



Date: November 10, 2016 • Place: CCTA Board Room

Commissioner Powers, Chair
 Commissioner Millar, B (Absent)
 Commissioner Dimitruk (on the phone)
 Commissioner Jensen (Absent)
 Alt Commissioner Bohne
 Mark Sousa, AGM

Michelle Daley, DOF
 Karen Walton, GM
 Kim Wall, Federal Compliance Officer
 Jordan Nelle, Controller
 David Armstrong, Planning Manager

8:08 AM meeting called to order

1. Adjustment of Agenda - No adjustments.
2. Public Comment – no public
3. Approval of minutes from the meeting on October 11, 2016 -
 - o Catherine moved to approve and Paul seconded – Paul abstained from vote
4. FY18 Capital and Operating Budget Review –

CSA funding discussion – at the start of the RFP process we thought the cost would be roughly 120,00-150,000 and we could utilize the CCRPC annual grant to cover the project. Once the discussion of the scope of services and we realized there would be a rural component and funds to cover that portion would need to be paid by the rural funds. We get very little planning funds for the rural program, so we thought maybe this would be a good use of the unrestricted fund balance. Based on a review of the total miles in each system we determined a 50/50 split of the costs was reasonable. Ms. Daley explained that a memo would be to use CCRPC funding for urban side – carry forward funds and use two years/two grants - \$60k out of FY17 grant – use \$25K state of VT planning grant on rural side and \$35K out of unrestricted fund balance and for FY18 use \$60K from the CCRPC grant and \$60K from the unrestricted rural fund balance. Commissioner Dimitruk asked staff to look at what the fund balance is, how this will affect it, how much we should have based on the policy. Ms. Daley said she would have that for the board meeting.

Ms. Daley presented the Capital Budget, she explained this is the budget we will be sending to VTRANS as our official request and we may or may not get all the requested projects. We will be requesting the following,

Urban Capital Budget –

7 - Replacement 35' Buses (\$470,000/each) <i>PPI waived if order placed by 12/31/17</i>	\$ 3,290,000
One Industrial Renovations/Equipment/Design	\$ 500,000
2 - Replacement SSTA** ADA*** Cutaway	\$ 167,000
2 - Replacement SSTA** E&D*** Cutaway	\$ 167,000
1 - Replacement E&D Cutaway for Essex Van	\$ 68,300
2 - Replacement Lifts	\$ 329,600
Engine, Transmission, Facility PM	\$ 160,000
Spare parts, miscellaneous support equipment	\$ 160,000
Bucket Truck for Maintenance	\$ 100,000
15 Industrial Roof	\$ 700,000

o Local match required is \$523,960

- Staff is working on plans for a LEED certification project for the Industrial Parkway Campus with plans to apply for the highly competitive TIGER grant. If this is awarded to us this would take care of the Roof work budgeted for \$700,000.

Rural Capital Budget

10 - Replacement Cutaway Buses @ Capitol District @ \$80,000 each	\$ 800,000
Misc Support Equipment: Pressure Washers, Battery Chargers, etc.	\$ 11,000
Facility PM for Stowe and Berlin (Garage Doors, Lifts, HVAC)	\$ 15,000
Replacment bus lift at Berlin facility	\$ 160,000
Replacement Office Equipment at Berlin (computers, copier, coin counter, cash vault, etc.)	\$ 70,000
2 - Service Vehicle Replacement (SUV)	\$ 60,000
Total	\$ 1,116,000

- Local Match for this budget is \$111,600

Commissioner Powers asked that staff and the board needs to keep in the back of our mind that there is an entirely new governing body that is not transit friendly and we need to be sure that as we look at things is there something that we can give up so we can be more on the proactive side. We should prioritize the capital budget in the even we would have to give up projects in FY18. Ms. Walton agreed with Commissioner Powers and expressed that staff had a much bigger list and the presented capital budget were the items we felt as staff were the top priorities for the Authority. Ms. Walton, feels that FY18 is probably safe because the outgoing president always sets the budget for the new president. It will be FY19 and going forward might be an issue. Commissioner Powers would like for the committee to get a sense of what needs to be moved from unrestricted to local capital match top plan for big years of capital coming up and plan for short comings. She asked if we should we be “tightening our belts” to start planning for coming years

Operating Budget – Ms. Walton described this first draft of the operating budget as the first iteration or Christmas wish list – it is negative currently but will be balanced before the full board reviews. Ms. Daley spent time going line by line with the committee.

- Member assessments – 3% increase, which is the standard starting place and what we have historically increased assessments by over the past several years.
- Paratransit Assessments – ridership is decreasing so most of the assessments will be decreasing. Ridership is overall down 9% - some members up, some members down, we are projecting that paratransit expenses will decrease.
- Local funds are budgeted to increase for the urban system this is due to Jericho/Underhill and Cambridge contributing more with the expiration of the Circ Alt funds. We are also assuming Colchester will negotiate to continue their current contract for services with an annual 3% increase.
- Commissioner Powers asked that staff **make sure we are not taking on additional expenses through FY18 that will eventually fall to the backs of the Member Municipalities.**
- The Federal/State/Local funding is budgeted as flat funding. All indications are that if there are increases they will be minimal, so to be conservative we budgeted flat funding. Commissioner Powers expressed concerns regarding the impact of the purchase of 1 Industrial and the DTC operating expenses on the operating budget.

1.

- Passenger fares were reduced based on actuals from FY16 and current FY17 actuals.
- Paratransit Pass thru – based on historical trends.

- Planning, interest, sale of equipment – no changes
- Medicaid changed to reflect what we are actually seeing
- Misc purchase of service –
 - a. urban ridership is down on tilley drive
 - b. rural CVMC shuttle is successful – assuming this will continue and be funded at 100% by CVMC so increased in budget
- Salary increases budgeted at 2%
 - Planning on maintenance new contract being similar as recently negotiated driver contract.
 - Added staffing for Driver wages, currently OT is at 20%. We are working to reduce this by using standby drivers. We also increased the number of part-time drivers we would like to hire. If fully staffed, OT should look more like 12%, which is what we budgeted.
- Payroll taxes based on salaries and wages
- Reduced unemployment taxes – we are seeing a drop in unemployment which means that attrition has subsided.
- Medical Insurance – slight increase in the premiums and added some employees. We switched to a better plan 1/1/2016 which allowed us to eliminate the HRA plan. So far we are seeing smaller increase from year to year, with the Northern New England Benefit Trust we are in a larger pool for premium ratings. Before we were in our own pool.
- Recruiting – increase on rural side for winter recruitment
- Computer services – FY18 will be the first year for operating expenses for the newly launched AVL system. \$100,000 per year for fees – everything else is status quo.
- Uniforms – had to replace all uniforms in FY17 with the new Logo, should see reductions in cost for FY18. Plan to institute a uniform allowance after the first year. This will need to be negotiated.
- Planning Expense - we added \$60,000 on the rural side for the Comprehensive Service Analysis (CSA), to be funded by the rural unrestricted fund balance.
- Maintenance – reduced some based on historical trends - Need to look at DTC and 1 industrial expenses and work with Mark and Bill to better pinpoint. We will have some rent savings in St. Albans and remote 2 downtown.
- Fuel increased on the urban side, slight reduction on rural side
- ADA/SSTA – paratransit costs are trending downward as is ridership. We are working with SSTA to become more efficient and help all the municipalities save money.
- ACTR – agreement made 116 commuter was put in place with Hinesburg – we take part of Hinesburg’s assessment and send to ACTR to help fund their local portion of the route. We recently added time to the Hinesburg route to go into the trailer parks. This was done as a pilot project to end in February. The cost for 6 months is \$7,000. There is currently very low ridership and Hinesburg was never charged for the additional costs.
- Functional Assessments for ADA – We must pay for the transportation to our facility to perform the assessments.

5. Strategic Goals Review – The committee reviewed the draft goals and discussed the document.

Next meeting is November 22, 2016 at 8:30AM at CCTA headquarters 15 Industrial Parkway, Burlington VT 05401 *(only needed if additional budget work required after board meeting on 11/15/2016)*

Meeting adjourned 9:58 am