



MEETING: COTA BOARD OF TRUSTEES

DATE: WEDNESDAY, NOVEMBER 17 2021

TIME: 8:30 AM – 10:00 AM

LOCATION: COTA MCKINLEY FACILITY – ROOMS 1034/1035

MEETING MINUTES

1. CALL TO ORDER

Chair Treneff called the November 17, 2021 Meeting of the COTA Board of Trustees to order at 8:30 AM.

2. ROLL CALL

Board Members Present

Craig Treneff, Chair
Marlon Moore, Vice Chair
Trudy Bartley
Julie Colley
Jennifer Gallagher
Steve Gladman
Amy Landino
Doug McCollough
Sean Mentel
Timothy Skinner
Julie Sloat

Board Members Absent

Kumi Walker

3. APPROVAL OF BOARD OF TRUSTEES MEETING MINUTES

Trustee Gladman motioned to approve the September 29, 2021 Board of Trustees Meeting Minutes as amended. Trustee Skinner seconded the motion. Motion carries.

4. COMMENTS OR STATEMENTS FROM THE PUBLIC

There were no comments or statements from the public.

5. PRESIDENT'S REMARKS

Joanna M. Pinkerton, President/CEO, took a moment to recognize COTA's veterans for their service. She noted that COTA's veterans continue to serve in ways well beyond the vehicles that





they service, drive or buildings that they build. Joanna also took a moment to inform the Board that the U.S. Department of Labor's awarded COTA the Honoring Investments in Recruiting and Employing American Military Veterans (HIRE Vets) Gold Medallion Award for COTA's "exemplary efforts in recruiting, employing and retaining our nation's Veterans." She noted she appreciated the opportunity to highlight the talents of the people who choose to give COTA their time and service.

Chair Treneff congratulated Joanna on the announcement that she is a 2022 YWCA Women of Achievement.

6. GOVERNANCE COMMITTEE REPORT – CRAIG TRENEFF, CHAIR

The Governance Committee met on Wednesday, November 10, 2021. There was a quorum and the September minutes were approved. The Committee also heard committee reports from each of the committee chairs, and reviewed each of the resolutions being presented before the Board today.

7. EXTERNAL/STAKEHOLDER RELATIONS COMMITTEE REPORT – AMY LANDINO, CHAIR

The External Stakeholder Relations Committee did not meet in November, so there was no report. The next External Stakeholder Relations Committee meeting will occur on Tuesday, December 7 at 3:00 PM.

8. PERFORMANCE MONITORING/AUDIT COMMITTEE REPORT – JULIE SLOAT, CHAIR

The Performance Monitoring and Audit committee met on Wednesday, November 10th at 3:00 PM there was a quorum.

The meeting started with a financial report from COTA's Director of Finance, Erin Delffs. Trustee Sloat noted that due to the timing of the meeting, Staff couldn't close the books on October, so the financials reported were for the month of September. COTA continues to be in a strong financial position, and with four months remaining in the year, COTA has exceeded the 2021 annual budgeted revenue by nearly 18% or \$26 million. This was driven by the CARES Act funding as well as a better-than-expected increase in sales tax revenue, which through September, had increased \$12.8 million over the amount expected for 2021. Year-to-date operating expenditures through September were \$114.0 million, which is a \$10 million decrease from the amount budgeted. With revenues ahead of budget and expenditures below budget, COTA's net operating position shows an increase of \$58.4 million through the end of September. COTA continues to be on a strong path for year-end. In the report on ridership, Erin shared that COTA's boardings through September totaled nearly 6.4 million. While this is a 19.5% decrease over 2020, the amount represents a nearly 14% increase over what was planned. Certainly, it was difficult for the team to predict ridership this year with all the uncertainty; we're glad that it is ahead of plan though.





9. STRATEGIC AND OPERATIONAL PLANNING COMMITTEE REPORT – MARLON MOORE, CHAIR

The Strategic and Operational Planning Committee met on Wednesday, November 3rd and had two of items of business. The first, was a LinkUS Update by Kim Sharp, Senior Director, Development. Both the West Broad and East Main corridor have been accepted by the FTA into their pipeline. Columbus hosted a peer city exchange on October 19th where representatives from Austin, Charlotte and Indianapolis met with the LinkUS team to discuss corridor projects and how they benefited their communities. Some of the recent staff efforts have included legislative topics, financial modeling and understanding public sentiment towards LinkUS and its benefits and impacts to the community.

The next item of business was a 2022 Budget Report from Angel Mumma, Chief Financial Officer. Vice-Chair Moore called upon Erin Delffs, Director of Finance, to present the 2022 Budget in Angel Mumma's absence. Erin started by framing the discussion by saying that COTA continues to be fiscally strong. He noted that COTA's financial health is largely due to one-time revenue sources which have increased the reserve levels. He said that the team is aware that ongoing sustainability cannot be dependent on one-time revenue. Having said that, COTA is in a position where the organization is healthy today and has resources in the reserves to continue providing services to the community. This once again results in a proposed budget in which expenses exceed revenue, using the reserves to fill the gap.

Erin noted that in 2021, COTA began the process of separating out capital projects and expenditures into its own budget. The next step was to determine of COTA's operating budget, how much of COTA's expenses were truly ongoing in nature versus project (and likely one-time expenses) in nature. This is COTA's first attempt at that and the organization plans to continue working on perfecting this process over the next few budget cycles.

Erin explained to the Board that COTA started the year planning to spend nearly \$26 million more than what COTA brought in through revenue. As we sit here in November, COTA is now planning that revenues will exceed expenses by nearly \$66 million. That major shift is attributable to the CARES act funding, increased sales tax revenue and spending less than anticipated.

In the preliminary budget for 2022, COTA is looking at total expenses of \$182.3M labor and fringe benefits making up 65% of it followed by Services at 15%. This makes up a 3.7% increase over the 2021 revised budget. Erin noted that for the 2022 budget, the following service delivery assumptions were made: 9.7 million boardings (assuming a 5% increase in boardings over 2021), 940,825 fixed route hours, continuation of COTA//Plus Services and a new contract for Mainstream services. Erin went on to expand upon the labor and benefits portion of the preliminary 2022 operating budget. Labor and benefits represent \$118,302,000 and a 7.1% increase over the 2021 revised budget. The budget used a baseline of 1,107 employees (current headcount).





Erin went on to discuss the revenue portion of the preliminary 2022 budget. Recent growth in revenue has been driven by Federal assistance. Excluding Federal revenue, there has been no growth in revenue (on average over the last four years). The largest portion of the 2022 estimated revenue comes from sales tax representing 81% of estimated revenue. The 2022 estimated revenue made the following key assumptions: 5% growth in sales tax over 2021, \$12.2 million in passenger fares, formula funding and investment income.

He noted the estimated variance due to operational expenses is \$23.6 million and the estimated variance due to project expenses to be \$10 million for a total variance of \$33.6 million. Erin ended this presentation discussing the impact on COTA's reserve levels should COTA continue the current trend based upon a 3% annual increase in expenditures with a 2.5% increase in revenue. The fund balance will fall below a minimum reserve level (per policy) in 2025; is negative by 2028.

Q1: Trustee More: Service down 6.6%, is that contractual services?

A1: Erin Delffs: Correct, that is contractual service, not ridership.

Q2: Trustee Gallagher: How will the IJA affect this budget? Will that help this budget?

A2: Erin Delffs: It was not totally built into this budget. Ultimately, it may make things better, but will ultimately kick the can down the road as this is one-time funding.

Q3: Trustee Mentel: 10% of sales tax to capital projects – is that internal policy?

A3: Erin Delffs: Yes, that is COTA's internal policy.

10. CONSENT AGENDA

Trustee Gladman motioned to approve the following resolutions on the Consent Agenda. Trustee Landino seconded the motion. Trustee Sloat abstained on Resolution 2021-135. Motion carries.

- RESOLUTION 2021-122 - AMENDING THE RULES AND REGULATIONS AND THE BOARD GOVERNANCE GUIDELINES OF COTA TO GRANT DIVISION CHIEFS THE AUTHORITY TO ENTER INTO CONTRACTS AND APPROVE EXPENDITURES
- RESOLUTION 2021-123 - AMENDING RESOLUTION NO. 2021-103, AUTHORIZING THE USE OF VARIOUS PROMOTIONAL PROGRAM TO INCENTIVIZE CUSTOMERS WHO UTILIZE COTA'S NEW ACCOUNT BASED FARE MANAGEMENT SYSTEM
- RESOLUTION 2021-124 - AUTHORIZING ADDITIONAL EXPENDITURES FOR THE CONTRACT WITH AVAAP USA, LLC FOR BENEFITS OPTIMIZATION SERVICES
- RESOLUTION 2021-125 - AUTHORIZING A CONTRACT WITH CHARTER COMMUNICATIONS OPERATING, LLC (TIME WARNER ENTERTAINMENT COMPANY) FOR INTERNET AND NETWORK SERVICES





- RESOLUTION 2021-126 – AUTHORIZING A CONTRACT WITH T-MOBILE USA, INC. FOR CUSTOMER WI-FI INTERNET SERVICES
- RESOLUTION 2021-127 – AUTHORIZING EXPENDITURES WITH VONTAS FOR MODULES OF THE ITS SOFTWARE SYSTEMS MAINTENANCE AGREEMENTS
- RESOLUTION 2021-128 – AUTHORIZING EXPENDITURES WITH TRAPEZE SOFTWARE GROUP FOR THE ITS SOFTWARE SYSTEM MAINTENANCE AGREEMENTS
- RESOLUTION 2021-129 – AUTHORIZING A RADIO SYSTEMS USER AGREEMENT WITH FRANKLIN COUNTY EMERGENCY MANAGEMENT AND HOMELAND SECURITY (FRANKLIN COUNTY)
- RESOLUTION 2021-130 – AUTHORIZING A CONTRACT WITH WESTERN RESERVE TECHNOLOGY, LTD. FOR THE PURCHASE OF EQUIPMENT FOR COTA PARATRANSIT VEHICLES IN SUPPORT OF THE VEHICLE CONNECTIVITY PROJECT
- RESOLUTION 2021-131 – AUTHORIZING A CONTRACT WITH GALLS, LLC FOR THE PURCHASE OF COTA UNIFORMS
- RESOLUTION 2021-132 – AUTHORIZING THE TRANSFER AND DONATION OF EXCESS REAL ESTATE TO THE BOYS AND GIRLS CLUBS OF COLUMBUS, INC.
- RESOLUTION 2021-133 – AUTHORIZING THE ACQUISITION OF A PORTION OF EASTLAND SQUARE REAL ESTATE
- RESOLUTION 2021-134 – AUTHORIZING A SECOND AMENDMENT & EXTENSION TO AN AGREEMENT WITH THE CITY OF GROVE CITY FOR THE CONTINUATION OF THE COTA//PLUS OPERATING ZONE
- RESOLUTION 2021-135 – AUTHORIZING ADDITIONAL EXPENDITURES FOR THE CONTRACT WITH GO SUSTAINABLE ENERGY LLC FOR DEVELOPMENT AND IMPLEMENTATION SUPPORT OF A SUSTAINABILITY PLAN
- RESOLUTION 2021-136 – AUTHORIZING ADDITIONAL EXPENDITURES FOR THE CONTRACT WITH RICHARD L. BOWEN + ASSOCIATES, INC. FOR DESIGN SERVICES FOR THE RENOVATION OF THE MCKINLEY AVENUE FACILITY (FINAL PHASE)
- RESOLUTION 2021-137 – AUTHORIZING A CONTRACT WITH S&A CLEANTECH FOR COTA STANDARD AND BRT TRANSIT PASSENGER SHELTER CLEANING AND SNOW REMOVAL SERVICES
- RESOLUTION 2021-138 - AUTHORIZING A CONTRACT WITH DECAMIL FOR THE PURCHASE OF REPLACEMENT BRT SHELTERS AND PYLONS

11. MEETING CALENDAR





Chair Treneff thanked everyone for their time and announced that the next Board of Trustees Meeting will be held on Wednesday, December 15 at 8:30 AM at COTA's McKinley Avenue Facility.

12. ADJOURNMENT

Trustee Landino motioned to adjourn the November 17, 2021 Board of Trustees meeting. Trustee Skinner seconded the motion. The meeting adjourned at 9:00 AM.

Adopted: _____ December 15, 2021 _____

Signed: DocuSigned by:
Craig Treneff
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Chair, Board of Trustees

Attest: DocuSigned by:
Joanna M. Pinkerton
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President/CEO

Prepared by CLB

