00		
4271 BILLBOARD LEASE	0.00		1,200.00	1,200.00	0.00	1,200.00	100%
4272 PARKING SPACES	760.00	760.00	5,272.50	6,080.00	(807.50)	9,120.00	58%
4273- Charging Station	0.00	0.00	0.00	0.00	0.00	200.00	0%
Total 4270 RENTAL INCOME	760.00	760.00	6,472.50	7,280.00	(807.50)	10,520.00	62%
4300 INTEREST	1,142.65	400.00	7,325.75	3,200.00	4,125.75	4,800.00	153%
4310 LAMINATING	21.00		156.00		156.00		
4500 RC PROVIDER SERVICE REIM	0.00	0.00	-830.85	0.00	(830.85)	0.00	
5000 GRANTS					0.00		
5001 ODOT GRANTS					0.00		
5002 5311 GRANT OPERATIONS	81,878.00	0.00	163,230.00	143,000.00	20,230.00	455,656.00	36%
5003 5310 MOBILITY MGT GRANT	7,001.00	0.00	18,741.00	23,750.00	(5,009.00)	75,133.00	25%
5004 PREV MAINTENANCE GRANT	14,641.00	0.00	31,910.00	19,491.00	12,419.00	61,473.00	52%
5005 CAPITAL PURCHASES GRANT	21,463.00	0.00	38,801.00	18,850.00	19,951.00	58,985.00	66%
5006 TRANS OPTIONS DR LESS CON	17,850.00		33,881.00	0.00	33,881.00	0.00	

Sunset Empire Transportation District
Profit & Loss Budget Performance-SETD
February 2018

	Month Actual	Month Budget	YTD Actual	YTD Budget	YTD Budget to YTD Actual	Annual Budget	YTD Act to Budget
5007 5305 PLANNING/FEASIBILITY	10,044.00		20,303.00		20,303.00		
5015 INTERCITY GRANT (Hwy 30)	0.00		-9,000.00		(9,000.00)		
5001 ODOT GRANTS - Other	0.00		0.00		0.00		
Total 5001 ODOT GRANTS	152,877.00	0.00	297,866.00	205,091.00	92,775.00	651,247.00	46%
5050 MISC GRANTS	0.00	6,000.00	1,351.00	18,000.00	(16,649.00)	24,000.00	6%
Total 5000 GRANTS	152,877.00	6,000.00	299,217.00	223,091.00	76,126.00	675,247.00	44%
5080 OREGON STF FUNDS	0.00	0.00	69,930.00	44,065.00	25,865.00	58,753.00	119%
Other Types of Income-MTR	226.84		369.47		369.47		
Total Income	245,488.89	74,744.00	1,831,727.31	1,553,700.00	278,027.31	2,278,120.00	80%
Gross Profit	245,488.89	74,744.00	1,831,727.31	1,553,700.00	278,027.31	2,278,120.00	80%
Expense							
1. PERSONNEL SERVICES							
6005 SALARIES & WAGES	94,436.62	93,944.00	744,082.50	798,548.00	54,465.50	1,221,315.00	61%
6200 PAYROLL EXPENSES	8,045.84	11,168.00	72,293.12	94,938.00	22,644.88	145,195.00	50%
6300 EMPLOYEE BENEFITS	27,755.58	27,540.00	206,876.90	234,095.00	27,218.10	358,025.00	58%
Total 1. PERSONNEL SERVICES	130,238.04	132,652.00	1,023,252.52	1,127,581.00	104,328.48	1,724,535.00	59%
2. MATERIALS & SERVICES							
7000 RC PROVIDER PAYMENTS	1,315.74	183.00	8,066.03	1,468.00	(6,598.03)	2,200.00	367%
7030 BUS PASSES	0.00	0.00	0.00	0.00	0.00	0.00	
8005 AUDIT	14,721.20	400.00	23,134.20	13,395.00	(9,739.20)	28,652.00	81%
8006 ADS (HR JOB POSTING)	0.00	350.00	3,025.07	2,800.00	-225.07	4,200.00	72%
8010 BANK FEES	140.20	279.00	1,142.24	2,228.00	1,085.76	3,341.00	34%
8020 BLDING & GROUNDS MAINT	9,131.39	2,656.00	31,518.39	21,253.00	(10,265.39)	31,878.00	99%
8030 COMP-INFO-TECH SERVICES					0.00		
8031 WEBSITE/ON-LINE SW SUB	421.80		6,782.07		(6,782.07)		
8032 SUPPORT SERVICES/CONTRACTS	734.98		39,113.67	0.00	(39,113.67)	0.00	
8030 COMP-INFO-TECH SERVICES - Other	0.99	3,648.00	0.99	63,580.00	63,579.01	78,172.00	0%
Total 8030 COMP-INFO-TECH SERVICES	1,157.77	3,648.00	45,896.73	63,580.00	17,683.27	78,172.00	59%
8035 CONF TRAINING & TRAVEL	1,580.20	4,155.00	18,570.84	16,768.00	(1,802.84)	24,084.00	77%
8040 DONATIONS/CONTRIBUTIONS	0.00		-225.52		225.52		

**Sunset Empire Transportation District
Profit & Loss Budget Performance-SETD
February 2018**

	Month Actual	Month Budget	YTD Actual	YTD Budget	YTD Budget to YTD Actual	Annual Budget	YTD Act to Budget
8045 DRUG/ALCOHOL/BG CHECKS	0.00	419.00	2,214.40	3,336.00	1,121.60	5,000.00	44%
8050 DUES SUBSCRIPTIONS & FEES	67.15	1,019.00	10,334.82	15,112.00	4,777.18	19,143.00	54%
8053 IGA - DUES AND FEES	0.00		7,500.00	0.00	(7,500.00)	0.00	
8055 DURABLE EQUIP/SMALL TOOLS	295.18	5,366.00	11,780.64	42,936.00	31,155.36	64,400.00	18%
8061 EQUIPMENT LEASE/RENT	188.00	458.00	2,267.66	3,668.00	1,400.34	5,500.00	41%
8065 EDUCATION/OUTREACH	680.58	3,334.00	2,312.31	26,668.00	24,355.69	40,000.00	6%
8070 EMPLOYEE RECOGNITION	50.38	823.00	6,685.70	6,588.00	(97.70)	9,880.00	68%
8072 Election Fees	0.00		0.00	0.00	0.00	0.00	
8075 FUEL	24,523.15	21,039.00	109,377.18	168,314.00	58,936.82	252,472.00	43%
8080 INSURANCE	0.00	0.00	58,253.80	31,400.00	(26,853.80)	61,479.00	95%
8090 LEGAL ADS	0.00	50.00	138.10	250.00	111.90	800.00	17%
8095 LEGAL COUNSEL	120.00	550.00	2,117.50	4,500.00	2,382.50	6,400.00	33%
8100 MEETING EXPENSE	71.15	146.00	578.73	1,174.00	595.27	1,760.00	33%
8120 OFFICE SUPPLIES	759.88	1,446.00	7,596.00	11,568.00	3,972.00	17,352.00	44%
8130 PAYROLL PROCESSING FEES	113.05	167.00	919.03	1,397.00	477.97	2,128.00	43%
8135 PRINTING	810.42	2,818.00	3,282.45	22,536.00	19,253.55	33,800.00	10%
8139 PROFESSIONAL SERVICES	1,182.00	3,520.00	33,465.20	28,160.00	(5,305.20)	42,240.00	79%
8140 SUBGRANT PASS THROUGH	0.00		4,250.00	0.00	(4,250.00)	0.00	
8150 TAXES/LICENSES/BUS REG FEE	0.00	0.00	3,634.38	125.00	(3,509.38)	330.00	1101%
8155 TELEPHONE/INTERNET SERVICE	8,713.67	2,558.00	34,617.82	20,470.00	(14,147.82)	30,702.00	113%
8160 UNIFORMS	155.08	910.00	1,318.70	7,282.00	5,963.30	10,924.00	12%
8165 UTILITIES	1,768.96	1,733.00	11,743.14	13,864.00	2,120.86	20,796.00	56%
8170 VEHICLE MAINT & REPAIRS	12,201.33	10,000.00	66,565.30	80,000.00	13,434.70	120,000.00	55%
Total 2. MATERIALS & SERVICES	79,746.48	68,027.00	512,080.84	610,840.00	98,759.16	917,633.00	56%
Total Expense	209,984.52	200,679.00	1,535,333.36	1,738,421.00	203,087.64	2,642,168.00	58%
Net Ordinary Income	35,504.37	-125,935.00	296,393.95	-184,721.00	-481,114.95	-364,048.00	-81%
Other Income/Expense					0.00		
Other Expense					0.00		
3. OTHER EXPENSES					0.00		
9610 CLATSOP BANK-PRINCIPAL	5,970.95	5,950.17	46,502.62	46,545.35	42.73	70,517.00	66%

Sunset Empire Transportation District
Profit & Loss Budget Performance-SETD
February 2018

	Month Actual	Month Budget	YTD Actual	YTD Budget	YTD Budget to YTD Actual	Annual Budget	YTD Act to Budget
9611 CLATSOP BANK-LOAN INT	602.55	623.33	6,085.38	6,042.45	(42.93)	8,365.00	73%
Total 3. OTHER EXPENSES	6,573.50	6,573.50	52,588.00	52,587.80	(0.20)	78,882.00	67%
9600 DEBT SERVICE & INTERES-FEE	0.00		182.40		(182.40)		
9625 SDAO FLEXLEASE-PRINCIPAL	0.00	0.00	41,800.00	41,800.00	0.00	41,800.00	100%
9626 SDAO FLEXLEASE-INTEREST	0.00	0.00	3,391.50	3,690.00	298.50	7,041.00	48%
9700 CAPITAL EXPENSE	0.00	0.00	0.00	0.00	0.00	28,000.00	0%
9800 CONTINGENCY	0.00	0.00	0.00	0.00	0.00	200,000.00	0%
9850 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00	104,208.00	0%
Total Other Expense	6,573.50	6,573.50	97,961.90	98,077.80	115.90	459,931.00	21%
Net Other Income	-6,573.50	-6,573.50	-97,961.90	-98,077.80	-115.90	-459,931.00	21%
	28,930.87	-132,508.50	198,432.05	-282,798.80	-481,230.85	-823,979.00	-24%

Sunset Empire Transportation District
Profit & Loss Budget Performance-RiDECARE
February 2018

	Month Actual	Month Budget	YTD Actual	YTD Budget	YTD Budget to YTD Actual	Annual Budget	YTD Act to Budget
Ordinary Income/Expense					Better		
Income					(Worse)		
4300 INTEREST	451.65	450.00	6,066.89	3,600.00	2,466.89	5,400.00	112%
4310 MISC INCOME	21,977.00		22,458.00		22,458.00		
4500 RC PROVIDER SERVICE REIM	270,014.35	248,400.00	2,241,956.05	1,987,200.00	254,756.05	3,230,727.00	69%
Total Income	292,443.00	248,850.00	2,270,480.94	1,990,800.00	279,680.94	3,236,127.00	70%
Gross Profit	292,443.00	248,850.00	2,270,480.94	1,990,800.00	279,680.94	3,236,127.00	70%
Expense							
1. PERSONNEL SERVICES							
6005 SALARIES & WAGES	23,868.35	26,667.00	206,515.49	226,676.00	20,160.51	346,677.00	60%
6200 PAYROLL EXPENSES	1,995.05	3,366.00	18,302.01	28,611.00	10,308.99	43,758.00	42%
6300 EMPLOYEE BENEFITS	5,933.91	8,847.00	53,469.86	75,209.00	21,739.14	115,021.00	46%
Total 1. PERSONNEL SERVICES	31,797.31	38,880.00	278,287.36	330,496.00	52,208.64	505,456.00	55%
2. MATERIALS & SERVICES					0.00		
7000 RC PROVIDER PAYMENTS	295,836.84	211,451.00	2,210,192.43	1,691,606.00	(518,586.43)	2,537,410.00	87%
7030 BUS PASSES	2,080.00	1,500.00	24,175.00	12,000.00	(12,175.00)	18,000.00	134%
7050 DMAP/CCO Annual Adjustment	0.00		0.00	0.00	0.00	0.00	
8005 AUDIT	4,648.80	350.00	6,695.80	7,450.00	754.20	9,048.00	74%
8006 ADS (HR JOB POSTING)	0.00	20.00	0.00	120.00	120.00	200.00	0%
8010 BANK FEES	84.05	14.00	118.35	115.00	(3.35)	171.00	69%
8020 BLDING & GROUNDS MAINT	403.54	802.00	3,339.42	6,420.00	3,080.58	9,628.00	35%
8025 BUS PASSES	0.00	0.00	0.00	0.00	0.00	0.00	
8030 COMP-INFO-TECH SERVICES					0.00		
8031 WEBSITE/ON-LINE SW SUB	0.00		1,435.22		(1,435.22)		
8032 SUPPORT SERVICES/CONTRACTS	80.00		1,917.72	0.00	(1,917.72)	0.00	
8030 COMP-INFO-TECH SERVICES - Other	0.00	1,453.00	0.00	46,626.00	46,626.00	52,438.00	0%
Total 8030 COMP-INFO-TECH SERVICES	80.00	1,453.00	3,352.94	46,626.00	43,273.06	52,438.00	6%
8035 CONF TRAINING & TRAVEL	0.00	2,200.00	965.77	5,846.00	4,880.23	8,046.00	12%
8045 DRUG/ALCOHOL/BG CHECKS	456.00	144.00	1,648.00	1,151.00	(497.00)	1,725.00	96%
8050 DUES SUBSCRIPTIONS & FEES	0.00	200.00	238.63	2,525.00	2,286.37	3,698.00	6%
8055 DURABLE EQUIP/SMALL TOOLS	0.00	1,016.00	229.44	8,134.00	7,904.56	12,200.00	2%

Sunset Empire Transportation District
Profit & Loss Budget Performance-RiDECARE
February 2018

	Month Actual	Month Budget	YTD Actual	YTD Budget	YTD Budget to YTD Actual	Annual Budget	YTD Act to Budget
8065 EDUCATION/OUTREACH	0.00	168.00	0.00	1,334.00	1,334.00	2,000.00	0%
8070 EMPLOYEE RECOGNITION	0.00	344.00	771.65	2,748.00	1,976.35	4,120.00	19%
8072 Election Fees	0.00		0.00	0.00	0.00	0.00	
8080 INSURANCE	0.00	0.00	4,556.15	3,406.00	(1,150.15)	6,814.00	67%
8090 LEGAL ADS	0.00		0.00	0.00	0.00	0.00	
8095 LEGAL COUNSEL	0.00	41.00	0.00	333.00	333.00	500.00	0%
8100 MEETING EXPENSE	0.00	54.00	82.88	428.00	345.12	640.00	13%
8120 OFFICE SUPPLIES	22.92	441.00	1,848.75	3,533.00	1,684.25	5,298.00	35%
8130 PAYROLL PROCESSING FEES	35.70	34.00	290.22	290.00	(0.22)	444.00	65%
8135 PRINTING	3.57	133.00	33.81	1,068.00	1,034.19	1,600.00	2%
8139 PROFESSIONAL SERVICES	2,367.94	250.00	4,275.94	2,000.00	(2,275.94)	3,000.00	143%
8155 TELEPHONE/INTERNET SERVICE	1,133.21	3,218.00	13,529.50	25,746.00	12,216.50	38,618.00	35%
8160 UNIFORMS	0.00	83.00	0.00	668.00	668.00	1,000.00	0%
8165 UTILITIES	661.90	789.00	5,193.92	6,319.00	1,125.08	9,475.00	55%
Total 2. MATERIALS & SERVICES	307,814.47	224,705.00	2,281,538.60	1,829,866.00	-451,672.60	2,726,073.00	84%
Total Expense	339,611.78	263,585.00	2,559,825.96	2,160,362.00	-399,463.96	3,231,529.00	79%
Net Ordinary Income	-47,168.78	-14,735.00	-289,345.02	-169,562.00	119,783.02	4,598.00	-6293%
Other Income/Expense					0.00		
Other Expense					0.00		
9600 DEBT SERVICE & INTERES-FEE	0.00		57.60		(57.60)		
9625 SDAO FLEXLEASE-PRINCIPAL	0.00	0.00	13,200.00	13,200.00	0.00	13,200.00	100%
9626 SDAO FLEXLEASE-INTEREST	0.00	0.00	1,071.00	2,224.00	1,153.00	3,336.00	32%
9655 DMAP REPAYMENT AGREEMENT	0.00	0.00	238,115.50	270,719.00	32,603.50	343,405.00	69%
9800 CONTINGENCY	0.00	0.00	0.00	0.00	0.00	125,546.00	0%
Total Other Expense	0.00	0.00	252,444.10	286,143.00	33,698.90	485,487.00	52%
Net Other Income	0.00	0.00	-252,444.10	-286,143.00	-33,698.90	-485,487.00	52%
	-47,168.78	-14,735.00	-541,789.12	-455,705.00	86,084.12	-480,889.00	113%

Sunset Empire Transportation District
Balance Sheet
As of February 28, 2018

	<u>Feb 28, 18</u>		
ASSETS		LIABILITIES & EQUITY	
Current Assets		Liabilities	
Checking/Savings	1,388,681.21	Current Liabilities	
Accounts Receivable	-181,449.77	Accounts Payable	
Other Current Assets		2000 ACCOU	57,315.29
1400 PREPAID EXPENSES		Total Accounts Payable	<u>57,315.29</u>
1401 PREPAID INS/BENEFITS	9,103.37	Other Current Liabilities	57,112.42
1400 PREPAID EXPENSES - Other	-8,618.56	Total Current Liabilities	<u>114,427.71</u>
Total 1400 PREPAID EXPENSES	<u>484.81</u>	Long Term Liabilities	
1500 UNDEPOSITED FUNDS	1,144.80	2800 INTERCOMPANY DUE TO/FROM	
Total Other Current Assets	<u>1,629.61</u>	2810 DUE TO	-37,934.82
Total Current Assets	<u>1,208,861.05</u>	2815 DUE TO	37,934.82
TOTAL ASSETS	<u>1,208,861.05</u>	Total 2800 INTERCOMPAN	<u>0.00</u>
		Total Long Term Liabilities	<u>0.00</u>
		Total Liabilities	114,427.71
		Equity	
		3100 NWRC PRIOR PERIOD ADJUST	8,891.00
		3200 GF PRIOR PERIOD ADJUST	-8,891.00
		3700 FUND BALANCE NWRC-RESTRICT	1,311,117.11
		3800 FUND BALANCE GENERAL FUND	780,850.87
		3900 RETAINED EARNINGS	-654,177.60
		Net Income	-343,357.04
		Total Equity	<u>1,094,433.34</u>
		TOTAL LIABILITIES & EQUITY	<u>1,208,861.05</u>

Sunset Empire Transportation District
A/R Aging Summary
As of February 28, 2018

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
ODOT	0.00	0.00	0.00	0.00	3,342.00	3,342.00
PROVIDENCE ELDERPLACE	0.00	30.00	0.00	0.00	0.00	30.00
Providence Seaside Hospital	0.00	30.00	0.00	0.00	0.00	30.00
RC-PASSES	1,560.00	0.00	0.00	0.00	0.00	1,560.00
RC-SETD PARA	0.00	0.00	0.00	0.00	3,653.00	3,653.00
RIDECARE ADMIN	0.00	0.00	0.00	0.00	0.00	0.00
SETD	0.00	0.00	0.00	0.00	7.00	7.00
TRANSIT CENTER	0.00	3,775.00	0.00	0.00	0.00	3,775.00
TOTAL	<u><u>1,560.00</u></u>	<u><u>3,835.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>7,002.00</u></u>	<u><u>12,397.00</u></u>

Sunset Empire Transportation District A/P Aging Summary As of February 28, 2018

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
ASTORIA FORD	35.53	0.00	0.00	0.00	0.00	35.53
CASH N CARRY	50.38	0.00	0.00	0.00	0.00	50.38
CRS	852.67	10.11	0.00	0.00	0.00	862.78
EO MEDIA GROUP	7.15	0.00	0.00	0.00	0.00	7.15
HALBROOK CONSTRUCTION	-100.00	0.00	0.00	0.00	0.00	-100.00
INDUSTRIAL DIESEL POWER, INC	2,206.23	0.00	0.00	0.00	0.00	2,206.23
JACKSON & SON OIL, INC.	2,815.88	0.00	0.00	0.00	0.00	2,815.88
MCCALL TIRE CENTER - Warrenton	-306.30	0.00	0.00	0.00	0.00	-306.30
O'REILLY AUTO PARTS	-207.35	-6.68	0.00	0.00	0.00	-214.03
OFFICE DEPOT	-732.46	0.00	0.00	0.00	0.00	-732.46
RC-TILLAMOOK COUNTY TRANSPORTATION	-110.00	0.00	0.00	0.00	0.00	-110.00
VERIZON WIRELESS	675.87	0.00	0.00	0.00	0.00	675.87
WILCOX & FLEGEL	10,373.07	0.00	0.00	0.00	0.00	10,373.07
TOTAL	<u>15,560.67</u>	<u>3.43</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>15,564.10</u>

Sunset Empire Transportation District Check Detail February 2018

Num	Date	Name	Paid Amount
ACH	02/28/2018	CLATSOP COMMUNITY BANK	6,573.50
5017	02/05/2018	RC-ELLIOTT'S TRANSPORT	5,411.00
5019	02/05/2018	RC-K & M MEDIVAN	10,874.83
5021	02/05/2018	RC-MEDIX AMBULANCE	5,544.60
5025	02/05/2018	RC-TILLAMOOK COUNTY TRANSPORTATION	33,074.00
5026	02/05/2018	RC-WAPATO SHORES, INC	23,346.85
5034	02/12/2018	RC-K & M MEDIVAN	10,175.04
5035	02/12/2018	RC-LEE, RYAN	9,998.32
5040	02/12/2018	RC-WAPATO SHORES, INC	21,031.34
5046	02/20/2018	RC-K & M MEDIVAN	10,410.92
5047	02/20/2018	RC-LEE, RYAN	6,270.36
5048	02/20/2018	RC-MEDIX AMBULANCE	7,053.80
5055	02/20/2018	RC-WAPATO SHORES, INC	19,563.32
5060	02/26/2018	RC-ELLIOTT'S TRANSPORT	6,169.00
5061	02/26/2018	RC-K & M MEDIVAN	10,548.22
5062	02/26/2018	RC-LEE, RYAN	7,978.36
5063	02/26/2018	RC-MEDIX AMBULANCE	7,712.35
5064	02/26/2018	RC-METRO WEST AMBULANCE	7,931.40
5067	02/26/2018	RC-TILLAMOOK COUNTY TRANSPORTATION	18,162.00
5068	02/26/2018	RC-WAPATO SHORES, INC	19,345.56
5071	02/28/2018	RC-ELLIOTT'S TRANSPORT	5,917.20
5072	02/28/2018	RC-HOT SHOT TRANSPORTATION	6,227.93
5073	02/28/2018	RC-K & M MEDIVAN	9,243.91
5074	02/28/2018	RC-LEE, RYAN	7,280.02
5075	02/28/2018	RC-MEDIX AMBULANCE	5,704.40
5081	02/28/2018	RC-TILLAMOOK COUNTY TRANSPORTATION	21,090.00
5082	02/28/2018	RC-WAPATO SHORES, INC	17,785.26
17679	02/07/2018	BOLDT, CARLISLE & SMITH, LLC	19,370.00
17695	02/12/2018	ANGELTRAX	5,723.20
17717	02/12/2018	WILCOX & FLEGEL	11,334.20
17747	02/26/2018	GLASCO GLASS CO. LLC	5,596.00
17756	02/26/2018	SDIS	36,165.20
Total			398,612.09

Bill

Sunset Empire Transportation District
 900 Marine Drive
 Astoria, OR 97103

Date	Ref. No.
02/12/2018	0342 1/9 to 2/5

Vendor
CARD SERVICE CENTER PO BOX 569100 DALLAS TX 75356-9100

PAID

Bill Due	03/14/2018
Terms	
Memo	JAN 9 TO FEB 5

Expenses

Account	Memo	Amount	Customer:Job	Class
8038 TRAVEL	0326 - HAZEN 73 NEWPORT BAY - FOOD FOR JEFF FOR PTAC/STIF/OTA	33.98		ADMINISTRATION
8038 TRAVEL	BEST WESTERN - LODGING FOR JEFF FOR PTAC/STIF/OTA	99.71		ADMINISTRATION
8038 TRAVEL	SALEM PARKING METERS - PARKING FOR JEFF FOR PTAC/STIF/OTA	3.50		ADMINISTRATION
8038 TRAVEL	MOIS THAI KITCHEN - FOOD FOR JEFF FOR PTAC/STIF/OTA	28.40		ADMINISTRATION
8022 B&M JANITORIAL	SAFEWAY - SOAP FOR TC	3.98		ADMINISTRATION
8038 TRAVEL	73 NEWPORT BAY - FOOD FOR JEFF FOR 5311 MEETING	19.98		ADMINISTRATION
8030 COMP-INFO-TECH SERVICES	APPLE - STORAGE FOR IPAD	0.99		ADMINISTRATION
8038 TRAVEL	LAS ISLAS MARIAS - FOOD FOR JEFF FOR 5311 MEETING	17.99		ADMINISTRATION
8038 TRAVEL	76 OF AURORA - FUEL FOR JEFF FOR 5311 MEETING	33.08		ADMINISTRATION
8120 OFFICE SUPPLIES	FRED MEYER - CELL PHONE CORD	7.99		ADMINISTRATION
8038 TRAVEL	PARKING MANAGEMENT - PARKING FOR JEFF FOR 5311 MEETING	9.00		ADMINISTRATION
8066 EVENT SUPPLIES	SAFEWAY - FOOD FOR RIDER APPRECIATION DAY	118.99		ADMINISTRATION
	0284 - JONES			ADMINISTRATION

Sunset Empire Transportation District
 900 Marine Drive
 Astoria, OR 97103

Date	Ref. No.
02/12/2018	0342 1/9 to 2/5

Vendor
CARD SERVICE CENTER PO BOX 569100 DALLAS TX 75356-9100

PAID

Bill Due	03/14/2018
Terms	
Memo	JAN 9 TO FEB 5

Expenses

Account	Memo	Amount	Customer:Job	Class
8100 MEETING EXPENSE	FULTANO'S - FOOD FOR COLUMBIA PACIFIC CCO MEETING	57.50	RIDECARE ADMIN	ADMINISTRATION
8100 MEETING EXPENSE	FRED MEYER - FOOD FOR RIDECARE ADVISORY MEETING	46.33	RIDECARE ADMIN	ADMINISTRATION
8032 SUPPORT SERVICES/CONTRACT	0334 - LAYTON ADOBE - SOFTWARE SUBSCRIPTION FOR JOHN AND MARY	34.98		ADMINISTRATION ADMINISTRATION
8032 SUPPORT SERVICES/CONTRACT	ORECX - YEARLY SUBSCRIPTION FOR CALL RECORDING FOR RIDECARE	80.00	RIDECARE ADMIN	ADMINISTRATION
8120 OFFICE SUPPLIES	AMAZON - BATTERY FOR CELL PHONE	15.52		ADMINISTRATION
8066 EVENT SUPPLIES	SAFeway - FOOD FOR RIDER APPRECIATION DAY	13.00		ADMINISTRATION
8120 OFFICE SUPPLIES	ULINE - FIRST AID KITS	189.07		ADMINISTRATION
8121 POSTAGE-SHIPPING	0946 - LEWICKI USPS - POSTAGE	57.48		ADMINISTRATION
8038 TRAVEL	RUBY'S ROADSIDE GRILL - FOOD FOR PAUL, STEVE AND SCOTT TO PICKUP BUS	43.90		ADMINISTRATION
8100 MEETING EXPENSE	FRED MEYER - FOOD FOR DRIVERS MEETING	37.83		ADMINISTRATION
8121 POSTAGE-SHIPPING	USPS - POSTAGE	10.30		ADMINISTRATION
8120 OFFICE SUPPLIES	AMAZON - CHARGING STATION FOR RADIO	16.99		ADMINISTRATION
8121 POSTAGE-SHIPPING	0020 - PARKER USPS - STAMPS	100.00		ADMINISTRATION
8121 POSTAGE-SHIPPING	USPS - POSTAGE	19.60		ADMINISTRATION
8121 POSTAGE-SHIPPING	STAMPS.COM - POSTAGE	7.88		ADMINISTRATION

Bill

Sunset Empire Transportation District
 900 Marine Drive
 Astoria, OR 97103

Date	Ref. No.
02/12/2018	0342 1/9 to 2/5

Vendor
CARD SERVICE CENTER PO BOX 569100 DALLAS TX 75356-9100

Bill Due	03/14/2018
Terms	
Memo	JAN 9 TO FEB 5

PAID

Expenses

Account	Memo	Amount	Customer:Job	Class
8120 OFFICE SUPPLIES	STAPLES - OFFICE SUPPLIES	13.46		ADMINISTRATION
8036 CONFERENCE/TRAINING FEES	SDAO - REGISTRATION FOR PAUL FOR SDAO CONFERENCE	230.00		ADMINISTRATION
8100 MEETING EXPENSE	HOME BAKERY - FOOD FOR BOARD MEETING	13.65		ADMINISTRATION
8038 TRAVEL	0961 - WEINTRAUB WAYFINDER - FOOD FOR MATTHEW FOR TOGO MEETING	14.00		TRANS OPTIONS
8038 TRAVEL	TRIMET - BUS PASS FOR MATTHEW FOR TOGO MEETING	5.00		TRANS OPTIONS
8038 TRAVEL	COMMISSARY - FOOD FOR MATTHEW FOR TOGO MEETING	9.50		TRANS OPTIONS
8038 TRAVEL	GRAND ARMY TAVERN - FOOD FOR MATTHEW FOR TOGO MEETING	17.00		TRANS OPTIONS
8038 TRAVEL	WHITE EAGLE ROCK & ROLL - LODGING FOR MATTHEW FOR TOGO MEETING	147.30		TRANS OPTIONS

Expense Total : 1,557.88

Bill Total : \$1,557.88

Date: March 15, 2018

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item 8

Our Fiscal Year 2017 Audit will be presented by Brad Bingenheimer who will be joining us by phone for his presentation.

Staff recommends that after the audit presentation that the Board accepts the Fiscal Year 2017 Audit.



1255 Lee Street SE Suite 210 Salem Oregon 97302 | P 503.585.7751 | F 503.370.3781
200 Calapooia Street SW Albany Oregon 97321 | P 541.928.3354 | F 541.967.7668
408 N Third Avenue Stayton Oregon 97383 | P 503.769.2186 | F 503.769.4312

www.bcsllc.com

RECEIVED

MAR 14 2018

February 28, 2018

Board of Directors
SUNSET EMPIRE TRANSPORTATION DISTRICT
900 Marine Drive
Astoria OR 97103

Enclosed are the following:

- Annual Financial Report 18 copies for the year ended June 30, 2017
- Communication of Significant Deficiencies
- Communication with Those Charged with Governance at the Conclusion of the Audit

We have mailed directly to each board member the following:

- Communication of Significant Deficiencies
- Communication with Those Charged with Governance at the Conclusion of the Audit

You should:

- Electronically File the Annual Financial Report with the State of Oregon, Secretary of State, Audits Division (within 30 days) using the electronic copy e-mailed to you. E-mail the reports to municipalfilings.sos@state.or.us. The subject line should indicate the name of the municipality.
- Remit a check to State of Oregon, Secretary of State, Audits Division in the amount of \$300 to cover the required filing fee using the envelope provided.
- Prepare a corrective action plan for the significant deficiencies communicated to you and submit that plan to the Audis Division. Additionally, the corrective action plan must be provided to us within 30 days for inclusion in the reporting package to the single audit clearinghouse.

If you have any questions please contact us.

Very truly yours,

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon

Enclosures



SUNSET EMPIRE TRANSPORTATION DISTRICT
Astoria, Oregon

ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2017

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SUNSET EMPIRE TRANSPORTATION DISTRICT
OFFICERS AND MEMBERS OF THE GOVERNING BODY
For the Year Ended June 30, 2017

EXECUTIVE DIRECTOR

Jeff Hazen

BOARD OF COMMISSIONERS

Kathy Kleczek
PO Box 602
Cannon Beach, OR 97110

Kevin Widener
PO Box 735
Tolovana Park, OR 97145

Carol Gearin
90686 Lewis Rd
Warrenton, OR 97146

Tracy MacDonald
451 Hillside Loop
Seaside, OR 97138

Jim Servino
1080 Valley Street
Astoria, OR 97103

Pamela Alegria
1264 Grand Avenue
Astoria, OR 97103

Lylla Gaebel
5 N. Hwy 101 #402
Warrenton, OR 97146

REGISTERED AGENT

NONE IDENTIFIED

REGISTERED ADDRESS

900 Marine Drive
Astoria, OR 97103

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SUNSET EMPIRE TRANSPORTATION DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Sunset Empire Transportation District
Astoria, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Sunset Empire Transportation District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITOR'S REPORT (Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Sunset Empire Transportation District, as of June 30, 2017, the respective changes in financial position and the respective budgetary comparisons for the General and RideCare Funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information on pages i-iv be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The individual fund schedule and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedule and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT (Continued)

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated February 28, 2018 on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
February 28, 2018

By:



Bradley G. Bingenheimer, Member

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MANAGEMENT DISCUSSION AND ANALYSIS

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SUNSET EMPIRE TRANSPORTATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR PERIOD ENDING JUNE 30, 2017

The Sunset Empire Transportation District’s (the District) discussion and analysis presents the District’s financial performance for the fiscal year ended on June 30, 2017. Please read it in conjunction with the District’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District’s total net position decreased by \$25,220 from \$4,952,556 to \$4,927,336.
- The governmental activities total assets decreased by \$380,326 and total liabilities decreased by \$357,490.
- There was a \$400,446 decrease in governmental funds fund balances from \$2,114,091 on June 30, 2016 to \$1,713,645 on June 30, 2017.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management’s discussion and analysis (this section), basic financial statements, individual fund schedule and compliance section. The discussion and analysis section is intended to serve as an introduction to the District’s basic financial statements. These statements consist of the statement of net position, statement of activities, fund financial statements, and the notes to basic financial statements.

The statement of net position contains information about the District’s assets, liabilities and net assets. Over time changes in assets and liabilities can be a useful indicator to assess the District’s ability to cover its costs and to continue to finance services and new programs in the future versus how much is invested in capital assets or restricted to specific purposes.

The statement of activities contains information about the expenses incurred to provide transportation services and the revenues obtained to finance these services. This statement shows the extent to which services are covered by user fees and how much of the service is financed by property taxes, government grants, and accumulated reserves.

The remaining statements are fund financial statements that include only current or short-term information such as readily available assets and currently due liabilities as well as the revenues and expenses received or expended during the current year or shortly thereafter.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position:

	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2017</u>
<u>Assets</u>		
Current and other assets	\$ 2,436,823	\$ 1,936,787
Capital assets, net	<u>3,649,949</u>	<u>3,769,659</u>
Total assets	<u>6,086,772</u>	<u>5,706,446</u>
<u>Liabilities</u>		
Other liabilities	282,970	183,576
Long-term liabilities	<u>851,246</u>	<u>595,534</u>
Total liabilities	<u>1,134,216</u>	<u>767,835</u>
<u>Net Position</u>		
Net investment in capital assets	3,192,143	3,428,274
Restricted (NWRC)	875,659	433,637
Unrestricted	<u>884,754</u>	<u>1,065,425</u>
Total net position	<u>\$ 4,952,556</u>	<u>\$ 4,927,336</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued)

	<u>Year Ended June 30</u>	
	<u>2016</u>	<u>2017</u>
Revenues		
Program		
Charges for services	\$ 3,333,912	\$ 3,459,168
Operating grants and contributions	837,051	1,017,014
Capital grants and contributions	-	-
General		
Property taxes	962,608	935,261
Mass transit assessment	93,170	73,909
Land and timber sales	319,278	168,596
Interest	10,878	18,111
Other Revenue	<u>12,011</u>	<u>14,028</u>
Total revenues	<u>5,568,908</u>	<u>5,686,087</u>
Expenses		
Community service		
Personal services	1,945,280	1,959,560
Materials and services	3,277,139	3,502,843
Depreciation	280,939	226,731
Interest	<u>28,555</u>	<u>22,173</u>
Total expenses	<u>5,531,913</u>	<u>5,711,307</u>
Change in net position	173,471	(25,220)
Net position – beginning	4,924,452	4,952,556
Prior period adjustment	<u>(145,397)</u>	<u>-</u>
Net position – ending	<u>\$ 4,952,556</u>	<u>\$ 4,927,336</u>

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

GOVERNMENTAL FUNDS

General Fund: Revenues for the District’s General Fund decreased 1.1 percent. Property tax revenue was down 4.8%, Mass Transit Assessment was down 20.7%. Timber Revenue was down 47.2% and Contracted Service revenue was down 39.5%, Grant revenue was up 21.5%, Fare revenue was up 24.1%, Interest was up 26.7%, and Other Revenue was up 19.9%. Expenses increased 17.6% but well below budgeted amounts by 973,404.

BUDGETARY SUMMARY

GENERAL FUND

Revenues were below projections by \$437,311 (14.3 percent). The main contributors were Property Taxes and Contracted Services. Expenditures were under appropriations by \$973,404 (27.4%). The District kept materials and services under budget for the seventh consecutive year.

RIDECARE FUND

Revenues were below budget projections by \$377,849 (11 percent). This is due to the redetermination of eligibility process that resulted in approximately 7,000 Columbia Pacific Coordinated Care Organization (CPCCO) members begin dropped from membership. We also have seen a rise in the utilization rate. Expenditures were below budget by \$451,055 (11.4%), the result of lower personnel and materials and service expenditures.

CAPITAL AND DEBT ANALYSIS

The District’s total investment in capital assets at June 30, 2017 amounted to \$3,769,659 net of \$2,992,985 in accumulated depreciation. Additional information on the District’s capital assets may be found in Note 4. The District’s long-term obligations consist of flex lease certificate of participation from Special Districts Association of Oregon, State of Oregon Department of Human Services obligation, Clatsop Community Bank loan, and compensated absences. Additional information on the District’s long-term obligations may be found in Note 5. Long-term obligations decreased by \$255,712 during 2016-17 to \$595,534.

ECONOMIC FACTORS

The District maintained a stable financial position throughout the 2016-17 fiscal year. We also delivered transportation services, providing access to multiple destinations throughout Clatsop County. Additionally, by continuing a joint intercity route with Columbia County, the District provided access from the County to many other counties and cities in Oregon and southern Washington. We saw an increase of 14% on fixed route ridership.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

ECONOMIC FACTORS (continued)

Major challenge for the district was the change loss of revenue from redetermination for RideCare. This fund will have to be watched carefully to make sure that sufficient revenues are received from the CPCCO to cover the cost of service. The District will continue to focus resources on education initiatives designed to improve people’s experience with and access to public transportation services. Training programs for individuals and local partnering service organizations to help them understand how the District’s services can best meet theirs and their clients’ travel needs. Another is a broader education effort in Clatsop and neighboring counties for the Oregon Department of Transportation’s Drive Less Save More program which provides tools and information that connects people to multiple local and State-wide options available for all travel needs. The District has adopted a Long Range Comprehensive Transportation Plan to provide a vision and roadmap for future service enhancements and technology upgrades.

FINANCIAL CONTACT

If you have questions about the report or need additional financial information, please contact the District at 900 Marine Drive, Astoria, Oregon or (503) 861-5399.

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BASIC FINANCIAL STATEMENTS

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SUNSET EMPIRE TRANSPORTATION DISTRICT

STATEMENT OF NET POSITION

June 30, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 1,586,266
Receivables	350,038
Prepaid items	483
Capital assets:	
Land and construction in progress	586,488
Buildings and equipment, net	<u>3,183,171</u>
TOTAL ASSETS	<u>5,706,446</u>
LIABILITIES	
Accounts payable	107,699
Payroll liabilities	59,970
Accrued interest	4,632
Long-term obligations:	
Due within one year	306,980
Due after one year	<u>288,554</u>
TOTAL LIABILITIES	<u>767,835</u>
DEFERRED INFLOWS OF RESOURCES	
Unearned revenue	<u>11,275</u>
NET POSITION	
Net investment in capital assets	3,428,274
Restricted for medicaid transportation	433,637
Unrestricted	<u>1,065,425</u>
TOTAL NET POSITION	<u>\$ 4,927,336</u>

See accompanying notes

SUNSET EMPIRE TRANSPORTATION DISTRICT

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017**

	<u>Governmental Activities</u>
PROGRAM EXPENSES	
Community service	
Personnel services	\$ 1,959,560
Material and services	3,502,843
Depreciation	226,731
Interest	<u>22,173</u>
Total program expenses	<u>5,711,307</u>
PROGRAM REVENUES	
Charges for services	3,459,168
Operating grants and contributions	<u>1,017,014</u>
Total program revenues	<u>4,476,182</u>
Net program revenues/(expenses)	<u>(1,235,125)</u>
GENERAL REVENUES	
Property taxes	935,261
State timber sales	168,596
Mass transit assessment	73,909
Interest	18,111
Other	<u>14,028</u>
Total general revenues	<u>1,209,905</u>
Change in net position	(25,220)
Net position - beginning of the year	<u>4,952,556</u>
Net position - end of the year	<u><u>\$ 4,927,336</u></u>

See accompanying notes

SUNSET EMPIRE TRANSPORTATION DISTRICT

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017**

	General	RideCare	Capital Reserve	Totals
<u>ASSETS</u>				
Cash and cash equivalents	\$ 589,135	\$ 897,131	\$ 100,000	\$ 1,586,266
Receivables	338,443	11,595	-	350,038
Prepaid items	483	-	-	483
Due from other funds	402,422	-	-	402,422
TOTAL ASSETS	\$ 1,330,483	\$ 908,726	\$ 100,000	\$ 2,339,209
<u>LIABILITIES</u>				
Accounts payable	\$ 35,032	\$ 72,667	\$ -	\$ 107,699
Payroll liabilities	59,970	-	-	59,970
Due to other funds	-	402,422	-	402,422
TOTAL LIABILITIES	95,002	475,089	-	570,091
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable revenue	55,473	-	-	55,473
<u>FUND BALANCES</u>				
Restricted for medicaid transportation	-	433,637	-	433,637
Unassigned	1,180,008	-	100,000	1,280,008
TOTAL FUND BALANCES	1,180,008	433,637	100,000	1,713,645
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,330,483	\$ 908,726	\$ 100,000	

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	3,769,659
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds	44,198
Long-term obligations, and accrued interest thereon, are not due and payable in the current period and, therefore, are not reported in the funds	(600,166)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 4,927,336

See accompanying notes

SUNSET EMPIRE TRANSPORTATION DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2017**

	General	RideCare	Capital Reserve	Totals
REVENUES				
Grants	\$ 1,017,014	\$ -	\$ -	\$ 1,017,014
DMAP/CPCCO	-	3,050,251	-	3,050,251
Contracted services	89,637	-	-	89,637
Fares	319,280	-	-	319,280
Property taxes	936,420	-	-	936,420
State timber sales	168,596	-	-	168,596
Mass transit assessment	73,909	-	-	73,909
Interest	5,869	12,242	-	18,111
Other	14,000	28	-	14,028
	<u>2,624,725</u>	<u>3,062,521</u>	<u>-</u>	<u>5,687,246</u>
TOTAL REVENUES				
EXPENDITURES				
Community service				
Personnel services	1,526,661	426,817	-	1,953,478
Materials and services	584,843	2,917,791	-	3,502,634
Capital outlay	346,650	-	-	346,650
Debt service	124,995	159,935	-	284,930
	<u>2,583,149</u>	<u>3,504,543</u>	<u>-</u>	<u>6,087,692</u>
TOTAL EXPENDITURES				
Net change in fund balance	41,576	(442,022)	-	(400,446)
Fund balances at beginning of year	<u>1,138,432</u>	<u>875,659</u>	<u>100,000</u>	<u>2,114,091</u>
Fund balances at end of year	<u>\$ 1,180,008</u>	<u>\$ 433,637</u>	<u>\$ 100,000</u>	<u>\$ 1,713,645</u>

See accompanying notes

SUNSET EMPIRE TRANSPORTATION DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2017

Amounts reported for governmental activities in the statement of activities are different because:

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	(400,446)
--	----	-----------

Governmental funds report capital outlay as expenditures while governmental activities report depreciation expense to allocate the expense over the life of the assets. The difference between these two amounts is:

Capitalized costs	\$ 346,441		
Depreciation	<u>(226,731)</u>		119,710

The repayment of the principal of debt consumes the current financial resources of governmental funds. This transaction has no effect on net position. This amount is the difference in the treatment of debt.

		261,794
--	--	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

Accrued interest	963		
Compensated absences	<u>(6,082)</u>		(5,119)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds as follows:

Change in unearned revenue			<u>(1,159)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(25,220)</u>
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SUNSET EMPIRE TRANSPORTATION DISTRICT

GENERAL FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL**

For the Year Ended June 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Grants	\$ 1,456,939	\$ 1,017,014	\$ (439,925)
Contracted services	180,917	89,637	(91,280)
Fares	256,000	319,280	63,280
Property taxes	925,000	936,420	11,420
State timber sales	160,000	168,596	8,596
Mass transit assessment	55,000	73,909	18,909
Interest	4,800	5,869	1,069
Other	<u>23,380</u>	<u>14,000</u>	<u>(9,380)</u>
TOTAL REVENUES	<u>3,062,036</u>	<u>2,624,725</u>	<u>(437,311)</u>
EXPENDITURES			
Personnel services	1,692,407	1,526,661	165,746
Materials and services	835,048	584,843	250,205
Capital outlay	797,000	346,650	450,350
Debt service	125,994	124,995	999
Contingency	<u>106,104</u>	<u>-</u>	<u>106,104</u>
TOTAL EXPENDITURES	<u>3,556,553</u>	<u>2,583,149</u>	<u>973,404</u>
Net change in fund balance	(494,517)	41,576	536,093
Fund balance at beginning of year	<u>794,400</u>	<u>1,138,432</u>	<u>344,032</u>
Fund balance at end of year	<u>\$ 299,883</u>	<u>\$ 1,180,008</u>	<u>\$ 880,125</u>

See accompanying notes

SUNSET EMPIRE TRANSPORTATION DISTRICT

RIDECARE FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL**

For the Year Ended June 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
DMAP/CPCCO	\$ 3,434,370	\$ 3,050,251	\$ (384,119)
Interest	6,000	12,242	6,242
Other revenue	<u>-</u>	<u>28</u>	<u>28</u>
TOTAL REVENUES	<u>3,440,370</u>	<u>3,062,521</u>	<u>(377,849)</u>
EXPENDITURES			
Personnel services	493,538	426,817	66,721
Materials and services	3,101,809	2,917,791	184,018
Debt service	160,251	159,935	316
Contingency	<u>200,000</u>	<u>-</u>	<u>200,000</u>
TOTAL EXPENDITURES	<u>3,955,598</u>	<u>3,504,543</u>	<u>451,055</u>
Net change in fund balance	(515,228)	(442,022)	73,206
Fund balance at beginning of year	<u>1,044,088</u>	<u>875,659</u>	<u>(168,429)</u>
Fund balance at end of year	<u>\$ 528,860</u>	<u>\$ 433,637</u>	<u>\$ (95,223)</u>

See accompanying notes

SUNSET EMPIRE TRANSPORTATION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

1. Summary of significant accounting policies

A. Reporting entity

SUNSET EMPIRE TRANSPORTATION DISTRICT was formed on March 24, 1993, for the purpose of providing transportation services to the residents of Clatsop County.

Control of the District is vested in its board of commissioners who are elected to office by voters within the District. Administrative functions are delegated to individuals who report to and are responsible to the board. The chief administrative officer is the executive director.

The accompanying basic financial statements present all funds for which the District is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of these criteria, the District is a primary government with no includable component units.

B. Basis of presentation

Government-wide financial statements

The statement of net position and statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities are supported by taxes and intergovernmental revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

Fund financial statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major governmental funds:

- *General* - accounts for all revenues and expenditures necessary to carry out basic governmental activities of the District that are not accounted for through other funds including activities such as transportation services, assessment, and taxation.
- *RideCare* - accounts for all revenues and expenditures associated with transportation under Oregon's Medicare Program under the Oregon Health Plan.
- *Capital Reserve* – accounts for all revenues and expenditures associated with capital improvement

C. Basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property tax revenues are recognized in the fiscal year for which they were levied, provided they are due and collectable within 60 days after the end of the accounting period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. Capital assets acquisitions are reported as expenditures in governmental funds. Resources from long-term debt and capital leases are reported as other financing sources.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

D. Receivables

Property taxes in the governmental fund types, which have been collected within sixty days following year end, are considered measurable and available and are recognized as revenues. Property taxes not collected within sixty days are considered unavailable, and accordingly, have not been recognized as revenue. Real and personal property are assessed and property taxes become a lien against the property as of July 1 each year. Property taxes are payable in three installments, following the lien date, on November 15, February 15, and May 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Property taxes are due from owners of property within the District.

State shared revenues are recorded as revenue as earned.

E. Capital assets

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements.

The estimated useful lives are as follows:

Structures and improvements	50 years
Equipment	4 to 15 years

F. Compensated absences

Compensated absences are recorded as expenditures in the governmental funds when paid.

The District has a policy which permits employees to earn sick leave. The District does not compensate employees for unused sick leave upon termination of employment.

Employees earn vacation leave based upon their term of employment. Upon termination, accumulated amounts are paid to the employee.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

G. Budget policies and budgetary control

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds except agency funds. The modified accrual basis of accounting is used for all budgets. All annual appropriations lapse at fiscal year end.

The District begins its budgeting process by appointing budget committee members in the winter of each year. Budget recommendations are developed by management through early spring, with the budget committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The Board of Directors adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over-expended, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The District established the levels of budgetary control at the personnel services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds.

H. Governmental activities equity classification

The government-wide financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

- ***Net investment in capital assets***

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- ***Restricted net position***

This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- ***Unrestricted net position***

This category represents net position of the District, not restricted for any project or other purpose.

In the government-wide financial statements, when the District has restricted and unrestricted resources available, it is the District's policy to expend restricted resources first and then unrestricted resources as needed in determining the amounts to report as restricted and unrestricted net position.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

I. Governmental fund type fund balance reporting

Governmental type fund balances are to be properly reported within the fund balance categories list below:

- **Non-spendable** – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed** – Amounts that can be used only for specific purposes determined by a formal action of the District’s Board of Commissioners. The Board is the highest level of decision making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.
- **Assigned** – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board, has granted authority to the Executive to assign fund balance amounts.
- **Unassigned** – the residual classification for the government’s general fund and includes all spendable amounts not contained in the other classifications. Additionally, other funds may report negative unassigned fund balance in certain circumstances.

In the governmental fund financial statements, when the District has restricted and unrestricted (committed, assigned or unassigned) resources available, it is the District’s policy to expend restricted resources first. Unrestricted resources are then expended in the order of committed, assigned, and unassigned as needed, unless otherwise provided for in actions to commit or assign resources, in determining the amounts to be reported in each of the fund balance categories.

2. Cash and cash equivalents

The District’s cash and cash equivalents at June 30, 2017 are as follows:

Deposits with financial institutions	\$ 159,852
State of Oregon Local Government Investment Pool	1,423,657
Cash with fiscal agent	2,090
Cash on hand	<u>667</u>
Total cash and cash equivalents	<u>\$ 1,586,266</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

2. Cash and cash equivalents (continued)

The District maintains a pool of cash and investments that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and investments. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

A. Deposits with financial institutions

Custodial Credit Risk – Deposits: This is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2017, none of the District's bank balances were exposed to custodial credit risk.

B. Local Government Investment Pool

Balances in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value. Fair value is determined at the quoted market price, if available; otherwise the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. The Oregon State Treasury administers the LGIP. The LGIP is an unrated, open-ended, no-load, diversified portfolio offered to any agency, political subdivision or public corporation of the state who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the District's position in the LGIP is the same as the value of the pool shares.

Credit risk: Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool.

Concentration of Credit Risk: The District does not have a formal policy that places a limit on the amount that may be invested in any one insurer. 100 percent of the District's investments are in the State of Oregon State and Local Investment Pool.

Interest Rate Risk: The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair-value losses arising from increases in interest rates.

Custodial Credit Risk – Investments: This is the risk that, in the event of the failure of a counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. The District does not have a policy which limits the amount of investments that can be held by counterparties.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

3. Receivables

Receivables at June 30, 2017 are as follows:

	<u>General</u>	<u>RideCare</u>	<u>Total</u>
Property taxes	\$ 60,982	\$ -	\$ 60,982
Accounts	<u>277,461</u>	<u>11,595</u>	<u>289,056</u>
	<u>\$ 338,443</u>	<u>\$ 11,595</u>	<u>\$ 350,038</u>

4. Capital assets

A. Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Balances July 01, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances June 30, 2017</u>
Capital assets not being depreciated				
Land	<u>\$ 586,488</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 586,488</u>
Capital assets being depreciated				
Buildings	3,424,425	-	-	3,424,425
Equipment	<u>2,405,290</u>	<u>346,441</u>	<u>-</u>	<u>2,751,731</u>
Total capital assets being depreciated	<u>5,829,715</u>	<u>346,441</u>	<u>-</u>	<u>6,176,156</u>
Less accumulated depreciated for:				
Buildings	826,596	82,415	-	909,011
Equipment	<u>1,939,658</u>	<u>144,316</u>	<u>-</u>	<u>2,083,974</u>
Total accumulated depreciation	<u>2,766,254</u>	<u>226,731</u>	<u>-</u>	<u>2,992,985</u>
Total capital assets being depreciated, net	<u>3,063,461</u>	<u>119,710</u>	<u>-</u>	<u>3,183,171</u>
Governmental activities capital assets, net	<u>\$ 3,649,949</u>	<u>\$ 119,710</u>	<u>\$ -</u>	<u>\$ 3,769,659</u>

B. Depreciation expense totaling \$226,731 was charged to expense for the year ended June 30, 2017.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

5. Long-term obligations

A. Changes in long-term obligations for the year ended June 30, 2017 were as follows:

	Outstanding			Balances	
	July 01, 2016	Additions	Reductions	Outstanding June 30, 2017	Due Within One Year
Special Districts Association of Oregon (SDAO), Series 2003D	\$ 220,000	\$ -	\$ 50,000	\$ 170,000	\$ 55,000
Clatsop Community Bank - loan	237,806	-	66,421	171,385	70,517
State of Oregon Department of Human Services (DHS)-loan	<u>327,089</u>	<u>-</u>	<u>145,373</u>	<u>181,716</u>	<u>109,030</u>
Total long-term debt obligations	784,895	-	261,794	523,101	234,547
Compensated absences	<u>66,351</u>	<u>72,433</u>	<u>66,351</u>	<u>72,433</u>	<u>72,433</u>
Total long-term obligations	<u>\$ 851,246</u>	<u>\$ 72,433</u>	<u>\$ 328,145</u>	<u>\$ 595,534</u>	<u>\$ 306,980</u>

B. Governmental activities long-term debt obligations

Special Districts Association of Oregon (SDAO) flex lease certificate of participation – The District borrowed \$1,785,000 with interest from 1.3 to 5.25 percent.

Clatsop Community Bank – The District borrowed \$450,000 for operations. The loan is secured by real property. Annual payments of \$78,882 include interest at 6 percent.

State of Oregon Department of Human Services (DHS)– The District is repaying an overpayment of \$1,115,000 in relation to providing non-emergent medical transportation services in accordance with DMAP rules. Quarterly payments are \$36,343. The obligation is non-interest bearing.

C. Future maturities of governmental activities long-term debt obligations

Fiscal Year	SDAO Series 2003D		Clatsop Community Bank Loan		Department of Human Services Loan		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 55,000	\$ 9,265	\$ 70,517	\$ 8,365	\$ 109,030	\$ -	\$ 234,547	\$ 17,630
2019	55,000	6,268	74,867	4,015	72,686	-	202,553	10,283
2020	<u>60,000</u>	<u>3,270</u>	<u>26,001</u>	<u>326</u>	<u>-</u>	<u>-</u>	<u>86,001</u>	<u>3,596</u>
	<u>\$ 170,000</u>	<u>\$ 18,803</u>	<u>\$ 171,385</u>	<u>\$ 12,706</u>	<u>\$ 181,716</u>	<u>\$ -</u>	<u>\$ 523,101</u>	<u>\$ 31,509</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

6. Lease commitment

The District leases a copier at a monthly rate of \$336. The lease term is sixty months and will expire November 2017. Total lease expense for the year ended June 30, 2017 amounted to \$4,032.

Future minimum lease payments under the operating lease are as follows:

Year Ending <u>June 30,</u>	
2018	\$ 1,680

7. Contingencies – sick leave

Portions of amounts accumulated at any point in time can be redeemed before termination of employment however; such redemptions cannot be reasonably estimated. As of June 30, 2017, employees of the District had accumulated 476 days of sick leave.

8. Risk management

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; torts; errors and omissions; injuries to employees; and natural disasters.

The District purchases commercial insurance for such risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

9. Retirement plan – deferred compensation

The District sponsors a Section 457(b) deferred compensation plan. All employees become eligible upon their one year anniversary of employment. The District's contribution is 2.5 percent of participant wages. For the year ended June 30, 2017, the District contributed \$37,265.

10. Unavailable revenue

Resources owned by the District, which are measurable but not available, consist of the following:

	<u>General</u>
Property taxes	\$ 44,198
Other	<u>11,275</u>
Total	<u>\$ 55,473</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

11. Interfund balances

The composition of interfund balances as of June 30, 2017, is as follows:

Due to/from other funds:

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
General	RideCare	\$ 402,422

The outstanding balances between funds results mainly from timing differences between the dates that transactions are recorded in the accounting system and payment between funds are made.

12. Tax abatements

Clatsop County has established an enterprise zone under ORS 285C.050-250 that abates property taxes on new business development within zone. As a result the property taxes that the District will receive for the 2016-17 levy year has been reduced by \$10,157.

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INDIVIDUAL FUND SCHEDULE

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SUNSET EMPIRE TRANSPORTATION DISTRICT

CAPITAL RESERVE - CAPITAL PROJECTS FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL**

For the Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OTHER FINANCING SOURCES (USES)				
Fund balance at beginning of year		<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>

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COMPLIANCE SECTION

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**INDEPENDENT AUDITOR'S REPORT REQUIRED BY
OREGON STATE REGULATIONS**

**Board of Commissioners
Sunset Empire Transportation District
Astoria, Oregon**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the **SUNSET EMPIRE TRANSPORTATION DISTRICT** as of and for the year ended June 30, 2017, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 28, 2018.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an object of our audit and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

**INDEPENDENT AUDITOR'S REPORT REQUIRED BY
OREGON STATE REGULATIONS (Continued)**

OAR 162-10-0230 Internal Control

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Restriction on Use

This report is intended solely for the information and use of the Board of Commissioners and management of Sunset Empire Transportation District and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
February 28, 2018

By:

A handwritten signature in black ink, appearing to read 'B. Bingenheimer', written over a light blue horizontal line.

Bradley G. Bingenheimer, Member

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Sunset Empire Transportation District
Astoria, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 28, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2017-001 and 2017-002 that we consider to be significant deficiencies.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

District’s Response to Findings

The District’s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
February 28, 2018

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE**

To the Board of Directors
Sunset Empire Transportation District
Astoria, Oregon

Report on Compliance for Each Major Federal Program

We have audited Sunset Empire Transportation District's compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2017. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
THE UNIFORM GUIDANCE (Continued)**

Opinion on Each Major Federal Program

In our opinion, Sunset Empire Transportation District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
February 28, 2018

SUNSET EMPIRE TRANSPORTATION DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2017

Section I- Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? Yes

Noncompliance material to financial statements noted? No

Federal awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.509	Formula Grants for Rural Areas

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? No

Continued on next page

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Section II - Financial Statement Findings

2017-001

Criteria: Internal controls over financial reporting should include both supervisory review and approval of journal entries prior to the entry being posted as well as supervisory review that only approved entries were posted.

Condition: As part of the monthly closing process, journal entries are prepared and posted to the general ledger without supervisory review or approval.

Cause: Due to time constraints, the review and approval of routine monthly journal entries has not been performed consistently and review of approved journal entries against posted journal entries has not been performed.

Effect: Journal entries could be posted without approval, which could result in a material misstatement that is not detected and corrected in a timely manner.

Response: The district will send a live copy of its QB's to an outside accountant to review the JE's made for that period. Also, before making more complicated JE's the Financial Officer will communicate with the outside accountant before making them or have the outside accountant make the JE's for the district.

2017-002

Criteria: Internal controls over financial reporting should include a process for ensuring that funds are in balance at any given point during the year.

Condition: Each transaction that crosses funds should include a due to or due from in order to ensure that each fund is always in balance.

Cause: The process of balancing individual funds has not been performed on a transactional basis.

Effect: Lack of balancing funds on a transactional basis could result in a material misstatement that is not detected and corrected in a timely manner.

Response: The district will work on a best practice for ensuring funds are balanced and that transactions crossing funds will be accounted for at the transactional level which will include the due to/due from account.

Section III – Federal Award Findings and Questioned Costs

None reported

Each transaction that crosses funds should include a due to/due from

SUNSET EMPIRE TRANSPORTATION DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Transportation			
Federal Transit Administration			
Passed Through Oregon Department of Transportation			
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	30837	\$ <u>64,299</u>
Federal Transit Cluster			
Federal Transit - Capital Investment Grant (Fixed Guideway			
Capital Investment Grants	20.500	30418	70,550
Bus and Bus Facilities Formula Program (Bus Program)	20.526	30418	<u>70,550</u>
Subtotal Federal Transit Cluster			<u>141,100</u>
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	31796	<u>1,925</u>
Formula Grants for Rural Areas	20.509	30484	<u>442,303</u>
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	30751	<u>110,928</u>
Total expenditures of federal awards			<u>\$ 760,555</u>

SUNSET EMPIRE TRANSPORTATION DISTRICT

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2017**

1. Basis of presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

2. Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The District has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.



To Management and the Board of Directors
Sunset Empire Transportation District
Astoria, Oregon

In planning and performing our audit of the basic financial statements of Sunset Empire Transportation District as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the entity's internal control to be significant deficiencies:

- Internal controls should include processes for ensuring that funds are balanced. Without this process, there is a significant risk of a material misstatement, caused by either error or fraud occurring and not being detected or corrected in a timely manner.
- The district is not ensuring that approved journal entries for financial reporting are the entries being posted to the accounting system. Journal entries could be posted without approval, which could result in a material misstatement that is not detected and corrected in a timely manner.

None of the identified significant deficiencies are considered to be material weaknesses.

The purpose of this communication, which is an integral part of our audit, is to describe for management and those charged with governance the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
February 28, 2018



To the Board of Directors
Sunset Empire Transportation District
Astoria, Oregon

We have audited the financial statements of Sunset Empire Transportation District as of and for the year ended June 30, 2017, and have issued our report thereon dated February 28, 2018. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting noted during our audit in a separate letter to you dated February 28, 2018.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2016-17. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

Management's estimate of the allocation of indirect costs is based on the policy adopted by the Board. We evaluated the key factors and assumptions used to develop the allocation method in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

The disclosure of cash and investments in Note 2 to the financial statements as it represents the liquid assets carried over to the ensuing fiscal year.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Management has corrected all identified misstatements

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management and are included in the attached schedule.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested and received certain written representations from management in the letter dated February 28, 2018.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the individual fund schedule which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the information is appropriate and complete in relation to our audit of the modified cash basis financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of directors and management of Sunset Empire Transportation District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
February 28, 2018

Client: **89475 - Sunset Empire Transportation District**
 Engagement: **AUD 0617 - Sunset Empire Transportation District**
 Period Ending: **6/30/2017**
 Trial Balance: **3010.01 - TB**
 Workpaper: **3070.01 - Adjusting Journal Entries**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 15				
6101.02 To agree beginning fund balance to actual				
3800	FUND BALANCE SETD		8,891.00	
N3850	FUND BALANCE NWRC		848.00	
N7752	PROVIDERS		30.00	
3100	PRIOR PERIOD ADJUSTMENT			8,891.00
N1085	NWRC LGIP			878.00
Total			9,769.00	9,769.00
Adjusting Journal Entries JE # 16				
7199.01 To adjust amount accrued to amount received for 30837 (\$9,417) in account 5006 and for 31796 (\$1,925) in account 5007				
1200A-1	SETD Grants AR		4,417.00	
5001	GRANTS - Other		1,075.00	
1200A-1	SETD Grants AR			1,075.00
5001	GRANTS - Other			4,417.00
Total			5,492.00	5,492.00
Adjusting Journal Entries JE # 17				
5311.01 To reallocate interest to agree payments to amortization schedule				
9610A	PRINCIPAL - CCB LOAN		78.00	
9610B	INTEREST - CCB LOAN			78.00
Total			78.00	78.00
Adjusting Journal Entries JE # 19				
4202.01 To adjust property tax revenue, receivable and deferred revenue to re-calculated amounts				
1200	ACCOUNTS RECEIVABLE - Other		5,024.00	
2260	DEFERRED REVENUE		1,139.00	
2260	DEFERRED REVENUE		5,530.00	
4310	MISC INCOME		486.00	
1205	PROPERTY TAX RECEIVABLE			1,139.00
2260	DEFERRED REVENUE			5,024.00
2260	DEFERRED REVENUE			486.00
4215	PROPERTY TAXES - Other			5,530.00
Total			12,179.00	12,179.00
Adjusting Journal Entries JE # 20				
7120.01 To remove prior year timber A/R				
4250	TIMBER REVENUES		88,175.00	
1200	ACCOUNTS RECEIVABLE - Other			88,175.00
Total			88,175.00	88,175.00
Adjusting Journal Entries JE # 21				
4511.01 To zero out prior years prepaid balance and reverse entry made to record prepaid health insurance				
6300	BENEFITS - Other		26,570.00	
8082	PROPERTY		12,100.00	
N6300	BENEFITS - Other		9,102.00	
1410	PREPAID INS/BENEFITS			12,100.00
1410	PREPAID INS/BENEFITS			26,570.00
N1400	Prepaid Expense			9,102.00
Total			47,772.00	47,772.00
Adjusting Journal Entries JE # 22				
5422.01 To adjust fares and deferred revenue for pre-purchase of passes by DHS				
4000	FARES		2,384.00	
2260	DEFERRED REVENUE			2,384.00
Total			2,384.00	2,384.00
Adjusting Journal Entries JE # 23				
3080.05 To balance funds by adjusting due to/from				
2820B	SETD		182,244.00	
N2830A	NWRC			182,244.00
Total			182,244.00	182,244.00

Adjusting Journal Entries JE # 24	5101.02		
To delete accrual entry that was posted backwards and should not be an accrual for 16-17			
6200	PAYROLL TAXES & W/C - EMPLOYER - Other	15,329.00	
6300	BENEFITS - Other	590.00	
2010A	SETD - A/P		15,919.00
Total		<u>15,919.00</u>	<u>15,919.00</u>
Adjusting Journal Entries JE # 26	5101.06		
To pick up unrecorded liability			
N7752	PROVIDERS	9,913.00	
N2010B	NWRC - A/P		9,913.00
Total		<u>9,913.00</u>	<u>9,913.00</u>
Adjusting Journal Entries JE # 27	4201.01		
Proposed by client to reverse accrual of CCO reimbursement. Payments are fee based not reimbursement based			
N7760	DMAP ANNUAL ADJUSTMENT PAYMENTS	243,139.00	
N1200	NWRC - A/R		243,139.00
Total		<u>243,139.00</u>	<u>243,139.00</u>
Total Adjusting Journal Entries		<u>617,064.00</u>	<u>617,064.00</u>
Total All Journal Entries		<u>617,064.00</u>	<u>617,064.00</u>

Date: March 15, 2018

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item 9.a Ordinance No. 2018-01 Local Government Public Contracting
Regulations – Second Reading

The Board held the first reading and public hearing on February 22nd. Staff is recommending that the second reading is held, and the Board adopts Ordinance No. 2018.01.

ORDINANCE NO. 2018-ORDINANCE NO. 2005-01: ADOPTION OF THE SUNSET EMPIRE TRANSPORTATION DISTRICT'S LOCAL GOVERNMENT PUBLIC CONTRACTING REGULATIONS AND REPEALING ORDINANCE NO. 2005-01.

LOCAL GOVERNMENT PUBLIC CONTRACTING REGULATIONS

1.960 Public Contracts – Sunset Empire Transportation District Policy.

- A. **Short Title.** The provisions of this Ordinance and all rules adopted under this Ordinance may be cited as the Sunset Empire Transportation District's (SETD) Public Contracting Regulations.
- B. **Purpose of Public Contracting Regulations.** It is the policy of the SETD in adopting the Public Contracting Regulations to utilize public contracting practices and methods that maximize the efficient use of public resources and the purchasing power of public funds by:
 - (1) Promoting impartial and open competition;
 - (2) Using solicitation materials that are complete and contain a clear statement of contract specifications and requirements; and
 - (3) ~~(3)~~ Taking full advantage of evolving procurement methods that suit the contracting needs of the SETD as they emerge within various industries.
 - i. SETD shall utilize the National Rural Transit Assistance Program's ProcurementPro application in order to document compliance with procurement rules including; documenting fair and open competition, independent cost estimate, and cost price analysis, and justification of sole source procurements.
- C. **Interpretation of Public Contracting Rules.** In furtherance of the purpose of the objectives set forth in subsection B, it is the SETD's intent that the SETD Public Contracting Regulations be interpreted to authorize the full use of all contracting powers and authorities described in ORS Chapters 279A, 279B and 279C.

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1.961 Application of Public Contracting Regulations. In accordance with ORS 279A.025, the SETD's public contracting regulations and the Oregon Public Contracting Code do not apply to the following classes of contracts.

- A. **Between Governments.** Contracts between the SETD and a public body or agency of the State of Oregon or its political subdivisions, or between the SETD and an agency of the federal government.

- B. **Grants.** A grant contract is an agreement under which the SETD is either a grantee or a grantor of moneys, property or other assistance, including loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets, for the purpose of supporting or stimulating a program or activity of the grantee and in which no substantial involvement by the grantor is anticipated in the program or activity other than involvement associated with monitoring compliance with the grant conditions. The making or receiving of a grant is not a public contract subject to the Oregon Public Contracting Code; however, any grant made by SETD for the purpose of constructing a public improvement or public works project shall impose conditions on the grantee that ensure that expenditures of the grant to design or construct the public improvement or public works project are made in accordance with the Oregon Public Contracting Code and these regulations.
- C. **Legal Witnesses and Consultants.** Contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which the SETD is or may become interested.
- D. **Real Property.** Acquisitions or disposals of real property or interests in real property.
- E. **Oregon Corrections Enterprises.** Procurements from an Oregon corrections enterprises program.
- F. **Finance.** Contracts, agreements or other documents entered into, issued or established in connection with:
- (1) The incurring of debt by the SETD, including any associated contracts, agreements or other documents, regardless of whether the obligations that the contracts, agreements or other documents establish are general, special or limited;
 - (2) The making of program loans and similar extensions or advances of funds, aid or assistance by the SETD to a public or private person for the purpose of carrying out, promoting or sustaining activities or programs authorized by law other than for the construction of public works or public improvements;
 - (3) The investment of funds by the SETD as authorized by law, or
 - (4) Banking, money management or other predominantly financial transactions of the SETD that, by their character, cannot practically be established under the competitive contractor selection procedures, based upon the findings of the Purchasing Manager.

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- H. **Employee Benefits.** Contracts for employee benefit plans as provided in ORS 243.105(1), 243.125 (4), 243.221, 243.275, 243.291, 243.303 and 243.565.
- I. **Exempt Under State Laws.** Any other public contracting specifically exempted from the Oregon Public Contracting Code by another provision of law.
- J. **Federal Law.** Except as otherwise expressly provided in ORS 279C.800 to 279C.870, applicable federal statutes and regulations govern when federal funds are involved and the federal statutes or regulations conflict with any provision of the Oregon Public Contracting Code or these ~~regulations, or regulations~~ or require additional conditions in public contracts not authorized by the Oregon Public Contracting Code or these regulations.

1.962 **Public Contracts – Regulation by SETD.** Except as expressly delegated under these regulations, the SETD Board of Commissioners reserves to itself the exercise of all of the duties and authority of a contract review board and a contracting agency under state law, ~~including, but~~ including, but not limited to, the power and authority to:

- A. **Solicitation Methods Applicable to Contracts.** Approve the use of contracting methods and exemptions from contracting methods for a specific contract or certain classes of contracts;
- B. **Brand Name Specifications.** Exempt the use of brand name specifications for public improvement contracts;
- C. **Waiver of Performance and Payment Bonds.** Approve the partial or complete waiver of the requirement for the delivery of a performance or payment bond for construction of a public improvement, other than in cases of emergencies;
- D. **Electronic Advertisement of Public Improvement Contracts.** Authorize the use of electronic advertisements for public improvement contracts in lieu of publication in a newspaper of general circulation;
- E. **Appeals of Debarment and Prequalification Decisions.** Hear properly filed appeals of the Purchasing Manager's determination of debarment, or concerning prequalification;
- F. **Rulemaking.** Adopt contracting rules under ORS 279A.065 and ORS 279A.070 including, without limitation, rules for the procurement,

management, disposal and control of goods, services, personal services and public improvements; and

- G. **Award.** Award all contracts that exceed the authority of the Purchasing Manager.

1.963 Public Contracts – Model Rules. The Model Rules adopted by the Attorney General under ORS 279A.065 (Model Rules) are hereby adopted as the public contracting rules for the SETD, to the extent that the Model Rules do not conflict with the provisions of this Ordinance including any amendments to this Ordinance.

1.964 Public Contracts - Authority of Purchasing Manager.

- A. **General Authority.** The Executive Director shall be the purchasing manager for the SETD and is hereby authorized to issue all solicitations and to award all SETD contracts for which the contract price does not exceed \$10,000. Subject to the provisions of this Ordinance, the purchasing manager may adopt and amend all solicitation materials, contracts and forms required or permitted to be adopted by contracting agencies under the Oregon Public Contracting Code or otherwise convenient for the SETD's contracting needs. The purchasing manager shall hear all solicitation and award protests.

- B. **Solicitation Preferences.** When possible, the purchasing manager shall use solicitation documents and evaluation criteria that:

~~(1) Give preference to goods and services that have been manufactured or produced in the State of Oregon if price, fitness, availability and quality are otherwise equal; and~~

(12) Give preference to goods that are certified to be made from recycled products when such goods are available, can be substituted for non-recycled products without a loss in quality, and the cost of goods made from recycled products is not significantly more than the cost of goods made from non-recycled products.

- C. **Delegation of Purchasing Manager's Authority.** Any of the responsibilities or authorities of the purchasing manager under this Ordinance may be delegated and sub-delegated by written directive.

- D. **Mandatory Review of Rules.** Whenever the Oregon State Legislative Assembly enacts laws that cause the attorney general to modify its Model Rules, the Purchasing Manager shall review the Public Contracting Regulations, other than the Model Rules, and recommend to the SETD

Commented [JH2]: This section is illegal under FTA rules.

Board any modifications required to ensure compliance with statutory changes.

1.965 Public Contracts – Definitions. The following terms used in these regulations shall have the meanings set forth below.

Award means the selection of a person to provide goods, services or public improvements under a public contract. The award of a contract is not binding on the SETD until the contract is executed and delivered by SETD.

Bid means a binding, sealed, written offer to provide goods, services or public improvements for a specified price or prices.

Concession agreement means a contract that authorizes and requires a private entity or individual to promote or sell, for its own business purposes, specified types of goods or services from real property owned or managed by the SETD, and under which the concessionaire makes payments to the SETD based, at least in part, on the concessionaire's revenues or sales. The term "concession agreement" does not include a mere rental agreement, license or lease for the use of premises.

Contract price means the total amount paid or to be paid under a contract, including any approved alternates, and any fully executed change orders or amendments.

Contract review board or local contract review board means the SETD Board of Commissioners.

Cooperative procurement means a procurement conducted by or on behalf of one or more contracting agencies.

Debarment means a declaration by the Purchasing Manager under ORS 279B.130 or ORS 279C.440 that prohibits a potential contractor from competing for the SETD's public contracts for a prescribed period of time.

Disposal means any arrangement for the transfer of property and interest therein by the SETD under which the SETD relinquishes ownership or an interest therein.

Emergency means circumstances that create a substantial risk of loss, damage or interruption of services or a substantial threat to property, public health, welfare or safety; and require prompt execution of a contract to remedy the condition.

Energy savings performance contract means a contract with a qualified energy service company for the identification, evaluation, recommendation,

design and construction of energy conservation measures that guarantee energy savings or performance.

Findings are the statements of fact that provide justification for a determination. Findings may include, but are not limited to, information regarding operation, budget and financial data; public benefits; cost savings; competition in public contracts; quality and aesthetic considerations, value engineering; specialized expertise needed; public safety; market conditions; technical complexity; availability, performance and funding sources.

Goods means any item or combination of supplies, equipment, materials or other personal property, including any tangible, intangible and intellectual property and rights and licenses in relation thereto.

Informal solicitation means a solicitation made in accordance with the SETD's Public Contracting Regulations to a limited number of potential contractors, in which the Solicitation Agent attempts to obtain at least three written quotes or proposals.

Invitation to bid means a publicly advertised request for competitive sealed bids.

Model Rules means the public contracting rules adopted by the Attorney General under ORS 279A.065.

Offeror means a person who submits a bid, quote or proposal to enter into a public contract with the SETD.

Oregon Public Contracting Code means ORS chapters 279A, 279B and 279C.

Person means a natural person or any other private or governmental entity, having the legal capacity to enter into a binding contract.

Proposal means a binding offer to provide goods, services or public improvements with the understanding that acceptance will depend on the evaluation of factors other than, or in addition to, price. A Proposal may be made in response to a request for proposals or under an informal solicitation.

Personal services contract means a contract with an independent contractor predominantly for services that require special training or certification, skill, technical, creative, professional or communication skills or talents, unique and specialized knowledge, or the exercise of judgment skills, and for which the quality of the service depends on attributes that are unique to the service provider. Such services include, but are not limited to, the services of appraisers, architects, artists, attorneys, auditors, computer programmers,

consultants, designers, engineers, geologists, health care professionals, hydrologists, landscape architects, land surveyors, land use consultants, performers, property managers, realtors, urban renewal consultants, and other licensed professionals. The SETD Board of Commissioners shall have discretion to determine whether additional types of services not specifically mentioned in this paragraph fit within the definition of personal services.

Public contract means a sale or other disposal, or a purchase, lease, rental or other acquisition, by the SETD of personal property, services, including personal services, public improvements, public works, minor alterations, or ordinary repair or maintenance necessary to preserve a public improvement.

Public improvement means a project for construction, reconstruction or major renovation on real property by or for the SETD. "Public improvement" does not include:

- (1) Projects for which no funds of the SETD are directly or indirectly used, except for participation that is incidental or related primarily to project design or inspection; or
- (2) Emergency work, minor alteration, ordinary repair or maintenance necessary to preserve a public improvement.

Purchasing Manager means the Executive Director, or designee appointed by the Executive Director, to exercise the authority of the purchasing manager under these public contracting regulations.

Qualified pool means a pool of vendors who are pre-qualified to compete for the award of contracts for certain types of contracts or to provide certain types of services.

Quote means a price offer made in response to an informal or qualified pool solicitation to provide goods, services or public improvements.

Request for proposals means a publicly advertised request for sealed competitive proposals.

Services means and includes all types of services (including construction labor) other than personal services.

Solicitation means an invitation to one or more potential contractors to submit a bid, proposal, quote, statement of qualifications or letter of interest to the SETD with respect to a proposed project, procurement or other contracting opportunity. The word "solicitation" also refers to the process by which the SETD requests, receives and evaluates potential contractors and awards public contracts.

Solicitation Agent means with respect to a particular solicitation, the Executive Director, or person designated by the Executive Director, to conduct the solicitation and make an award.

Solicitation documents means all informational materials issued by the SETD for a solicitation, including, but not limited to advertisements, instructions, submission requirements and schedules, award criteria, contract terms and specifications, and all laws, regulations and documents incorporated by reference.

Standards of responsibility means the qualifications of eligibility for award of a public contract. An offeror meets the standards of responsibility if the offeror has:

- (1) Available the appropriate financial, material, equipment, facility and personnel resources and expertise, or ability to obtain the resources and expertise, necessary to indicate the capability of the offeror to meet all contractual responsibilities;
- (2) A satisfactory record of performance. The Solicitation Agent shall document the record of performance of an offeror if the Solicitation Agent finds the offeror to be not responsible under this paragraph;
- (3) A satisfactory record of integrity. The Solicitation Agent shall document the record of integrity of an offeror if the Solicitation Agent finds the offeror to be not responsible under this paragraph;
- (4) Qualified legally to contract with the SETD;
- (5) Supplied all necessary information in connection with the inquiry concerning responsibility. If an offeror fails to promptly supply information requested by the Solicitation Agent concerning responsibility, the Solicitation Agent shall base the determination of responsibility upon any available information or may find the offeror non-responsible; and
- (6) Not been debarred by the SETD, and, in the case of public improvement contracts, has not been listed by the Construction Contractors Board as a contractor who is not qualified to hold a public improvement contract.

Surplus property means personal property owned by the SETD which is no longer needed for use by the department to which such property has been assigned.

1.966 Public Contracts - Process for Approval of Special Solicitation Methods and Exemptions.

- A. **Authority of SETD.** In its capacity as contract review board for the SETD, the SETD, upon its own initiative, or upon request of the purchasing manager, may create special selection, evaluation and award procedures for, or may exempt from competition, the award of a specific contract or class of contracts as provided in this Section 1.966.
- B. **Basis for Approval.** The approval of a special solicitation method or exemption from competition must be based upon a record before the SETD that contains the following:
- (1) The nature of the contract or class of contracts for which the special solicitation or exemption is requested;
 - (2) The estimated contract price or cost of the project, if relevant;
 - (3) Findings to support the substantial cost savings, enhancement in quality or performance or other public benefit anticipated by the proposed selection method or exemption from competitive solicitation;
 - (4) Findings to support the reason that approval of the request would be unlikely to encourage favoritism or diminish competition for the public contract or class of public contracts, or would otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the solicitation requirements that would otherwise be applicable under these regulations;
 - (5) A description of the proposed alternative contracting methods to be employed; and
 - (6) The estimated date by which it would be necessary to let the contract(s).

In making a determination regarding a special selection method, the SETD Board of Commissioners may consider the type, cost, amount of the contract or class of contracts, number of persons available to make offers, and such other factors as it may deem appropriate.

D. **Hearing.**

- (1) The SETD shall approve the special solicitation or exemption after a public hearing before the SETD Board of Commissioners following notice by publication in at least one newspaper of general circulation in the SETD area.

- (2) At the public hearing, the SETD shall offer an opportunity for any interested party to appear and present comment.
- (3) The SETD Board of Commissioners will consider the findings and may approve the exemption as proposed or as modified by the SETD Board of Commissioners after providing an opportunity for public comment.

E. Special Requirements for Public Improvement Contracts.

- (1) Notification of the public hearing for exemption of a public improvement contract, or class of public improvement contracts, shall be published in a trade newspaper of general statewide circulation at least 14 days prior to the hearing.
- (2) The notice shall state that the public hearing is for the purpose of taking comments on the SETD's draft findings for an exemption from the standard solicitation method. At the time of the notice, copies of the draft findings shall be made available to the public.

- E. **Commencement of Solicitation Prior to Approval.** A solicitation may be issued prior to the approval of a special exemption under this Section 1.966, provided that the closing of the solicitation may not be earlier than five days after the date of the hearing at which the SETD Board of Commissioners approves the exemption. If the SETD Board of Commissioners fails to approve a requested ~~exemption, or exemption or~~ requires the use of a solicitation procedure other than the procedures described in the issued solicitation documents, the issued solicitation may either be modified by addendum, or cancelled.

1.967 Public Contracts - Solicitation Methods for Classes of Contracts. The following classes of public contracts and the method(s) that are approved for the award of each of the classes are hereby established by the SETD Board of Commissioners.

- A. **Purchases from Nonprofit Agencies for Disabled Individuals.** The SETD shall give a preference to goods, services and public improvements available from qualified nonprofit agencies for disabled individuals in accordance with the provisions of ORS 279.835 through 279.85~~50~~.

B. **Public Improvement Contracts.**

- (1) **Any Public Improvement.** Unless otherwise provided in these regulations or approved for a special exemption, public

improvement contracts in any amount may be issued only under an invitation to bid.

- (2) **Non-Transportation Public Improvements Up to \$100,000.** Public improvement contracts for which the estimated contract price does not exceed \$100,000 may be awarded using an informal solicitation for quotes.
 - (3) **SETD-Funded Privately-Constructed Public Improvements.** The SETD may contribute funding to a privately-constructed public improvement project without subjecting the project to competitive solicitation requirements if all of the following conditions are met with respect to the entire public improvement project:
 - (a) The SETD's contribution to the project may not exceed 25% of the total cost of the project;
 - (b) The SETD must comply with all applicable laws, if any, concerning the reporting of the project to the Bureau of Labor and Industries as a public works project;
 - (c) The general contractor for the project must agree in writing to comply with all applicable laws, if any, concerning reporting and payment of prevailing wages for the project;
 - (d) The funds contributed to the project may not provide a pecuniary benefit to the owner of the development for which the project is being constructed, other than benefits that are shared by all members of the community;
 - (e) The performance of the general contractor and the payment of labor for the project must be secured by performance and payment bonds or other cash-equivalent security that is acceptable to the Purchasing Manager to protect the SETD against defective performance and claims for payment; and
 - (f) The contract for construction of the project must be amended, as necessary, to require the general contractor to maintain adequate workers compensation and liability insurance and to protect and provide indemnification to the SETD for all claims for payment, injury or property damage arising from or related to the construction of the project.
- C. **Personal Services Contracts.** Except as otherwise provided in these regulations, personal services contracts may be awarded in the same

manner as contracts for services under ORS 279B.050, and 279B.060 to 279B.085.

- (1) **Any Personal Services Contract.** Personal services contracts in any amount may be awarded under a publicly advertised request for competitive sealed proposals.
- (2) **Personal Service Contracts Not Exceeding \$1500,000.** Contracts for personal services for which the estimated contract price does not exceed \$1500,000 may be awarded using an informal solicitation for proposals.
- (3) **\$75,000 Award from Qualified Pool.** Contracts for personal services for which the estimated contract price does not exceed \$75,000 may be awarded by direct appointment without competition from a Qualified Pool.
- (4) **Personal Service Contracts Not Exceeding \$20,000 Per Year.** Contracts for which the Solicitation Agent estimates that payments will not exceed \$20,000 in any fiscal year or \$1500,000 over the full term, including optional renewals, may be awarded under any method deemed in the SETD's best interest by the Solicitation Agent, including by direct appointment.
- (5) **Personal Service Contracts for Continuation of Work.** Contracts of not more than \$1500,000 for the continuation of work by a contractor who performed preliminary studies, analysis or planning for the work under a prior contract may be awarded without competition if the prior contract was awarded under a competitive process and the Solicitation Agent determines that use of the original contractor will significantly reduce the costs of, or risks associated with, the work.
- (6) **Criteria for Selection of Personal Service Contractors.** In the selection of a personal services contractor under this section, the following criteria shall be used in evaluation and selection:
 - (a) Specialized experience in the type of work to be performed.
 - (b) Capacity and capability to perform the work, including any specialized services within the time limitations for the work.
 - (c) Educational and professional record, including past record of performance on contracts with governmental agencies and private parties with respect to cost control, quality of work,

Commented [JH3]: The federal threshold has increased from \$100,000 to \$150,000.

ability to meet schedules, and contract administration, where applicable; and

- (d) Availability to perform the assignment and familiarity with the area in which the specific work is located, including knowledge of design or techniques peculiar to it, where application.
- (e) Any other factors relevant to the particular contract.

D. **Hybrid Contracts.** The following classes of contracts include elements of construction of public improvements as well as personal services and may be awarded under a request for proposals, unless exempt from competitive solicitation.

- (1) **Design/Build and CM/GC Contracts.** Contracts for the construction of public improvements using a design/build or construction manager/general contractor construction method shall be awarded under a request for proposals. The determination to construct a project using a design/build or construction manager/general contractor construction method must be approved by the SETD Board of Commissioners or designee, upon application of the Solicitation Agent, in which the Solicitation Agent submits facts that support a finding that the construction of the improvement under the proposed method is likely to result in cost savings, higher quality, reduced errors, or other benefits to the SETD.
- (2) **Energy Savings Performance Contracts.** Unless the contract qualifies for award under another classification in this Section 1.967, contractors for energy savings performance contracts shall be selected under a request for proposals in accordance with the SETD's Public Contracting Regulations.

E. **Contracts for Goods and Services.**

- (1) **Any Procurement.** The procurement of goods or services, or goods and services in any amount may be made under either an invitation to bid or a request for proposals.
- (2) **Procurements Up to \$1500,000.** The procurement of goods or services, or goods and services, for which the estimated contract price does not exceed \$1500,000 may be made under an informal solicitation for either quotes or proposals.

F. **Contracts Subject to Award at Solicitation Agent's Discretion.** The following classes of contracts may be awarded in any manner which the Solicitation Agent deems appropriate to the SETD's needs, including by direct appointment or purchase. Except where otherwise provided the Solicitation Agent shall make a record of the method of award.

- (1) **Advertising.** Contracts for the placing of notice or advertisements in any medium.
- (2) **Amendments.** Contract amendments shall not be considered to be separate contracts if made in accordance with the Public Contracting Regulations.
- (3) **Contracts Up to \$10,000,000.** Contracts of any type for which the contract price does not exceed \$10,000,000 without a record of the method of award.
- (4) **Equipment Repair.** Contracts for equipment repair or overhauling, provided the service or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing.
- (5) **Government Regulated Items.** Contracts for the purchase of items for which prices or selection of suppliers are regulated by a governmental authority.
- (6) **Insurance.** Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and 414.145.
- (7) **Non-Owned Property.** Contracts or arrangements for the sale or other disposal of abandoned property or other personal property not owned by the SETD.
- (8) **Sole Source Contracts.** Contracts for goods or services which are available from a single source may be awarded without competition. The Purchasing Manager is authorized to determine which goods or services are only available from a single source.
- (9) **Specialty Goods for Resale.** Contracts for the purchase of specialty goods by SETD for resale to consumers.
- (10) **Sponsor Agreements.** Sponsorship agreements, under which the SETD receives a gift or donation in exchange for recognition of the donor.

Commented [JH4]: \$3,000 and under is considered a micro purchase by the FTA. Small purchases are \$3,001-\$149,999.

- (11) **Structures.** Contracts for the disposal of structures located on SETD owned property.
- (12) **Renewals.** Contracts that are being renewed in accordance with their terms are not considered to be newly issued Contracts and are not subject to competitive procurement procedures.
- (13) **Temporary Extensions or Renewals.** Contracts for a single period of one year or less, for the temporary extension or renewal of an expiring and non-renewable, or recently expired, contract, other than a contract for public improvements.
- (14) **Temporary Use of SETD Owned Property.** The SETD may negotiate and enter into a license, permit or other contract for the temporary use of SETD owned property without using a competitive selection process if:
 - (a) The contract results from an unsolicited proposal to the SETD based on the unique attributes of the property or the unique needs of the proposer;
 - (b) The proposed use of the property is consistent with the SETD's use of the property and the public interest; and
 - (c) The SETD reserves the right to terminate the contract without penalty, in the event that the SETD determines that the contract is no longer consistent with the SETD's present or planned use of the property or the public interest.
- (15) **Used Property.** A Solicitation Agent, for procurements up to \$20,000, and the Purchasing Manager, for procurements in excess of \$20,000 may contract for the purchase of used property by negotiation if such property is suitable for the SETD's needs and can be purchased for a lower cost than substantially similarly new property. For this ~~purpose~~purpose, the cost of used property shall be based upon the life-cycle cost of the property over the period for which the property will be used by the SETD. The Purchasing Manager shall record the findings that support the purchase.
- (16) **Utilities.** Contracts for the purchase of steam, power, heat, water, telecommunications services, and other utilities.

G. **Contracts Required by Emergency Circumstances.**

- (1) **In General.** When an official with authority to enter into a contract on behalf of SETD determines that immediate execution of a

contract within the official's authority is necessary to prevent substantial damage or injury to persons or property, the official may execute the contract without competitive selection and award or SETD approval, but, where time permits, the official shall attempt to use competitive price and quality evaluation before selecting an emergency contractor.

(2) **Reporting.** An official who enters into an emergency contract shall, as soon as possible, in light of the emergency circumstances, (1) document the nature of the emergency; the method used for selection of the particular contractor and the reason why the selection method was deemed in the best interest of the SETD and the public, and (2) notify the SETD Board of Commissioners of the facts and circumstances surrounding the emergency execution of the contract.

(3) **Emergency Public Improvement Contracts.** A public improvement contract may only be awarded under emergency circumstances if the SETD Board of Commissioners has made a written declaration of emergency. Any Public Improvement Contract award under emergency conditions must be awarded within 60 Days following the declaration of an emergency unless the SETD Board of Commissioners grants an extension of the emergency period. Where the time delay needed to obtain a payment or performance bond for the contract could result in injury or substantial property damage, the SETD Board of Commissioners may waive the requirement for all or a portion of required performance and payment bonds.

H. **Federal Purchasing Programs.** Goods and services may be purchased without competitive procedures under a local government purchasing program administered by the United States General Services Administration ("GSA") as provided in this subsection.

(1) The procurement must be made in accordance with procedures established by GSA for procurements by local governments, and under purchase orders or contracts submitted to and approved by the Purchasing Manager. The Solicitation Agent shall provide the Purchasing Manager with a copy of the letter, memorandum or other documentation from GSA establishing permission to the city to purchase under the federal program.

(2) The price of the goods or services must be established under price agreements between the federally approved vendor and GSA.

(3) The price of the goods or services must be less than the price at which such goods or services are available under state or local cooperative purchasing programs that are available to the SETD.

(4) If a single purchase of goods or services exceeds \$100,000, the Solicitation Agent must obtain informal written quotes or proposals from at least two additional vendors (if reasonably available) and find, in writing, that the goods or services offered by GSA represent the best value for the SETD. This paragraph does not apply to the purchase of equipment manufactured or sold solely for military or law enforcement purposes.

I. **Cooperative Procurement Contracts.** Cooperative procurements may be made without competitive solicitation as provided in the Oregon Public Contracting Code.

J. **Surplus Property.**

(1) **General Methods.** Surplus property may be disposed of by any of the following methods upon a determination by the Solicitation Agent that the method of disposal is in the best interest of the SETD. Factors that may be considered by the Solicitation Agent include costs of sale, administrative costs, and public benefits to the SETD. The Solicitation Agent shall maintain a record of the reason for the disposal method selected, and the manner of disposal, including the name of the person to whom the surplus property was transferred.

(a) **Governments.** Without competition, by transfer or sale to another SETD department or public agency.

(b) **Auction.** By publicly advertised auction to the highest bidder.

(c) **Bids.** By public advertised invitation to bid.

(d) **Liquidation Sale.** By liquidation sale using a commercially recognized third-party liquidator selected in accordance with rules for the award of personal services contracts.

(e) **Fixed Price Sale.** The Solicitation Agent may establish a selling price based upon an independent appraisal or published schedule of values generally accepted by the insurance industry, schedule and advertise a sale date, and sell to the first buyer meeting the sales terms.

- (f) **Trade-In.** By trade-in, in conjunction with acquisition of other price-based items under a competitive solicitation. The solicitation shall require the offer to state the total value assigned to the surplus property to be traded.
 - (g) **Donation.** By donation to any organization operating within or providing a service to residents of the SETD which is recognized by the Internal Revenue Service as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended.
- (2) **Disposal of Property with Minimal Value.** Surplus property which has a value of less than \$500, or for which the costs of sale are likely to exceed sale proceeds may be disposed of by any means determined to be cost-effective, including by disposal as waste. The official making the disposal shall make a record of the value of the item and the manner of disposal.
 - (3) **Personal-Use Items.** An item (or indivisible set) of specialized and personal use, with a current value of less than \$100 may be sold to the employee or retired or terminated employee for whose use it was purchased. These items may be sold for fair market value without bid and by a process deemed most efficient by the Purchasing Manager.
 - (4) **Restriction on Sale to SETD Employees.** SETD employees shall not be restricted from competing, as members of the public, for the purchase of publicly sold surplus property, but shall not be permitted to offer to purchase property to be sold to the first qualifying bidder until at least three days after the first date on which notice of the sale is first publicly advertised.
 - (5) **Conveyance to Purchaser.** Upon the consummation of a sale of surplus personal property, the SETD shall make, execute and deliver, a bill of sale signed on behalf of the SETD, conveying the property in question to the purchaser and delivering possession, or the right to take possession, of the property to the purchaser.

K. **Concession Agreements.**

- (1) **General.** No part of a Concession Agreement shall contain or constitute a waiver of any generally applicable rules, code provisions or requirements of the SETD concerning regulation, registration, licensing, inspection, or permit requirements for any construction, rental or business activity.

(2) **Classes of Contracts Eligible for Award Without Competition.** The following concession agreements may be awarded by any method deemed appropriate by the Solicitation Agent, including without limitation, by direct appointment, private negotiation, from a qualified pool, or using a competitive process.

(a) **Contracts Under \$5,000.** Contracts under which the Solicitation Agent estimates that receipts by the SETD will not exceed \$5,000 in any fiscal year and \$50,000 in the aggregate.

(b) **Single Event Concessions.** Concessions to sell or promote food, beverages, merchandise or services at a single public event shall be awarded based on any method determined by the Purchasing Manager to provide a fair opportunity to all persons desiring to operate a concession, but in which the promotion of the public interest and success of the event shall be of predominant importance.

(3) **Competitive Award.** Concession agreements solicited by the SETD for the use of designated public premises for a term greater than a single event shall be awarded as follows:

(a) **Small Concessions.** For Concession Agreements for which the concessionaire's projected annual gross revenues are estimated to be \$500,000 or less, the Purchasing Manager has discretion to use either an informal solicitation or formal request for proposals process applicable to contracts for personal services. If the proposals received indicate a probability that the concessionaire's annual gross revenues will exceed \$500,000, the Solicitation Agent may, but shall not be required to, reissue the solicitation as a request for proposals.

(b) **Major Concessions.** Concession agreements for which the concessionaire's projected annual gross revenues under the contract are estimated to exceed \$500,000 annually shall be awarded using a request for proposals.

1.968 Public Contracts – Informal Solicitation Procedures. The SETD may use the following procedure for informal solicitations in lieu of the procedures set forth in the Model Rules.

A. **Informally Solicited Quotes and Proposals.**

- (1) **Solicitation of Offers.** When authorized by these regulations, an informal solicitation may be made by general or limited advertisement to a certain group of vendors, by direct inquiry to persons selected by the Solicitation Agent, or in any other manner which the Solicitation Agent deems suitable for obtaining competitive quotes or proposals. The Solicitation Agent shall deliver or otherwise make available to potential offerors, a written scope of work, a description of how quotes or proposals are to be submitted and description of the criteria for award.
- (2) **Award.** The Solicitation Agent shall attempt to obtain a minimum of three written quotes or proposals before making an award. If the award is made solely on the basis of price, the Solicitation Agent shall award the contract to the responsible offeror that submits the lowest responsive quote. If the award is based on criteria other than, or in addition to, price, the Solicitation Agent shall award the contract to the responsible offeror that will best serve the interest of the SETD, based on the criteria for award.
- (3) **Records.** A written record of all persons solicited and offers received shall be maintained. If three offers cannot be obtained, a lesser number will suffice, provided that a written record is made of the effort to obtain the quotes.

B. **Qualified Pools.**

- (1) **General.** To create a qualified pool, the Purchasing Manager may invite prospective contractors to submit their qualifications to the SETD for inclusion as participants in a pool of contractors qualified to provide certain types of goods, services, or projects including personal services, and public improvements.
- (2) **Advertisement.** The invitation to participate in a qualified pool shall be advertised in the manner provided for advertisements of invitations to bid and requests for proposals by publication in at least one newspaper of general statewide circulation. If qualification will be for a term that exceeds one year or allows open entry on a continuous basis, the invitation to participate in the pool must be re-published at least once per year and shall be posted at the SETD's main office and on its website.
- (3) **Contents of Solicitation.** Requests for participation in a qualified pool shall describe the scope of goods or services or projects for which the pool will be maintained, and the minimum qualifications for participation in the pool, which may include, but shall not be limited to qualifications related to financial stability, contracts with

manufacturers or distributors, certification as an emerging small business, insurance, licensure, education, training, experience and demonstrated skills of key personnel, access to equipment, and other relevant qualifications that are important to the contracting needs of the SETD.

- (4) **Contract.** The operation of each qualified pool may be governed by the provisions of a pool contract to which the SETD and all pool participants are parties. The Contract shall contain all terms required by the SETD, including, without limitation, terms related to price, performance, business registration or licensure, continuing education, insurance, and requirements for the submission, on an annual or other periodic basis, of evidence of continuing qualification. The qualified pool contract shall describe the selection procedures that the SETD may use to issue contract job orders. The selection procedures shall be objective and open to all pool participants and afford all participants the opportunity to compete for or receive job awards. Unless expressly provided in the contract, participation in a qualified pool will not entitle a participant to the award of any SETD contract.
- (5) **Use of Qualified Pools.** Subject to the provisions of these regulations concerning methods of solicitation for classes of contracts, the SETD Board of Commissioners shall award all contracts for goods or services of the type for which a qualified pool is created from among the pool's participants, unless the Solicitation Agent determines that best interests of the SETD require solicitation by public advertisement, in which case, pool participants shall be notified of the solicitation and invited to submit competitive proposals.
- (6) **Amendment and Termination.** The Purchasing Manager may discontinue a qualified pool at any ~~time, overtime or~~ may change the requirements for eligibility as a participant in the pool at any time, by giving notice to all participants in the qualified pool.
- (7) **Protest of Failure to Qualify.** The Purchasing Manager shall notify any applicant who fails to qualify for participation in a pool that it may appeal a qualified pool decision to the SETD Board of Commissioners in the manner described in Section 1.973.

1.969 **Public Contract – Use of Brand Name Specifications for Public Improvements.**

- A. **In General.** Specifications for contracts shall not expressly or implicitly require any product by one brand name or mark, nor the product of one particular manufacturer or seller, except for the following reasons:
- (1) It is unlikely that such exemption will encourage favoritism in the awarding of Public ~~improvement~~**Improvement** Contracts or substantially diminish competition for Public ~~i~~improvement Contracts; or
 - (2) The specification of a product by brand name or mark, or the product of a particular manufacturer or seller, would result in substantial cost savings to the SETD or
 - (3) There is only one manufacturer or seller of the product of the quality required; or
 - (4) Efficient utilization of existing equipment, systems or supplies requires the acquisition of compatible equipment or supplies.
- B. **Authority to Determine Brand Name Exemption.** The SETD Board of Commissioners shall have authority to determine whether an exemption for the use of a specific brand name specification should be granted by recording findings that support the exemption based on the provisions of subsection A.
- C. **Brand Name or Equivalent.** Nothing in this Section 1.969 prohibits the use of a “brand name or equivalent” specification, from specifying one or more comparable products as examples of the quality, performance, functionality or other characteristics of the product needed by the SETD, or from establishing a qualified product list.

1.970 Notice of Intent to Award Bid.

- A. At least three days before the award of a public contract, the Executive Director or his designee shall post or provide to each proposer or bidder, a notice of intent to award. The District may provide a shorter notice period if the Executive Director determines that circumstances require prompt execution of the contract.
- B. This Section does not apply to a contract awarded as a small procurement under ORS 279B.065, an intermediate procurement under ORS 279B.070, a sole-source procurement under ORS 279B.075, an emergency procurement under ORS 279B.080 or a special procurement under ORS 279B.085.

- C. **Procedure.** A Notice of Intent to award may be posted or provided to each proposer or bidder by e-mail, fax, US mail, or any method designed to provide actual notice that is reasonable under the circumstances. Posting may be via the District's website.

1.971 Public Contracts – Bid, Performance and Payment Bonds.

- A. **Solicitation Agent May Require Bonds.** The Solicitation Agent may require bid security and a good and sufficient performance and payment bond even though the contract is of a class that is exempt from the requirement.
- B. **Bid Security.** Except as otherwise exempted, the solicitations for all contracts that include the construction of a public improvement and for which the estimated contract price will exceed \$50,000 shall require bid security. Bid security for a request for proposal may be based on the SETD's estimated contract price.
- C. **Performance Bonds.**
 - (1) **General.** Except as provided in these regulations, all public contracts are exempt from the requirement for the furnishing of a performance bond.
 - (2) **Contracts Involving Public Improvements.** Prior to executing a contract for more than \$50,000 that includes the construction of a public improvement, the contractor must deliver a performance bond in an amount equal to the full contract price conditioned on the faithful performance of the contract in accordance with the plans, specifications and conditions of the contract. The performance bond must be solely for the protection of the SETD and any public agency that is providing funding for the project for which the contract was awarded.
 - (3) **Cash-in-Lieu.** The SETD may permit the successful offeror to submit a cashier's check in lieu of all or a portion of the required performance bond.
- D. **Payment Bonds.**
 - (1) **General.** Except as provided in these regulations, all public contracts are exempt from the requirement for the furnishing of a payment bond.
 - (2) **Contracts Involving Public Improvements.** Prior to executing a contract for more than \$50,000 that includes the construction of a

public improvement, the contractor must deliver a payment bond equal to the full contract price, solely for the protection of claimants under ORS 279C.600.

- E. **Design/Build Contracts.** If the public improvement contract is with a single person to provide both design and construction of a public improvement, the obligation of the performance bond for the faithful performance of the contract must also be for the preparation and completion of the design and related services covered under the contract. Notwithstanding when a cause of action, claim or demand accrues or arises, the surety is not liable after final completion of the contract, or longer if provided for in the contract, for damages of any nature, economic or otherwise and including corrective work, attributable to the design aspect of a design-build project, or for the costs of design revisions needed to implement corrective work.
- F. **Construction Manager/General Contractor Contracts.** If the public improvement contract is with a single person to provide construction manager and general contractor services, in which a guaranteed maximum price may be established by an amendment authorizing construction period services following preconstruction period services, the contractor shall provide the bonds required by subsection A. of this section upon execution of an amendment establishing the guaranteed maximum price. The SETD shall also require the contractor to provide bonds equal to the value of construction services authorized by any early work amendment in advance of the guaranteed maximum price amendment. Such bonds must be provided before construction starts.
- G. **Surety; Obligation.** Each performance bond and each payment bond must be executed solely by a surety company or companies holding a certificate of authority to transact surety business in Oregon. The bonds may not constitute the surety obligation of an individual or individuals. The performance and payment bonds must be payable to the SETD or to the public agency or agencies for whose benefit the bond is issued, as specified in the solicitation documents, and shall be in a form approved by the Purchasing Manager.
- H. **Emergencies.** In cases of emergency, or when the interest or property of the SETD probably would suffer material injury by delay or other cause, the requirement of furnishing a good and sufficient performance bond and a good and sufficient payment bond for the faithful performance of any public improvement contract may be excused, if a declaration of such emergency is made in accordance with the provisions of section 1.967 G, unless the SETD Board of Commissioners requires otherwise.

1.972 Public Contracts – Electronic Advertisement of Public Improvement Contracts. In lieu of publication in a newspaper of general circulation in the SETD metropolitan area, the advertisement for an invitation to bid or request for proposals for a contract involving a public improvement may be published electronically by posting on the SETD's website, provided that the following conditions are met:

- A. The placement of the advertisement is on a location within the website that is maintained on a regular basis for the posting of information concerning solicitations for projects of the type for which the invitation to bid or request for proposals is issued; and
- B. The Solicitation Agent determines that the use of electronic publication will be at least as effective in encouraging meaningful competition as publication in a newspaper of general circulation in the SETD metropolitan area and will provide costs savings for the SETD, or that the use of electronic publication will be more effective than publication in a newspaper of general circulation in the SETD metropolitan area in encouraging meaningful competition.

1.973 Appeal of Debarment or Prequalification Decision.

- A. **Right to Hearing.** Any person who has been debarred from competing for SETD contracts or for whom prequalification has been denied, revoked or revised may appeal the SETD's decision to the SETD Board of Commissioners as provided in this Section 1.973.
- B. **Filing of Appeal.** The person must file a written notice of appeal with the SETD's Purchasing Manager within three business days after the prospective contractor's receipt of notice of the determination of debarment, or denial of prequalification.
- C. **Notification of SETD Board of Commissioners.** Immediately upon receipt of such notice of appeal, the Purchasing Manager shall notify the SETD Board of Commissioners of the appeal.
- D. **Hearing.** The procedure for appeal from a debarment or denial, revocation or revision of prequalification shall be as follows:
 - (1) Promptly upon receipt of notice of appeal, the SETD shall notify the appellant of the time and place of the hearing;
 - (2) The SETD Board of Commissioners shall conduct the hearing and decide the appeal within 30 days after receiving notice of the appeal from the Purchasing Manager; and

(3) At the hearing, the SETD Board of Commissioners shall consider de novo the notice of debarment, or the notice of denial, revocation or revision of prequalification, the standards of responsibility upon which the decision on prequalification was based, or the reasons listed for debarment, and any evidence provided by the parties.

E. **Decision.** The SETD Board of Commissioners shall set forth in writing the reasons for the decision.

F. **Costs.** The SETD Board of Commissioners may allocate the District costs for the hearing between the appellant and the SETD. The allocation shall be based upon facts found by the SETD Board of Commissioners and stated in the SETD Board of Commissioner's decision that, in the SETD Board of Commissioner's opinion, warrant such allocation of costs. If the SETD does not allocate costs, the costs shall be paid by the appellant, if the decision is upheld, or by the SETD, if the decision is overturned.

F. **Judicial Review.** The decision of the SETD Board of Commissioners may be reviewed only upon a petition in the circuit court of Clatsop County filed within 15 days after the date of the SETD Board of Commissioner's decision."

APPROVED AND ADOPTED on ~~October 18, 2005~~ February 22, 2018.

~~Jack Harris~~ Kathy Kleczek, Chair

Attest:

~~Rae Goforth~~ Lylla Gaebel, Secretary/Treasurer

VOTE:	YES	NO	ABSENT
Chair Jack Harris <u>Kathy Kleczek</u>		X	
Vice-Chair Bob Gannaway <u>Carol Gearin</u>		X	
Secretary/Treasurer Rae Goforth <u>Lylla Gaebel</u>		X	
Commissioner Kee <u>Alegria</u>			X
Commissioner Fenske <u>Widener</u>		X	
Commissioner Mendenhall <u>MacDonald</u>			X
Commissioner Shannon <u>Kidder</u>	X		

Date: March 15, 2018

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item 9.b Amendment to CPCCA – SETD Agreement

This amendment follows discussions with the leadership at the CCO on the financial concerns that we have had about RideCare. This amendment increases the per member per month rate from \$9.90 to \$10.89. It also changes the risk sharing arrangement from a 50-50 split to a 70-30 split. This means that if our revenues exceed our expenses, we will reimburse 30% of that gain to the CCO. If our expenses exceed our revenues, the CCO would reimburse us 70% of the loss. When we applied these amounts to last year's quarterly numbers, we showed a net gain of more than \$164,000. We are also adding performance metrics to the amendment in order to provide assurances that RideCare is superior services to the CCO members. Additional financial incentives will be added as well through discussions with the CCO.

FIFTH AMENDMENT TO
TRANSPORTATION SERVICES AGREEMENT
BY AND BETWEEN
Columbia Pacific CCO, LLC
AND
Sunset Empire Transportation District

This amendment (the "Amendment") is effective as of January 1, 2018 by and between COLUMBIA PACIFIC CCO, LLC an Oregon limited liability company ("Columbia Pacific") and SUNSET EMPIRE TRANSPORTATION DISTRICT ("SETD").

WHEREAS, Columbia Pacific and SETD have entered into a Transportation Services Agreement (the "Agreement"), effective January 1, 2015 in order to contract with one another such that SETD provides transportation services pursuant to the terms and conditions of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth and in exchange for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

- 1. The following section in Exhibit 4, "Compensation Schedule" is deleted and replaced in its entirety by the following:**

Compensation Schedule:

CPCCO will advance SETD a base payment of \$~~10.899-90~~ per member per month (pmpm) on a monthly basis for total CPCCO membership per the monthly 820 report from OHA by the second week of each month.

- 2. The following section in Exhibit 4, "Risk Sharing Arrangement", Section 3, is deleted and replace in its entirety by the following:**

3. CPCCO will deposit 5% of the monthly capitation to fund the risk sharing agreement until a target balance minimum of \$180,000 is reached quarterly. CPCCO will replenish the reserve bank account at a monthly rate of 5% as needed, if the reserve amount falls below \$180,000 after quarterly review settlements.

Within 60 days following a quarter, in the event that on a year to date (YTD) cumulative basis revenue exceed expenses, SETD will reimburse CPCCO from SETD operating gains for ~~53~~0% of the total gain for ~~all-on-a-quarterly-basis~~the YTD gains. In the event that cumulative year to date expenses exceed revenue, SETD will be reimbursed first from the reserves, then from CPCCO for ~~57~~0% of the total YTD loss.

Capital expenses will be excluded from the reconciliation process unless previously approved by CPCCO at the written request of SETD. On a quarterly basis, CPCCO and SETD will assess the financial impact of the risk sharing agreement and reserve amount to ensure the terms of this agreement are sufficient.

3. The following section, entitled, "Performance Metrics" is added to the agreement by this amendment.

CPCCO and SETD will work in partnership to further define 11 proposed and identified performance metrics to develop meaningful financial incentives. 9 proposed metrics are currently reporting metrics already presented from SETD to CPCCO on a quarterly and annual frequency. Performance will be monitored by CPCCO based on four indicators: delivery performance for monitoring and control, customer service and satisfaction, process improvement and quality. To provide time for SETD and CPCCO to transition reporting necessary for the provision of services and operation of the NEMT benefit, the implementation of performance metrics will begin March 01, 2018. Reporting on any new contractual and quality measurements may be modified and updated at any time upon mutual agreement of CPCCO and SETD until February 28, 2019, with the intent to review and finalize key performance indicators and introduce financial incentive metrics March 01, 2019.

SIGNATURES

IN WITNESS WHEREOF, the parties have caused this Amendment to the Agreement to be executed and do each hereby warrant and represent that their respective signatory whose signature appears below has been and is on the date of this Amendment duly authorized by all necessary and appropriate corporate action to execute this Amendment.

Columbia Pacific CCO, LLC

Date: _____

By: _____
Mimi Haley
Executive Director

Sunset Empire Transportation District

Date: _____

By: _____

Jeff Hazen
Executive Director

Date: March 15, 2018

To: Board of Commissioners

From: Paul Lewicki

Re: Agenda Item 9.c Update on Seaside shelter replacement

We have selected a contractor for the demolition and reinstallation of the bus shelter pad in Seaside near McDonalds restaurant. I will present the latest project status to update the Board on our progress and anticipated project completion.

No Board action is required.

Date: March 15, 2018

To: Board of Commissioners

From: Tracy Lofstrom

Re: Agenda Item 10.a Approval of new bank account for RideCare

Jason (RideCare), Donna and I are working on a debit card gas voucher reimbursement program for RC clients. We will start out with 5-10 clients to test the program and work out the kinks. These clients will be required to have a savings or checking account with ATM or debit card accessibility.

On a weekly basis, RC will issue their normal RFP for gas vouchers (none of the protocols of the program will change only the form of reimbursement). The five selected clients will have funds deposited to their account to reimburse them for gas used for prior trips.

For this to work safely. We would like to set up a separate checking account used only for this debit card gas voucher reimbursement program. This protects our other accounts from unforeseen issues.

Once we run this program a couple of weeks without any trouble we will then add the other gas voucher clients to the program.

Staff is recommending that the Board approve adding another bank account at Clatsop Community Bank for this program.

Date: March 15, 2018

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item 10.b Appointment of Budget Officer

Under Oregon Local Budget Law, the Commission needs to appoint a Budget Officer for the Fiscal Year 2019 Budget.

Staff is recommending that the Board appoints Jeff Hazen as the Budget Officer for the 2019 Budget.

Date: March 15, 2018

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item 10.c Appointment of Citizen members of the budget committee

We have three vacancies on the budget committee. We have two citizens that have expressed their willingness to serve on the committee.

Staff is recommending that the Board appoint Mary Ann Brandon and Christine Lolich to the budget committee for a three year term ending on June 30, 2020. If another person expresses an interest prior to the Board meeting, we would recommend including them in the appointments.

Jeff Hazen

From: Mary Ann Brandon <marybrandon@charter.net>
Sent: Monday, March 05, 2018 10:05 PM
To: Jeff Hazen
Subject: Willingness to Serve on the Budget Committee

Hi Jeff,

Lylla Gaebel recruited me to serve on the SETD Budget Committee. I'm honored that she asked and am willing to serve. I moved to Warrenton eleven years ago after retiring as a Criminalist (CSI) with Portland Police. Though I don't have any extensive formal training in government budgets, I served on the Audit Committee of the Pacific NW Division of the International Association for Identification for two years.

Thank you for your consideration.

Mary Ann Brandon
91948 Spirit Place Rd
Warrenton, OR. 97146

503-861-0116 home
503-807-1099 cell

Marybrandon@charter.net

Jeff Hazen

From: Christine Lolich <christinelolich@aol.com>
Sent: Thursday, March 15, 2018 11:26 AM
To: Jeff Hazen
Subject: RE budget committee

Jeff,
I am interested in applying for a vacant position on the.....
Sunset Empire Transit budget committee.
Thank you
Christine Lolich

Sent from AOL Mobile Mail

On Thursday, March 15, 2018 Jeff Hazen <jeff@ridethebus.org> wrote:

Board:

Kathy Kleczek – Chair

Carol Gearin – Vice Chair

Lylla Gaebel – Secretary/Treasurer

Kevin Widener

Tracy MacDonald

Pamela Alegria

Bryan Kidder

Citizen Budget Committee members

Jeff Frane

John Lansing

Tita Montero

Melinda Ward

3 Vacant positions

Date: March 15, 2018

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item 10.d Intergovernmental Agreement (IGA) with Rogue Valley
Transportation District (RVTD)

RVTD received a grant to develop new brokerage software for the 4 municipal brokerages in Oregon. We have been running OBSS as our software, but it is outdated, problematic and not supported any longer. This IGA will provide services by RVTD staff to support OBSS until it is replaced by the new software and will provide support services for the new software.

Staff is recommending that the Board approve the IGA with RVTD to provide software support services to SETD for RideCare.

**INTERGOVERNMENTAL AGREEMENT
FOR INFORMATION TECHNOLOGY ASSISTANCE**

This Agreement entered into under the provisions of ORS Chapter 190 by and between Rogue Valley Transportation District, a political subdivision of the State of Oregon by and through its administration department, herein referred to as “RVTD” and Sunset Empire Transportation District, a political subdivision of the State of Oregon by and through its administration department, hereinafter referred to as “SETD”, both of which are hereinafter referred to collectively as the PARTIES:

WITNESSETH

WHEREAS, SETD is a Special District serving Clatsop County, Oregon; and

WHEREAS, RVTD is a type of Special District under Oregon law; and

WHEREAS, the purpose of this agreement is to make provisions for RVTD to perform professional information technology assistance (IT) services for SETD; and

WHEREAS, RVTD is developing Ride Team Non-Emergent Medical Transportation (NEMT) software to replace the Oregon Brokerage Software System (OBSS) for SETD and the Oregon NEMT Brokerages; and

WHEREAS, RVTD is a governmental entity and has the requisite personnel and experience, and is capable of performing such services; and

NOW THEREFORE, in consideration of the mutual terms, conditions, stipulations and covenants herein contained, the PARTIES do hereby agree to the following:

1. EMPLOYMENT OF RVTD

The purpose of this Agreement is for RVTD to provide information technology assistance staffing to SETD for IT services and development of Ride Team NEMT Software. RVTD agrees to engage SETD and RVTD hereby agrees to perform the services hereinafter set forth.

2. SCOPE OF WORK

RVTD shall do, perform and carry out the following service to assist SETD in updating OBSS.

3. RESPONSIBILITIES OF RVTD

RVTD shall be responsible to provide Shem Sargent, IT Network Information Administrator and RVTD’s software development staff the hours needed to provide the technical assistance needed to upgrade the network and infrastructure services to perform on- going support of OBSS and the Ride Team NEMT software installation, testing and full implementation of the new software.

4. RESPONSIBILITIES OF SETD

SETD shall provide all necessary resources and data to complete the project. SETD shall pay for any upgrade needed for third party software or hardware to accommodate the new Ride Team NEMT Software.

5. TERMS OF AGREEMENT

The effective date of this Agreement is July 1st, 2017 and terminates when project is completed, or Agreement is terminated.

6. COMPENSATION

SETD agrees to pay RVTD for services rendered under this Agreement an amount of \$25,000 each year for ongoing IT support of OBSS and the development of Ride Team NEMT Software. RVTD agrees that the rate of compensation for services rendered under this Agreement shall be billed yearly at a rate of \$25,000 per year which includes ongoing OBSS software support and the development and installation of the Ride Team NEMT software.

7. PAYMENTS

1. RVTD will invoice SETD yearly for project for work performed in accordance with the Scope of Work.
2. SETD shall reimburse RVTD within 30 days of receipt of dated and signed request for payment.
3. Maximum Payment to RVTD under this agreement shall be \$25,000 per fiscal year.

8. TERMINATION

- A. For Convenience. Either party may terminate this agreement upon 60-days prior written notice to the other party.
- B. For Cause. Either party may terminate this agreement for cause upon written notice to the other party. A termination for cause may occur for any reason deemed sufficient by either party in their discretion, including, but not limited to the following:
 1. Either party may terminate this agreement for failure of other party to comply with any material terms or conditions of this agreement, if, within 30 days after written notice by RVTD or SETD specifying the nature of the default with reasonable particularity, other party fails to remedy the default within said period. If the default is of such a nature that it cannot be completely remedied within the 30 day period, this provision shall be complied within if other party begins correction of the default within the 30 day period and thereafter, proceeds with

- reasonable diligence and in good faith to effect the remedy as soon as possible;
2. If federal or state laws, statutes, rules or regulations are modified, changed or interpreted in such a manner that services are no longer allowable or appropriate under this Agreement;
 3. If any license or certification required by law or regulation to be held by a party to provide the service under this Agreement is for any reason denied, revoked, suspended, or not renewed; or
 4. If anticipated budgeted funds are not sufficient to continue the services under this Agreement.

9. INDEPENDENT CONTRACTOR

RVTD's relationship to SETD in the performance of this agreement is that of an independent contractor. RVTD's personnel performing services under this Agreement shall at times be under RVTD's exclusive direction and control and shall be employees of RVTD and not employees of SETD. RVTD shall pay all wages, salaries and other amounts due to its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, worker's compensation and similar matters.

10. INSURANCE

During performance hereunder, RVTD shall maintain the following insurance, which shall be full-coverage insurance not subject to self-insurance provisions, and RVTD shall not of its own initiative cause such insurance to be cancelled or materially changed during the term of this Agreement.

1. Comprehensive General Liability, including Contractual, Independent Contractors, and Personal Injury Liability; with at least the following limits of liability:
2. Combined single limits of liability for \$1,000,000.00 per occurrence.
3. Automobile Liability, including any autos; with at least the following limits of liability:
 - a. Primary Bodily Injury Liability limits of \$1,000,000.00 per occurrence;
 - b. Primary Property Damage Liability limits of \$1,000,000.00 per occurrence;
 - c. Combined single limits of liability for Primary Bodily Injury and Primary Property Damage of \$1,000,000.00 per occurrence.
4. Worker's Compensation Insurance with the limits established and required by the State of Oregon.
5. Employer's Liability with limits of \$1,000,000.00

11. IMDEMNIFICATION

1. Subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260-300, the Oregon Constitution, article XI, Section 7 and the terms of any applicable policies of insurance, the PARTIES agree to save, hold harmless and indemnify each other, including their officers, agents and employees, from any loss, damage, injury, claim, or demand by a third party against either party to this agreement arising from the activities of the other party in connection with this Agreement. Neither party shall be liable for any loss, damage, injury, and claim nor did demand against each other arising from their respective activities in connection with this agreement, except as otherwise expressly set forth herein.

12. NON-DISCRIMINATION

Each party shall comply with all Federal, State and local laws and ordinances applicable to this Agreement.

13. ACCESS TO RECORDS

Each party shall have access to the books, documents and other records of the other which are related to this Agreement for the purpose of examination, copying and audit, unless otherwise limited by law.

14. CONFIDENTIALITY- NON-DISCLOSURE

Subject to the Oregon Public Records Law, ORS 192.410-192.505, no report, information, and or other data given to or prepared or assembled by the RVTD pursuant to the Agreement which SETD has requested be kept confidential, shall be made available to any individual or organization by RVTD without the prior written approval of SETD.

15. SUBCONTRACTS AND ASSIGNMENTS

Neither party will subcontract or assign any part of this Agreement without the written consent of the other party.

16. REPORTS AND RECORDS

All work produced by RVTD while working for SETD shall be exclusive property of SETD provided that RVTD may obtain a copy of any public record information by paying for the reproduction costs thereof.

17. DISPUTE RESOLUTION

The PARTIES to this agreement shall attempt to resolve any disputes by meeting within three days. Should PARTIES be unable to resolve disputes at this level, then PARTIES agree that such disputes shall be submitted to mediation, unless the PARTIES mutually agree otherwise.

18. NON-PARTNERSHIP

Neither Districts are, by virtue of this Agreement, a partner or joint venture in connection with activities carried out under this Agreement, and neither party shall have any obligation with respect to the other's debts or any other liabilities of any kind or nature.

19. THIS IS THE ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties. This Agreement may not be modified or amended only by the written agreement of the parties.

20. DESIGNEES

Contract Administration

- (1) SETD designates the Executive Director to represent the SETD in all matters pertaining to administration of this Agreement.
- (2) RVTD designates the General Manager to represent the District in all matters pertaining to administration of this Agreement.
- (3) Any notice or notices provided for this Agreement or by law to be given or served upon either party shall be given or served by certified letter, deposited in the U.S. mail, postage prepaid, and addressed to:

Jeff Hazen
Executive Director
Sunset Empire Transportation
District
900 Marine Dr.
Astoria, OR 97103

Julie Brown
General Manager
Rogue Valley Transportation District
3200 Crater Lake Avenue
Medford, OR 97504

IN WITNESS WHEREOF, RVTD AND SETD] have caused this agreement to be executed by their authorized representative as of the date set forth below. This agreement shall be effective as of the 1st day of July 2018

By _____
Jeff Hazen

Title: Executive Director

Date: _____

By _____
Julie Brown

Title: General Manager

Date: _____

-Budget Committee

Help! We still have one vacancy.

-CC Rider

Chad Mace, the Transit Coordinator, is the only remaining employee at CC Rider. He has reached out to me seeking assistance. I will be going down to work with him on a yet to be determined date in April. Our Regional Transit Coordinator suggested that he seek help from me. The job posting for Transit Administrator will be closing soon so hopefully they can get somebody on as soon as possible.

-Grants

We have been awarded three grants. The first is a Surface Transportation Program (STP) grant in the amount of \$457,623 for three replacement buses, the second one is a \$5339 grant in the amount of \$174,250 for one new bus, and the third is for \$24,000 in extra Preventative Maintenance money. Over \$650,000 in grants, not bad!

-Seaside Kiosk Update

We will continue to evaluate our presence in Seaside. Unfortunately, since the last Board meeting, we have had three employees get sick from working in the kiosk. Upon investigation, we discovered what appeared to be black mold. This was confirmed by a remediation contractor. They have treated it but said that it will be grow back. They are going to give us a bid on tearing out and replacing the floor. To add to the misery, we may have a rodent issue as well. To clarify, our lease has extended to March 1, 2019. This is the final one year extension.

-RideCare provider payments

We will most likely be bringing a supplemental budget to the Board in April for Materials and Services in the RideCare budget. We are going to see what our quarterly result was so we have better numbers to work with to project out the rest of the year.

-Timber Revenue

We have seen a larger than expected influx in timber revenue this year. This will be discussed at the Board Policy meeting that will be held next month.

-5311 Workgroup

The workgroup's work is complete, and I presented the results to PTAC this month. I will be presenting it to the OTC in May or June for their approval. Due to time constraints at this month's meeting, I will report out on it to the Board next month.

Weekly Reports:

2/19/18

In preparation for the Board meeting, I did some analysis on the potential for relocating the Seaside Kiosk. We had a demonstration of the TouchPass E-Fare service, with Paul, Mary, John, Tracy, and myself sitting in. Lee from Benton County and Doug from Tillamook were also on the call I believe. The team was very pleased with TouchPass and the ease of use by both the end user and the District. I will be getting some other informal bids on this to see where the pricing structure that Delerrock falls. Paul, Lawrence, and I met with the Cruise Ship Hosts as a kick off to this year's cruise ship season. Even with the struggles that we had in staffing last year, they were very pleased with the service that we provided. This year will be the first time that a Disney ship will be coming to port. On Thursday, SETD was the program at the Seaside Rotary Club. I gave a presentation on our long range transportation plan and the improvements that we will be making. There were a lot of positive comments and great questions asked. I only had 20 minutes to talk and certainly could have used 60 minutes at least! Friday morning, Bryan and I met and I got to show him around the facilities we have and go over some general things about SETD.

2/27/18

Good afternoon, today I'll be recapping my experience at the Transit Bus Summit. As a reminder, the Transit Bus Summit is an invitation only event and we were one of seventy agencies from across the nation in attendance. There were only a couple of agencies our size represented at the summit.

I spent the night by the airport in Portland Tuesday night where it had snowed about 5". I had a very early flight so I awoke at 1:30am on Wednesday. Unfortunately, my hotel decided not to offer hot water for a shower that morning so my day got started just wonderfully! Upon arrival in Atlanta I met up with about a dozen other attendees and we boarded the shuttle provided to take us on a 40 minute ride to Stone Mountain where the Summit was set up at the Marriott. We had just enough time to check into the hotel and drop our bags off in our rooms before we had to get registered for the Summit and have staff review the personal schedule that was made for each of us. Following that, we made our way to the orientation briefing and then were finally able to unwind after a long day of traveling with a reception and dinner.

Thursday started promptly at 7:00 with breakfast and round table discussions with other agencies. These were predetermined by information that we provided prior to the Summit. I was seated at the breakfast table where our topic was Managing Increased ADA & Paratransit Demands. There were 8 of us at the table and we had a great discussion about paratransit services. Some of the takeaways that I got from the discussion included one agency sharing that they partnered with the Meals on Wheels program to assist in the delivery of meals to clients. We discussed the increase in dialysis rides that we are all experiencing. One agency shared that they were able to get several of their clients to go to their treatment on fixed routes and then take paratransit on the way home since that would be more comfortable for them after their treatment.

Two of the agencies shared their stories of expanding their paratransit service to beyond the $\frac{3}{4}$ of a mile of a fixed route as required. It was great until they couldn't afford to do it any longer and the blowback from the public was huge because they discontinued the service beyond the $\frac{3}{4}$ of a mile. The agency from Richmond, VA shared how they have partnered with Lyft to help provide the service and they subsidize the cost up to \$15.00 a ride. It has reduced their paratransit rides by 3% and they anticipate it will be a reduction of 10% by the end of the first year. Another agency went on to discuss their program with taxi vouchers. It's a lottery style program where a set number of clients are randomly picked each month to be able to use taxi cabs for their rides with a cap of 10 rides per month. The agency negotiated rates with the taxi companies to provide this service. A couple of years ago, I had read about an agency that allowed Paratransit clients to be able to ride fixed routes at no cost to the client. I remember thinking what a great way to try and move people on to the fixed route and away from paratransit if they were mobile enough to be able to do it. One agency shared that they did this and it did not work out as planned. It did not reduce paratransit rides and what ended up happening was people that already were riding fixed route applied for paratransit eligibility and then were able to ride what they were already riding without having to pay a fare any longer.

Following breakfast, we moved into different rooms for Boardroom presentations. I was in a room with 11 other agencies and different vendors came through and gave us 20 minute presentations on what their companies offered. It was by no means a hard sell of their products. It gave us the opportunity to ask a few questions before we moved on to the next vendor. We saw presentations from a lift dealer, a wireless camera company, a public surplus auction company, a tire company who has expanded way beyond tires. One of the interesting things they are developing is a digital cockpit for drivers. It was fascinating! We also got a presentation from a smaller company that manufactures buses.

Once that session was over, we moved out to the patio for lunch. Each table had 6 settings so there were 3 agency representatives and 3 vendors at each table. Again, not a hard sell at all, just a discussion about transit and what each of us had going on at our respective agencies. After lunch we went back to the Boardroom presentations. The ones our group had included Q-Straint and their Q-Pod, an automatic wheelchair securement system, Proterra and their electric buses. It was great to hear that they have increased the horsepower to 500+. I learned about drive and steer axles from Meritor followed my brakes from Haldex. They do more than brakes, they remanufacture several different parts and offer the same warranty as we would get on a new part. Valeo did a presentation on their self-contained climate control systems for buses. They started out with the school bus business and have since added transit as well. SanUVAire gave a fascinating presentation on their system that connects to the climate control system and utilizes UV lights to disinfect the air that is circulated on the bus killing viruses and helping keep the bus cleaner. I was very intrigued by it and had Summit staff set me up with a one on one meeting with them on Friday. Fleet-Net along with Avail were next to give us presentations. Fleet-Net has the transit software that we are looking to move to. I stumbled across them when I was researching fleet management software early last year. They have different suites of software that cover everything a transit agency would need from fleet management to financial to HR to

payroll along with grant tracking, budgeting and reporting. The great thing is that they all integrate with each other. I spent over an hour last year at the APTA Expo getting a demonstration of what they have. They also met with Tracy, Paul, and Tami recently and got to see an online demonstration of their software. The last vendor was Vehicle Inspection Systems who share some of their brake testing equipment and some other items that were of interest.

The rest of the evening included a reception and then dinner and casual time to network with others. The day finally ended at 9:30.

Friday morning, we had another round table breakfast and the table I was at had the topic, Taming Technology: How is technology enabling you to be a more effective and responsive agency. We all shared what systems we had in place and I shared that we were embarking with implementing Swiftly and that we would be rolling out E-Fare after that. One of the agencies shared that they got away from radios on the buses and use phones with something called ES Chat. Sounded interesting.

After breakfast, we moved into the one on one sessions that were set up with vendors. We had one on one 15 minute meetings with individual vendors to follow up with more questions from the Boardroom presentations or with vendors that we had briefly met at the APTA Expo. I met with BAE Systems about electrification, Genfare about E-Fare, ElDorado Buses about electrification, Sanuvaire to get more information on their system, and Electronic Data Magnetics, a card manufacturer for E-Fare cards.

It was a great event and if we are invited in the future, I'd like to send Paul next time so he can learn as much as I did while there. Thank you again for allowing me to miss the Board meeting so I could attend this!

3/6/18

Last week, we finalized the Management Discussion and Analysis portion of the FY 2017 Audit. I awaiting confirmation that it will be presented at the Board meeting this month. Staff is working on their budget requests and they have a deadline of this Friday to get them into me. Paul, Tracy, and I will be meeting next week to kick off the budget writing process. I met with Lynn Peterson and representatives of Nelson Nygaard along with City of Astoria staff and ODOT to discuss transit and bike/ped partnership opportunities. Mary began working with Polk Riley on a design for our 25th anniversary commemoration. I gave Paul a brief training on how to edit our web page and add route alerts. The Board Policy Committee will be meeting on April 2nd to review suggested edits to some of the policies and additions of policies. Last week was a 4 day week for me since took Friday off as a vacation day since I need to burn some of them up by June 30th.

3/14/18

The big thing last week was the Zero Emission Propulsion (ZEP) bus demo on Monday. Fortunately, we took the bus out on Sunday to see how it would perform on the hills in Astoria.

It was a little slow to begin with going up the hill to Emerald Heights but it picked up speed as we continued up. The bus could not make it up 16th St. towards the college, we had to back down and take it around the roundabout to see how it would do on 7th St. It made it up 7th. Because 16th was an issue, we changed the demo to Route 101 for Monday. The bus was only able to do two roundtrips and it struggled on the second loop coming out of Sunset Beach. We did hear positive feedback about the bus. The biggest lesson learned was as we continue to evaluate ZEP integration into our fleet, it will be required that we see for ourselves how the bus will perform in real life on terrain such as ours.

We had a rider and driver complaint last week about a very stinky service animal. The question came up the ladder to me and because ADA requirements, I called the Department of Justice (DOJ) in Washington D.C. to speak with an ADA specialist. She waffled a lot during our discussion and recommended that I contact the FTA for guidance. I emailed the Civil Rights Officer for the Region 10 office in Seattle and he called me back so we could discuss it. He posed the question, what would we do if we have a rider that is very stinky and we are getting complaints about the person. I let him know that we have an ordinance in place that includes people with repulsive odors not being allowed to ride the bus. He said that since we have it addressed about riders in our ordinance, it also applies to service animals. They can be excluded from the bus. This will be a topic of discussion at our driver meeting this month.

We received an Intergovernmental Agreement (IGA) from Rogue Valley Transportation District (RVTD) on support for our current brokerage software and the development of it's replacement. I've been working with RVTD on some corrections I wanted to the IGA and it should be ready for your approval at this month's Board meeting.

I attended the NWACT in Tillamook with Kathy. She ended up being tapped to chair this meeting due to absences from the chair and vice-chair. There was a robust conversation about the roles and responsibilities of the ACT members. The NW Connector meeting was on Friday in Tillamook. We got an update from the consultants and ODOT on the Transit Access Study that they are doing. I was hoping to have the electronic version of the presentation in time to share for this month's meeting but I haven't received it yet. If I get it by tomorrow, I'll include it in my Executive Director's report.

Budget is the biggest thing I'm working on now. Paul, Tracy and I will be meeting tomorrow to start drafting the budget. Speaking of budget, it looks like we have the two people we need to complete the budget committee. Thank you for your efforts! (Correction, we still have a vacant position and are hoping the Board can continue to search for others that may be willing to serve.

Strategic Priorities Monthly Update (this month's updates in **Green**):

2017-2019 SETD Strategic Plan

Priority One

- Benchmark Services
 - Ridership increases & Decreases **Goal = +15%** **YTD = +4.8%** **YTD= (5%)(9%)(8%)(Numbers not updated yet)**
 - On-time Performance **Goal = 95%** **Tracking not in place yet**
 - Fleet reliability **Goal = Less than 10 breakdowns per 100,000 miles. Tracking not in place yet.**
 - Employee Retention statistic **Goal = Less than 20% turnover. YTD = 7.5%**

- Develop a SETD specific emergency plan. **Safety committee tasked with updating current plans.**
 - SETD operational specific emergency operation plan
 - Medical emergencies
 - Accidents
 - Behavioral emergencies at facilities and on buses
 - Emergency contact and reporting requirements
 - Strategic county wide transportation plan that integrates into Clatsop County Emergency Plan.

- Complete a feasibility study including associated cost to include
 - Adding Columbia County services into SETD **In progress Options have been narrowed down to 3. Consultant will be drilling down further in those three options. They are: Creating a new Special District in Columbia County; Columbia County contracts with SETD to provide service; SETD expands to encompass Columbia County. Advisory committee meeting on December 19th to review results. Draft results have been given to the committee. Their comments to the consultant are due 1/26. Study complete, results at the 2/22/18 meeting.**
 - Increasing services **New transportation package will provide funding in 2019 to allow for additional services. ODOT's Rulemaking Advisory Committee (RAC) has begun their process of determining rules for agencies. Likely to not receive new funding until late FY 2019.**
 - Fixed routes
 - Para-transit
 - Dial-a-ride
 - RideCare
 - Improving System
 - Improved lighting at bus shelters **Operations researching. I will be meeting with vendors at the APTA Expo next month.**

Met with several vendors at APTA. Paul is currently working on this.

- Route on-time performances **RFQ going out this year for App Paul and I will be at the NW Connector meeting on Friday, December 8th. We will be looking at Swiftly there. Swiftly presentation at the January Board meeting. In process of implementation. Implementation still in progress.**
- Amenities **Added temporary trash cans at Safeway stops This has made a huge difference in cleanliness.**
- Technologies
 - Real-time bus tracking **Will be part of RFQ for App. Part of the Swiftly app.**
 - Website **Launched on 8/12/17**
 - Mobile apps **Will be part of RFQ for App. Swiftly app.**
 - E-fare **RFQ going out this year. Presentation to staff on 2/14. Evaluating feasibility during FY 19 budget.**
 - Credit cards **Credit cards now accepted at kiosk. Processed by Square Adding a Square cash register in the transit center to improve accuracy of cash handling. Square cash register has been added.**
 - Electronic charging stations
 - On-board wi-fi **This will be added when we add technology to buses**
- Improve Appearance
 - Buses
 - Shelters **Now having Coast Rehabilitation Services cleaning shelters. They are only doing south county currently. We have added north county service as well.**
 - Facilities **Major headway made at the Warrenton facility. Our new maintenance supervisor saved us \$9,500 this week on repairing lighting in the yard. We will be able to do it in house.**
 - Employees Paul and Tami exploring different dress code for drivers than the current one to give our drivers a fresh look. Incorporating the 25 year logo onto shirts being ordered.

Priority Two

- Increase employee recruitment and retention
 - Develop SETD succession plan **Operations Mgr. is also Deputy Executive Director.**
 - Identify on-going training opportunities at all levels **Ongoing. Sending 3 Leadership Team members to intensive training with HR Answers this fall. This training is currently taking place and is yielding positive feedback on the training. Training completed for this year. Some make up classes will be held in 2018 for classes missed this year.**
 - Update job descriptions

- Develop employee incentive programs **Handed out our first Gotcha gift card this week to Steve W. for all of his efforts in scheduling to keep our buses rolling. Thank you Carol for the great idea! Tami working on driver recognition to be done at the holiday party this year. Gave out Bridgewater Bistro gift cards to all drivers. Gave out holiday dinner gift cards to all employees.**
- Conduct market compensation reviews **Tami has begun the process**
- Employee rewards
 - Hats
 - Pins
 - Shirts

Priority Two (cont.)

- Increase District Relevancy **Positive article in the Daily Astorian on December 4th. Article in Columbia Press. Another article in Daily Astorian. Researching new site for Seaside Kiosk relocation**
 - Greater awareness of the District Services
 - Who
 - What
 - When
 - Where
 - Accessibility
 - Information about all things SETD services
 - Create a positive culture **New leadership has made a positive difference.**
 - Define Sunset Empire Transportation District
 - Establish expectation
 - Raise the bar **Ongoing in all aspects of the business**

Priority Three

- Develop capital replacement Plan
 - Fleet **Replacement plan has been in place. 65% (15) of vehicles are beyond useful life. Application in for \$5339 for 3. 2 additional grants will be written and submitted in February. The 2 additional grants were awarded. Total of 4 new buses.**
 - Technology **In place**
 - Facilities
- Identify new funding opportunities
 - Review fares **In progress. Jeff attending FTA Fare Policy training this month in Seattle.**
 - Seek public/private partnerships **Working with college.**
 - Volunteers
 - Analyze current non-emergency medical transportation services for potential increased or new revenue **Working with Clatsop Behavior Health and DHS on Developmental Disabilities transportation program. On standby until RideCare financials are assessed.**

- Continue to explore new Federal/State/Local grant opportunities **Unsuccessful with NO-Low grant for electric bus. Partnering with NW Connector partners to apply for TIGER grant for bus replacement. Researching Federal Lands Access Program (FLAP) grant.**
- Implement current budget process **Will begin in January. In progress. Tracy, Paul, and I now meeting weekly.**

Rider Report
March Board Meeting Report
John Layton

February Data

Fixed Route Highlights:

- 14,602 people used fixed routes in February for an average of 521.5 riders per day.
- 0.2% increase in average passengers who rode fixed routes per day from last February (520.3 to 521.5)
- 9.6 people per hour, on average, got on any fixed route at any time that the bus runs in February. 2.0% decrease (9.8 to 9.6) from last February.
- 4.6% decrease in the ratio of elderly/disabled riders from last February (17.5 % to 16.7%)

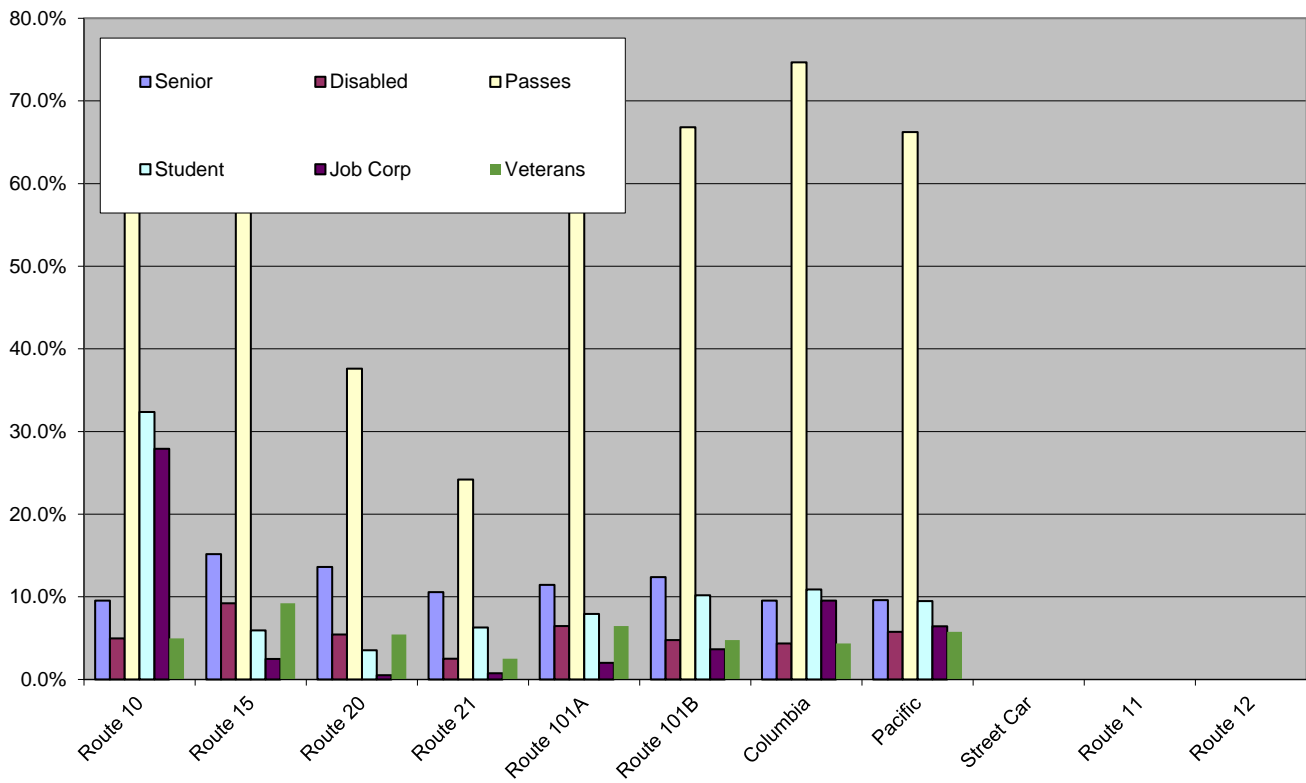
RideAssist Highlights:

- 969 rides were provided by RideAssist in February for an average of 34.6 rides per day.
- 79.8% increase in average RideAssist passengers per day from last February (24.5 to 34.6)
- 46.8 % increase in all ADA Paratransit rides from last February (406 to 596)

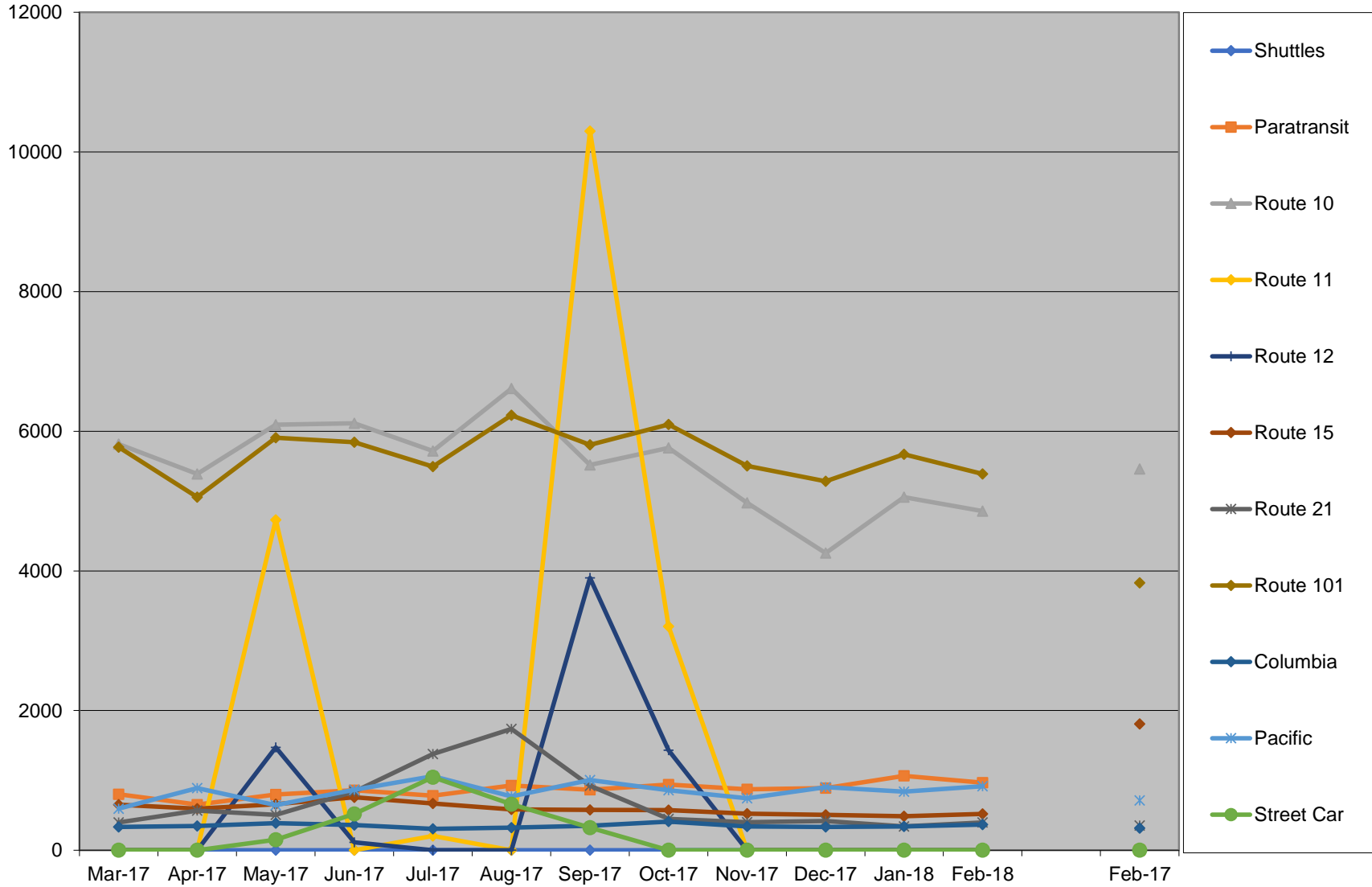
System Highlights:

- 15,571 people used Sunset Empire Transportation in February for an average of 531.3 riders per day.
- 3 % increase in all average passengers per day from last February (540.1 to 556.1)

Rider Breakdown by Route



SETD Rides



Operations Report
March Board Report
Paul Lewicki

Swiftly Update – We currently have 12 of our 16 buses online with the Swiftly development team. Swiftly has completed the data integration phase of the project and is now working on the data feed from AngelTrax – ahead of schedule. Currently, the Public Launch phase of the project is expected to begin on May 15th.

Fixed route bus drivers are helping by providing coverage in the Seaside Kiosk allowing 7-day-a-week coverage and facility availability to our riders. Initially, two of our fixed route drivers have been trained to perform the tasks of the Kiosk, but others will be trained and put into the rotation as the need develops. This move also allows John to be able to schedule vacation time for Eric, which has been more difficult in the past.

We have selected a contractor to replace the concrete pad at the site of the Seaside bus shelter, in front of McDonalds. Once the old pad is demolished, and the new pad poured and given time to cure, we will call on Tongue Point to provide students in their trades program to assist with the installation of the new shelter. Shooting for completion of this project before the end of April.

We obtained specifications and pricing on a new bus shelter to be placed in front of the senior center behind Costco. Otak, the developer for the Pacific Rim Apartment project, is required to provide a bus shelter as part of the project and requested input from the District as to Shelters specifications.

I attended a Webinar entitled: Improving the Resilience of Transit Systems Threatened by Natural Disasters presented by the Transportation Research Board. Presenters from three transit agencies discussed challenges they had addressed in responding to disasters in their jurisdictions, and how they had recovered and become more prepared for future events.

As the District's 25th birthday approaches, Operations is working with Marketing to develop and deploy various items placed on uniforms, buses, shelters, correspondence, etc. to celebrate the event. March's drivers meeting, March 21st, will focus on our 25 years of service to our riders. We will be serving a steak barbeque to all attendees and invite board members to join staff in the celebration kick off.

I'd like to thank the board members who were able to participate in the electric bus demonstration provided by Complete Coach Works on March 5th. Although the hills of Astoria presented significant challenges to the older generation technology used to power the coach, I was glad to have a chance to experience electric bus power first hand. It's not a question of if, but when...

I have been given the opportunity to attend the Zero Emission Bus Conference in Los Angeles in September. I'm looking forward to more exposure to vehicles powered by other than fossil fuels.

We have begun a project to repaint and generally spruce up the facilities at the bus yard.

The entrance door in the lobby of the transit center has been failing for some time and was likely out of compliance with ADA requirements. We have replaced the mechanism and restored the functionality of the door making it once again “user friendly”.

Operations has been given access to create and update alerts on our website. This will permit even more timely response to weather and other conditions which impact our service.

RIDE ASSIST
March 2018 Report
Jennifer Geisler

- In February, RideAssist had 963 rides for an average of 35 rides per day. There were 596 ADA rides, 8 Dial-A-Ride and we provided 277 RideCare rides.
- There were zero ride denials for ADA Paratransit rides in the month of February.
- With five drivers on staff, we moved one driver to cover Tuesday through Saturday request. This has been a big asset to the RideAssist department as it relieves the Saturday rotating coverage to only be on Sundays now.

RideAssist Fares Collected for February 2018

- Para-transit Fares collected: \$998
- Tickets Collected: \$716
- Medicaid Billed: \$4859
- Ticket books sold: \$456
- Dial-A-Ride Fares collected \$64

Marketing and Outreach
March 2018 Board Meeting Report
Mary Parker

I attended the Community Transportation Association North West Mobility and Travel Training Summit in Hood River for March 7th through 9th. It was very well planned. One of the sessions I found very informative was how to watch for and report elderly abuse, as often bus drivers and transit trainers have close contact with the elderly. Kidnapping (being held against ones will) and financial abuse were a couple of examples discussed. Another session that I was surprised at was a session taught by a Seattle Police officer on personal safety. He explained how to look, act, react, yell, run and how using a cell phone when walking makes you an instant target. The session on identifying and dealing with dangerous intersections and crosswalks was unbelievable. Lots of pictures and examples of what bus riders have to navigate through on their way to the bus stop and every example used was within the city limits and most had been in the same condition for years with a promise to improve.

Veterans Outreach Committee- The committee recently held a meeting to bring the program up to date. Several changes were made to the contact information on the rack cards and the brochure to make them more simplified and user friendly. The program offers access to veteran's assistance programs including filing for benefits, housing, legal and financial assistance and regional transportation assistance. The Veterans Transportation program is a volunteer transportation service that is managed through RideCare offering Veterans no cost rides to medical appointments at the local VA clinic and to the DAV Van which takes Veterans to medical appointments in Portland Monday through Friday. Outreach is extremely important and the committee will be increasing outreach to include all police officers in the area.

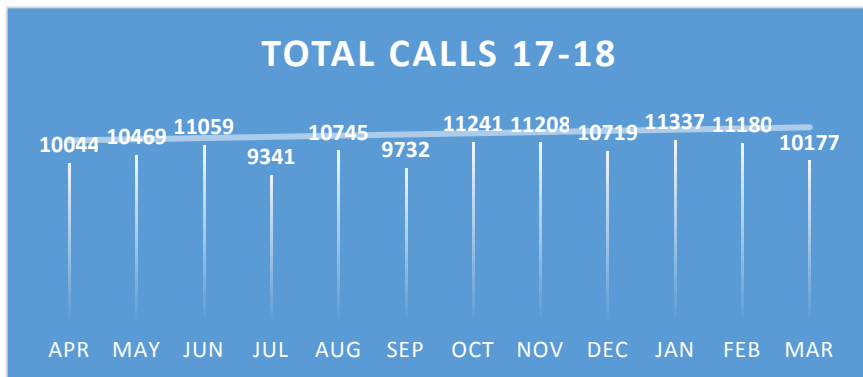


We are off and running with our 25th Anniversary plans. We are preparing to order many items that will contain our anniversary logo and planning on incorporating the celebration in upcoming events, ads and media coverage. We have a lot to do...a lot to celebrate and we are planning to spend the next year doing all of the above.

Human Resource Report
March Board Meeting Report
Tami Carlson

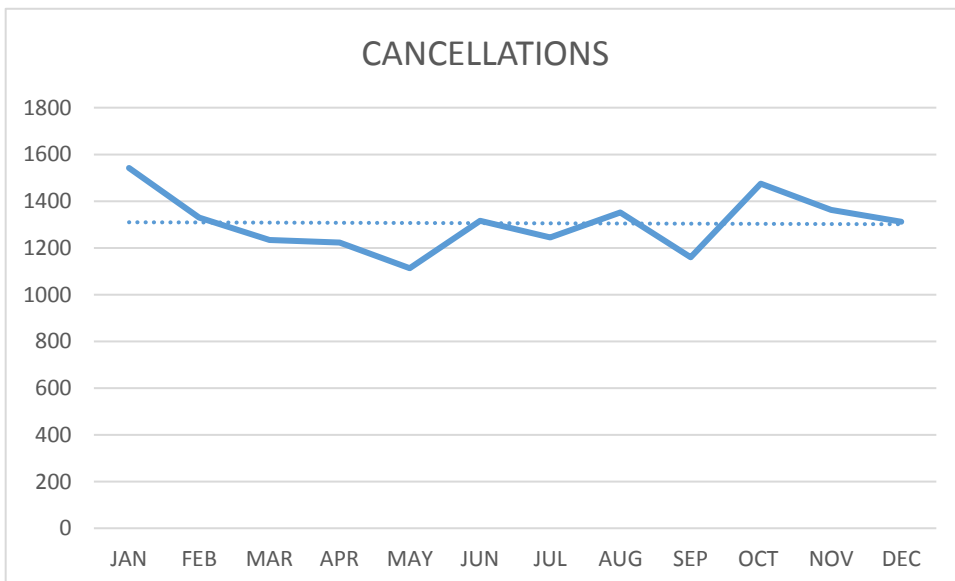
- RideCare recruiting for a CSR/Dispatcher resulted in the hiring of Danielle McGregor. Danielle started on the RC Team February 7th. Welcome Danielle!
- February 9th & 10th attended the SDAO Conference in Seaside. Sessions attended were Pay Equity Law, First Amendment in the Workplace, Cycle of a Worker's Comp. Claim, Is it Sexual Harassment and Retaliation and Whistleblower Claims. This year the conference was very informational and had sessions that SETD is currently dealing with.
- February 12th met with United Way E.D. Jennifer Holen to complete SETD employee's contributions for the 2018 Campaign.
- Interviewing for a part-time fixed route driver resulted in the rehire of Terry Moore. Terry drove for the district in the past as a fixed route driver. In-house posting for a full-time ParaTransit driver to replace Denny Cook who is retiring in March resulted in offering Penny Miller a part-time ParaTransit driver to full-time in the department. Congrats to both!
- February 20th at the mandatory driver's meeting we celebrated the employee's quarterly birthdays by having chili cheese dogs.
- February 27th participated in the monthly Safety Committee Meeting.
- Other projects – Submitted data filing to US Dept. of Labor BLS report - 2017 Survey of Occupational Injuries and Illnesses (SOII); submitted 2017 FTA Drug & Alcohol Testing Management Information System (MIS) Report; completed 2018-19 Worker's Comp. renewal application.

- Trips in February increased over this time last year as did the calls and fax communications. We are having some issues with our headsets at this time as they are causing some undue stresses for both members and the staff. We are working to find suitable replacements.
- Ride Care is working hard to increase the number of shared rides that we ask our NEMT providers to do. We are currently going through and having discussions with every volunteer in hopes of convincing them to share more rides. Since they are volunteers they do not have to share rides in their car if they feel uncomfortable in doing so. So far, we have managed to gain 4 drivers who re-considered the shared rides and will do so going into the future.
- Ride Care is very close to moving forward with our card reimbursement program as we hope to have a small portion of local members pilot the program for us. If all goes well, I'm hoping we can see the program fully implemented before end of June.



We will be moving to a more inclusive way to track not only calls but faxes, emails, texts and possibly in-office digital communication. We are not just a call center but a communication center that handles much more than simple ride request calls.
****First time Ride Care has averaged over 10K calls/month**

We shared 12% more rides in February and look to increase that number in the coming months as we attempt to re-task some of our volunteers. Sharing rides save us money.



Cancellations have gone down over the past month due to members holding more appointments.