

**Tri-County Council**  
*for the Lower Eastern Shore of Maryland*  
Serving Somerset, Wicomico and Worcester Counties

**Executive Board Meeting Minutes**  
August 28, 2019

Larry Dodd, Chair, called the special set meeting of the Tri-County Council for the Lower Eastern Shore of Maryland Executive Board to order on Wednesday, August 28, 2019, at the Tri-County Council Multi-Purpose Center in Salisbury at 6:10 p.m.

Voting Members in attendance: Larry Dodd and John Cannon, Wicomico County; Joe Mitrecic and Ted Elder, Worcester County; Eldon Willing, Somerset County; who was also standing as proxy for Rex Simpkins, Somerset County.

Non-Voting Members in attendance: Randy Laird, Somerset County and Mindie Burgoyne, Department of Commerce

Staff in attendance: Greg Padgham, Brad Bellacicco, John Donegan, Becca Webster and Brenda Howard.

A quorum was present.

**Old Business:**

Shore Transit Update – Brad Bellacicco

**Funding**

- 2019's final grant payment is forthcoming, and FY20 FTA/MTA grant forms are being circulated. DHS \$1,665,629 grant paperwork is currently at the Maryland Attorney General's Office.

**Routes**

- SU routes started Monday, and will be running three routes a day, five days a week, averaging 350 riders per day. Routine fall service cuts start September 20 – 23. Ridership is at higher summer levels. July was up 2000 from last July despite reduced revenue hours by 200. BEACON is gathering data for the MPO funded study on increasing ridership. Planning for the National Folk Festival, road closures is complete. There will be a fleet of eight buses for the Folk Festival. Shore Transit is not able to provide transportation for that event.

**Vehicles**

- Revenue Fleet currently at forty-two, which is down by two. Some computers in maintenance are still down, due to an IT event at Tri-County Council. When computers are up, they will have a large amount of completed work to upload.

The FY19 Capital grant has two medium bus purchases pending statewide contract. The FY20 grant has funded purchase of three small and three medium buses.

#### Staffing

- Shore Transit currently has ninety employees, of which fifty-five are drivers. Four drivers start within the next two weeks

Brad Bellacicco and John Donegan presented information on the challenges facing Shore Transit

Background on Shore Transit including history and service types, fixed route and paratransit or Origin to Destination (OTD).

With the improved economy since 2015, national trends show fewer people are using fixed route service. That decline seems to have started leveling off (showed a history ridership graphic). July showed an increase in ridership of 2000 (11% while reducing hours by 4.5%). Shore Transit has always reduced routes to balance the budget in hard times, and is now faced with doing it again. Three routes are gone to date, and one more is ending September 20. We added the stops where people were boarding the eliminated route to other existing routes to continue to serve the public.

Origin to Destination service continues to grow with the aging of the ridership on the Eastern Shore. OTD is a group of programs that allow passenger paratransit service:

ADA  
SSTAP  
5311

Each has different regulations and all have been flat funded for 6 years.

Seven years ago, this program was growing out of control when we were providing service to the health departments for Medicaid clients. Many involved trips to medical facilities in Baltimore. This resulted in spending over one million dollars a year for purchased service (taxi and bus companies paid to augment Shore Transit when demand exceeded our driver force and fleet of vehicles).

An in-house study showed our costs exceeded our revenue, so we approached the three Health Departments for an increase, but their State parent agency said no. The Health Departments developed other ways to move their clients. This helped bring the workload down to a manageable level for a while.

To avoid future problems with OTD workload, we proactively initiated two recent studies and have one underway:

- 2017 OTD Workload study paid for by the SWMPO study by the KFH Group
- An internal study of OTD workload by ST Deputy Director

- A SU Beacon Group study on improving fixed ridership also funded by SWMPO

Brad covered why we are seeing continued growth of the number of seniors and people with disabilities in our region has seen the number increase steadily. See the summary of OTD growth.

- Health Departments are directing their patients to apply for ADA service.
- Worcester COA is a major user of our service
- Wicomico and Somerset utilize one bus a day
- Worcester 4 to 6
- Distances and special programs causing this demand
- Working with Rob Hart to manage the work
- Driver shortage and a lack of vehicles

These and other factors again made it necessary to use \$240,000 of purchased transportation services in 2019.

We have been fortunate recently to hire more drivers, retain our current drivers and develop creative programs like hiring people without CDLs to help with smaller vehicles. These steps have allowed Shore Transit to avoid purchasing services in July and August of 2019.

John discussed history of Shore Transit finances, which saw a million-dollar deficit eight years ago. The normal budgeting process prescribed by FTA/MTA is to request only the amount needed for operations and then adjust down to the actual funding with no pad for increased workload or prices (especially fuel). Efforts to control the workload resulted in small yearend budget surpluses in 2017 and 2018. This allowed the creation of an emergency fund. In 2019, Shore Transit was able to break even.

Looking ahead Brad discussed actions to reduce 2020 costs by \$436,000 in the face of challenges like the \$15 an hour pay rate, continuing challenges from OTD program growth, aging of the current driver staff, difficulty finding CDL drivers, and increasing costs. The monster hiding in the closet is always fuel costs, a quarter per gallon increase in fuel it is hundreds of thousands of dollars in the tight budget. Switching away from diesel to propane has helped save money to offset other cost increases.

With more drivers, managers have cut overtime in half and recently hiring four drivers, all with CDLs. Two are retired, one comes here from Perdue and the other from Deers Head Hospital. With the school bus part-time driver reducing hours next week, these people will help greatly.

Other strategies to reduce cost and handle the workload include:

- Training more non-CDL employees to drive.
- Reduction in fixed routes can reduce eligibility for ADA customers who are no longer within  $\frac{3}{4}$  of a mile of an operating route.

- Tighten rider eligibility within the framework of the Federal regulations as recommended in our August 2017 study of the program. In October, we will review the addresses of all customers to determine if they are getting the appropriate level of service.

John discussed the cost of operations and especially efforts to reduce the impact of employee benefits.

Another future challenge is the age of our current drivers and the need for younger employee who can take over leadership roles in the future.

#### Age of Current Drivers

70-79	3
60-69	18
50-59	25
40-49	6
30-39	4

The presentation concluded with an active discussion involving all the participants.

#### **New Business:**

John Donegan introduced Resolution 19-03 – Request to Dissolve the Tri-County Council 457 Retirement Plan. Currently only thirty people are using this plan, which makes it costly. An IRA option taken from payroll has been chosen to replace this option. The motion to bring this resolution to a vote was made by Mr. Mitrecic and seconded by Ted Elder. The motion passed unanimously.

IT updates relating to a recent cyber-attack on TCC data was shared by John Donegan. Tenants were not affected, and the IT department was able to block the release of information and effectively mitigate damage from the attack.

With no other business, a motion to adjourn was made by Joe Mitrecic and seconded by Eldon Willing. The meeting closed at 8:00 p.m.