

Pursuant to written notice sent to Board Members and pursuant to notice posted at least forty-eight hours prior to the meeting, copies of said notice having been sent to the Secretary of the Commonwealth, William F. Gavin and the Secretary of the Executive Office of Administration and Finance, Michael Heffernan, the meeting of the Finance and Audit Committee of the Franklin Regional Transit Authority was held on April 27, 2021 at the John W. Olver Transit Center, 12 Olive St., Greenfield, MA 01301.

**1. INTRODUCTION:**

Finance and Audit Committee Members present were:

<u>Name</u>	<u>Town</u>
Peter Otten	Buckland
Robert J. Decker III	Deerfield
Eric Twarog	Greenfield

Also present were:

Tina Cote, FRTA Administrator, Michael Perreault, FRTA Assistant Administrator, and Ed Sanborn, FRTA Bookkeeper.

Peter Otten called the meeting to order at 9:30am.

**2. REVIEW AND APPROVE MEETING MINUTES FROM MARCH 24, 2021:**

Robert J. Decker III made a **motion** to approve the meeting minutes from March 24, 2021. Eric Twarog seconded, the vote was unanimous, and the **motion** carried.

**3. REVIEW FY22 CAPITAL PROJECTS LIST:**

Michael Perreault presented the list of capital projects for FY22 and included a project description in the comment field on the right-hand side of the spreadsheet. Peter Otten noted that we still have some older buses out on the road that aren't on the project list to be replaced. Michael Perreault agreed that some demand response vehicles are older than those contained on this capital project list. Further discussion clarified that this capital projects list includes only those items that are looking to be procured through the State RTACAP funding program. Typically, demand response vehicles are replaced through the Community Transit Grant Program, which is a competitive grant in which the MassDOT funds these vehicles using federal 5310 funding and matched with State

Mobility Assistance Program funds. FRTA applies for these funds separately and works with MassDOT to review our assets and replacement schedule to determine which buses to apply for replacement. Grant applications are due by the end of June, awards are generally made over the summer, and vehicle deliveries are made by the following June. Michael Perreault further clarified that the Community Transit Grant Program is an annual grant and that MassDOT does all of the procurements of the vehicles. Robert J. Decker III asked what happens if FRTA does not get the replacement vehicles they apply for. Michael Perreault stated that we would continue operating our current fleet as normal until they do get replaced. Eric Twarog asked how often FRTA does not get vehicles they submit for. Michael Perreault stated that he cannot remember a time where FRTA not get vehicle replacements when requested. In one instance, FRTA had requested three low-floor vans to replace three conventional high-floor vans and MassDOT had instead awarded us one low-floor van and two conventional high-floor vans.

Robert J. Decker III asked about the progress of the Maintenance Facility project. Michael Perreault updated that FRTA is expected to go out to bid for construction in June or July, under construction by this fall, and about 12 months for substantial completion. We are anticipating to spend the majority of the construction funds in FY22. State funds are allocated each state fiscal year so if additional funds are needed in FY23 we would need to apply for additional RTACAP funds for that year. Funds up to this point have only been spent on design of the project. Robert J. Decker III asked about the purchase of the property. Michael Perreault stated that we are planning to go to the Montague Planning Board for Site Plan Review and finalize the purchase of the property by the end of June.

#### **4. REVIEW DRAFT FY22 BUDGET:**

Tina Cote explained that we've presented two draft budgets: one continuing with HST and one without HST. There have still been no final decisions made as to the direction the State is moving with the HST contracts. Some Legislators are pushing back to keep things status quo for two additional years while they continue discussions. It is expected that a decision will be made by May 1<sup>st</sup>. Tina Cote is in negotiations with HST to at least extend the current contract by two months to be able to close out the fiscal year and get through the final audit with HST.

Robert J. Decker III asked what the potential for layoffs would be if we don't continue with the HST program. Tina Cote explained that we are currently operating at a skeleton crew and there would be no further layoffs. Through the course of the pandemic some staff had resigned, and their positions had not been backfilled while we await the final decision on the HST contract. Currently, we are looking to final one full-time position in the call center and one part-time janitorial position at the transit center. If we do not continue with the HST program, current positions would be restructured into other job duties. Robert J. Decker III asked if any additional costs with the janitorial positions can be passed on to the FRCOG. Tina Cote clarified that the FRCOG does pay 50% of the maintenance and janitorial staff wages for the maintenance, cleaning, and upkeep of the

facility. Ed Sanborn clarified that the main difference between the two budgets is the use of federal CARES funds, which is allowable due to the COVID pandemic.

Tina Cote brought up another issue related to the COVID pandemic. Throughout the pandemic not only have some staff resigned and those positions not been replaced, but existing staff have also not been taking as much vacation time as normally would be due to the ongoing pandemic. This has caused an unusual accumulation of unused vacation time above the normal amount allowed to carry over from year to year. Tina Cote asked, because of this unusual circumstance, if it would be allowable to payout up to 10 days of unused vacation time instead of keeping it on the books. Peter Otten asked if there are sufficient funds to pay for this within the budget. Ed Sanborn affirmed that there are sufficient funds within the budget. Administrative salaries projected for the end of the year are under budget and is more than enough to cover payouts. Tina Cote stated that she would be sure to explain to employees that this is a one-time deviation from our normal operating procedures. Robert J. Decker III stated that he is not opposed to this but suggested that Tina Cote speak with the auditors to make sure this is acceptable. Tina Cote agreed that she would contact Adelson to speak with them about this vacation payout and as long as they did not have any issue against it she would proceed.

Peter Otten asked if there were any other highlights for the FY22 budget. Tina Cote stated that it is expected that we will end the year under budget and perhaps some of those carry-over can be put towards piloting weekend fixed route service. Discussion concluded that we should hopefully have a better sense of the HST contract and the budget by the May Advisory Board meeting.

#### **5. DISCUSSION OF ADMINISTRATOR'S FY22 SALARY:**

Discussion began that last year the Committee recommended that the Administrator receive the same percentage increase as the rest of the administrative staff. Peter Otten suggested that the Committee again recommend a similar arrangement. If the aggregate of the staff receives a 3% increase, then the Administrator should get a 3% increase. Both Robert J. Decker III and Eric Twarog agree with that suggestion. Peter Otten stated that proposal will be presented to the full Advisory Board at the meeting in May.

#### **6. REVIEW DRAFT FY22/23 MASSDOT/FRTA MOU:**

Tina Cote explained that the draft FY22/23 MassDOT/FRTA MOU is tied to our state funding and outlines performance measures and reporting requirements FRTA must meet throughout the course of the two-year period. Discussion continued that, with the last MOU, Montague representative Jeff Singleton was not happy with the process of having the FRTA agree to an MOU without getting approval from the Advisory Board. So, this time around FRTA wanted to make sure to share the documents well in advance of having them completed. Tina Cote stated that this draft MOU is very similar to the last and that both she and Michael Perreault have reviewed the draft MOU document and have found no issues with MassDOT's requirements. FRTA will still need to establish baselines and targets prior to the MOU being finalized. Robert J. Decker III suggested

sending a copy of the draft MOU to Jeff Singleton, in advance of the Advisory Board meeting. Discussion concluded with Tina Cote agreeing to send out the draft FY22/23 MassDOT/FRTA MOU to Jeff Singleton in advance of the next Advisory Board meeting.

Robert J. Decker III made a **motion** to adjourn, Eric Twarog seconded, and the meeting was adjourned at 10:10am.