

**CASCO BAY ISLAND TRANSIT DISTRICT
 MINUTES OF THE BOARD OF DIRECTORS MEETING OF
 November 17, 2022
 In Person/Video Conference/Phone**

Attendance

Webex In Person Phone Absent

Directors:

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|--------------------------------|--------------------------------|--------------------------|--|---|
| Braden (Pres) | | X left after item 3cb | | |
| Wentworth (1 st VP) | | | | X |
| Crowley (2 nd VP) | | X | | |
| Hoffman (Treasurer) | | X | | |
| Luedke (Clerk) | | X | | |
| Anderson (Ast. Clk) | | X | | |
| Cohen | | X | | |
| Donovan | | X | | |
| Higgins | | X | | |
| Murray | | X | | |
| Pizey | | X | | |
| Radis | | X | | |
| J. Lavanture | X from item 3cc until 10:00 | | | |

Staff:

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|-----------|--|-----------------|--|--|
| Berg | | X | | |
| Bishop | | X after item 3b | | |
| Gildart | | | | |
| Mavodones | | X | | |
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Public:

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|--------------|------------------|-----------------|--|--|
| F. Somers | X after item 3b | | | |
| B. Coughlin | | X after item 3b | | |
| L. Heineman | X after item 3b | | | |
| J. Lavanture | X until item 3cc | | | |
| P. Flynn | X | | | |
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Guests:

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1. Call to Order:

- A. *The Board meeting was called to order at 7:45 AM by President Braden*
- B. *It was noted that the meeting was being recorded*
- C. *President Braden asked Berg to do a roll call of who was attending the meeting, which he did.*

2. Approval of the August 4, 2022, September 22, 2022 and October 27, 2022 meeting minutes

- A. *Luedke made a motion to approve the August 4, 2022, September 22, 2022 and October 27, 2022 meeting minutes; Hoffman seconded*
- B. *President Braden opened the floor to comments. There were no comments.*
- C. *President Braden called for a roll call vote*
- D. *Berg did a roll call vote. The motion passed unanimously (11-0)*

3. Old Business

- A. *Consideration and action on FY 2023 Long Range Capital Funding Plan including a report from the Finance Committee*
 - a) *Hoffman reported she heard confusing information about the side loading ramp in the plan for 2023 and wanted to postpone the vote until the next Board meeting.*
 - b) *There was a discussion about the preventive maintenance part of the plan*
 - c) *Berg described the planning process and the items identified in the plan for 2023 for Aucosico and Bay Mist maintenance.*
 - d) *Hoffman made a motion to proceed with the 2023 portion of the preventive maintenance portion of the Long Range Capital Funding Plan as proposed; Cohen seconded*
 - e) *President Braden opened the floor to public comments. There were no comments.*
 - f) *President Braden opened the floor to Board comments. There were no comments.*
 - g) *President Braden called for a vote (All the Directors in attendance were in person)*
 - h) *The motion passed unanimously (11-0)*
- B. *Executive Session*
 - a) *Discussion of General Manager's evaluation pursuant to 1 M.R.S.A. Section 405(6) (A)*
 - (1) *Radis made a motion to go into Executive session as presented in the Board packet; Crowley Seconded*
 - (2) *President Braden opened the floor to comments. There were no comments.*
 - (3) *President Braden called for a vote*
 - (4) *The motion passed unanimously (11-0)*
 - (5) *Recording was paused and public members and staff were asked to leave, and the Webex virtual meeting was locked down so no public members could gain access.*
 - (6) *The Board came out of the Executive session at 8:50. Public and staff rejoined the meeting, and the recording was started at 8:52*
 - (7) *President Braden reminded everyone who as in the Executive session that the discussion was confidential and not to be shared.*

New Business

President congratulated the newly elected Directors and reflected on his tenure including:

- Endorsement for Polly as a new President and explained why she was unable to attend the meeting
- Read a note from Polly explaining why she wanted to be considered for President
- Requested that the Board strive for consensus and collaboration and reflected on some of the earlier accomplishments while he was on Board that were accomplished through collaboration and consensus including allowing the add on of a dog on the monthly pass, changing of the age of a "child," and Peaks Residential boarding.
- All the accomplishments involved trust and respect of all involved. He asked that the new Board strive to continue even when there is disagreement.
- Thanked everyone

Berg thanked Twain for his participation on the Board since 2013 most recently in the role of President and gave him a gift in recognition of his service

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C. *Annual election process*



Berg gave an explanation of the annual Board newly elected Directors process

1. *Agenda Item 3ca is a vote for the Directors to accept CBITD clerk's certification of the election results. This makes the results official.*
 2. *Agenda Item 3cb is for the newly elected Board members to be sworn in by the current Clerk or Assistant Clerk.*
 3. *Agenda Item 3cc is for the Nominating Committee to report on its recommended nominations. The Presiding Officer will then call for any further nominations from the floor.*
 4. *Agenda Item 3cd is for the election and swearing in of the newly elected Board Officers. The process will be explained in more detail when it comes up*
- a) *Accept Clerk's certification of the election results*
- i) *Hoffman made a motion to accept the clerk's certification of the election results (included in the Board Packet); Crowley seconded the motion.*
 - ii) *President Braden opened the floor to the public; there were no comments*
 - iii) *President Braden opened the floor to the Board; there were no comments*
 - iv) *President Braden called for a vote; The motion passed unanimously (11-0)*
- b) *Qualification of newly elected Directors (swearing in)*
- i) *Clerk Luedke swore in the newly elected Directors in accordance with the statement included in the packet. The newly elected Directors (Crowley, Cohen and Lavanture all acknowledged by saying "I will"*
- c) *Nomination of new Board Officers*
- i) *Hoffman questioned who should oversee the Board Officer selection process since Braden was no longer a Director. It was discussed and the Presiding Office for the process was Crowley as 2nd Vice President since the 1st Vice President was absent.*
 - ii) *Berg explained that the Presiding Officer will ask for the recommended slate from the nominating committee and then ask for any other nominations from the floor.*
 - iii) *Presiding Office Crowley asked for a report from the Nominating Committee.*
 - iv) *Nominating committee chair Hoffman thanked the Board for nominating her, Dave and Joe to be the nominating committee. She explained the process and announced the results: President – Dave Crowley, 1st VP – Polly Wentworth, 2nd VP – Joe Donovan; Treasurer – Jean Hoffman; Clerk – James Luedke; Assistant Clerk – Sharoan Cohen. Hoffman explained the basis of their selections.*
 - v) *Presiding Officer Crowley asked if there were any other nominations from the floor*
 - vi) *Luedke asked the nominating committee why they didn't have the current 1st VP move up as President*
 - vii) *Chair Hoffman shared her thoughts that seniority is not the right way to make the best decision. Should look at who is the right person for the job. Need someone who has the drive and sense of urgency.*
 - viii) *Anderson nominated Wentworth for President*
 - ix) *There were no other nominations*
 - x) *Presiding Officer Crowley asked if anyone who has been nominated is not interested in being nominated?*
 - xi) *No one indicated there were not interested*
- d) *Election and qualification of newly elected Board officers (swearing in)*
- Berg explained the officer election process: The vote for Board officers will be a secret ballot as required by the by-laws,. Voting can only be done by members attending the meeting. A paper ballot will be passed out to Directors who are in person. An email with a link to the vote will be sent to the one Director attending virtually. There will be a 5 - 10 minute break for voting and counting. Directors receiving the greatest number of votes for each position shall constitute the new Board Officers. The results will be recorded, and the current clerk/assistant clerk will announce the results to the Board and the newly elected Board Officers will be sworn in by the current Clerk/assistant clerk. There will be an option to either choose the Nominating Committee's nominations or any of the additional nominations that were put forth on the floor.*



- i) *Ballots were handed out and poll sent. Berg collected the ballots and poll result. Berg and Mavodones counted the votes.*
 - ii) *Berg notified Clerk Luedke of the results which he announced to the Board that the nominating committee's recommended slate had won:*
President: Dave Crowley
1st VP – Polly Wentworth
2nd VP – Joe Donovan
Treasurer – Jean Hoffman
Clerk – James Luedke
Assistant Clerk – Sharoan Cohen
 - iii) *Clerk Luedke swore in the newly elected Officers in accordance with the statement included in the packet. The newly elected Officers all acknowledged by saying "I will"*
 - iv) *President Crowley thanked everybody and shared his vision of bringing everyone together even if there happens to be a disagreement*
- D. Consideration and action to direct staff to request proposals for an independent audit firm to perform a full financial audit of CBL finances.**
- i) *President Crowley introduced the topic and turned the floor over to Treasurer Hoffman*
 - ii) *Treasurer Hoffman reported that she believes there are three issues with the CBITD audit: 1) Process, 2) Selection of an outside accounting firm and 3) what is audited.*
 - iii) *The process: The audit at CBL is done all by the staff. The Board needs to be more involved including meeting with the auditor independently in an Executive session without staff. The process needs to be changed such that the Board is making sure the Board is meeting with the auditor, engaging with the auditor, having an independent conversation with the auditor.*
 - iv) *The firm: She was not impressed with the current auditor and stated a different firm should be used. It is also good practice to change auditors. Need a firm that is more modern and better understanding of software. Had extreme delays when Rocket Rez was implemented. Does not think this guy is capable of it.*
 - v) *What is audited: The current audit is a compliance audit required by federal agencies CBITD gets funding from. CBITD needs a full financial audit to ensure integrity of the books.*
 - vi) *Need to move this forward immediately to use a new outside firm to conduct a full financial audit.*
 - vii) *The wording of the resolution is just for a financial audit not for a compliance audit. Perhaps the new firm can do both but she is not sure of that. Not worried about a compliance audit. Wants to make sure we do a full financial audit. In her experience she has had two audits done, full and compliance. Do not want to limit the choice of financial firms by requiring they have the ability to perform a compliance audit.*
 - viii) *Berg thanked Jean for her comments. He stressed the importance of proceeding with the compliance audit to meet the federal requirements and timelines so he would like to start the compliance audit immediately. He agrees with the concept changing auditors and explained that an RFP had been planned but postponed due to the-pandemic. Planned to do it this year but Jonathan left. In terms of changing the process. Staff will support what the Board directs.*
 - ix) *Berg shared a little history. The past process was supported by the previous Treasurer and therefor used for many years. CBITD is a public entity just like a city and with different rules from private entities. He then explained what the law requires to go into executive session and therefor can not go into to executive session just to discuss financials.*
 - x) *Berg clarified that the Treasurer does have check signing authority by annual vote by the Board. As does the President.*
 - xi) *In terms of what is being audited, Berg shared that RHR Smith is a well known firm with a expertise auditing public entities. They do a very thorough audit. This past year they did three audits for CBL: Financial audit, uniform guidance audit and a GAPP audit. The Board voted to accept them at the last meeting but unfortunately the auditor was not given the time to discuss with the Board. The audits were a clean bill of health with no findings. So, we have had a clean bill of health from the auditor, no findings from the last very detailed FTA Triennial review. Have*



had no finding for the last 4-5 FTA reviews which is unheard of. Staff will support a change in process but does not feel it is as urgent as presented given the recent audit reports.

- xii) *Berg stated staff will work with the requested change but also need to proceed with federal compliance audit asap.*
- xiii) *Hoffman understood and respected the previous Treasurer but thought he was old and was steered by staff. She also felt going into Executive session with an auditor was allowed under law since it was a discussion about personnel performance. She was also told by Ron Smith that they could do a full financial audit and that it would cost more money. She has no issue with proceeding separately on compliance audit. She wants to proceed with full financial audit as soon as possible.*
- xiv) *Hoffman made a motion as included in the final Board packet to proceed immediately with the process to identify and select a new outside firm for a full financial audit. It was noted it will cost a lot more money than current audit. Current firm is small and it is expected a larger firm will be selected for full audit. She wants to have oversight of selection process because she does not want cost to be the deciding factor.*
- xv) *President Crowley asked for clarification what the proposed motion is.*
- xvi) *Hoffman clarified that her motion was to direct staff to prepare an RFP for review by the Treasurer before it goes out to request for a proposal for an independent audit firm to perform a full financial audit of CBL. Cohen seconded.*
- xvii) *Luedke asked for the motion to be restated*
- xviii) *Hoffman restated her motion: to direct staff with oversight by the Treasurer to prepare an RFP to request for a proposal for an independent audit firm to perform a full financial audit of CBL financials.*
- xix) *President Crowley opened the floor to the public.*
 - (1) *B. Coughlin shared that he has a financial background and very used to financial statements. It is good form to change auditors to get new perspective for many reasons. The auditor ought to work with management and the Board. First year can be a challenge.*
 - (2) *There were no other public comments*
- xx) *President Crowley opened the floor to the Board.*
 - (1) *Lavanture supported the motion. Also supportive of separating the two audits.*
 - (2) *Donovan agrees with the need of a full financial audit but was concerned with workload of staff. He supports the motion but proposed an amendment to change the oversight from the Treasurer to the Finance Committee. Luedke seconded*
 - (3) *President Crowley called for a discussion on the amendment*
 - (a) *Hoffman welcomed the amendment*
 - (b) *Luedke supports the amendment but would like to get more information on the cost*
 - (c) *Hoffman reported that the cost would come to the Board before proceeding with a firm.*
 - (d) *There were no further comments on the amendment*
 - (e) *President Crowley called for a vote on the amendment; The amendment passed unanimously (11-0)*
- xxi) *President Crowley opened the floor up to Board comments on the amended motion*
 - (1) *Pizey was in support of the amended motion*
 - (2) *Murray was in support*
 - (3) *Higgins was in support*
 - (4) *Anderson thought it would be a good starting point for new Finance person*
- xxii) *President Crowley called for a vote on the amended motion; The amended motion passed unanimously (11-0)*

4. Workshops

- A. Discussion regarding the level of detail of the Board of Directors' meeting minutes
 - a) *President Crowley introduced the topic, shared his positive experience with the Webex closed caption and turned the floor over to Treasurer Hoffman*



- b) *Hoffman liked the current detail of minutes and encouraged each Director to make sure comments he/she felt important get included. Would like to see recordings made available to public.*
- c) *Donovan had no problem with current minutes but thought having minutes capturing actions along with making the recordings available was sufficient*
- d) *Cohen agreed with Hoffman*
- e) *Radis asked for clarification of whose responsibility it was to take minutes.*
- f) *Berg shared history and since there is no Secretary of the Board it is staff's responsibility to take minutes and Board to approve them. The City of Portland just includes actions in their minutes and makes the recordings available. Also, concerned that whoever takes the minutes may unintentionally misinterpret things whereas the recordings captures what was actually said, not what the recorders interpretation of what was said. Berg favors doing the same as the City.*
- g) *Higgins shared what MSFS does, and the inordinate amount of time is spent on written minutes when it is all available on recording and really only need a one-page summary.*
- h) *Radis supported more concise minutes with making the recording available.*
- i) *Hoffman shared that her Board experience is with detailed written minutes*
- j) *Luedke liked seeing Berg's interpretation of what transpired at a Board meeting to see that he didn't miss something in the meeting.*
- k) *President Crowley supported the written minutes recording actions and making the recordings available*
- l) *Murray reviewed what the City does by recording only actions taken and providing the recording meeting to the public*
- m) *Hoffman reiterated her support of detailed minutes.*
- n) *Crowley suggested trying it (recording only actions and providing access to recording) one time to see how it works.*
- o) *Luedke did not support Crowley's suggestion*
- p) *Cohen spoke in favor of the detailed minutes*
- q) *Luedke shared his concern about posting recordings and how easy it is to take a snippet of the recording and post out of context which could lead to more reserved conversations by the Board.*
- r) *Berg suggested to leave things status quo for now.*

5. General Information Reports

A. Financial Report

- a) *There was no report*

B. Committee Reports

- a) *There were no committee reports*

C. Staff Reports

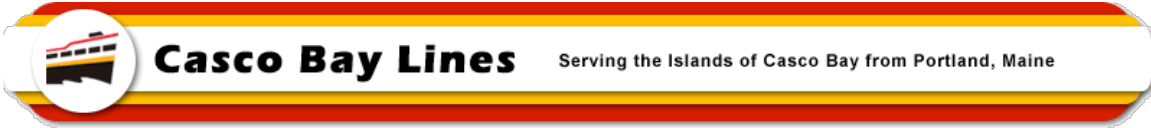
- i) *Berg reported the following*
 - (1) *Status of Finance Director search and first round of interviews for three finalists taking place right after the Thanksgiving break.*
 - ii) *Pottle gave an update on the pier extension, the Machigonne replacement, MDOT work on Peaks and long Island pier work*
 - iii) *Crowley reported that he is working on Committee assignments*

6. General Announcements

A. Establish next meeting dates: (all meetings at 7:45 AM unless indicated otherwise)

- a) *Executive Committee: Thursday, December 1, 2022*
- b) *Personnel Committee: No meeting planned*
- c) *Operations Committee: TBD*
- d) *Finance Committee: Wednesday, December 21, 2022*
- e) *Board of Directors: Thursday, December 22, 2022*
- f) *Sales & Marketing Committee: No meeting planned*
- g) *Government Relations Committee: No meeting planned*
- h) *Pension Committee: No meeting planned*

7. Public Comment



A. President Crowley opened the floor for Public comments on items not on the agenda

8. Directors Comment

A. There were none

9. Adjournment

A. *Murray moved to adjourn the meeting; Anderson seconded.*

B. *There were no objections*

Respectfully submitted by: 
[James Michael Luedke \(Feb 24, 2023 16:49 EST\)](#)
James Luedke, Clerk