



**Sunset Empire Transportation District
BOARD OF COMMISSIONERS
BOARD ZOOM MEETING AGENDA
THURSDAY SEPTEMBER 24, 2020
9:00 AM**

<https://us02web.zoom.us/j/83544514840>

1-877-853-5247

AGENDA:

1. CALL TO ORDER
2. ROLL CALL
3. BOARD APPOINTMENT FOR POSITION #2
4. CHANGES TO AGENDA
5. PUBLIC COMMENT (3-minute limit)
6. APPROVAL OF BOARD MEETING MINUTES
7. FINANCIAL REPORTS
 - a. July 2020
 - b. August 2020
8. REPORTS FROM CHAIR AND COMMISSIONERS
9. OLD BUSINESS
 - a. Audit report
 - b. Transportation Advisory Committee Appointments
10. NEW BUSINESS
 - a. Drug and Alcohol Policy Update
11. CORRESPONDENCE
12. EXECUTIVE DIRECTOR REPORT
13. LEADERSHIP TEAM REPORTS
14. ADJOURNMENT

SUNSET EMPIRE TRANSPORTATION DISTRICT
COMMONLY USED ACRONYM LIST
SEPTEMBER
2020

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
DAV	DISABLED AMERICAN VETERANS
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

SUNSET EMPIRE TRANSPORTATION DISTRICT
COMMONLY USED ACRONYM LIST
SEPTEMBER
2020

LCC	LOWER COLUMBIA CONNECTOR
LGIP	LOCAL GOVERNMENT INVESTMENT POOL
LGPI	LOCAL GOVERNMENT PERSONNEL INSTITUTE
LRCTP	LONG RANGE COMPREHENSIVE TRANSPORTATION PLAN
MAINT	MAINTENANCE
MBRC	MILES BETWEEN ROAD CALLS
MISC	MISCELLANEOUS
MM	MOBILITY MANAGEMENT
MOS	MONTH
MOU	MEMORANDUM OF UNDERSTANDING
NADTC	NATIONAL AGING AND DISABILITY TRANSPORTATION CENTER
NEMT	NON-EMERGENT MEDICAL TRANSPORTATION
NHMP	NATURAL HAZARDS MITIGATION PLAN
NRTAP	NATIONAL RURAL TRANSIT ASSISTANCE PROGRAM
NTI	NATIONAL TRANSIT INSTITUTE
NWACT	NORTHWEST AREA COMMISSION ON TRANSPORTATION
NWOTA	NORTHWEST OREGON TRANSIT ALLIANCE
ODOT	OREGON DEPARTMENT OF TRANSPORTATION
OHA	OREGON HEALTH AUTHORITY
OHP	OREGON HEALTH PLAN
OPTC	OREGON PUBLIC TRANSPORTATION CONFERENCE
OPTIS	OREGON PUBLIC TRANSIT INFORMATION SYSTEM
OPTP	OREGON PUBLIC TRANSPORTATION PLAN
OR	OREGON
OTA	OREGON TRANSIT ASSOCIATION
OTC	OREGON TRANSPORTATION COMMISSION
P&L	PROFIT AND LOSS
PARA	PARA-TRANSIT
PCA	PERSONAL CARE ATTENDANT
PTAC	PUBLIC TRANSPORTATION ADVISORY COMMITTEE
QE	QUALIFIED ENTITY
QTR	QUARTER
RAC	RULES ADVISORY COMMITTEE
RC	RIDECARE
REHAB	REHABILITATION
RFP	REQUEST FOR PROPOSALS
RFQ	REQUEST FOR QUOTES
RIBTC	RURAL AND INTERCITY BUS TRANSPORTATION CONFERENCE
RPTD	RAIL AND PUBLIC TRANSIT DIVISION
SDAO	SPECIAL DISTRICTS ASSOCIATION OF OREGON
SDIS	SPECIAL DISTRICTS INSURANCE SERVICES
SETD	SUNSET EMPIRE TRANSPORTATION DISTRICT
SETD GF	SUNSET EMPIRE TRANSPORTATION DISTRICT GENERAL FUND

SUNSET EMPIRE TRANSPORTATION DISTRICT
COMMONLY USED ACRONYM LIST
SEPTEMBER
2020

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	STATEWIDE TRANSPORTATION IMPROVEMENT FUND
STIP	SPECIAL TRANSPORTATION IMPROVEMENT PROGRAM
STN	STATEWIDE TRANSPORTATION NETWORK
STP	SURFACE TRANSPORTATION PROGRAM
TAC	TECHNICAL ADVISORY COMMITTEE
TAC	TRANSPORTATION ADVISORY COMMITTEE (STF/5310/STIF)
TCTD	TILLAMOOK COUNTY TRANSPORTATION DISTRICT
TECH	TECHNOLOGY
TGM	TRANSPORTATION AND GROWTH MANAGEMENT
TO	TRANSPORTATION OPTIONS
TPJCC	TONGUE POINT JOB CORPS CENTER
TRB	TRANSPORTATION RESEARCH BOARD
TSP	TRANSPORTATION SYSTEMS PLAN
VETP	VETERANS ENHANCED TRANSPORTATION PROGRAM
YTD	YEAR TO DATE
ZEB	ZERO EMISSION BUS
ZEP	ZERO EMISSION PROPULSION
ZEBRA	ZERO EMISSION BUS RESOURCE ALLIANCE

Date: September 17, 2020

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item # 3 Board appointment for position # 2

We received one applicant for the vacancy on the Board. I have attached Rebecca Read's application and have invited her to the Board meeting. The Board is free to ask her additional questions if you like. She will be receiving a Board packet so she can be sworn in immediately if the Board approves her appointment.

Staff is recommending that the Board appoint Rebecca Read to position # 2 to finish out the term that will expire on June 30, 2021. If appointed, Chair Taylor will swear her in with the oath of office.



Sunset Empire Transportation District
Board Member Application

Applicant Name: Rebecca Read Date: 9/14/2020

Address: 328 7th Avenue, Seaside Zip Code: 97138

Phone Number: 503-739-3540 Email Address: rebeccaread8@gmail.com

Are you a resident of our district? yes Are you a registered voter? yes

Why do you want to serve on the Sunset Empire Transportation District Board?
Public transit is an essential service in the community. It connects us to work, play, and offers environmentally responsible alternatives to car travel. I want to help keep this vital resource available to the community.

Describe past experiences or positions held that would assist you as a board member.
I have served on advisory committees in Tualatin, OR, Sherwood OR Seaside Chamber of Commerce, currently serve on Clatsop County Public Safety Advisory Council, served as a workforce training coordinator for Clatsop Community College.

Outline strengths, abilities and talents that you would bring to the board.
Master Public Administration, - Organizational Development good collaborator / consensus builder, project coordinator, coalition-builder, foster community partnerships, positive attitude, responsible

In your opinion, what is the most important role of a board member?
support the mission of the organization and provide honest perspectives

If appointed, would you be able to serve the entire term? yes

Please submit your application to: jeff@ridethebus.org or drop off at the Astoria Transit Center, 900 Marine Drive, Seaside Transit Office 39 N. Holladay or mail to SETD 900 Marine Drive, Astoria Oregon 97103.

Application Deadline: September 16, 2020 at 5:00 PM.



Sunset Empire Transportation District
Board of Commissioners
August 27, 2020
Draft Board Meeting Minutes

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

2. ROLL CALL:

Present: Chair Tamra Taylor, Vice Chair Tracy MacDonald, Secretary/Treasurer, Pamela Alegria, Commissioner Charles Withers, Commissioner Diana Nino and Debbie Boothe-Schmidt

Staff: Executive Director Jeff Hazen, Chief Operating Officer Paul Lewicki, Executive Assistant Mary Parker, Transportation Options Specialist Kathy Kleczek, Human Resources Manager Sue Farmer, Mobility Manager Jason Jones

3. COMMISSIONER KEVIN WIDENER- Chair Tamra Taylor announced the unexpected passing of Commissioner Kevin Widener and asked Executive Director Hazen to share information he had received from Kevin's brother. This was followed by a moment of silence in Commissioner Widener's memory. Chair Taylor asked each of the Commissioners to say a few words about Commissioner Widener. Commissioner MacDonald said he was deeply saddened at his loss and will remember his dedication as a Board member and his passion for public transportation. Commissioner Alegria said that Kevin's passion was unrivaled, and his passing is a loss for Seaside and the County. Kevin was well prepared and gave his opinion on what he thought was right and he will be missed. Commissioner Boothe-Schmidt said she had not worked with Kevin very long, but he was very passionate about the transportation community and she was very sorry to hear he had passed. Commissioner Withers said he rode the bus with Kevin several times and as someone who had struggles in life, he will always admire Kevin's passion for transit. Commissioner Withers also said that while riding with Kevin he had laid a lot of past information on him about the District which he did not know about and appreciated hearing and added he is going to miss him. Commissioner Nino because she is fairly new on the Board she did not get to know Kevin very well but seeing him at conferences and meetings it was amazing how eloquent he could be in getting his point across in trying to do the best that we can do as a Transportation District. Commissioner Nino also said she was sorry that he is gone and wishes his family and loved ones comfort at this time. Chair Taylor said that Kevin had that passion and he brought that color and passion to our world and I hope he is at peace. Director Hazen added a comment made by past SETD Commissioner Jim Servino that Kevin brought an important perspective to the Board. Hazen said it is not very often that you have a homeless person in an elected position. Hazen added that Kevin loved riding the buses and was friends with staff and he believes they were like family to him. Commissioner Withers asked that there be something written in the minutes to memorialize Kevin that will be read at the next meeting. Executive Director Hazen said that Mary could do that.

Commissioner Kevin Widener was a dedicated advocate and consistent user of public transportation. He used public transportation exclusively traveling to work in Portland and attending meetings in Salem. As a rider and prior to election he had attended the SETD Board meetings for many years. Kevin was elected to the Board of Commissioners in 2013 and again in 2017. Kevin regularly attended the SETD Board Meetings and related Conferences and Trainings. Commissioner Widener was a regular participant at District Board meetings. Commissioner Widener was interested and active in local government and attended meetings across the state and served on several committees throughout Clatsop

County. Commissioner Kevin Widener brought a valuable perspective to the Transportation District with his views and contributions as a rider and his appreciation and support of all those who are instrumental in the operation of public transportation.

4. **CHANGES TO AGENDA-** Commissioner Alegria requested adding a question about the District's Policy on Public Requests. Chair Taylor said this will be added as item C under New Business. Chair Taylor added discussion of the replacement of our Board member as item D under New Business. Commissioner MacDonald said he was hoping that we could donate passes in memory of Kevin Widener to the United Way Day of Giving on September 12th which Mary Parker has been checking into and requested that this be put under staff reports. Commissioner Alegria asked if there could be something put in the newspaper that included the Commissioners comments about Kevin. Executive Director Hazen said that Mary could do that. Commissioner Nino requested that it be on record that the June financial reports will be discussed next month at the September Board meeting. Executive Director Hazen thanked Commissioner Nino and explained due to the changeover of the financial program the July financials were not able to be completed so both August and July financial reports will be included in the September Board Pack.

Commissioner Boothe-Schmidt moved to approve the August 2020 Agenda as amended

Commissioner Withers seconded the motion

Discussion-None

Voting Aye: Commissioner's Withers, Alegria, MacDonald, Taylor, Nino, and Boothe-Schmidt

Voting Nay: None

Motion passed unanimously

5. **PUBLIC COMMENT (3 minutes)-** Kathy Kleczek re-read the comments from that were submitted and read during the July meeting.

6. **APPROVAL OF THE JULY 23, 2020 BOARD MEETING MINUTES-**

Commissioner MacDonald moved to approve the June 2020 Board minutes as corrected

Commissioner Alegria seconded the motion

Voting Aye: Commissioner's Withers, Alegria, MacDonald, Taylor, Nino, and Boothe-Schmidt

Voting Nay: None

Motion passed unanimously

7. **REPORTS FROM CHAIR AND COMMISSIONERS**

a. Chair Taylor- Nothing to report

b. Commissioner MacDonald-Nothing to report.

c. Commissioner Alegria- Reported that she had attended the SDAO training webinar on the Board's Responsibilities and there was a section on Public Records and that the Board make sure there is a policy and that the fees charged for making copies should be looked at.

d. Commissioner Withers- Thanked Diana for meeting with Sue and said he initially brought this up and had planned to meet with Sue but has not been able to due to family needs.

e. Commissioner Nino-Reported that she had a phone meeting with Sue Farmer about adding diversity to our staff. Diana attended the Small Urban Network Virtual Conference which covered virtual meetings, electric vehicles, training center tour and legislative priorities. Diana also Cohosted Transportation in the Time of Corona with Kathy Kleczek, doing the entire podcast in Spanish and discussing how the District operates, which was a lot of fun. Diana also added she is looking forward to the upcoming TAC meeting.

f. Commissioner Boothe-Schmidt- Reported she has been working hard campaigning.

8. FINANCIAL REPORTS-

July 2020 report delayed until the September Board meeting

9. OLD BUSINESS-

- a. Transportation Advisory Committee Vacancy- Executive Director Hazen reported that there has not been any applications sent in so he is extending the deadline to September 14th and said he would appreciate the Board reaching out to anyone they know that might agree to be interested. This position requires that the applicant represent or be a senior. There were suggestions of outreach locations. Mary said this was a press release and had been sent to radio, newspaper, chamber's and to the Seaside and Astoria senior centers and posted on bus shelters however the font is too small for posting on buses. Commissioner Withers suggested sending a copy of press release to the Senior and Disabled services and to the Board for handing out.
- b. Statewide Transportation Fund Approval STIF Updated Forecast-Executive Director Hazen reviewed forecast for STIF revenues for the formula program which have been reduced from the December 2019 forecast. Hazen said he was conservative in this year's budget, so our impact is only \$ 55,422. Hazen also reported that when the pandemic hit, we also put the brakes on the roll out of any new projects out of concern that we might be seeing a reduction in revenue. Hazen said we will continue to be conservative.
- c. CARES Act Needs Based Grant Update-Executive Director Hazen reported that when the CARES act was approved this money was to assist rural agencies and it was funneled through ODOT. ODOT made this into two programs, one which was a formula grant made available immediately and the other a needs-based grant. We received a little over \$500,00 from the formula grant which we have spent on cleaning, payroll and administrative leave. Hazen also said that we submitted a needs-based grant application for \$1,191,108 for the purchase of two remanufactured buses and operational costs for them for one year. These buses would add frequency and capacity to Route 101 due to the decrease in passengers from distancing requirements on the existing buses. The other project will be to update bathrooms so that they are touchless. Hazen reported that we were awarded \$861,100 which will cover the purchase of only one bus. This bus will be ordered from Complete Coach Works as soon as possible and should arrive within 6-7-months.

10. NEW BUSINESS

- a. ODOT Agreement No.34377-Executive Director Hazen explained that this is grant with ODOT and the Oregon Department of Veterans Affairs. Jason Jones wrote the grant originally asking for \$18,000 but due to there being fewer applicants than expected, the award received is \$20,000. Hazen reported that this grant will be used to enhance the existing Veterans Enhanced Transportation program that assists Veterans with transportation to the DAV van in Astoria and then takes Veterans to the VA clinics and the VA hospital in Portland. Hazen added that the DAV van is not ADA accessible so these funds can be used to cover the cost of using an ADA accessible van for Veterans as needed.

Commissioner MacDonald moved to approve Agreement 34377 and authorize the Board Chair to sign

Commissioner Boothe-Schmidt seconded the motion

Discussion-Commissioner Alegria asked if our attorney had to sign. Hazen said no the line for that is included on the grant form, but it is not required.

Commissioner Nino asked if we do not spend the funds by July 1, 2021 can the funds be used for other uses besides Veteran's health related trips. Hazen said we will use it all before next July.

Voting Aye- Commissioners Nino, Withers, MacDonald, Taylor, Boothe-Schmidt and Alegria

Voting No- None

Motion passed unanimously

- b. Metro Bus Mobility Training Center Virtual Tour- Executive Director Hazen explained that this will be a tour of a training center that was designed after the TriMet Mobility Training Center in Portland. Hazen explained that this type of facility is used to teach, train and evaluate riders on many levels for many reasons including Paratransit eligibility. Hazen said Jason has been wanting to build a facility like this since he became Mobility Manager. Chair Taylor asked if SETD has land outside of the Seaside, Astoria and the Warrenton facility. Hazen said no we lease the Seaside property and own the Warrenton and Astoria property. Chair Taylor asked Hazen if he has any concept of where a location could be? Hazen said he has a couple of ideas but he has to talk to people about them. Hazen also said he may be hiring a consultant to help put project together.
- c. Public Records Policy- Executive Director Hazen displayed the updated Public Records Policy that Mary had completed and that the Board approved at the September 2019 Board Meeting. Mary said that she had used the SDAO policy to update the original SETD Public Records Policy from 2013. Mary will send the Board a copy of the fee sheet and confirm that the pricing is close to what SDAO recommends.
- d. Board Vacancy- Executive Director Hazen displayed the Board Policy for a Board vacancy. Hazen said Mary has made a Board member application packet that will be available on our website or can be printed, mailed, or picked up at the Transit Center.

11. CORRESPONDENCE- None

12. EXECUTIVE DIRECTOR REPORT- Executive Director Hazen reviewed the ODOT Monitoring Report of the RTC Compliance Finding Report which showed that most findings have been corrected.

13. LEADERSHIP TEAM REPORTS- Open discussion between Board and Team members.

14. OTHER ITEMS- Commissioner Alegria reminded staff that she will need to sign the July Board Minutes to take to Bank to change signers. Executive Director Hazen said that he would print out a copy for Pamela to sign.

Meeting was adjourned 10:48 AM

Mary Parker, Recording Secretary

Secretary/Treasurer _____

Pamela Alegria

Date _____

An audio recording of this meeting is available by contacting Mary Parker at mary@ridethebus.org

Date: September 17, 2020

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item # 7 Financial Reports

Tracy is working with our consultants on the financial reports and they will not be done by the time the Board pack is sent out. We will be emailing them to the Board by Tuesday.

We apologize for the delay, but we need to make sure the reports are accurate.

Date: September 17, 2020

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda item 9.a Audit Report

At the end of each year, governmental agencies in Oregon are required to have an independent audit done of its financial records. The audit report before you is for fiscal year 2019 ended on June 30, 2019. We have contracted with Isler CPA to do our audits who replaced our former auditors who made the decision to not be our auditors. The used to have several agencies in the area that they audited but we were the only ones left that they audited, and it didn't make fiscal sense for them any longer. This audit was delayed being completed for various reasons including the former firm not being as helpful as we hoped with the transition of auditors. Covid-19 also played a part in the delay.

Paul Nielson with Isler CPA will be presenting the audit and Board members are encouraged to ask questions during the presentation. There is one final step that needed to be done by the firm that hasn't happened by the time the Board pack went out. The person that is to do the final review of the audit is in an area that was evacuated last week due to the wildfires.

Staff is recommending that the Board hear the presentation and then make a motion to accept the FY 2019 audit.

SUNSET EMPIRE TRANSPORTATION DISTRICT
Clatsop County, Oregon
FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION
YEAR ENDED JUNE 30, 2019
WITH INDEPENDENT AUDITOR'S REPORT

SUNSET EMPIRE TRANSPORTATION DISTRICT

Year Ended June 30, 2019

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INTRODUCTORY SECTION

SUNSET EMPIRE TRANSPORTATION DISTRICT

Year Ended June 30, 2019

Board of Commissioners

Chair	Kathryn Kleczak
Vice Chair	Bryan Kidder
Secretary/Treasurer	Lylla Gaebel
Commissioner	Kevin Widener
Commissioner	Carol Gearin
Commissioner	Pamela Alegria
Commissioner	Tracy MacDonald

Executive Director

Jeff Hazen

District Address

Sunset Empire Transportation District
900 Marine Drive
Astoria, OR 97103

FINANCIAL SECTION

Independent Auditor's Report

Board of Commissioners
Sunset Empire Transportation District
Clatsop County, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of Sunset Empire Transportation District ("District"), as of and for the year ended June 30, 2019, 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

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 an opinion 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. 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2019, and the changes in financial position and its cash flows 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 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 management's discussion and analysis 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.

The budgetary comparison schedules of the General Fund, the Special Transportation Fund, and The Ride Care Fund comparison information is the responsibility of management and was derived from and relates 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 budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section and supplementary schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary schedules 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 Supplemental Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 15, 2020, 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 the 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated September 24, 2020 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.

Isler CPA

By: Paul R. Nielson, CPA, a member of the firm
Eugene, Oregon
September 24, 2020

SUNSET EMPIRE TRANSPORTATION DISTRICT
Management's Discussion and Analysis
Year Ended June 30, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As the management of Sunset Empire Transportation District ("District") we offer readers of the District's financial statements this overview and analysis of its financial activities for the fiscal year, and it should be read in conjunction with the accompanying Basic Financial Statements.

FINANCIAL HIGHLIGHTS

The assets of the District exceeded its liabilities at the close of fiscal year 2018-2019 by \$4,220,459, a decrease of \$656,136. Of this amount, \$657,582 (unrestricted net position) may be used to meet ongoing obligations, \$3,559,339 was invested in capital assets net of accumulated depreciation and related debt and \$3,538 was restricted for medical transportation.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's Basic Financial Statements. The Basic Financial Statements include the notes to the financial statements. In addition to these statements, this report also contains supplementary information.

The Statement of Net Position contains information about the District's assets, liabilities and net position. 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 for specific purposes. The Statement of Activities contains information about the expenses incurred to provide transit services to the citizens of Clatsop County, Oregon 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 other resources. 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.

The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Management's Discussion and Analysis

Year Ended June 30, 2019

FINANCIAL ANALYSIS

Total assets, liabilities and net position were as follows:

	<u>2019</u>	<u>2018</u>	<u>Change 2018-2019</u>	<u>% Change 2018-2019</u>
Assets:				
Current assets	\$ 863,408	\$ 1,546,764	\$ (683,356)	(44.2)%
Capital assets (net)	<u>3,651,739</u>	<u>3,902,330</u>	<u>(250,591)</u>	<u>(6.4)%</u>
Total assets	<u>4,515,147</u>	<u>5,449,094</u>	<u>(933,947)</u>	<u>(17.1)%</u>
Liabilities:				
Current liabilities	294,688	255,430	39,258	15.4 %
Long-term liabilities	<u> </u>	<u>317,069</u>	<u>(317,069)</u>	<u>(100.0)%</u>
Total liabilities	<u>294,688</u>	<u>572,499</u>	<u>(277,811)</u>	<u>(48.5)%</u>
Net position:				
Net investment in capital assets	3,559,339	3,787,330	(227,991)	(6.0)%
Restricted	3,538	87,614	(84,076)	(96.0)%
Unrestricted, as restated	<u>657,582</u>	<u>1,001,651</u>	<u>(344,069)</u>	<u>(34.4)%</u>
Total net position	<u>\$ 4,220,459</u>	<u>\$ 4,876,595</u>	<u>\$ (656,136)</u>	<u>(13.5)%</u>

The ending net position for the year ended June 30, 2018 has been restated to record a prepaid asset that was not previously reported.

Total assets decreased for this fiscal year by \$933,947. Decreases in cash and receivables of \$137,281 and \$407,711 respectively. The decreases are due to the ending of a contract that the district had in 2018, which had reported revenue of \$3,692,869 in 2018.

Total liabilities decreased by \$277,811 from last year. This decrease was primarily due to decrease in payables related to the above mentioned contract that ended and scheduled payments that decreased long-term debt.

Net position may serve as a useful indicator of the District's financial position. As of June 30, 2019, assets exceeded liabilities by \$4,220,459, a 13.5% decrease from the prior period. Investment in capital assets, net of related debt are considered unavailable for current expenditure and account for the majority of the total net position. Unrestricted assets are normally the portion of net position used to finance day-to-day operations without constraints established by debt covenants or other legal requirements.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Management's Discussion and Analysis

Year Ended June 30, 2019

The following schedule presents a summary of revenues, expenses and increase in net position for the District and the amount and percentage change from 2018 to 2019:

	<u>2019</u>	<u>2018</u>	<u>Change</u>	<u>% Change</u>
Revenues:				
Charges for services	\$ 883,315	\$ 4,186,194	\$(3,302,879)	(78.9)%
Property taxes	1,001,309	962,260	39,049	4.1 %
Operating grants	892,237	679,633	212,604	31.3 %
Capital grants	-	286,348	(286,348)	(100.0)%
Other revenue	<u>253,671</u>	<u>529,249</u>	<u>(275,578)</u>	<u>(52.1)%</u>
Total revenues	<u>3,030,532</u>	<u>6,643,684</u>	<u>(3,613,152)</u>	<u>(54.4)%</u>
Expenses:				
Community Services	<u>3,686,668</u>	<u>6,811,899</u>	<u>(3,125,231)</u>	<u>(45.9)%</u>
Total expenses	<u>3,686,668</u>	<u>6,811,899</u>	<u>(3,125,231)</u>	<u>(45.9)%</u>
Change in net position	(656,136)	(168,215)	(487,921)	290.1 %
Net position - beginning as restated	<u>4,876,595</u>	<u>5,044,810</u>	<u>(168,215)</u>	<u>(3.3)%</u>
Net position - ending	<u>\$ 4,220,459</u>	<u>\$ 4,876,595</u>	<u>\$ (656,136)</u>	<u>(13.5)%</u>

Total revenues decreased 54.4% due to ending of a contract that the District had.

Expenses decreased by 45.9% compared to the prior period. The decrease is due primarily to a contract being discontinued.

CAPITAL ASSETS

At June 30, 2019, the District had \$3,651,739 invested in capital assets net of depreciation. For the year ended June 30, 2019, the District had no capital asset additions. See Note III.B. for additional information related to capital assets.

DEBT

The District has two loans outstanding at June 30, 2019. Both loans mature during the year ending June 30, 2020. See Note III.D. for additional information related to debt.

ECONOMIC FACTORS AND BUDGET INFORMATION

The budget outlook for 2020 estimates a continuation of the activity levels of 2019 for the General Fund and a closing of the Ride Care fund.

REQUEST FOR INFORMATION

Our financial report is designed to provide our ratepayers and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact the Finance Department at Sunset Empire Transportation District.

SUNSET EMPIRE TRANSPORTATION DISTRICT
 Governmental Funds Balance Sheet / Statement of Net Position
 June 30, 2019

	General Fund	Ride Care Fund	Capital Reserve Fund	Total	Adjustments	Governmental Activities
Assets:						
Current assets						
Cash	\$ 458,634	\$ 3,538	\$ 89,021	\$ 551,193	\$ -	\$ 551,193
Receivables						
Accounts	210,350	-	-	210,350	-	210,350
Property taxes	55,285	-	-	55,285	-	55,285
Prepays	46,580	-	-	46,580	-	46,580
Total current assets	<u>770,849</u>	<u>3,538</u>	<u>89,021</u>	<u>863,408</u>	<u>-</u>	<u>863,408</u>
Capital assets						
Capital assets not being depreciated:	-	-	-	-	586,488	586,488
Capital assets being depreciated:	-	-	-	-	3,065,251	3,065,251
Total capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,651,739</u>	<u>3,651,739</u>
Total assets	<u>\$ 770,849</u>	<u>\$ 3,538</u>	<u>\$ 89,021</u>	<u>\$ 863,408</u>	<u>\$ 3,651,739</u>	<u>\$ 4,515,147</u>
Liabilities:						
Current liabilities						
Accounts payable	68,023	-	-	68,023	-	68,023
Payroll payable	53,735	-	-	53,735	-	53,735
Compensated absences payable	-	-	-	-	80,530	80,530
Current portion of long-term debt	-	-	-	-	92,400	92,400
Total liabilities	<u>121,758</u>	<u>-</u>	<u>-</u>	<u>121,758</u>	<u>172,930</u>	<u>294,688</u>
Deferred Inflows of Resources:						
Unavailable revenue	55,285	-	-	55,285	(55,285)	-
Fund Balance:						
Nonspendable	46,580	-	-	46,580	(46,580)	
Restricted for Medicaid transportation	-	3,538	-	3,538	(3,538)	
Assigned or capital outlay	-	-	89,021	89,021	(89,021)	
Unassigned	547,226	-	-	547,226	(547,226)	
Total Fund Balance	<u>593,806</u>	<u>3,538</u>	<u>89,021</u>	<u>686,365</u>	<u>(686,365)</u>	
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 770,849</u>	<u>\$ 3,538</u>	<u>\$ 89,021</u>	<u>\$ 863,408</u>		
Net Position:						
Net investment in capital assets						3,559,339
Restricted						3,538
Unrestricted						657,582
Total net position						<u>\$ 4,220,459</u>
Total liabilities and net position						<u>\$ 4,515,147</u>

Fund balances of the governmental fund have been adjusted and reported differently than the net position of the governmental activities because:

- Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.
- Long-term liabilities such as compensated absences and long-term debt used in governmental activities are not financial requirements and therefore are not reported in the governmental funds.
- Unavailable revenue represents receivables that do not provide a financial resource and are not reported in the governmental funds.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities

Governmental Funds

For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>Ride Care Fund</u>	<u>Capital Reserve Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Governmental Activities</u>
Revenues:						
Grants	\$ 892,237	\$ -	\$ -	\$ 892,237	\$ -	\$ 892,237
Contracts	83,742	-	-	83,742	-	83,742
Property taxes	990,372	-	-	990,372	10,937	1,001,309
Mass transit assessment	48,973	-	-	48,973	-	48,973
State timber sales	164,920	-	-	164,920	-	164,920
Charges for services	266,026	533,547	-	799,573	-	799,573
Interest income	9,671	6,607	1,407	17,685	-	17,685
Other revenue	22,093	-	-	22,093	-	22,093
Total revenues	<u>2,478,034</u>	<u>540,154</u>	<u>1,407</u>	<u>3,019,595</u>	<u>10,937</u>	<u>3,030,532</u>
Expenditures:						
Personnel Services	2,080,034	74,727	-	2,154,761	(17,829)	2,136,932
Materials and services	959,116	334,332	-	1,293,448	-	1,293,448
Debt service	118,293	14,006	-	132,299	(126,602)	5,697
Depreciation	-	-	-	-	250,591	250,591
Total expenditures / expenses	<u>3,157,443</u>	<u>423,065</u>	<u>-</u>	<u>3,580,508</u>	<u>106,160</u>	<u>3,686,668</u>
Excess (deficiency) of revenues over (under) expenditures / expenses	(679,409)	117,089	1,407	(560,913)	(95,223)	(656,136)
Other financing sources (uses):						
Transfers in	-	15,891	-	15,891	(15,891)	-
Transfers out	<u>(15,891)</u>	<u>-</u>	<u>-</u>	<u>(15,891)</u>	<u>15,891</u>	<u>-</u>
Total other financing sources (uses)	<u>(15,891)</u>	<u>15,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance / net position	(695,300)	132,980	1,407	(560,913)	(95,223)	(656,136)
Fund Balance / Net Position:						
Beginning of year, restated (see note IV. D)	<u>1,289,106</u>	<u>(129,442)</u>	<u>87,614</u>	<u>1,247,278</u>	<u>3,629,317</u>	<u>4,876,595</u>
End of year	<u>\$ 593,806</u>	<u>\$ 3,538</u>	<u>\$ 89,021</u>	<u>\$ 686,365</u>	<u>\$ 3,534,094</u>	<u>\$ 4,220,459</u>

Amounts reported for governmental activities are different than those of the Governmental funds because of the following:

- Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds, instead they are reported as deferred inflows of resources.
- Expenses related to the change in compensated absences are reported in the statement of activities and do not require the use of current financial resources, therefore, they are not reported as expenditures in the governmental funds.
- Principal payments on debt are recorded as expenditures in the governmental funds and are reported as a reduction in the liability for governmental activities on the Statement of Net Position.
- Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

See accompanying notes to financial statements.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

I. Summary of significant accounting policies

A. Reporting entity

The Sunset Empire Transportation District (District") is a municipal corporation governed by an elected five member Board of Commissioners. The District was organized in 1993 for the purpose of providing transportation services to the residents of Clatsop County.

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 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. Property taxes and intergovernmental revenues are the major source of nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange. 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 recorded 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 collectible within 60 days following year end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims, and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds.

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:

The General fund accounts for all revenues and expenditures necessary to carry out activities of the District that are not accounted for through other funds including activities such as transportation services, assessment, and taxation

The Special Transportation fund accounts for revenue and expenditures associated with revenue received from the State of Oregon's Special Transportation Fund

The Ride Care fund accounts for all revenues and expenditures associated with transportation under Oregon's Medicare Program or the Oregon Health Plan. This fund was closed in the year ending June 30, 2019.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

I. Summary of significant accounting policies (continued)

B. Basis of accounting (continued)

The Capital Reserve fund accounts for all revenues and expenditures associated with capital improvement

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 during 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.

C. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, and ending net position during the reporting period. Actual results could differ from those estimates.

D. Assets, liabilities, and net position

1. Cash

The cash and cash equivalents reported on the Statement of Net Position and the balance sheets include cash on hand, demand deposits, cash with fiscal agents and amounts in investment pools that have the general characteristics of demand deposit accounts with highly liquid debt instruments purchased with a maturity of three months or less.

The State of Oregon authorizes municipalities to invest in general obligations of the United States and its agencies, certain debt of Oregon municipalities, savings accounts, certificates of deposit, bankers' acceptances, the Oregon State Treasurer's Local Government Investment Pool (LGIP) and certain highly rated commercial paper. Investments are recorded at fair value. Fair value of the LGIP is stated at amortized cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

2. Accounts receivable

All receivables are reported at their gross value. There is no provision for uncollectible amounts. The management of the District believes all receivables are collectible with no material uncollectible amounts.

Property taxes are levied and become a lien on July 1st. Property taxes are assessed in October and tax payments are due November 15th of the same year. Under the partial payment schedule, the first one-third of taxes are due November 15th of the same year, the second one-third on February 15th, and the remaining one-third on May 15th. A three percent discount is allowed if full payment is made by November 15th and a two percent discount is allowed if two-thirds payment is made by November 15th. Taxes become delinquent if not paid by the due date and interest accrues after each trimester at a rate of one percent per month. Property foreclosure proceedings are initiated four years after the due date.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

I. Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position (continued)

3. Capital assets

Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets purchased or constructed by the District are recorded at cost. Donated capital assets are recorded at customer's costs on the date contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Building	50
Equipment	4-15

4. 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.

5 Fund Balance

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. As a result, in the fund financial statements, fund balances are classified as follows:

Nonspendable - 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 the local, state or federal laws, or externally imposed conditions by granters or creditors or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

Assigned - Amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent must be expressed by the Board of Commissioners, the budget committee or the Board's authorized designee.

Unassigned - All amounts not included in other classifications. The amounts in the various categories of fund balance are included in the governmental funds balance sheet.

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.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

I. Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position (continued)

6 Net Position

Government-wide and proprietary fund net position is divided into three components:

Net investment in capital assets - consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

Restricted net position - consists of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

Unrestricted - all other net position is reported in this category.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by unrestricted net position.

II. Stewardship, compliance, and accountability

A. Budget information

Budgets are prepared and adopted, and expenditures are appropriated, in accordance with Oregon Local Budget Law. The District is required to budget all funds. The budgetary level of control is total personnel services, materials and services, capital outlay, debt service, transfers and contingencies for each fund. Expenditures cannot legally exceed the adopted level of detail and all annual appropriations lapse at year end.

Unexpended additional resources may be added to the budget through use of a supplemental budget. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers, and approval by the Board of Commissioners. The Board of Commissioners can also authorize transfers of appropriations between existing expenditure categories. Budget amounts shown in the financial statements represent the budget as finally revised by the Board of Commissioners.

B. Excess of expenditures over appropriations

The following fund had expenditures in excess of related budgetary appropriations:

<u>Fund</u>	<u>Appropriation Level</u>	<u>Over Expenditure Amount</u>
General Fund	Personnel services	\$ 95,636
General Fund	Materials and services	\$ 16,866
Ride Care Fund	Personnel services	\$ 2,874
Ride Care Fund	Debt service	\$ 14,006

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

III. Detailed notes

A. Cash

Cash at June 30, 2019 are comprised of:

	<u>2019</u>
Cash on hand	\$ 2,299
Demand deposits	279,022
Local Government Investment Pool	<u>269,872</u>
Total cash	<u>\$ 551,193</u>

Deposits. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program ("PFCP") of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

All investments of the District shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for custodial officer), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS shall be assumed to be part of this investment policy immediately upon being enacted.

The Oregon Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. Additional information about the OSTF can be obtained at www.ost.state.or.us and www.oregon.gov/treasury.

Custodial Credit Risk. The District's cash and investment balances are exposed to Custodial Credit Risk. In the case of 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 considered fully collateralized. As of June 30, 2019, none of the District's bank balances were exposed to credit risk. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized and may be subject to credit risk.

Credit Risk - Investments. The District follows state statutes which authorize the District to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers acceptances, certain commercial papers and the State Treasurer's Investment Pool (LGIP), among others. The District's policy also requires the District to do business with "Authorized Financial Dealers and Institutions." Additionally the investment portfolio will be managed to minimize the potential loss impact of one individual issuer.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

III. Detailed notes (continued)

A. Cash (continued)

Interest Rate Risk. In accordance with its investment policy, the District manages its exposure to declines in fair value by limiting the maximum maturity to the anticipated use of the cash.

The weighted-average maturity of the LGIP is less than one year.

Concentration of credit risk. Concentration of credit risk refers to potential losses if total investments are concentrated with one or few issuers. The District has no investment policy for concentration of credit risk.

B. Capital assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 586,488	\$ -	\$ -	\$ 586,488
Total capital assets not being depreciated	<u>586,488</u>	<u>-</u>	<u>-</u>	<u>586,488</u>
Capital assets being depreciated:				
Buildings	3,424,425	-	-	3,424,425
Equipment	3,080,465	-	(639,666)	2,440,799
Total capital assets being depreciated	<u>6,504,890</u>	<u>-</u>	<u>(639,666)</u>	<u>5,865,224</u>
Less accumulated depreciation for:				
Buildings	(991,426)	(168,176)	-	(1,159,602)
Equipment	(2,197,622)	(82,415)	639,666	(1,640,371)
Total accumulated depreciation	<u>(3,189,048)</u>	<u>(250,591)</u>	<u>639,666</u>	<u>(2,799,973)</u>
Total capital assets, being depreciated, net	<u>3,315,842</u>	<u>(250,591)</u>	<u>-</u>	<u>3,065,251</u>
Total capital assets, net	<u>\$ 3,902,330</u>	<u>\$ (250,591)</u>	<u>\$ -</u>	<u>\$ 3,651,739</u>

C. Interfund Transfers

The interfund transfer activity for the year ended June 30, 2019 consisted of a transfer from the General fund to the Ride Care fund of \$15,189. This transfer was made to cover expenditures in the Ride Care Fund.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

III. Detailed notes (continued)

D. Long-term obligations

Notes payable are direct borrowings and consist of the following at June 30, 2019:

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. This note was paid in full in October 2019.

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. Upon default the lender may declare the unpaid principal and interest immediately due. The note was paid in full in November 2019

A summary of the changes in notes payable for the year ended June 30, 2019 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Long-Term Portion</u>
Special Districts Association of Oregon (SDAO), Series 2003D	\$ 115,000	\$ -	\$ (55,000)	\$ 60,000	\$ 60,000	\$ -
Clatsop Community Bank - loan	<u>100,868</u>	<u>-</u>	<u>(68,468)</u>	<u>32,400</u>	<u>32,400</u>	<u>-</u>
Total long-term debt obligations	<u>\$ 215,868</u>	<u>\$ -</u>	<u>\$ (123,468)</u>	<u>\$ 92,400</u>	<u>\$ 92,400</u>	<u>\$ -</u>
Other long-term obligations						
Compensated absences	<u>\$ 89,170</u>	<u>\$ 80,530</u>	<u>\$ (89,170)</u>	<u>\$ 80,530</u>	<u>\$ 80,530</u>	<u>\$ -</u>

E. Lease commitment

The District leases a copier at a monthly rate of \$188. The lease term is sixty months and will expire November 2022. Total lease expense for the year ended June 30, 2018 amounted to \$2,256. Future minimum lease payments under the operating lease are as follows:

Year Ending June 30,	
2020	\$ 2,256
2021	2,256
2022	2,256
2023	<u>940</u>
	<u>\$ 7,708</u>

SUNSET EMPIRE TRANSPORTATION DISTRICT

Notes to Financial Statements

June 30, 2019

IV. Other information

A. Deferred Compensation Plan

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, 2019, the District contributed \$41,269

B. Risk management

The District is exposed to various risks of loss during the ordinary course of business. To mitigate the risk of loss, various commercial insurance policies have been purchased and are reviewed for adequacy by management annually. There have been no significant changes in coverage nor have any settlements exceeded insurance coverage in the past three years.

C. Tax Abatement

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 2018-19 levy year has been reduced by \$19,416.

D. Restatement of Fund Balance and Net Position

The beginning fund balances have been adjusted to correct for error. The General Fund beginning fund balance was increased by \$21,175 for prepaid expenses not report in the prior year's audit. The fund balance and the net position amounts as of June 30, 2018 changed from \$1,267,931 to \$1,289,106 and \$4,855,420 to \$4,876,595 respectively.

E. Subsequent Events

Management has evaluated subsequent events through July 22, 2020, the date these financial statements were available to be issued. On March 8, 2020, Oregon Governor Kate Brown declared a state of emergency. On March 11, 2020 the World Health Organization declared the outbreak of the Coronavirus (COVID-19) a pandemic. On March 23, 2020 Oregon Governor Kate Brown issued an executive order directing Oregonians to stay home to the maximum extent possible except for carrying out essential tasks. At this time, we cannot fully quantify the potential effects of this pandemic on our future operations or financial condition. There were no other material subsequent events that required recognition or additional disclosure in these financial statements. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the Coronavirus pandemic. The district has received funding as part of the response by the federal government to the pandemic.

It is unknown how long the adverse conditions associated with the Coronavirus will last and what the complete financial effect will be to the District.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis

General Fund

For the Year Ended June 30, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Grants	\$ 726,840	\$ 798,995	\$ 72,155
Contracts	34,000	83,742	49,742
Property taxes	962,000	990,372	28,372
Mass transit assessment	65,000	48,973	(16,027)
State timber revenue	220,000	164,920	(55,080)
Charges for Services	280,000	266,026	(13,974)
Interest income	8,000	9,671	1,671
Other revenue	26,600	22,093	(4,507)
Total revenues	<u>2,322,440</u>	<u>2,384,792</u>	<u>62,352</u>
Expenditures:			
Personnel services	1,984,398	2,080,034	(95,636)
Materials and services	942,250	959,116	(16,866)
Income outlay	122,455	-	122,455
Debt service	127,839	118,293	9,546
Total expenditures	<u>3,176,942</u>	<u>3,157,443</u>	<u>19,499</u>
Excess (deficiency) of revenues over (under) expenditures	(854,502)	(772,651)	81,851
Other financing sources (uses):			
Transfers in	122,455	93,442	(29,013)
Transfers out	(40,455)	(15,891)	24,564
Total other financing sources (uses)	<u>82,000</u>	<u>77,551</u>	<u>(4,449)</u>
Net change in fund balance	(772,502)	(695,100)	77,402
Fund Balance:			
Beginning of year, restated (see note IV.D)	<u>1,296,502</u>	<u>1,277,881</u>	<u>(18,621)</u>
End of year	<u>\$ 524,000</u>	582,781	<u>\$ 58,781</u>
Consolidate Special Transportation fund for GAAP Reporting:			
Special Transportation Fund, fund balance		<u>11,025</u>	
General Fund fund balance for reporting purposes		<u>\$ 593,806</u>	

SUNSET EMPIRE TRANSPORTATION DISTRICT

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis

Special Transportation Fund

For the Year Ended June 30, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Grants	\$ 93,241	\$ 93,242	\$ 1
Total revenues	<u>93,241</u>	<u>93,242</u>	<u>1</u>
Expenditures:			
Excess (deficiency) of revenues over (under) expenditures	93,241	93,242	1
Other financing sources (uses):			
Transfers Out	<u>(152,905)</u>	<u>(93,442)</u>	<u>59,463</u>
Net change in fund balance	(59,664)	(200)	59,464
Fund Balance:			
Beginning of year	<u>66,664</u>	<u>11,225</u>	<u>(55,439)</u>
End of year	<u>\$ 7,000</u>	<u>\$ 11,025</u>	<u>\$ 4,025</u>

For GAAP reporting purposes this fund is combined with the General Fund.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis

Ride Care Fund

For the Year Ended June 30, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Contracts	\$ 466,500	\$ 533,547	\$ 67,047
Interest income	<u>50</u>	<u>6,607</u>	<u>6,557</u>
Total revenues	466,550	540,154	73,604
Expenditures:			
Personnel services	71,853	74,727	(2,874)
Materials and services	365,756	334,332	31,424
Debt service	<u>-</u>	<u>14,006</u>	<u>(14,006)</u>
Total expenditures	<u>437,609</u>	<u>423,065</u>	<u>14,544</u>
Excess (deficiency) of revenues over (under) expenditures	28,941	117,089	88,148
Other financing sources (uses):			
Transfers in	<u>-</u>	<u>15,891</u>	<u>15,891</u>
Net change in fund balance	28,941	132,980	104,039
Fund Balance:			
Beginning of year	<u>73,109</u>	<u>(129,442)</u>	<u>(202,551)</u>
End of year	<u>\$ 102,050</u>	<u>\$ 3,538</u>	<u>\$ (98,512)</u>

SUPPLEMENTARY INFORMATION

SUNSET EMPIRE TRANSPORTATION DISTRICT

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis

Capital Reserve Fund

For the Year Ended June 30, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Interest income	\$ 1,000	\$ 1,407	\$ 407
Expenditures:			
Capital outlay	<u>122,455</u>	<u>-</u>	<u>122,455</u>
Other financing sources (uses):			
Transfers in	<u>40,455</u>	<u>-</u>	<u>(40,455)</u>
Net change in fund balance	(81,000)	1,407	82,407
Fund Balance:			
Beginning of year	<u>131,000</u>	<u>87,614</u>	<u>(43,386)</u>
End of year	<u>\$ 50,000</u>	<u>\$ 89,021</u>	<u>\$ 39,021</u>

COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Commissioners
Sunset Empire Transportation District
Clatsop County, Oregon

We have audited the basic financial statements of Sunset Empire Transportation District ("District"), as of and for the year ended June 30, 2019, and have issued our report thereon dated September 24, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Compliance

Compliance with laws, regulations, contracts and grants applicable to District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 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 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.

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, except as noted in note II.B.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 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. We identified deficiencies in internal control over financial reporting that we consider to be a material weaknesses, as described in the AU Section 325 written communication.

This report is intended for the information of Sunset Empire Transportation District's Board of Commissioners and the Secretary of State, Division of Audits, of the State of Oregon. However, this report is a matter of public record and its distribution is not limited.

Isler CPA

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
September 24, 2020

**INDEPENDENT AUDITOR'S 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**

Board of Commissioners
Sunset Empire Transportation District

We have audited, in accordance with the 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, the business-type activities, each major fund, and the aggregate remaining fund information of Sunset Empire Transportation District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Sunset Empire Transportation District's basic financial statements, and have issued our report thereon dated September 24, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sunset Empire Transportation 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 Sunset Empire Transportation District's internal control. Accordingly, we do not express an opinion on the effectiveness of Sunset Empire Transportation 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as 2019-001, 2019-002, and 2019-003, that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sunset Empire Transportation District's financial statements are free of 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*.

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.

Isler CPA

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
September 24, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners
Sunset Empire Transportation District

Report on Compliance for Each Major Federal Program

We have audited the compliance of Sunset Empire Transportation District with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Sunset Empire Transportation District's major federal programs for the year ended June 30, 2019. Sunset Empire Transportation 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 laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sunset Empire Transportation 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 Sunset Empire Transportation 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 Sunset Empire Transportation District's compliance.

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, 2019.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2019-004. Our opinion on each major federal program is not modified with respect to this matter.

Sunset Empire Transportation District's response to the noncompliance 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 compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Sunset Empire Transportation 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 Sunset Empire Transportation 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 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 Sunset Empire Transportation District's internal control over compliance. *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. Given these limitations, during our audit we did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as 2019-001, 2019-002, and 2019-003 that we consider to be material weaknesses..

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.

Schedule of Expenditures of Federal Awards

We have audited the governmental activities, of Sunset Empire Transportation District as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise Sunset Empire Transportation District's basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We issued our report thereon dated September 24, 2020 , which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Isler CPA

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
September 24, 2020

SUNSET EMPIRE TRANSPORTATION DISTRICT

Schedule of Findings and Questioned Costs

Year Ended June 30, 2019

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?	Yes

Identification of Major Federal Award Programs:

Name of Federal Program or Cluster	CFDA Number
Formula Grants for Rural Areas	20.509
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

SUNSET EMPIRE TRANSPORTATION DISTRICT
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2019

Section II – Financial Statement Findings

Finding 2019-001 Segregation of Duties

Criteria: Adequate segregation of duties should exist related to the financial reporting of the District. This should include both supervisory review and approval of financial reporting.

Condition: Currently, a single person at the District has the ability to perform most of the accounting functions and make changes within QuickBooks without approval.

Cause: Adequate internal control does not exist over the financial reporting process

Effect: Due to lack of segregation of duties, material misstatements could occur and not be detected.

Response: Management concurs with the finding.

Finding 2019-002 Fund Accounting

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: Management concurs with the finding.

Finding 2019-003 Timeliness of Record Preparation and Availability

Criteria: Internal controls over financial reporting should include a process for ensuring that the financial records can be closed in a timely manner.

Condition: The District was unable to prepare the original information needed to support the financial statements in a timely manner.

Cause: Review of audit documentation resulted in both changes to the original documentation and the preparation of journal entries to correct the trial balance.

Effect: Lack of proper documentation or a correct recording of transactions at year end could result in a material misstatement that is not detected and corrected in a timely manner.

Response: Management concurs with the finding.

SUNSET EMPIRE TRANSPORTATION DISTRICT

Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2019

Section III – Federal Award Findings and Questioned Costs

Finding 2019-004 Maintenance of Records Related to Federally-Funded Activities

- Criteria: Uniform Guidance Section 200.302 requires non-Federal entity's to maintain record that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
- Condition: The required documentation supporting the costs claimed in reimbursement requests were not maintained.
- Cause: Records do not contain authorization or source documentation to support the amounts claimed on reimbursements.
- Effect: Expenditures charged to the grant could be unallowable or could be claimed under other grants available to the District.
- Questioned costs: No specific questioned costs were identified.
- Context: The total expenditures for the program exceeded the award amount. Accordingly, any unallowable costs should be considered as not included in the costs claimed for reimbursement
- Response: Management concurs with the finding.

Management of Sunset Empire Transportation District has prepared this Corrective Action Plan in order to provide our views and planned response to the findings noted in the FY 2019 Schedule of Findings and Questioned Costs. We have also prepared the Summary Schedule of Prior Findings to provide the status of findings reported in the FY 2018 Schedule of Findings and Questioned Costs.

Corrective Action Plan

Finding 2019-001 Segregation of Duties

We have implemented a new financial software program for FY 2021. This software has a very good audit tracking system, so an auditor and our executive director can track changes made in the system. Due to our size, we delegate accounting duties the best we can and will make every effort to utilize the new software to its fullest potential in properly segregating duties.

Finding 2019-002 Fund Accounting

We have implemented a new financial software program for FY 2021. The new system, once fully operational, will keep our funds separated and will use the transfers and due to/due from accounts to keep funds balanced when interfund activity occurs.

Finding 2019-003 Timeliness of Record Preparation and Availability

With the implementation of a new software system, closing the periods (quarterly and annually) will be handled in a more timely manner.

Finding 2019-004 Maintenance of Records Related to Federally-Funded Activities

We have implemented a new financial software program for FY 2021. The new system, once fully operational, will allow us to better track grant related activity and associate with specific grants..

Summary Schedule of Prior Findings

Finding 2018-001

Lack of segregation of duties related to the monthly journal entries, which are prepared and posted to the general ledger without supervisory review or approval.

Status: As of June 30, 2019, we have not implemented procedures to ensure supervisory review or approval of journal entries. This finding is repeated as 2019-001.

Finding 2018-002

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

Status: As of June 30, 2019, we have not implemented procedures to ensure individual funds are always in balance. This finding is repeated as 2019-002.

Finding 2018-003

The required documentation supporting the costs claimed in reimbursement requests were not maintained.

Status: As of June 30, 2019, we have not implemented procedures to ensure adequate documentation of costs claimed for reimbursement is maintained. This finding is repeated as 2019-004.

Sincerely,

Jeff Hazen, Executive Director
Sunset Empire Transportation District

SUNSET EMPIRE TRANSPORTATION DISTRICT

Schedule of Expenditures of Federal Awards

For the Year Ended

June 30, 2019

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass- Through Number	Expenditures
U.S. Department of Transportation			
<i>Passed through Oregon Department of Transportation</i>			
Transit Services Programs Cluster			
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	32214,32868	\$ 154,565
Formula Grants for Rural Areas	20.509	32868	570,553
Highway Planning and Construction Cluster			
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	20.205	<u>70,957</u>
Total Expenditures of Federal Awards			<u>\$ 796,075</u>

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Sunset Empire Transportation District under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operation of Sunset Empire Transportation District, it is not intended to and does not present the financial position, changes in financial position, or cash flow for Sunset Empire Transportation District.

2. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is presented on the modified accrual basis of accounting in accordance with generally accepted accounting principles. Expenditures reported on this schedule are recognized following the cost principles in Title 2 US Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Sunset Empire Transportation District has not elected to use the 10% *de minimis* cost rate.

Date: September 17, 2020

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda Item # 9.b Transportation Advisory Committee (TAC) Appointments

The recruitment for a new member representing seniors for Position # 9 is complete and we have received two applications for the positions. Lylla Gaebel and Nicole Williams submitted applications for the position. They have been invited to the meeting and informed that the Board has the option to ask further questions of both of the applicants.

Staff is recommending that the Board appoint one of the applicants to Position # 9 for the term expiring June 30, 2021.

The TAC also has four committee members whose terms are expiring this year. Each of them has expressed their desire to continue serving the District on the TAC.

Staff is recommending that the Board reappoint Larry Miller to Position # 1, Patrick Preston to Position # 2, Mel Jasmin to Position # 3 and Chris Breitmeyer to Position # 4 for a new term expiring June 30, 2022.



**SUNSET EMPIRE TRANSPORTATION DISTRICT
TRANSPORTATION ADVISORY COMMITTEE
MEMBER APPLICATION**

Thank you for your interest in serving on the Transportation Advisory Committee. Please complete this application. Any additional information you wish to have considered may also be attached. Return your application either by mail to SETD 900 Marine Drive Astoria OR. 97103, by email to mary@ridethebus.org or drop completed application off at the Astoria Transit Center Ticket Counter at 900 Marine Drive, Astoria, or at the Seaside Transit Office at 39 N. Holladay, Seaside. For further assistance contact Mary Parker 503-861-5370.

Applications will be accepted until September 14, 2020 at 5:00 pm.

Name Lylla Gaebel

Address 5 N Hwy 101 #402

Warrenton, Oregon 97146

Phone 503 861 1673

Email

lgaebel2@gmail.com

Signature Application Emailed

1. Please list your areas of interest in serving on the Transportation Advisory Committee. I am very interested in connectivity. This includes within and without Clatsop County.

2. We are seeking an applicant who will represent the senior population. Please explain what qualifies you for this.

I am a senior.

3. Although not a requirement, do you have any experience using Sunset Empire Transportation District services?

I have used the app for finding bus service.

4. Please list if you have been a member of a group, volunteered or served on a committee similar to the Transportation Advisory Committee?

I served on the SETD board for many years.



**SUNSET EMPIRE TRANSPORTATION DISTRICT
TRANSPORTATION ADVISORY COMMITTEE
MEMBER APPLICATION**

Thank you for your interest in serving on the Transportation Advisory Committee. Please complete this application. Any additional information you wish to have considered may also be attached. Return your application either by mail to SETD 900 Marine Drive Astoria OR. 97103, by email to mary@ridethebus.org or drop completed application off at the Astoria Transit Center Ticket Counter at 900 Marine Drive, Astoria, or at the Seaside Transit Office at 39 N. Holladay, Seaside. For further assistance contact Mary Parker 503-861-5370.

Applications will be accepted until Monday August 17, 2020 at 5:00 pm.

Name Nicole Williams		
Address 89756 Raymond Road Astoria, OR 97103		
Phone 5033388684	Email nwilliams@columbiamemorial.org	
Signature Application emailed JH		

1. Please list your areas of interest in serving on the Transportation Advisory Committee.
I am always interested in serving and volunteering in the community. I have specific interest in serving on committees that have the mission of serving the vulnerable populations.

2. We are seeking an applicant who will represent the Senior and Disabled population. Do you feel you can represent this group while serving on the TAC committee?
My professional background and experience is specific to this population which allows me to better represent this group of individuals. When I served as the Assistant County Manager, I was responsible for these services. I also served as the CEO of Clatsop Care Health District from 2013-2017.

3. Although not a requirement, do you have any experience using Sunset Empire Transportation District services?
Through my professional experience, I have worked with the District in collaboration to provide services. I do not personally have experience in recent years.

4. Please list if you have been a member of a group, volunteered or served on a committee similar to the Transportation Advisory Committee? I have served on a number of boards and committees in the last 20 years including Clatsop Community Action Board of Directors, Rotary, Clatsop Community College Budget Committee. I currently serve as a Board member of the Columbia Pacific CCO.

Date: September 17, 2020

To: Board of Commissioners

From: Jeff Hazen

Re: Agenda item 10.a Drug and Alcohol Policy Update

Due to COVID conditions, ODOT decided to do a D&A policy review of our subrecipients in lieu of a full D&A Program review. Earlier this year we provided a copy of our D&A policy to RLS and Associates for review. Attached is a copy of the policy that includes edits that will bring our policy into FTA compliance.

Staff is recommending that the Board approve the updated Drug and Alcohol Policy as amended by RLS and Associates to bring our policy into compliance with USDOT regulations.

SUNSET EMPIRE TRANSPORTATION DISTRICT EMPLOYEE POLICY MANUAL WHAT THE DISTRICT EXPECTS FROM YOU DRUG AND ALCOHOL POLICY- ZERO TOLERANCE	Policy # E-800	Effective Date 6-28-2018
	Signature	

8.1 DRUG AND ALCOHOL TESTING POLICY – ZERO TOLERANCE

A. PURPOSE

1. **SUNSET EMPIRE TRANSPORTATION DISTRICT** provides public transit and paratransit services for the residents of Clatsop County. Part of our mission is to ensure that this service is delivered safely, efficiently, and effectively by establishing a drug and alcohol-free work environment, and to ensure that the workplace remains free from the effects of drugs and alcohol in order to promote the health and safety of employees and the general public. In keeping with this mission, **SUNSET EMPIRE TRANSPORTATION DISTRICT** declares that the unlawful manufacture, distribution, dispense, possession, or use of controlled substances or misuse of alcohol is prohibited for all employees.

2. Additionally, the purpose of this policy is to establish guidelines to maintain a drug and alcohol-free workplace in compliance with the Drug-Free Workplace Act of 1988, and the Omnibus Transportation Employee Testing Act of 1991. This policy is intended to comply with all applicable Federal regulations governing workplace anti-drug and alcohol programs in the transit industry. Specifically, the Federal Transit Administration (FTA) of the U.S. Department of Transportation has published 49 CFR Part 655, as amended, that mandates urine drug testing and breath alcohol testing for safety-sensitive positions and prohibits performance of safety-sensitive functions when there is a positive test result or a refusal to test. The U. S. Department of Transportation (USDOT) has also published 49 CFR Part 40, as amended, that sets standards for the collection and testing of urine and breath specimens.

3. Any provisions set forth in this policy that are included under the sole authority of **SUNSET EMPIRE TRANSPORTATION DISTRICT** and are not provided under the authority of the above-named Federal regulations are underlined. Tests conducted under the sole authority of **SUNSET EMPIRE TRANSPORTATION DISTRICT** will be performed on non-USDOT forms and will be separate from USDOT testing in all respects.

B. APPLICABILITY

This Drug and Alcohol Testing Policy applies to all safety-sensitive employees (full or part-time) when performing safety sensitive duties. **SUNSET EMPIRE TRANSPORTATION DISTRICT** employees that do not perform safety-sensitive functions are also covered under this policy under the sole authority of SUNSET EMPIRE TRANSPORTATION DISTRICT. See Attachment A for a list of employees and the authority under which they are included.

A safety-sensitive function is operation of public transit service including the operation of a revenue service vehicle (whether or not the vehicle is in revenue service), maintenance of a revenue service vehicle or equipment used in revenue service, security personnel who carry firearms, dispatchers or persons controlling the movement of revenue service vehicles and any transit employee who operates a non-revenue service vehicle that requires a Commercial Driver's License to operate. Maintenance functions include the repair, overhaul, and rebuild of engines, vehicles and/or equipment used in revenue service. A list of safety-sensitive positions who perform one or more of the above-mentioned duties is provided in Attachment A. Supervisors are only safety sensitive if they perform one of the above functions. Volunteers are considered safety sensitive and subject to testing if they are required to hold a CDL or receive remuneration for service in excess of actual expense.

C. DEFINITIONS

Accident: An occurrence associated with the operation of a vehicle even when not in revenue service, if as a result:

- a. An individual dies;
- b. An individual suffers a bodily injury and immediately receives medical treatment away from the scene of the accident; or,
- c. One or more vehicles incur disabling damage as the result of the occurrence and is transported away from the scene by a tow truck or other vehicle. For purposes of this definition, *disabling damage* means damage which precludes departure of any vehicle from the scene of the occurrence in its usual manner in daylight after simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if so operated but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn or windshield wipers that makes them inoperative.

Adulterated specimen: A specimen that has been altered, as evidenced by test results showing either a substance that is not a normal constituent for that type of specimen or showing an abnormal concentration of an endogenous substance.

Alcohol: The intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols contained in any beverage, mixture, mouthwash, candy, food, preparation or medication.

Alcohol Concentration: Expressed in terms of grams of alcohol per 210 liters of breath as indicated by a breath test under 49 CFR Part 40.

Aliquot: A fractional part of a specimen used for testing; it is taken as a sample representing the whole specimen.

Canceled Test: A drug or alcohol test that has a problem identified that cannot be or has not been corrected, or which is canceled. A canceled test is neither positive nor negative.

Confirmatory Drug Test: A second analytical procedure performed on a different aliquot of the original specimen to identify and quantify the presence of a specific drug or metabolite.

Confirmatory Validity Test: A second test performed on a different aliquot of the original urine specimen to further support a validity test result.

Covered Employee Under FTA Authority: An employee who performs a safety-sensitive function including an applicant or transferee who is being considered for hire into a safety-sensitive function (See Attachment A for a list of covered employees).

Covered Employee Under District Authority: An employee, applicant, or transferee that will not perform a safety-sensitive function as defined by FTA but is included under the district's own authority. (See Attachment A).

Designated Employer Representative (DER): An employee authorized by the employer to take immediate action to remove employees from safety-sensitive duties and to make required decisions in testing. The DER also receives test results and other communications for the employer, consistent with the requirements of 49 CFR Parts 40 and 655.

DOT, The Department, DOT Agency: These terms encompass all DOT agencies, including, but not limited to, the Federal Aviation Administration (FAA), the Federal Railroad Administration (FRA), the Federal Motor Carrier Safety Administration (FMCSA), the Federal Transit Administration (FTA), the National Highway Traffic Safety Administration (NHTSA), the Pipeline & Hazardous Materials Safety Administration (PHMSA), and the Office of the Secretary (OST). For purposes of 49 CFR Part 40, the United States Coast Guard (USCG), in the

Department of Homeland Security are considered to be a DOT agency for drug testing purposes. These terms include any designee of a DOT agency.

Dilute specimen: A urine specimen with creatinine and specific gravity values that are lower than expected for human urine.

Disabling damage: Damage which precludes departure of any vehicle from the scene of the occurrence in its usual manner in daylight after simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if operated but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn or windshield wipers that makes them inoperative.

Evidentiary Breath Testing Device (EBT): A Device approved by the NHTSA for the evidential testing of breath at the 0.02 and the 0.04 alcohol concentrations and appears on ODAPC's Web page for "Approved Evidential Breath Measurement Devices" because it conforms with the model specifications available from NHTSA.

Initial Drug Test: (Screening Drug Test) The test used to differentiate a negative specimen from one that requires further testing for drugs or drug metabolites.

Initial Specimen Validity Test: The first test used to determine if a urine specimen is adulterated, diluted, substituted, or invalid

Invalid Result: The result reported by an HHS-certified laboratory in accordance with the criteria established by the HHS Mandatory Guidelines when a positive, negative, adulterated, or substituted result cannot be established for a specific drug or specimen validity test.

Laboratory: Any U.S. laboratory certified by HHS under the National Laboratory Certification program as meeting standards of Subpart C of the HHS Mandatory Guidelines for Federal Workplace Drug Testing Programs; or, in the case of foreign laboratories, a laboratory approved for participation by DOT under this part.

Limit of Detection (LOD): The lowest concentration at which a measurand can be identified, but (for quantitative assays) the concentration cannot be accurately calculated.

Limit of Quantitation: For quantitative assays, the lowest concentration at which the identity and concentration of the measurand can be accurately established.

Medical Review Officer (MRO): A licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by the drug testing program who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result, together with his/her medical history, and any other relevant bio-medical information.

Negative Dilute: A drug test result which is negative for the five drug/drug metabolites but has creatinine and specific gravity values that are lower than expected for human urine.

Negative result: The result reported by an HHS-certified laboratory to an MRO when a specimen contains no drug, or the concentration of the drug is less than the cutoff concentration for the drug or drug class and the specimen is a valid specimen. An alcohol concentration of less than 0.02 BAC is a negative test result.

Non-negative test result: A urine specimen that is reported as adulterated, substituted, invalid, or positive for drug/drug metabolites.

Oxidizing Adulterant: A substance that acts alone or in combination with other substances to oxidize drugs or drug metabolites to prevent the detection of the drug or metabolites or affects the reagents in either the initial or confirmatory drug test.

Performing (a safety-sensitive function): A covered employee is considered to be performing a safety-sensitive function and includes any period in which he or she is actually performing, ready to perform, or immediately available to perform such functions.

Positive result: The result reported by an HHS- Certified laboratory when a specimen contains a drug or drug metabolite equal or greater to the cutoff concentrations.

Prohibited drug: Identified as marijuana, cocaine, opioids, amphetamines or phencyclidine at levels above the minimum thresholds specified in 49 CFR Part 40, as amended.

Reconfirmed: The result reported for a split specimen when the second laboratory is able to corroborate the original result reported for the primary specimen.

Rejected for Testing: The result reported by an HHS- Certified laboratory when no tests are performed for specimen because of a fatal flaw or a correctable flaw that has not been corrected.

Revenue Service Vehicles: All transit vehicles that are used for passenger transportation service.

Safety-sensitive functions: Employee duties identified as:

1. The operation of a transit revenue service vehicle even when the vehicle is not in revenue service.
2. The operation of a non-revenue service vehicle by an employee when the operation of such a vehicle requires the driver to hold a Commercial Driver's License (CDL).
3. Maintaining a revenue service vehicle or equipment used in revenue service.
4. Controlling the movement of a revenue service vehicle and
5. Carrying a firearm for security purposes.

Split Specimen Collection: A collection in which the urine collected is divided into two separate bottles, the primary specimen (Bottle A) and the split specimen (Bottle B).

Substance Abuse Professional (SAP): A licensed physician (medical doctor or doctor of osteopathy) or licensed or certified psychologist, social worker, employee assistance professional, state-licensed or certified marriage and family therapist, or drug and alcohol counselor (certified by an organization listed at <https://www.transportation.gov/odapc/sap>) with knowledge of and clinical experience in the diagnosis and treatment of drug and alcohol related disorders.

Substituted specimen: A urine specimen with creatinine and specific gravity values that are so diminished or so divergent that they are not consistent with normal human urine.

Test Refusal: The following are considered a refusal to test if the employee:

1. Fail to appear for any test (except a pre-employment test) within a reasonable time, as determined by the employer.
2. Fail to remain at the testing site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has not refused to test.

3. Fail to attempt to provide a breath or urine specimen. An employee who does not provide a urine or breath specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
4. In the case of a directly observed or monitored urine drug collection, fail to permit monitoring or observation of your provision of a specimen.
5. Fail to provide a sufficient quantity of urine or breath without a valid medical explanation.
6. Fail or decline to take a second test as directed by the collector or the employer for drug testing.
7. Fail to undergo a medical evaluation as required by the MRO or the employer's Designated Employer Representative (DER).
8. Fail to cooperate with any part of the testing process.
9. Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly observed test.
10. Possess or wear a prosthetic or other device used to tamper with the collection process.
11. Admit to the adulteration or substitution of a specimen to the collector or MRO.
12. Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
13. Fail to remain readily available following an accident.
14. As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

Vehicle: A bus, electric bus, van, automobile, rail car, trolley car, trolley bus, or vessel. A public transit vehicle is a vehicle used for public transportation or for ancillary services.

Verified negative test: A drug test result reviewed by a medical review officer and determined to have no evidence of prohibited drug use above the minimum cutoff levels established by the Department of Health and Human Services (HHS).

Verified positive test: A drug test result reviewed by a medical review officer and determined to have evidence of prohibited drug use above the minimum cutoff levels specified in 49 CFR Part 40 as revised.

Validity testing: The evaluation of the specimen to determine if it is consistent with normal human urine. Specimen validity testing will be conducted on all urine specimens provided for testing under DOT authority. The purpose of validity testing is to determine whether certain adulterants or foreign substances were added to the urine, if the urine was diluted, or if the specimen was substituted.

D. EDUCATION AND TRAINING

1. Every covered employee will receive a copy of this policy and will have ready access to the corresponding federal regulations including 49 CFR Parts 655 and 40, as amended. In addition, all covered employees will undergo a minimum of 60 minutes of training on the signs and symptoms of drug use including the effects and consequences of drug use on personal health, safety, and the work environment. The training also includes manifestations and behavioral cues that may indicate prohibited drug use.
2. All supervisory personnel or District officials who are in a position to determine employee fitness for duty will receive 60 minutes of reasonable suspicion training on the physical, behavioral, and performance indicators of probable drug use and 60 minutes of additional reasonable suspicion training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse.

E. PROHIBITED SUBSTANCES

1. Prohibited substances addressed by this policy include the following.
 - a. Illegally Used Controlled Substance or Drugs Under the Drug-Free Workplace Act of 1988 any drug or any substance identified in Schedule I through V of Section 202 of the Controlled Substance Act (21 U.S.C. 812), and as further defined by 21 CFR 1300.11 through 1300.15 is prohibited at all times in the workplace unless a legal prescription has been written for the substance. This includes, but is not limited to: marijuana, amphetamines, opioids, phencyclidine (PCP), and cocaine, as well as any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration. Illegal use includes use of any illegal drug, misuse of legally prescribed drugs, and use of illegally obtained prescription drugs. Also, the medical use of marijuana, or the use of hemp related products, which cause drug or drug metabolites

to be present in the body above the minimum thresholds is a violation of this policy

Federal Transit Administration drug testing regulations (49 CFR Part 655) require that all employees covered under FTA authority be tested for marijuana, cocaine, amphetamines, opioids, and phencyclidine as described in Section H of this policy. Illegal use of these five drugs is prohibited at all times and thus, covered employees may be tested for these drugs anytime that they are on duty.

- b. Legal Drugs: The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, the use of any substance which carries a warning label that indicates that mental functioning, motor skills, or judgment may be adversely affected must be reported to a SUNSET EMPIRE TRANSPORTATION DISTRICT Manager and/or Human Resources Officer and the employee is required to provide a written release from his/her doctor or pharmacist indicating that the employee can perform his/her safety-sensitive functions.
- c. Alcohol: The use of beverages containing alcohol (including any mouthwash, medication, food, candy) or any other substances containing alcohol in a manner which violates the conduct listed in this policy is prohibited.

F. PROHIBITED CONDUCT

1. All covered employees are prohibited from reporting for duty or remaining on duty any time there is a quantifiable presence of a prohibited drug in the body above the minimum thresholds defined in 49 CFR Part 40, as amended.
2. Each covered employee is prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. The covered employee will subsequently be relieved of his/her on-call responsibilities and subject to discipline for not fulfilling his/her on-call responsibilities.
2. The Transit Agency shall not permit any covered employee to perform or continue to perform safety-sensitive functions if it has actual knowledge that the employee is using alcohol.

4. Each covered employee is prohibited from reporting to work or remaining on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater regardless of when the alcohol was consumed.

a. An employee with a breath alcohol concentration which measures 0.02-0.039 is not considered to have violated the US DOT-FTA drug and alcohol regulations, provided the employee hasn't consumed the alcohol within four (4) hours of performing a safety-sensitive duty. However, if a safety-sensitive employee has a breath alcohol concentration of 0.02-0.039, US DOT-FTA regulation require the employee to be removed from the performance of safety-sensitive duties until:

- i. The employee's alcohol concentration measures less than 0.02; or
- ii. The start of the employee's next regularly scheduled duty period, but not less than eight hours following administration of the test.

5. No covered employee shall consume alcohol for eight (8) hours following involvement in an accident or until he/she submits to the post-accident drug/alcohol test, whichever occurs first.

6. No covered employee shall consume alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

7. **SUNSET EMPIRE TRANSPORTATION DISTRICT**, under its own authority, also prohibits the consumption of alcohol at all times the employee is on duty, or anytime the employee is in uniform.

8. Consistent with the Drug-free Workplace Act of 1988, all **SUNSET EMPIRE TRANSPORTATION DISTRICT** employees are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of prohibited substances in the work place including transit system premises and transit vehicles.

G. DRUG STATUTE CONVICTION

Consistent with the Drug Free Workplace Act of 1998, all employees are required to notify the **SUNSET EMPIRE TRANSPORTATION DISTRICT** management of any criminal drug statute conviction for a violation occurring in the workplace within five days after such conviction. Failure to comply with this provision shall result in disciplinary action as defined in Section Q of this policy.

H. TESTING REQUIREMENTS

1. Analytical urine drug testing and breath testing for alcohol will be conducted as required by 49 CFR Part 40 as amended. All employees covered under FTA authority shall be subject to testing prior to performing safety-sensitive duty, for reasonable suspicion, following an accident, and random as defined in Section K, L, M, and N of this policy, and return to duty/follow-up. All employees covered under company authority will also be subject to testing for reasonable suspicion, post-accident, random and return to duty/follow-up using non-DOT testing forms.
2. A drug test can be performed any time a covered employee is on duty. A reasonable suspicion, random, or follow-up alcohol test can only be performed just before, during, or after the performance of a safety-sensitive job function Under **SUNSET EMPIRE TRANSPORTATION DISTRICT** authority, a non-DOT alcohol test can be performed any time a covered employee is on duty.
3. All covered employees will be subject to urine drug testing and breath alcohol testing as a condition of ongoing employment with **SUNSET EMPIRE TRANSPORTATION DISTRICT**. Any safety-sensitive employee who refuses to comply with a request for testing shall be removed from duty and subject to discipline as defined in Section Q of this policy.

I. DRUG TESTING PROCEDURES

1. Testing shall be conducted in a manner to assure a high degree of accuracy and reliability and using techniques, equipment, and laboratory facilities which have been approved by the U.S. Department of Health and Human Service (HHS). All testing will be conducted consistent with the procedures set forth in 49 CFR Part 40, as amended. The procedures will be performed in a private, confidential manner and every effort will be made to protect the employee, the integrity of the drug testing procedure, and the validity of the test result.
2. The drugs that will be tested for include marijuana, cocaine, opioids, amphetamines, and phencyclidine. After the identity of the donor is checked using picture identification, a urine specimen will be collected using the split specimen collection method described in 49 CFR Part 40, as amended. Each specimen will be accompanied by a DOT Custody and Control Form and identified using a unique identification number that attributes the specimen to the correct individual. The specimen analysis will be conducted at an HHS certified laboratory. An initial drug screen and validity test will be conducted on the primary urine specimen. For those specimens that are not negative, a confirmatory Gas Chromatography/Mass Spectrometry (GC/MS) or Liquid Chromatography/Mass Spectrometry (LC/MS) test will be performed. The test will be considered positive if the amounts of the

drug(s) and/or its metabolites identified by the GC/MS or LC/MS test are above the minimum thresholds established in 49 CFR Part 40, as amended.

3. The test results from the HHS certified laboratory will be reported to a Medical Review Officer. A Medical Review Officer (MRO) is a licensed physician with detailed knowledge of substance abuse disorders and drug testing. The MRO will review the test results to ensure the scientific validity of the test and to determine whether there is a legitimate medical explanation for a confirmed positive, substitute, or adulterated test result. The MRO will attempt to contact the employee to notify the employee of the non-negative laboratory result and provide the employee with an opportunity to explain the confirmed laboratory test result. The MRO will subsequently review the employee's medical history/medical records as appropriate to determine whether there is a legitimate medical explanation for a non-negative laboratory result. If no legitimate medical explanation is found, the test will be verified positive or refusal to test and reported to the **SUNSET EMPIRE TRANSPORTATION DISTRICT** Drug and Alcohol Program Manager (DAPM). If a legitimate explanation is found, the MRO will report the test result as negative.

4. If the test is invalid without a medical explanation, a retest will be conducted under direct observation. Employees do not have access to a test of their split specimen following an invalid result.

5. Any covered employee who questions the results of a required drug test may request that the split sample be tested. The split sample test must be conducted at a second HHS-certified laboratory. The test must be conducted on the split sample that was provided by the employee at the same time as the primary sample. The method of collecting, storing, and testing the split sample will be consistent with the procedures set forth in 49 CFR Part 40, as amended. The employee's request for a split sample test must be made to the Medical Review Officer within 72 hours of notice of the original sample verified test result. Requests after 72 hours will only be accepted at the discretion of the MRO if the delay was due to documentable facts that were beyond the control of the employee. **SUNSET EMPIRE TRANSPORTATION DISTRICT** will ensure that the cost for the split specimen analysis is covered in order for a timely analysis of the sample, however **SUNSET EMPIRE TRANSPORTATION DISTRICT** will seek reimbursement for the split sample test from the employee.

6. If the analysis of the split specimen fails to confirm the presence of the drug(s) detected in the primary specimen, if the split specimen is not able to be analyzed, or if the results of the split specimen are not scientifically adequate, the MRO will declare the original test to be canceled.

7. The split specimen will be stored at the initial laboratory until the analysis of the primary specimen is completed. If the primary specimen is negative, the split will be discarded. If the primary specimen is positive, it will be retained in frozen storage for one year and the split specimen will also be retained for one year. If the primary is positive, the primary and the split will be retained for longer than one year for testing if so requested by the employee through the Medical Review Officer, or by the employer, by the MRO, or by the relevant DOT agency.

8. Observed collections

a. Consistent with 49 CFR Part 40, as amended, collection under direct observation (by a person of the same gender) with no advance notice will occur if:

- i. The laboratory reports to the MRO that a specimen is invalid, and the MRO reports to **SUNSET EMPIRE TRANSPORTATION DISTRICT** that there was not an adequate medical explanation for the result;
- ii. The MRO reports to **SUNSET EMPIRE TRANSPORTATION DISTRICT** that the original positive, adulterated, or substituted test result had to be cancelled because the test of the split specimen could not be performed;
- iii. The laboratory reported to the MRO that the specimen was negative-dilute with a creatinine concentration greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL, and the MRO reported the specimen as negative-dilute and that a second collection must take place under direct observation (see §40.197(b)(1)).
- iv. The collector observes materials brought to the collection site or the employee's conduct clearly indicates an attempt to tamper with a specimen;
- v. The temperature on the original specimen was out of range;
- vi. Anytime the employee is directed to provide another specimen because the original specimen appeared to have been tampered with.
- vii. All follow-up-tests; or
- viii. All return-to-duty tests

J. ALCOHOL TESTING PROCEDURES

1. Tests for breath alcohol concentration will be conducted utilizing a National Highway Traffic Safety Administration (NHTSA)-approved Evidential Breath Testing device (EBT) operated by a trained Breath Alcohol Technician (BAT). A list of EBTs can be found on ODAPC's Web page for "Approved Evidential Breath Measurement Devices". Alcohol screening tests may be performed using a non-evidential testing device (alcohol screening device (ASD) which is also approved by NHTSA. A list of approved ASDs can be found on ODAPC's Web page for "Approved Screening Devices to Measure Alcohol in Bodily Fluids". If the initial test indicates an alcohol concentration of 0.02 or greater, a second test will be performed to confirm the results of the initial test. The confirmatory test must occur on an EBT. The confirmatory test will be conducted no sooner than fifteen minutes after the completion of the initial test. The confirmatory test will be performed using a NHTSA-approved EBT operated by a trained BAT. The EBT will identify each test by a unique sequential identification number. This number, time, and unit identifier will be provided on each EBT printout. The EBT printout, along with an approved alcohol testing form, will be used to document the test, the subsequent results, and to attribute the test to the correct employee. The test will be performed in a private, confidential manner as required by 49 CFR Part 40, as amended. The procedure will be followed as prescribed to protect the employee and to maintain the integrity of the alcohol testing procedures and validity of the test result.

2. A confirmed alcohol concentration of 0.04 or greater will be considered a positive alcohol test and in violation of this policy. The consequences of a positive alcohol test are described in Section Q. of this policy. Even though an employee who has a confirmed alcohol concentration of 0.02 to 0.039 is not considered positive, the employee shall still be removed from duty for at least eight hours or for the duration of the work day whichever is longer and will be subject to the consequences described in Section Q of this policy. An alcohol concentration of less than 0.02 will be considered a negative test.

3. **SUNSET EMPIRE TRANSPORTATION DISTRICT** affirms the need to protect individual dignity, privacy, and confidentiality throughout the testing process. If at any time the integrity of the testing procedures or the validity of the test results is compromised, the test will be canceled. Minor inconsistencies or procedural flaws that do not impact the test result will not result in a cancelled test.

4. The alcohol testing form (ATF) required by 49 CFR Part 40 as amended, shall be used for all FTA required testing. Failure of an employee to sign step 2 of the ATF will be considered a refusal to submit to testing.

K. PRE-EMPLOYMENT TESTING

1. All applicants for covered transit positions shall undergo urine drug testing prior to performance of a safety-sensitive function.
 - a. All offers of employment for covered positions shall be extended conditional upon the applicant passing a drug test. An applicant will not be allowed to perform safety-sensitive functions unless the applicant takes a drug test with verified negative results.
 - b. A covered employee shall not be placed, transferred or promoted into a position covered under FTA authority or District authority until the employee takes a drug test with verified negative results.
 - c. If an applicant fails a pre-employment drug test, the conditional offer of employment shall be rescinded, and the applicant will be provided with a list of at least two (2) USDOT qualified Substance Abuse Professionals. Failure of a pre-employment drug test will disqualify an applicant for employment for a period of at least one year. Before being considered for future employment the applicant must provide the employer proof of having successfully completed a referral, evaluation and treatment plan as described in section 655.62 of subpart G. The cost for the assessment and any subsequent treatment will be the sole responsibility of the applicant.
 - d. When an employee being placed, transferred, or promoted from a non-covered position to a position covered under FTA authority or District authority submits a drug test with a verified positive result, the employee shall be subject to disciplinary action in accordance with Section Q herein.
 - e. If a pre-employment test is canceled, **SUNSET EMPIRE TRANSPORTATION DISTRICT** will require the applicant to take and pass another pre-employment drug test.
 - f. In instances where an FTA covered employee does not perform a safety-sensitive function for a period of 90 consecutive days or more regardless of reason, and during that period is not in the random testing pool the employee will be required to take a pre-employment drug test under 49 CFR Part 655 and have negative test results prior to the conduct of safety-sensitive job functions.
 - g. Following a negative dilute the employee will be required to undergo another test. Should this second test result in a negative dilute result, the

test will be considered a negative and no additional testing will be required unless directed to do so by the MRO.

h. Applicants are required (even if ultimately not hired) to provide **SUNSET EMPIRE TRANSPORTATION DISTRICT** with signed written releases requesting–USDOT drug and alcohol records from all previous, USDOT covered, employers that the applicant has worked for within the last two years. Failure to do so will result in the employment offer being rescinded. **SUNSET EMPIRE TRANSPORTATION DISTRICT** is required to ask all applicants (even if ultimately not hired) if they have tested positive or refused to test on a pre-employment test for a USDOT covered employer within the last two years. If the applicant has tested positive or refused to test on a pre-employment test for a USDOT covered employer, the applicant must provide **SUNSET EMPIRE TRANSPORTATION DISTRICT** proof of having successfully completed a referral, evaluation and treatment plan as described in section 655.62 of subpart G.

L. REASONABLE SUSPICION TESTING

1. All **SUNSET EMPIRE TRANSPORTATION DISTRICT** FTA covered employees will be subject to a reasonable suspicion drug and/or alcohol test when the employer has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or engaged in alcohol misuse. Reasonable suspicion shall mean that there is objective evidence, based upon specific, contemporaneous, articulable observations of the employee's appearance, behavior, speech or body odor that are consistent with possible drug use and/or alcohol misuse. Reasonable suspicion referrals must be made by one or more supervisors who are trained to detect the signs and symptoms of drug and alcohol use, and who reasonably concludes that an employee may be adversely affected or impaired in his/her work performance due to possible prohibited substance abuse or alcohol misuse. A reasonable suspicion alcohol test can only be conducted just before, during, or just after the performance of a safety-sensitive job function. However, under **SUNSET EMPIRE TRANSPORTATION DISTRICT**'s authority, a non-DOT reasonable suspicion alcohol test may be performed any time the covered employee is on duty. A reasonable suspicion drug test can be performed any time the employee is on duty. All employees covered under the sole authority of **SUNSET EMPIRE TRANSPORTATION DISTRICT** will also be subject to non-USDOT reasonable suspicion testing procedures modeled off the provisions in 49 CFR Part 40.

2. **SUNSET EMPIRE TRANSPORTATION DISTRICT** shall be responsible for transporting the employee to the testing site. Supervisors should avoid placing themselves and/or others into a situation which might endanger the physical safety

of those present. The employee shall be placed on administrative leave pending disciplinary action described in Section Q of this policy. An employee who refuses an instruction to submit to a drug/alcohol test shall not be permitted to finish his or her shift and shall immediately be placed on administrative leave pending disciplinary action as specified in Section Q of this policy.

3. A written record of the observations which led to a drug/alcohol test based on reasonable suspicion shall be prepared and signed by the supervisor making the observation. This written record shall be submitted to the **SUNSET EMPIRE TRANSPORTATION DISTRICT**

4. When there are no specific, contemporaneous, articulable objective facts that indicate current drug or alcohol use, but the employee (who is not already a participant in a treatment program) admits the abuse of alcohol or other substances to a supervisor in his/her chain of command, the employee shall be referred for assessment and treatment consistent with Section Q of this policy. SUNSET EMPIRE TRANSPORTATION DISTRICT shall place the employee on administrative leave in accordance with the provisions set forth under Section Q of this policy. Testing in this circumstance would be performed under the direct authority of the SUNSET EMPIRE TRANSPORTATION DISTRICT. **Since the employee self-referred to management, testing under this circumstance would not be considered a violation of this policy or a positive test result under Federal authority.** However, self-referral does not exempt the covered employee from testing under Federal authority as specified in Sections L through N of this policy or the associated consequences as specified in Section Q.

M. POST-ACCIDENT TESTING

1. FATAL ACCIDENTS – A covered employee will be required to undergo urine and breath testing if they are involved in an accident with a transit vehicle, whether or not the vehicle is in revenue service at the time of the accident that results in a fatality. This includes all surviving covered employees that are operating the vehicle at the time of the accident and any other whose performance could have contributed to the accident, as determined by the employer using the best information available at the time of the decision.
2. NON-FATAL ACCIDENTS - A post-accident test of the employee operating the public transportation vehicle will be conducted if an accident occurs and at least one of the following conditions is met:
 - a. The accident results in injuries requiring immediate medical treatment away from the scene unless the covered employee can be completely discounted as a contributing factor to the accident.

- b. One or more vehicles incurs disabling damage as a result of the occurrence and must be transported away from the scene unless the covered employee can be completely discounted as a contributing factor to the accident.

In addition, any other covered employee whose performance could have contributed to the accident, as determined by the employer using the best information available at the time of the decision, will be tested.

As soon as practicable following an accident, as defined in this policy, the transit supervisor investigating the accident will notify the transit employee operating the transit vehicle and all other covered employees whose performance could have contributed to the accident of the need for the test. The supervisor will make the determination using the best information available at the time of the decision.

The appropriate transit supervisor shall ensure that an employee, required to be tested under this section, is tested as soon as practicable, but no longer than eight (8) hours of the accident for alcohol, and no longer than 32 hours for drugs. If an alcohol test is not performed within two hours of the accident, the Supervisor will document the reason(s) for the delay. If the alcohol test is not conducted within (8) eight hours, or the drug test within 32 hours, attempts to conduct the test must cease and the reasons for the failure to test documented.

Any covered employee involved in an accident must refrain from alcohol use for eight (8) hours following the accident, or until he/she undergoes a post-accident alcohol test.

An employee who is subject to post-accident testing who fails to remain readily available for such testing, including notifying a supervisor of his or her location if he or she leaves the scene of the accident prior to submission to such test, may be deemed to have refused to submit to testing.

Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident, or to prohibit an employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care.

In the rare event that **SUNSET EMPIRE TRANSPORTATION DISTRICT** is unable to perform an FTA drug and alcohol test (i.e., employee is unconscious, employee is detained by law enforcement agency), **SUNSET**

EMPIRE TRANSPORTATION DISTRICT may use drug and alcohol post-accident test results administered by local law enforcement officials in lieu of the FTA test. The local law enforcement officials must have independent authority for the test and the employer must obtain the results in conformance with local law.

N. RANDOM TESTING

1. All covered employees will be subjected to random, unannounced testing. The selection of employees shall be made by a scientifically valid method of randomly generating an employee identifier from the appropriate pool of safety-sensitive employees. Employees covered under District authority will be selected from a pool of DOT-covered employees.
2. The dates for administering unannounced testing of randomly selected employees shall be spread reasonably throughout the calendar year, day of the week and hours of the day.
3. The number of employees randomly selected for drug/alcohol testing during the calendar year shall be not less than the percentage rates set each year by the FTA administrator. The current year testing rates can be viewed online at <https://www.transportation.gov/odapc/random-testing-rates>.
4. Each covered employee shall be in a pool from which the random selection is made. Each covered employee in the pool shall have an equal chance of selection each time the selections are made. Employees will remain in the pool and subject to selection, whether or not the employee has been previously tested. There is no discretion on the part of management in the selection.
5. Covered transit employees that fall under the Federal Transit Administration regulations will be included in one random pool maintained separately from any testing pool that may be in place of non-safety-sensitive employees that are included solely under **SUNSET EMPIRE TRANSPORTATION DISTRICT** authority.
6. Random tests can be conducted at any time during an employee's shift for drug testing. Alcohol random tests can only be performed just before, during, or just after the performance of a safety sensitive duty. However, under **SUNSET EMPIRE TRANSPORTATION DISTRICT's** authority, a non-DOT random alcohol test may be performed any time the covered employee is on duty. Testing can occur during the beginning, middle, or end of an employee's shift.

7. Employees are required to proceed immediately to the collection site upon notification of their random selection.

O. RETURN-TO-DUTY TESTING

SUNSET EMPIRE TRANSPORTATION DISTRICT will terminate the employment of any employee that tests positive or refuses a test as specified in section Q of this policy. However, in the rare event an employee is reinstated with court order or other action beyond the control of the transit system, the employee must complete the return-to-duty process prior to the performance of safety-sensitive functions. All covered employees who previously tested positive on a drug or alcohol test or refused a test, must test negative for drugs, alcohol (below 0.02 for alcohol), or both and be evaluated and released by the Substance Abuse Professional before returning to work. Following the initial assessment, the SAP will recommend a course of rehabilitation unique to the individual. The SAP will recommend the return-to-duty test only when the employee has successfully completed the treatment requirement and is known to be drug and alcohol-free and there are no undue concerns for public safety.

P. FOLLOW-UP TESTING

Covered employees that have returned to duty following a positive or refused a test will be required to undergo frequent, unannounced drug and/or alcohol testing following their return-to-duty test. The follow-up testing will be performed for a period of one to five years with a minimum of six tests to be performed the first year. The frequency and duration of the follow-up tests (beyond the minimums) will be determined by the SAP reflecting the SAP's assessment of the employee's unique situation and recovery progress. Follow-up testing should be frequent enough to deter and/or detect a relapse. Follow-up testing is separate and in addition to the random, post-accident, reasonable suspicion, and return-to-duty testing.

In the instance of a self-referral or a management referral, the employee will be subject to non-USDOT follow-up tests and follow-up testing plans modeled using the process described in 49 CFR Part 40. However, all non-USDOT follow-up tests and all paperwork associated with an employee's return-to-work agreement that was not precipitated by a positive test result (or refusal to test) does not constitute a violation of the Federal regulations will be conducted under District authority and will be performed using non-DOT testing forms.

Q. RESULT OF DRUG/ALCOHOL TEST

1. Any covered employee that has a verified positive drug or alcohol test or test refusal, will be removed from his/her safety-sensitive position, informed of educational and rehabilitation programs available, and will be provided with a list

of at least two (2) USDOT qualified Substance Abuse Professionals (SAP) for assessment, and will be terminated.

2. Following a negative dilute the employee will be required to undergo another test. Should this second test result in a negative dilute result, the test will be considered a negative and no additional testing will be required unless directed to do so by the MRO.

3. Refusal to submit to a drug/alcohol test shall be considered equivalent to a positive test result and a direct act of insubordination and shall result in termination and referral to a list of USDOT qualified SAPs. A test refusal includes the following circumstances:

- a. Fail to appear for any test (excluding pre-employment) within a reasonable time, as determined by the employer.
- b. Fail to remain at the testing site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has not refused to test.
- c. Fail to attempt to provide a breath or urine specimen. An employee who does not provide a urine or breath specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
- d. In the case of a directly observed or monitored urine drug collection, fail to permit monitoring or observation of your provision of a specimen.
- e. Fail to provide a sufficient quantity of urine or breath without valid medical explanation.
- f. Fail or decline to take a second test as directed by the collector or employer for drug testing.
- g. Fail to undergo a medical evaluation, as required by the MRO or the employer's Designated Employer Representative (DER).
- h. Fail to cooperate with any part of the testing process.
- i. Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly-observed test.

- j. Possess or wear a prosthetic or other device used to tamper with the collection process.
- k. Admit to the adulteration or substitution of a specimen to the collector or MRO.
- l. Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
- m. Fail to remain readily available following an accident.

As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

4. An alcohol test result of ≥ 0.02 to ≤ 0.039 BAC shall result in the removal of the employee from duty for eight hours or the remainder of the work day whichever is longer. The employee will not be allowed to return to safety-sensitive duty for his/her next shift until he/she submits to a NONDOT alcohol test with a result of less than 0.02 BAC.

5. In the instance of a self-referral or a management referral, disciplinary action against the employee shall include:

a. Mandatory referral for an assessment by an employer approved counseling professional for assessment, formulation of a treatment plan, and execution of a return to work agreement;

b. Failure to execute or remain compliant with the return-to-work agreement shall result in termination from **SUNSET EMPIRE TRANSPORTATION DISTRICT** employment.

i. Compliance with the return-to-work agreement means that the employee has submitted to a drug/alcohol test immediately prior to returning to work; the result of that test is negative; the employee is cooperating with his/her recommended treatment program; and, the employee has agreed to periodic unannounced follow-up testing as described in Section P of this policy; however, all follow-up testing performed as part of a return-to-work agreement required under section Q of this policy is under the sole authority of **SUNSET EMPIRE TRANSPORTATION DISTRICT** and will be performed using non-DOT testing forms.

c. Refusal to submit to a periodic unannounced follow-up drug/alcohol test shall be considered a direct act of insubordination and shall result in termination.

All tests conducted as part of the return to work agreement will be conducted under company authority and will be performed using non-DOT testing forms.

d. **A self-referral or management referral to the employer's counseling professional that was not precipitated by a positive test result does not constitute a violation of the Federal regulations and will not be considered as a positive test result in relation to the progressive discipline defined in Section Q of this policy.**

e. Periodic unannounced follow-up drug/alcohol testing conducted as a result of a self-referral or management referral which results in a verified positive shall be considered a positive test result in relation to the progressive discipline defined in Section Q of this policy.

f. A Voluntary Referral does not shield an employee from disciplinary action or guarantee employment with **SUNSET EMPIRE TRANSPORTATION DISTRICT.**

g. A Voluntary Referral does not shield an employee from the requirement to comply with drug and alcohol testing.

6. Failure of an employee to report within five days a criminal drug statute conviction for a violation occurring in the workplace shall result in termination.

R. GRIEVANCE AND APPEAL

The consequences specified by 49 CFR Part 40.149 (c) for a positive test or test refusal is not subject to arbitration.

S. PROPER APPLICATION OF THE POLICY

SUNSET EMPIRE TRANSPORTATION DISTRICT is dedicated to assuring fair and equitable application of this substance abuse policy. Therefore, supervisors/managers are required to use and apply all aspects of this policy in an unbiased and impartial manner. Any supervisor/manager who knowingly disregards the requirements of this policy, or who is found to deliberately misuse the policy in regard to subordinates, shall be subject to disciplinary action, up to and including termination.

T. INFORMATION DISCLOSURE

1. Drug/alcohol testing records shall be maintained by the **SUNSET EMPIRE TRANSPORTATION DISTRICT** Drug and Alcohol Program Manager and, except as provided below or by law, the results of any drug/alcohol test shall not be disclosed without express written consent of the tested employee.
2. The employee, upon written request, is entitled to obtain copies of any records pertaining to their use of prohibited drugs or misuse of alcohol including any drug or alcohol testing records. Covered employees have the right to gain access to any pertinent records such as equipment calibration records, and records of laboratory certifications. Employees may not have access to SAP follow-up testing plans.
3. Records of a verified positive drug/alcohol test result shall be released to the Drug and Alcohol Program Manager, and other transit system management personnel on a need to know basis.
4. Records will be released to a subsequent employer only upon receipt of a written request from the employee.
5. Records of an employee's drug/alcohol tests shall be released to the adjudicator in a grievance, lawsuit, or other proceeding initiated by or on behalf of the tested individual arising from the results of the drug/alcohol test. The records will be released to the decision maker in the proceeding.
6. Records will be released to the National Transportation Safety Board during an accident investigation.
7. Information will be released in a criminal or civil action resulting from an employee's performance of safety-sensitive duties, in which a court of competent jurisdiction determines that the drug or alcohol test information is relevant to the case and issues an order to the employer to release the information. The employer will release the information to the decision maker in the proceeding with a binding stipulation that it will only be released to parties of the proceeding.
8. Records will be released to the DOT or any DOT agency with regulatory authority over the employer or any of its employees.
9. Records will be released if requested by a Federal, state or local safety agency with regulatory authority over **SUNSET EMPIRE TRANSPORTATION DISTRICT** or the employee.

10. If a party seeks a court order to release a specimen or part of a specimen contrary to any provision of Part 40 as amended, necessary legal steps to contest the issuance of the order will be taken

11. In cases of a contractor or sub-recipient of a state department of transportation, records will be released when requested by such agencies that must certify compliance with the regulation to the FTA.

This Policy was adopted by the **SUNSET EMPIRE TRANSPORTATION DISTRICT** on June 28, 2018 and updated on September 24, 2020.

_____	_____ <u>Jeff Hazen</u> _____	_____ <u>9/24/2020</u> _____
Executive Director Signature	Printed Name	Date

Attachment A

Covered Classifications for SETD (all non-safety sensitive positions)

<u>Job Title</u> <u>Authority</u>	<u>Job Duty</u>	<u>Testing</u>
Executive Director SETD	Director, Clerical	
Executive Assistant SETD	Assistant, Clerical	
Financial Officer SETD	Finance, Clerical	
Human Resource Officer SETD	Officer, Clerical	
Mobility Management Manager SETD	Manager, Clerical	
Transportation Options Program Specialist SETD	Specialist, Clerical	
Payroll/Accounting Clerk SETD	Finance, Clerical	
Lot Attendant SETD	Attendant, Laborer	
CSR (Client Services Representative) SETD	Call Taker, Clerical	

Covered Classifications for FTA (all safety sensitive positions)

<u>Job Title</u> <u>Testing Authority</u>	<u>Job Duty</u>
Chief Operating Officer FTA	Officer, Operations
Operations Assistant FTA	Assistant, Dispatcher
Fixed Rt. Driver Supervisor FTA	Supervisor, Drive bus
Fixed Rt. Driver FTA	Drive bus
Paratransit Supervisor FTA	Supervisor, Dispatcher

Paratransit Driver
FTA
Maintenance Supervisor
FTA
Mechanic
FTA
Mechanic Assistant
FTA

Drive bus
Supervisor, Mechanic
Mechanic
Mechanic

Attachment B

SUNSET EMPIRE TRANSPORTATION DISTRICT

Drug & Alcohol Program Manager

Name: Sue Farmer
Title: HR Officer
Address: 900 Marine Dr.; Astoria, OR 97103
Telephone Number: (503) 861-5362

Collection Site

Name: Brenda Hartman/Stacy Olson
Title: Owner/ Certified DOT Collector
Address: 737 E. Harbor Place Suite B; Warrenton, OR 97146
Telephone Number: (503) 861-0693

Third Part Administrator

Name: BIO-MED Testing Services Inc.
Title: Certified Consortium- Third Party Administrator - Tina Pinard, DOT Program Manager
Address: 3110 25th Street SE ; Salem, OR 97302
Telephone Number: (503) 585-6654

Medical Review Officer

Name: Matthew Noble, MD
Title: Certified MRO
Address: 3110 25th Street SE, Rm 202; Salem, OR 97302
Telephone Number: (206) 242-0855

Substance Abuse Professional

Name: Peter Barbur, LPC, MPH
Title: Certified SAP
Address: 1007 NE Broadway, Suite 220; Portland, OR 97232
Telephone Number: (503) 295-7974

Substance Abuse Professional

Name: Lynnette Clark,
Title: Certified SAP
Address: 2810 NE 259th Street; Ridgefield, WA 98642
Telephone Number: 360-907-8894

HHS Certified Laboratory Primary Specimen

Name: Metro Lab Legacy Laboratory Services
Address: 1225 NE 2nd; Portland, OR 97232
Telephone Number: (503) 413-5295

HHS Certified Laboratory Split Specimen

Name: Clinical Reference Laboratory
Address: 8433 Quivira; Lenexa, KS 66215
Telephone Number: (800) 445-6915

Executive Director Report
September 2020 Board Meeting
Jeff Hazen

-Ridership

We were down 42% in ridership for August. The Lower Columbia Connector was up 134% over last year and Route 15/16 was up 16%.

-Statewide fires and transit

Several transit agencies had to mobilize in their respective counties for emergency evacuations last week. On Tuesday evening the 8th, I contacted my counterpart at Rogue Valley Transportation District (RVTD) to find out firsthand how it was. She responded with one word, Bad. They had their buses lined up at the hospital in preparation to evacuate all of the patients. I began watching a live stream on my iPad from one of the TV stations in Medford. They were showing the town of Phoenix burning. For audio, they were broadcasting the dispatch center for police and fire. It was heartbreaking to see and hear what was going on. At one point, one of the fire dispatchers was telling one of the command posts that had requested buses for urgent evacuations that they had tried every number they had for RVTD and couldn't get ahold of anyone. I heard that and texted Julie to let her know and she made sure they got in contact with them. On Wednesday, I contacted Cynda at Lincoln County Transit and they were in the process of doing evacuations also. They did this nonstop until 10:00 that night. I offered to send buses and drivers down, but the highways were closed so we wouldn't have been able to get there. One of the cool things that she told me about was that some of their former drivers who had retired showed up and asked how they could help! Both Grant County Transit and our agency made it known that we would help out wherever we were needed in the State. Thursday, the Public Transportation Division Administrator emailed me and asked us to be on standby to assist Lane Transit District with their evacuations. And then Friday night, we were asked to be ready to respond to Clackamas County over the weekend. We ended up not having to respond to any of the locations but were thanked profusely for our offer of assistance.

At the PTAC meeting on Monday, everyone shared the stories of what they went through and again thanked us and Grant County Transit for offering assistance early on. The last I heard, 3 employees at RVTD lost their homes, several transit employees in the valley had to evacuate and I know of one of my counterparts that lost their home in one of the fires. At the PTAC meeting, I encouraged everyone that was dealing with the fires and evacuations to start writing down what went right and what went wrong. My conversation with the Division Administrator after the PTAC meeting was about the need for us to jump on this right away on a statewide basis and become better prepared for mutual aid with all agencies across the State. We want to have instant access to information on where the assets are, how many buses are available and how many drivers can be made available.

-Photo contest

We just received notification that we won an Honorable Mention Award from the National Aging and Disability Transportation Center's 2020 Photo Contest! The winning photos and the honorable mention entries will be featured at the National Association of Area Agencies on Aging's virtual conference September 21-24. They will also be doing a social media blitz on it as well. We were the only agency in Oregon recognized!!



-Board meeting streaming

Our August Board meeting Facebook stream reached 177 people and had 65 engagements. When you think of how many people usually show up in person to our meetings, this is a huge success!!

-Coordinated Human Service Plan

We are looking for a final plan presentation to the Board at your October meeting. We will be inviting the Transportation Advisory Committee to be there as well.

-Zero Emission Bus (ZEB) Annual Conference

This year's ZEB conference was held virtually this week. Both Paul and I have attended these conferences in person before. This year's presentation was a very slimmed down version of the normal conference. There were only 6 sessions along with small breakout sessions that we were assigned. The sessions this year were:

- Cross Market Operations and Technology Implications: Transit, Schools and Airports
- Full Fleet Transition Planning for Transit, Schools and Airports
- Technology Challenge! Battery vs. Fuel Cell Electric Solutions Debate
- Innovations at Scale: Lessons from the Field (Part I)
- Support Mechanisms for Realizing a ZEB future – Key Investments from Jobs to Infrastructure
- Innovations at Scale: Lessons from the Field (Part II)

The Center for Transportation Electrification (CTE) will be sending out links to all of the sessions and I will forward them on to the Board so you can watch them to see what's going on in the world of ZEB.

At the end of my report, I have added the presentation I shared with the Transportation Advisory Committee this month.

-We received the new bus today (September 17th)



2019-2021 SETD Priorities

Priority One

- Benchmark Services
 - o Ridership Increases & Decreases (YTD -43%)
 - o On-time Performance August was 41% on time. TCTD was 58.1% and Lincoln County was 57.1%.
 - o Fleet reliability
 - o Employee Retention 24.1% turnover YTD.

- Develop a SETD specific emergency plan. I am beginning to update our plan
 - o SETD operational specific emergency operation plan
 - o Medical emergencies
 - o Accidents
 - o Behavioral emergencies at facilities and on buses
 - o Emergency contact and reporting requirements
 - o Strategic county wide transportation plan that integrates into Clatsop County Emergency Plan.

- Develop a Succession Plan for Key Management Positions

- Develop Route Standards
 - o Summer Schedule
 - o September Through May Schedule

- Develop Demand Management Standards
 - o Paratransit
 - o Dial a Ride
 - o First Mile Last Mile

- Increasing services
 - o Fixed routes Astoria weekend service started in November. Additional service improvements began on February 3rd. Further improvements on hold.

- Improving System
 - o Improved lighting at bus shelters
 - o Route on-time performances .
 - o Amenities

Priority One (continued)

- Technologies
 - o E-fare RFQ delayed until after the holidays
 - o Electronic charging stations on buses
 - o On-board wi-fi
- Improve Appearance
 - o Buses [Buses are now wiped down every four hours.](#)
 - o Shelters
 - o Facilities

Priority Two

- Develop feasibility of moving Warrenton Operations facility
 - o Out of the inundation zone
 - o Upgrade to include an automatic bus washing system
- Begin to convert the fleet to electric and away from fossil fuels [Unsuccessful for the 2019 LowNo grant solicitation. Attended this year's ZEB Conference](#)
- Strategically Locate Park and Rides
- Improve District Signage

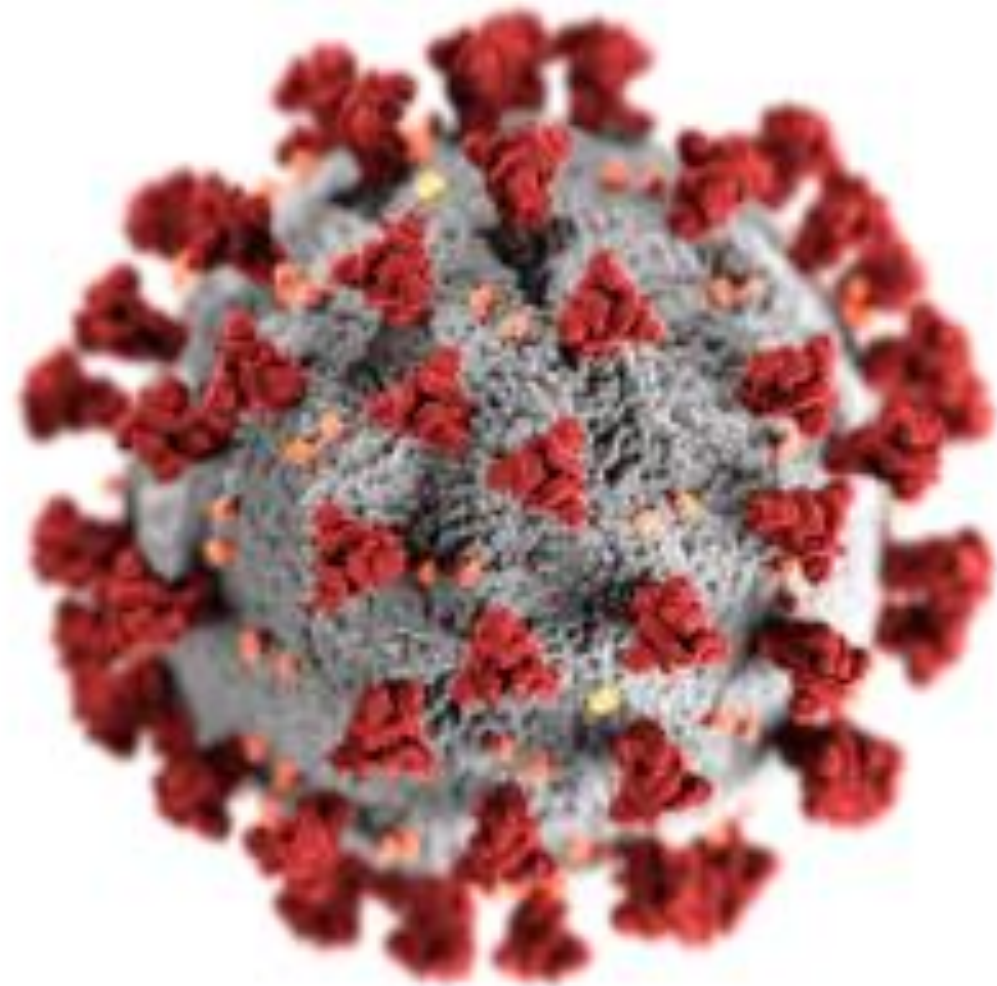
Priority Three

- Identify new funding opportunities
 - o Seek public/private partnerships
 - o Continue to explore new Federal/State/Local grant opportunities [CARES Act has provided us \\$500,000 in formula funds. The needs-based program has approved us for \\$861,000. Veteran's grant has been approved at a higher amount than requested.](#)
 - o Rebuild Ride Pal Program and Volunteer Program

Sunset Empire
Transportation
District
Ridership Fiscal
Year 2020



Any guesses on
what happened????



Route 13 Astoria Weekend Service

- Route 13 began service on October 26, 2019.
- Average weekly ridership was 120 rides until March 14th.
- Average weekly ridership from March 15th to the end of June plummeted to 51.

Routes 15/16 Warrenton Circulator

- Route 15 is the Monday through Friday route.
- Route 16 is the weekend route.
- Expanded service began on February 3, 2020.
- Average weekly ridership was 379 rides until March 22, 2020.
- Average weekly ridership dropped to 312 for the rest of the fiscal year
- Fiscal year 2020 we experienced a 49% increase for the year.
- Something to smile about!

Route 101 Added Service

- Route 101 expanded service on February 3, 2020.
- Original concept was to add additional loops during the late morning, early afternoon, and the evening.
- Route 101 was reconfigured to reduce deviations from Hwy 101 and to expand the route to the southern portion of Seaside.
- Previous loops ran every 1 hour with the exception of the gaps listed above.
- We now have Route 101 running every 49 minutes offering better frequency for riders.

Route 101 Added Service

- Ridership increases over last year ranged from 29% to 45% until March 21st.
- Ridership decreased for the rest of the fiscal year from last year between 16% and 40%.

Lower Columbia Connector

- The new Lower Columbia Connector began service on February 3rd.
- The first two quarters of Fiscal Year 2020, ridership was down considerably.
- Beginning in January, ridership showed triple digit increases due to very poor ridership the previous year due to CC Riders cut backs in service.
- From February 3rd through March 14th, we experienced increases from 54% to 251% over last year.
- For the year, we ended up with a 10% increase.

Total Ridership

- Because of the STIF funded projects, we were having total ridership increases from 24%-30% each week until the middle of March.
- We had been down in ridership by 7% until February 3rd.
- Each week we were chipping away at the decrease and by March 14th, we were only down 3%.
- For the rest of the year we were experiencing decreases of 32%-50%
- Total ridership came in at a decrease of 13% or about 30,000 rides.
- Current Fiscal Year 2021, we are down 42%

September Operations

Paul Lewicki

The project to install touchless fixtures in all the District's restroom facilities continues to move forward. At this point, the new valves for the toilets in the public restrooms at the Transit Center have been installed, as well as the touchless faucets in all district restrooms. Touchless soap dispensers and paper towel dispensers have also been installed at the Transit Center and Warrenton Shops. This completes this COVID-19 related project and will further help us to continue to slow the spread of the coronavirus.

The delivery of our final bus from Creative is scheduled for Thursday, September 17th. This will complete delivery of all vehicles that were ordered in 2019.

We published RFQs for seven additional buses this month. Two buses will be for our Paratransit operation, four will be for fixed route service, and one will be a remanufactured 35 foot transit bus funded by the CARES act and intended to help mitigate our capacity issues resulting from the need for physical distancing on our fixed route buses. The 35-foot bus represents a level of bus normally beyond our funding capabilities. Having the opportunity to purchase a remanufactured version affords us all the benefits of a 12-year vehicle at a much reduced cost. Considering the type of service for which this chassis was engineered, and the type of service we provide on our fixed routes, we expect many years of reliable service in excess of the 12-year published life cycle.

The RFQs are due to be returned to SETD by the vendors by end of business, Friday, September 18th. Analysis of the submissions and review and approval by ODOT's Rail and Public Transportation Division should permit the issue of purchase orders by the end of September. Delivery of the new vehicles is expected in between six and ten months.

As we have all seen, summer visitor traffic along the north coast has been unusually heavy this year. On-time performance of our fixed routes has suffered, and we were forced to make some alterations to the routes on the fly on some weekend days in order to avoid two buses (routes 21 and the Pacific Connector) being stuck in traffic between Seaside and Cannon Beach at the same time. Valuable lessons were learned which will prepare us for more effective and reliable schedules when we enter the season next year.

As a result of a finding in the recent compliance review, we have looked at a number of Fleet Management software offerings to determine which would be of the greatest value to our operation at SETD. We have identified FleetIO as the web-based system that appears to be the most intelligent choice for us. This is a subscription software for which the cost is a per vehicle (asset) per month matter. This software allows us to track costs, schedule preventative maintenance, and record unplanned maintenance events. As an unexpected feature, this software will support the use of electronic tablets for many of our daily functions – chief among which is the real time capture of mileage and other data at the time of pre- and post-trip inspections. This will improve the timeliness and accuracy of data and repair requests reaching our shop.

RIDE ASSIST
September 2020 Report
Jennifer Geisler

- In August, Ride Assist provided a total of 754 rides. ADA Paratransit had 431 rides, we provided 197 Medicaid rides for NorthWest Rides, 8 VETP and had 65 escorts. That is an average of 27 rides per day. There were zero ride denials in August.
- We delivered 53 food bank boxes and added a few new names to our delivery list.
- ADA Paratransit Report for August
 - Number of completed applications received: 5
 - Number of incomplete applications received: 0
 - Number of interview/assessments scheduled: 2
 - Number of interview/assessments completed: 2
 - Number of determinations made: 2
 - Within 21 days: 2
 - More than 21 days:
 - Determination by type:
 - Unconditional:
 - Conditional:
 - Temporary: 2
 - Not eligible:
 - Number of appeals requested: 0
 - Number of appeals heard: 0

RideAssist Fares Collected/Billed for August 2020

• Para-transit Fares:	\$552	• Medicaid Billed:	\$4003
• Dial-A-Ride	\$0	• Ticket books sold:	\$216
• Tickets Collected:	\$232	• VETP Billed:	\$224

Mobility Management
September 2020 Board Report
Jason Jones

- In the month of August, I have spoken to 6 customers helping them in areas ranging from how to read our schedules to what Mobility devices are allowed on the bus and many things in between. All were productive and informational calls and I can say that all 6 indicated to me that they intend to start riding the bus again. Most of them do not get any updates via Facebook, our webpage or by coming to the transit center or office so they rely on our somewhat regular discussions for basic updates. None of them required any in-person training.
- The Veterans Enhanced Transportation Program (VETP) leveled off in the month of August providing 11 trips to our local Veterans to local facilities. There are services that are allowing more elective procedures thus accounting for the rise in transportation needs. These 11 trips constituted 4 unique users of the service.
- As June came to an end, I started thinking about how I could best get trainings out to people in a virtual way since the Pandemic had all but put an end to in-person trainings. I settled on modifying my scope of Work for my grant and developing the accompanying language to explain how Mobility Management could adapt to the current environment we find ourselves in regarding Travel Training. I settled on video and interactive solutions via online presence to get material out to people in mass or customized depending on need. With Jeff's approval I engaged with ODOT rep. Arla Miller and together we were able to modify our agreement to allow for the purchasing of equipment that would allow me to move forward in this direction. The work got me through to the middle of August and the equipment has been purchased and mostly delivered. There are some items on backorder but at this point I'm cataloguing what I have received and putting together action items to start putting together material. I will have a far more detailed report ready for the October board meeting.
- I have been working with RLS on our coordinated human service plan and feel that the progress has been about as good as it could be with all things considering. It is a major disadvantage to not have in person meetings with RLS, but the virtual meetings have been acceptable and I feel that we are getting good data and good interaction with most of our community. RLS has been doing a good job and I look forward as our plan is rounding into shape and hopefully could present the final plan in the next couple of months.
- Kathy and I continued our weekly Facebook Live chats on Transportation in the Time of Corona. I was on vacation and missed 2 chats but thanks to Kathy and special guests everything went perfect. This weekly show continues to be a major contributor to good outreach.

**Human Resources
September 2020 Board Report
Sue Farmer, HR Manager**

MEETINGS/TRAININGS ATTENDED:

- Attended HR Answers webinar regarding Employee Engagement.
- Attended SDAO Risk Management webinar on Supervisors are the Regulatory Gatekeepers .
- Attended Brown & Brown COVID-19 Update Series. This series is one of the most informative about the current pandemic.
- Continue to remain up to date on the local, state, and national COVID-19 information and how it is impacting the workplace.
- Attended a CTAA training for bus drivers on Understanding Passenger Who Have Experienced Trauma. This is an excellent training and it is my goal to set-up this free training to all bus drivers.

ACTIONS:

- Coordinated with Duane Mullins from Medix to set-up CPR/1st Aid/AED training and certification for all employees. Classes will be held over 4 days. Met with Driver Supervisor to coordinate best time and place for training keeping in mind social distancing. Classroom size is limited to 12 people and will be held in the bus barn.
- Conducted New Employee Orientation for Shannon Thomas – Customer Service Representative – Part-time and Chris Furniss – Lot Attendant.
- Met and counseled with an employee on a personal issue.
- Scheduled and provided Random Drug Testing forms to employees randomly selected for drug testing through Bio-Med. There were 8 bus drivers tested during the 3rd Quarter. Per compliance requirements one driver was scheduled for testing during an evening route and one was tested on a weekend.
- Set-up Fingerprint appointments for new employees at the Sheriff's Office.
- Organized and updated Drug and Alcohol files.
- Organized and updated Safety Committee files.
- Prepared notes to employees of upcoming renewals for medical certifications. Followed-up to ensure the certifications were received in a timely manner to meet compliance.
- Prepared a Personal Contract for Dr. Robert James to conduct medical certification exams for bus drivers for \$95 per exam. The current rate for medical certification exams has gone up to \$120 from other providers.
- Attended AccuFund payroll training.
- Worked with COO Paul Lewicki and attorney on employee matter.
- Prepared Safety Committee agenda packet and August minutes for September Safety Meeting. Conducted Safety Inspection on Ops Building 2.
- Prepared evaluation templates for Managers and Supervisors for Evaluations Due in September.
- Prepared the monthly Union Report with a list of all employees eligible for Union membership.
- Performed numerous payroll inputs to update payroll files in AccuFund.

NEW EMPLOYEES:

Provided New Employee Orientation for the following new employees:

- ✓ Shannon Thomas comes to the district from spending 5 years with Windham Vacation. She worked as a Marketing and Recruiting Coordinator.
- ✓ Chris Furniss with a background in detailing, janitorial and landscaping. All of the qualifications hoped for to keep our buses shining!

WORKPLACE DEMOGRAPHICS:

Male	30
Female	15
Hispanic/Latino	1
White	42
Two or More Races	2



Outreach and Education
September 2020 Board Report
Mary Parker

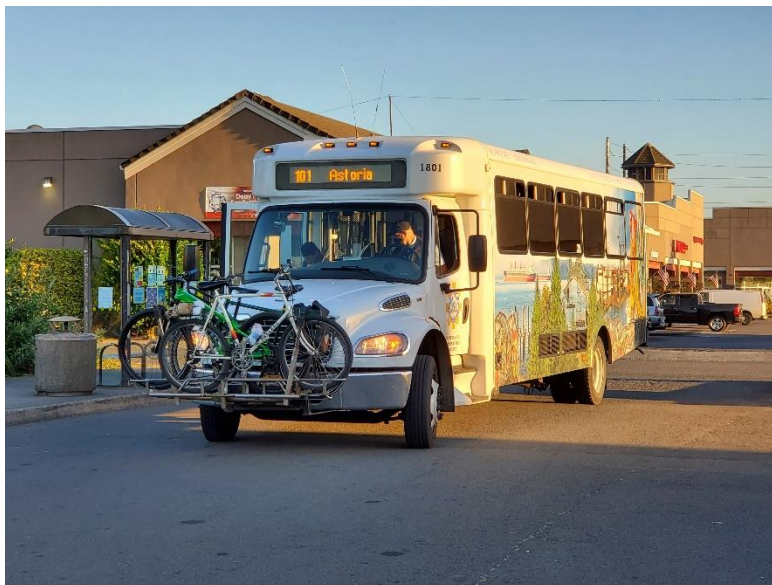
OUTREACH- Wrote, printed, and re-posted online and in shelters a press releases for new member on the Transportation Advisory Board extending time as we did not receive an applicant. Wrote, printed, and posted online and in shelters a press release about the Board of Commissioners vacancy. Wrote, printed, and posted online and in shelters signage to remind riders that SETD would be operating all regular buses on Labor Day. Wrote, printed, and posted online and in shelters that SETD would be resuming bus service to the Clatsop College and MERTS campuses on September 25th. I continue to remove outdated postings from all shelters and refresh our Route schedules as needed.

SEASIDE STREETCAR 2020-I have continued to distribute schedules and posted more flyers in Seaside shelters.

BOARD MEETING- Completed the August 2020 Board Meeting Minutes and assisted with Board Pack and public notification and distribution.

SEASIDE PROM CENTENNIAL COMMITTEE MEETING- Attended the August 20th meeting in Seaside. I was prepared with many ideas and suggestions. This was not their first meeting in preparation for celebrating the 100th birthday of the prom in August 2021. We discussed use of the Streetcar during the main event to reduce parking in the downtown area with perhaps a banner on the outside telling about the prom and our drivers having a script describing the history of Seaside to the riders. I suggested having a Prom on the Prom for all ages...which was well liked and two of the younger ladies in the group volunteered to take that on. There will be a parade which we can participate in but I also suggested having a kids only parade that also goes down the prom where prizes are given for creative decorating of bikes and scooters. Many great ideas are already in the making so this should be a fun event.

TRANSPORTATION OPTIONS- GET THERE CHALLENGE- Made several posters for Kathy that can be distributed to businesses and posted in shelters for the kickoff of the 2020 Get There Challenge which runs from October 5th through 18th.



September Transportation Options has been working on laying foundations. Foundations for new projects and improving existing projects or infrastructure. I continue to stress the value of collaboration and use of current and emerging technology. Attending virtual conferences and learning about what others are doing has my brain chewing on what new, not yet imagined projects could be of use to those living or visiting the region. Who can we collaborate with and how can we collaborate to make positive changes that stick with us over the long haul? Making meetings available and easily accessible has long been a goal of special districts. I am working on finding software that will translate meetings for us. Finding and implementing programs and technologies that lead to greater success for our region in moving more people out of Single Occupancy Vehicles even during the pandemic is a lofty goal. But lofty goals do not deter me, there is so much great innovation out there.

The Friday Live Facebook chats with Jason Jones of the Mobility Dept have been getting better and better. The forum allows us to discuss a variety of subjects that are relevant and important to our communities. We have had some great guest appearances and continue to reach out to find more subjects and guests to engage. If you have a topic you would like to suggest we discuss, please reach out to one of us. Have you gotten an invite to be our guest for our “Transportation talks”? We hope to provide an approachable easily understood video library of subjects that are relevant to our rider and larger community. At this point the plan is to continue to expand our reach and subject matter. Join us LIVE on Facebook on Fridays at 11AM Be ready we may ask you to be our guest on an upcoming show! Worried about being on Facebook Live? Review some of the old shows for great information and to see how easy it is.

Walking and Biking safely is an important way to stay healthy for both adults and children.
www.GETTHEREOregon.org. -you can see your savings by working from home or biking instead of driving. The savings are both in dollars and carbon footprint and add up fast. The GET THERE CHALLENGE is coming, OCTOBER 5-18, get signed up and ready so you can have a chance to win prizes! This year the challenge is all new and includes achievements that can be done from home. Pass the word and tell your friends or family about all the good information and potential WEEKLY prizes...Sign up!

Social Media-Get There Oregon

- Outreach to grow NW TO users on GetThereOregon.org-LOG YOUR TELECOMMUTE!!
- Post Safe commute information on Facebook (like us at @NWTransportationOptions and Share!
- Live Facebook talks with Jason to highlight safe transportation means @NW_T_Options
- Research relevant new technology that can improve outreach and successful motivation from SOV

Conference/Education

- Attended trainings by SDAO and trade groups to grow my knowledge of what is happening in the TO World
- Attended City and County meetings to stay informed and involved in planning to keeping TO at the table
- Webinars on how to help with long term positive travel behavior changes-transit-carpool-biking
- Great new emerging technology to help incentivize smart commuting and engage employers- Let’s Hytch
- Prepared presentations to groups to expand involvement in TO and how it can help individuals or business

Safe Routes To School

- Get the word out about how SRTS can be part of distance learning
- Bus rides for student field trips- Students ride free
- Attend SRTS sponsored educational webinars and sessions
- Joined Oregon SRTS network and mailing list for more information
- TRAFFIC PLAYGROUNDS!