

Board of Directors

December 13, 2023 | 4:00 p.m. – 5:00 p.m.



Onsite:

Greater Portland Transit District
114 Valley Street, Portland, ME 04102 | Administration Conference Room

Remote:

Please click the link below to join the webinar:
<https://us02web.zoom.us/j/83886736258?pwd=UDh4K2NYRHNaQIR1cUtUQjBHbHUrUT09>
Passcode: 043599 | Webinar ID: 838 8673 6258
Phone: (646) 558-8656 | Telephone participants: *9 to raise hand, *6 to unmute

AGENDA

AGENDA ITEM	PRESENTER	ACTION or INFORMATION
1. Call Meeting to Order (4:00)	Michael Foley, Board President	N/A
2. Public Comment (4:00-4:05) The board welcomes public comments at this time for items <u>not listed</u> on this agenda at this time. For items listed on the agenda, the chair will allow members of the public to comment following the staff presentation. There is a <i>three-minute time limit</i> per speaker.	Michael Foley, Board President	Information
3. Approval of Meeting Minutes (4:00-4:05) Consider approval of the meeting minutes from the September 28, 2023 board meeting.	Michael Foley, Board President	ACTION
4. Recognition of Outgoing Board Members (4:00-4:05) Recognition of Nat Tupper (Yarmouth Town Manager) and Andrew Zarro (Portland City Council Member) for their service on the Metro Board of Directors.	Greg Jordan, Executive Director	Information
5. Executive Director's Report (4:05-4:25) Information and updates pertaining to agency operations, service performance, major projects and programs, and related issues.	Greg Jordan, Executive Director	Information
6. Authorization for Tax Anticipation Borrowing of \$5,600,000 for 2024 (4:25-4:45) Authorize issuance of a Tax Anticipation Note (TAN) of \$5,600,000 to provide operating cash flow for 2024 through short-term borrowing.	Shelly Brooks, Chief Financial Officer	ACTION

<p>8. Future Agenda Items (4:45-5:00)</p> <ul style="list-style-type: none"> • Strategic Planning: Goals-Objectives Workshops (Jan) • Committee Evaluation (Jan) • Final 2024 Operating-Capital Budgets (Feb) • Agency-Board Policies Review and Reorganization (Feb) • Collective Bargaining Agreement renewal (Mar) 	<p>Michael Foley, Board President</p>	<p>Information</p>
<p>9. Upcoming Meetings (4:45-5:00)</p> <ul style="list-style-type: none"> • Ridership Committee – December 20, 2023 at 4:00 p.m. • Finance Committee – January 3, 2024 at 4:00 p.m. • Executive Committee – January 10, 2024 at 3:30 p.m. • Ridership Committee – January 17, 2024 at 4:00 p.m. • Board of Directors – January 25, 2024 at 4:00 p.m. 	<p>Michael Foley, Board President</p>	<p>Information</p>
<p>10. Adjournment (5:00)</p>	<p>Michael Foley, Board President</p>	<p>ACTION</p>

As of November 9, 2022 Greater Portland METRO is holding meetings of the Board of Directors (and its committees) in hybrid format, both in person at METRO’s offices and via webinar. The remote portions of all meetings are conducted in accordance with the requirements of [METRO’s Remote Participation Policy](#) (adopted August 25, 2022) as well as LD 1772, PL 2022 Ch. 666, and 1 MRSA Chapter 13, Subchapter 1.



**Board of Directors Meeting
September 28, 2023 at 4:00 p.m.
DRAFT Meeting Minutes**

Municipality	Representative	Title	Attendance
Brunswick	Ryan Leighton	Asst. Town Manager	Present
Falmouth	Merrill Barter	Community Member	Present
Falmouth	Hope Cahan	Town Council Member	Present
Freeport	Bill Rixon	Community Member	Not Present
Portland	Pious Ali	City Council Member	Present
Portland	Paul Bradbury	Jetport Director	Present
Portland	Jeff Levine	Community Member	Present
Portland	Ed Suslovic	Community Member	Not Present
Portland	Andrew Zarro	City Council Member	Not Present
Westbrook	Mike Foley	Mayor	Present
Westbrook	John Thompson	Community Member	Present
Westbrook	Prosper Lohomboli	DEI Administrator	Not Present
Yarmouth	Nat Tupper	Town Manager	Present

Staff Present	Identified Members of the Public
Greg Jordan, Executive Director Glenn Fenton, Chief Transportation Officer Mike Tremblay, Director of Transit Dev. Shelly Brooks, Chief Financial Officer	

Attendance roll call taken by Mike Tremblay, Director of Transit Development.

- 1. With a quorum in place, the meeting was called to order at 4:05 p.m. by Mike Foley, Board President.**
- 2. Public comment:** No members of the public were present.
- 3. Approval of June 22, 2023 Meeting Minutes**
John Thompson made a motion to approve the June 22, 2023 meeting minutes. Paul Bradbury seconded the motion. After a roll call vote of the members present, the minutes were unanimously approved by all members present.
- 4. Executive Director’s Report**
Greg Jordan presented the Executive Director’s report – refer to Attachment A.
- 5. Proposed Fare Policy Change**
Mike Tremblay presented the proposed fare policy change which would re-introduce the 10 ride transit pass option for Dirigo smart card and mobile app users. Hope Cahan made a motion to approve the recommendation. John Thompson seconded the motion. After a roll call vote of the members present, the motion was unanimously approved by all members present.

6. Agreement with the University of Maine System

Greg Jordan provided an overview of the new agreement with the University of Maine system for the provision of transit passes to students and personnel associated with the University of Southern Maine and the University of Maine Law School, as well as the provision for direct operating funding support for the Husky Line.

John Thompson made a motion to approve the recommendation. Paul Bradbury seconded the motion. After a roll call vote of the members present, the motion was unanimously approved by all members present.

7. Executive Session – Collective Bargaining Agreement

The board chose to not enter executive session. Glenn Fenton (Chief Transportation Officer) provided a summary of the tentative agreements reached with ATU Local 714 on the inclusion of additional job categories into the existing CBA, and the associated impacts.

John Thompson made a motion to approve the recommendation. Nat Tupper seconded the motion. After a roll call vote of the members present, the motion was unanimously approved by all members present.

8. Metro Strategic Planning Process

Greg Jordan presented the final proposed statements of agency mission, vision and core values. These were crafted following extensive work with the board and staff with facilitation services provided by GPCOG Executive Director, Kristina Egan.

John Thompson made a motion to approve the recommendation. Hope Cahan seconded the motion. After a roll call vote of the members present, the motion was unanimously approved by all members present.

9. Future Agenda Items

No additional future agenda items were added.

10. Upcoming meetings

These are upcoming meetings as presently scheduled:

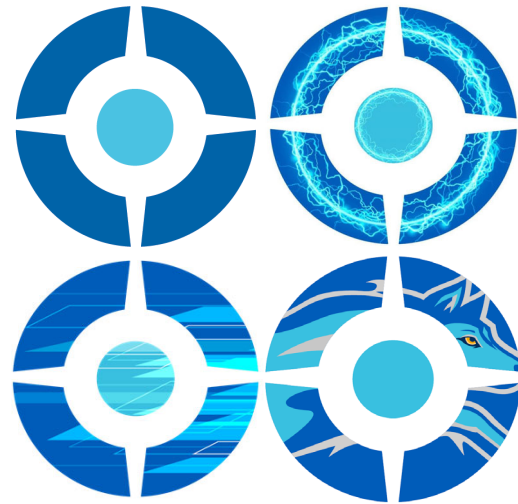
- Finance Committee – October 4, 2023 at 4:00 p.m.
- Executive Committee – October 11, 2023 at 3:30 p.m.
- Ridership Committee – October 18, 2023 at 4:00 p.m.
- Board of Directors – October 26, 2023 at 4:00 p.m.

11. Adjournment

Following a motion by Paul Bradbury to adjourn the meeting, and a second by John Thompson, Mike Foley adjourned the meeting at 5:03 p.m.

GREATER PORTLAND METRO

Board of Directors
September 28, 2023



EXECUTIVE DIRECTOR'S REPORT

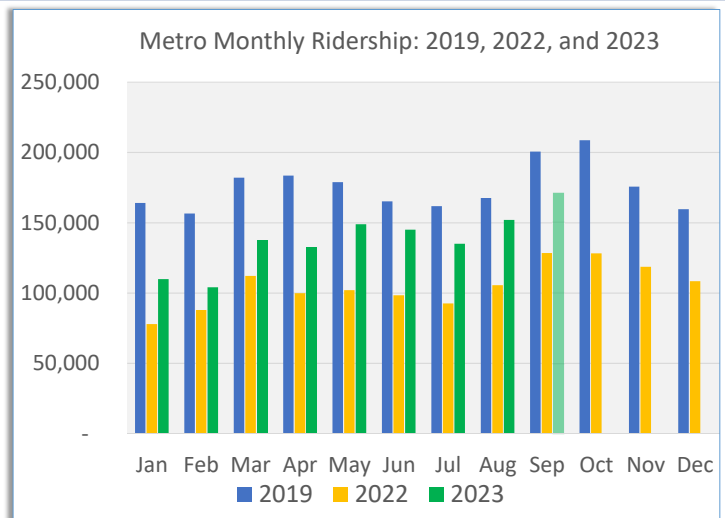
Ridership

August 2023

- 152,000 boardings
- 44% increase compared to Aug 22
- 91% recovery rate
- Highest since February 2020

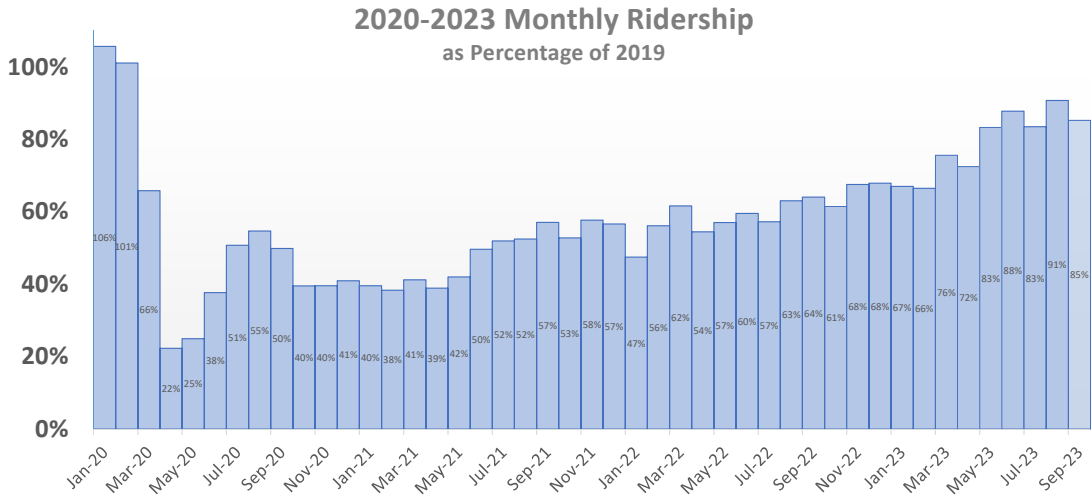
September 2023

- Projecting over 170,000 boardings
- 30% increase compared to Sep 22
- 85% recovery rate
- Final month of Fare Deal



EXECUTIVE DIRECTOR'S REPORT

Ridership



EXECUTIVE DIRECTOR'S REPORT

ARPA Funded Projects

Fare Deal

- 50% fare reduction
- March 1 thru September 30
- Offset by 500k in ARPA funding.
- Heavily marketed
- Estimated 10% bump in ridership as a result of program.
- Post program evaluation to be prepared for Ridership-Finance Committees in November.

Return to Regular Fares

Effective October 1, 2023

Metro, BSOOB Transit, and South Portland Bus Service

Local Fares

Full Fare: \$2.00
Reduced Fare \$1.00

Express Fares

Full Fare: \$4.00
Reduced Fare \$2.00



More Info and FAQs -- Dirigopass.org

EXECUTIVE DIRECTOR'S REPORT

ARPA Funded Projects

Phase I Service Improvements

- Route 9 midday headway improvements.
- Breez midday headway improvements.
- Husky Line extension to Old Port/Eastern Waterfront.
- [Video](#)



EXECUTIVE DIRECTOR'S REPORT

ARPA Funded Projects

Phase II Service Improvements

- Route 7 route re-alignment in Falmouth and Portland, extension to Jetport, and headway improvements.
- Route 5 route realignment.
- Microtransit pilot in Falmouth.

Projects

- Transit Signal Priority: Washington, Forest, Brighton and Congress.
- ADA Improvements at bus stops.



EXECUTIVE DIRECTOR'S REPORT

2024 Operating Budget Process

2024 Operating Budget Status

- Currently balanced at \$16.6 million – 13% overall increase
- Baseline bus service: 6.5% increase
- ADA Paratransit: 22% increase
- ARPA Funded Service Improvements: % N/A
- 151 St. John's Property: -1% decrease
- Average local assessment increase currently stands at 8%.

Major Variables

- Emergency federal funding ending in 2023
- Fare revenue still depressed though trends are positive
- Increasing costs of labor and materials
- Larger capital program
- Increase in state and non-municipal funding
- Finance Committee evaluating return to cost-revenue allocation by route and municipality – *has potential to cause wider variation in local assessment increases.*

EXECUTIVE DIRECTOR'S REPORT

September Community Outreach and Events

Bayview Assisted Living Outreach - Presentation to about 25 residents of Munjoy Hill assisted living facility.

Rock Row Get to Know Each Other – Metro table near playground at Rock Row, alongside several Westbrook organizations.

Care Free Day – Free bus rides. Metro, BSOOB Transit, and South Portland Bus Service

Maine Conference National Federation of the Blind – Marketing staff attended event Adaptive Outdoor Education Center in Brunswick. Participants joined staff on the bus to review details on how to ride and had they had an opportunity to ask questions.

Bowdoin College Sustainability Resource Fair



Agenda Item 8

Mission Vision Values

OUR MISSION IS TO:

Provide a public transportation experience that is frequent, fast, safe, and simple.

OUR VISION FOR THE FUTURE IS TO...

Be the mobility option of choice that connects people to each other and all the places that make for a full life;

Serve as a foundation for regional prosperity, growing communities, and a healthy environment.

OUR CORE VALUES ARE:

- **Safety** – our highest priority is the safety of our riders, employees, and the public.
- **Service** – we serve our riders and communities; we support our employees; we act in the public interest.
- **Simplicity** – we do the hard work to make transit easy for all.
- **Sustainability** – We commit to responsible and equitable practices today to ensure a sustainable and better future.
- **Innovation** – with imagination and determination we never stop building a better public transportation experience for riders.

DATE

December 13, 2023

SUBJECT

Authorization for Tax Anticipation Borrowing of \$5,600,000 for 2024

PURPOSE

Authorize issuance of a Tax Anticipation Note (TAN) of \$5,600,000 to provide operating cash flow for 2024 through short-term borrowing.

BACKGROUND/ANALYSIS

Because of the timing of the receipt of both the FTA annual operating funds, which are received in September/October, and municipal funds which are received in July/August, Metro requires annual short-term financing to ensure the agency can maintain cash flow to meet its operational needs throughout the year. By definition, the term of a TAN is twelve months.

The principal amount of the 2023 TAN was \$5.6 million, and was based on the budget increase as well as the continued impact of COVID19 that continued to suppress fare and advertising revenue throughout the year. The receipt of CARES funding resulted in the need to draw only \$3.30 million of the TAN.

The \$5.6 million principal amount for 2024 is based on an increased budget, as well as the dampening effect COVID19 continues to have on fare revenue. While the CARES funding was exhausted in 2023, State funding has increased for 2024, and will be received early in the year (January 2024), lessening the dependence on the TAN, at least in very early 2024. The unpredictability of these revenue streams results in a conservative estimate for cash flow needs of the \$5.6 million. However, as in 2023, only the amount needed will be drawn from the TAN and interest cost will be based on that amount.

Camden National Bank, who has held our TANs for the past several years and continues to be our depository bank, proposed to offer a competitive interest rate of 5.96% for 2024, albeit a rate that is 0.82% greater than 2023, as the Federal Reserve continues to raise interest rates as an inflationary control measure. Short-term interest rates had risen in 2018/2019, with our TAN rate being 3.15%, and then dropping to 2.18% in 2020 and 1.67% in 2022, and then climbed significantly in 2023 to 5.14%.

We did request rate quotes from several other banks, with Mascoma Bank being the only bank that responded outside of Camden. Mascoma's proposed borrowing rate was 6.25%.

To approve the financing, Bond Counsel has provided the Motion language and item description in **Attachment A** to authorize the District to borrow funds and to authorize the Board President and Treasurer to execute the required paperwork for generating the note.

FISCAL IMPACT

Cash flow financing accrues interest as funds are drawn periodically, is based on the cumulative outstanding balance, and must be fully retired by the end of the year. The interest expense has increased not only from rate increases, but also due to cash requirements early in the year which required drawing the TAN amount sooner, and the expenditures have increased as the budget has increased.

The following table shows comparative principal amounts, interest rates, and total interest paid. The budget estimate for 2024 interest is \$85,000.

Year	Principal	Rate	Int Paid	Operating Budget
2017	\$2,000,000	1.30%	\$ 7,272	Budget = \$ 8.7m
2018	\$2,450,000	2.12%	\$23,126	Budget = \$10.1m
2019	\$3,000,000	3.15%	\$51,485	Budget = \$11.4m
2020	\$4,100,000	2.18%	\$32,958	Budget = \$12.1m
2021	\$4,600,000	1.59%	\$15,408	Budget = \$12.7m
2022	\$5,300,000	1.67%	\$23,053	Budget= \$13.9m
2023	\$5,600,000	5.14%	\$66,570	Budget= \$14.3m
2024	\$5,600,000	5.96%	TBD	Budget= \$16.8m

PRIOR COMMITTEE ACTION

N/A

RECOMMENDATION

Staff recommends approval authorizing the district to borrow funds and authorizing the Board President and Treasurer to execute the required paperwork for generating the note.

CONTACT

Shelly Brooks
 Finance Director
 207-423-5052
sbrooks@gpmetro.org

ATTACHMENTS

Attachment A – Voting Item and Resolution

Motion: I move that the vote entitled, “Authorization for Tax Anticipation Borrowing (\$5,600,000)” be approved in form presented to this meeting and that the Clerk file an attested copy of said vote with the minutes of this meeting.

TITLE: Authorization for Tax Anticipation Borrowing (\$5,600,000)

By the Board of Directors of the Greater Portland Transit District be it hereby voted, ordered and resolved as follows:

VOTED: That, pursuant to Sections 3504 and 3512 of Title 30-A of the Maine Revised Statutes, the President (or if the President is unavailable, the Vice President) and Treasurer of the Greater Portland Transit District (the “District”) are hereby authorized and empowered to borrow from Camden National Bank (the “Bank”), at one time or from time to time during the fiscal year ending December 31, 2024, an aggregate principal amount not to exceed \$5,600,000 in anticipation of the collection of taxes, such borrowing to be evidenced by the issuance of the District’s tax anticipation note (the “Note”).

VOTED: That the Note shall be executed in the name of and on behalf of the District by the Treasurer, countersigned by the President (or if the President is unavailable, the Vice President) of the District, attested to by the Clerk.

VOTED: That the Note shall mature on or before December 31, 2024, shall bear interest at the rate not to exceed 5.96% per annum and shall be in such form and contain such other terms and provisions, not inconsistent herewith, as shall be approved by the officers and officials signing the same, which approval shall be conclusively evidenced by their execution thereof.

VOTED: That the Treasurer, to the extent permitted and available under the Internal Revenue Code of 1986, as amended (the “Code”), be and hereby is authorized to designate the Note as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

VOTED: That the Treasurer be and hereby is authorized to covenant with the Bank, on behalf of the District and for the benefit of the Bank as the holder of the Note, that the District shall take whatever steps, including filing any reports and rebating any excess earnings, as may be required by federal law, and shall refrain from taking any action, as may be necessary or appropriate to ensure that interest on the Note will remain exempt from federal income taxes.

VOTED: That the Treasurer, President (or if the President is unavailable, the Vice President) and Clerk of the District be and hereby are authorized and empowered on behalf of the District to undertake all such acts and things and execute and deliver all such documents and certificates as may be necessary or convenient in connection with the issuance, sale, execution, and delivery of the Note.

VOTED: That if the Treasurer, President, Vice President, or Clerk are for any reason unavailable to approve and execute the Note or any related documents, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had himself/herself performed such act.

I hereby certify that this is a true copy of the order adopted by the Greater Portland Transit District Board of Directors on December 13, 2023.

A true copy,

Attest: _____
Clerk, Greater Portland Transit District

Date: December 13, 2023