



Approved Minutes Regular Board of Directors Meeting

Umpqua Public Transportation District

Monday, February 12, 2024, 5:30 p.m.

3076 NE Diamond Lake Blvd, Roseburg, OR 97470

1. Call to Order 5:32 PM
2. Roll Call taken by taken by General Manager, Cheryl Cheas.
Sarah Thompson - P Mike Baker - p Tom Trotter - P Lonnie Rainville - P
Janice Baker - p Doug Mendenhall - P Michaela Hammerson - P

3. Pledge of Allegiance was recited.

4. Consent Agenda

4.1 January 8, 2024 Regular Meeting Minutes

4.2 January 2024 Preventive Maintenance Report

MOTION: Mike Baker motioned to approve the consent agenda. Sarah Tompson seconded, no further discussion.

Motion carries. Vote: 6 – Aye, 0 – Nay, 0 – Abstain, 1 - Absent.

5. Financial Report

January Financial Report - Sheri Bleau

Chair Trotter started the discussion inquiring about the fuel percentage, is that because the fuel price was really high for a while? Operations IT Maintenance Software, is that price going to continue to rise? 122-330 & 122-340 YTD, is there going to be any more? Discussion followed. Everything is moving to subscription.

Cash on hand is at 90%, do we expect that to go above 100%? Discussion followed. Cash on hand right now is critical. Just over \$80,000 in the bank. We've already received 3rd Quarter STIF Funds, we made payroll for this week and we have income from medical transportation that will bring us through payroll next but we have reached the critical spot that we were talking about back in the October timeframe. Payroll is at \$91,000, 47 employees. Then we wait for the reimbursements from Q2 and that report is due this week, the 15th and will be done on time. Chair Trotter asks "Then what will happen next week?" The GM responds "Once the report is submitted then we wait for reimbursement and it is usually 4 to 6 weeks before we see the reimbursements and that's why we're nervous." Sheri added that we received COVID funds. Director Thompson asks if they are reimbursement funds and states it takes time to get the reimbursement. Chair Trotter asked "What are your thoughts on what will happen?" The GM stated the line of credit is up for discussion, if we engage with Bond Counsel and accept the terms provided by Umpqua Bank, the first thing that happens is we would be required to make an immediate draw that would cover the fees for the Bond Counsel and the Bank for the line of credit. There's an additional piece of money – Paused to read the chat.

Jennifer Boardman shared in the chat: You can get reimbursements within 10-12 days if you receive electronic payments once they have been submitted. They cannot be processed until the report is finalized.

After reading the chat out loud, discussion moved back to the reporting being done on time. GM has scheduled time with Sheri to go over the report details to make sure that we are in alignment with all of our funding allocations. Between the two, the input can be complete within a couple of hours. And that answers part of the question and then this where we begin

to build the prudent reserve that we talked about. As we have increased the number volunteer medical drivers and going forward it will become income again.

MOTION: Mike Baker motioned to approve the Financial Report. Sarah Tompson seconded, no further discussion.

Motion carries. Vote: 6 – Aye, 0 – Nay, 0 – Abstain, 1 - Absent.

- 6. Public Comment for On Agenda Items Only** – Jim DeLapp inquires about the IT Maintenance SW – are the prices ever going to come down? They seem to be very high or maybe are we not budgeting enough or is it maybe a learning curve? Sheri explained that they are checking with the billing department for Route Match as the invoices seem to have doubled and we believe there is an error. Jim mentions that the tablets and cell phones always seem to be that way too. Is part of this because you have more buses, more drivers? He also questions the ACH transfers; response is volunteer drivers are paid every Monday. What is non-Capital equipment? Garage enclosure we purchased.

7. Old Business

7.1 Line of Credit update – GM gives brief history on line of credit discussion to bridge the gap when we encounter a situation like we just did with the vehicles where we end up needing to pay for the vehicles before the reimbursement is provided. We have allocated the match for those vehicles, which is typically 20%, but we had not the full cost of the vehicle. This is how every Capital is going to be including the project for the Preventive Maintenance facility and the parking structure. We had previously discussed Bond Counsel and we have Courtney Dausz online who will be able to speak to any questions you might have regarding Bond Counsel and that contract and we Sharon Guisande on line representing Umpqua Bank and she would be able to speak to the line of credit and how that works. They also sent a resolution with a mark-up and a clean version. If no questions, we will turn this over to Courtney Dausz.

Chair Trotter starts discussion stating that last year this did not seem to be an issue and asks what changed that causes us to need a line of credit. General Manager state that from the beginning, all of the funding received through the STIF funding has been allocated to projects. It has not necessarily been spent in the initial biennium in which it was allocated, it's been rolled forward. With the increase in costs for operations, some of the funding that had been rolled forward, with permission from ODOT, was re-allocated to cover the costs of current projects. Then the timeline between when we set our budget and allocate what should be rolling forward and then it's six months later when that plan actually goes into place so there a lot of differences between what we had planned for and what actually happened. So, we are playing catch up to get the plan to match what's happened in that six months. Chair Trotter asks, "Hasn't there been a mistake as well?" The GM responds that there have been a couple of mistakes and she has to own that she missed the reporting deadline by a day for Q4 and that resulted in about \$200,000 not being reimbursed to us that we had anticipated. Beyond that, the increase in costs is really what has happened. Chair Trotter inquired about money that was spent that should have been reserved for capital projects. With the increased costs for operations, what we had in in the bank we had in the General Fund. It's separated in the software but it was not separated as we were spending it, so we actually crossed over and used funds that were allocated to reserve for the capital expenses and that

Reference:

Attorney General Rosenblum, E. F. (2019). *State of Oregon Department of Justice Attorney General's Public Records and Meetings Manual*. Salem, OR: Department of Justice.

was used to cover the operations costs. Director Mendenhall inquired whether that \$200,000 reimbursement would come back on the next quarter. Discussion followed regarding the reimbursement process and not having enough of a reserve to begin with to cover the increased costs. Director Rainville states “Looking at the financials, July through January. We’ve had \$853,000 come in on the bus replacement fund but we’ve spent \$1.4 million. Why are we putting more in than we are getting?” Discussion followed. 20% is match for the grant. When we placed the orders, we placed the orders to fall within the confines of the grant. Then there were cost increases that were passed on to us from the vendors. We accepted those increases because we can’t go without vehicles, can’t provide service without vehicles. Those increases were provided were provided at our last meeting. Also, there were two vehicles, that I was directed to order, because it was in our plan, to order using just STIF funds. Those two vehicles started at \$78,000 apiece and came in at \$109,000 apiece. Those increases were far above anything anticipated.

Courtney Dausz with Foster Garvey is introduced and states she has reviewed the resolution that the Board previously adopted and made some updates which you have in front of you. The updates are intended to clarify that this is an interim line of credit that will revolve. It is to be in the amount of no more than \$1M at any one time. The expected cost of the project is expected total \$9M, and this revolving line can be used for the capital costs of the project. It also constitutes that the District has reviewed the term sheet provided by Umpqua Bank, originally dated November 10th which has been updated as of today. The resolution also delegates authority to individuals at the District to make determinations regarding the interim financing.

Director Mike Baker inquired about the bank fees. Chair Trotter responds he see \$5,500 loan fee and out of pocket expenses but it does not say what that value is. It would be good to know what that would be and bank counsel not more \$3,500. Clarifying is it \$5,500 and the \$3,500 and the out-of-pocket costs.

We were not able to hear Sharon Guisande from Umpqua Bank to clarify out of pocket costs. Tabled 7.1 and Resolution to come back to later in the meeting.

7.2 Goals for the Agency - The GM brought back the goals in the order prioritized in our previous meeting, fleshed out with what that would look like in activity at UPTD. Discussion followed. Director Mike Baker, likes that goals are specific and measurable but they should be from 7/1/2024 to 7/1/2025 because the idea is it is something we might need to budget for. Revisions can be made with the discussion and suggestions and brought back to ensure the timeline is for the fiscal year, all goals are specific and measurable, include goals around reporting, possible IGA’s with other communities to be informed about projects that would impact transit.

Tabled 7.2 Goals to the next meeting.

8. New Business

8.1 ODHS First Thursday Presentation – Kathryn Garland

The program started in Summer of 2022. Kathryn and her supervisor, Roberto, work with the Self Sufficiency program, SNAP, TANF, Medical benefits and grants for Domestic Violence Survivors, and they were looking at how do they fill in the gaps, especially for those who are low income and vulnerable populations in Douglas County. They started out with their partner, Feeding Umpqua, they had an abundance of food and they set up tables in the parking lot at ODHS. This happened every 2 weeks for 4 months. Eventually there were over

a hundred people waiting in line. November of 2022 the soft launched with four partners in their lobby. By June they had outgrown their lobby spaces and they moved their whole event outside into the parking lot with 40 partners. An average of 250 community members came each month. They have now moved to St. Joseph's gymnasium. They are now receiving some grant funding and they realize that accessibility is a huge issue.

They are looking to possibly purchase bus tickets but also, looking at the possibility of an express service to get people from outlying communities. The next level, next step would be to help people from the outlying communities in from places like Glendale to be able to participate. This is a very timely conversation as UPTD is working with Josephine County to start a fixed route that would connect to their service in Wolf Creek and will also serve Glendale, Azalea and provide an express service on up to Roseburg. And last, UPTD is always welcome to set up a table for First Thursdays.

7.1 Back to 7.1, Line of Credit, resume conversation with Sharon from Umpqua Bank. Bank has two fees; one is the legal fee for \$3500 and one is the bank fee of \$5500. Discussion follows. In order to issue the line on a tax-exempt basis there has to be a draw on the line. Discussion follows regarding language, terms, confirms line would be for capital only.

Director Rainville questions whether the grants can be used to cover interest and/or costs associated with the loan. Response from Jennifer Boardman indicates that the language of the grant would determine the answer. Discussion continued regarding funding options to cover fees and interest. State funding is more flexible. Consensus is to table the discussion until next time.

9. Project Updates

9.1 Project Next Door – Grant# 35335, 5339 Capital – No NEPA approval

9.2 Lo-No Project – Grant# 35395 – Waiting on the comment period for Proterra which is Phoenix Motor. As soon as the comment period is over, we will find out about next steps.

9.3 STIF Project Updates/Quarterly Reports – Report is for 2019-21 Biennium by quarter.

10. General Manager Report – Cheryl Cheas – Most of the work done this month has been covered in the rest of the meeting. Shared a story heard at the Southern Oregon Transit Manager's meeting. One of the presenter's parents is utilizing out Dial A Ride service to get to and from dialysis. He spoke to the personal part of transit. It's their chance to get out and about, they love their drivers and he has peace of mind knowing they can make it their appointments.

Also made it to the Special District's conference, good information

Ridership continues to grow and a 10% increase this next year is achievable.

Demand Response saw a 16% increase in ridership and that would have been higher if we had not had multiple drivers out for extended periods of time.

Director Hammerson suggested putting the rider's story on social media and/or the website.

11. ODOT Update – Jennifer Boardman – Grants are coming up and due for 5339, 5310 and 5304 on 3/11 and 3/12. Reporting is due 2/15. More training will be rolling out. New Operations Manager will be starting on the 19th and is from the Metro area.

Reference:

Attorney General Rosenblum, E. F. (2019). *State of Oregon Department of Justice Attorney General's Public Records and Meetings Manual*. Salem, OR: Department of Justice.

Update on meeting with Cheryl. Key items included a plan to get reports in on time and get a backup person named and trained in OPTIS. Information regarding technical assistance was provided. Possibility of doing a “Verbal Judo” training.

12. Not on Agenda

13. Public Comment (Limit to 10 minutes total) – When you do the expansion, will there be additional parking? When you make the budget are you keeping in mind how much you’re expanding? Do you have a percentage that you work with? There will be a lot more information in the Budget Committee meeting.

14. Agenda Build – Next Regular Meeting - March 12, 2024

Line of Credit – Goals for the Agency – Project Updates – Information regarding new Board Member Training Requirements – Executive Session ORS 192.660(2)(i) ORS 192.660 (8)

15. Executive Session ORS 192.660(2)(i) ORS 192.660 (8): To review and evaluate the performance of an officer, employee or staff member if the person does not request an open hearing. This reason for executive session may not be used to do a general evaluation of an agency goal, objective or operation or any directive to personnel concerning those subjects. Executive Session tabled to the March meeting.

MOTION: Sarah Tompson motioned to table the Executive Session to the March Meeting, seconded by Lonnie. No further discussion.

Motion carries. Vote: 5 – Aye, 0 – Nay, 0 – Abstain, 2 - Absent.

16. Meeting Adjourned – 7:26 PM